Where energies make tomorrow

We are a leading engineering and technology company for the energy transition

2022 Annual Report



T.EN TECHNIP ENERGIES

CONTENTS

MESSAGE FROM THE CHAIRMAN 2

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER 4

01

PRESENTATION OF TECHNIP ENERGIES 6

Breaking boundaries together to engineer a sustainable future 8

1.1. Technip Energies at a glance 10

1.2. Our DNA 12

1.3. Financial highlights 16

1.4. Shareholder structure 19

1.5. Our Markets - from traditional to emerging 20

1.6. Key events 34

1.7. Forward-looking statements 39

02

VALUE CREATION, BUSINESSES AND FINANCIAL PERFORMANCE 40

2.1. Long-term value creation 42

2.2. Our offering: Technology, Products & Services and Project Delivery 48

2.3. Operating and financial review 61

03

SUSTAINABILITY 78

3.1. Technip Energies ESG Roadmap 81

3.2. ESG Governance and Stakeholder Engagement 91

3.3. Technip Energies ESG Performance 98

3.4. Materiality and UN SDGs 121

3.5. ESG Risks and Opportunities 125

3.6. Impact Book 131

04

RISK AND RISK MANAGEMENT 162

4.1. Risk Management overview 164

4.2. Enterprise Risk Management framework 165

4.3. Risks to which we are subject 167

05

CORPORATE GOVERNANCE 184

5.1. The Technip Energies Board 186

5.2. Share Capital 206

5.3. Agreements affecting control of Technip Energies 209

5.4. Corporate Governance statement 211

5.5. Board members independence requirements 213

5.6. Shareholders General Meetings 213

5.7. Compliance Investigations and Legal Proceedings 215

06

REMUNERATION REPORT 216

6.1. Remuneration at a glance 222

6.2. Main elements of the current remuneration policy 226

6.3. The Compensation Peer Group 228

6.4. Limitation on liability and indemnification matters 228

6.5. Other arrangements 228

6.6. Application of the remuneration policy in 2022 229

6.7. Changes to Remuneration under the 2023 Policy 237

07

BOARD MEMBERS RESPONSIBILITY STATEMENT 242

7.1. Management report 244

7.2. CEO statement 244

7.3. Financial statements 245

08

ANNUAL ACCOUNTS 246

8.1. Consolidated financial statements for the year ended December 31, 2022 248

8.2. Technip Energies Company financial statements 315

8.3. Independent Auditor's report 333

GLOSSARY 342

Breaking boundaries *together* to engineer a sustainable future

Technip Energies is a world-leading engineering and technology player for the energy transition. We bring our clients' game-changing projects to life and are committed to enhancing their performance. We combine our engineering and technology capabilities with our ability to develop new solutions that will support the world's energy transition.

Technip Energies is the culmination of a proud heritage, an iconic journey of delivering many world firsts, and a pioneering spirit to engineer the future of the energy world. Since the company was formed in 1958, our passion for engineering, technologies, and project management runs through our DNA. Our commitment to the highest standards of safety, integrity and quality while addressing growing energy demand to our clients' satisfaction defines our unparalleled track record.

Today, the energy industry and the planet are facing critical challenges such as climate change, inequality, and dwindling natural resources. These call for the most innovative energy solutions and must be addressed together by a singular, inclusive and all-encompassing community with a shared sense of responsibility to build a better tomorrow.

At Technip Energies, our 15,000 talented people believe in leading the collaborative effort that our industry and the world need for lasting, impactful and sustainable changes. We develop new solutions that support and accelerate the world's energy transition. We believe in breaking the boundaries of possibilities by incubating, developing and scaling up new technologies, collaborating with partners, implementing new ways of working, defining breakthrough projects, embedding circularity, accelerating our digital transformation and integrating best-in-class Environment, Social, and Governance (ESG) practices into our business.

We are Technip Energies.

Where energies make tomorrow.

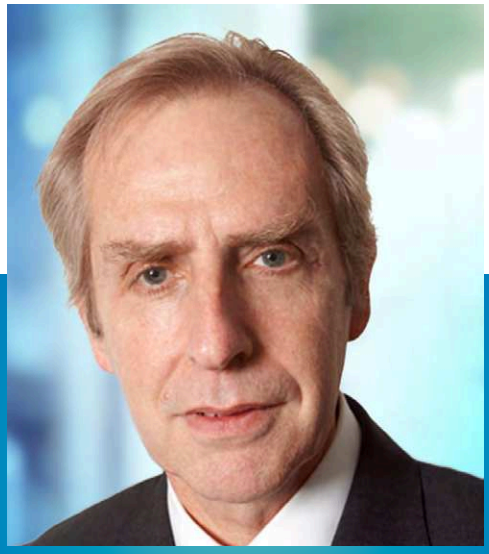


Technip Energies is listed on Euronext Paris, headquartered in Nanterre, France, and registered in the Netherlands. The annual report can be viewed and uploaded at **technipenergies.com**

References to the "Technip Energies Group", "Technip Energies", "the Group" or "the Company" refers to Technip Energies N.V. and all the companies included in the scope of consolidation except where the context provides otherwise. "Technip Energies N.V." refers only to the parent company of the Group. Likewise, the words "we", "us" and "our" may also be used to refer to these entities or their employees. The entities in which Technip Energies N.V. directly or indirectly owns a shareholding are separate and independent legal entities.

Technip Energies • 2126 boulevard de La Défense • Immeuble ORIGINE-CS 10266 • 92741 Nanterre cedex • France

Joseph Rinaldi Chairman



To our stakeholders,

RESILIENCE IN THE FACE OF GLOBAL CHALLENGES

The past few years have seen challenges that have unsettled business plans throughout the world ranging from climate linked natural disasters, the Covid-19 pandemic, disruptions to traditional supply chains and most recently the rise of global inflation and the war in Ukraine.
Technip Energies has not been immune to such disruptions with the exit from the Arctic LNG 2 project following the Russian invasion of Ukraine being an example of a headwind that has directly impacted the business.
Yet the continuing track record of operational and financial success in 2022 testifies to the resilience of the Company's business plan, its values and above all, its people.

INVESTMENT IN ENERGY TRANSITION IS ACCELERATING

The Company's business plan is based on the conviction that the energy transition to lower and zero carbon content is imperative and irreversible. In 2022 we saw important policy developments that support the acceleration of this transition. Most notably, the REPowerEU plan and the Inflation Reduction Act ("**IRA**") in the US set more aggressive transition timetables and provide the large scale incentives which are already resulting in a significant increase in the global pace of investments in renewables and other carbon neutral energy sources and technologies including clean hydrogen and carbon capture and storage ("**CCUS**").

A BUSINESS PLAN FOR EVOLVING ENERGY MARKETS

Technip Energies' unique combination of engineering expertise and extensive technology portfolio positions it to be a prominent player in conceiving, building and integrating the solutions that the evolving energy markets and the world need. In particular the Company is well placed to become a prominent player in areas of the new energy landscape such as clean hydrogen, CCUS, floating offshore wind, green chemistry and circularity and in 2022 we witnessed a substantial year-over-year increase in the value of client orders for our offerings in these areas.
Although continuing technological development and innovation is a focus throughout the Company, it will be particularly important in these rapidly evolving markets. In addition to growing the R&D budget devoted to the energy transition, the Company has been - and will continue - pursuing the targeted investments and partnerships that complement its existing technological base and expertise and that allow the Company to continue to differentiate its offerings, drive down costs, scale up solutions, reduce time to market and drive the Company's margin growth.
While we position the Company to continue to develop profitable businesses in such markets, our energy transition strategy also addresses the reality that global demand for energy sources such as LNG will continue to grow for many years to come and that our market leading businesses in LNG, hydrogen and ethylene will continue to provide a strong foundation for the Company's growth.

An important part of our strategy in these businesses is to lead the way in decarbonizing traditional sources of energy and we have already been successful in incorporating designs, technology and proprietary products and solutions that will achieve substantial greenhouse reductions in LNG and ethylene projects.
Another important element of the Company's strategy is a hybrid business model that combines the shorter cycle businesses in the Technology, Products & Services ("**TPS**") segment with the longer cycle Project Delivery segment and that allows the Company to be selective and focus on value creation in both our traditional and developing markets.

> **"WE ARE WELL PLACED TO BECOME A PROMINENT PLAYER IN CLEAN HYDROGEN, CCUS, FLOATING OFFSHORE WIND, GREEN CHEMISTRY AND CIRCULARITY."**

A BUSINESS BUILT ON ESG VALUES AND GOALS

The Company's ESG action plan is designed not only to ensure that the Company's core values are embedded throughout the organization but is also designed to actively support the mission of growing stakeholder value and building a leading, profitable and sustainable business for the energy transition. This year the Company is modifying the 2022 ESG framework to better reflect those values and better support that mission, including by reporting our Scope 3 upstream emissions and setting out an action plan to assess, quantify and report our scope 3 downstream (those of our clients) emissions. We have also set new impact driven (Scope 4) targets for CO_2 emissions avoided for our clients which will initially measure the impact of our CCUS operations and over time be enhanced to cover all our operations.
Because people are at the heart of the Company's success, our revised ESG plan also strengthens actions and goals for training, raises workforce diversity goals and more clearly reflects the Company's core focus on health and safety. The Company strives for best in class safety practices and policies and yet tragically in 2022 there were two fatalities on our project sites. Any fatality, or indeed any incident endangering people, is unacceptable and underlines the need to continue to make safety and worker welfare our top priority.
We are also mindful of the impact the Company has on the local communities in which our people live and we operate and another major revision to our ESG plan involves setting impact targets for social initiatives that benefit those communities.

A BUSINESS PLAN WITH PEOPLE AT ITS CORE

Delivering on our plan and achieving strong financial and operational performances would not be possible without the skill, innovative spirit and shared belief in the mission of the individuals who work at Technip Energies. As our 2022 financial results demonstrate, they are delivering on the goal we set to grow the higher margin activities that comprise the TPS segment. They are also successfully executing some of the most complex projects in the industry and delivering consistently healthy profit margins in our Project Delivery segment. The Board also wishes to acknowledge management's handling of the fall out from Russia's invasion of Ukraine, including their work in safely demobilizing our people and their outstanding work negotiating the complexities associated with the exit from the Arctic LNG 2 project while avoiding net financial loss for the Company.
The continuing strong performance delivered by our people allows the Board to propose a dividend of €0.52 this year, a 16% increase over last year's dividend.

THE BOARD

Didier Houssin has decided to retire from the Board at the upcoming shareholders meeting. On behalf of the Board I wish to thank Didier for his contributions to the Company's success. The Board and the Company have truly benefited from his experience and judgement, especially in these early and critical years of the Company's existence as an independent company.
We are delighted that Stephanie Cox has agreed, subject to shareholder approval, to join the Board. Stephanie has over 30 years experience in the energy sector leading and growing major global businesses as well as serving in senior strategic planning, talent development and supply chain management roles. Her broad experience and knowledge of the industry will enhance our work. Moreover as the pace of investment activity in the US energy markets accelerates following enactment of the IRA, the Board will also benefit from her knowledge of these markets.
Election of the slate of directors we are proposing to our shareholders would result in 40% female representation on the Board. While this would achieve our stated gender diversity goal for the Board, we recognize that achieving gender parity throughout the organization must be an ongoing priority.

OUR SHAREHOLDERS

The Company continues to benefit from the long-term loyalty and support of our shareholders. The Board particularly appreciates the feedback we receive from shareholders. This year we have taken such feedback into account, for example, in designing our improved ESG roadmap and in our decisions concerning executive compensation. In particular, in light of the disappointing results of last year's advisory vote on compensation, the Board has made a number of significant changes in the executive director compensation structure and we are submitting a revised Remuneration Policy for binding shareholder approval this year - two years ahead of schedule.
With the support of our shareholders, the Technip Energies people and our other stakeholders, I am confident we will continue to deliver sustainable returns and long term value for our stakeholders while helping to provide the energy solutions that the world needs.

Arnaud Pieton Chief Executive Officer

Dear stakeholders,

The world is facing an unprecedented energy trilemma: the need to deliver reliable, affordable, and sustainable energy. Today's energy crisis illustrates how fragile this balance is. Russia's invasion of Ukraine and its weaponization of energy is causing economic pain around the world, but this must not thwart global efforts to combat climate change. Indeed, it underlines the criticality of the energy transition.

SAME RESOURCES, NEW SOLUTIONS

The energy transition is a reinvention of the way we live. There is an urgent need for increased investment and accelerated project development with a particular emphasis on natural gas, LNG and low-to-zero carbon solutions. A very different future lies ahead with massive electrification and ever-increasing momentum around hydrogen, circularity, clean fuels and CO_2 management. It is in this context that Technip Energies can be the architect of sustainable change. It is in our DNA. It is reflected in our purpose, embedded in our values, and integral to our ESG roadmap and strategy. I feel great pride to see the passion and engagement of our 15,000 employees delivering today's projects and developing tomorrow's solutions. I thank everyone for their efforts and contributions which are yielding strong results today, and a positive outlook for the future.

EXCELLENCE IN PROJECT EXECUTION

Having a rigorous project framework, selectivity principles and risk management process is the cornerstone of our successful results, and I would like to highlight two examples: in Russia, for the major Arctic LNG 2 project, we have safely demobilized all our operational personnel and implemented an orderly exit while preventing negative financial impact. In Mozambique, despite the COVID-19 pandemic and the supply chain disruptions of the past three years, we successfully delivered the Coral FLNG on time. Its first LNG cargo was offloaded in November. It is thanks to the diligent work of our project management teams who are finding solutions and strictly applying our project framework that we ensure positive cash flow throughout the life of all projects, despite the risks inherent in such large projects.

A UNIQUE OPERATING MODEL TO TACKLE THE NEW ENERGY LANDSCAPE

Our new organization addresses the needs of this rapidly changing energy environment. By adopting in 2022 a more client-centric operating model, with the creation of three market-focused business lines, together with a cross-market business line – T.EN-X Consulting & Products – our ambition is to maintain our leadership in our core business, to strengthen our positioning in Technology, Products & Services, and to speed up the adoption of clean energy solutions. Our global "One T.EN delivery" organization, which provides technology packages for Technip Energies owned technologies and is tasked with ensuring the performance of Engineering, Construction and Project Management services for capital projects and for proprietary equipment, is also integrating digital solutions to create value from our vast data resources. I am convinced that this focused organization structure together with its leadership team is the way forward to support our traditional clients in their energy transition journey and attract new ones as we enter new markets.

> **"THE WOMEN AND MEN OF TECHNIP ENERGIES ARE PROFOUNDLY COMMITTED TO OUR MISSION AND ARE DRIVING CHANGE."**

TECHNOLOGY PARTNERSHIPS AND SHARED INNOVATION

The energy transition is not a journey we take on our own. We must act together to speed up time to market, scale up solutions, deploy them and drive down costs. In 2022, new partnerships include our joint venture, NT Energies, with NPCC in Abu Dhabi, our collaboration with Baker Hughes to advance LNG technology, and our strengthened strategic alliance with Shell Catalysts & Technologies on Cansolv™ technology for carbon capture solutions. On a smaller scale, we are also collaborating with Swiss sports brand On, together with LanzaTech and Borealis, to develop the first-ever running shoe made using carbon emissions as a primary raw material. The partnership shows how recycled carbon technology can contribute to a circular economy.

ACCELERATING IN THE ENERGY TRANSITION

Even before the announced incentives of the "Inflation Reduction Act" in the USA and the "REPowerEU" package for Europe, we have seen growing demand for energy transition projects. In 2022, our energy transition orders



excluding LNG exceeded € 1 billion across several domains including carbon capture, clean hydrogen and sustainable chemistry. This demonstrate our early leadership in these fast growing markets.
Our energy transition strategy is delivering results across all our business lines, which I can illustrate with the following four contracts with clients:

- in ethylene, we will supply INEOS' Project One with our proprietary ethane cracker equipment with a CO_2 footprint 50% lower than the best existing facilities;
- our EPsCa contract with TotalEnergies will transform the Grandpuits refinery in France into a zero-crude platform for sustainable aviation fuel (SAF) using sustainable feedstock such as used cooking oil and animal fat;
- in the USA, we are expanding ExxonMobil's Labarge carbon capture facility, which is already the largest facility in the world, to increase capacity by a further one million metric tonnes; and
- in Australia, we have signed an EPCC contract for the Yuri Green Hydrogen project which will include a solar photovoltaic farm and battery energy system and will produce green H_2 and ammonia.

In 2022, we have also continued to invest in clean energy domains as illustrated by Hy2gen and X1 Wind:

- Hy2gen is a pioneer developer in green hydrogen and derivatives. Together, we are undertaking for example an engineering design for a complete green ammonia plant for Iverson eFuels in Rogaland, Norway; and
- X1 Wind is an energy startup that has designed an innovative and disruptive offshore wind turbine concept and we are supporting the management to bring this concept to commercial application.

Furthermore we are continuing to build-up our technology portfolio, including through the purchase of Biosuccinium® technology, which will offer a bio-based sustainable technology for producing food packaging material.

TECHNIP ENERGIES IS, ABOVE ALL, HUMAN ENERGIES

When we launched Technip Energies in February 2021, we engaged with our stakeholders to establish a meaningful ESG roadmap with the goal of embedding ESG in everything we do and the choices we make to have a positive and long-term impact. This is reflected organizationally with our Strategy and ESG teams being now regrouped under the same leadership.
We published our roadmap at the start of 2022, and we are measuring progress for each ambition and every target. This year our annual report is aligned with the Task Force on Climate-Related Financial Disclosures and we have a section dedicated to ESG reporting in which you will see concrete examples of the progress being made.
As an engineering and technology company, people are our engine. The women and men of Technip Energies are profoundly committed to our mission and are driving change. With the same resources and those we are attracting, we offer new solutions! We have made it our purpose, breaking boundaries together to engineer a sustainable future.

Presentation of Technip Energies



1.



BREAKING BOUNDARIES TOGETHER TO ENGINEER A SUSTAINABLE FUTURE 8

1.1. TECHNIP ENERGIES AT A GLANCE 10

1.2. OUR DNA 12

1.2.1. Our Purpose 14

1.2.2. Our Values 15

1.2.3. Our ESG Roadmap 15

1.3. FINANCIAL HIGHLIGHTS 16

1.4. SHAREHOLDER STRUCTURE 19

1.5. OUR MARKETS - FROM TRADITIONAL TO EMERGING 20

1.5.1. Gas & Low Carbon Energies 20

1.5.2. Sustainable Fuels, Chemicals and Circularity 24

1.5.3. New energies 31

1.6. KEY EVENTS 34

1.7. FORWARD-LOOKING STATEMENTS 39

Breaking boundaries together to engineer a sustainable future

OUR VALUES

- WE ACTIVELY LISTEN
- WE ARE INCLUSIVE AND COLLABORATIVE
- WE STRIVE FOR EXCELLENCE
- WE DRIVE SUSTAINABLE CHANGE
- WE DON'T COMPROMISE ON SAFETY AND INTEGRITY

KEY FIGURES



12.8* billion €
Significant and high-quality backlog



6.4* billion €
Revenue Company



60+
Years of successful operations



€0.52
Proposed dividend per share

* *Financial information is presented under adjusted IFRS (see section 2.3.3).*

RESEARCH & DEVELOPMENT

2 Technology centers
- Weymouth (United States)
- Frankfurt (Germany)

27%
Increase in R&D spend

83%
R&D spend on energy transition in 2022

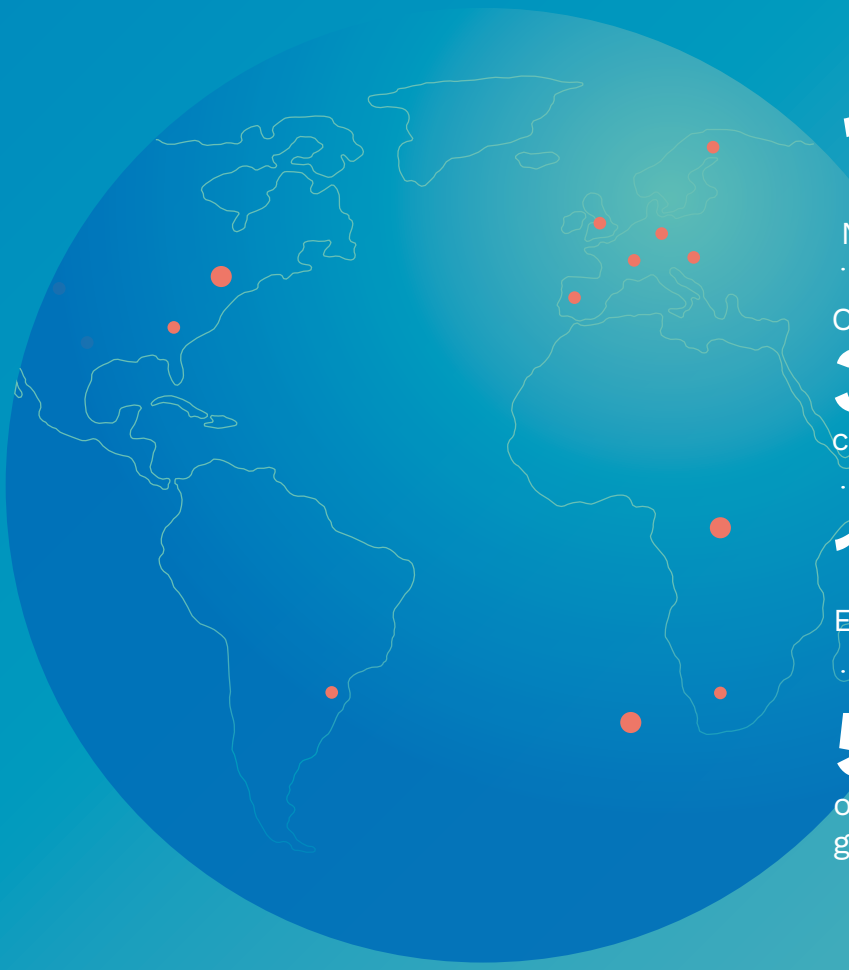
100%
R&D spend on energy transition by 2025

EXPERTISE

390
Patent families

+3,000
Patents

407
Recognized technical experts in the Technical Expertise Program



108
Nationalities

Operating across
35
countries

15,000
Employees

51.7%
of women in graduate intake

1.1.

Technip Energies at a glance

ABOUT TECHNIP ENERGIES

Technip Energies is a leading engineering & technology (“**E&T**”) company for the energy transition, with leadership positions in Liquefied Natural Gas (“**LNG**”), hydrogen and ethylene as well as growing market positions in blue and green hydrogen, sustainable chemistry and CO_2 management. We benefit from our robust Project Delivery model supported by an extensive Technology, Products & Services offering.

Operating in 35 countries, our 15,000 people are fully committed to bringing our clients’ innovative projects to life, breaking boundaries to accelerate the energy transition for a better tomorrow.

We are positioned to play a critical role in assisting our clients reach their net zero targets and deliver affordable, reliable and sustainable energy supply. If oil and gas currently take a predominant place in the energy mix and will continue to do so for some years, our solutions help decarbonize production and processes as well as improve the environmental footprint of hydrocarbon use. The energy transition covers different realities depending on our clients’ countries, their existing energy mix, economic maturity, and ambition in their transition. But there is one common reality that electrons and molecules will be necessary, that they will have to co-exist in the energy mix and that there will need to be a bridge between them. This is exactly our positioning.

The energy transition is our business for which we deploy our core capabilities to meet today's and tomorrow's energy challenges and accelerate developments, whether in **LNG** (onshore and offshore liquefaction), in **sustainable chemistry** (biofuels, chemicals, circular economy), for **decarbonization** (energy efficiency, blue hydrogen, carbon capture, utilization and storage (“**CCUS**” where we are involved in 60 projects) or for **carbon-free energy solutions** (green hydrogen and floating offshore wind).

At Technip Energies, we design and deliver added-value solutions for our clients around the world with the technologies, expertise and know-how and technologies that will enable the energy transition at the best possible pace. It requires improving existing technologies, lowering costs, implementing large-scale industrialization processes. It calls for replicable models and a major standardization effort that we are able to provide.



WE HAVE

adapted our operating model to better deliver on our strategy and serve our markets, as a very different future lies ahead with massive electrification and ever-increasing momentum around hydrogen, circularity, clean fuels and CO_2 management. To sustain our leadership in our core businesses and to be a leader in these new markets, we are organized around three market-focused business lines (Gas & Low-Carbon Energies, Sustainable Fuels, Chemicals & Circularity and Carbon-Free Solutions), a cross-market business line (T.EN X – Consulting & Products) and a global delivery organization for our projects and solutions (One T.EN Delivery).





WE DEVELOP

a full range of design and project development services to our customers spanning from early engagement, technical consulting through project delivery. We have a track record of more than 60 years in managing large engineering, procurement, and construction ("**EPC**") projects.

WE OFFER

a comprehensive portfolio of technologies, products, projects, and services with capabilities spanning across early studies, technology licensing, proprietary equipment and project management to full engineering and construction. Digital is a core enabler of sustainable and profitable business performance from improved internal efficiency, enhanced collaboration across the entire value chain, and creation of new business models. We believe that digital is an accelerator for the energy transition and the transformation of the energy industry.





WE MANAGE

market-oriented research and development ("**R&D**") programs as there can be no energy transition without sustained, long-term investments in technology and innovation. We have increased our R&D budget by 27% in 2022 and have committed, through our ESG roadmap, to dedicating 100% of our R&D effort to the energy transition by 2025. This will involve organic development, but also alliances and equity investments, particularly in start-ups, and new business models. Today, we are known and recognized as an engineering company with a technological offer. In the long term, we have the ambition to become a technology company with strong engineering capabilities.

WE PARTNER

with some of the world's most well-known players for technologies, equipment, and construction worldwide. We engage with startups to support the scale-up of breakthrough technologies and we collaborate with world-class institutions to bring new discoveries to reality.



1.2.

Our DNA

As a world-leading engineering and technology company, we are an industry pioneer at the forefront of the energy transition. We are choosing to concentrate our collective experience, our expertise and our passion for the industry on delivering a low-carbon future.

Our Company DNA is what we share and recognize in ourselves and in each other. It reflects our strong foundations, our rich experience, and is embedded in our culture.

It is at the heart of our brand and our signature: **“Where energies make tomorrow”**.

We express our DNA through our Purpose (why we exist), our Values (how we work); it is also reflected through our ESG Commitments (what truly matters to us and our strategic priorities) clearly detailed in our ESG roadmap (please see chapter 3. Sustainability).

Our Purpose

Breaking boundaries *together* to engineer a sustainable future

Our Values

We

- actively listen
- are inclusive and collaborative
- strive for excellence
- drive sustainable change
- don't compromise on safety and integrity

Our ESG Roadmap



1.2.1.

OUR PURPOSE

Breaking boundaries together to engineer a sustainable future is our Purpose.

It allows us to focus our collective energies to deliver a better tomorrow and captures the essence of who we are and why we do business. It demonstrates our passion and defines what we contribute to the world. It guides us on our mission to design and deliver added-value energy solutions to accelerate the energy transition. Our purpose federates all our stakeholders around a lasting and shared goal and differentiates us by highlighting what Technip Energies is really and uniquely about. It also broadens the horizon to realize the potential of our 15,000 talented professionals across the world to kick off an ambitious and transformative journey in pursuit of sustainable change for our clients, our people, our communities and our planet.

Our Purpose, what does it mean

Pushing the limits and turning our client's vision into a sustainable reality. It's about resolving complexity, leveraging technologies and innovation, and unleashing talents.

Building long-lasting connections and partnerships with all our stakeholders. It's about fostering team spirit and inclusive collaboration.

Breaking boundaries together to engineer a sustainable future

Designing and delivering projects, technologies and products to meet our client needs, ensuring excellence in their execution. It's also about considering human, social and environmental aspects in our solutions and services.

Acting with ethics and integrity to deliver a low carbon future and protect the planet. It's about embedding Environment, Social, and Governance (ESG) in everything we do.

1.2.2.

OUR VALUES

The role of our company Values is to translate the culture of the Company into actions. They are a driving force behind our global, collective sense of identity and a key part of our brand. These Values frame the way Technip Energies wants to do business, to inspire employees and to deliver the best experience to clients.

Our Values are purposefully action-oriented because we want them to be fully embedded in the way we behave, in the way we run our business and manage our projects.

The use of "we" that figures prominently in our Values emphasizes the importance of working together and collaborating and highlights human energies in action in our Company. Indeed, Technip Energies is a people company and our performance and success rely largely on the actions, team spirit and commitment of everyone involved.

We ensure that our Values are being embedded in the Company's management and leadership style, as well as in the way employees are recruited, assessed, and work together.

Our Values:

- **We actively listen** - Actively listening at all times is key to building trust. At Technip Energies, we focus on understanding the messages, views and priorities of our internal and external stakeholders. This helps us to clarify their challenges and provide them with the best solutions.
- **We are inclusive and collaborative** - Inclusion allows us to leverage diversity and promotes collaboration towards shared goals.
  At Technip Energies, we care for our people and do whatever it takes to foster well-being.
  We value respect, nurture team spirit, support one another, and treat everyone fairly.
- **We strive for excellence** - Excellence is the key to achieving a high standard of performance, and it starts with everyone's accountability.
  At Technip Energies, we give our very best to meet our clients' challenges, delivering outstanding solutions, projects, services, and technologies.
  We provide the best quality at the right cost.
- **We drive sustainable change** - Change is the only option as the world strives to deliver a better tomorrow. At Technip Energies, we challenge the status quo. We champion creativity and innovation which encourages entrepreneurship and drives our commitment to transform the industry, positively impacting the future.
- **We don't compromise on safety and integrity** - Safety and integrity are part of our DNA.
  At Technip Energies, wherever we are, whatever we do, safety and integrity frame the way we carry out our projects, do business, and act every day.
  Safety is about protecting the physical and mental health of our people.



Our Values underpin value creation (please refer to section 2.1. Long-term value creation). Please also refer to chapter 3. Sustainability, where we describe how our Values support our sustainability journey and to chapter 6. Remuneration report.

1.2.3.

OUR ESG ROADMAP



Our ESG Roadmap is set forth in chapter 3. Sustainability.

1.3.

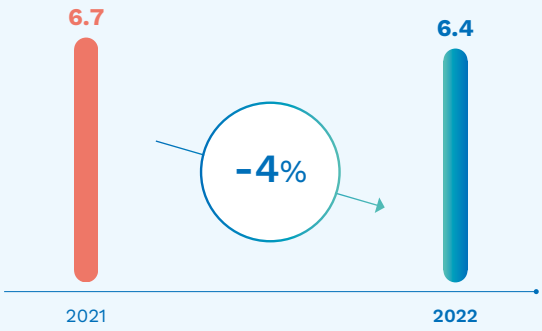
Financial highlights [1]

2022 was a year where our differentiated hybrid model - with its complementary long and short cycle business segments – continued to yield strong results.

Thanks to the extraordinary commitment of our teams to deliver excellence in execution despite external challenges, we achieved year-over-year margin expansion, substantial earnings per share ("**EPS**") growth and consistent free cash flow generation (net of working capital).
We also achieved significant commercial successes: with over 60% segment backlog growth for Technology, Products & Services, which reinforces the growth outlook of our highest margin segment; and we booked more than €1 billion of awards in Energy Transition domains excluding LNG, demonstrating our emerging leadership in carbon capture, clean hydrogen, and sustainable chemistry.
Based onthe strength of these results, we are pleased to announce a 16% increase in dividend to 52 cents a share, which is subject to approval at our annual shareholder meeting on May 10, 2022. The dividend reflects both our commitment to shareholders and confidence in our business outlook.

"THE DIVIDEND REFLECTS BOTH OUR COMMITMENT TO SHAREHOLDERS AND CONFIDENCE IN OUR BUSINESS OUTLOOK."

ADJUSTED REVENUE
(In billions of €)

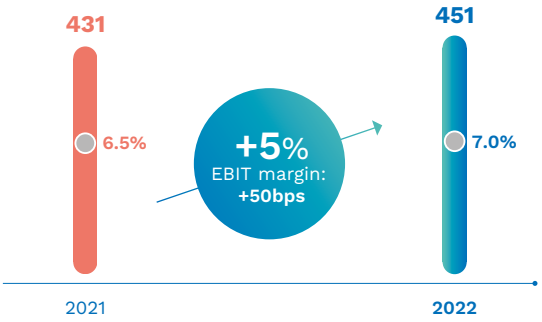


2022 Adjusted Revenue slightly reduced year-on-year by 3.6% to €6.4 billion. The impact of the war in Ukraine compromised our ability to execute the Arctic LNG 2 project where an exit framework agreement was signed in the third quarter of 2022, providing a clear pathway to a full handover of our remaining contractual obligations. While this event had an impact on Project Delivery's revenue trajectory in 2022 (decrease of 6.3% year-over-year), the underlying Project Delivery portfolio (excluding Arctic LNG 2) delivered significant growth supported by the ramp-up of major LNG and downstream projects, and continued to benefit from strong operational execution. In addition, the TPS segment delivered 7.5% year-over-year growth, resulting from higher project management consultancy and engineering services activity in the Middle East, and improved activity in sustainable chemistry including renewable fuels, as well as Process Technology activity, including licensing and proprietary equipment, notably for PBAT, a biodegradable polymer, and ethylene. Our Loading Systems activities remained strong and we have seen a notable increase in engineering services for early-phase work in energy transition.

(1) Financial information is presented under adjusted IFRS (see section 2.3.3).

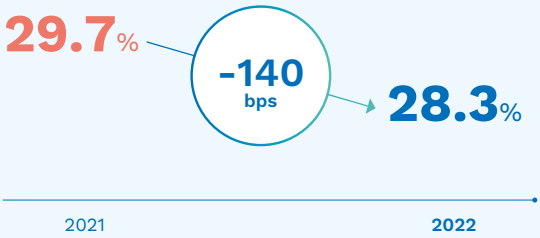
ADJUSTED RECURRING EBIT [2]

(In millions of €)



Adjusted recurring EBIT increased by 4.7% year-over-year, benefiting from margin expansion to 7.0%, up 50 bps versus 2021, despite lower revenues year-over-year. Profitability benefited from revenue growth in the higher-margin TPS segment, and strong execution within Project Delivery. This was achieved despite a year-over-year increase in corporate costs which normalized at a slightly higher level in 2022 following the spin-off in 2021. 2022 corporate costs also included an exceptional bonus granted to all employees excluding senior levels of management, totaling €30 million, as well as a negative foreign exchange impact of €8.4 million. Project Delivery benefited from materially higher profitability, up 150 bps year-on-year to 7.9% benefiting from strong execution on LNG and downstream projects in the latter stages of completion, as well as the close out impact of the warranty phase of Yamal LNG. This trend also highlights our capacity to weather challenging external market factors, including the impact of the war in Ukraine, logistics constraints as well as supply chain inflation. TPS profitability increased modestly by 10 bps to 9.3% benefiting from higher volumes in Process Technology licensing, proprietary equipment, and services, notably in sustainable chemistry and ethylene, as well as higher activity levels in Loading Systems and advisory services performed by Genesis.

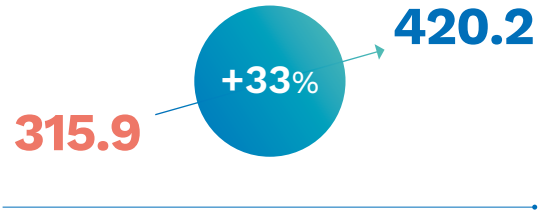
ADJUSTED EFFECTIVE TAX RATE



Adjusted effective tax rate at 28.3% is in line with the low end of the 2022 full company guidance of 28% - 32%. Year-over-year, the tax rate has reduced by 140 bps, benefiting from both the lower rate of French corporation tax (28.41% to 25.83%), and a more favorable mix of earnings in lower tax jurisdictions.

ADJUSTED FREE CASH FLOW, EXCLUDING WORKING CAPITAL

(In millions of €)

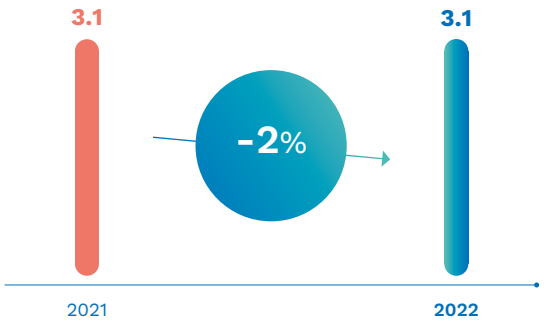


Due to the specific nature of our business model and cash flows, our preferred metric to monitor underlying cash flow generation is adjusted free cash flow, net of working capital. On this basis, free cash flow for 2022, net of working capital, was €420.2 million, with 93% conversion from Adjusted recurring EBIT as we executed across our portfolio and benefited from lower taxes. Working capital can be lumpy due to the timing of large awards and associated upfront and milestone payments; this is clearly evidenced through the last two years - In 2021, we benefited from a €626 million inflow, whereas in 2022, we experienced a €334.3 million outflow. Over the two years in aggregate, working capital had a net benefit of €293 million. Adjusted free cash flow is also stated after capital expenditures (€46.8m) which further serves to highlight the asset light nature of our model.

(2) *Adjusted recurring EBIT: adjusted profit before net financial expense and income taxes adjusted for items considered as non-recurring.*

ADJUSTED NET CASH

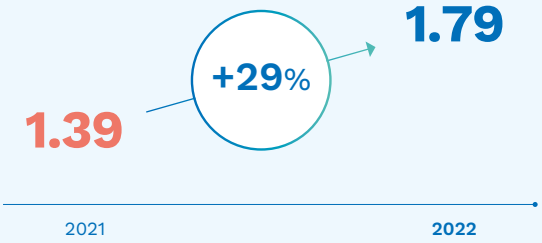
(In billions of €)



Adjusted net cash at December 31, 2022, was €3.1 billion, essentially flat compared to Adjusted net cash at December 31, 2021, of €3.1 billion. Cash and cash equivalents at December 31, 2022 are broadly consistent with the prior year-end.

ADJUSTED EARNING PER SHARE

(diluted)



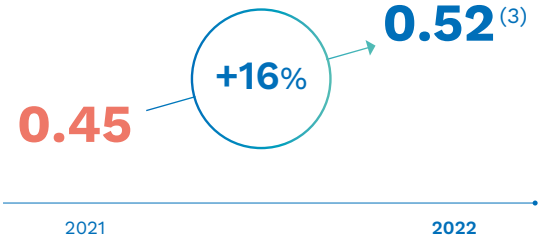
Adjusted diluted earnings per share increased by 29% year-over-year to €1.79. Beyond the growth in adjusted recurring EBIT, adjusted diluted EPS benefited from several factors including significant growth in interest income, a lower effective tax rate, and the absence of transaction costs relating to the spin-off in 2021.

ADJUSTED BACKLOG



Adjusted Backlog decreased by 22.2% to €12,750.1 million, impacted by the company's orderly exit from Arctic LNG 2 and partial backlog cancellation relating to this project, a significantly lower order intake in Project Delivery (€1,682.1 million versus €8,471.5 million in 2021), partially offset by very strong orders in Technology, Products & Services (€2,162.8 million versus €1,318.4 in 2021) and a favorable foreign exchange impact of €478.5 million. Adjusted Backlog at 31 December, 2022, provides us with excellent visibility at the equivalent of approximately two times the company's 2022 revenues.

DIVIDEND PER SHARE



Based on the strength of these results, and in line with our stated dividend policy to pay a dividend annually that is sustainable with potential for growth over time, we are pleased to announce a 16% increase in dividend to €0.52 share, which is subject to approval at our Shareholder's Annual General Meeting on May 10, 2022. The dividend reflects both our commitment to shareholder distributions and confidence in our business outlook.

(3) Subject to approval at the Annual Shareholder Meeting on May 10, 2023.

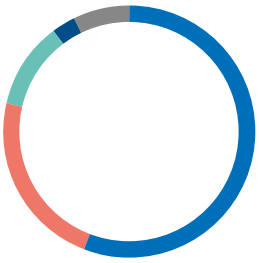
1.4.

Shareholder structure

The Shareholder structure of Technip Energies was as follows (as of December 31, 2022):

Equity split [1]

As a % of shares outstanding



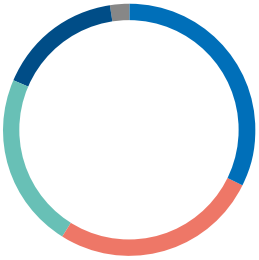
- **7.0%** Retail
- **3.1%** Technip Energies treasury
- **11.1%** Other incl. hedge funds
- **22.7%** Strategic Shareholders [2]
- **56.1%** Institutional (long only)

↗ **HAL / BPIFRANCE** increase stake to **13.1%** and **8.9%** respectively

↘ **TechnipFMC** [3] stake reduces to **0%** from **~50%** at Company creation

Institutional investors

Regional split



- **2.5%** Rest of the world
- **15.9%** Continental Europe
- **22.5%** United Kingdom and Ireland
- **32.4%** France
- **26.7%** North America

→ Well-diversified across key geographies

(1) Source: S&P Global shareholder analysis as of December 31, 2022.

(2) Includes stock held by Bpifrance, HAL Investments B.V., IFP Énergies Nouvelles, and members of the Board.

(3) TechnipFMC disclosed in its Q1 2022 financial results press release that it had completed the sale of its remaining stake in Technip Energies in April 2022.

1.5.

Our Markets - from traditional to emerging

1.5.1.

GAS & LOW CARBON ENERGIES

Natural gas is a critical transition fuel, reducing CO_2 emissions from power generation by approximately 50% compared to coal. It is the only fossil fuel the demand for which is expected to increase by 2040 as the world transitions to lower carbon energies.



THE COMPANY OFFERS A COMPLETE RANGE OF SERVICES AND SOLUTIONS ACROSS THE GAS VALUE CHAIN TO SUPPORT ITS CLIENTS' CAPITAL PROJECTS

The demand for Liquefied Natural Gas ("**LNG**"), representing 10% of the overall gas market, is expected to grow significantly as the world seeks greater security of gas supply. Indeed, before Russia's invasion of Ukraine, the Company estimated that market demand existed for a further 200 million tonnes per annum to come online. The Company now forecasts a total installed base of more than 700 million tonnes per annum by 2035.

Technip Energies addresses markets comprised of LNG, Floating LNG, low-carbon hydrogen and its associated derivatives (ammonia, methanol), and other gas monetization routes. The Group offers a complete range of services and solutions across the gas value chain to support its clients' capital projects from concept to delivery, startup and after commissioning work and services. The Group's capabilities include the design, construction of facilities and set up of equipment related to regasification, natural gas liquids ("**NGL**") recovery, gas treatment and LNG to power.

LNG

Onshore LNG

With over 60 years of experience, Technip Energies is the industry leader in LNG. Technip Energies pioneered base-load LNG plant construction by building the first-ever facility in Arzew, Algeria (Camel LNG). Working with its partners, the Group has built facilities that can deliver more than 105 million tonnes per annum ("**Mtpa**"), representing approximately 20% of the global liquefaction capacity in operation today (i.e., approximately 450 Mtpa production delivered worldwide). Technip Energies has engineered and delivered a broad range of LNG plants and terminals, from mid-scale to very large-scale plants, as well as plants in remote locations and in the harshest environments. The Company carries engineering experience from conceptual design studies to EPC.

Schedule certainty (early monetization), cost competitiveness and low emissions approach thanks to electrification of production trains are key in the current environment. As a pioneer in modular applications, Technip Energies has developed its

TECHNIP ENERGIES IS A LEADER IN FLNG, LEVERAGING MORE THAN 50 YEARS OF OFFSHORE EXPERIENCE



own mid-scale capacity modular LNG plant called SnapLNGTM. This design permits the treatment of most gas compositions in various onshore environments.

By virtue of scale, projects require simultaneous construction across multiple module yards, at integration yards and at the LNG plant itself. The Group has perfected project management systems that allow on-time delivery of massively modularized projects.

Technip Energies reference projects include:

- **LNG trains** in Qatar (the sixth largest ever constructed with a capacity of 7.8 Mtpa);
- **Yemen LNG**;
- a series of **mid-scale LNG plants** in China; and
- the **Yamal LNG plant** in the Russian Arctic with the three trains put in production before the end of 2018, one year ahead of the contractual schedule (assembled from 142 modules with some modules weighing as much as 7,000 tonnes).

Plants under construction by Technip Energies include:

- **Energia Costa Azul project** awarded by Sempra in 2020; and
- **Qatar NFE project** awarded by Qatar Energy in 2021.

The future of LNG is changing – one reason being that the production of this critical fuel can also be decarbonized. When considering the LNG supply chain from well-head to gas grid in the consumer country, the Group estimates that 75% of emissions occur during pre-treatment and liquefaction. Future LNG infrastructure will be low carbon, notably by resorting to electrification, the use of which is growing. To achieve a low-to-zero carbon LNG scenario, expertise will be required from multiple domains including hydrogen production, CCUS and renewable power. As Technip Energies possesses skills in these domains, the Group is uniquely positioned to help the industry succeed in decarbonizing production of LNG, both for brownfield and greenfield projects.

Offshore LNG

Floating Liquefied Natural Gas ("**FLNG**") is an interesting alternative to onshore plants for LNG production in remote and security-sensitive areas, and for pipeline gas export from congested industrial zones. It is a suitable solution for remote and stranded gas fields that were previously deemed uneconomical. It can also be a reliable solution to deploy near shore in certain areas.

The post-COVID energy crisis, which has been heightened by the Russian-Ukrainian conflict, brought new near-shore FLNG projects as solutions for a fast and convenient way to bring LNG to the market. In addition, FLNG is an accessible solution for greenhouse gases ("**GHG**") emissions reduction by avoiding flaring of associated gas on existing oil fields in various producing countries. These distinct market segments are opening up new opportunities for small-scale FLNG, for which Technip Energies is qualified and well-positioned.

Technip Energies is a leader in FLNG, leveraging more than 50 years of offshore experience. The Group has deep know-how from early engineering studies to EPC.

Technip Energies pioneered the FLNG industry by engineering and delivering:

- **the world's first FLNG facility** in Malaysia;
- **Prelude, the world's largest FLNG facility** in Australia; and
- **the installation and commissioning of ENI's Coral South FLNG** in Mozambique (completed in 2022), a 3.4 Mtpa offshore LNG production facility involving a 432-meter double-hull vessel with an LNG storage capacity of 220,000 m^3.

CO_2 MANAGEMENT

In 2022, approximately 40 million tonnes of CO_2 were captured worldwide. The Group estimates that the currently active global project pipeline represents approximately 480 million tonnes. The global market is mainly led by the US and North Sea Europe. Strong governmental incentives, such as the Inflation Reduction Act in the US, are likely to boost carbon capture, utilization and storage ("**CCUS**") industry competitiveness in the near future.

Technip Energies is committed to environmental transition investment. Indeed, the Group is focusing on providing robust and integrated decarbonization solutions with enhanced economics and affordability to the nascent CCUS industry. Technip Energies has already built more than 50 facilities that remove and handle CO_2 molecules, which reflects the Group's historic presence in hydrogen and gas treatment. Furthermore, the Group is working to improve existing technologies while identifying new CCUS applications across all industries.

Recent successes illustrate the Company's approach as a technology leader and solution provider for CO_2 complete management chain services:

- the Celsio Oslo project, for a world-first carbon capture and storage (CCS) project at the waste to energy plant located in Oslo, Norway (which consists of a complete EPC contract, with carbon capture technology Shell Cansolv®, CO_2 transportation, as well as the furnishing of CO_2 loading arms (which are being provided by T.EN Loading Systems)) This project will ultimately contribute to a 17% reduction of the emissions of the city of Oslo.
- consolidation of the 2012 strategic alliance with Shell Catalyst & Technologies for the Cansolv® CO_2 capture technology, thereby providing a robust and superior technology for all sizes of carbon capture projects. Shell's Cansolv® technology is one of the very few proven technologies for post combustion carbon capture and is the only one with a currently operating large-scale reference. The alliance consists of closely-knit teams for client engagement, with a unified and seamless offering to CCUS markets. Technip Energies and Shell Cansolv® are also jointly building a fleet of pilot carbon capture plants that will be offered to demonstrate the efficiency and key features of this leading technology. This pilot will enable a constant flow of operational data for ongoing improvement efforts.

The Company has developed a roadmap which includes the development of productized CO_2 capture solutions consisting of standardized and modularized CO_2 capture systems that are fully digitalized to achieve maximum replicability and the lowest possible cost.



MORE THAN

270

hydrogen plants delivered over the past 60 years

Beyond Technip Energies' carbon capture expertise, Technip Energies' CO_2 disposal offering will provide solutions to clients on the full CO_2 chain as the Group has developed in-house Offshore C-Hub™ which is a distributed CO_2 collection and sequestration architecture system. It is an adaptable, relocatable and flexible offshore solution that aggregates CO_2 from multiple hubs or stranded point sources with dedicated collection, liquefaction, storage and loading stations from which liquid CO_2 is conveyed to a central floating unit that stores and continuously injects CO_2 in depleted reservoirs or dedicated saline aquifers. The overall system provides important system flexibility with the ability to redeploy by repurposing existing assets.

Technip Energies has key levers to further develop and complete its CCUS offering:

- master planning on systems and tools enabling concept evaluation and selection with high efficiency. These tools were used to develop its Gen-CAT™ CO_2 assessment tool;
- expertise in CO_2 flow assurance in onshore and subsea, enabling the development of robust CO_2 collection and management infrastructure, clusters and hub design;
- assisting in CO_2 storage pore space identification by using the Group's key partnerships and global network of engagements across the CCUS chain; and
- extending its offering globally to post-EPC services with digitalized plant performance improvement, integration and O&M support platforms as well as "CCS and CCU as Service". The Group manages the full chain from source to sink or source to use for clients by taking full advantage of its capture technologies portfolio, its leading expertise across the CO_2 transport and storage chain as well as its ability to provide know-how on integrated management of a complete system.

The Group continuously enriches its diversified offering and market positioning. During 2022, the Group has witnessed a remarkable acceleration in client engagement and project activity across the CCUS chain illustrated by several EPC FIDs. This acceleration is progressively extending to all regions and subsegments which should lead to many prospective projects for Technip Energies in the coming years. As a result, the role of CCUS in the Group's proposal activities and backlog is increasing in visibility.

Technip Energies' key projects and references include:

- **50+ Installation delivered** – Technologies for removal of carbon dioxide and sulfur components/CO_2 compression and conditioning station;
- **ExxonMobil** - LaBarge Carbon Capture capacity increase – EP services, USA;
- **Hafslund Oslo Celsio** – CCS Project – EPC, Norway;
- **HURL Syngas CO_2 purification for urea plant** – EPC Project, India;
- **Peterhead CCS project** – FEED Studies, Scotland;
- **Drax Project** – Pre-FEED design, UK;
- **Bp Net Zero Teesside FEED Project** – leading to EPC bid, UK;
- **FEED with ADNOC** for its Ghasha mega project including carbon capture integration, Abu Dhabi;
- **Qatar NFE LNG**, includes capture and sequestration for 2.5 million tpa of CO_2 – EPC, Qatar;
- **PTTEP Lang Lebah Onshore Gas Plant** associated with Carbon Capture – FEED, Malaysia;
- **Elk and Antelope onshore gas fields production** associated with CO_2 capture and sequestration – FEED, Papua New Guinea;
- **CALPINE Deer Park Carbon Capture Project** – FEED, USA; and
- **SHELL Deer Park Carbon Capture Project** – FEED, USA.

LOW-CARBON HYDROGEN AND ASSOCIATED DERIVATIVES

"Blue" or low-carbon hydrogen is somewhat arbitrarily defined as hydrogen produced with a minimum 70-90% CO_2 reduction target with an ever-increasing stretch towards 95% or more. Low-carbon hydrogen is a necessary stop-gap to expand renewables infrastructure and decarbonize electricity generation systems. In the medium term low-carbon hydrogen projects are viable when the following three criteria are met:

- availability of affordable or cheap gas;
- existing pipeline infrastructure; and
- CO_2 sequestration potential (i.e. subsurface reservoirs).

This means that low carbon hydrogen is likely to be favored in certain geographical areas such as the North Sea, certain parts of North America, the Middle East and Australia and the creation of concentrated hydrogen hubs in these regions appears highly probable. The Company estimates that between 2030 and 2050 low-carbon hydrogen production will increase by circa 10% per year. The Company is currently seeing a very dynamic pipeline of low carbon hydrogen prospects and projects developing in countries around the North Sea (driven largely by the UK, Norway and the Netherlands) and also to a certain extent in Australia and North America. In the Middle East, export industry is developing through blue ammonia in anticipation of potential markets in Europe and East Asia.

Technip Energies aims to combine CO_2 management capabilities with hydrogen and associated derivatives production experience, offering more environmental-friendly modes of production to clients. The Group's expectation is that low-carbon hydrogen will also be deployed to support the decarbonization of refinery and petrochemical plants, steel, power, LNG and other industries.

To address the low carbon hydrogen and derivatives growing market, Technip Energies leverages its prominent position and recognized know-how and technologies in hydrogen. Indeed, the Group has delivered more than 270 hydrogen plants to its clients over the past 60 years, an estimated 30% of the installed base for on-purpose hydrogen which represents the largest share of plants that a single energy and technology ("**E&T**") company has delivered. The Group offers a single point of responsibility for the design and construction of hydrogen and synthesis gas production units, with solutions ranging from process design packages to full lump sum turnkey projects, including start-up operations. The Group also offers lifecycle support services for maintenance and performance optimization of running units.

The Group has positioned itself across the value chain of the low-carbon hydrogen ecosystem through its expertise in delivering large ammonia and integrated ammonia/urea units worldwide and by providing both ammonia and methanol technologies.

The Group launched BlueH_2 by T.EN™ in May 2021, a full suite of deeply decarbonized solutions for hydrogen production. This suite of solutions is comprised of flight-proven proprietary technologies and reduces carbon emissions by up to 99% compared with conventional hydrogen production.

The Company provides a wide array of solutions and technologies to arrive at the lowest levelized cost of hydrogen ("**LCOH**"). Its references include several of the world's largest single-train hydrogen/syngas applications. These references are rapidly expanding as the Company addresses the mandate to raise efficiency and to reduce carbon emissions.

Technip Energies' key projects and references include:

- **270+ plants** using reformer technology worldwide;
- several of the **world's largest single-train hydrogen/syngas** applications;
- **reference fleet** rapidly evolving to address the mandate of raising efficiency and reducing carbon emissions;
- **50+ references of CO_2 capture** in hydrogen plants;
- **30 hydrogen plants** with deep CO shift; and
- **14 hydrogen plants** with recuperative reforming technologies.

1.5.2.

SUSTAINABLE FUELS, CHEMICALS AND CIRCULARITY

Sustainable Fuels, Chemicals and Circularity encompasses fuels and biofuels, petrochemicals, biochemicals, ethylene and fertilizers as well as the development of circularity solutions for the economy. Leveraging on its existing portfolio of groundbreaking technologies and offerings, Technip Energies is committed to invest further in biofuels, bioenergies, biochemicals, as well as in electrification of technologies provided.



30
refining complexes built worldwide

FUELS AND BIOFUELS

Fuels

Technip Energies has over 60 years of experience in refining and offers a complete range of services from strategic planning, through technology licensing to full project delivery for grass-root refineries, integrated refinery and petrochemical complexes, as well as major upgrades and revamps. The Group's capabilities include refinery modeling (through close collaboration with international licensors), concept definition, design and construction of facilities and associated infrastructure.

Technip Energies has been supporting the refining industry in its transformative journey, licensing leading hydrogen technologies and catalytic cracking solutions, maximizing olefins production and offering low-cost route to propylene.

The industry is decarbonizing its own operations as well as diversifying its feedstocks and product portfolio. Technip Energies brings its rich experience and knowledge of refining and downstream units and can support refiners to improve their sustainability footprint and align with energy transition commitment - supporting small and large assets right from the planning phase to execution and operations. Technip Energies works with refiners to implement innovative solutions and decarbonization strategies that improve asset efficiencies, reduce carbon footprint, process greener feedstock and integrate downstream with chemicals and petrochemicals while also repurposing assets to produce biofuels. This enhances the sustainability quotient of refineries as well as provides refiners with feedstock and product flexibility.

Technip Energies is a leader in the design and construction of refineries with a track record of 30 refining complexes built worldwide (of which seven have been built since 2000) as well as more than 110 major expansion or revamping projects and approximately 850 process units built.

Key industrial references include:

- the **Dung Quat refinery** in Vietnam;
- the **Jubail refinery** in Saudi Arabia;
- the **expansion of Burgas** in Bulgaria with the world's largest heavy oil residue hydrocracker;
- **Petronas' Refinery and Petrochemical Integrated Development** (RAPID) integrated refinery in Malaysia;
- the **Middle East Oil Refinery's** (MIDOR) refinery expansion in Egypt;
- **Bahrain Petroleum Company's** (BAPCO) refinery modernization and expansion project in Bahrain;
- the **new Hydrocracking Complex** for Assiut National Oil Processing Company (ANOPC) in Egypt; and
- the **reconversion of the TotalEnergies La Mède refinery** in France into a biorefinery.

The Company also offers tailored digital services for improved plant performance, helping clients define profitable solutions in terms of performance, feedstock and energy efficiency, operational savings, safety improvements and ease of maintenance.

Technip Energies works to secure the highest performance of new refining projects, whether by way of greater efficiency in the use of raw materials, energy efficiency, emission control or pollution prevention.

New projects include:

- refinery upgrading projects with high energy efficiency and performance requirements in terms of product quality (clean fuels), carbon and energy efficiency as well as waste management to minimize the impact on the environment;
- projects lowering the carbon intensity of transportation fuels (production of renewable fuels such as biodiesel and sustainable aviation fuel ("**SAF**") within refineries, through new units or the adaptation of existing facilities);
- projects supporting the refining industry's efforts to diversify its production portfolio through the conversion of crude and motor fuels to chemicals;
- projects for existing refineries having the objective of reducing emissions of greenhouse gases and other contaminants from operations (by way of energy efficiency, electrification, energy recovery, zero flaring and control of NOx emissions);
- refining projects that integrate the supply of decarbonized and low-carbon energy and hydrogen (renewable energy, low carbon hydrogen and green hydrogen);
- refining projects incorporating circularity principles (recycling of plastic waste); and
- decarbonization studies addressing all of the above and enabling refineries to define achievable decarbonization strategies and roadmaps.

Biofuels

The demand for sustainable fuels is on the rise with bioethanol leading in terms of market size followed by biodiesel and SAF.

For the next decade or so, bioethanol and biodiesel will see applications in road transportation, with electric vehicles expected to take over thereafter once renewable energy infrastructure is in place. Feedstocks and assets for production of these fuels can be then used for the production of SAF which will be the leading biofuel in terms of demand and production around the same time.

Decarbonization of the mobility sector is a key target for most geographies and biofuels will play an important role to meet these goals. Biofuels are liquid or gas fuels derived from biomass. Research and application in this area include second-generation bioethanol and second-generation biodiesel which can be manufactured or extracted from non-food biomass and waste products from other chemical processes, thereby reducing the agricultural land required to produce such fuel sources and the intensity of water and other inputs. Based on current forecasts, market demand for biofuels is seen as growing strongly, pushed by legislation and consumer behavior. Biodiesel market volume is expected to triple by 2030 compared to 2022, while bioethanol may see a demand surplus of up to 70% by the end of the decade.

Technip Energies is executing the expansion of Neste's biodiesel refinery in Singapore. Neste's Singapore plant upgrade is a significant contract and is a direct consequence of the successful realization of Neste's Singapore (the largest biodiesel plant in the world) and Rotterdam world-scale biodiesel plants in the late 2000s. As part of the execution partnership with Neste on Neste's NEXBTL technology projects, Technip Energies was awarded EPCm services for expansion of the Rotterdam site which, once completed, will be a major SAF production facility in the Netherlands.

Technip Energies is also contributing to the SAF market development with technology and partnership. The SAF market is still in its early stage and is expected to be fast growing over the next decades with an anticipated CAGR of 75% (2025-2030) in Europe and North America. Technip Energies' proprietary Hummingbird technology converts ethanol to ethylene, which in turn is used as a base feedstock for SAF, as shown at LanzaJet's SAF plant (Freedom Pines Fuel site, Soperton, GA, USA). Similar project initiatives are gaining traction in Europe and America with an alcohol-to-jet pathway for SAF production.



WE ARE CONTRIBUTING TO SAF MARKET DEVELOPMENT WITH TECHNOLOGY AND PARTNERSHIPS

Technip Energies' key projects and references include:

- **Neste Biofuels plants** based on NEXTBTL technology – EPCm services, Singapore, and Rotterdam;
- **LanzaJet's Freedom Pines Fuel** site using our proprietary Hummingbird technology – License Package and proprietary supply, USA;
- **LanzaJet's FLITE & Dragon projects** for alcohol-to-jet based SAF production using our proprietary Hummingbird technology – License Package and PDP/FEED services;
- **TotalEnergies biofuels** (SAF) plants based on third-party technologies – EPCm services, France;
- **SkyNRG SAF production plant** based on third-party technology – FEED services, Netherlands;
- **confidential biofuels plant** based on third-party technology – FEED services, Portugal;
- **Clariant 2G bioethanol plant** based on Sunliquid technology – Services to develop licensor process design package, Bulgaria;
- **BTG bioliquids fast pyrolysis bio-oil plants** – FEED services, USA;
- **confidential biorefinery complex** based in third-party technologies – Concept Design & FEED, Malaysia;
- **2G Ethanol plant for HPCL Bhatinda** based on third-party technology – EPCm services, India; and
- **2G Ethanol** – FEL 2 services to support Clariant's 2-G Ethanol unit for OMV Petrom – started up in Q2 2022, Romania.

ETHYLENE

Ethylene is usually produced through steam cracking, in which hydrocarbons and steam are heated to convert large hydrocarbons into smaller ones, including ethylene. Ethylene, propylene and other base products produced from steam cracking are the building blocks for many molecules in the petrochemical industry including plastics, solvents, cosmetics, paints and packaging.

Global demand growth for ethylene and associated products typically follows global GDP. The annual growth rate for the next ten years is forecasted to be approximately 2,5% per annum with most of the new capacity addition expected in China, North America, the Middle East, India and the former Soviet Union. Apart from an overall increase in demand, some investments in ethylene are driven by a desire to reduce imports of olefins, and refiners looking to move into olefins production to counter forecast flattening, or reductions, of fuel demand.

Technip Energies is a global leader in ethylene licensing and in the design of ethylene production plants, and is responsible for the design of over 150 grass-roots plants. The Group estimates that its market share in licensing, in terms of ethylene capacity, is over 40% of new licenses granted since 2010. The Group is also the global leader based on the number of active ethylene facilities and their installed production capacity.

Technip Energies has proprietary technologies relating to the design and construction of ethylene steam crackers, its power generation furnace, heat transfer equipment, Ripple Trays™ and optimization software - Spyro®.

The Group designs steam crackers, from concept stage through construction and commissioning, for both new plants (including mega-crackers) and plant expansions.



ETHYLENE:

40%

of new licenses granted since 2010



POSITIONING ITSELF AS THE PIONEER COMPANY FOR GREEN ETHYLENE PRODUCTION

Key references in technology implementation and front-end engineering design (FEED) include (all in terms of ethylene capacity):

- the world's largest operating steam cracker (Dow LHC9, USA);
- the world's largest mixed feed cracker (Sadara, Saudi Arabia); and
- the world's largest refinery off-gases cracker (Jamnagar, India).

Technip Energies is strategically positioned to be both a licensor and an EPC contractor, relying on its portfolio of technologies. The Group's technological developments have improved the energy efficiency of furnaces in ethylene plants and reduced the compression power required per tonne of ethylene produced. CO_2 emissions produced per tonne of ethylene declined by 30% over the past 25 years, and feed consumption per tonne of ethylene declined by 5-10% over the same period. Technip Energies also has extensive experience in revamping ethylene furnaces, including furnaces originally designed by competitors in ethylene licensing.

Technip Energies' continuous innovation in ethylene technologies has resulted in significant capital cost reductions and improved operating efficiencies for its clients. A recent example is the deployment with a modular approach enabling continuous operations during the project upgrade at Shell's Moerdijk facility of a new cracking furnace design with the replacement of 16 older units with eight new units, without reducing capacity, while reducing total annual CO_2 emissions at the facility by 10%.

As cracking furnaces are the largest source of scope 1 CO_2 emissions in ethylene plants, Technip Energies deploys its resources and skills to develop emissions reduction solutions:

- a patented low CO_2 design of a cracking furnace;
- reforming of fuel gas to hydrogen for firing in the furnaces, using proprietary BlueH_2 by T.EN™ technology;
- designs for electrified crackers; and
- application of carbon capture to ethylene plants.

The Group has recently been awarded a substantial EPC contract by Abu Dhabi Polymers co. Ltd. (Borouge) for the construction of a new ethane cracker unit, which will be integrated into the Borouge 4 petrochemical complex in Ruwais, UAE. This plant will be the first cracker in the world to be constructed with a design which can accommodate a carbon capture and storage unit at a later date, allowing a CO_2 equivalent emissions reduction of approximately 80%.

Technip Energies is now seeing a considerable rise in interest in circularity, including from cracker operators to process feedstocks derived from recycled plastics. This is driven by social responsibility concerns and measures such as the EU Packaging and Packaging Waste Directive, which requires producers of plastic products used in packaging to incorporate a percentage of recycled content. Recycled content is to rise from 25% today to 50% by 2025 and 55% by 2030.

Technip Energies has developed clean-up and treatment technologies for both oil and gas feeds from plastic waste. These technologies are currently in the process of being commercialized. The Group has established agreements to work with several pyrolysis technology providers. The Group's clean-up and treatment technologies are designed to be as flexible as possible to allow variation of waste compositions and different pyrolysis technologies.

As a leader in ethylene technologies with a drive to constantly innovate, Technip Energies is developing breakthrough technologies such as Rotating Olefins Cracker and electric furnaces. Indeed, Technip Energies is investing in R&D and intensive deployment of resources in order to position itself as the pioneer company for the evolution of green ethylene production.

Ultimately, the performance of the furnaces is predicted using Technip Energies' proprietary digital tool: Spyro® for Asset Management (SAM) software, which is being constantly upgraded and licensed to cracker operators representing over 70% of installed ethylene nameplate capacity to enable such operators to get the maximum out of the assets.

PETROCHEMICALS AND BIOCHEMICALS

Petrochemicals

Technip Energies is successfully delivering projects around the globe and offering market-leading technologies in the field of petrochemicals. Providing solutions to improve carbon efficiency and feedstock resilience, the Group brings value to its stakeholders through proven services and technologies which include:

- licensed technologies;
- applied research and development;
- master Planning; and
- EPC projects.

A world leader in the process design, engineering, procurement and construction of units for the production of polymer resins and other petrochemical derivatives, Technip Energies has delivered more than 350 facilities over the last 50 years. The Group extends a unique offering combining technologies and project delivery capabilities. Technip Energies' project execution track record for EPC delivery has been made possible by its know-how, methods & practices and project execution teams. Lump sum turnkey EPC projects awarded in 2021 included Indian Oil Corporation Limited's (IOCL) Purified Terephthalic Acid (PTA) plant and Nayara Energy's polypropylene plant in India, which both employ the most up-to-date technologies and carbon efficient processes. Technip Energies has been involved in these two projects from the very early conceptual design phases and has offered a seamless rollover through FEED and detailed execution to construction and start up. The reduction of project interfaces is an added value to de-risk and execute major projects such as these on a fast-track basis. Through its early engagement activities in 2022 (which involves working with clients on master planning, conceptual plans and studies), the Group is establishing the trust and confidence needed to accompany its clients in building optimized complexes, thus positioning the Company for further pull-through opportunities.

The petrochemical market's annual growth rate, which stands at approximately 4%, is sustained and follows the expansion of GDP and population growth. The Group is seeing a rapid push for integration between refiners and the petrochemical industry as the energy transition is forcing refiners to switch product mix from fuels to petrochemical and chemical feedstocks. The Group is also expecting a trend towards integrated large-capacity complexes. These complexes are located close to conventional feedstock sources and represent a first step in improving the cost of production as well as building energy and carbon-efficient clusters.

The Company is helping decarbonize industry through the improvement of its leading technology portfolio, having access to more than 20 petrochemical technologies. Technip Energies owns proprietary technologies in the value chains of polyesters, phenolic and styrenic resin. The Company also partners with leading licensors in the polyolefin, vinylic and aromatic value chains. In 2022, the Group has been successful as a standalone process licensor. The Group has continued to expand its technology portfolio offering (e.g., propanediol technology which was acquired in 2020).

Technip Energies also invests in energy transition technologies development, innovation and R&D, both in its own facilities (Weymouth, USA and Frankfurt, Germany) and in its partners' laboratories. Moreover, the Group is extending and complementing existing drop-in chemical value chains and is improving the carbon footprint through more energy and monomer-efficient processes. The licensing of these new products, combined with such improved energy and monomer processes, allows the Company to be an actor in the energy transition, optimizing the use of carbon for chemicals and efficient decarbonization.

Classic decarbonization techniques may be applied to processing facilities:

- to improve energy and raw material efficiencies; and
- to capture carbon and introduce electrification as an energy source to replace fossil fuels.

The Company also works on improving the pace of circularity. Plastic resins, through the linear extractive model, are turned into consumer goods. At end-of-life, plastics are incinerated or land filled, releasing carbon into the atmosphere as CO_2, thereby contributing to pollution and global warming. The Group is working on improvement of scopes 1 and 2 emissions of its licensed, engineered and built derivative technologies. For scope 3 emissions, conventional feedstocks are progressively being replaced by biogenic carbon feedstocks and, at a faster pace, by recycled plastic material. The changing pace of circularity introduction is noticeable:

- Biogenic feedstocks: the pace of uptake is gradual and in line with the technological maturity of the processes and feedstock logistic constraints on local feedstock sourcing. The traditional drop-in value chains will be fed in the near term by a mix of biogenic and conventionally sourced carbon; and

DECARBONIZING THE INDUSTRY WITH A LEADING TECHNOLOGY PORTFOLIO



- recycling end-of-life plastics is having a larger impact with a quicker introduction. Carbon sourced from conventional feedstocks is substituted in part by recycled material, thereby reducing carbon released into the atmosphere at end-of-life whether due to incineration or landfilling.

To continue to reduce scope 3 emissions, the Group is looking to license, design and build biogenic and recycling plants. Please also refer to the sections relating to Ethylene above and Circularity below. The use of these drop-in feedstocks will increase the carbon footprint but will still feed the conventional drop-in value chains, which the Group is constantly improving. Technip Energies believes that novel technologies to combine and transform captured CO_2 with green hydrogen produced from renewable electricity will emerge as a preferred and sustainable route in the longer run.

Biochemicals

Bio-based chemicals are products derived from biomass such as biopolymers which are in turn used for a variety of energy or industrial applications and the breakdown, reuse or recycle of other waste products for industrial or energy applications. As bio-based chemicals represent a very diverse field of products and technologies, market growth and prediction will vary, though future growth rates are expected to exceed those of the traditional petrochemical business. For biorefineries, the Company expects a yearly average growth rate in revenues of 8% to 10% until 2030, with an acceleration of the adoption of these technologies towards the end of the decade.

Within this market, Technip Energies is a party to the PLAnet alliance with Futerro and Sulzer to promote the production of sustainable plastics made of polylactic acid (a compostable or recyclable polymer derived from sugars that can replace petroleum-based plastics). This collaboration will support manufacturers interested in entering the bioplastic market by delivering integrated polylactic acid technology packages.

Technip Energies also offers proprietary Epicerol® technology epichlorohydrin ("**ECH**") from glycerin which is used for the production of epoxy resins, adhesives, electronics and composites. It is a breakthrough technology compared to conventional propylene-based processes and presents major advantages relative to other glycerin-based technologies. It uses renewable materials, produces less CO_2 emissions, less effluents and has a lower utility consumption. Technip Energies signed its first Epicerol® Technology License Agreements with Meghmani Finechem Ltd. in India for a unit which started up in Q2 of 2022. The Group has subsequently signed new licenses for ECH units with Birla Grasim in India and OCI-Kumho in Malaysia.

Technip Energies is also present in bio-based and biodegradable polymers and developed proprietary technologies for the production of PBAT and PBS polymers which have been licensed in several Asian countries. The Company expects that this currently niche market segment will see continuous significant growth (12%-16% CAGR) over the coming years, especially in the Asian market. Technip Energies' technology is likely to allow the Company to retain a solid market share in the licensing and engineering of sustainable plastics solutions.

As part of the Group's strategy, the Group acquired in 2022 the bio-succinic acid technology 'Biosuccinium®' - from DSM. This technology provides a bio-sourced route to succinic acid and is the base material for the production of PBS, a biodegradable polymer.

Technip Energies' key projects and references include:

- **Polylactic Acid (PLA) technology integration and licensing (PLAnet® association** with Futerro & Sulzer) – Exclusive one-stop shop technology from sugar to biopolymer;
- **Meghmani and Birla Grasim ECH plants** – Epicerol® technology services and licensing, India;
- **PBAT/PBS biodegradable polymer plants** – Proprietary technology services, equipment sales and licensing, China, Taiwan, Korea, Vietnam;
- **UPM biochemical (wood chips to MEG) plant** – Services from process consolidation to detailed engineering, Germany; and
- **Hummingbird® ethanol to bio-ethylene – Collaboration** with 'On' Shoes, Lanzatech and Borealis to support the development of the 'On' Shoes CleanCloud™ Cloudprime sports shoe made from carbon emissions.

CIRCULARITY AND FERTILIZERS

Circularity

Circularity aims to exploit virtuous cycles where a process output or waste product becomes an input for another process, such as the production of pyrolysis oil and monomers from plastic waste.

Technip Energies is working to provide recycling solutions for the polymer producing technologies, also supplied by the Company. Using an open innovation approach, the Group is developing proprietary technologies and cooperating with market-leading companies for the commercialization of circularity solutions.

As such the Company:

- is working with INEOS Infinia to address difficult-to-recycle PET plastic waste, such as highly-colored bottles and food trays;
- is completing advisory and EPC work for a demonstration plant for Carbios' enzymatic recycling process for PET plastics through depolymerization along with FEL 2 engineering work for the first-of-a-kind 50,000 tpa industrial plant;
- is developing proprietary processes to purify pyrolysis oil and gas via in-house pure.rOil® and pure.rGas® technologies. These technologies in combination with ongoing cooperations with pyrolysis technology owning companies, such as Synova and Alterra, allow the Group to supply comprehensive solutions from plastic waste to purified feedstock to re-produce olefin monomers

and polyolefins plastics. Furthermore, Technip Energies has been engaged in several feasibility studies to pave the way for the commercialization of a first wave of industrial plastic waste recycling plants; and

- signed a Joint Development and Cooperation Agreement with Synova and SABIC to collaborate on the development and realization of a commercial plant, which would produce olefins and aromatics from plastic waste.

Brand owners and governmental policies have set targets for recycling content in packaging. By 2030, in order to meet these targets (e.g. Europe's "Circular Economy Action plan", the UK's "Plastic Packaging Tax", the U.S. Plastic Pact and China's 2021-2025 Five-Year Action plan for promoting recycling solutions) the installation of hundreds of new recycling plants is anticipated, representing a 25% growth rate for recyclates production.

Technip Energies' key projects and references include:

- **pyrolysis-based chemical recycling plants** – Feasibility studies, engineering studies, due diligence studies; and
- **Carbios PET enzymatic recycling demonstration plant** – EPCm services, France.

Key technologies and relationships include:

- cooperation agreements to support commercialization of pyrolysis technologies from Synova, Alterra, Carboliq, and AP Chemi;
- an agreement with Agilyx to accelerate the implementation of Agilyx's advanced recycling of post-use polystyrene technology pursuant to which Technip Energies will market and license Agilyx's depolymerization and Technip Energies' purification technologies;
- a joint venture agreement between the Company, Under Armor and IBM to develop and commercialize TACLOV®, a Glycolysis based PET recycling technology;
- our proprietary processes to purify pyrolysis products via our pure.rOilTM and pure.rGasTM technologies. These technologies, combined with ongoing cooperation with companies owning pyrolysis technology, allow us to supply comprehensive solutions from plastic waste to purified feedstock to re-produce plastics. In France, we have filed two patents related to this technology with an international application to follow and are working on an additional patent application;
- INEOS Infinia technology to recycle PET plastic waste – Alliance Engineering Contractor for Front End Loading services; and
- Eastman technology to recycle PET plastic waste – Alliance Engineering Contractor.



THE COMPANY IS DEVELOPING PROPRIETARY TECHNOLOGIES FOR THE COMMERCIALIZATION OF CIRCULARITY SOLUTIONS

Fertilizers

Technip Energies has extensive experience in fertilizers, having engineered and delivered approximately 400 complexes or integrated units in 40 countries including for OCP, PetroVietnam Fertilizer and Chemicals Corp., Duslo A.S, Fosfertil, Industries Chimiques du Sénégal and two world-scale ammonia/urea projects in India for Hindustan Urvarak and Rasayan Limited (HURL). The Company's expertise covers the entire value chain from geology and mining to beneficiation, sulfuric or phosphoric acid plants, phosphate and potash fertilizers plants, as well as ammonia and urea plants.

The Group's services offerings range from global strategic planning, technical consulting and feasibility studies to complete turnkey facilities and further assistance in production, debottlenecking and revamping. The Company provides a wide selection of basic and specialty chemicals processes, including associated effluent treatments.

Technip Energies offers leading technologies:

- proprietary technologies and processes including calcination (Dorr-Oliver/FluoSolids®), phosphoric acid, single nutrients and multicomponent fertilizers; and
- technologies in cooperation and alliance with leading companies: sulfur acid with MECS®, ammonia with Haldor Topsoe, urea synthesis with Saipem, urea granulation with ThyssenKrupp-UFT, nitric acid, ammonium nitrate and phosphate fertilizers.

Technip Energies is also helping clients find sustainable solutions for better feedstock uses in the phosphoric fertilizers sector through its R&D facilities.

The Company's laboratory pilot testing unit located in Tuticorin (Tamil-Nadu, India) supports R&D efforts to optimize phosphoric acid process technology. The Company offers tailored solutions designed to meet "Zero Liquid Discharge" requirements which meet the most stringent environmental standards. Phosphoric acid production is a "no-oil" and low energy-intensive process, based on natural feedstock (phosphate rocks) and utilizes sulfuric acid that generally generates ample quantities of CO_2-free energy during phosphoric acid production, thereby ensuring the overall energy balance of a production complex. Gypsum which is a by-product of the process may be re-used and recycled as part of a circularity model.

1.5.3.

NEW ENERGIES

New energies and related technologies are essential to help the world achieve net zero emissions by 2050 or even earlier. As it is committed to investing in the environmental transition and leveraging its expertise, Technip Energies addresses markets comprised of green hydrogen (which is hydrogen production powered by renewable energies) and floating offshore wind. The Group offers a wide range of services from concept studies to project execution.

GREEN HYDROGEN

A green hydrogen molecule is generated mainly through water electrolysis but also from different sources of biomass.

It can be used as a clean primary source of energy (and mixed with methane in the gas grid for instance) or combined with other molecules to feed the chemical industry (like nitrogen to produce ammonia or captured carbon to produce methanol) and has been termed the “Power-to-X” industry and includes electrofuels, also known as e-fuels or synthetic fuels, which are manufactured using captured carbon dioxide or carbon monoxide, together with hydrogen obtained from sustainable electricity sources such as wind, solar and nuclear power.

WE ARE BUILDING CLOSE COMMERCIAL RELATIONSHIPS WITH ELECTROLYZER MANUFACTURERS



We are providing two types of solutions to our clients:

- a standardized and modularized solution for local market needs (industrial scale projects), where hydrogen is mainly produced from electrons purchased from the grid; and
- bespoke solutions for large export project development (utility-scale projects), that will produce clean hydrogen from a green electron which will be generated through massive solar and/or wind farms. Green hydrogen will be transformed into ammonia or other molecules to be transported over a long distance. Technip energies is also offering to its clients intermittency management systems that will minimize the effect of renewable intermittency on green molecule production.

We are developing close commercial relationships with several electrolyzer manufacturers and monitoring the entire green hydrogen supply chain. We are also looking at our legacy partners in the molecule domain such as ammonia and fuels, to offer appropriate solutions to our clients. In the longer term, major developments will become viable, with the bankability of such investments being predicated on the development of large project execution capabilities and the ability to address intermittency management for which we are developing solutions.

We have invested in Hy2gen in February 2022. Hy2gen is a project developer focusing on developing green fuels from renewable sources, mainly hydro in Norway and Canada. We are positioned to be its strategic partner, supporting Hy2gen to develop projects (bankability, technology and site selection) and secure FIDs. We believe that this investment will help us gain a better understanding of clients' needs in this emerging business.



Technip Energies' key projects and references include:

- **More than 40 projects awarded in 2022** including four detailed engineering projects;
- **HYNL – Engie – 100 MW EPC**, awarded in Q3 Sept 2022, Netherlands;
- **Maasvlakte – Uniper – 100 MW FEED and Open Book Estimate, Green Hydrogen**, awarded in Q3 2022, Netherlands;
- **Confidential – 150 MW Basic Engineering, Green Hydrogen**, awarded in Q3 2022, UAE;
- **Yuri – Engie – 10 MW EPC, Green Hydrogen Production combined with Solar Plant**, awarded in Q3 2022, Australia;
- **Porvoo – Neste – 100 MW FEED, Green Hydrogen**, awarded in Q4 2022, Finland; and
- Several other **pre-FEED and studies in the green ammonia, eMethanol and eFuel space**, including multi GW projects, amongst which:
  - Iverson – CIP/Hy2gen – Pre-FEED for 600 tpd of Green Ammonia, awarded in Q2 2022, Norway,
  - Hynovi-Hynamics (EDF) / Vicat – pre-FEED for 200 000 TPA E-methanol (330 MWe), awarded in Q3 2022, France,
  - Arcadia – Confidential – pre-FEED for 2000 BPSD e-fuel (250 MWe), awarded in Q3 2022, Denmark, and
  - Confidential – PreFEED for 2 GW Green ammonia, awarded in Q4 2022, Chile.

FLOATING OFFSHORE WIND

Floating offshore wind technology is key to decarbonize the world by providing renewable electricity. From approximately 120 MW currently to 60 GW installed by 2040, the Group forecasts a rapid growth, especially in Western Europe.

Capitalizing on a 50-year offshore track record and as an already well-recognized global leader in floating solutions, the Group is an ideal partner for offshore renewables projects. In 2022, a strategic collaboration agreement with Equinor was signed to develop floating wind steel semi-substructures and further enhance industrialization. A second strategic agreement with Skyborn Renewables (formerly WPD Offshore) was also signed aiming to join forces on floating offshore wind developments.

Technip Energies' key differentiator is its ability to manage multi-discipline engineering and operational risks in the marine environment, which includes the electricity chain from power generation to offshore substations (whether high voltage alternative current or high voltage direct current) as well as the floater. Recent successes demonstrate that the Company can perform in the rapid growth environment of the floating offshore wind business large and complex project execution.

Technip Energies is deploying capabilities in field architecture optimization and in-house proprietary



60 GW
installed by 2040

floater design for harsh environments such as the North Sea, South Korea or other cyclonic areas. The aim is to create industrialized, large-scale, connected and economically viable products. This will include innovative O&M (operations and maintenance) solutions which will permit the installation and replacement of major components offshore. Cyber wind farms, using sensors, drones and robots, should also be a real game changer for remote cost-effective inspection and maintenance. The Group provides end-to-end solutions for the full life cycle of the offshore wind farm, ensuring cost competitive solutions from a CAPEX and OPEX point of view and facilitating the decommissioning and recycling of the farm at the end of its lifetime.

Beyond the floater, software and simulation capabilities that can optimize wind farm layout and provide analytics across the key components of the farm are being developed.

The Group is also preparing the future by investing in R&D to propose the next-generation floating wind farms. In 2022 Technip Energies acquired a stake in X1 Wind, a renewable energy startup that has designed an innovative and disruptive offshore wind turbine floater with major environmental and operational benefits. The first full-scale 6 MW pilot is planned for 2025. The Group also innovates in the field of offshore green hydrogen and green ammonia production with units fed with energy coming from floating offshore wind turbines with the Company's dedicated product GO.H_2 by T.EN™.

Technip Energies' key projects and references include:

- being selected to perform the **FEED contracts** for the world's two first commercial wind farms involving INO15™ in-house floating technology;
- **HYWIND Demo for Equinor**, Norway (2009) – First full-scale offshore floating wind turbine;
- **Mistral Vertiwind & Inflow in association** with EDF Renewables and Nénuphar Development – detailed design and testing of a prototype of the first vertical axis offshore floating wind turbine;
- **Firefly Project for Equinor South Korea Co Ltd** – First FEED contract for a large commercial floating offshore wind farm offshore South Korea (800 MW) using INO15™ in-house floater;
- **Gray Whales 3 Project for Corio and TotalEnergies** – FEED contract for a 500 MW floating offshore wind farm offshore South Korea;
- **Renexia MedWind** – Conceptual and FEED for the development of an offshore wind farm west of Sicily, with the largest capacity worldwide (3 GW); and
- **MunmuBaram Project for Shell Overseas Investments B.V. and CoensHexicon Co., LTD** – pre-FEED for the engineering of the floating offshore wind turbines (1.4 GW capacity).

1.6.

Key events

2022

– January 11

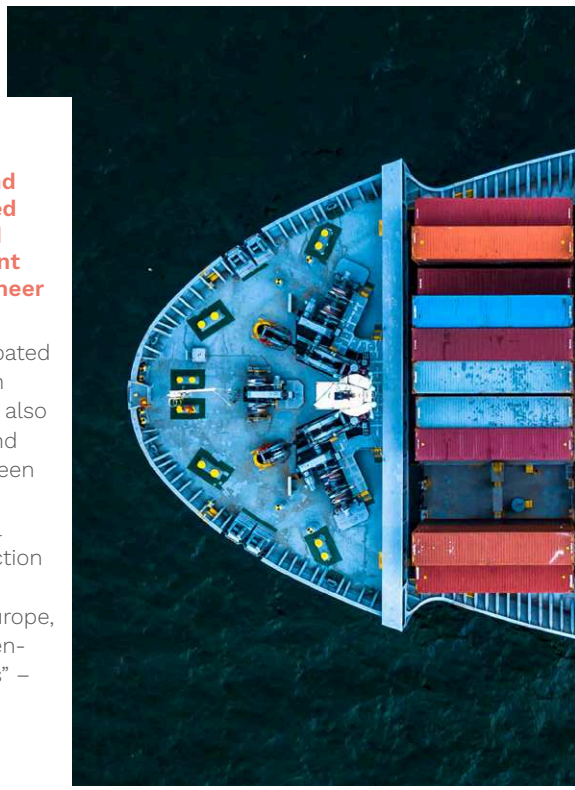
Technip Energies Purchases 1.8 Million of Its Own Shares From TechnipFMC

Technip Energies announced it had agreed to acquire 1.8 million of its own ordinary shares from TechnipFMC plc as part of TechnipFMC's sell-down of its stake in the Company through a private sale transaction with Bpifrance Participations SA and HAL Investments, the Dutch investment subsidiary of HAL Holding N.V., each agreeing to also purchase 3.6 million Technip Energies ordinary shares.

– February 17

Hy24, Mirova, CDPQ and Technip Energies Joined Forces to Make Record €200 Million Investment in Green Hydrogen Pioneer Hy2gen AG

Technip Energies participated in Hy2Gen's €200 million investment round which also included Hy24, Mirova and CDPQ. Hy2gen AG is a green hydrogen investment platform. The capital will be used for the construction of facilities in several geographies including Europe, producing green hydrogen-based fuels – or "e-fuels" – for maritime and ground transport, aviation and industrial applications.





– February 08

Technip Energies Announced Investment in Floating Offshore Wind Company X1 Wind

Technip Energies acquired a 16.3% stake in X1 Wind, a renewable energy startup that has designed an innovative and disruptive offshore wind turbine floater with major environmental and operational benefits.

– February 11

Technip Energies Awarded a Significant (1) EPCC Contract by PETRONAS Chemicals Fertiliser Kedah for a New Melamine Plant with Minimized CO_2 Footprint

This EPCC contract follows the successful completion of the Front-End Engineering Design (FEED) by Technip Energies. The project includes a 60,000 ton per annum greenfield melamine plant, utilizing CASALE Low Energy Melamine (LEM™) technology, and associated interconnections with the existing urea plant where the CO_2 generated in the melamine production process will be recycled. This serves to minimize the CO_2 footprint of this new asset.

– March 3

Russia-Ukraine War

In connection with its full year 2022 financial results, Technip Energies' CEO communicated to the market that the Company had ceased working on future business opportunities in Russia.

(1) A "significant" award for Technip Energies is a contract award representing between €50 million and €250 million of revenue.



– March 22

Technip Energies Announced the Launch of a Share Buy-Back Program

Technip Energies launched a share buy-back program of up to 29,850,000 euros to be executed until December 31, 2022, for the purpose of meeting the Company's obligations under equity incentive plans.

– May 12

Technip Energies and Saulsbury Industries Awarded EPC Contract for Carbon Capture & Storage at ExxonMobil LaBarge, Wyoming, US Facility

The LaBarge plant has already captured more CO_2 than any other facility in the world [2]. The plant has capacity to capture more than 6 million metric tonnes per year, and this expansion project will enable the capture of more than one million additional metric tonnes of CO_2 per year.

– March 15

Technip Energies Partnered With Greenko Group to Accelerate Green Hydrogen Development in India

Technip Energies and Greenko ZeroC Private Ltd. signed a Memorandum of Understanding (MoU) to explore green hydrogen project development opportunities across industries including the refining, petrochemicals, fertilizer, chemical and power plant sectors in India to accelerate energy transition in the country.



– April 04

Technip Energies to Provide FEED for Equinor Floating Offshore Wind Firefly Project in South Korea

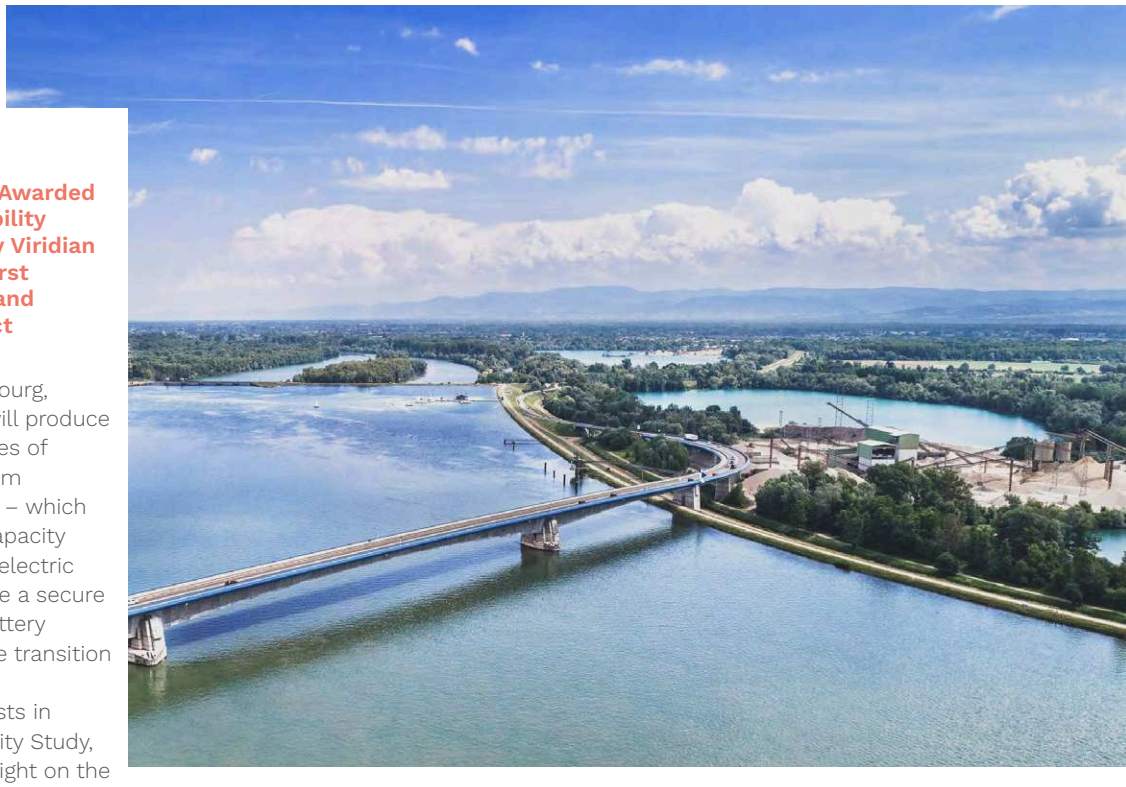
The FEED contract covers engineering of the floating wind turbine substructures for a proposed 800 megawatts offshore wind farm. The design of the substructures will include Technip Energies' in-house floater technology INO15™. Firefly wind farm is planned for an area of 2 x 75 km^2 off the coast of the city of Ulsan in South Korea and will serve to feed the Korean grid. It is planned to be in operation in 2027.

– May 25

Technip Energies and Samsung Engineering Awarded Pre-FID Contract, Formed a Joint Venture for Project Design and Delivery for Texas LNG in the USA

Through a joint venture with Samsung Engineering, Technip Energies was appointed lead project contractor charged with project design and delivery for the Texas LNG project in Brownsville, Texas, USA. The Texas LNG project will utilize Technip Energies' SnapLNG™ solution, which combines a compact modular design concept for mid-scale trains with standardized components and technology.

(2) Source: ExxonMobil plans to increase carbon capture at LaBarge, Wyoming facility.



– June 07

Technip Energies Awarded a Bankable Feasibility Study Contract by Viridian Lithium for the First Lithium Refining and Conversion Project in Europe

Located in Lauterbourg, France, the plant will produce up to 100,000 tonnes of battery-grade lithium chemicals per year – which is the equivalent capacity to power 2 million electric vehicles – to enable a secure and sustainable battery supply chain for the transition to electric mobility.
The contract consists in a Bankable Feasibility Study, and a preferential right on the construction of the plant and its three foreseen extensions.



– June 16

Technip Energies and Equinor Entered Strategic Collaboration to Accelerate Floating Offshore Wind Development

The two companies aim to develop floating wind steel semi-substructures that accelerates technology development for floating offshore wind, ensures cost reductions and develops local value opportunities.

– July 04

Technip Energies Awarded a Large (3) EPC Contract by Hafslund Oslo Celsio for a World-First Carbon Capture and Storage Project at Waste to Energy Plant in Norway

The project will use the Shell CANSOLV® CO_2 Capture System and will be the first full-scale waste-to-energy plant in the world with CO_2 capture. 400,000 tonnes per year of CO_2 will be captured, which is the equivalent of the emissions from around 200,000 cars and will reduce Oslo's emissions by 17%. As part of the Longship project, the CO_2 will then be liquified and exported to Northern Lights which is the first cross-border, open-source CO_2 transport and storage infrastructure network.

– July 19

Technip Energies and National Petroleum Construction Company Establish a New Company to Accelerate Energy Transition

Headquartered in Abu Dhabi, the new joint venture NT ENERGIES LLC aims to support energy transition in the UAE, the broader Middle East region and North Africa by providing added value services in blue and green hydrogen and related decarbonization projects, CO_2 capture in addition to industrial projects in the fields of waste-to-energy, biorefining, biochemistry, as well as other energy transition related themes.

(3) A "large" award for Technip Energies is a contract award representing between €250 million and €500 million of revenue.

— July 21

Technip Energies Awarded a Significant [4] Contract by Neste for Renewable Products Refinery Expansion in Rotterdam

The contract covers Engineering, Procurement services and Construction management (EPsCm) for the expansion of Neste's existing renewables refinery in Rotterdam which will increase Neste's overall renewable product capacity by 1.3 million tpa.
The production process is based on Neste's proprietary NEXBTL™ state-of-the-art technology, which allows the conversion of renewable waste and residue raw materials like used cooking oil and animal fat waste into renewable fuels.

— August 17

Technip Energies, Subsea 7 and Samkang M&T to Perform FEED for Gray Whale 3 Floating Offshore Wind Project in South Korea

The FEED contract covers engineering for floater, mooring, and inter-array cable (IAC) in collaboration with a wind turbine supplier. The design of the floating foundation will include Technip Energies' in-house floater technology INO15™. With a capacity of 15 megawatts, INO15™ technology is a three columns semi-submersible floater which is well suited for large series production.

— September 16

Technip Energies Awarded an EPCC Contract for YURI Green Hydrogen Project in Australia

Technip Energies leader of a consortium with Monford Group, was awarded an Engineering, Procurement, Construction and Commissioning (EPCC) contract by Yuri Operations Pty Ltd, to develop Project Yuri Phase 0 project, which is a green hydrogen plant in the Pilbara region of Western Australia.



— July 28

Arctic LNG 2 Project

Commenting on Technip Energies' half-year results, Technip Energies' CEO indicated that, in line with the applicable sanctions, the Company was continuing to implement an orderly exit from the Arctic LNG 2 and had suspended the vast majority of the work.

— August 22

Technip Energies and Clough to Perform FEED for TotalEnergies Papua LNG Upstream Production Facilities

The upstream production facilities cover the development of the Elk and Antelope onshore gas fields including the well pads and the central processing facility. It also incorporates a carbon capture and sequestration (CCS) scheme to remove the fields' native CO_2 and reinject it into the reservoirs.

— October 03

Technip Energies Announces Award of a Large [5] Contract for FEED, License and Proprietary Equipment Supply for INEOS' Project One Ethane Cracker

This latest award is in line with Technip Energies' early engagement strategy and consolidates the successful completion of the Ethylene License and Extended Front End Engineering and Design (FEED) previously awarded to Technip Energies by INEOS.



(4) A "significant" award for Technip Energies is a contract award representing between €50 million and €250 million of revenue.
(5) A "large" award for Technip Energies is a contract award representing between €250 million and €500 million of revenue.

– October 06

Technip Energies to Perform FEED for PTTEP Lang Lebah Onshore Gas Plant Associated with Carbon Capture in Malaysia

The FEED contract covers the Design of an onshore gas plant including the integrated flow assurance of the native CO_2 capture, compression and transportation via pipeline up to the offshore wellhead platform where it will be reinjected. The gas coming from the Lang Lebah offshore field will be treated before being sent to the Malaysia LNG complex.

– October 20

Arctic LNG 2 Project

Commenting on Technip Energies' nine months update, Technip Energies' CEO indicated that the orderly exit from Arctic LNG 2 was progressing, that all operational personnel had been demobilized from the project, and that the Company had signed an Exit Framework Agreement with the client, which it anticipated completing in the first half of 2023.

– November 29

Technip Energies Awarded a Contract for Sustainable Aviation Fuels Production at TotalEnergies Grandpuits Zero-Crude Platform in France

This contract covers the Engineering, Procurement services and Construction assistance (EPsCa) for the conversion of the Grandpuits refinery into a zero-crude platform oriented towards SAF. Once in operation, this facility will have the capacity to produce 210,000 tonnes per year of SAF from sustainable feedstock such as used cooking oil and animal fat.

2023

– October 14

Technip Energies and Shell Catalysts & Technologies Strengthen Strategic Alliance on CANSOLV Technology to Address Growing Carbon Capture and Storage Demand

The strategic alliance consists of an integrated collaboration for the joint promotion, marketing, licensing and execution of projects using Shell's CANSOLV [6] CO_2 capture system technology, resulting in lower Capex and Opex for clients.



– November 17

Technip Energies and Baker Hughes to Collaborate on a 1 to 2 Million TPA Range Modularized LNG Solution

Technip Energies and Baker Hughes signed a Memorandum of Understanding that sets the groundwork for their cooperation on the joint development of a new above 1 and up to 2 million tpa range liquefied natural gas (LNG) modularized solution for the onshore market which would provide an additional offering to the two companies' respective proprietary LNG modularized solutions: Baker Hughes' 1 million tpa range LNG Mid-scale Modular Solution (MMS), with a production capacity of 0.8 to 1 million tpa, and Technip Energies' "SnapLNGTM" with a production capacity of 2 to 3 million tpa.

– December 21

Technip Energies Awarded a Proprietary Equipment Contract [7] by Chevron Phillips Chemical and QatarEnergy for the Golden Triangle Polymers Ethane Cracker

The contract is for the supply of proprietary cracking furnaces for the 2 million tpa ethane cracker for the Golden Triangle Polymers project, a joint venture between Chevron Phillips Chemical (CPChem) and QatarEnergy, along the Gulf Coast in Orange, Texas. The modularized cracking furnaces will feature seven of the largest capacity furnaces that Technip Energies has ever designed. The cracker is designed using modern emissions reduction technology and processes that result in lower greenhouse gas emissions than similar facilities in the United States and Europe.

(6) CANSOLV is a Shell trademark.

(7) This award represents over €250 million of revenue for Technip Energies.

1.7.

Forward-looking statements

This Annual Report contains forward-looking statements that reflect the Company's intentions, beliefs or current expectations and projections about the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates.

Forward-looking statements are often identified by the words “believe”, “expect”, “anticipate”, “plan”, “intend”, “foresee”, “should”, “would”, “could”, “may”, “estimate”, “outlook”, and similar expressions, including the negative thereof. The absence of these words, however, does not mean that the statements are not forward-looking. These forward-looking statements are based on the Company's current expectations, beliefs and assumptions concerning future developments and business conditions and their potential effect on the Company. While the Company believes that these forward-looking statements are reasonable as and when made, there can be no assurance that future developments affecting Technip Energies will be those that the Company anticipates.

All of the Company's forward-looking statements involve risks and uncertainties (some of which are significant or beyond the Company's control, such as Russia’s invasion of Ukraine, the associated sanctions and the impact these will have on the Company's and/or the Company's clients’ activities conducted in or related to Russia or Belarus) and assumptions that could cause actual results to differ materially from the Company's historical experience and the Company's present expectations or projections. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those set forth in the forward-looking statements.

Some of these factors are discussed in this Annual Report in chapter 4. Risk and Risk Management, in sections 3.5.1. ESG Risk Management and 2.3. Operating and financial review where the Company's material risks are discussed. This chapter and these sections provide a discussion of the factors that could affect the Company's future performance and the markets in which the Company operates. Additional risks currently not known to the Company or that the Company has not considered material as of the date of this Annual Report could also cause the forward-looking events discussed in this Annual Report not to occur. Forward-looking statements involve inherent risks and uncertainties and speak only as of the date they are made. The Company undertakes no duty to and will not necessarily update any of the forward-looking statements in light of new information or future events, except to the extent required by applicable law.



Value creation, businesses and financial performance



2.



2.1. LONG-TERM VALUE CREATION 42

2.1.1. Selectivity and project execution 43

2.1.2. Building a sustainable energy transition business 43

2.1.3. Growing Technology, Products & Services 43

2.1.4. Technology & Innovation 44

2.1.5. Our financial framework 47

2.2. OUR OFFERING: TECHNOLOGY, PRODUCTS & SERVICES AND PROJECT DELIVERY 48

2.2.1. Technologies, Products & Services 48

2.2.2. Project Delivery 55

2.3. OPERATING AND FINANCIAL REVIEW 61

2.3.1. Business outlook 61

2.3.2. Consolidated results of operations 64

2.3.3. Non-GAAP measures 68

2.3.4. Business Segments Highlights 70

2.3.5. Liquidity and capital resources 73

2.3.6. Critical accounting estimates 76

2.3.7. Other matters 76

Energy transition is at the heart of Technip Energies' strategy as it aims to break the correlation between increased energy demand and higher greenhouse gas emissions. Technip Energies' business model is focused on developing decarbonization technologies, carbon-free and new energies solutions to help achieve net zero emissions for all its stakeholders. See in the introduction chapter of this Annual Financial Report the sections 1.5.1. Gas & Low Carbon Energies, 1.5.2. Sustainable Fuels, Chemicals and Circularity, and 1.5.3. New energies.

2.1. LONG-TERM VALUE CREATION

Consistent with Technip Energies' Purpose "Breaking boundaries together to engineer a better future", the Group's ambition is to be recognized as a leader in the energy transition.

Technip Energies is committed to taking into account climate risk and to contributing to adapting to climate change, notably through an offering which contributes to reducing greenhouse gas effect as well as offsetting carbon emission. Technip Energies has the prerequisite skills, business attributes and strategic drive to help many industries reach their net zero targets. Thanks to its energy transition investments, the Group offers emerging clean energy technologies, an array of tools to lower traditional industry emissions and decarbonizing solutions for the global energy chain, enabling clients to diversify their offerings without diluting returns.

Technip Energies has adopted a holistic approach which includes technology, products, services and project delivery for the energy transition to create value for all its stakeholders. The Group has refocused its offering to meet the challenges of today and build tomorrow. Its key markets are now in gas and low carbon energies, sustainable fuels and chemicals, circularity, carbon capture utilization and sequestration, with a cross-border portfolio of solutions from consulting to digital and technologies.

Technip Energies believes that its Values help underpin value creation.

Value	Examples of how our Values contribute to value creation
We actively listen	*Technip Energies early engagement with its partners and clients, whether by delivering consulting services or pre-FEED and FEED studies allows the Group to establish lasting relationships, develop cutting-edge technologies as well as gain invaluable first-hand experience in the energy technologies that will shape tomorrow's energy landscape, whether in carbon capture, offshore wind or hydrogen. Technip Energies is thus positioning itself as a leading company in the energy transition.*
We are inclusive and collaborative	*The Group actively works to increase gender equality and diversity, which in turn will help attract prospective employees. We have set an objective of hiring women graduates representing at least 50% of our entry-level intake. This objective was reached in 2021 and exceeded in 2022 with 52% of young graduates being women. "We know diversity brings innovation and creativity, and that gender diversity leads to other forms of diversity too. It's not just about our reputation – we're doing it because we believe it's the right thing to do. We want everyone to reach their full potential with us and our actions need to reflect our words." [Magali Castano SVP, People & Culture]. In doing so Technip Energies is able to attract a greater talent pool.*
We strive for excellence	*The development of Technip Energies' employees is critical to the Group's success. This is essential for Technip Energies to continue to win and grow leading positions and expertise to meet the energy transition challenges. T.EN University will be launched in 2023. It will be structured around six domains: Technology, Project Management, Digital, Commercial, Management & Leadership and Culture. This will be another tool to position our workforce and our business to address the challenges of bringing new solutions to reach net zero emissions.*
We drive sustainable change	*The Group is focused on deepening its collaboration with Shell on its Cansolv technology for carbon capture and the pioneering work in LNG with projects such as North Field East in Qatar, which are examples of how Technip Energies is contributing to decarbonizing industry and energy production. Technip Energies also provides solutions in hydrogen with BlueH2 by T.EN™ or, for decarbonizing transportation, by partnering with NESTE on its NexBTL technology, which produces renewable diesel.*
We don't compromise on safety and integrity	*Once it became clear that continuing presence in Russia following the invasion in Ukraine would represent an unacceptable risk for its employees we decided to repatriate all of our teams. The Group has a zero tolerance for corruption, believes in fair competition, rejects any form of human slavery, protects personal data and human rights and encourages its employees to speak up. Technip Energies' world-class compliance program which is designed on a risk-based approach with a focus on anti-bribery and corruption trade controls, data privacy and human rights ensures that the Group remains well within the limits of all applicable laws. This demonstrates our commitment to safety and integrity which in turn results in trust with all stakeholders, whether they be clients, employees, contractors or governmental authorities.*

The Group never compromises on its Values, no matter the circumstances. Also see section 1.2.2. Our Values.

Our ESG roadmap has also been designed to help us accelerate our clients' ambition for low-carbon energy transition and deliver a robust financial performance.

2.1.1. SELECTIVITY AND PROJECT EXECUTION

Long-term value creation at Technip Energies is made possible through strict selectivity criteria, world-class project management and execution capabilities. The Group's selective approach includes early engagement, technology know-how including proprietary technology, stakeholder management as well as 60 years of successful project execution around the world. The Group also bases its selectivity on carbon-based metrics, compliance and governance standards.

Technip Energies believes in early engagement as a route to define and optimize a project scope. This is where the Company is the most capable of proposing optimized designs and best solutions technology choices, whether utilizing proprietary technologies or alliance partner technologies. Early engagement also helps define specifications to reduce overall investment cost and de-risk a project up-front. Ultimately, this ensures economic viability and sets for successful project execution to benefit both external stakeholders and Technip Energies.

Technip Energies is also enhancing its robust project execution capabilities through to operating centers established around the globe, allowing a collaborative project delivery model. See section 2.2.2. Project Delivery.

Technip Energies has the willingness and discipline to walk away from a prospect if the project risks or contractual terms and conditions do not meet selectivity principles. The Company's commitment to maintaining such discipline will enable it to consistently generate value from its Project Delivery portfolio over the long term.

Selectivity is also a factor in respect of the geographies we are engaged in. While larger contracts which are included in our backlog may give prominence to a limited number of countries in any given year, our backlog is being constantly replenished and geographic concentration will therefore vary considerably from year to year. Revenue concentration can be markedly lower than backlog concentration in any given year due to timing of project execution and revenue recognition. In the medium to long-term the growth of our TPS businesses is going to expand our portfolio by inclusion of a larger number of diverse contracts which are expected to be more geographically diverse. In terms of short-term developments during 2022 please refer to 1.6. Key events.

2.1.2. BUILDING A SUSTAINABLE ENERGY TRANSITION BUSINESS

The Group's strategy is to drive change within the energy mix towards cleaner and more affordable energies. Technip Energies believes it is its role to help the world achieve net zero carbon emissions by applying its skills to decarbonize the global energy value chain. Current initiatives combined with its flexible operating model will allow the Group to unlock the energy chains of tomorrow and gain share in high growth markets.

Technip Energies has outstanding energy molecule transformation skills and engineering capabilities, allowing the Group to define the optimal architectural design from energy source to energy demand. The Group integrates complex technologies to match project needs and determine the best economics. These are often technologies proprietary to Technip Energies, but alliance partners' technologies can also be integrated. This flexible operating model provides many avenues to be successful in the energy transition markets.

Navigating the energy transition, the Company is equipped to address key growth markets including carbon capture and utilization and sequestration, low carbon hydrogen, renewable fuels and sustainable chemicals, plastic and waste recycling and renewable or low-carbon energies such as floating offshore wind.

Thus, Technip Energies brings differentiation by developing, scaling up and delivering new solutions and technologies in an economical manner, driving higher value for the Company and its customers.

The world requires an energy system that balances affordability, availability, and sustainability. As such, there is an urgent need for increased investment and accelerated project development, with particular emphasis on natural gas, LNG, and low-to-zero carbon solutions. This also includes the critical task of decarbonizing traditional industries. For Technip Energies, this market reality is evidenced by two key trends: a strong TPS order with notable awards in renewable fuels and ethylene which reinforces the revenue growth trajectory of TPS, our highest margin segment; and the material growth in our commercial pipeline for Project Delivery with substantial early engagement in energy transition prospects, including LNG, as well as decarbonizing traditional markets.

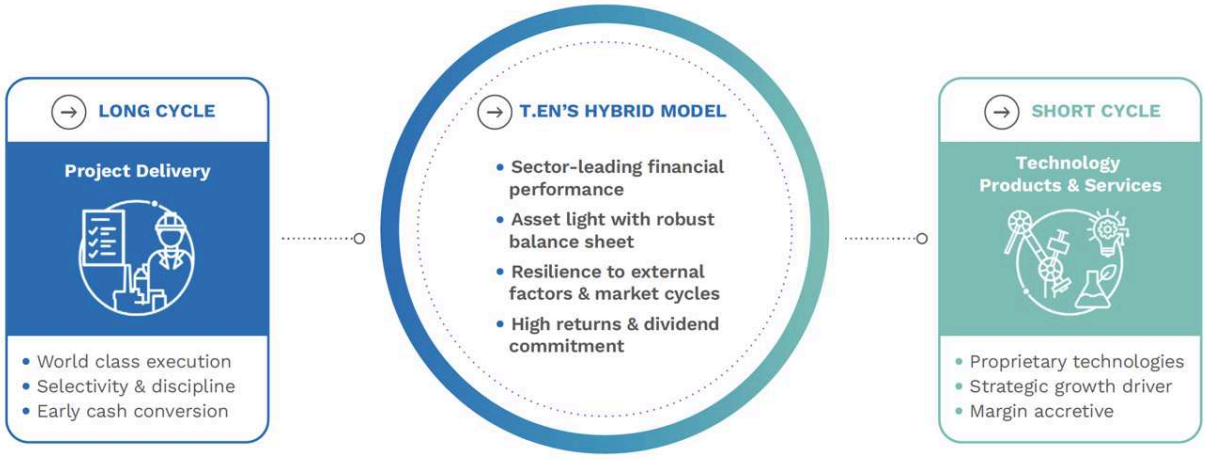
2.1.3. GROWING TECHNOLOGY, PRODUCTS & SERVICES

Technip Energies' ambition is to develop and grow its Technology, Products & Services ("**TPS**") segment. This segment consists of higher-value revenue streams and offers a different risk profile compared to the Project Delivery segment, while also delivering premium margins. The objective is to increase the Company's valuation over time as well as align the growing energy transition opportunity set.

This growth can be achieved via different routes. Organically, we can grow higher-value services and advisory lines notably through consulting & products under the T.EN X – Consulting & Products brand. The aim is to capture a greater share of existing markets and to allow the Group to diversify into adjacent markets such as pure consulting services and emerging spaces. Technip Energies technology positioning and proprietary equipment offering can be enhanced through innovation, as well as through inorganic additions by way of partnerships or acquisitions.

Our businesses offer complementary and offsetting revenue and risk profiles, with the combination of longer cycle Project Delivery with value accretive TPS providing an ideal blend for the Company to be successful across energy cycles.

Project Delivery & TPS offer complementary and offsetting risk and business profiles



2.1.4. TECHNOLOGY & INNOVATION

The purpose of Technip Energies' technology and innovation activities is to improve existing technologies, products, and services, and to create new and differentiated products and services that meet growing customer needs. Technology and innovation are at the heart of Technip Energies' strategy under the direction of its Chief Technology Officer, Dr. Cai, who is also a member of Technip Energies' Executive Committee.

"*Technip Energies' ambition is to transition from being an EPC company with technology to a technology company with strong EPC capabilities. To me, this means building upon our strengths and amplifying our technology DNA.*" Wei Cai, Chief Technology Officer

The goal of research and development ("**R&D**") is to deliver new technologies, products, and services to propel the growth of our business and to enable Technip Energies to become a leader in the energy transition. Technip Energies' investment in technology and innovation is being redirected to enable a decarbonized energy system and its R&D programs cover the development of solutions for low-carbon and carbon-free energies, hydrogen and derivatives, sustainable fuels, chemistry and circularity. Depending on the nature and maturity of the technology addressed by a development, its output allows Technip Energies to maintain and improve its competitiveness in the marketplace, to bring new products and solutions to expand beyond the current market offering, or to create new business models altogether to meet new demands.

Through a combination of approaches including improved process efficiency, process electrification, fuel substitution, and carbon capture, decarbonized technologies enable Technip Energies' customers to reduce the carbon footprint of their process and operations in existing and new facilities. One of our objectives is also to develop a recycle or green solution for each of the process technologies we offer.

In addition to decarbonize Technip Energies' process technologies, a substantial portion of innovation activities is focused on the advancement and commercialization of low-carbon or carbon-free solutions, such as renewable fuels and sustainable chemicals, carbon dioxide management, clean hydrogen and derivatives, and floating offshore wind.

Technip Energies' R&D process is developed and maintained by the Technology and Innovation ("T&I") organization. It starts with technology roadmaps, which are the result of collaboration among corporate strategy and all business lines. These roadmaps feed into and align with Technip Energies' business strategy. R&D programs are then defined accordingly.

Technip Energies has set up a team of Technology Portfolio Leaders within the T&I organization, for each of the following focus areas:

- LNG and gas processing;
- hydrogen and derivatives;
- carbon capture, storage, and utilization;
- sustainable fuels, chemicals and circularity; and
- offshore.

All R&D activities fall under these portfolios and are executed by Technip Energies' technical talent across the Operating Centers. The heads of technology provide oversight and drive the execution of R&D programs across global technology centers. This R&D process allows our global teams to work effectively to advance technologies at different levels of maturity.

2.1.4.1. Technology & Innovation Footprint

Innovation is central to our success, with our laboratory and engineering centers working to add strength to our technology offering. Technip Energy's technologies and innovation footprint includes:

- a laboratory in Weymouth, MA, United States, which focuses on testing and developing process technologies used in petrochemical, and sustainable chemical applications. The facility operates fully automated pilot plants that test catalysts and gather design data required to scale-up processes to commercialization. This expertise allows us to accurately evaluate a technology to determine its technical and economic viability;
- a laboratory in Frankfurt, Germany, which is focused on polymer, sustainable chemistry and plastic waste recycling. The Frankfurt laboratory develops and pilots polymer recipes and processes and has the key expertise to demonstrate new sustainable chemical and polymer solutions;
- a burner test facility in Rotterdam, The Netherlands, where we demonstrate our low nitrogen oxides (NOx) burners with low carbon fuels for use in fired heaters, Steam Reformers and Ethylene Furnaces. We have successfully fired our burners with pure hydrogen fuel. This is an important step in decarbonizing existing industrial facilities;
- a laboratory located at Southern Petrochemical Industries Corporation Limited's (SPIC) fertilizer complex in Tuticorin (Tamil-Nadu, India) hosting a Technip Energies laboratory pilot testing facility for phosphoric acid. The laboratory focuses on phosphoric acid pilot testing operation and is backed by a SPIC fertilizer complex central laboratory for analysis. With more than 570 phosphates analyzed or tested and more than 1,300 test runs, Technip Energies' laboratory pilot testing facility is a key tool for designing phosphoric acid and phosphates units and evaluate the performance of phosphate rocks feedstock within the process. More than 80 units have been designed from lab tests performed on Technip Energies' laboratory pilot testing facility. The facility is used to design new plants, assist producers for production performance improvement and to develop new technology solutions for phosphoric acid and phosphate products;
- engineering and technology development centers in various worldwide locations. The diverse expertise and proximity to markets and access to technology partnerships add significant strength to Technip Energies' Technology & Innovation and R&D efforts.

2.1.4.2. Open innovation

Open Innovation with industry partners and technology startups also represents a substantial portion of our Technology & Innovation portfolio. These collaborations and partnerships bring together unique and complementary expertise and accelerate the development and commercialization of new technology solutions.

New technology collaborations are established through existing relationships within the industry as well as through partnerships with academia and research institutions. Some examples include:

- collaboration with Clariant for the development and commercialization of various catalytic technologies such as EARTH® and acrylonitrile. EARTH® development was launched in 2018 and has been selected for a number of commercial projects. The acrylonitrile pilot plant is located in our Weymouth laboratory and has concluded its first successful demonstration runs;
- collaboration with Siemens in the development and commercialization of a Rotary Olefin Cracker (ROC) which is a step-out technology in decarbonizing ethylene production, enabling electrification of the process at higher process efficiency and productivity;
- work carried out with BTG Bioliquids B.V., on joint engineering, procurement and modular construction based on its Fast Pyrolysis Bio-Oil technology. The first commercial plants were completed in 2021;
- a joint venture with IBM and Under Armour for the development and marketing of PET recycling and upgrading technology. The technology, which is based on intellectual property originated with IBM, is being developed in our Frankfurt facility;
- several projects for Hummingbird® ethanol to ethylene technology (including LanzaJet's SAF plant at the Freedom Pines Fuel site in Soperton, USA). The technology was acquired from BP and has successfully moved to the commercial stage, with catalyst performance and improvement work being carried out in our Weymouth facility;
- collaboration with Agilyx for development of polystyrene recycling technology, combining Agilyx's technology in waste conversion with Technip Energies' expertise in styrene and polystyrene integration;
- membership in the Massachusetts Institute of Technology's (MIT) Industrial Liaison Program through our Boston office with the aim of sourcing development and commercialization opportunities in energy transition and which allows interaction with the startup community;
- affiliate member of the Stanford Energy Corporate Affiliates (SECA) Hydrogen Initiative which fosters interaction with other energy community participants including webinars, workshops and specific research in the field of hydrogen;
- collaboration with the *Commissariat à l'énergie atomique et aux énergies alternatives* in France on innovation and technology since 2011, with the current focus being energy transition and digital;
- our India operating center has collaborated with institutes such as the Indian Institute of Petroleum (IIP) at Dehradun, the Indian Institute of Science (IISc) at Bangalore and the Indian Institute of Technology (IIT) in Bombay as well as highly respected R&D centers of several major Indian corporations, including Indian Oil Corporation Ltd R&D, Bharat Petroleum Corporation Ltd. R&D and Hindustan Petroleum Corporation Ltd. R&D;
- collaboration with Synova in mixed plastic waste recycling, combining waste conversion technology with solutions to integrate recycled products into industrial applications; and;
- collaboration with Carbios in demonstrating its enzyme based polyester recycling technology.

Propel Innovation via platforms in Key Ecosystems: Bringing external and internal energies together



2.1.4.3. Digital

A core enabler for sustainable and profitable business performance

Technip Energies has a long experience in executing digital projects in order to increase efficiency and productivity and create new business opportunities. As the energy industry undergoes its most significant transformation to date, digital is now much more than an opportunity for increasingly efficient and flawless operations. Digital solutions are accelerating the transition to carbon-free energy and decarbonizing industry.

Technip Energies has the ambition of fully embracing digital capabilities as a core enabler of sustainable and profitable business performance, including revenue growth, improved internal efficiency, enhanced collaboration across the entire value chain and creation of new business models.

Technip Energies has increased its R&D focus to develop new technologies that support the energy transition. Technip Energies delivers value to clients by supporting the complete plant lifecycle, providing a competitive advantage for conceptual optimization, project performance, and operational excellence.

This has led Technip Energies to define a digital roadmap which is focused on:

- delivering solutions based on software and services to provide more value to the industry and generate new revenues;
- increasing operational efficiency through process automation;
- boosting decision-making by processing data;
- creating a partners' ecosystem with key actors to foster innovation; and
- investing in people by training and hiring talents.

A data-driven company

Rigorous, well-used data can drastically increase efficiency and boost decision making in all Technip Energies operations. For engineering and technology organizations such as Technip Energies, achieving this requires a shift from a document- and tool-centric approach to a fully data-centric approach built around processes. In practice, this means streamlining all dataflows and connecting all key applications with the relevant digital infrastructure across the group, thereby creating a single source of information that all stakeholders can access, enrich, and utilize.

To support its ambition, Technip Energies has defined a corporate data organization with a data office in charge of data culture, data governance, data strategy and data valorization, and a data management and architecture team in charge of the data platform and use cases industrialization.

Key data organizational principles:

- successful digital businesses require a data-literate workforce and data-driven culture. Our Data Office promotes literacy within the Company through communities, awareness and training programs.
- we share common values around data that have been summarized in a Data Manifesto.
- data governance is the collection of processes, roles, policies, and standards that we use to optimize our use of data. We have built a data governance framework around twelve data domains, defined for each a data management roadmap and are currently deploying a data catalog tool to complete an inventory of, and share knowledge on, our strategic data assets.
- the core components of our data platform combine a cloud-based data lake, MDM (Master Data Management), analytics & BI (Business Intelligence), data science & ML (Machine Learning) tools, and bringing together high performance capabilities to deliver end-to-end data analytics. The data platform is a collaborative space, accessible to our data scientists everywhere in the world.
- data valorization is how we generate savings or create new value from data, and how we measure and track this value. Easy access to past project data for smart estimation of future projects, data integration for painless reporting, improved KPI monitoring, and insights for plant performance management – including greenhouse gas emissions reduction – powered by new technologies such as AI (artificial intelligence) are some of the benefits brought forth by efficient data management.
- during the summer of 2022, Technip Energies' data strategy has been collectively defined and has led to the identification of new high-impact use cases.

See sections 2.2.2.1. One T.EN Delivery and 2.2.2.2. Early engagement.

2.1.4.4. Intellectual Property

We own a number of patents, trademarks and licenses that are cumulatively important to our business. However, we do not believe that any single patent, or group of related patents, is currently of material importance in relation to our business as a whole. As part of our ongoing technology and innovation and R&D focus, we seek patents for patentable aspects of our new products, product improvements and related service innovations, when and where we determine patent protection will provide meaningful value to Technip Energies and its business.

We hold 390 patent families comprising more than 3,000 patents globally. We license intellectual property rights to or from third parties.

We also own numerous trademarks and trade names and, have approximately 61 trademarks protecting our Digital solutions and services, as we all our processes and products.

We attempt to monitor the activities of our competitors and other third parties with respect to their use of our intellectual property. When we deem it appropriate, we will enforce our intellectual property rights against infringements. Similarly, from time to time we receive allegations that we are infringing the intellectual property of others. From time to time, we pursue or defend our position in the appropriate courts if these disputes cannot otherwise be resolved.

2.1.5. OUR FINANCIAL FRAMEWORK

Our financial framework was designed to provide a basis for long-term value creation for our shareholders:

- Technip Energies' differentiated hybrid model with its complementary long and short cycle business segments (Project Delivery and Technology, Products & Services) provides the ideal blend to drive robust financials across energy cycles;
- owing to our large backlog and extensive commercial pipeline, we have excellent visibility in terms of revenues and margins with a proven ability to insulate the Company against the various cycles that the energy industry experiences over time;
- our contracting discipline and operating model delivers positive cash flows throughout a project's lifecycle enabling an early cash conversion of earnings, securing future project execution as well as providing flexibility and reliability for our capital allocation;
- we are an asset-light business with limited CAPEX – our assets are primarily our people, processes and technologies – thereby ensuring high cash-flow conversion, flexibility in our operating models, as well as an ability to invest for increased value creation rather than safeguarding of fixed assets;
- our business model is also supported by a robust balance sheet with strong liquidity and limited leverage which should enable us to implement sustainable capital allocation principles over the long term; and
- the Company is committed to a balanced and flexible capital allocation framework, with three main components, dividends, investments and balance sheet strengthening:
  - Dividend. The Company intends to pay a dividend annually that is sustainable with potential for growth over time,
  - Investments. Deploying capital to capture energy transition technologies and opportunities and associated business models. The Company is also investing in its people through upskilling to ensure readiness for future markets, and
  - Balance sheet strengthening. Allowing utilization of excess cash flow to strengthen balance sheet and reserves.

In the aggregate, our financial framework provides the basis for high returns through the cycle, and is fully supportive of a long-term dividend policy commitment while bestowing flexibility for investments yielding incremental growth and value creation.

2.2. OUR OFFERING: TECHNOLOGY, PRODUCTS & SERVICES AND PROJECT DELIVERY

Technip Energies is positioned on two types of offerings addressing its key markets (1) Technology Products & Services ("**TPS**") and (2) Project Delivery, TPS businesses are shorter cycle and offset Project Delivery's longer cycle projects. These businesses offer complementary and offsetting risk and business profiles. Each business segments builds on complementary strengths and strategies in their fields.

- TPS businesses with their shorter time scale have been key in allowing the Company to successfully weather the geopolitical crisis that was caused by Russia's invasion of Ukraine.
- Project Delivery projects have a longer time horizon and have allowed Technip Energy to ride out the COVID-19 pandemic.
- The Group has also set up One T.EN Delivery - a global resource for gathering and managing talents and capabilities. One T.EN Delivery delivers projects via operating centers established around the globe. One T.EN Delivery ensures excellence in execution and accelerates the adoption of digital solutions which are critical not only for large projects but also for the smaller projects characterizing the energy transition markets. See section 2.2.2.1. for additional details related to One T.EN Delivery.

2.2.1. TECHNOLOGIES, PRODUCTS & SERVICES

Activities within the Technology, Products & Services ("**TPS**") segment, encompassing proprietary technologies and equipment, consulting services as well as the sale of products, are typically shorter cycle than those provided within Project Delivery. Both segments have clear cross synergies leveraging technological knowledge and project execution capabilities, TPS offers a differentiated risk and reward profile through its proprietary technologies, products and higher value service lines as evidenced by the -140-basis point 2022 profitability difference.

TPS is comprised of the following activities:

- Technologies - see section 2.2.1.1.;
- Products (including Loading Systems - see section 2.2.1.2.; and
- Services consisting of man-hours businesses (including Genesis consulting and PMC) - see section 2.2.1.3.

2.2.1.1. Technologies

Technip Energies' portfolio of proprietary process technologies provides opportunities for early involvement in projects. The Group develops, designs, commercializes, and integrates a wide range of technologies to complement and expand its offering. Technip Energies has experience in the commercial application of breakthrough technologies. The Company's differentiating portfolio includes technologies in gas monetization, refining, petrochemicals & fertilizers, hydrogen and sustainable chemistry. This includes:

- in gas monetization, the Company has experienced in delivering plants using Sasol's "Slurry Phase Distillate" technology. Technip Energies has provided FEED for the Fischer-Tropsch section of more than 60% of commercial coal-to-liquids and GTL capacity worldwide;
- in hydrogen the Group owns a Steam Methane Reforming (SMR) technology, for which Technip Energies has installed approximately 30% of worldwide capacity and is the leader;
- in low-carbon hydrogen and associated derivatives, Technip Energies offers cost-optimal, high-efficiency and reliable production solutions. For instance, providing proven hydrogen technologies and tailored solutions such as Technip Energies Parallel Reformer (TPR®) and Enhanced Annular Reforming Tube for Hydrogen (EARTH®). The Company has developed in-house combustion and burner technology, the ultra-low NOx advanced Large-Scale Vortex "LSV®" burner, which was recently tested with 100% hydrogen firing;
- in refining, the Company has capabilities in maximizing production of light olefins using Fluid Catalytic cracking, hydrogen, carbon dioxide management, sulfur recovery units, water treatment, and zero flaring as well as digital tools such as FAST for plant performance improvement;
- in petrochemicals & fertilizers, Technip Energies has a portfolio of chemical technologies thanks to technology and innovation and R&D programs and long-standing partnerships with leading manufacturing companies and technology providers;
- Technip Energies is also a leader in the ethylene industry with a portfolio of 150 grassroots plants and a large number of modernizations. Thanks to a variety of associated proprietary technologies, the Group allows its clients to reduce capital costs of new furnaces and to improve operational efficiency of existing furnaces. Moreover, the furnace technologies contain a wide range of design options for reliable, flexible and highly selective solutions to meet stringent environmental regulations. In parallel, research centers develop and test technologies for polymer and petrochemical applications, where fully automated pilot plants gather design data to scale-up processes for commercialization. The Group's development programs include designing electric ethylene cracking furnaces as well as Rotating Olefins Crackers; and
- in sustainable chemistry, Technip Energies has developed or acquired technologies such as first-generation ethanol technology, ethanol to ethylene (Hummingbird technology), glycerol to epichlorohydrin (Epicerol® technology), and bio-based/biodegradable plastics based on our proprietary Zimmer technologies. Amongst its proprietary technologies, there are T.EN Zimmer polyesters technologies (relating to polyethylene furanoate, plytrimethylene terephthalate, polybutylene adipate teraphtalate and polybutylene succinate). According to a technology assessment performed by Solvay, Epicerol® technology represents an investment of 30% less CAPEX versus traditional propylene-based processes but yields 61% less direct and indirect greenhouse gas emissions and represents a 57% decrease in energy consumption.

2.2.1.2. Products

Answering the rapid growth of energy demand, productization of plants enables a faster delivery and reduces overall costs, thereby making projects more economically viable for clients. It allows Technip Energies to improve its margins and revenue mix. Notably, through its Research & Development programs, Technip Energies keeps developing and improving its product portfolio.

SnapLNG™

Serving the booming Liquefied Natural Gas (LNG) market, Technip Energies has developed and commercialized SnapLNG™, a modularized and fully electrified solution for 2 to 3 million tpa LNG trains. SnapLNG™ combines experience in compact modularization, mid-scale liquefaction, high power / high voltage electrification and the management of large modularized projects. The electric version of SnapLNG™, developed with Air Products, is a productized, functional liquefaction plant designed to minimize cost, emissions and schedule. Low cost is achieved through standardization, digitalization, assembly in the high productivity environment of specialized module yards and a very substantial reduction of onsite construction man hours.

Loading Systems

Loading Systems provides land-based and marine-based loading and transfer systems services to oil & gas, petrochemical, chemical and decarbonization industries using articulated rigid loading arms and swivel joint technologies. While its marine systems are typically constructed on a fixed jetty platform, the Company has developed – and is now the leader in – advanced loading systems that can be mounted on a vessel or offshore structure. This facilitates ship-to-ship and tandem loading and offloading operations in open seas or exposed locations. Loading Systems has pioneered cryogenic loading arms necessary for the transport of liquefied gases such as LNG, emergency release systems (ERS) and quick connect/disconnect couplings (QC/DC). Technip Energies' patented technology can be applied in exposed locations to enable offloading with permanent movements, helping clients reduce costs for breakwater. Loading Systems has also developed the first electric marine loading arm, the first automatic connection and the EasyDrive, an enhanced solution to improve the manipulation and connection of the arm. The Company has also delivered the world's first CO_2 loading arms for an iconic project in Norway. Technip Energies is developing products and services, including digital solutions, to help the industry address the energy transition. The Group keeps investing significantly in technology and innovation in order to support customers with the best products and services.

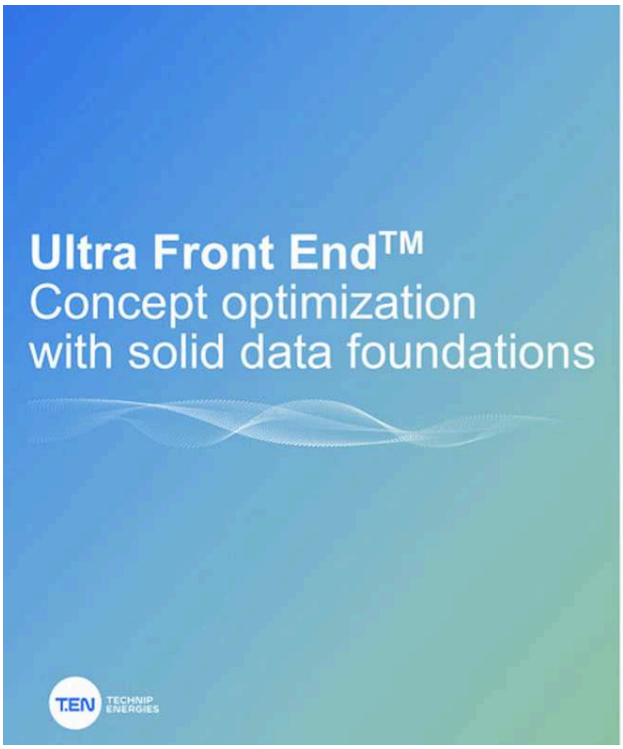
The Group's worldwide service network consists of professionals based in locations across the globe who ensure a close, personal approach to each client to meet their needs. Loading Systems' services include:

- highly trained field service technicians for installation, commissioning and maintenance;
- preventive maintenance inspections;
- modular or tailor-made training programs;
- large range of supplies for new and long-lived systems spare parts;
- upgrade, repair and revamp expertise; and
- digital services solutions (e.g. remote inspections with connected glasses).

Digital offering

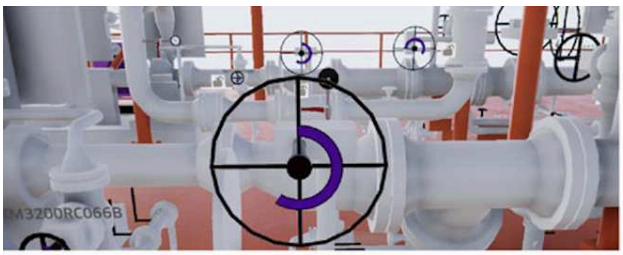
To accelerate its digital transformation and leverage in-house capabilities in developing and integrating differentiating software for its customers, Technip Energies launched its Digital Services Factory in 2021, with agile product development teams to scale up and develop new solutions. Our Digital Factory is now fully operational with several applications fully developed and in production.

Our digital offering includes Spyro® a cloud-based service available to operators for purposes of improving the performance of ethylene plants. Ultra Front End™ (UFE™), a digital solution to reduce the carbon footprint of all projects and operations, is another example of a digital service that we offer to our clients.





Technip Energies also delivers digital products such as Plant Operator Digital Simulator (PODS), a 3D solution to improve the safety of on-site operations.









INO15 floater

Technip Energies has developed the INO15™ floater technology for the Floating Offshore Wind business. This cost-competitive product sets Technip Energies as a key player in floating offshore wind projects worldwide.

2.2.1.3. Services

Leveraging on its project delivery expertise and know-how, Technip Energies aims to further develop and promote its services offering. These offers allow Technip Energies to be positioned along the whole value chain, from inception to plant operations:

- the Group is offering early engineering services, embedded in the T.EN X – Consulting & Products brand. These early engineering studies notably Conceptual Studies, pre-FEED and FEED are proposed not only as a pull-through for project delivery but also to grant Technip Energies an early access to clients;
- using its EPC know-how and de-risking its activity, Technip Energies is offering Engineering Procurement Services and Construction Management (EPsCm) in various markets;
- the Group provides Operations & Maintenance (O&M) services for any type of energy-related assets. By leveraging on the Group's advanced digital expertise, it allows the Company to pursue smarter ways to design, build, monitor and optimize the performance of assets. With this type of services, Technip Energies is positioned itself on a longer-term business cycle. Plant performance services ensure the Company's technologies and products reach their full potential during the operations phase of the plant.

Genesis

Within T.EN X - Consulting & Products, a cross-market brand regrouping different offerings (including consulting and products) that by nature can serve multiple markets. Genesis is a market-leading consulting services business focused on providing high-value advisory services to the energy industry. It offers a unique combination of techno-economic, environmental and strategic consulting services, allowing partners to make the most sustainable investments.

For more than 30 years, through early engagement, Genesis has been supporting clients to develop key energy projects across the world. This support is proving to be ever more valuable as the energy transition journey raises many constraints and uncertainties. With Genesis' unique expertise and experience, the Company identifies and helps develop sustainable solutions through early advisory, development and asset lifecycle services.

Genesis' mission is to be the trusted advisor of companies in their transition journey.

Genesis has capitalized on its strong ESG consulting capability and technical know-how to advise its clients towards net zero and assist them in developing projects with the best energy efficiency to environmental impact ratio. To support this aim, and through its growing digital capability, Genesis has developed its proprietary Gen-CAT™ tool that focuses on carbon assessment and carbon emissions management and studying the lifecycle assessment of clients' facilities. The software is modeling the overall environmental impact of a given plant throughout its life cycle, and assisting clients to improve the energy efficiency of their operations. A component of its Ultra Front End™ Suite (UFE™), it enables a greater level of collaboration with customers as they evaluate their asset development opportunities. Looking forward, Genesis aims to combine its deep technical knowledge with a new strategic consulting offer to provide more holistic business advice to clients and to diversify into new sectors.

Genesis' early engagement supports Technip Energies brand recognition in diverse markets, with varied clients, and provides an opportunity for pull-through of additional work streams for Technip Energies.

Project Management Consultancy (PMC)

Capitalizing on project management core competencies, Technip Energies' Project Management Consultancy provides a range of project management consulting services. PMC services allow the Group's clients to achieve investment and safety objectives, as well as de-risk execution from technology selection to final delivery. This work is typically delivered on a reimbursable basis, providing the Group with a high-value and low-risk stream.

Furthermore, PMC grants Technip Energies early access to clients in the initial stages of their projects by providing services focused on implementation of transparent, auditable governance processes, thereby enabling such projects to build a positive international reputation and improve their bankability. Technip Energies' PMC serves clients in multiple sectors including oil & gas, energy transition, mining & metals, fertilizer, infrastructure through early engagement until asset commissioning, operations, and maintenance.

Technip Energies has grown its PMC business organically from a standing start ten years ago. The Company has now carried out approximately 13 million man-hours working for its customers, including large roll-on projects such as Petronas' Refinery and Petrochemical Integrated Development in Malaysia. Recent activity levels have been approximately 1.5 million man-hours a year, and the Group aims to double this over the medium term.

2.2.1.4. Major TPS highlights in 2022

Listed below are the key TPS highlights for 2022.

Key TPS Operational highlights

Q4 2022

Shell Skyline Ethylene Furnace Revamp Engineering, Procurement and module Fabrication (Netherlands)

Second batch of modules arrived in the Netherlands.

Neste Renewable Fuels Expansion (Singapore)

Mechanical completion and handover to customer of the entire project achieved in December 2022.

Neste Renewable Products Refinery Expansion - Capacity Growth Project, Rotterdam (Netherlands)

Civil work started in December 2022.

Neste Renewable Products Refinery Expansion - Site Development Project, Rotterdam (Netherlands)

500,000 manhours achieved without LTI celebrated in November 2022.

CPChem / QatarEnergy Golden Triangle Polymers project (USA)

60% model review is complete. Procurement is well advanced.

Q3 2022

Neste Renewable Fuels Expansion (Singapore)

Project is completed in phases and several parts have been handed over to Neste while all the remaining construction activities will be completed before end of 2022.

Shell Skyline Ethylene Furnace Revamp EPF (Netherlands)

First modules shipped to the Netherlands. Second shipment to leave yard by end of October.

bp Greater Tortue Ahmeyim FPSO (offshore Senegal / Mauritania)

On the Hub/FLNG interface of the project, Loading Systems completes major installation; the largest ever manufactured loading arms are equipped with our 'Easy Drive' technology.

Q2 2022

Deepak Phenolics – Iso-propyl Alcohol (IPA) plant (India)

Our Badger technology is used for Deepak Phenolics' second IPA plant in Dahej, India.

Northern Lights CO_2 Transport and Storage Project (Norway)

Loading Systems achieves successful Factory Acceptance Tests on the world's first 3 loading arms for the Liquefied CO_2 storage project.

LFB Arras (France)

First phase of high-profile plasma fractionation pharmaceutical project is nearing completion, with the second phase underway. Combined, both phases represent 2.5 million direct manhours on site.

Q1 2022

Fast Pyrolysis Bio-oil (FPBO) project for Pyrocell AB (Sweden)

In partnership with BTG Bioliquids, completion and start-up of pyrolysis plant to produce bio-oil from sawdust.

ZPC ethylene cracker (China)

Performance tests passed on mega ethylene cracker plant based on Technip Energies' proprietary technology and process design.

Channelview Carbon Emission Reduction - LyondellBasell's (USA)

Genesis to support LyondellBasell on efforts to reduce its carbon footprint at its Channelview, TX site in North America to advance a low-carbon economy – a key milestone for the company.

Key TPS Commercial highlights

Q4 2022

ExxonMobil's Baytown Blue H_2 (USA)

Technip Energies awarded a FEED contract for the world's largest low-carbon hydrogen project for ExxonMobil in Baytown, Texas, USA. The integrated complex will produce approximately one billion cubic feet of low-carbon hydrogen per day and capture more than 98%, or around 7 million metric tonnes per year of the associated CO_2 emissions, making it the largest project of its kind in the world. Technip Energies has strong experience in blue hydrogen projects which remove carbon and replace natural gas or other higher-carbon fuels with low-carbon hydrogen to support decarbonization. As a result, Scope 1 and 2 emissions from the Baytown complex can be reduced by up to 30%.

Kuwait Oil Company PMC (Kuwait)

Technip Energies awarded a large contract for Project Management Consultancy by Kuwait Oil Company (KOC). The five year framework agreement contract covers FEED, project management, and associated services for KOC's major projects. This contract represents a renewal of the first five-year framework agreement that was awarded to Technip Energies by KOC in 2014.

CPChem / QatarEnergy Golden Triangle Polymers Ethane Cracker (USA)

Technip Energies awarded a contract for the supply of proprietary cracking furnaces for the 2,000 kilo tonnes per annum ethane cracker for the Golden Triangle Polymers project, a joint venture between Chevron Phillips Chemical (CPChem) and QatarEnergy, along the Gulf Coast in Orange, Texas. This latest award is in line with our early engagement strategy with CPChem and QatarEnergy, which resulted in the selection of our proprietary ethylene technology and includes the successful completion of the ethylene license and Process Design Package. The modularized cracking furnaces will feature seven of the largest capacity furnaces that Technip Energies has ever designed. The cracker is designed using modern emissions reduction technology and processes that result in lower greenhouse gas emissions than similar facilities in the United States and Europe. This contract award represents over €250 million of revenue for Technip Energies.

TotalEnergies Grandpuits Zero-Crude Platform (France)

Technip Energies awarded a contract by TotalEnergies for the production of Sustainable Aviation Fuels (SAF) at Grandpuits platform in France. This contract covers the Engineering, Procurement services and Construction assistance for the conversion of the Grandpuits refinery into a zero-crude platform oriented towards SAF. Once in operation, this facility will have the capacity to produce 210,000 tonnes per year of SAF from sustainable feedstock such as used cooking oil and animal fat.

Renexia Med Wind Project (Italy)

Technip Energies awarded a FEED by Renexia for the Med Wind floating offshore wind project, located in the Mediterranean Sea, 60 kilometers off the west coast of Sicily. The scope of work covers the FEED for 190 floating foundations and moorings for the wind turbines and the conceptual design for the floating offshore sub-stations. The design of the floating foundation will be based on Technip Energies' proprietary floater technology INO15™, a three-column semi-submersible floater that is well suited to large series production. The Med Wind project will have an installed power capacity of 2.8 GW, which is equivalent to powering more than 3 million Italian households.

Infinite Green Hydrogen Production Project (Australia)

Technip Energies awarded a FEED by Infinite Green Energy Ltd for their MEG-HP1 Early Production Facility, a 10 MW green hydrogen production project in Northam, Western Australia. MEG-HP1 Early Production Facility will be powered by the Northam Solar Farm, located approximately 100 kilometres east of Perth. The 10 MW green hydrogen production facility will be located in close proximity to the solar farm and will produce up to 4.3 tonnes per day. Hydrogen production offtake is focused on the heavy transport sector, targeting back-to-base logistics operators and local governments with in-depot refueling.

Uniper's H2Maasvlakte 100 MW green hydrogen project (Netherlands)

Technip Energies awarded FEED by Uniper. As part of the scope of work, a multidisciplinary team from Technip Energies will deliver the full FEED package, including a design for a large-scale water electrolysis system, the balance of plant as well as site integration. A milestone that brings Uniper`s flagship hydrogen project in the Netherlands one important step closer to realization. H2Maasvlakte aims to gradually scale up to a total electrolysis capacity of 500 MW for green hydrogen by 2030. The first 100 MW is scheduled to be commissioned in 2025. Uniper's flagship H2Maasvlakte project will make a very important contribution to the Dutch government's goal of building 500 MW of electrolyzer capacity for green hydrogen by 2025 and achieving 3-4 GW by 2030.

Collaboration with Baker Hughes on a 1 to 2 Mtpa range modularized LNG solution

Technip Energies and Baker Hughes, announced a Memorandum of Understanding that sets the groundwork for their cooperation on the joint development of a new above 1 and up to 2 million tonnes per annum range LNG modularized solution for the onshore market. With the ambition to reduce time-to-market for LNG to meet today's energy demand, this joint development aims to provide an additional offering to the two companies' respective proprietary LNG modularized solutions: Baker Hughes' 1 million tonnes per annum range LNG Mid-scale Modular Solution, with a production capacity of 0.8 to 1 million tonnes per annum, and Technip Energies' "SnapLNGTM" with a production capacity of 2 to 3 million tonnes per annum. The agreement builds on their long-standing collaboration and proven track record of executing LNG projects, recognizing the important growth in mid-size LNG as demand increases for modular LNG projects capable of generating more gas capacity.

Q3 2022

INEOS' ethylene Project One cracker (Belgium)

Awarded a large(1) contract for the proprietary equipment supply for INEOS Olefins Belgium NV's 1,450 kiloton per annum ethane cracker in Antwerp, Belgium. This latest award is in line with our early engagement strategy and consolidates the successful completion of the Ethylene License and extended FEED previously awarded to Technip Energies by INEOS. The cracker is designed using Technip Energies' latest enhancement on technologies to achieve a CO_2 footprint less than 50% of the best 10% of European crackers. The furnaces are modularized and designed to fire high hydrogen fuel, and to transition to 100% hydrogen firing in the future, in addition to the plant being carbon capture ready. The plant design maximizes the use of modularization, using Technip Energies' extensive experience in modularized LNG projects.

Gray Whale 3 Floating Offshore Wind Project (South Korea)

Awarded a FEED in consortium with Subsea 7 and Samkang M&T by Corio Generation and TotalEnergies for their Ulsan Gray Whale 3 Offshore Windfarm project, located offshore the East Coast of South Korea. The FEED contract covers engineering for the floater, mooring, and inter-array cable (IAC) in collaboration with a wind turbine supplier. The design of the floating foundation will include Technip Energies' in-house floater technology INO15™. With a capacity of 15 megawatts, INO15™ technology is a three columns semi-submersible floater which is well suited for large series production. Gray Whale 3, aiming to develop a 504 MW floating offshore wind farm located around 60 to 70 kilometers from Onsan Port in Ulsan, is one of three offshore wind projects with a total installed capacity of 1.5 gigawatts that Corio Generation and TotalEnergies are promoting off the coast of Ulsan.

License of first Blue H_2 by T.EN™ plant to LG Chem (South Korea)

Technip Energies announces that LG Chem selected our proprietary blue hydrogen technology to supply its Daesan complex in South Korea. The Blue H_2 by T.EN™ hydrogen plant will capture a significant amount of carbon dioxide, and reduce carbon emissions from the petrochemical complex. LG Chem intends to utilize the captured CO_2. The 56,000 Nm^3/h capacity hydrogen plant will utilize Technip Energies' proprietary steam reforming technology to convert methane-rich offgas from the naphtha cracking process into hydrogen. The hydrogen plant will include a selective catalytic reduction (SCR) unit for control of NOx emissions. The new hydrogen unit will be integrated with LG Chem's naphtha cracking complex (NCC) to allow LG Chem to convert the petrochemical pyrolysis complex to a more sustainable low-carbon process.

Acquisition of Biosuccinium® technology for bio-sourced and fully biodegradable polymers production

This acquisition from DSM adds a technology solution to Technip Energie's growing sustainable chemicals portfolio. This technology synergizes with recently developed proprietary biopolymer technologies and provides a commercially referenced production of bio-based succinic acid (bio-SAc) that serves as feedstock for the production of polybutylene succinate (PBS). PBS itself is fully biodegradable

and, if based on bio-SAc, is an ideal bio-based sustainable packaging material for food contact applications. It addresses consumers' and governments' concerns for better materials with lower carbon footprints and environmental impacts. Biosuccinium® technology will be the only technology for production of bio-based succinic acid to be licensed on the market.

Advance technology collaboration with Agilyx with the launch of TruStyrenyx™ for chemical recycling of polystyrene

TruStyrenyx™ brand is the only all-in-one solution for the chemical recycling of polystyrene. TruStyrenyx™ combines Agilyx's pyrolysis process and Technip Energies purification technology, yielding a recycled styrene monomer with exceptional high purity. Styrene monomer is used to make numerous plastics and other polymers. It is one of the three primary components of ABS (acrylonitrile-butadiene-styrene), can make the pure polymer polystyrene, and is an ingredient in various synthetic rubbers. This launch follows successful results from pilot plant testing conducted on difficult-to-recycle waste polystyrene, including flame-retardant-laden waste polystyrene.

Q2 2022

IVERSON efuels green ammonia production project (Norway)

Selected to perform the engineering design of a complete green ammonia plant at Sauda, Rogaland, Norway. Phase 1 of the project includes a green ammonia plant including utilities, offsites and electrical substation connected to the existing power grid, and pipeline, ammonia storage and offloading system. The planned green ammonia production will be used as fuel for the maritime sector. The Iverson project will have an initial electrolysis capacity of 300 megawatts to produce 600 metric tonnes of green ammonia per day. IVERSON eFuels AS targets with a significant scale-up production in the future. IVERSON eFuels AS is Special Purpose Vehicle between CIP, Hy2gen and Trafigura.

ExxonMobil LaBarge carbon capture & storage facility (USA)

In Consortium with Saulsbury Industries, Technip Energies has been awarded a contract for the Engineering, Procurement and Construction (EPC) to expand the carbon capture and storage (CCS) at ExxonMobil's LaBarge, Wyoming facility. The LaBarge plant has already captured more CO_2 than any other facility in the world. The plant has capacity to capture more than 6 million metric tonnes per year, and this expansion project will enable the capture of more than one million additional metric tonnes of CO_2 per year. The expansion will consist of a modification of the existing gas treatment facility to increase the carbon capture capacity and the installation of pipeline to transport the CO_2 to the reservoir where it will be stored. Technip Energies will be responsible for the engineering and procurement services, while Saulsbury Industries will perform construction and the pipeline installation.

Viridian Lithium – lithium refining and conversion project (France)

Bankable Feasibility Study (BFS) contract for construction of the first lithium refining and conversion plant in Europe. Located in Lauterbourg, France, the plant will produce up to 100,000 tonnes of Battery Grade lithium chemicals per year – which is the equivalent capacity to power two million electric vehicles – to enable a secure and sustainable battery supply chain for the transition to electric mobility. The contract consists of a BFS and preferential rights on the construction of the plant and its three foreseen extensions.

Commercial launch of GO.H_2 by T.EN™ – a full suite of flexible solutions for offshore green hydrogen production

This suite of solutions – based on renewable power sources such as wind and solar – is flexible with building blocks tailored to meet clients' needs depending on substructures, hydrogen products and derivatives produced, functionality and locations. The offshore facility can be a fixed structure or a floater. The green hydrogen is produced using a sea water desalination unit, followed by electrolysis and exported to shore by a transport pipeline or offloaded on a carrier vessel. For harsher environments, the substructure can be a spar or a semi-submersible. For high capacities and further from shore, the hydrogen is converted by adding an ammonia or a Liquid Organic Hydrogen Carrier (LOHC) unit and transferred to a floating storage and offloading vessel. By adding hydrogen storage and fuel cells, the facility ensures a stable and continuous power supply for electrified oil and gas facilities powered by wind turbines. For smaller capacities, the systems can be located on the floating offshore wind substructure or on the substation. Intermittency management is addressed from design phase through adequate system architecture and technology bricks, power and hydrogen storage and control strategies. In operations, an energy management system (EMS) enables online production optimization through predictive control models.

Joint development and collaboration agreement with Alterra Energy to jointly develop sustainable plastics projects

Agreement to integrate Alterra's commercially available liquefaction process technology with Technip Energies' pyrolysis oil purification technology to maximize adoption of recycled feedstock and improve circular economy solutions for the global petrochemical industry. The combination of advanced recycling and purification technologies enable more efficient processing and reuse of hard-to-recycle plastic. Alterra provides an innovative, patented, thermochemical liquefaction, converting hard-to-recycle plastic into pyrolysis based oil ("PyOil"). Technip Energies brings extensive knowledge of ethylene furnace and steam cracker design, preparation and purification of heavy feedstocks for refining and petrochemical facilities, all of which is combined in their Pure.rOil™ purification technology ensuring safe, reliable and an optimized integration with individual crackers. The combination of both companies' solutions ensures Alterra's recycled PyOil is drop-in ready feedstock to further accelerate the replacement of hydrocarbon-based oil with recycled feedstock in the production of new plastic-based materials.

Q1 2022

Participation in record €200 million investment in green hydrogen pioneer Hy2gen AG

Hy2gen AG, the green hydrogen investment platform, will use the capital raised for the construction of facilities in several geographies including Europe, producing green hydrogen-based fuels – or "e-fuels" – for maritime and ground transport, aviation and industrial applications. The investment is led by Hy24 together with Mirova, CDPQ and strategic investor Technip Energies.

Investment in Floating Offshore Wind Company X1 Wind

Technip Energies, as lead investor in this funding round, has acquired a 16.3% stake in X1 Wind, a renewable energy startup that has designed an innovative and disruptive offshore wind turbine floater with major environmental and operational benefits.

Asset Purchase Agreement with Iowa Corn Promotion Board (ICPB)

Asset Purchase Agreement under which Technip Energies acquires ICPB's patents, technology, and rights for the process technology to produce monoethylene glycol (MEG) from surplus corn plant-based feedstocks. Corn-based MEG is used to produce renewable plastics. Technip Energies will advance the technology development, construct and operate a pilot plant to commercialize the technology and make it available for licensing.

Technology, Products & Services (TPS) – Adjusted IFRS [1]

(In € millions)	2022	2021	% Change
Revenue	1,400.6	1,302.8	7.5%
Recurring EBIT	130.0	119.3	9.0%
Recurring EBIT Margin %	**9.3%**	**9.2%**	**10 bps** [2]

(1) Financial information is presented under adjusted IFRS framework, which records Technip Energies' proportionate share of equity affiliates and restates the share related to non-controlling interests (see section 2.3. Operating and financial review), and excludes restructuring expenses, merger and integration costs, and litigation costs.
(2) Basis points.

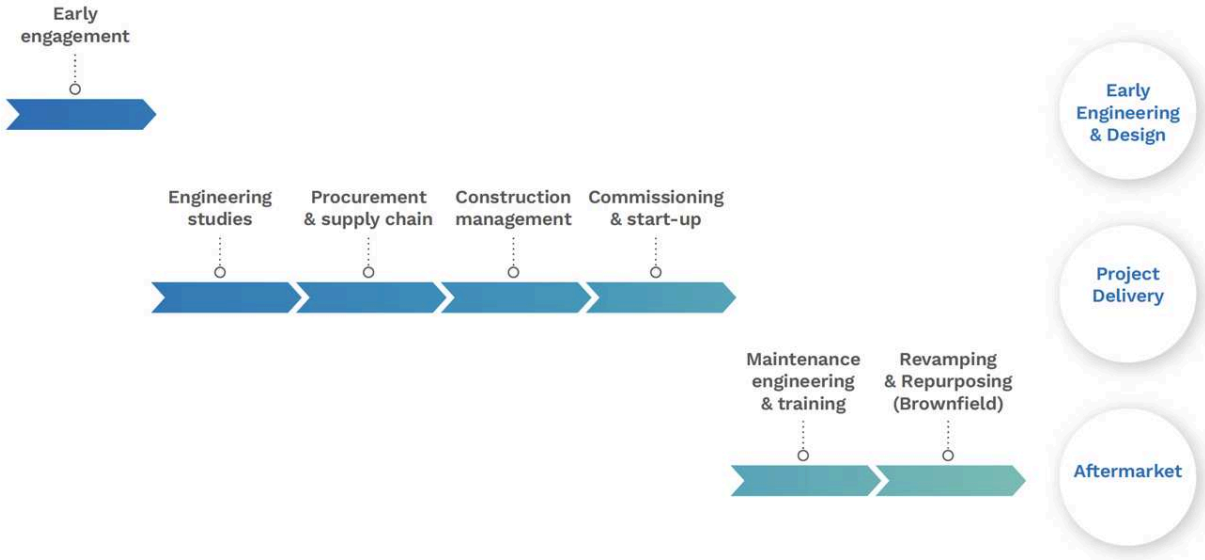
2.2.2. PROJECT DELIVERY

Project Delivery at Technip Energies combines early engagement, engineering, procurement & supply chain, construction management and commissioning & start-up. It helps clients in modeling multiple development scenarios and project concepts in order to optimize technological and design specifications given the site, end-market and other constraints and opportunities of specific projects.

Early phase engagement enables the Company to bring value to clients as they can appraise and select the most compatible pre-FEED solution. By focusing on early engagement, Technip Energies offers the potential for reduced project execution risk and overall CAPEX spend. Adaptive lifecycle planning and scheduling also allow for tighter execution scheduling and contribute to securing a lower carbon impact. Thus, being engaged in the early phases of projects, Technip Energies commits to stakeholder management, bringing more value all along the value chain.

Once the most suitable technology and design solution has been identified, the Company applies its execution capabilities by leveraging on its FEED and EPC services.

Thereafter, Technip Energies has the ability to span the entire value chain:



Technip Energies, within its One T.EN Delivery organization, targets a balanced portfolio, applies diversified contract models and has a commercially selective approach. See sections 2.2.2.1. to 2.2.2.9.

2.2.2.1. One T.EN Delivery

One T.EN Delivery (**"OTD"**) is the global delivery organization of Technip Energies. It supports the Company's offer at the tender, estimation and project execution stages, by calling on the Group's operating centers' respective competencies to respond competitively to business needs. One T.EN Delivery also allows the Company to develop and promote technologies, as well as expands the Company's technological footprint and know-how in the energy transition.

OTD comprises a network of 28 Operating Centers organized under seven Operating center Clusters. Technologies' engineering and Delivery Excellence are part of OTD Organization.

One T.EN Delivery's purpose and key missions can be summarized as follows:

- focus on delivering projects and proposals;
- perform Engineering, Construction and Project Management services for Company-owned technologies, capital projects and proprietary equipment;
- develop and preserve the technical knowledge associated to Technip Energies-own technologies and proprietary items to foster organic innovation and support technology and innovation and R&D projects;
- manage and develop knowledge, competencies and talents in coordination with People and Culture, and with Technology & Innovation's input;
- develop and/or maintain methods and tools required to deliver projects, tenders and estimates; and
- balance workload across the Group, drive global allocation of resources, project management expertise as well as technology integration on complex projects, and optimize staffing and execution scheme in liaison with the Group's divisions.

Digital Transformation

Operational efficiency

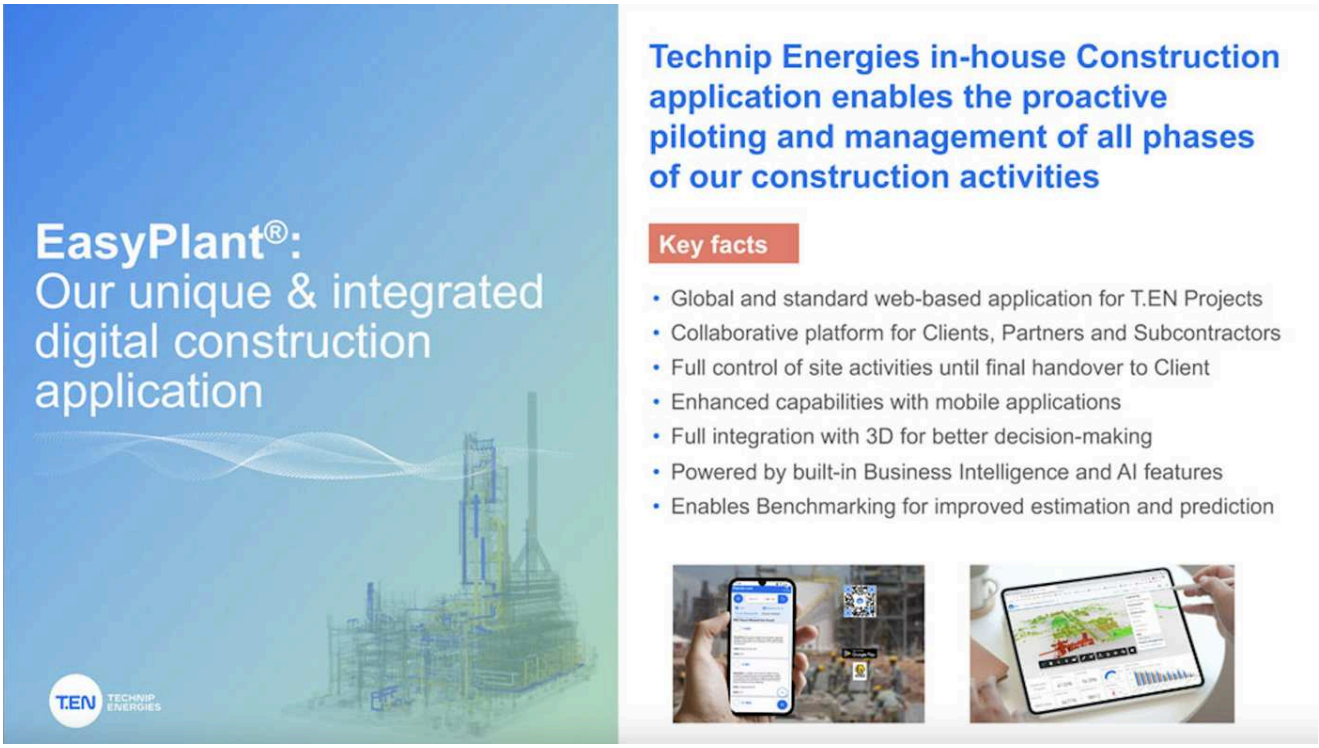
We are continuously improving the way projects are executed by reducing schedules, reducing CAPEX, improving safety, and improving the quality of the information produced. Digital solutions will also support reduction of project carbon footprint and a continuous monitoring of Greenhouse gas emissions.

As part of the One T.EN Global Delivery and Delivery Excellence functions, eProject participates in harmonizing and standardizing processes, methods and tools for our EPC projects.

Technip Energies widely uses Visual Intelligence to support EPC project execution.



Technip Energies has also developed its own software to manage Construction phases in EPC projects.



Digital ecosystem

Technip Energies invests in developing digital solutions to anticipate industry needs by closely listening to clients. This leads us to set up digital partnerships with key actors to deliver best-in-class solutions.

Technip Energies is currently identifying opportunities for creating or participating in digital ecosystems, creating a long-term strategic plan that leverages ecosystems to accelerate enterprise goals and building digital foundations with reusable, modular components to enable internal and external developers to co-create solutions securely and efficiently.

People

Building and sustaining a successful digital business requires a shift in mindset and behaviors for the workforce to prosper in the future of work.

- a Data upskilling program has been launched early 2022 to upskill a first cohort of 20 employees into Data Scientists. They will graduate early 2023 and a second cohort is being selected.
- Technip Energies has identified the future company needs for digital skills and the appropriate training and recruitment plans. We are also working on a dedicated program to attract new digital talent.

2.2.2.2. Early engagement

Early engagement with clients is now more than ever a key component of the Group's strategy as acceleration towards a carbon neutral economy is putting the Group's clients in a more volatile environment where market knowledge and speed to development are key. The Company's global footprint and 60 years experience help Technip Energies understand its clients' drivers since the very beginning of the project ideation. Its intelligence on new technologies also allow it to define the range of possibilities in the clients' net zero ambitions.

At the outset of engagements with clients, the Company is able to call upon on its portfolio of process technologies, whether owned in-house or available through licenses from third parties. Technip Energies advises clients during the planning and development phases of projects, presenting different alternatives in relation to key elements for a project's economics such as lifecycle costs (whether capital expenditure (CAPEX), future upgrades, operating expenditure (OPEX) or decommissioning), expected production profiles, flexibility for different future scenarios, project risks and uncertainties and HSE risk assessment.

The Company thus defines an optimized project profile. Early engagement may extend to pre-FEED and FEED stages where we further assist our clients in considering and developing key aspects of a specific project.

Having completed the early studies also ensure execution success - the Company no longer takes on EPC responsibilities where it has not carried out the FEED studies. See section 2.1.1. Selectivity and project execution. Finally, early engagement positions the group to better answer clients' needs in later phases, enhancing the pull-through for other services thereby consolidating its presence along all the value chain.

2.2.2.3. Engineering studies

Technip Energies project-driven capabilities include engineering studies for process, HSE design, rotating & package equipment, control system & instrumentation, electrical facilities, computing, piping, civil engineering, structural & architectural engineering, information management, document control, cost control and scheduling for facilities and revamps. Consistent with a data-centric approach, engineering studies are managed within Technip Energies and use powerful proprietary engineering tools and processes.

Depending on the nature of the project and the Group's involvement, some or all of the following engineering studies will be provided:

- Basic Engineering Design (BED), which includes all basic studies required to support a Basic Engineering Design Package (BEDP), containing all data needed by a competent contractor to perform the detail engineering. Basic engineering studies may consist of consolidating a process package initiated by an external process licensor;
- Front End Engineering Design (FEED) covers mechanical data sheets of the main equipment, starting from the process specifications issued during the BED and incorporating the specific requirements of codes and standards to be applied to the project. It also includes, amongst other items, the reparation of tender packages for the main equipment as well as all studies to be performed before ordering the main equipment. FEED study facilitates an accurate cost estimate, provides a technical appendix to an EPC contract and makes it possible to obtain firm, reliable and comparable offers. FEED studies also help mitigate the EPC risk by ensuring that there is a comprehensive basis for execution of the EPC phase of the project. Due to the Group selective approach on projects, there will be times when Technip Energies will not seek to secure the EPC work. However, by having delivered a complete FEED package, a proper foundation has been laid for the successful construction of a project, thereby securing future opportunities to bid on and collaborate on other FEED studies and EPC projects; and
- Detailed Engineering includes, among other items, the purchasing of equipment (main and bulk) as well as all required construction documents and drawings up to AFC (Approved for Construction) stage for the construction. Cost and schedule control are also included within its scope. Project sequences simulations are also carried out to anticipate criticalities and priorities in the execution strategy and support the Advanced Work Packaging powered by our proprietary software 4DMS. Startup procedures are also devised at this stage.

2.2.2.4. Procurement and supply chain

Technip Energies has built a strong group of supply chain professionals who have extensive experience and know-how in sourcing and procurement. This is key in meeting a client's priorities, deadlines, and specifications.

The Group has developed a proprietary e-procurement tool to manage the entire supply chain from information requests and clarification of offers to purchase orders. Technip Energies also manages procurement execution, logistics operations, supplier quality, and vendor performance.

Sourcing and Procurement is a global function with an international footprint from Paris and Rome to Houston, Delhi and Kuala Lumpur. This enables the leveraging of the supplier base and the providing of services to local operations where the majority of EPC projects are executed. Integrated corporate teams are organized to best leverage the supply market, managing the majority of the global spend as well as the relationship with Technip Energies "Top Suppliers".

Committed to stakeholders management, Technip Energies commits to dealing with clients, suppliers, and subcontractors with respect, transparency, and vigilance on human rights. Technip Energies aspires to develop business only with suppliers who comply with our Company's fundamental beliefs. The Group regularly assesses the performance of suppliers to ensure that standards and expectations in the delivery, quality, and response to supply chain matters are met. Also, assessments are made to monitor suppliers' compliance with regulations and guidelines relating to modern slavery, sustainability, human rights, anti-bribery, tax evasion, and data protection, amongst other topics. See section 3.2.2. ESG Policies and Certifications..

2.2.2.5. Construction management

Construction management is at the core of Technip Energies' competencies and allows to deliver complex projects worldwide, including Coral (Mozambique), Prelude FLNG (Australia), Yamal LNG (Russia), the Midor Refinery (Egypt), Etileno XXI (Mexico), Koniambo (New Caledonia), Neste (Singapore), Jubail Refinery (Saudi Arabia) and Aasta Hansteen Spar (Norway).

Construction is involved with Engineering and Procurement since the early phase of projects, thereby putting safety and quality always at the heart of the Company's priorities.

Technip Energies designs customized construction strategies to suit the size and complexity of each project. Additionally, the Construction Methods Center drives innovation to continuously improve construction delivery, by identifying new technologies, enhancing work processes and construction systems. For instance, the Group has developed and deployed a software called EasyPlant™, an in-house construction web-based application, managing the entire construction lifecycle. Moreover, the Company developed 3D Construction and Workfront Management systems combined with advanced BI (Business Intelligence). allowing to visualize, plan and control all construction activities, supporting Advanced Work Packaging best practices.

2.2.2.6. Commissioning and startup

Technip Energies is recognized as a leader in commissioning which is key for ensuring safe plant delivery to clients. The Company's expertise covers home office preparatory works and site pre-commissioning, commissioning, startup, initial operation, as well as maintenance and training. The completion management system powered by EasyPlant™ allows to control the entire production chain.

Technip Energies' Smooth Startup program identifies from the early engineering phase all corrective actions coming from feedback and failure mode analysis with a special focus on the first startup. It aims at minimizing or eliminating the possible causes of unplanned shutdowns to achieve stable operations and production. In addition, pre-startup safety review is applied to all projects to deliver a plant designed within high standards and started up safely.

2.2.2.7. Maintenance engineering and training

Technip Energies develops several maintenance programs and deploys a variety of integrated maintenance tools and techniques to increase the probability that equipment or systems will perform correctly over an extended lifecycle.

These services include specialized job training, customized training solutions and dynamic operator training simulation (OTS).

2.2.2.8. Revamping & Repurposing

Reaching carbon neutrality requires building new carbon-neutral facilities but also revamping or repurposing existing assets as existing plants need to see their energy efficiency improved, as well as their greenhouse gases emissions reduced by notably using greener outputs. Technip Energies has the ability to offer its project delivery know-how for brownfield project execution.

The Group is also offering technologies to be installed on existing assets, increasing capacity, conversion, selectivity, and/or reliability. Technip Energies is offering services completing its repurposing offer from the planning studies to the assistance for operations.

2.2.2.9. Main Project Delivery projects under execution in 2022

Below are some of the main Project Delivery projects in the execution phase (by revenue contribution) during 2022.

Qatar Energy North Field Expansion (Qatar)

An Engineering, Procurement, Construction and Commissioning (EPCC) contract for Qatar Energy (formerly Qatar Petroleum) executed with our partner for the onshore facilities of the North Field East Project ("**NFE**"). This project covers the delivery of 4 mega trains, each with a capacity of 8 million tonnes per annum of Liquefied Natural Gas ("**LNG**"), and associated utility facilities. It includes a large Carbon Capture and Sequestration facility, leading to more than 25% reduction of greenhouse gas emissions when compared to similar LNG facilities. The new facilities will receive approximately 6 billion standard cubic feet per day of feed gas from the eastern sector of Qatar's North Field, which is the largest non-associated gas field in the world. The expansion project will produce approximately 33 million tonnes per annum of additional LNG, increasing Qatar's total production from 77 to 110 million tonnes per annum.

Sempra LNG Energía Costa Azul (Mexico)

An Engineering, Procurement, and Construction (EPC) contract by Sempra LNG and Infraestructura Energética Nova, S.A.B. de C.V. (IEnova) at their Energía Costa Azul (ECA) liquefied natural gas (LNG) facility in Baja California, Mexico, the project will add a natural gas liquefaction facility with nameplate capacity of 3.25 million tonnes per annum to the existing regasification terminal using a compact and high-efficiency mid-scale LNG design.

This addition will allow for natural gas liquefaction and LNG export capability at the ECA LNG facility, which has been operating as a regasification terminal since 2008. ECA LNG is one of Sempra LNG's strategically located natural gas liquefaction infrastructure projects currently in development in North America.

Assiut Hydrocracking Complex (Egypt)

An EPC contract awarded by ANOPC for this grass-root project aiming at converting existing ASORC refinery fuel oil to meet growing local demand for cleaner products. Process configurations screening, economic analysis, front end engineering design (FEED) have been performed prior to the award. The hydrocracking unit is designed to produce 47,200 barrels per day.

Eni Coral Sul FLNG (Mozambique)

An EPCIC (Engineering, Procurement, Construction, Installation and Commissioning) for CORAL FLNG SA executed with our partners for the Coral South FLNG facility. The floating liquefied natural gas facility is designed to produce close to 3.4 million tonnes per annum of liquefied natural gas and moored in water depth of 2,000 meters in the Area 4, offshore Mozambique.

Bapco Refinery Expansion (Bahrain)

A contract for the engineering, procurement, construction and commissioning (EPCC) from Bahrain Petroleum Company (Bapco) for the Bapco Modernization Program (BMP). The project is located on Bahrain's Eastern coast and entails the expansion of the capacity of the existing Sitra oil refinery from 267,000 up to 360,000 barrels per day (BPD), improve energy efficiency, valorization of the heavy part of the crude oil barrel (bottom of the barrel), enhancing products slate and meeting environmental compliance.

bp Greater Tortue Ahmeyim FPSO (offshore Senegal / Mauritania)

An Engineering, Procurement, Construction, Installation and Commissioning (EPCIC) for BP for a floating production storage and offloading unit. The Tortue FPSO will be a new-build facility, spread moored in water depth of 120 meters, located on the Mauritania and Senegal maritime border approximately 40 km off the West coast of Africa. The Topsides production facilities will be sized to handle *ca.* 500 MMscfd of production fluids and include fluid reception, gas/liquid separation, gas conditioning, condensate removal and stabilization.

Long Son Olefins Plant (Vietnam)

A contract for the licensing, engineering, procurement, construction, commissioning and start-up of Vietnam's first olefins plant on Long Son Island, Ba Ria-Vung Tau province, Vietnam. Designed as a flexible feed cracker, the olefins plant can utilize both naphtha and LPG feeds to produce olefins of up to 1.6 million tonnes per year depending on the feedstock mix. The olefins will help meet Vietnam's rising demand for petrochemical products. The plant will also include proprietary licensed units and will be based on Technip Energies' proprietary ethylene technology).

IOCL Paradip PTA Plant (India)

An Engineering, Procurement, Construction and Commissioning (EPCC) contract by Indian Oil Corporation Limited (IOCL) for its Para Xylene (PX) and Purified Terephthalic Acid (PTA) complex project at Paradip, Orissa, on the East Coast of India. This EPCC contract covers the delivery of a new 1.2 million tonnes per annum PTA plant and associated facilities.

MIDOR Refinery Expansion Project (Egypt)

An EPC contract for Middle East Oil Refinery for the modernization and expansion of its existing complex near Alexandria, Egypt. This EPC contract covers the debottlenecking of existing units as well as the delivery of new units including a hydrogen production facility based on our proprietary steam reforming technology, as well as various process units, interconnecting offsites and utilities. The modernized complex will exclusively produce Euro V products, with a 60% increase in the refinery's original capacity to 160,000 barrels per day of crude oil.

Borouge IV Ethylene Project (UAE)

An EPC (Engineering, Procurement, Construction) contract awarded by Abu Dhabi Polymers Co. Ltd (Borouge) to the Consortium Technip Energies - TARGET (UAE Construction Co). The new ethane cracker unit will be part of the 4th Olefins and Polyolefins complex expanding Borouge Ruwais plant to approximately 6 MTPA polymer production. Borouge 4 ethane Cracker is designed to accommodate a post-combustion CO_2 capturing unit (CCU) at a later date. Technip Energies won the FEED competition performed prior to the award confirming our technology and its competitiveness.

Hafslund Oslo Celsio CCS Project (Norway)

A large Engineering, Procurement, Construction (EPC) contract by Hafslund Oslo Celsio, the largest supplier of district heating in Norway, for a world-first carbon capture and storage (CCS) project at the waste to energy plant located in Oslo, Norway. The project will be the first full-scale waste-to-energy plant in the world with CO_2 capture. 400,000 tonnes per year of CO_2 will be captured, which is the equivalent of the emissions from around 200,000 cars and will reduce Oslo's emissions by 17%. As part of the Longship project, the CO_2 will then be liquified and exported to Northern Lights which is the first cross-border, open-source CO_2 transport and storage infrastructure network. The Carbon Capture plant will use the Shell CANSOLV® CO_2 Capture System, a state-of-the-art amine-based technology for the capture of CO_2 from the flue gas.

Project Delivery – Adjusted IFRS

(In € millions)	2022	2021	% Change
Revenue	5,023.9	5,364.4	(6.3)%
Recurring EBIT	396.0	342.0	15.8 %
Recurring EBIT Margin %	**7.9%**	**6.4%**	**150 bps**

Financial information is presented under adjusted IFRS framework, which records Technip Energies' proportionate share of equity affiliates and restates the share related to non-controlling interests (see section 2.3. Operating and financial review), and excludes restructuring expenses, merger and integration costs, and litigation costs.

2.3. OPERATING AND FINANCIAL REVIEW

The following discussion and analysis should be read in conjunction with the rest of this Annual Financial Report, including the consolidated financial statements and accompanying notes and the auditor's report thereon, which are included in section 8.1 Consolidated financial statements for the year ended December 31, 2022 of this document. Except as otherwise stated, this Operating and Financial Review is based on the consolidated financial statements, which are prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Rounding and negative amounts. Certain figures in this document, including financial data, have been rounded. Accordingly, figures shown as totals in certain tables may not be an exact arithmetic aggregation of the figures which precede them.

In preparing the consolidated financial statements, most numerical figures are presented in millions of euros. For the convenience of the reader of this document, certain numerical figures in this document are rounded to the nearest thousand.

The percentages (as a percentage of revenues or costs and period-on-period percentage changes) presented in the textual financial disclosure in this document are derived directly from the financial information contained in the consolidated financial statements. Such percentages may be computed using the numerical figures expressed in millions of euros in the consolidated financial statements. Therefore, such percentages are not calculated on the basis of the financial information in the textual disclosure that has been subjected to rounding adjustments in this document.

In tables, negative amounts are shown between brackets.

Currency. All references in this section to "€" are to the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty on the functioning of the European Community, as amended from time to time. All references to "$" are to the lawful currency of the U.S.

2.3.1. BUSINESS OUTLOOK

The combination of world class execution within a long cycle Project Delivery business alongside a short-cycle, margin accretive TPS segment provides an ideal blend for Technip Energies to deliver strong financial performances across energy cycles. This has clearly been evidenced since the creation of Technip Energies, where despite facing various stress tests including the global pandemic, supply chain inflation and logistics constraints, and the outbreak of war in Ukraine, we have demonstrated strong resilience and continued to deliver a robust financial performance, supported by commercial astuteness, strong project execution and a resolute cash focus.

Our asset-light business model has enabled us to pivot towards new energy markets that are gathering momentum, and the the strength of our balance sheet will allow us to invest and convert frontrunner positions in exciting growth areas. All this means that Technip Energies is set to thrive in the energy transition, while we continue to generate high returns for our shareholders and a sustainable dividend.

The world requires an energy system that balances affordability, availability, and sustainability - the energy trilemma. As well as the critical need to decarbonize traditional industries utilizing technologies that are ready and scalable today, including carbon capture, there is an urgent need for increased investment and accelerated project development, with particular emphasis on LNG, and low-to-zero carbon solutions.

The industry and government policy have stepped up:

- our customers are playing their role through their commitments to increased capital expenditures, grow production capacities and decarbonize; and
- government policies are creating the conditions for capital to be deployed in pursuit of net zero goals.

For Technip Energies, this market reality is evidenced by two key trends:

- we have benefited from robust order intake in TPS during 2022, driving a 63% step change in segment backlog year-over-year, with notable awards in renewable fuels, with the Rotterdam expansion services award for Neste, and the ethylene proprietary equipment awards for Ineos and for the Golden Triangle project which reinforces the revenue growth trajectory of our highest margin segment. TPS is a strategic growth segment for Technip Energies and we continue to enhance our position in the value chain. Beyond ethylene, markets are supportive, notably in decarbonization, clean hydrogen and many other energy transition themes; and
- through a significant expansion in both front-end engagement and commercial pipeline supporting a future acceleration in Project Delivery orders. The energy sector is now entering a multi-year expansion phase, which is necessary to address the energy trilemma. Against this backdrop, our energy transition commercial pipeline has more than doubled compared to the position at FY 2021 results. There are two main factors driving this:
  - LNG – we expect global gas and LNG markets to remain strong in 2023 and beyond, supported by further demand growth in Europe and recovering demand from China. Our current front-end engagement is very high and we are active on up to 10 global LNG prospects, and we expect final investment decisions to materialize through 2023 and 2024. Furthermore we believe we are aligned with high-quality prospects with strong economic foundations across different geographies including the Middle East, North America and Africa, and we will retain our discipline and selectivity as we look to secure the right prospects in 2023 and beyond. Furthermore, we are strengthening our leadership through the development of mid-scale offerings, including SnapLNG, as well as the solution under development with Baker Hughes. These solutions enable accelerated time-to-market and decarbonized production, and are totally relevant as we expect mid-scale to account for as much as 30-40% of the future LNG market, and
  - energy transition opportunities, excluding LNG, which are accelerating with a more than doubling of the commercial pipeline since the start of 2022 with notable prospects in market areas of blue products (hydrogen, ammonia etc), efuels, carbon management, and bio-refineries.

These trends fit very well within our strategy and are supportive of a sustained improvement in orders over the next two years.

Furthermore, we intend to sustain growth in our accretive TPS business segment. While the substantial growth in backlog through 2022 provides natural support to our trajectory, we will reinforce our ambition by:

- expanding our labs and investing into new technology centers;
- deploying ethylene of the future, and piloting new circularity technologies; and
- expanding our range of services through digital, advisory and consultancy.

This increased investment and development is enabling us to prepare our future core. During 2023, we will introduce:

- a proprietary range of solutions and products for CCUS from pilot to large scale; and
- in the power-to-X market, we are developing more integrated solutions to overcome some of the challenges related to green hydrogen, green ammonia and e-fuels markets.

As we look ahead, we believe that T.EN is uniquely positioned to be the bridge between electron and molecule.

In summary, very strong business momentum is reinforced by a positive commercial outlook across our end markets. The increased investment and development is enabling us to prepare our future core and enhance our value proposition in high growth markets. All this is enabling Technip Energies to deliver on our purpose to engineer a sustainable future.

We provided on March 2, 2023, the following financial guidance for 2023:



Financial information is presented under adjusted IFRS (see section 2.3.3).
(1) Adjusted recurring EBIT: adjusted profit before net financial expense and income taxes adjusted for items considered as non-recurring.

For 2023, we are guiding to full company Adjusted Revenues in a range of €5.7 to €6.2 billion. This includes an expected contribution from Arctic LNG 2, where we anticipate completing a full contractual exit from the project within the first half of 2023. The significant expansion in TPS backlog supports continued revenue momentum, while the anticipated strength in order intake in Project Delivery in 2023 / 2024 will likely drive growth beyond 2023.

For Adjusted Recurring EBIT, we expect a margin of 6.7% to 7.2%. The low-end of this range is consistent with the framework we outlined at our Capital Markets Day in January 2021. The consistency and quality of our portfolio and strength in execution fully supports our margin outlook.

The key drivers influencing margin are as follows:

- the strategic growth focus on TPS is expected to sustain momentum in our highest-margin segment. TPS generated year-over-year backlog growth of 63% in 2022 – we expect this to convert to a higher rate of revenue growth in 2023 versus 2022. TPS profitability remained strong and at 9.3% in 2022;
- Project Delivery should benefit from a balanced blend of earlier stage (such as Qatar NFE and Borouge 4) and later stage projects (such as MIDOR and Longson) maturities within our portfolio. With continued confidence in our execution, we continue to expect solid margin contribution notwithstanding the end of contribution from Yamal LNG, where we successfully concluded the warranty phase during 2022; and
- we will continue to benefit from our SG&A cost base reduction and lean cost structure.

Below the Adjusted Recurring EBIT line, the rising interest rates environment around the world will benefit us thanks to the large cash position on our balance sheet. This benefit started to materialize in H2 2022 with higher interest income on our deposits. Assuming no material change to interest rates, we should receive a full-year benefit in 2023.

Finally, we expect an effective tax rate – on an adjusted basis – in the range of 26% to 30%, benefiting from a more favorable mix of earnings from lower tax jurisdictions, as well as a reduction in French corporation tax.

Medium-term financial framework

Confirming strong revenue growth potential and stability in margin outlook



Financial information is presented under an adjusted IFRS framework, which records Technip Energies' proportionate share of equity affiliates and restates the share related to non-controlling interests (see Appendix 9.0 of FY 2022 Results Release), and excludes restructuring expenses, merger and integration costs, and litigation costs.

(1) Adjusted recurring EBIT: adjusted profit before net financial expense and income taxes adjusted for items considered as non-recurring.

In the medium-term, we see a positive financial outlook based on the strength of our backlog, a rich and diverse commercial opportunity set and the active deployment of our strategy.

For Project Delivery, we anticipate:

- revenues in the €5.0 to €6.0 billion range;
- while customer final investment decisions are not wholly in our control from a timing perspective, we nonetheless have confidence in improving order intake trends based on the maturity of our front-end engagement pipeline, particularly in LNG and energy transition;
- we also expect to sustain best-in-class profitability in the 6.5% - 7.5% range due to the quality of our backlog, our discipline and selectivity when targeting new awards, and our excellence in execution.

The Technology Products & Services segment is targeted for strategic growth:

- we see revenues trending to a level of around €2 billion;
- while the growth in segment backlog provides natural support to our trajectory, we have additional levers to drive the growth - this includes investment, where we are targeting to spend 1% of total company revenue on R&D to expand our range of technologies and enable new commercial offerings to be launched. This will support greater penetration of fast-growing energy transition markets;
- we are also targeting improved TPS segment profitability with adjusted recurring EBIT of more than 10% as the revenue mix evolves towards higher value, accretive activities.

Overall, our medium-term framework confirms the revenue growth and attractive margin potential at Technip Energies.

Additional context related to Russia and Arctic LNG 2

During the third quarter of 2022, an Exit Framework Agreement relating to the Arctic LNG 2 Project was signed with the client. We are currently implementing the terms of this agreement, and we anticipate completing this process in the first half of 2023. Our orderly exit from Arctic LNG 2 in Russia is thus progressing well. All operational personnel have been demobilized from the project during 2022.

We do not expect any negative net financial exposure as a result of our exit from Arctic LNG 2.

Other Considerations

As relates to upcoming financing activity, as the Company's 1.125% senior unsecured notes have a term of 2028, the Company has flexibility for purposes of considering future financing requirements. See Note 22. Debt (long and short-term) to section 8.1. Consolidated financial statements for the year ended December 31, 2022.

In terms of recruiting, the Company foresees a net intake of 2,500 new hires in 2023, approximately 20% of which would be recent graduates.

2.3.2. CONSOLIDATED RESULTS OF OPERATIONS

Components of results of operations

Revenue

The Company's principal revenue streams originate from either Project Delivery activities or Technology, Products & Services activities, which correspond to Technip Energies' two operating segments.

The Project Delivery segment provides comprehensive engineering, procurement and construction delivery capabilities globally. The Company's key capabilities leverage its operational and technical excellence as a global provider of engineering, procurement and construction services for the markets described in the introductory chapter of this Annual Report under section 1.5 Our Markets - from traditional to emerging. EPC contracts are undertaken under various contractual schemes and include fixed lump-sum, reimbursable and hybrid contracting models based on selectivity and risk assessment work carried out by Technip Energies' teams during the early engagement phases.

The activities within the Company's Technology, Products & Services businesses are more versatile, combining proprietary technologies with associated licensing fees and equipment such as LNG Loading Arms and associated knowledge-based services into a global business for ethylene, refining, petrochemicals, inorganic and specialty chemicals as well as gas monetization. From technology definition, early engagement through scope definition, advanced technologies and project lifecycle support, the Company works closely with clients to provide the optimal approach to maximize their return on investment. Consulting and services may be provided under the Company's specialist consulting brand, Genesis, or through the Company's Project Management Consulting or engineering services businesses.

See sections 2.2.1. Technologies, Products & Services and 2.2.2 Project Delivery for more detailed descriptions of the capabilities of both business segments.

Cost of sales

The principal components of the Company's cost of sales include: (i) contract procurement and sub-contract costs, (ii) staff costs on contracts, including salaries, bonuses, benefits and share-based compensation expense and facilities costs, and (iii) rental, utilities and maintenance costs.

Selling, general and administrative expense

Selling expenses primarily consist of costs incurred to win a contract including commercial teams costs, studies for the bidding process, tender preparation costs and advertising expenses.

General and administrative expenses consist mainly of salaries, bonuses, benefits and share-based compensation expense for the Company's management and administrative employees, professional services fees, office facilities and other support overhead costs.

Research and development expense

Research and development expenses include direct personnel, material, and service costs as well as certain indirect and other costs incurred in research and development activities.

Impairment, restructuring and other expense

Impairment, restructuring and other expense consist of one-off costs incurred mainly related to impairment on leased offices, severance and separation costs.

Other operating income (expense), net

Other operating income (expense), net, mostly reflects foreign currency gains and losses, including gains and losses associated with the remeasurement of net cash positions.

Share of profit (loss) of equity-accounted investees

Share of profit (loss) of equity-accounted investees reflects the Company's percentage share of operating results from equity method investments. This typically represents a portion of project revenue for those projects that the Company performs as part of a joint venture and where it is a minority participant in the project joint venture.

Financial income (expense), net

Financial income (expense), net, mainly includes revaluation of Yamal Joint Venture Partners' MRL based on revised profitability estimates of the project. To a lesser extent, financial income (expense), net also comprises net proceeds from deposits of cash and cash equivalents.

Income tax (expense)/profit

Income tax (expense)/profit reflects management's best assessment of estimated future taxes to be paid, including current and deferred income taxes.

The Company's effective tax rate can fluctuate depending on the applicable country's mix of earnings, which may change based on changes in the jurisdictions in which the Company operates.

Recent significant transactions

The comparability of the year-to-year results of the Company's operations can be significantly affected by acquisitions and divestments and other transactions. The transactions of significance during 2022 and 2021 are described below.

Significant transactions in 2022

The Group did not have any significant acquisitions and divestitures during the twelve months ended December 31, 2022.

Significant transactions in 2021

On April 27, 2021, the Technip Energies Group's participation in Inocean AS was increased to 100% by acquiring the remaining 49% of Inocean AS that the Group did not already own for €2.0 million. Inocean AS was already fully consolidated.

The carrying amount of non-controlling interest, at the date of acquisition, was €0.5 million.

The Group did not have any other significant acquisitions and divestitures during the twelve months ended December 31, 2021.

Results of operations

The tables below set out the results of operations of the Company for the years ended December 31, 2022 and 2021:

(In millions of €)	December 31, 2022	December 31, 2021
Revenue	**6,282.3**	**6,433.7**
Costs and expenses		
Cost of sales	(5,398.0)	(5,521.4)
Selling, general and administrative expense	(327.4)	(300.7)
Research and development expense	(49.5)	(38.6)
Impairment, restructuring and other expense	(1.4)	(32.0)
Other operating income (expense), net	(2.1)	15.0
Operating profit (loss)	**503.9**	**556.0**
Share of profit (loss) of equity-accounted investees	78.1	33.1
Profit (loss) before financial expense, net and income tax	**582.0**	**589.1**
Financial income	48.0	16.6
Financial expense	(188.2)	(218.4)
Profit (loss) before income tax	**441.8**	**387.3**
Income tax (expense)/profit	(127.6)	(126.7)
Net profit (loss)	**314.2**	**260.6**
Net (profit) loss attributable to non-controlling interests	(13.5)	(16.0)
NET PROFIT (LOSS) ATTRIBUTABLE TO TECHNIP ENERGIES GROUP	**300.7**	**244.6**

Year ended December 31, 2022 compared to year ended December 31, 2021

Revenue

The Company's revenue decreased by 2.4%, or €151.4 million, to €6,282.3 million for the year ended December 31, 2022, from €6,433.7 million for the year ended December 31, 2021, due to lower activity on Arctic LNG 2, partially compensated by the ramp-up of major LNG and downstream projects in the Project Delivery segment and Technology, Products & Services benefiting from a strong momentum in terms of order intake captured in 2022.

(In millions of €)	December 31, 2022	December 31, 2021	% Change
Project Delivery	4,884.3	5,132.5	(4.8)%
Technology, Products & Services	1,398.0	1,301.2	7.4 %
TOTAL REVENUE	**6,282.3**	**6,433.7**	**(2.4)%**

Project Delivery revenues decreased by 4.8%, due to lower activity on Arctic LNG 2 where our orderly exit on the project was confirmed by the exit framework agreement signed with the client (with a full exit anticipated to be completed within the first half of 2023). It is partially compensated by the ramp-up of major LNG and downstream projects.

The increase in Technology, Products & Services by 7.4% is driven by growth in services and process technology activities, including licensing, proprietary equipment (notably for PBAT, a biodegradable polymer, and ethylene), and sustainable chemistry. It continued to benefit from a sustained period of strong order intake.

In terms of geographic location, the increase in revenue is primarily attributable to the Africa & Middle East and Asia Pacific regions. The following table sets forth our revenue by geographic location for the years ended December 31, 2022 and 2021.

(In millions of €)	December 31, 2022	December 31, 2021	% Change
Europe & Russia	2,240.7	3,592.5	(37.6)%
Africa & Middle East	2,378.9	1,394.0	70.7 %
Asia Pacific	1,039.7	867.9	19.8 %
Americas	623.0	579.3	7.5 %
TOTAL REVENUE	**6,282.3**	**6,433.7**	**(2.4)%**

Our revenue in Europe & Russia decreased by 37.6% to €2,240.7 million mainly due to Arctic LNG 2 following the signed exit framework agreement and a portfolio of projects progressing towards completion. This is partially compensated by Africa & Middle East revenues that have increased by 70.7%, or €984.9 million, mainly due to the higher contribution of Qatar North Field Expansion LNG project and downstream activities.

Asia Pacific revenue increased by 19.8% or €171.8 million, mainly due to execution of downstream projects, and Americas revenue increased by 7.5% or €43.7 million primarily driven by the ramp-up of LNG activities.

Cost of sales

Cost of sales decreased by 2.2%, or €123.4 million, to €5,398.0 million for the year ended December 31, 2022, from €5,521.4 million for the year ended December 31, 2021. The decrease is directly related to the evolution of the projects detailed above under “Revenue” part.

Selling, general and administrative expense

Selling, general and administrative expense increased by 8.9%, or €26.7 million, to €327.4 million for the year ended December 31, 2022, from €300.7 million for the year ended December 31, 2021, due to a foreign exchange impact and an increase of tendering activities in line with the Group’s strategy of market expansion and diversification.

Research and development expense

Research and development expense increased by 28.2%, or €10.9 million, to €49.5 million for the year ended December 31, 2022, from €38.6 million for the year ended December 31, 2021, with a continuous focus on proprietary technologies’ development in the energy transition domain, such as hydrogen, carbon management, floating offshore wind as well as in sustainable chemistry and circularity. In addition, investments continued on digitalization initiatives to enhance project delivery and services capability.

For further information on the Company's innovation and research and development activities, see section 2.1.4. Technology & Innovation.

Impairment, restructuring and other expense

Impairment, restructuring and other expense decreased by 95.6%, or €30.6 million, to an expense of 1.4 million for the year ended December 31, 2022, from an expense of €32.0 million for the year ended December 31, 2021, primarily due to impairment costs on buildings leased, severance costs and expired risks in 2022, partially offset by an increase of the separation costs linked to 2021 Spin-off activities.

Other operating income (expense), net

Other operating income (expense), net, decreased by €17.1 million to a net expense of €2.1 million for the year ended December 31, 2022 from a net income of €15.0 million for the year ended December 31, 2021. The decrease is mainly coming from the variation of foreign currency (loss) gain.

Share of profit (loss) of equity-accounted investees

Share of profit (loss) of equity-accounted investees increased by €45.0 million, to €78.1 million for the year ended December 31, 2022 from €33.1 million for the year ended December 31, 2021. Most of the variation between 2021 and 2022 is explained by the ramp-up of Qatar Energy North Field Expansion project and achievement of milestones on the project Coral FLNG.

Financial income (expense), net

Financial expense, net decreased by 30.5%, or €61.6 million, to €140.2 million for the year ended December 31, 2022 from a net expense of €201.8 million in 2021. The variation is explained by the increase in interest incomes from cash deposit which benefited from higher interest rates, and from a lower redeemable financial liability fair value measurement compared to last year.

Income tax (expense)/profit

Income tax increased by 0.7%, or €0.9 million, to €127.6 million for the year ended December 31, 2022, from €126.7 million for the year ended December 31, 2021. This tax expense reflects an effective tax rate of 28.9% versus 32.7% in 2021. The decrease in the effective tax rate is largely explained by the decrease in the French income tax rate (from 28.41% to 25.83%) and a favorable mix of earnings (i.e. breakdown of the countries from which the Company sources earnings) weighted by incremental taxes, such as non-creditable foreign withholding taxes or local tax reported as income tax.

Order Intake and Backlog

Order Intake represents the estimated sales value of confirmed customer orders received during the reporting period. For service or consulting contracts in which the customer is charged a fixed rate based on the time spent this corresponds to the value transferred to the customer, the Company recognizing Order Intake when it has the right to invoice as service has been rendered.

(In millions of €)	December 31, 2022	December 31, 2021
Order intake	**3,668.4**	**10,383.3**

Order Intake as of December 31, 2022 decreased by €6,714.9 million compared to December 31, 2021, mainly due to the post-year major LNG award effect from Qatar North Field Expansion, partially compensated by the high-level order intake in the Technologies, Products & Services segment. Order Backlog is calculated as the estimated sales value of unfilled, confirmed customer orders at the reporting date. Order Backlog is recognized for both lump-sum turnkey contracts, as well as reimbursable contracts up to the firm contract amount agreed with the client that is expected to be recovered from the client to satisfy the Company's performance obligation.

(In millions of €)	December 31, 2022	December 31, 2021
Order backlog	**12,494.2**	**15,916.9**

Order Backlog at December 31, 2022 decreased by €3,422.7 million compared to December 31, 2021 primarily due to the orderly exit of the Arctic LNG 2 project and the continuous execution of projects' portfolio which was partially compensated by the increase of the Technologies Products & Services which benefited from a strong year of order intake.

2.3.3. NON-GAAP MEASURES

Alternative performance measures – Definitions

Certain parts of this Annual Financial Report contain the following non-IFRS financial measures: Adjusted Revenue, Recurring EBIT, Adjusted Recurring EBIT, Adjusted Recurring EBITDA, Adjusted net (debt) cash, Adjusted Order Backlog, and Adjusted Order Intake, which are not recognized as measures of financial performance or liquidity under IFRS and which the Company considers to be APMs.

The APMs presented are not measures of financial performance under IFRS, but measures used by management to monitor the underlying performance of the Company's business and operations and, accordingly, they have not been audited or reviewed. Further, they may not be indicative of the Company's historical operating results, nor are such measures meant to be predictive of the Company's future results. These APMs are presented in this Annual Financial Report because management considers them important supplemental measures of the Company's performance and believes that similar measures are widely used in the industry in which the Company operates as a means of evaluating a company's operating performance and liquidity.

However, not all companies calculate APMs in the same manner or on a consistent basis. As a result, these measures and ratios may not be comparable to measures used by other companies under the same or similar names. Accordingly, undue reliance should not be placed on the APMs contained in this Annual Financial Report and they should not be considered as a substitute for revenue, operating profit for the year, cash flow or other financial measures computed in accordance with IFRS.

The presentation of the APMs in this Annual Financial Report should not be construed as an implication that the Company's future results will be unaffected by exceptional or non-recurring items.

The APMs are determined by integrating line by line for their respective share incorporated construction project entities that are not fully owned by the Company, as follows:

- Jointly controlled entities or equity affiliates accounted for under the equity method under IFRS, are contributing line by line at their respective proportionate share, reflecting the portion owned by the Company. Over the periods presented in this Annual Financial Report, the entities for which adjustments are performed are ENI CORAL FLNG, BAPCO Sitra Refinery and Arctic LNG 2. The entities are accounted for under the equity method under IFRS and are included line by line at 50%, 36% and 33.3% respectively, proportionally to the Company's share. From 2020, the limited value engineering scope of the Rovuma project is accounted for under the equity method under IFRS and the Company's 33.3% proportional share is consolidated in the applicable line items. From 2021, Nova Energies entity and two affiliates of the NFE joint venture are accounted for under the equity method under IFRS and Company’s 50% proportional share is consolidated in the applicable line items. In 2022, Nova Energies has contributed for the first six months of the year;
- Controlled entities fully consolidated under IFRS and where non-controlling interests exceed 25% are contributing proportionally in the APMs to reflect the Company's share in these entities. As of and for all the periods presented in this Annual Financial Report, an adjustment is performed for Yamal LNG, which is included line by line at 50%, proportionally to the Company's share, whereas under IFRS the entity is fully consolidated over these periods.

Each of the APMs is defined below:

- **Adjusted Revenue:** Adjusted Revenue represents the revenue recorded under IFRS as adjusted according to the method described below. For the periods presented in this document, the Company's proportionate share of joint venture revenue from the following projects was included: the revenue from ENI CORAL FLNG, Yamal LNG and NFE is included at 50%, the revenue from BAPCO Sitra Refinery is included at 36%, the revenue from the In-Russia construction and supervision scope of Arctic LNG 2 is included at 33.3%, the revenue from the joint-venture Rovuma is included at 33.3%, the revenue from Nova Energies is included at 50% for the first six months of the year. The Company believes that presenting the proportionate share of its joint-venture revenue in construction projects carried out in joint arrangements enables management and investors to better evaluate the performance of the Company's core business period-over-period by assisting them in more accurately understanding the activities actually performed by the Company on these projects.
- **Recurring EBIT:** represents the profit before financial expense, net and income taxes recorded under IFRS and adds or removes, as appropriate, items considered as non-recurring from EBIT, including: (i) restructuring expenses, (ii) separation costs associated with the Spin-off transaction and (iii) costs arising out of significant litigation that have arisen outside of the ordinary course of business. The Company believes that the exclusion of such expenses or profits from EBIT enables investors and management to evaluate the Company's operations and consolidated results of operations period-over-period, and to identify operating trends that could otherwise be masked to both investors and management by the excluded items.
- **Adjusted Recurring EBIT:** represents Recurring EBIT as adjusted to reflect, line-by-line for their respective share, incorporated construction project entities that are not fully owned by the company (applying the method described under Adjusted Revenue).
- **Adjusted Recurring EBITDA:** corresponds to the Adjusted Recurring EBIT as described above after deduction of depreciation and amortization expenses and as adjusted to reflect for their respective share construction project entities that are not fully owned by the Company. The Company believes that the exclusion of these expenses or profits from these financial measures enables investors and management to more effectively evaluate the Company's operations and consolidated results of operations period-over-period, and to identify operating trends that could otherwise be masked to both investors and management by the excluded items.
- **Adjusted Order Intake:** Order intake corresponds to signed contracts which have come into force during the reporting period. Adjusted Order Intake adds the proportionate share of orders signed related to equity affiliates (ENI Coral FLNG, BAPCO Sitra Refinery, Arctic LNG 2 for the In-Russia construction and supervision scope, the joint-venture Rovuma, two affiliates of the NFE joint-venture, and the Nova Energies joint venture) and restates the share of order intake attributable to the non-controlling interests in Yamal LNG. This financial measure is closely connected with the Adjusted Order Backlog in the evaluation of the level of the Company's forthcoming activities by presenting its proportionate share of contracts which came into force during the period and that will be performed by the Company.
- **Adjusted Order Backlog:** Order backlog is calculated as the estimated sales value of unfilled, confirmed customer orders at the relevant reporting date. Adjusted Order Backlog takes into account the Company's proportionate share of order backlog related to equity affiliates (ENI Coral FLNG, BAPCO Sitra Refinery, Arctic LNG 2 for the In-Russia construction and supervision scope, the joint venture Rovuma, two affiliates of the NFE joint-venture, and the Nova Energies joint-venture) and restates the share of order backlog related to the Company's non-controlling interest in Yamal LNG. The Company believes that the Adjusted Order Backlog enables management and investors to evaluate the level of the Company's core business forthcoming activities by including its proportionate share in the estimated sales coming from construction projects in joint arrangements.
- **Adjusted net (debt) cash:** reflects cash and cash equivalents, net of debt (including short-term debt), as adjusted according to the method described above under Adjusted Revenue. Management uses this APM to evaluate the Company's capital structure and financial leverage. The Company believes Adjusted net (debt) cash, is a meaningful financial measure that may assist investors in understanding the Company's financial condition and recognizing underlying trends in its capital structure.

2.3.4. BUSINESS SEGMENTS HIGHLIGHTS

Project Delivery – Adjusted IFRS

(In millions of €)	December 31, 2022	December 31, 2021	% Change
Revenue	**4,884.3**	**5,132.5**	**(4.8%)**
Adjustments[1]	*139.6*	*231.9*	*(39.8%)*
Adjusted revenue	**5,023.9**	**5,364.4**	**(6.3%)**
EBIT	**527.3**	**529.2**	**(0.4%)**
Adjustments[2]	*(2.0)*	*2.3*	*(187.0%)*
Recurring EBIT	**529.4**	**531.5**	**(0.4%)**
Adjustments[1]	*(133.4)*	*(189.5)*	*(29.6%)*
Adjusted recurring EBIT	**396.0**	**342.0**	**15.8%**
ADJUSTED RECURRING EBIT MARGIN %	**7.9%**	**6.4%**	**150 bps**

(1) For an explanation of the adjustments see "2.3.3. Non-GAAP measures" section above.
(2) Recurring EBIT adjustments add or remove, as appropriate, items considered as non-recurring from EBIT, including: (i) restructuring expenses, (ii) separation costs associated with the Spin-off transaction and (iii) costs arising out of significant litigation that have arisen outside of the ordinary course of business. The Company believes that the exclusion of such expenses or profits from EBIT enables investors and management to evaluate the Company's operations and consolidated results of operations period-over-period, and to identify operating trends that could otherwise be masked to both investors and management by the excluded items.

Adjusted Revenue decreased year-on-year by 6.3% to €5,023.9 million due to lower activity on Arctic LNG 2 where our orderly exit from the project was confirmed by the exit framework agreement signed with the client (with a full exit anticipated to be completed within the first half of 2023). It is partially compensated by the ramp-up of major LNG and downstream projects.

Adjusted Recurring EBIT increased year-on-year by 15.8% to €396.0 million.

Adjusted Recurring EBIT margin increased by 150 basis points to 7.9% benefiting from robust business execution across all the Project Delivery portfolio that is more than offsetting the 2021 contribution by projects in completion phase.

(In millions of €)	December 31, 2022	December 31, 2021	Change
Order Intake	**1,500.5**	**9,055.8**	**(7,555.3)**
Adjustments[1]	*181.5*	*(584.3)*	*765.8*
ADJUSTED ORDER INTAKE	**1,682.1**	**8,471.5**	**(6,789.4)**

(1) For an explanation of the adjustments see "2.3.3. Non-GAAP measures" section above.

Adjusted Order Intake at December 31, 2022, decreased by €6,789.4 million compared to December 31, 2021, mainly due to the major LNG award in 2021 of the Qatar North Field Expansion project, which was only partially compensated in 2022 by new order intake in the energy transition space.

(In millions of €)	December 31, 2022	December 31, 2021	Change
Order Backlog	**10,471.4**	**14,671.4**	**(4,200.0)**
Adjustments[1]	*256.5*	*472.6*	*(216.1)*
Adjusted Order Backlog	**10,727.9**	**15,144.0**	**(4,416.1)**

(1) For an explanation of the adjustments see "2.3.3. Non-GAAP measures" section above.

Adjusted Order Backlog at December 31, 2022, decreased by €4,416.1 million compared to December 31, 2021, following the reduction on Adjusted Order Intake and the Arctic LNG 2 exit framework agreement.

Technology, Products & Services (TPS) – Adjusted IFRS

(In millions of €)	December 31, 2022	December 31, 2021	% Change
Revenue	**1,398.0**	**1,301.2**	**7.4 %**
Adjustments[1]	*2.5*	*1.5*	*— %*
Adjusted revenue	**1,400.6**	**1,302.8**	**7.5 %**
EBIT	**129.2**	**118.0**	**9.5 %**
Adjustments[2]	*(0.7)*	*1.2*	*(158.3) %*
Recurring EBIT	**130.0**	**119.2**	**9.1 %**
Adjustments[1]	*—*	*0.1*	*— %*
Adjusted recurring EBIT	**130.0**	**119.3**	**9.0 %**
ADJUSTED RECURRING EBIT MARGIN %	**9.3 %**	**9.2 %**	**10 bps**

(1) For an explanation of the adjustments see "2.3.3. Non-GAAP measures" section above.
(2) Recurring EBIT adjustments add or remove, as appropriate, items considered as non-recurring from EBIT, including: (i) restructuring expenses, (ii) separation costs associated with the Spin-off transaction and (iii) costs arising out of significant litigation that have arisen outside of the ordinary course of business. The Company believes that the exclusion of such expenses or profits from EBIT enables investors and management to evaluate the Company's operations and consolidated results of operations period-over-period, and to identify operating trends that could otherwise be masked to both investors and management by the excluded items.

Adjusted Revenue increased year-on-year by 7.5% to €1,400.6 million, driven by growth in services and process technology activities, including licensing, proprietary equipment (notably for PBAT, a biodegradable polymer, and ethylene), and sustainable chemistry. It continued to benefit from a sustained period of strong order intake.

Adjusted Recurring EBIT increased year-on-year by 9.0% to €130.0 million.

Adjusted Recurring EBIT margin increased year-on-year by 10 basis points to 9.3%, benefiting from higher activity levels with accretive associated margin.

(In millions of €)	December 31, 2022	December 31, 2021	Change
Order Intake	**2,167.9**	**1,327.5**	**840.4**
Adjustments[1]	*(5.1)*	*(9.1)*	*4.0*
ADJUSTED ORDER INTAKE	**2,162.8**	**1,318.4**	**844.4**

(1) For an explanation of the adjustments see "2.3.3. Non-GAAP measures" section above.

Adjusted Order Intake at December 31, 2022, increased by €844.4 million compared to December 31, 2021, mainly benefiting from new contracts in Technology downstream and Services around sustainable chemistry and carbon capture markets.

(In millions of €)	December 31, 2022	December 31, 2021	Change
Order Backlog	**2,022.8**	**1,245.6**	**777.2**
Adjustments[1]	*(0.6)*	*(1.2)*	*0.6*
ADJUSTED ORDER BACKLOG	**2,022.2**	**1,244.3**	**777.9**

(1) For an explanation of the adjustments see "2.3.3. Non-GAAP measures" section above.

Adjusted Order Backlog at December 31, 2022, increased by €777.9 million compared to December 31, 2021, following the growth on Adjusted Order Intake.

Corporate and other items

(In millions of €)	December 31, 2022	December 31, 2021	Change
EBIT	**(74.5)**	**(58.1)**	**(16.4)**
Adjustments[1]	*1.4*	*28.4*	*(27.0)*
Recurring EBIT	**(75.9)**	**(29.7)**	**(46.2)**
Adjustments[2]	*1.0*	*(0.6)*	*1.6*
ADJUSTED RECURRING EBIT	**(74.8)**	**(30.3)**	**(44.5)**

(1) Recurring EBIT adjustments add or remove, as appropriate, items considered as non-recurring from EBIT, including: (i) restructuring expenses, (ii) separation costs associated with the Spin-off transaction and (iii) costs arising out of significant litigation that have arisen outside of the ordinary course of business. The Company believes that the exclusion of such expenses or profits from EBIT enables investors and management to evaluate the Company's operations and consolidated results of operations period-over-period, and to identify operating trends that could otherwise be masked to both investors and management by the excluded items.
(2) For an explanation of the adjustments see "2.3.3. Non-GAAP measures" section above.

Adjusted Recurring EBIT The impact of corporate cost on Adjusted Recurring EBIT was a decrease year-on-year by 146.9% to €74.8 including the cost of €30 million related to an exceptional bonus of half a month's salary to be paid in January 2023 to eligible employees.

Adjusted net (debt) cash

The following table provides a reconciliation of the Company's Adjusted Cash and cash equivalents to Adjusted net (debt) cash, utilizing details of classifications from the Company's consolidated statement of financial position:

(In millions of €)	December 31, 2022	December 31, 2021	Change
Cash and cash equivalents	**3,477.4**	**3,638.6**	**(161.2)**
Adjustments[1]	*313.8*	*171.5*	*142.3*
Adjusted cash and cash equivalents	3,791.2	3,810.1	(18.9)
Less: Adjusted debt	*719.0*	*683.3*	*35.7*
ADJUSTED NET (DEBT) CASH	**3,072.2**	**3,126.8**	**(54.6)**

(1) For an explanation of the adjustments see "2.3.3. Non-GAAP measures" section above.

Adjusted net cash decreased by 2% or €54.6 million between December 31, 2022, and 2021, from €3,126.8 million to €3,072.2 million primarily due to the decrease by €18.9 million of adjusted cash and cash equivalents and the increase by €35.7 million of debt (see 8.1.6. Notes to consolidated financial statements – Note 22. Debt (long and short-term)

Off-balance-sheet arrangements and contingent liabilities

The Company has no special-purpose financing or partnership entities or other off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Impact of foreign currency fluctuations

For purposes of mitigating the effect of changes in exchange rates, Technip Energies holds derivative financial instruments to hedge the risks of certain identifiable and anticipated transactions and recorded assets and liabilities in the consolidated statement of financial position.

2.3.5. LIQUIDITY AND CAPITAL RESOURCES

General

Cash management is centralized and the Company's liquidity needs are mainly managed through internal cash pooling arrangements with a central treasury management subsidiary, T.EN Eurocash SNC. The Company's cash and cash equivalents is comprised of cash held by Technip Energies legal entities. Cash and cash equivalents in the consolidated financial statements reflect the ownership by the legal entities that are part of the Technip Energies Group.

At December 31, 2022, the Company has cash and cash equivalents of €3,477.4 million compared to €3,638.6 at December 31, 2021.

At December 31, 2022, the Company has debt of €719.0 million compared to €683.3 million. For further details see 8.1.6. Notes to consolidated financial statements – Note 22. Debt (long and short-term).

We believe our financial resources are sufficient to meet our present requirements.

Cash flows

Cash flows for the years ended December 31, 2022 and 2021 were as follows:

(In millions of €)	December 31, 2022	December 31, 2021
Cash provided (required) by operating activities	184.4	934.4
Cash provided (required) by investing activities	(57.6)	(53.0)
Cash provided (required) by financing activities	(396.3)	(558.6)
Effect of changes in foreign exchange rates on cash and cash equivalents	108.3	126.1
(Decrease) Increase in cash and cash equivalents	**(161.2)**	**448.9**
Cash and cash equivalents, beginning of period	**3,638.6**	**3,189.7**
Cash and cash equivalents, end of period	**3,477.4**	**3,638.6**

Cash flows provided (required) by operating cash flows – During 2022, the Company generated €184.4 million in cash flows from operating activities as compared to €934.4 million for the year ended December 31, 2021, resulting in a €750.0 million decrease compared to 2021, which is primarily driven by 2022 working capital outflows of €414.6 million associated to the projects progress.

Cash flows provided (required) by investing activities – Investing activities used €57.6 million and €53.0 million during the year ended December 31, 2022, and 2021, respectively, primarily due to acquisition of property, plant, equipment and intangible assets.

Cash flows provided (required) by financing activities – Financing activities used €396.3 million and €558.6 million during the years ended December 31, 2022, and 2021, respectively. Compared to 2021, the outflow decrease of €162.3 million was mainly due to the 2022 cash inflow and outflow neutralization of the commercial papers, partially offset by maiden dividend payment of €79.0 million.

Debt and liquidity

The Company's sources of liquidity are its Facilities Agreement (as defined below) providing for a Revolving Facility and a Bridge Facility (the latter having been prepaid and cancelled in full when the Company's inaugural senior unsecured Notes (as defined below) were issued), and T.EN Eurocash SNC's (which is one of the Company's wholly owned subsidiaries) commercial paper program and cash pooling resources.

The Company does not intend to draw upon the Revolving Facility in the ordinary course. The available capacity thereunder is reduced by any outstanding commercial paper borrowings issued by T.EN Eurocash SNC.

On February 10, 2021, the Technip Energies N.V. and T.EN Eurocash SNC entered into a senior unsecured Bridge and Revolving Facilities Agreement (the "**Facilities Agreement**") with Crédit Agricole Corporate and Investment Bank, as agent, and the lenders party thereto. The Facilities Agreement provides for the establishment of a Bridge Facility in an amount of up to €650 million (the "**Bridge Facility**"), to which Technip Energies N.V. is the sole borrower and a Revolving Facility in an amount of €750 million (the "**Revolving Facility**") to which Technip Energies N.V. and T.EN Eurocash SNC are the Borrowers. At the time of the Spin-off from TechnipFMC, on February 16, 2021, the Company drew down €620 million from the Bridge Facility.

This utilization was prepaid and the Bridge Facility cancelled in full by its sole borrower, Technip Energies N.V., on May 31, 2021, upon its issuance of €600 million aggregate principal of 1.125% unsecured notes due in 2028 (the "**Notes**") on May 28, 2021. Subject to certain conditions, the Company may request the aggregate commitments under the Revolving Facility be increased by up to €250 million to reach €1.0 billion.

The Revolving Facility provides for an initial three-year tenor as from the Initial Availability Date (February 15, 2021) and can be extended twice by one year each time. The first and the second extensions of the Revolving Facility were successfully completed on December 6, 2021 and December 16, 2022, respectively. As a consequence, the termination date of the Revolving Facility is February 13, 2026.

The Revolving Facility is available in Euros only. Borrowings under the Revolving Facility bear interest at the EURIBOR rate applicable to the relevant interest period (floored at zero), plus an applicable margin.

The applicable margin will vary depending on the Company's credit rating as follows:

Rating	Applicable margin
Lower than or equal to BB+	0.95% p.a.
Equal to BBB-	0.75% p.a.
Equal to BBB	0.60% p.a.
Equal to BBB+	0.45% p.a.
Higher than or equal to A-	0.35% p.a.

The applicable margin for the Revolving Facility loans is also adjusted depending on the successful completion by the Company of the ESG key performance indicators (as described below) in accordance with the following grid:

Number of ESG key performance indicators ("KPIs") for which successful completion has been achieved	Margin Adjustment
No successful completion has been achieved for any of the KPIs	+0.025% p.a.
Successful completion has been achieved for one (1) KPI	+0.0125% p.a.
Successful completion has been achieved for two (2) KPIs	-0.0125% p.a.
Successful completion has been achieved for three (3) KPIs	-0.025% p.a.

The ESG key performance indicators consist in (i) the evaluation and reduction of carbon footprint, (ii) the support provided to ESG ratings and (iii) the improvement of gender diversity. On May 24, 2022, the applicable margin for the Revolving Facility has been adjusted by -0.025% following the successful completion of all three ESG KPI's for the year 2021.

The Revolving Facility contains usual and customary representations and warranties, mandatory prepayments and events of default for investment-grade credit facilities of this type. It also contains covenants restricting Technip Energies N.V.'s and certain of its subsidiaries' ability to provide additional securities and incur additional indebtedness, enter into asset sales, or make certain investments. It does not include any financial covenant.

On May 28, 2021, the Company issued its inaugural €600 million of 1.125% senior unsecured notes due in 2028 (the "**Notes**"), the proceeds of which is for general corporate purpose, including the refinancing (which occurred on 31 May 2021) of the €620 million drawings under the Bridge Facility made available to the Company in connection with the Spin-off from TechnipFMC. The interest on the Notes is paid annually on May 28 of each year, beginning on May 28, 2022. The Notes were admitted to trading on the regulated market of Euronext Paris and rated 'BBB' by S&P Global. On March 11, 2022, S&P revised its rating for both the Notes and the long-term corporate rating of the Company to 'BBB-'.

The negotiable European commercial paper program of T.EN Eurocash has been downsized to €750 million from €1 billion following the Spin-off from TechnipFMC. The program's rating by S&P Global was revised to 'A-3' from 'A-2' on March 11, 2022. As of December 31, 2022, the outstanding balance was €79.9 million (see 8.1.6. Notes to consolidated financial statements – Note 22. Debt (long and short-term)).

Technip Energies also pools the cash resources of its subsidiaries through T.EN Eurocash SNC.

Contractual obligations

The following table summarizes the Company's contractual obligations and other commercial commitments at December 31, 2022, as well as the effect that these obligations and commitments are expected to have on the Company's liquidity and cash flow in future periods, on an actual basis.

	Payment Due by Period				
(In millions of €)	Total	Less than 1 year	1-3 years	3-5 years	After 5 years
Financial Debts	719.0	123.7	—	—	595.3
Leases liabilities[1]	267.2	72.1	88.6	60.1	46.4
Pension and other post-retirement benefits[2]	109.7	8.8	17.5	14.4	69.0
Unrecognized tax benefits[3]	83.3	0.1	1.7	3.0	78.5
Other contractual obligations[4]	98.1	98.1		—	—
TOTAL CONTRACTUAL OBLIGATIONS	**1,277.3**	**302.8**	**107.8**	**77.5**	**789.2**

(1) The Company leases real estate, including land, buildings and warehouses, machinery/equipment, vehicles, and various types of manufacturing and data processing equipment. Lease liabilities were accounted for according to the lease standard IFRS 16 and represent the present value of the remaining lease payments. For further information regarding assumptions used to determine the lease liabilities, for further information refer to Note 16. of the Consolidated Financial Statements included in this Document.

(2) The Company expects to contribute approximately €1.4 million to the Company's pension plans during 2023. Required contributions for future years depend on factors that cannot be determined at this time.

(3) It is reasonably possible that €0.1 million of liabilities for unrecognized tax benefits will be settled during 2023, and this amount is reflected in income taxes payable in the Company's consolidated balance sheet as of December 31, 2022. Although unrecognized tax benefits are not contractual obligations, they are presented in this table because they represent demands on the Company's liquidity.

(4) Other contractual obligations represent a mandatorily redeemable financial liability. In the fourth quarter of 2016, the Company obtained voting control interests in legal contract entities belonging to the Company's then-existing Onshore/Offshore business segment, which entities owned and accounted for the design, engineering and construction of the Yamal LNG plant. Prior to the amendments of the contractual terms that provided the Company voting interest control, the Company accounted for these entities under the equity method of accounting based on its previously held interests in each of these entities. A mandatorily redeemable financial liability of €165.9 million was recognized as of December 31, 2016 for the fair value of the non-controlling interests. During the year ended December 31, 2022, the Company revalued the liability to reflect current expectations about the obligation. Refer to Note 26. of the Consolidated Financial Statements included in section, 8.1. Consolidated financial statements for the year ended December 31, 2022, of this document for further information regarding the fair value measurement assumptions of the mandatorily redeemable financial liability and related changes in its fair value.

For other contingencies, see section 8.1. Consolidated financial statements for the year ended December 31, 2022, Note 29. Commitments and contingent liabilities.

Effects of transactions with related parties

The consolidated financial statements comprise transactions (receivables, payables, revenues and expenses) with related parties including entities related to the Company's directors and main shareholders as well as the partners of the Company's joint ventures and affiliates.

For details on related parties' disclosures, see section 8.1. Consolidated financial statements for the year ended December 31, 2022, Note 27. Related party transactions.

2.3.6. CRITICAL ACCOUNTING ESTIMATES

The Company's significant accounting policies are set out in Note 1.6. Summary of significant accounting policies, section 8.1. Consolidated financial statements for the year ended December 31, 2022, which consolidated financial statements are prepared in accordance with IFRS.

Given the uncertainties inherent in the Company's business activities, it must make certain estimates and assumptions that require difficult, subjective and complex judgments. Because of uncertainties inherent in such judgments, actual outcomes and results may differ from the Company's assumptions and estimates, which could materially affect the consolidated financial statements.

2.3.7. OTHER MATTERS

The Group is involved in various pending or potential legal actions, disputes and proceedings, whether initiated by the Company or by third parties (including governmental authorities) any of which could result in sanctions of a financial, administrative or criminal nature. Management is unable to predict the ultimate outcome of these actions because of their inherent uncertainty. However, management believes that the most probable, ultimate resolution of these matters will not have a material adverse effect on the Technip Energies Group's financial position or profitability.

In late 2016, TechnipFMC was contacted by the Unites States Department of Justice ("**DOJ**") regarding its investigation of offshore platform projects awarded between 2003 and 2007, performed in Brazil by a joint venture company in which TechnipFMC was a minority participant. Subsequently TechnipFMC raised with the DOJ certain other projects performed by TechnipFMC subsidiaries in Brazil between 2002 and 2013. The DOJ has also inquired about projects in Ghana and Equatorial Guinea that were awarded to TechnipFMC subsidiaries in 2008 and 2009, respectively. TechnipFMC cooperated with the DOJ in its investigation into the potential violations of the U.S. Foreign Corrupt Practices Act (the "**FCPA**") in connection with these projects, and contacted and cooperated with the Brazilian authorities (the Federal Prosecution Service (the "**MPF**"), the Comptroller General of Brazil (the "**CGU**") and the Attorney General of Brazil (the "**AGU**")) as relates to their investigation concerning the projects in Brazil. Technip Energies is subject to an ongoing investigation by the French *Parquet National Financier* ("**PNF**") related to the above-referenced projects in Equatorial Guinea and Ghana. Technip Energies was later informed by the PNF that the PNF was also investigating certain historical projects in Angola.

On June 25, 2019, TechnipFMC announced a global resolution to pay a total of $301.3 million to the DOJ, the SEC, the MPF and the CGU/AGU to resolve anti-corruption investigations of which $281.3 million was related to the Technip Energies business. The final amount due in accordance with the global resolution was paid by Technip Energies during the second quarter of 2021. As part of this resolution, TechnipFMC entered into a three-year deferred prosecution agreement with the DOJ related to charges of conspiracy to violate the FCPA in relation to conduct in Brazil and other matters (the "**DPA**"). In addition, Technip USA, Inc (since renamed Technip Energies USA, Inc.), a U.S. subsidiary, pled guilty to one count of conspiracy to violate the FCPA related to conduct in Brazil.

As part of the Spin-off arrangements and pursuant to the terms of the Separation and Distribution Agreement, Technip Energies has had to assume certain obligations and liabilities arising out of the DPA. TechnipFMC and Technip Energies were not required to have a compliance monitor in place but were required to report annually on their anti-corruption programs to authorities during the DPA's three-year term.

Technip Energies N.V. and Technip Energies USA submitted the final report as well as the certifications required under the DPA on May 25, 2022. The DPA expired on June 25, 2022, and was dismissed by the Eastern District Court of New York on January 5, 2023. Separately, Technip Energies N.V. and Technip Energies USA were also the subject of a Cease and Desist Order by the U.S. Securities and Exchange Commission ("**SEC**"). The three-year term of the Cease and Desist Order ended on September 23, 2022. On October 3, 2022, Technip Energies N.V. and Technip Energies USA submitted to the SEC the final certification of their compliance with all undertakings set forth in the Cease and Desist Order.

To date, the investigation by the PNF has related to certain historical projects in Equatorial Guinea, Ghana and Angola and has not reached a resolution. Technip Energies and TechnipFMC are cooperating and Technip Energies remains committed to finding a resolution with the PNF.

There is no certainty that a settlement with PNF will be reached. The PNF has a broad range of potential sanctions under anticorruption laws and regulations that it may seek to impose in appropriate circumstances including, but not limited to, fines, penalties, the appointment of a monitor, and modifications to business practices and compliance programs. Any of these measures, if applicable to the Company, as well as potential customer reaction to such measures, could have a material adverse impact on its financial position or profitability. The financial consequences of these investigations are to be retained by TechnipFMC by way of an indemnity provided by TechnipFMC to the Company under the Separation and Distribution Agreement. If no resolution is reached with the PNF, Technip Energies subsidiaries could be subject to criminal proceedings in France, the outcome of which cannot be predicted.

For further information please refer to section 4.3.4.1. We are subject to an ongoing investigation by the French Parquet National Financier related to historical projects in Equatorial Guinea, Ghana and Angola and to section 5.7. Compliance Investigations and Legal Proceedings.

In 2003, Petrobras B.V. ("**PNBV**") and FSTP, a Joint Venture between Keppel (75%) and Technip Brasil Engenharia (25%) signed a contract for construction of the P-52 offshore platform (the "**Project**"). In 2007 the Brazilian *Tribunal de Contas da União* ("**TCU**") contested the validity of an amendment to the contract which compensated FSTP for additional costs incurred in relation to the Project (the "**Contested Payments**"). To ensure project completion and avoid suspension of payments pending the outcome of proceedings initiated by the TCU to recover the Contested Payments, FSTP issued a USD 126M letter of credit in favor of PNBV, with the Company being responsible for 25%. Proceedings relating to the Contested Payments have been ongoing since 2007. Technip Energies and Keppel continue to contest TCU's efforts to have PNBV recover the Contested Payments.

Subsequent event

Please refer to Note 32. Subsequent events in section 8.1. Consolidated financial statements for the year ended December 31, 2022 and to section 8.2.4.17. Events after end of reporting in the Technip Energies Company financial statements.

Sustainability



3.



OUR APPROACH 80

3.1. TECHNIP ENERGIES ESG ROADMAP 81

3.1.1. 2022 Sustainability Highlights and Key Figures 81
3.1.2. ESG Roadmap and Scorecard 82
3.1.3. ESG Commitments and Ratings 84
3.1.4. Technip Energies Business Model 86
3.1.5. A Focus on CO_2 Management 88
3.1.6. Join forces and bridge expertise across industries 90

3.2. ESG GOVERNANCE AND STAKEHOLDER ENGAGEMENT 91

3.2.1. ESG Governance 91
3.2.2. ESG Policies and Certifications 92
3.2.3. Stakeholder Engagement 94

3.3. TECHNIP ENERGIES ESG PERFORMANCE 98

3.3.1. Climate and Environment 99
3.3.2. People 106
3.3.3. Trust 115

3.4. MATERIALITY AND UN SDGS 121

3.4.1. Methodology 121
3.4.2. Materiality Matrix 121
3.4.3. UN SDGs 123

3.5. ESG RISKS AND OPPORTUNITIES 125

3.5.1. ESG Risk Management 125
3.5.2. ESG Risks and Opportunities 126

3.6. IMPACT BOOK 131

3.6.1. Definitions and Methodologies 131
3.6.2. ESG Indicators 136
3.6.3. EU Green Taxonomy 146
3.6.4. TCFD Correspondence Table 151
3.6.5. SASB Correspondence Table 152
3.6.6. GRI Content Index 153

OUR APPROACH

Preamble

Technip Energies is a leading engineering and technology company for the energy transition.

As a young company, with over 60 years of experience, we believe we have a critical role to play to accelerate the energy transition in a sustainable way.

This is our Purpose: ***Breaking boundaries together to engineer a sustainable future***. Our Values reflect our culture and the way we act, as a responsible player.

Energy transition is our business. With 15,000 talented professionals, in 35 countries, engaged in delivering projects and developing technologies, products, and services, we have the skills and pioneering ambition to transform the energy industry and make a positive impact for our stakeholders. Our teams work every day alongside our clients, partners, suppliers, and other stakeholders to drive innovative solutions to combat climate change and deliver reliable, affordable, and sustainable energy.

"**Together by T.EN**" is our ESG Roadmap which guides us on our sustainability journey. It sets the path and measures the progress that we make.

We think energies, we think tomorrow.

Executive Summary

This section of the Annual Report forms Technip Energies second Sustainability Report, which is aligned with the GRI (Global Reporting Initiative) Sustainability Reporting Standards, the Task Force on Climate-Related Financial Disclosures (TCFD), and the Sustainability Accounting Standards Board Standards (SASB).

As an integral part of our 2022 Annual Report, it highlights to our stakeholders our commitment to embed sustainability in our strategy; it supports our business and drives our future success.

A high level of extra-financial performance needs ambitious commitments. They are built around 3 pillars: the preservation of the climate and environment, the safety and development of our people, and a strong governance, transparency and accountability.

We are committed to drive positive changes for our shareholders, endorsing the United Nations Sustainable Development Goals.

Our first ESG Scorecard was published last year. Here we report our progress and strengthen our ambition.

Highlights of our key achievements in 2022 include:

- **On climate and environment:** In 2022, we reduced scope 1 & 2 emissions by 11% compared to 2019, and we are on track to reach net zero by 2030. For the first time, we can report our scope 3 upstream emissions and we made great progress (87%) in the evaluation of our scope 3 upstream and downstream emissions. Our role goes beyond our own direct and indirect emissions, to combat climate change, we are committed to help our clients avoid 15 million tCO_2 eq by 2025. In 2023, we will publish our scope 3 downstream emissions with targeted action plans to reach net zero by 2050 by decarbonizing our core business and developing new sustainable businesses.
- **People are our assets:** Safety is at the heart of what we do. Since 2022, our main construction sites now have a behavior-based safety (BBS) program in place. While our safety targets are not new, they are now included in our ESG Scorecard to make them completely visible.

  We have increased the number of women in leadership positions from 12% to 18% and we target to reach 25% by 2025. We believe that setting targets is key to improving gender diversity, so we aim for women to make up 35% of our workforce by 2030, to reach gender parity by 2050. We will achieve this by supporting women in STEM and ensuring gender parity in new graduate recruitments to build up a pipeline of future leaders.

  In 2022, the number of volunteer hours increased by 50%. To leverage this level of dedication from our employees, for the first time we set a new target to develop social initiatives to benefit 750,000 people in our local communities.
- **On trust:** Our reputation is built on trust. This comes from strong governance, transparency, and accountability. It is core to our relationship with all our stakeholders, in the objectives that we set and in the way we perform. Which is why human rights due diligence and ESG performance will increasingly form part of our qualification criteria for suppliers and subcontractors to be monitored and audited.

In section 3.3. Technip Energies ESG Performance, we present concrete examples of the progress being made.

In 2022, we benchmarked our approach and engaged with rating agencies to improve disclosure and identify areas of progress, with the ambition of being a leader for our sector. Each rating agency reported a year-on-year improvement. We are proud to be rated AAA industry leader by MSCI for Technip Energies and to have been awarded a Platinum medal by EcoVadis for Technip Energies France.

In 2022, through continuous stakeholders' engagement and to strengthen our commitments and accelerate our sustainable journey, we have refined our ESG Scorecard focus on impact-driven targets, which are detailed in section 3.1.2. ESG Roadmap and Scorecard.

Samir Karoum, Chief Strategy and Sustainability Officer: *"Like the energy transition, the route to sustainability is a journey. But to achieve the goals of the Paris agreement, we must act fast and ramp up the rhythm. Our 2022 report describes the progress we have made towards our original targets and the initiatives that are underway to meet our commitments. Our ESG scorecard for 2022-2025 has been simplified and structured to be best in class. We have strengthened these commitments and recentered our focus on impact-driven targets to accelerate our sustainability journey. In 2023 we will strive to make even greater progress, as we help to accelerate our clients' transition towards a new energy system and deliver robust financial performance."*

3.1. TECHNIP ENERGIES ESG ROADMAP

3.1.1. 2022 SUSTAINABILITY HIGHLIGHTS AND KEY FIGURES



2022 sustainability highlights

- ESG Scorecard reviewed and focused on impacts
- 11% reduction for scope 1 & 2 GHG emissions compared to 2019
- Scope 3 upstream and avoided GHG emissions reported
- 83% of R&D budget allocated to energy transition
- Act4nature International Commitment
- 71% of participation for our first global engagement survey, “My Voice”
- 18% women in leadership
- More than 21,000 volunteering hours
- AAA MSCI ESG Score
- EcoVadis Platinum medal awarded to Technip Energies France

3.1.2. ESG ROADMAP AND SCORECARD

The route to sustainability is a journey, one that is continuously assessed, improved, and driven forward. We are not alone in this journey, all stakeholders share an interest, which is why it is at the heart of our Purpose and aligned with our Values. "**Together by T.EN**" encapsulates our shared sense of responsibility.

Our ESG Roadmap



The role of our ESG Roadmap and Scorecard is to translate the priorities of today into tangible actions for a better tomorrow which aligns the interests of our clients, people, communities, and planet. It has been developed to measure performance and track progress; it is designed to evolve.

In 2022, we have refined our ESG approach to further our ambitions and accelerate results.

Our revised ESG Scorecard sets out our engagements around three strategic pillars: to preserve the Climate and Environment, to ensure the safety and development of our People, and to instill Trust through strong governance, transparency and accountability. It includes seven new impact-driven targets:

- net zero by 2050 for our indirect emissions; scope 3 upstream emissions are now quantified and reported; the emissions of our clients (scope 3 downstream) are being assessed and action plans being built to establish clear and ambitious targets;
- avoided CO_2 emissions for our clients are now measured and targeted;
- zero fatalities and a Total Recordable Incident Rate ("**TRIR**") per 200,000 hours worked below 0.10 are now formalized goals;
- improving gender diversity in our workforce and in the leadership;
- investing in our people by setting a target of 40 hours of learning per year, on average, by employee by 2025;
- developing social initiatives to benefit 750,000 people in our local communities.

All targets are presented in the Scorecard below.

Our ESG Roadmap is a living tool, it evolves, and is designed to help to create long-term value for our stakeholders and contributes to our journey towards a more sustainable future.

"We are moving in the right direction and delivering on our commitments, but to make an impact, we must accelerate our actions and push for opportunities to make a difference. Sustainability is a strength and opportunity that drives our future success. Technip Energies has what it takes to build the future of energy, deliver a positive impact on society, and bring sustainable benefits to all its stakeholders. Energy is our reality, transition is our business." **Sandra Melki, Vice-President Marketing & Sustainability**

Pillar	SDG	Ambition	2021	2022	Target
CLIMATE & ENVIRONMENT	6, 7, 9, 12, 13	1. Reduce scope 1 & 2 emissions compared to 2019	-8%	-11%	-30% by 2025 Net zero by 2030
		2. Report full scope 3 emissions (upstream and downstream)		87% (1)	Completed by 2023 Net zero by 2050
		3. Develop solutions for our clients to avoid emissions	-1.8 $MtCO_2$ eq	-7.3 $MtCO_2$ eq	-15 $MtCO_2$ eq by 2025
		4. R&D budget allocation for Energy Transition	56%	83%	100% by 2025
		5. Water consumed on sites from reused sources	21%	19%	50% by 2025
		6. Waste recovered	75%	87%	85% by 2025
PEOPLE	3, 4, 5, 8, 10	7. Women on the permanent workforce	29%	29.7%	35% by 2030 50% by 2050
		8. Women in leadership positions	12%	18.1%	25% by 2025
		9. Zero fatalities	3 fatalities	2 fatalities	Zero yearly
		10. Total Recordable Incidents Rate (TRIR) per 200,000 hours worked	0.08	0.09	<0.10 yearly
		11. Average hours of learning per employee per year	8.5	10	40 hours by 2025
		12. Volunteering hours	14,360	21,660	30,000 by 2025
		13. Total number of lives benefited by social initiatives since 2021	112,436	536,887	750,000 by 2025
TRUST	16, 17	14. Women on the Board of Directors	30%	30%	40% by 2024
		15. Eliminate non-mandatory commercial intermediaries		-13%	-100% by 2025
		16. Key suppliers and subcontractors monitored and audited on ESG performance		*Under development*	100% by 2025
		17. Human Rights Due Diligence undertaken on eligible projects		*Under development*	100% by 2025

(1) 13 categories out of 15 (as per the Greenhouse Gas Protocol) are disclosed.

Throughout this report, we will provide the progress status at end of 2022 for each target that was defined in the 2022 ESG Scorecard. In section 3.3. Technip Energies ESG Performance, we present concrete examples of the progress being made.

3.1.3. ESG COMMITMENTS AND RATINGS

ESG Commitments

Technip Energies is committed to carrying out its business activities in an ethical and transparent manner. In furtherance of this, we engage with international organizations on economic, social, and environmental issues.

- **UN Global Compact**

  Since 2021, Technip Energies is a signatory to the United Nations Global Compact. By joining the Global Compact, we embrace the Global Compact's Ten Principles - which cover human rights, labor standards, the environment, and anti-corruption efforts - and contribute towards achieving Sustainable Development Goals (SDGs) by 2030. See more at section 3.4.3. UN SDGs.

- **Building Responsibly**

  The Company has reaffirmed its commitment to a safe and open work environment as a member of Building Responsibly since 2019, and in 2021, as member of the Steering Committee of this important industry body. Building Responsibly is a group of leading engineering and construction companies that are working together to promote the rights and welfare of workers across the industry, and Technip Energies has been instrumental in the development of tools and standards associated with the Building Responsibly Worker Welfare Principles.

- **Act4nature International**

  Technip Energies joined Act4nature International in September 2022 to reinforce its action towards conservation of nature and biodiversity.

  Act4nature International is a pragmatic alliance initiated by businesses and stakeholders, including business organizations, NGOs and scientific institutions, to accelerate concrete actions in favor of nature. To join Act4nature International, businesses agree to 10 'common' commitments and define individual SMART commitments to be assessed by a steering group of Act4nature stakeholders. Members also commit to publicly report on the progress of their initiatives within two years of joining.

  As a member of Act4nature International, Technip Energies has made the following commitments in its action plan:

  - Integrating biodiversity into its global strategy and activities;
  - Not participating in any new projects which would be located in areas identified by International Union for Conservation of Nature's ("**IUCN**") as being most sensitive;
  - Reporting the exposure of Technip Energies' projects and assets sites to biodiversity risk.

- **Syntec-Ingénierie**

  Syntec-Ingénierie is a professional federation of consulting engineering companies in France. In 2021, Technip Energies signed *La Charte de l'Ingénierie pour le Climat* (The Climate Engineering Charter). Through this charter, the signatories undertake to be proactive in the missions and projects they carry out to reduce their carbon footprint and to sustainably adopt low-carbon internal practices and reduce their own greenhouse gas emissions.

  The three commitments of engineering companies for the climate are:

  - Acting concretely in favor of the climate through the projects entrusted to us;
  - Sustainably reducing the carbon footprint of our own activities; and
  - Supporting our employees' commitment in favor of the climate.

- **EpE - Entreprises pour l'environnement**

  Entreprises pour l'Environnement (EpE) is an association consisting of approximately 60 French and international large companies from all sectors of the economy which work together to better integrate the environment into both their strategies and their day-to-day management.

  In December of 2022, Technip Energies became a member and shared its vision of the environment as a source of opportunities and progress, with a broad understanding of 'environment' covering: raw materials, energy and climate change, water, biodiversity, pollution, waste, and health issues.

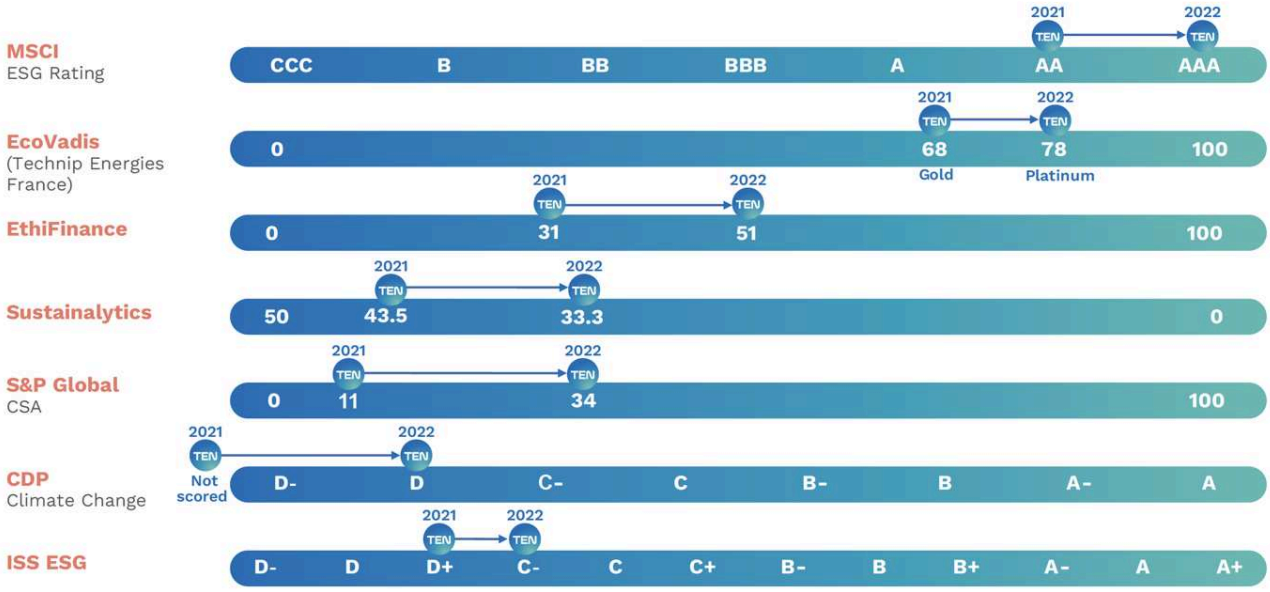
  EpE believes that caring for the environment is a source of long-term value for businesses. It provides its members with a forum for best-practice-sharing and debates within the business world itself, as well as with various stakeholders such as NGOs, policy-makers or academics. EpE is committed to improving its members' practices and stimulating innovation and commitment to the environment, enhancing the business world's credibility on environment by publicizing its pioneering achievements, and to planning ahead and analyzing sustainability issues as an internationally recognized think-tank and platform of expertise.

ESG Rating Agencies

ESG analysts monitor Technip Energies' sustainability performance constantly. Through the application of different methodologies, our performance is assessed in relation to environmental, social, and governance topics for inclusion in sustainability indices. These indices are used by the financial community as strategic tools to support investors in identifying risks and opportunities linked to sustainability in their investment portfolio, and supporting the development of sustainable investment strategies.

We are working to continually improve our positioning in ESG ratings, aiming to reach a sector leadership position, by improving disclosure on ESG matters following international reporting frameworks such as GRI Standards, TCFD and SASB.

Our ESG ratings disclosed in 2022 are presented in the following graph and table:



Sustainability external ratings	MSCI ESG Rating	EcoVadis	EthiFinance	Sustainalytics	S&P Global CSA	CDP Climate Change	ISS-ESG
2022 Technip Energies score	AAA	78/100	51/100	33.3	34	D	C-
Industry average score	A	46/100	50/100	37.7	23	C	C+
Percentile	--	99th	--	24th	--	--	--
Progress vs. 2021	AA to AAA	+10 points	+20 points	-4.4	+23 points	--	D+ to C-
Highlights	Industry leader	Platinum Medal for Technip Energies France Among top 1% of companies assessed by EcoVadis	Performance above industry average	Performance above industry average	Performance above industry average	1st year of reporting	
Score publication date	16/12/2022	22/12/2022	27/12/2022	29/10/2022	22/12/2022	13/12/2022	01/02/2023

3.1.4. TECHNIP ENERGIES BUSINESS MODEL

Our business model is designed to support the energy transition framework.

Alongside our clients, partners and suppliers, we imagine and build ambitious projects, technologies, products and services which help them to reduce their climate and environmental impact, reach their net zero targets, and deliver affordable, reliable and sustainable energy.

In this way, we contribute to creating financial and sustainable long-term value for our stakeholders.



Together by T.EN

Our ESG Roadmap sets out the framework for a sustainable energy transition centered around 3 strategic pillars: Climate & Environment, People, and Trust. With a focus on impact-driven targets, it is designed to track progress, further our ambitions, accelerate results, and deliver a more sustainable tomorrow.







Drivers of value creation

Enhance selectivity and excellence in project execution without compromising on safety

- Early engagement as a route to define and optimize project execution
- Technology Master, an intimate understanding of technology, proprietary or partners
- Build key relationships with partners, customer intimacy and strong market/geography knowledge
- Align with ESG Roadmap

Build a sustainable energy transition business

- Drive change within the energy mix towards cleaner and more affordable energies
- Apply our outstanding molecule transformation skills and engineering capabilities
- Differentiate by developing, scaling-up and delivering new and affordable solutions and technologies

Grow consultancy services and products

- Across the growing energy transition opportunity set
- Digital transformation as core enabler for sustainable and profitable business performance
- Reduce time to market
- Develop off-the-shelf solutions

Foster Technology & Innovation

- Build groundbreaking technologies and protect intellectual properties
- Redirect technologies and innovation towards decarbonizing the energy value chain
- Open innovation with industry partners and technology startups

Leverage our financial framework

- Large backlog and extensive commercial pipeline
- Positive cash flow throughout project lifecycle
- Asset light business with limited CAPEX
- Robust balance sheet with strong liquidity and limited leverage

Bring value to our stakeholders

Shareholders & Investors

- Reduce our business risk exposure
- Create sustainable financial value

Clients

- Partner with clients towards a net zero trajectory
- Anticipate needs and expectations
- Anticipate energy market trends
- Develop mutual trust

Supply chain & Partners

- Promote knowledge sharing
- Elaborate industry standards
- Partner with industry for technological innovation

Innovation drivers

- Exchange know-how for a low carbon future
- Support R&D and innovation from the lab to industrialization

Employees & Contractors

- Prioritize safety to protect employees and contractors
- Ensure open dialogue
- Develop a learning, diverse and inclusive workplace

Local communities

- Support volunteers
- Contribute to education initiatives
- Donate to social charities
- Respect local environment

3.1.5. A FOCUS ON CO2 MANAGEMENT

In our efforts to reduce carbon footprint and avoid CO_2 emissions, Technip Energies develops and offers to its customers a range of low-carbon solutions to support their net zero pathways. Our solutions include removing CO_2 emissions such as carbon capture and storage (“**CCS**”), or carbon capture, utilization and storage (“**CCUS**”).

The role of Carbon Capture, Utilization and Storage (“CCUS”) in net zero pathways

Recently, the International Energy Agency (“**IEA**”) stated that: *“Reaching net zero will be virtually impossible without CCUS”.*

Energy use in industry generates around 25% of global greenhouse gas emissions. Burning fuel to generate energy or to produce commodities (such as iron and steel, chemicals and petrochemicals, cement, and other industrial processes) generates flue gases rich in CO_2 that are rejected into the atmosphere. Carbon capture and storage (“**CCS**”) is the post-combustion process of separating CO_2 from flue gases, and conditioning the gas for transportation and permanent storage in deep underground fields. Carbon capture and utilization (“**CCU**”) is the use of captured CO_2 for the manufacturing of sustainable chemicals and e-fuels, as well as for the manufacturing of fertilizers (urea), for greenhouses (enhanced biomass growth) and in the food industry.

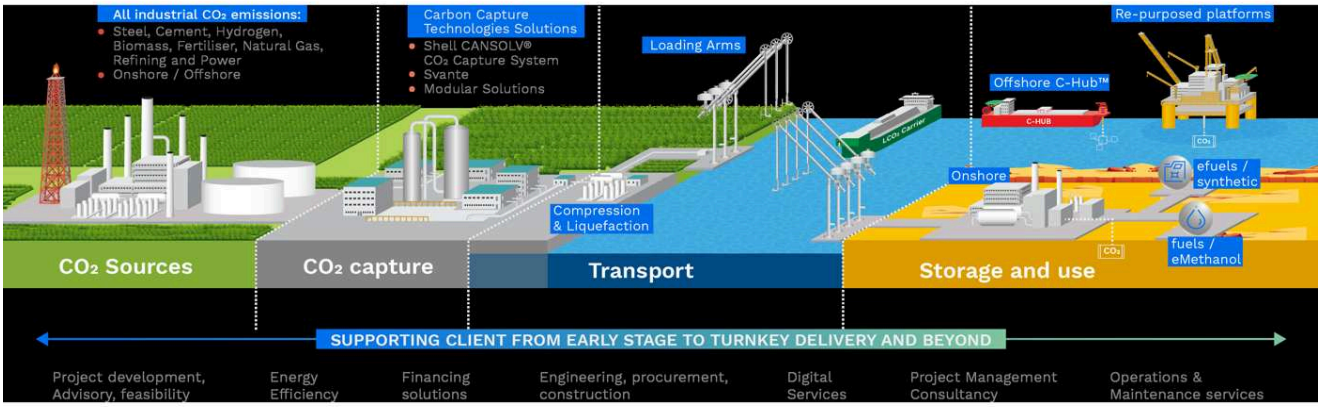
“By removing CO_2 emissions from energy-intensive industrial processes, carbon capture has an important role in the roadmap to net zero emissions by 2050. In its 2022 World Energy Outlook, the IEA estimates that 1.2 Gt of CO_2 will need to be captured by 2030, rising to 6.2 Gt by 2050. Today’s capacity is 40 Mt, which means a 30-fold increase is required over the next 8 years.” **Gauthier Perdu, Head of Carbon Capture Technologies.**

Technologies

Of the various technologies available for carbon capture, absorption is the most mature, while other processes are still in development. Absorption uses a liquid solvent to separate the CO_2 from the flue gas, and today represents around 90% of the carbon capture technology selected for CCS. Developed in the 1990s, CANSOLV™ is a leading amine-based CO_2 capture technology amongst technology suppliers with a track record of operating of carbon capture units at scale (> 500 kta).

Technip Energies has an exclusive alliance since 2012 with Shell Catalysts & Technologies, which owns CANSOLV™ technology, for power and heat generation facilities. This strategic alliance was strengthened in 2022 when Technip Energies joined Shell’s Energy Transition Campus Amsterdam to form a joint, co-located delivery team dedicated to improve the affordability of carbon capture projects for customers. We have the shared ambition to address the growing demand of carbon capture facilities by developing all opportunities that makes the technology less energy intensive, but also by reducing the project costs. Our value proposition considers energy efficiency, heat integration, solvent management, modularization, standardization, and innovative engineering solutions.

The CCUS value chain by Technip Energies



Cost attractiveness is key for success

A carbon capture unit that captures emissions from a gas turbine power plant has its specific energy demand to be able to operate. It impacts the performance or increases the fuel consumption of the baseline plant. For CCS projects to be attractive, the cost of captured carbon (as CO_2) needs to be below the cost of emitting carbon into the atmosphere. While carbon pricing was close to €100 per metric ton in 2022 under the European Emissions Trading System (“**ETS**”), the total cost of capturing, transporting and storing carbon is still above this level in many cases.

A combination of higher carbon prices and clean energy subsidies, for example as per the Inflation Reduction Act (“**IRA**”) in the USA, will support the demand for such projects. Technology breakthroughs, project scale-ups and industrialization of engineering and construction are all essential to lower the cost of carbon capture and reach net zero targets.

CCS projects by Technip Energies in 2022 at a glance

Hafslund Oslo Celsio

- Contract: Pre-FEED, FEED, Pilot and EPC
- Client: Hafslund Oslo Celsio
- Location: Oslo, Norway
- Description: World-first carbon capture and storage project at waste-to-energy plant
  - CANSOLV™ CO_2 capture technology;
  - 400,000 tonnes per year of CO_2 to be captured and liquefied (equivalent to the emissions of approximately 200,000 cars) reducing Oslo's area emissions by 17% with an abatement rate of 95%;
  - EPC phase started in July 2022 in Technip Energies operating center of Lyon in France;
  - 50% net carbon direct removal (CDR) since 50% for the feed load to incinerator is biogenic;
  - Liquefied CO_2 exported to Northern Lights – the first cross-border CO_2 storage hub in the North Sea;
  - Technip Energies also provides the liquid CO_2 marine arms to the CO_2 loading systems for transfer of CO_2 to and from marine ships;
  - The final investment decision ("**FID**") of the project was also supported by the successful operation of CO_2 capture pilot unit;
  - Start-up scheduled in 2026.

Qatargas North Field East (NFE)

- Contract: EPCC
- Client: Qatargas
- Location: Ras Laffan, Qatar
- Description: The largest carbon capture and sequestration (CCS) facility in the Middle East part of the North Field East (NFE) onshore LNG project in Qatar
  - Capture of CO_2 from feed gas to 4 x 8 MTPA LNG trains;
  - This carbon capture and sequestration (CCS) facility will contribute to the project achieving more than 25% reduction of greenhouse gas emissions when compared to similar LNG facilities.

LaBarge

- Contract: EPC
- Client: ExxonMobil
- Location: LaBarge, Wyoming, USA
- Description: Expansion of the carbon capture capacity and storage facility of an existing gas treatment facility
  - Capture of more than 1 MTPA;
  - Installation of pipeline to transport the CO_2 to the reservoir where it will be stored;
  - Technip Energies in consortium with Saulsbury Industries.

Partnership with Svante – CO_2 Capture with Solid Sorbent Technology

Technip Energies and Svante are laying the groundwork to promote a promising technology for the next generation of carbon capture units.

Svante has developed an innovative emission-free, dry-based sorbent technology with a rotating filter to separate CO_2 from the flue gas. Its powerful nano-filters and rapid cycle absorbents structured screens provide high CO_2 removal capacity and enable a continuous process. Svante is making substantial investments in R&D and in the industrialization of large systems to meet what is anticipated to be a substantial demand in the coming years. The ambition is to accelerate the commercial development in Europe and Middle East, leveraging Technip Energies excellence in engineering design, project execution and delivery.

To know more about Technip Energies' markets and solutions, and especially our solutions regarding CO_2 management, refer to section 1.5. Our Markets - from traditional to emerging and 1.5.1. Gas & Low Carbon Energies.

3.1.6. JOIN FORCES AND BRIDGE EXPERTISE ACROSS INDUSTRIES

Working in an ecosystem to accelerate the energy transition journey, we are convinced that engaging with players within and across different industries is one of the most important ways to drive change. Here are some highlights of the partnerships and cooperation agreements we have signed in 2022.

Company	Date	Topic	Description
Hy24, Mirova, CDPQ	17/02/2022	Investment in Hy2gen AG	We are jointly investing in the world's largest private investment platform for green hydrogen Hy2gen. Our investment will be deployed in the construction of several facilities producing green hydrogen-based fuels across the globe.
Greenko	15/03/2022	Green Hydrogen in India	Memorandum of understanding signed to explore green hydrogen project development opportunities in India. This strategic partnership reinforces our efforts to deliver a low-carbon future, by leveraging expertise in feasibility studies, EPC and technology to support green hydrogen projects.
Equinor	16/06/2022	Floating Offshore Wind Development	Strategic collaboration to team up at the early design phase of floating offshore wind farm projects, to unlock value from integration and maximum use of our fabrication capacities.
NPCC	19/07/2022	Energy transition in MENA	Joint venture establishing NT ENERGIES LLC, a new joint company, to operate decarbonization projects to support the energy transition in the MENA region.
Agilyx	25/08/2022	Plastic recycling	Following the success of our joint pilot plant with Agilyx, we have launched the TruStyrenyx™ brand, the only all-in-one solution for the chemical recycling of polystyrene. This joint venture is leveraging our purification process combined with Agilyx conversion technology.
APChemi	08/09/2022	Plastic recycling	Cooperation agreement to commercialize APChemi's advanced "Pyromax" technology to convert plastic waste to high-quality pyrolysis oil technology beyond India. This strategic partnership extends our growing plastic waste-to-olefins solution portfolio.
ON shoes, LanzaTech and Borealis	15/09/2022	Carbon shoes	Collaboration with three innovative companies to produce CleanCloud™, the first ever shoe made using carbon emissions as a primary raw material. This partnership shows how recycled carbon technology can contribute to a circular economy.
MetGen	28/09/2022	Refining	Collaboration with MetGen to industrialize their METNIN® technology for the valorization of lignin, which is a biorefinery waste. Instead of burning lignin, the technology transforms a high-volume waste into a sustainable and renewable alternative to petrochemicals and oil-based materials.
Shell Catalysts & Technologies	14/10/2022	CCS	We strengthened our strategic alliance to accelerate carbon capture and storage ("**CCS**") projects by providing a combination of the latest technology and project management excellence. This collaboration will drive the joint promotion, marketing, licensing and execution of projects using Shell's CANSOLV™ CO_2 capture system technology.
Baker Hughes	17/11/2022	LNG	Memorandum of understanding to cooperate on the joint development of a new large-range liquefied natural gas ("**LNG**") modularized solutions for the onshore market. This partnership will contribute to reducing time-to-market for LNG.
Skyborn Renewables	08/12/2022	Offshore wind	Consortium to answer the call for tender on the offshore Mediterranean project. The partnership is based on our common ambition to develop an innovative and competitive offshore wind sector, capitalizing on Technip Energies' historical strength in optimizing design and reducing risk, and on Skyborn Renewables' experience in the development of offshore wind projects.

3.2. ESG GOVERNANCE AND STAKEHOLDER ENGAGEMENT

3.2.1. ESG GOVERNANCE

A strengthened ESG governance model

We are increasing transparency and accountability across Technip Energies.

Technip Energies ESG Governance



Board of Directors

ESG leadership starts with our Board of Directors and extends throughout Technip Energies. Considering the key challenges and opportunities ESG presents to Technip Energies, the Board has appointed an ESG Committee.

The **ESG Committee** oversees the Company's policies, programs, and strategies related to environmental stewardship, climate change, responsible investment, corporate citizenship, health and safety, human rights, human capital management, ESG risk management, and other ESG matters, as well as other social and public matters of significance to the Company. The ESG Committee also reviews and monitors the development and implementation of the Company's ESG Roadmap and reviews the Company's public disclosures with respect to ESG matters. See also section 5.1.9.3. ESG Committee.

Board Diversity Policy

With the appointment of Colette Cohen to the Board of Technip Energies in May 2022, the Board is comprised of seven male (including the Executive Director) and three female members. The company has achieved its initial goal of a Board composition of at least 30% female and at least 30% of male members as set out in its Diversity Policy effective February 16, 2021.

Technip Energies remains committed to strengthening the diversity of its Board composition and its aim is that, on or before the date of the Company's 2024 Annual General Meeting, the Board be comprised of at least 40% female and at least 40% male members as set out in its revised Diversity Policy dated March 1, 2022. Should all of the proposed Director nominees be appointed at the Annual General Meeting of May 10, 2023, the Board would be comprised of 40% female Directors and 60% male Directors, thereby reaching the Company's target.

See more information in section 5.4.2. Diversity Policy.

Executive Committee

Our Executive Committee members are tasked with the implementation of our ESG strategy across our businesses.

Arnaud Pieton, our Chief Executive Officer is accountable for our performance in ESG and sustainability.

Samir Karoum, Chief Strategy & Sustainability Officer, oversees strategy, sustainability as well as investments, partnerships, strategic marketing and digital. Under his organization, the Vice-President Marketing & Sustainability is responsible for delivering on our ESG commitments, increasing our ambition on sustainability and positioning it at the core of our actions and performance.

To accelerate the integration of sustainability into our actions, in 2022, we decided to reinforce our governance model with the creation of two bodies, an ESG Council and an ESG Operational Committee.

- The **ESG Council** validates the ESG roadmap and scorecard, and communication strategy including the ambitions on climate, environment, people and trust, and regularly assesses its implementation to ensure the proper application of processes. The ESG Council is a sub-committee of the Executive Committee, chaired by the CEO, and includes eight other members: the Chief Strategy & Sustainability Officer, the Chief Financial Officer, the Chief Legal Officer, the Chief Operating Officer, the Chief Technology Officer, the SVP People & Culture, the SVP of Communications and the SVP Commercial.
- The **ESG Operational Committee** has 16 members, from the extended Executive Committee, including SVPs of Business Lines and SVP One T.EN Delivery, and leaders of corporate functions with various ESG implementation responsibilities, including QHSES, People Development, Compensation & Benefits, Real Estate & Facilities, Accounting, Risk Management, Investor Relations, Commercial, Project Delivery, Technology & Innovation, Legal & Compliance, Procurement, Information & Digital Services, and Communications. Chaired by the VP Marketing & Sustainability, its role and mission are to:
  - Build and update the ESG Roadmap, including the definition of ambitions and commitments, and convert the roadmap into tangible action plans with milestones and means;
  - Develop awareness and learnings about global and external ESG business trends;
  - Follow the progress of the ESG Roadmap.

The organization for each pillar of our ESG Roadmap is described in the respective sections of 3.3. Technip Energies ESG Performance.

To reinforce accountability and transparency across the Company, ESG metrics are integral to our Remuneration Policy. See more details in chapter 6. Remuneration report.

3.2.2. ESG POLICIES AND CERTIFICATIONS

Technip Energies' aim of building a better tomorrow is intrinsically linked to the respect of its Values. Our Code of Business Conduct serves as a fundamental guide to be followed by our directors, officers, and employees. In addition, the Company has implemented internal policies that complement our Code of Business Conduct and support our management systems.

Standards defined in these internal policies assign quantifiable measures and define acceptable levels of quality. They aim to make a policy more meaningful and effective. Procedures establish the proper steps to take to operationalize a policy and/or standard. Finally, guidelines provide additional recommendations to clarify expectations in relation to a given procedure.

We are also committed to global standards, such as the United Nations Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights and the International Labor Organization Fundamental Conventions, and we implement ISO standards management systems in our operations all over the world.

Code of Business Conduct

The Code of Business Conduct is built on our Values and reflects the way we do business. It describes the decision-making and behaviors expected from our directors, officers, employees and stakeholders. It is intended to give additional guidance to ensure that we do business and conduct ourselves ethically.

In addition to our Code, we have policies and procedures. Those are published on our website at https://www.technipenergies.com/en/about/integrity-compliance.

Quality, Health, Safety, Environment and Security

Within the challenging and highly competitive global energy industry, Technip Energies excels by making Quality, Health, Safety, Environment and Security ("**QHSES**") a top priority.

Our Global HSE and Security Policy available at https://www.technipenergies.com/sites/energies/files/2021-02/global_hse_security_policy.pdf sets our commitment to operate in a manner that protects the environment by providing sustainable solutions to minimize our carbon and environmental footprint while improving our energy and resource efficiency. Our policy also ensures that health, safety, environment and security is managed as an integral part of our business and is based on a genuine care and concern for people and the environment. We do not compromise on quality, safety, health, security, or environmental sustainability to achieve our financial objectives.

We are committed to continuously improving our QHSES performance, supporting our clients in their own journey, and ensuring that we dedicate appropriate resources and expertise to eliminate hazards, reduce risks, and prevent environmental pollution related to our activities through design, process improvement and technologies – so that we improve the world for future generations.

A key element of our QHSES management system is our set of global QHSES management standards, which are applicable to all our sites and projects. Our ISO management systems, all certified by independent third parties, are covering a significant part of our operations worldwide:

- ISO 9001 quality management system for 100% of our operations;
- ISO 14001 environmental management system for 81% of our operations, and
- ISO 45001 occupational health and safety management system for 74% of our operations.

See more in sections 3.3.1.2 Enhance circularity and protect biodiversity, 3.3.2.1. Safeguard people and reinforce well-being and 3.6.2. ESG Indicators.

Human Rights

As a member of the Steering Committee of Building Responsibly, an organization of leading companies that promote Human Rights and welfare of workers in construction and engineering, we are closely involved in the definition of standards and the development of tools to support the industry supply chain.

Technip Energies Italy is certified to the SA8000 Standard, a leading social certification, based on the Universal Declaration of Human Rights and International Labor Organization ("**ILO**") conventions, to manifest its commitment to basic human values in the workplace. These requirements are embedded into its project management process and apply on major projects such as the MIDOR Refinery Expansion project in Egypt, the Assiut Refinery project in Egypt and the Neste Singapore Expansion project.

Technip Energies Italy is audited on a quarterly basis by an external and independent third party approved by Social Accountability International ("**SAI**").

"SmartWorking"

Thanks to digital technology almost everyone can work from almost anywhere. But this accessibility to work creates other challenges. Our response is called "SmartWorking", which means working differently to facilitate team collaboration, even when we are all in different locations. This includes a Group policy for working from home which offers a flexible approach and is designed to contribute towards creating a better work/life balance.

We are committed to keeping offices open and promoting social interaction to have a positive impact for employees' well-being and enhance performance.

Information Security, Data Privacy and Protection

Technip Energies' commitment to information security is not only specified in policies and standards, but also considered in the day-by-day activities of all Technip Energies' employees and contractors. Information security is recognized and accepted as everyone's responsibility.

Technip Energies has been engaged recently in being certified ISO 27001 and is actively maintaining a global certification program that involves all applicable operating centers over the world. ISO 27001 focuses on a company's information security management system ("**ISMS**") and assesses the way in which information security is integrated into their business processes. It helps prove to customers that information security is a top priority for the company.

Our ISO 27001 certification applies at corporate level and is managed as a global initiative. To reach this goal, we went through several steps:

- Implementing an ISMS;
- Establishing our ISMS governance;
- Performing an internal audit to evaluate the ISMS;
- Undergoing an external ISO 27001 audit by an accredited third party.

In 2022, 20 entities were certified in France, the Netherlands, Italy, United Kingdom, UAE, Qatar, Malaysia, Thailand, Indonesia, China, and India.

Moreover, Technip Energies uses the US National Institute of Standards and Technology (NIST) Cybersecurity Framework as a reference for cybersecurity operations and for continuous improvement in performance.

Supplier & Subcontractor Integrity Expectations

We aspire to develop business relationships with like-minded partners who are guided by a similar set of principles of business conduct, based on trust and integrity.

Our Suppliers and Subcontractors are required to follow the applicable laws of each country in which they operate and observe the principles of the Technip Energies Code of Business Conduct, as well as the Technip Energies Supplier & Subcontractor Integrity Expectations available at https://www.technipenergies.com/sites/energies/files/2021-03/T.EN_Supplier_Integrity_Expectations.pdf.

Tax Policy

At Technip Energies, we manage tax affairs with integrity in compliance with the laws and regulations of all the countries where we operate.

Through its subsidiaries, branches and joint ventures, Technip Energies runs activities in more than 35 countries. The Company operates in a constantly shifting environment and is subject to complex sets of tax laws that may conflict when taken together or may be interpreted differently. This environment creates potential tax risks which require close monitoring.

We are committed to implement sustainable tax and legal structures aligned with our business activities and not aimed at driving mainly tax benefits. We recognize that all the taxes we pay or collect for governments are part of our corporate social responsibility and foster a sustainable ecosystem for industry.

In this respect, Technip Energies included in the 2022 version of its Code of Business Conduct a section describing the principles guiding the Tax Policy which have been approved by the ESG Committee of the Board and must be respected by all stakeholders.

To support the effective implementation of the Tax Policy, Technip Energies also maintains stringent internal procedures, which ensure a good understanding of the tax consequences of business decisions and help to manage sources of tax risks more efficiently.

Finally, we are convinced that maintaining transparent and collaborative communication with the tax authorities in the countries where we operate is key to build positive long-term relationships and secure our business.

To know more, refer to the Governance section of Technip Energies' website, the Code of Business Conduct, and to this report section 4.3.5. Taxation risks and Note 13. Income tax.

3.2.3. STAKEHOLDER ENGAGEMENT

Our stakeholder's views and expectations are very important and will help drive Technip Energies' success. We identified our material ESG topics with our stakeholders participation in our ESG materiality assessment during 2021 (refer to section 3.4. Materiality and UN SDGs).

We have taken into consideration stakeholder feedback to build our ESG Roadmap and we continue to evolve our strategy and operations according to this feedback and to engage with our stakeholders through active and open dialogue.

Our main stakeholders are:

- Clients;
- Shareholders, investors, credit institutions and equity analysts;
- Employees, including work councils, unions or employee representatives;
- Supply chain and partners (suppliers, contractors, subcontractors, joint venture, consortium, technology integrators);
- Innovation drivers (academia, universities and research organizations, incubators, industry experts, startups, professional networks); and
- Civil society (local communities, non-governmental organizations, media, public interest groups).

The engagement objectives and the way we engage with each of them are detailed in the table below.

Early 2023, Technip Energies created a new position of Public Affairs Director who will be in charge of designing and implementing our Public Affairs strategy, ensuring that Technip Energies' activities, positions and point of views are well known and understood by relevant stakeholders, especially when it comes to the development of new policies and regulations.

In 2023, a complete stakeholder engagement plan will be rolled out.

2022 key figures

- Participation in 47 trade shows
- 8.7/10 overall rating from our clients
- 71% of participation for our first global engagement survey, "My Voice"
- Climate Fresk: 30 internal facilitators trained; 116 workshops organized in Australia, France, India, and Malaysia; 1,330 participants, including 1,132 in Paris

Engaging with our clients and partners

In 2022, Technip Energies participated in 47 trade shows to support our strategy, present our solutions and meet with clients and partners.

Technip Energies' expertise in advancing the energy transition was on full display in November 2022 as an exhibitor at the ("**COP 27**") 2022 United Nations Climate Change Conference in Sharm El-Sheikh, Egypt. It was a great opportunity to promote the company's engineering and technology capabilities in effectively tackling global climate change. In addition to exchanging with NGOs, administrators, and government representatives from around the world to confront ideas on how to ensure the sustainability of our planet, it was also the opportunity to engage with young students. We need the young generation of engineers, data scientists, and researchers to work for a cleaner energy industry.

Marco Villa, Chief Operating Officer: *"Transforming the global energy system from fossil-based to low-carbon sources is the critical success factor in limiting global warming. Technip Energies is helping clients to reduce their carbon footprint by integrating energy management, energy efficiency, and carbon capture technologies at the design and engineering phase of each project. We are actively working to scale up technology development and deployment to achieve a sustainable energy system."*

Christophe Belorgeot, Senior Vice-President of Communications: "*Our participation at COP 27 in Egypt was the opportunity to highlight our public commitments: to preserve biodiversity as a member of Act4Nature International; to support the Global Wind Energy Council manifesto to scale up investments in wind power; and as a founding member of the Alliance for Industry Decarbonization, which held its first executive roundtable at the COP 27 decarbonization day. We need a strong Alliance to foster the much-needed paradigm shift towards a sustainable industry."*

Measuring client satisfaction

Our quality and commercial teams measure client satisfaction at different times of our projects: during the win-it phase, by collecting feedback on tenders we have won or lost and during the do-it phase. Surveys cover quality but also HSE, project management and execution, relationship with clients, schedule and compliance, adequacy of resources, commercial management, and post-delivery performance. We collect more than 200 surveys per year and get a high approval rating of 8.6/10 in 2021 and 8.7/10 in 2022 as per our Quality Global Standard Method. It's a great achievement, that we aim to improve in the future.

"My Voice", our first global engagement survey

Active listening is part of our core values and the way we maintain a continuous and fruitful dialogue with employees. In 2022, we launched "My Voice", our first global employee engagement survey to reflect on how to improve employee experience and journey. The turbulent and fast-paced environment the company and its employees have been exposed to since the recent creation of Technip Energies as an independent company has led the Executive Team to launch a global engagement survey and measure the pulse of employee experience as people are the main asset of the company. Using analytics to precisely identify the issues that matter, the objective of "My Voice" is also to support managers to retain and grow performing teams, and thereby contribute to building a better workplace and advancing an inclusive culture in every location.

"My Voice" has been addressed to all permanent employees with questions about all main dimensions driving engagement, including manager relationships, well-being, career development, change management, communications, future vision, and client focus. The methodology was developed with an external partner, to measure engagement while protecting confidentiality. More than 71% of employees took part in the survey in November 2022. Aggregated answers have been analyzed, presented to the Executive Committee and leadership teams to prepare initiatives for 2023.

A global internal webinar has been organized to inform all employees about the key strengths, such as safety, client focus and manager relationships as well as the main areas of attention the company will address in 2023. The results are also analyzed at country level to further identify priorities and address systematically local engagement plans to improve where it matters and show tangible progress. It is

further complemented in 2023 by a dedicate "Engagement Team Talk", a format run by managers with their direct teams to share main insights about their team results and act on few team items ahead of the next global survey planned in Q3 2023.

Engaging our employees with the Climate Fresk

A series of climate change workshops have proved a big success in several of our main operating centers and projects.

The workshops have been created by an organization called Climate Fresk, which originated in France and is now active across the world. The aim of these scientific and collaborative workshops is to discover the data of the Intergovernmental Panel on Climate Change ("**IPCC**") on the causes and consequences of climate change on the environment and humanity, develop our leadership on climate change and encourage us to take concrete actions at personal, collective and company levels.

Climate Fresk internal facilitators have led the workshops, including for our leadership and senior management teams. We began conducting sessions in Paris, France, in 2022 and continued in Perth, Australia, Delhi, India, and Kuala Lumpur, Malaysia.

"The workshops help people explore the science behind climate change and identify actions they can take to eliminate its causes and reduce its effects. Participants have said the sessions provide a reality check that makes you think about our impact on future generations." **Tamara Nahon, Environmental Coordinator.**

This ties perfectly into our ESG Roadmap, especially our Climate and Environment pillar.

Stakeholder Engagement

Key stakeholder group	Engagement objectives	Topics of interest[1]	How we engage
Clients	• Anticipate clients' needs and expectations • Anticipate energy market trends • Partner up with clients toward a net zero trajectory • Develop mutual trust	• Environmental footprint of projects • Safety & security of teams • Diversity & equal opportunities • Safety & quality of our solutions • Low to zero-carbon technologies & solutions • Corporate governance & transparency • Business ethics • Climate change mitigation & adaptation • Employee well-being & health • Integration of ESG criteria in the corporate decisions	• Regular industry events and trade shows • Hosting technology discussions • Seminars for clients • Face to face and virtual meetings • Joint communications with clients, e.g. participation in panel discussions • Customer satisfaction surveys
Shareholders, investors, credit institutions and equity analysts	• Reduce our business risk exposure • Create sustainable financial value	• Safety & security of teams • Diversity & equal opportunities • Safety & quality of our solutions • Low to zero-carbon technologies & solutions • Corporate governance & transparency • Business ethics • Climate change mitigation & adaptation	• Regular financial communications (financial reporting, stock exchange releases) • Conference calls • Roadshows, individual or group meetings • Capital Markets Day

Key stakeholder group	Engagement objectives	Topics of interest[1]	How we engage
Employees (including work councils, unions and employee representatives)	• Dialogue and engage with the key assets of the Company, its people and representatives from labor organizations, professional bodies for workplace well-being and positive work environment • Support our people's development • Develop feedback culture	• Environmental footprint of projects • Safety & security of teams • Diversity & equal opportunities • Safety & quality of our solutions • Low to zero-carbon technologies & solutions • Business ethics • Employee engagement & social dialogue • Employee well-being & health • Skills development & talent management • Innovative solutions, cutting-edge technologies & digitalization	• Employees development and performance leadership • Continuous listening and employee feedback, team and individual discussions • Support for health, safety and well-being of our people through Pulse, our global Health, Safety and Environment (HSE) culture leadership and engagement program • Internal events, town hall meetings • Active dialogue with employees, business line managers, employee representatives • Employee engagement survey • Whistleblowing system
Supply chain and partners (suppliers, contractors, subcontractors, joint venture, consortium, technology integrators)	• Continue engagement and partnership across our value chain to co-construct and apply best practices • Enhance sustainability, safety and well-being within our projects, adhering to competition laws and human rights principles	• Environmental footprint of projects • Safety & security of teams • Diversity & equal opportunities • Safety & quality of our solutions • Corporate governance & transparency • Business ethics • Employee engagement & social dialogue • Employee well-being & health • Skills development & talent management	• Communication of Technip Energies' Supplier & Subcontractor Integrity Expectations • Violations or suspected violations should be reported through the suppliers' or subcontractors' company contact or via Technip Energies' Ethics Helpline • Evaluating counterparty's security and reputation risks by way of an extensive sustainability assessment • External and internal audits • Collaborating closely with our contractors and suppliers to ensure a high level of safety, efficiency and quality
Innovation drivers (academia, universities and research organizations, incubators, industry experts, startups, professional networks)	• Establish co-creation model to facilitate industry-oriented R&D and innovation through exchange of know-how for a low carbon future	• Climate change mitigation & adaptation • Low to zero-carbon technologies & solutions • Sustainable use of resources • Protection of biodiversity • Integration of ecofriendly design in our solutions • Innovative solutions, cutting-edge technologies & digitalization	• Longstanding partnership in sustainability, energy transition initiatives • Thought leadership in support of energy sustainability initiatives • Mentoring, coaching, knowledge sharing • Conferences and meetings • Academia tie ups • Graduate program • Technology licenses

Key stakeholder group	Engagement objectives	Topics of interest[1]	How we engage
Civil society (local communities, NGOs, media, public interest groups)	• Collaborate with local communities for a better socio-economic context in our operating environment to ensure sustainability of our business activities	• Environmental footprint of projects • Safety & security of teams • Diversity & equal opportunities • Safety & quality of our solutions • Low to zero-carbon technologies & solutions • Corporate governance & transparency • Business ethics • Climate change mitigation & adaptation • Responsible & sustainable supply chain • Stakeholder relationships & dialogue	• Employee volunteering program • Local communities initiatives & programs • Social charity donations • Consultation and dialogue with different groups of people in local community

(1) Refer to ESG topics listed in section 3.4.2. Materiality Matrix.

3.3. TECHNIP ENERGIES ESG PERFORMANCE

Technip Energies is a leading engineering and technology company for the energy transition. Our success comes from our leading technologies, our unique design and engineering capabilities, construction expertise and proprietary equipment.

Climate & Environment, People, and Trust, form the three pillars of our ESG Roadmap and Scorecard.

- **Climate & Environment:** We are committed to accelerate the energy transition and drive solutions for the climate.
- **People:** We enable people to thrive. Our performance depends on the actions of our people and our actions are guided by our Values.
- **Trust:** We lead responsibly. Our reputation is built on our ability to deliver and our limitless drive to enhance our clients' performance.

This chapter illustrates these three pillars and the actions we have put in place in 2022 to reach our targets. The status at the end of 2022 is summarized in our ESG Scorecard below.

Pillar	SDG	Ambition	2021	2022	Target
CLIMATE & ENVIRONMENT	6, 7, 9, 12, 13	Reduce scope 1 & 2 emissions compared to 2019	-8%	-11%	-30% by 2025
		Net zero scope 1 & 2	18.8 $ktCO_2$ eq	18.2 $ktCO_2$ eq	Net zero by 2030
		Data centers ISO 5001 certified		41.6%	100% by 2025
		Report full scope 3 emissions		87% (1)	Completed by 2023
		R&D budget allocation to Energy transition	56%	83%	100% by 2025
		Main entities ISO 14001 certified	63%	81%	100% by 2025
		Water consumed on sites from reused sources	21%	19%	50% by 2025
		Waste valorized	75%	87%	85% by 2025
PEOPLE	3, 4, 5, 8, 10	Women hiring on yearly graduate intake	50%	51.7%	50% yearly
		Women in leadership positions	12%	18.1%	25% by 2025
		Main countries (2) have local diversity action plan		50%	100% by 2025
		Eligible construction sites with BBS (3) program	50%	100%	100% by 2025
		Entities complying with our new core benefits standard worldwide		*Under development*	> 90% in 2025
		Employees participating in the ESG learning		92.6%	> 90% in 2022
		International Graduate Program dedicated to Energy Transition		25%	Done by 2023
		Volunteering hours	14,360	21,660	30,000 by 2025
TRUST	10, 16, 17	Women on the Board of Directors	30%	30%	40% by 2024
		Link compensation to ESG Roadmap performance annually	Completed 2021	Defined for 2022	Complete yearly
		Yearly ABC training for all at risk functions and gatekeepers	75%	92.5%	>90% yearly
		Continued reduction of non-mandatory commercial intermediaries		-13%	-100% by 2025
		Supplier and subcontractor qualification integrates ESG criteria		60%	100% by 2023
		Key suppliers and subcontractors monitored and audited on ESG performance		*Under development*	100% by 2025
		Human Rights Due Diligence undertaken on eligible projects		*Under development*	100% by 2025

(1) 13 categories out of 15 (as per the Greenhouse Gas Protocol) are disclosed.

(2) France, India, Italy, USA, UAE, Malaysia, Spain, United Kingdom, Netherlands, Colombia.

(3) Behavior-Based Safety.

Note: Technip Energies considers all targets to be achieved and completed by the end of the year committed. With the exception, the 40% of women on the Board of Directors target is planned to be achieved and reported on or before the Company's 2024 Annual General Meeting.

3.3.1. CLIMATE AND ENVIRONMENT

Technip Energies is a leader in the natural gas market, a critical transition fuel. We are positioned to unlock cleaner energy chains, improve energy efficiency, enhance performance of traditional industries, and lead the development of new sustainable energy projects. It is our responsibility to offer environmental solutions which enhance circularity and protect biodiversity. We are leveraging innovation and embracing digital to develop new sustainable energy projects and drive solutions for the climate.

Key highlights

- 2022 report includes scope 3 upstream emissions
- New target to help clients avoid 15 $MtCO_2$ eq. by 2025
- 83% of 2022 R&D expenses allocated to energy transition

Bruno Vibert, Chief Financial Officer: *"Our ESG Roadmap and Scorecard capture an essential part of Technip Energies that financial reporting on its own fails to capture. It enables a new way of taking informed decisions and realigning investment priorities in a way that is more sustainable. Combining financial and extra-financial reporting provides a true and transparent picture of the value that we create as a company."*

Magali Castano, Senior Vice-President People & Culture: *"The nature of our industry is changing faster than ever. To attract young talent and retain skills, the company purpose needs to be meaningful and aligned with peoples' values. As an engineering and technology company our people like to find solutions and deliver results. Our pioneering spirit, our passion for the energy transition and our ambition to create a better future inspires and attracts talented professionals engaged in transforming the energy industry."*

3.3.1.1. Decarbonize the future

Tackling climate change requires concrete actions to meet the commitments set out in the Paris Agreement. As an Engineering and Technology company with the ambition to be a global leader of the energy transition, it is our responsibility to drive solutions for the climate which have a real and positive long-term impact. This is the first pillar of our ESG Roadmap which sets clear targets, actions, and performance indicators to create value and positively impact our planet. Our climate strategy is designed to leverage our key competencies.

The assessment of our entire value-chain emissions is an integral part of our sustainability strategy and ESG Roadmap. We are committed to measuring our carbon footprint, including scopes 1, 2, 3, and avoided emissions, on an annual basis.

2022 key figures

- 11% reduction in scope 1 & 2 GHG emissions (18,179 tonnes of CO_2 eq) compared to 2019
- Scope 3 upstream GHG emissions reported one year ahead of target
- 7.3 million tonnes of CO_2 eq of avoided emissions

Climate Governance

Our Board is committed to maintaining the highest standards of corporate governance for climate-related issues and their implications on business strategy and related plans as well the long-term value creation for all stakeholders.

The Board and the Executive Committee are tasked with addressing climate issues and energy transition through strategic investment, integration into the business strategy and management of risks and opportunities throughout the organization.

Scope 1 & 2

Our primary sources of greenhouse gas ("**GHG**") emissions, both direct (scope 1) and indirect (scope 2), are from the operations of our offices and industrial sites (manufacturing sites and R&D/lab centers). Our Vice-President of Real Estate and Facilities is responsible for collecting data, calculating scope 1 & 2 GHG emissions, monitoring and managing the energy consumption, enhancing energy efficiency, implementing strategies to optimize our buildings infrastructure GHG emissions, and ultimately reducing our carbon footprint to meet our scope 1 & 2 reduction targets: -30% by 2025 and net zero by 2030.

The team is composed of experts in buildings management and energy efficiency. In 2022, they improved the scope 1 & 2 GHG emissions calculations methodology, data quality and data control, and defined the scope 1 & 2 GHG emissions reduction roadmap and action plans.

In 2022, the company significantly increased the part of renewable electricity in our portfolio (48% of the electricity purchased in 2022) and reduced the surfaces of our offices by 12%. We signed our first climate and energy performance partnership with Icade for the Origine building, our headquarters in Paris. We plan to build other partnerships with the landlords and/or building operating companies to align on common objectives.

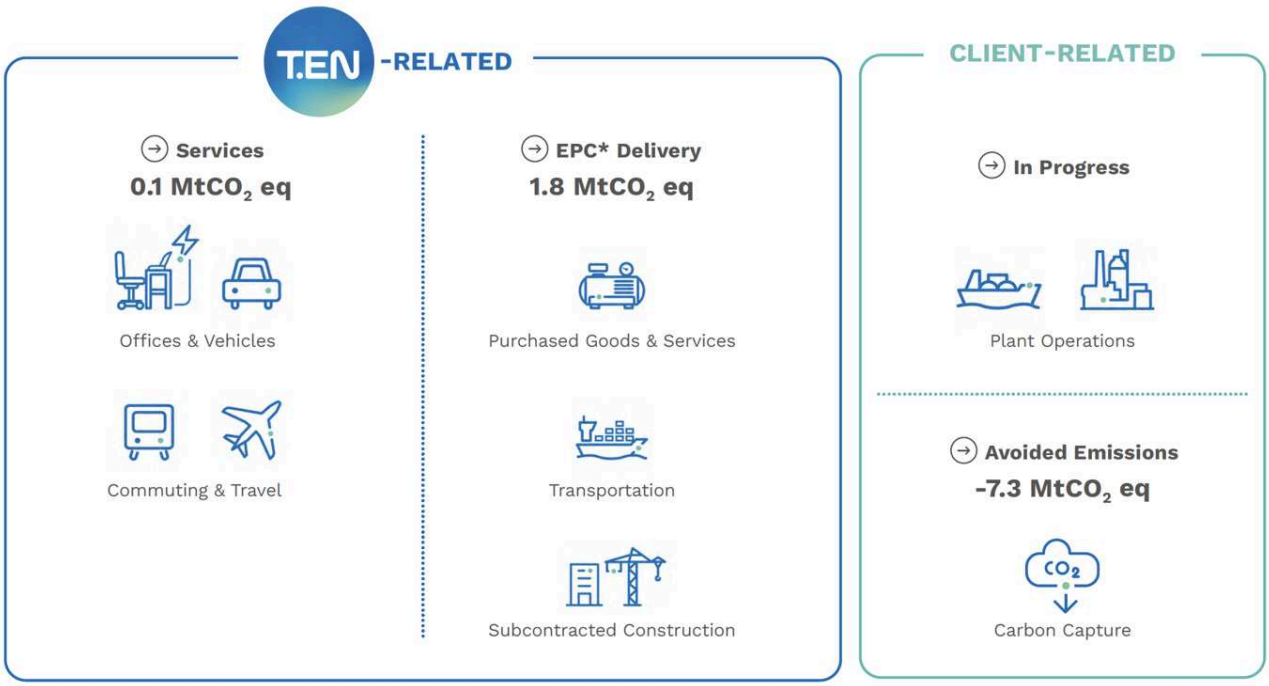
Scope 3

In 2021, we set up a dedicated Climate Change and Actions team to develop the quantification methodologies to allow us to publish our scope 3 emissions and set the basis for reduction targets and action plans.

The Climate Change and Actions team is composed of professionals and engineers with confirmed knowledge of our activities' value chain and projects. Building on expertise and methodologies already deployed within other existing disciplines, such as project management and engineering, the team has been able to adapt, extend and combine similar processes to quantify GHG emissions accurately and efficiently. For example, we have leveraged existing methodologies including cost control and cost estimation to develop the methodology for estimating the scope 3 emissions.

The combination of these competencies has allowed us to achieve a leading position in carbon management services for our clients.

Technip Energies Carbon Footprint Mapping and 2022 Key Figures



(*) Engineering, Procurement and Construction Projects.

The carbon footprint calculation methodology and detailed figures per scope is provided in section 3.6. Impact Book.

Carbon Footprint – Scope 1 & 2 direct emissions and energy purchased

To reach our target to reduce scope 1 & 2 emissions by 30% in 2025 and achieve net zero by 2030, we have established a global Five-Point Action Plan to optimize buildings infrastructure (offices and industrial sites) and improve energy efficiency. This is now being rolled out across our main operating centers.

- **Surfaces:** Optimize offices surfaces and maximize their occupancy;
- **Energy:** Reduce the purchased energy consumption of buildings by 15% in 2025 (in absolute terms) compared to 2021, by 40% in 2030, by 50% in 2040 and by 60% in 2050;
- **Efficiency:** Select energy-efficient buildings and renovate the least efficient buildings to meet the best standards (i.e. LEED platinum or equivalent), obtain ISO 50001 certifications for owned buildings by 2025, perform energy efficiency and carbon technical audits of our buildings on a regular basis, with the target to have all buildings larger than 500 m^2 audited in 2025;
- **Renewables:** Maximize the use of renewable energies. Replace fossil fuels with renewable or low-carbon energy in 50% of offices by 2025, and 100% of offices by 2030;
- **Training/Awareness:** Train reference teams in energy management and decarbonization. Promote best practices and guidelines to encourage everyone's energy efficiency and reduce the use of energy-intensive and/or polluting equipment.

Our offices in Houston, the Middle East and India have the highest scope 1 & 2 emissions due to the use of air conditioning in hot and humid weather conditions and in certain cases, poor quality of the infrastructure. In Houston, we plan to rationalize our legacy office spaces at lease end and we target to move to a single, low-emissions site.

In the Middle East, we plan to work with the landlord and reduce our energy consumption and carbon emissions by renovating the infrastructure. In India, we have audited the sites that we own, and the plan is to renovate those sites in the next 2-3 years and maximize the production of renewable energy at site. The offices in Mumbai and Chennai have already contracted renewable electricity suppliers in 2022. The challenge is to continue to reduce our emissions and energy consumption while integrating business growth.

Energy sobriety plan

The offices of all main operating centers started to deploy an ambitious energy sobriety plan from October 2022. The preliminary results are very encouraging. These group and local initiatives are all pilot sites to help us in our learning curve to evaluate the measures having the greatest impact while maintaining comfort for the occupants and business operations.

As an example, in France, the EcoWatt program was launched in 2022 to reduce the strain on the electricity network. The program alerts users to peaks in demand and recommends actions to reduce consumption and spread the load.

"In line with the EcoWatt program, we have committed to implement a series of permanent measures to reduce the energy consumption of our Paris and Lyon sites. The minimum guaranteed temperature is set to 19°C, and we are reducing or improving the use of certain equipment and raising awareness of eco-actions. We have closed one of our buildings in Paris in December 2022, with the transfer of more than 650 people to our Origine headquarters, which benefits from geothermal and solar photovoltaic renewable power. The preliminary results show a decrease of 15% to 20% in electricity consumption in Paris in November and December 2022. More savings are expected from January 2023 after the move of all Paris-based employees to Origine."
Frédérique Le Moigne, Vice-President Real Estate and Facilities

Carbon Footprint - Scope 3 indirect emissions

Unlike manufacturing companies, Technip Energies, with some exceptions, does not operate nor own any production assets but provides design, technologies and management services for its clients. This unique company profile means that scope 1 and 2 emissions are relatively limited when compared to scope 3 emissions. However, the quantification of scope 3 emissions is a complex and technically challenging topic, especially for the greenhouse gas ("**GHG**") emissions related to the projects developed for our clients.

The dedicated Climate Change and Actions team, composed of professionals and engineers with confirmed knowledge of our value chain and project activities, developed quantification methodologies. These methodologies, which have been reviewed and validated by an external third party, allows us for the first time to publish our scope 3 upstream emissions and set the basis for future reduction targets and action plans.

Details on the methodology are provided in section 3.6. Impact Book.

Approach to quantify scope 3 emissions

Building on expertise and methodologies already deployed within other existing disciplines, including project management and control, process and technology, engineering, procurement, transport, construction, digital, and HSE, the Climate Change and Actions team has been able to adapt, extend and combine similar processes to quantify GHG emissions accurately and efficiently.

Using the large volume of information already collected in our databases for the needs of these activities, we can apply emissions factors to known quantities, to estimate the scope 3 indirect emissions of our activities and ensure its completeness. In this way, we use our engineering expertise to make the quantification, based on physical, quantified, actual and certified data developed and used by other disciplines. This approach guarantees a good level of accuracy of the calculated figures based on proven and reliable processes, and data sources tested internally and by our clients.

These methodologies are based on the Greenhouse Gas Protocol requirements while the ISO and EN standards have been used as guidance. An appropriate emission factors database has been developed based on available external databases, data from suppliers and in-house calculated emission factors. The methodologies involve over 30 processes, which are all documented, checked internally and reviewed by an external third-party.

The combination of these competencies has allowed us to achieve a leading position in carbon management services for our clients.

We can use these methodologies to estimate the carbon footprint of future projects during pre-investment stages from conceptual to FEED and EPC proposals. These approaches are sufficiently detailed that the parameters can be used at the design phase to lower a project's overall carbon footprint, providing value for our clients and contributing to our sustainability offer.

"Establishing robust methodologies to quantify and calculate scope 3 emissions has been a team effort, leveraging and combining the skills and expertise from across the operations and business lines. In 2023, we'll be looking to apply this approach to manage other environmental factors. By accurately quantifying indirect emissions and environmental impacts, we can take effective and targeted measures to reduce them. In this way, Technip Energies is committed to reducing its overall environmental footprint and that of its clients." **Nathalie Balland-Ferreres, Head of Climate Change and Actions**

Scope 3 indirect emissions have been separated into two scopes: upstream (i.e. the project development phase) and downstream (i.e. the project operation phase). Figures for each scope 3 category are available in section 3.6.2. ESG Indicators of the Impact Book.

Scope 3 Upstream

While scopes 1 & 2, with the addition of business travel, employee commuting and other activities related to our own assets and people, represent Technip Energies' carbon footprint as an engineering and services company, our scope 3 upstream represents Technip Energies' carbon footprint as an EPC contractor.

Indirect emissions, mainly from our procurement, transport and subcontracted construction activities amounted to 1.5 million tonnes of CO_2 equivalent ("**tCO_2 eq**") in 2021 and 1.8 million tCO_2 eq in 2022. The increase is explained by higher EPC activities in 2022 compared to the previous year.

These emissions also include business travel, which declined drastically in 2020 and 2021 due to the COVID-19 pandemic; they increased in 2022 but remain below pre-pandemic levels.

For the projects that are under development, the carbon footprint reported reflects the progress achieved during the year in the same way that annual revenue is reported in our financial results.

Scope 3 Downstream

Quantification of indirect emissions from our clients' plant operations will be reported in 2023.

Emissions avoided thanks to our solutions

This measure captures the emission reductions of our clients that have been achieved through our projects. Because of the different nature and variety of the projects and solutions that Technip Energies provides, we have decided, for this year, to focus the reporting of avoided emissions on carbon capture projects only. Each of these projects are compared, as reference scenario or baseline, to the same project without the carbon capture unit. In the coming years, the types of emission reductions will be enlarged.

We currently have three carbon capture projects in the EPC stage: the Qatargas NFE project in Qatar, the Hafslund Oslo Celsio project in Norway, and the ExxonMobil LaBarge Refinery Expansion project in Wyoming, US. We have calculated that these three projects have allowed clients to avoid 1.8 million tCO_2 eq in 2021 (thanks to one project started) and 7.3 million tCO_2 eq in 2022 (thanks to three on-going projects). By 2025, these savings are expected to reach 15 million tCO_2 eq.

3.3.1.2 Enhance circularity and protect biodiversity

For Technip Energies, tackling climate change and protecting the environment goes beyond the scope of our own operations. It forms an integral part of the products, services, and solutions that we offer our clients. In line with our ambition to be a global leader of the energy transition, it is our responsibility to offer environmental solutions which enhance circularity and protect biodiversity.

2022 key figures

- 81% of our main operating centers are certified ISO 14001
- 19% of water consumed on sites comes from reused sources
- 87% of waste generated on construction sites are recovered

Governance

The Company is committed to operating in compliance with all applicable environmental regulations, laws, and international codes and standards, wherever we operate. As outlined in our Global HSE and Security Policy, environmental management is everyone's responsibility at Technip Energies.

The ESG Committee advises and recommends to the Board appropriate environmental practices, initiatives and programs and oversees the Company's progress in implementing these. The effective implementation of environmental policy depends on management's commitment, the accountability of every entity, an ongoing dialog with key stakeholders and a chain of responsibility that extends across the Company workforce.

Our environmental management system and standards are the responsibility of our Chief Operation Officer ("**COO**"), supported by our Vice-President of Quality, Health, Safety, Environment and Security ("**QHSES**"). All entities and projects within the Company are managed by dedicated QHSES managers and directors, with a team of QHSES engineers and supervisors responsible for the application of environmental rules and standards in their respective areas to ensure that our environmental requirements are implemented correctly. All employees receive environmental training in accordance with our Code of Business Conduct.

A Global Environmental Manager is tasked with monitoring the performance and coordinating a network of environmental specialists from all main operating centers. The environment network designs environmental programs, supports the enhancement of our overall environmental performance and develops global environmental initiatives involving all our countries and projects.

A solid environmental management system in place

A dedicated environmental team

Environment specialists from all regions and business lines assess the environmental risks and opportunities of our projects and assets, harmonize and coordinate environmental practices across our work processes and report quantitative and qualitative data from our operations.

The environmental team, comprising about 130 specialists worldwide, is directly involved on projects. They notably conduct technical studies, including environmental aspects identification ("**ENVID**"), which is a multi-disciplinary analysis of project impacts, carried out at the design and execution stage.

Extending ISO 14001 certification across our operating centers

The ISO 14001 standard sets out the requirements for an Environmental Management System to provide global consistency in the face of increasingly complex environmental risk. At December 31, 2022, 25 (or 81%) of our main operating centers were ISO 14001 certified, including main offices, managed projects and industrial sites with more than 50 employees. We are on track to achieve ISO 14001 certification of all our main entities by 2025.

Measuring environmental performance

The scope of environmental reporting for Technip Energies includes 75 sites in 2022, of which half are temporary project sites (construction and yards) and the rest are permanent offices and industrial assets. For all of them, the following environmental data are reported on a monthly basis:

- Energy, water and material consumption (by substance and source type);
- Air, effluent and waste emissions (by substance and management type);
- Biodiversity impacts.

Detailed indicators are given in section 3.6.2. ESG Indicators of the Impact Book.

Responsible energy, water and waste management on projects

Technip Energies is actively seeking to optimize the resources in use in all the sites that we manage and in the project designs that we offer to clients.

Energy management

Our Global HSE and Security policy includes a clear commitment to continuously improve our energy and resource efficiency whether in the designs we provide or in the way we execute projects. The annual energy consumption of our offices, industrial sites and projects we execute for our clients (construction sites and yards) is presented in section 3.6.2. ESG Indicators of the Impact Book.

The energy consumption of our projects increased in absolute value in 2022 compared to 2021. This is mostly due to few mega projects, located in remote areas, which depend on diesel generators for their energy supply, notably at decisive stage such as commissioning.

In 2022, the share of clean electricity in our energy consumption continued to increase significantly due to electricity from renewables being available from the grid, or from internal production (solar or energy recovery from compressors notably).

Water management

As per our ESG Scorecard, we target 50% of water consumed by our sites to come from reuse sources (rainwater, internally treated wastewater and treated wastewater coming from another organization) by 2025. In 2022, we reached 19% compared to 21% in 2021. It should be noted that for projects, the water management opportunities depend on the construction and commissioning phases.

Guidelines have been developed to improve water management and reuse all waters, wherever possible, whatever the project phase. In addition, we are developing awareness initiatives to enhance the site practices regarding water management.

Hydrotesting and system cleaning

During the construction and commissioning phases of a project, hydrotesting and system cleaning represents the largest volume of water consumption. Hydrotesting involves testing the critical components of a plant such as the piping systems, gas cylinders, boilers, and pressure vessels. It is done by completely filling the components with a liquid, usually water and pressurizing the system to test for leaks. During commissioning activities, water is used to clean the systems (pipes mainly), with or without inhibitors, such as flushing, hydro-jetting, chemical cleaning, steam blowing.

- In Singapore, the NESTE project team took advantage of a government program to supply "certified reused water" to industries. In 2022, 80% of the water consumed by this site came from this source (note: this is defined in our reporting as wastewater coming from another organization). In addition, the project team introduced innovative measures to collect and filter stormwater for reuse.

Waste management

As per our ESG Scorecard, we target 85% of waste to be recovered by 2025. In 2022, we reached 87% thanks to the reuse of soil, rocks and dredging materials generated by various projects during site preparation and excavation phases. These materials are fully reused directly within the construction sites, mostly for backfilling.

The volume of waste to be managed varies a lot along the different phases of project development. The early phases of site preparation involve managing huge quantities of soil and rocks which are generally easy to recycle or reuse. During the commissioning phases, there is less solid waste and more wastewater, which requires alternative recycling processes. The availability of local facilities to treat and recycle waste has also a great impact on the project ability to improve the performance of sites in terms of waste recovery.

- In Mexico, the ECA project site achieved a performance of 98% waste soil and rocks valorized. Crushed rocks and soil have been reused locally.
- In Egypt, the MIDOR project has seen its waste recovery performance improved from 68% in 2021 to 77% in 2022, mostly due to a systematic recycling of wood and scrap metal.

Environmental incident management

The prevention of environmental incidents is of the utmost importance to our Company, to our clients and to the society in general. At Technip Energies, all operating centers, assets and projects have an environmental incidents reporting system within their HSE management system, in compliance with our internal mandatory standards.

In 2021, we initiated a new program to raise awareness and speed up reparations. In 2022, we have continued this journey with our teams to ensure complete reporting of any environmental incidents that could negatively affect the environment, whether directly or indirectly. However, the number of reported incidents increased in 2022, especially due to one project entering a phase of intensification of its construction activities. Root cause analyses have been carried out and remedial action plans implemented to prevent and minimize likelihood and severity level of further incidents.

In 2023, our focus will remain to minimize likelihood and severity level of any incident.

ZOOM - Features that reduce the environmental impact of the Qatargas NFE project in Qatar

- NFE design will emit approximately 25% less CO_2 than a normal LNG plant through:
  - A CO_2 capture and sequestration (CCS) system that will be the largest of its kind in terms of capacity in the LNG industry, and will be one of the largest ever developed anywhere in the world;
  - A better energy efficiency due to waste heat recovery facilities;
  - Electrical power from Kahramaa national grid which will include power coming from Qatar's future solar projects.
- The project will conserve 11.1 million cubic meters of water per year by recovering 75% of the plant's tertiary water for re-use within the plant's fresh cooling water system.
- NFE project also includes a permanent wastewater treatment plant, with interconnecting pipelines and an irrigation network designed to treat wastewater for more than 54,000 people.
- Gas Turbine NOx emissions will be reduced by 60% through the application of Ultra Low NOx DLN1+ technology.

Enhance circular economy as an overall approach

Enhancing circularity means shifting from the traditional "take-make-dispose" economic model to one that is regenerative by design. The circular economic model proposes to minimize our impact on the environment by optimizing the resources in use (natural and material) in the project early phases, and by promoting recycling practices in all our business, from engineering, procurement to construction.

Energy efficiency measures taken by Technip Energies are one of the first steps in preserving resources, but we plan to consider every possible action to reduce consumption of other resources, in particular water and raw materials and we facilitate reuse practices and recycled goods whenever possible across the life cycle of each facility we design or operate. A more circular economy will enable our industry to reduce pressure on the environment and on the society as it will improve the security of the supply of raw materials to create long-term value for all.

The circular economy approach of Technip Energies is focused on the following drivers:

- Eco-Design: by conducting studies to anticipate the environmental impact at the early stages of all processes and minimize externalities of our projects, products or services.
- Sustainable supply chain: by incorporating sustainability criteria in the supplier and subcontractor qualification process, and by studying how to support our partners in the improvement of their environmental performances.
- Responsible consumption and management: by minimizing the use of energy, water, and materials whenever it is possible, and by recovering a maximum of water consumed, waste and wastewater generated at our sites.

Helping clients select the best environmental solutions

At Technip Energies, we offer our clients environmental and economic solutions at every stage of their projects, by the integration of ISO 14001 requirements, from the conceptual design phase to execution phase. Analyzing our clients' specific context and ambitions allows us to provide decision-making support to implement an environmental strategy adapted to their projects.

We encourage our clients to adopt a circular economy approach when relevant, notably through eco-design which is the most effective driver to reduce the environmental impacts. By carrying out Environmental Aspects Identification ("**ENVID**") at an early stage of project development, whenever it is practicable, we can assess potential impacts of each planned site activities, and make recommendations for a safer and more cost-effective design and project execution. We can also provide our clients with Best Available Techniques ("**BAT**") to prevent and control industrial emissions of pollutants, especially for the projects located in Europe.

In addition, we have in-house expertise in performing Life Cycle Assessments ("**LCA**"). The objective is to measure and reduce the environmental impacts of technologies, equipment or units from cradle to gate, and to address our customers' requests in terms of environmental protection. Moreover, once the plant has been commissioned, we offer a wide range of digital services for operation and maintenance, to optimize performance, reduce downtime, and minimize utilities consumption.

Protect biodiversity

At Technip Energies, we are committed to protecting biodiversity. The UN Biodiversity Conference, or COP15, held in December 2022, highlighted the importance of protecting biodiversity for our well-being and the global economy. For the first time, a historic agreement was reached, setting out a Global Biodiversity Framework ("**GBF**") to conserve, protect, and restore a sustainable management of biodiversity and ecosystems for the future.

In 2022, our Global HSE team conducted a biodiversity assessment of our sites (projects, manufacturing units and offices) with the support of a third-party expert from Biodiv'Corp, to map our exposure to biodiversity risk.

Exposure has been qualified and ranked from low to extreme using 2 criteria:

- physical proximity to protected areas according to the International Union for Conservation of Nature ("**IUCN**") and areas of interest (i.e. biodiversity hotspots and key biodiversity areas);
- type of activity conducted on site.

Based on this first evaluation, we identified that no site was concerned in 2022 by Technip Energies newly defined exclusion zones (IUCN category I). However, 5 sites have been identified as top priority where specific action plans will be developed. Next year, we will continue to roll out our biodiversity program, including:

- refinement of our internal geographical system information tool allowing the commercial and operations teams to identify the level of biodiversity risk of our projects, including the prospects;
- implementation of guidelines for relevant objectives and actions according to the risk level identified;
- preparation of new internal standards and training materials, with the aim of supporting our teams to proactively protect biodiversity wherever we operate.

As an example:

- in Mexico at the ECA LNG project, we trained dedicated staff on biodiversity management, including on the concrete actions to relocate sensitive species. A total of 13 people work day and night to keep animals away from the site. In 2022, as part of the site preparation phase, 662 individual fauna (79% mammals, 17% reptiles and 4% poultry) have been safely relocated and 210 individual flora species (cactus, trees) preserved in dedicated nurseries.

Act4nature International

In September 2022, Technip Energies joined Act4nature International (https://www.act4nature.com/en/) to reinforce its action towards conservation of nature and biodiversity. Act4nature is an international alliance initiated by businesses and stakeholders, including NGOs and scientific institutions, to accelerate action in favor of nature. Since its launch in 2020, 67 companies have now joined the alliance and formally agreed to ten common commitments. To join, each member company must define its individual SMART commitments which are validated by Act4nature stakeholders and to publicly report on the actions effectively implemented within two years.

By joining Act4nature International, Technip Energies is publicly committed to protect biodiversity; in particular:

- we voluntary decided to avoid in the future any new projects inside the International Union for the Conservation of Nature ("**IUCN**") most sensitive areas, i.e. categories Ia and Ib as defined and listed in the World Database of Protected Areas ("**WDPA**"); and
- we confirmed our will to integrate biodiversity risks in our business processes, starting at the earliest phase of project life cycle and based on specific, measurable, achievable, relevant, and time-bound commitments.

3.3.1.3. Accelerate innovation and digitalization

The energy transition requires innovation to generate brand-new inventions as well as new ways of applying existing technology to generate new solutions. At Technip Energies we believe we have a critical role to play on this journey. Innovation is driven by our pioneering spirit and collective intelligence and written into our DNA.

The contribution that digital transformation can make to the energy transition is evolving very fast which is why we are putting a lot of effort to transform Technip Energies into a data-driven company. This means promoting a data culture throughout the company, to empower people with the skills to correctly manage data and to identify areas where we can create more value from data. Having a data culture enables us to develop new digital services to help clients make carbon-conscious choices at the design phase, to monitor plant performance, or to support training by using advanced visual simulations. By adopting a digital-by-design approach to develop and scale up new energy solutions, we can accelerate the way we execute projects and reduce time to market.

2022 key figures

- 83% of R&D budget allocated to energy transition
- Over 350 ideas submitted for the 2022 Innovation Challenge

Technology and Innovation

We are increasing our R&D focus in the energy transition and establishing technology pathways for our clients to achieve their net zero ambitions.

In 2022, we allocated 83% of our total R&D expenses to energy transition, amounted to €41.1 million on the total €49.5 million R&D expense, with the objective to reach 100% of our R&D budget to be allocated to energy transition by 2025.

Within the Technology and Innovation activities, R&D is focused on energy transition including 2 main categories: low-carbon solutions (such as blue hydrogen) and carbon-free solutions (such as green hydrogen). More than 600 employees are working on 200+ R&D programs globally, including in our 2 technology laboratories located in Frankfurt, Germany, and Weymouth, Massachusetts, USA. In 2023, we will continue to increase our Technology and Innovation portfolio, including R&D spending oriented to lower the carbon footprint of LNG.

Refer to section 2.1.4. Technology & Innovation for more information.

Innovation Challenge: sharing ideas for a sustainable future

Daily innovation is the beating heart of Technip Energies. As the energy transition accelerates, the Innovation Challenge has been designed to offer employees across the company, whatever their role, and wherever they are based, the opportunity to express their ideas and become fully-fledged intrapreneurs.

The theme of the innovation challenge was “Let’s Say Goodbye To Carbon” and there were 3 categories for innovation:

- Technologies for tomorrow’s energies;
- Sustainable habits;
- Digital to green solutions.

“This is more than just an award. For the very first time, we will reward our successful innovators with the resources to transform their ideas into reality and be recognized throughout the company as pioneers. Across all our areas of activity, this award will help to nurture new ideas and fresh thinking.” **Virginie Lehning, Corporate Innovation and Incubation Lead**

- More than 350 ideas were submitted during the idea submission phase;
- 15 ideas (5 finalists per category) were selected by the jury for the employees vote;
- 4 winning ideas will be selected (1 per category + 1 special prize) to join the intrapreneurship program to transform ideas into reality.

Digital innovations to drive sustainable solutions

While decarbonization technologies exist, we need innovation and digitalization, powered by data, to accelerate and realize the full potential of the decarbonization journey. With a solution-oriented approach connecting data across the entire project life cycle, we are making sustainable changes to the way we operate, broaden opportunities, and support new business models. At Technip Energies, our digital and data-enabled solutions will help us to improve safety through virtual-reality training, improve efficiency and save energy with digital twin technology, as we journey towards a carbon-neutral future.

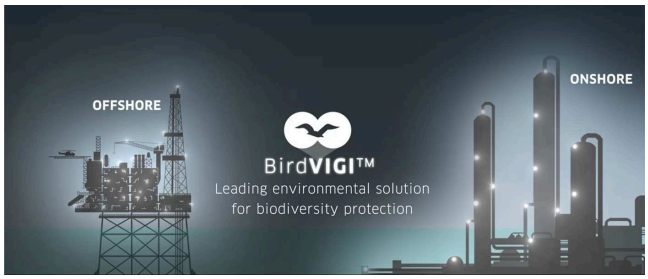
Here are several key examples of our digital solutions. For more information refer to chapter 2 Value creation, businesses and financial performance.

BirdVIGI™, an innovative digital solution to protect migrating birds

This is a unique example of how digital innovation can drive sustainable solutions in favor of biodiversity protection.

Technip Energies has developed and patented an innovative digital solution, “BirdVIGI™ by T.EN”, which predicts migrating birds as they approach industrial facilities and indicates how to lower the structure lighting accordingly. The tool uses public databases for weather and migration information, enriched with ornithological data, to create predictive models which allows operators to adapt the light intensity of their installations during migration periods of endangered birds. The solution was awarded a silver medal by Republik IT for data innovation.

Adopted at our clients’ onshore and offshore facilities located in migratory corridors, this solution mitigates disruption to bird migration. Watch this video to know more: https://www.youtube.com/watch?v=uPkHznEM6Vk



Ultra Front End™

Developed by Genesis, the Ultra-Front-End Suite facilitates the conceptual phase of initial field development. Identifying risks, estimating carbon emissions and comparing mitigating options from the first inception of the project helps clients to make informed decisions, facilitates investment decisions, and ensures maximum value is realized.

Plant Operator Digital Simulator (PODS)

Plant safety and productivity is a priority for our clients and integral to our designs. Combining our engineering phase 3D models and dynamic simulation models we have developed an immersive and interactive training solution for field and control room operators for safe and productive learning. Using CETO®, an interactive simulation framework for real-time simulation of Oil and Gas operations, PODS is designed to provide the most realistic interactive training in an inherently safe environment.

3.3.2. PEOPLE

Technip Energies is a people company. Our performance depends on the actions of our people and our actions are guided by our Values. We don't compromise on safety. We have a passion for excellence and strive for quality and client satisfaction. We believe a diverse and inclusive workplace encourages collaboration and drives performance, so we empower people to continuously learn and develop skillsets to solve real world energy problems for our clients and for the communities around us.

Key highlights

- Safety targets are now formalized goals within our ESG Scorecard: Zero fatalities and TRIR below 0.10
- 18% of women in leadership positions, new targets to increase women in the workforce
- Focus on training; 92.6% of employees participated in ESG learning
- Launch of Technip Energies new International Graduate Program dedicated to energy transition

Alain Poincheval, Fellow Executive Project Director: *"Our people are vital, they are the ones that make things happen, so their safety is our top priority, embedded in our culture, our values, and our daily behavior. Our PULSE program puts HSE at the heart of our operations to ensure that we work better and safer together. Teamwork is the key to our success. By fostering a collaborative mindset and motivating people to outperform, we mobilize the best resources through our multi-center execution centers to deliver the most challenging projects."*

Wei Cai, Chief Technology Officer: *"We cannot deliver technology and innovation without capable and talented people. A big part of a leader's role is to empower our people - to ignite the internal fire of each employee and keep it burning. We want to make Technip Energies a place where every employee can maximize their potential. To grow a strong and diverse talent pipeline requires deliberate effort. We have taken actions on multiple aspects to nurture a diverse workforce, with a company-wide focus on growing women talent, by providing various channels of mentoring, coaching, and networking opportunities. "Be confident, reach out, and never underestimate what you're capable of," is the message that I give to all of our young engineers."*

3.3.2.1. Safeguard people and reinforce well-being

Technip Energies has placed safety at the core of its values and is committed to ensuring the safety of its employees and all the people we work with. We continue to strengthen our HSE culture and leadership. This aligns with our focus on caring for people. PULSE, our Global HSE Culture and engagement program, is designed to extend HSE principles to all those we work and live with.

2022 key figures

- 100% of eligible construction sites with BBS program
- TRIR of 0.09 in 2022, stable compared with 2021, even as project activity and working hours increased

Health and safety training, retention and automation

We don't compromise on Safety. It is entrenched in our Values. We carry out regular health and safety training, we have dedicated safety moments, and specialized staff, but how much of this training is retained so that acts become automatic? Our knowledge retention program is designed to identify what has been forgotten. We have a dedicated team on project sites, whose role is to question workers and identify safety knowledge gaps, so that we can provide targeted training programs and reactivate knowledge to required levels. We are continuously measuring, training and re-measuring, it's an ongoing process from the moment a project starts, right through to completion.

Behavior-based safety (BBS) program

The behavior-based safety ("**BBS**") program involves training observers to observe workers on site, to identify blockers that prevent safe execution, and to then discuss ways of making work safer. Observers are not inspectors, instead they encourage a very positive approach to HSE on site by acknowledging and reinforcing safe behavior. Their findings are then raised at site steering committees to see what improvements can be provided. All eligible projects, managed and controlled by Technip Energies, now have the BBS program in place.

In 2022, we identified 17 eligible construction sites for the BBS program and all of them were trained and delivered the BBS program by the end of the year.

PULSE program

PULSE is our flagship engagement program that puts HSE at the heart of our operations. Its focus is on physical as well as mental well-being and promoting a work environment that helps us to look after one another.

PULSE is for everyone, no matter what role we have. It is a leadership program which is designed to train people about their HSE responsibilities and create a HSE culture which integrates the importance of influence and expectations. The program encourages everyone to identify actions in their capacity of responsibility that can influence HSE performance at all levels of the company. A new e-learning program has been designed to give a better understanding of the importance of PULSE. The program will allow us to get on the same beat, work better and safer together.

Establishing global HSE standards

"In 2022 we have been harmonizing all our HSE standards for safe project execution. As a "Learning Organization", we have structured a process to ensure lessons learned and best practices are structurally captured, reviewed and implemented." **Bart Hameleers, Global HSE Director**

Safety results

All our health and safety training is designed to prevent accidents and ensure the safety of all staff at the workplace. It is a continuous process and must always be our priority. Tragically, in 2022, we were deeply saddened by the accidental death of two subcontractor employees on two of our projects in India, at the Hurl Sindri project in March and at the PP Nayara project in June. Both accidents have been investigated to identify root cause and reinforce preventive actions.

To raise visibility, our safety targets, which are not new, are now included in our ESG Scorecard. Technip Energies is essentially an engineering company, but when we carry out projects, we are onboarding a lot of operators. Once they enter the site, even if they are not employed by the company, they are our responsibility. We strive to ensure zero fatality; when a fatality happens, we have not achieved our target. All safety incidents are recorded, we target the total recordable injury rate (TRIR) to remain below 0.1 per 200,000 hours worked. These are lagging indicators, at the same time we are working on leading indicators which include BBS implementation, safety leadership visits, risk reduction projects and environmental incident reporting to improve safety, for everyone under our responsibility.

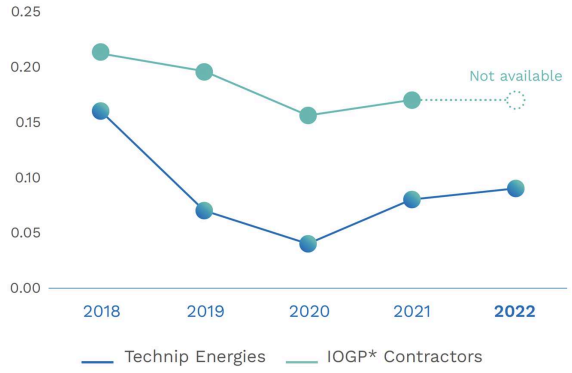
In 2022, the Total Recordable Incident Rate (“**TRIR**”) was broadly stable at 0.09 compared to 0.08 in 2021, even as project activity and number of hours worked increased. The TRIR of 0.04 in 2020 reflects the sharp drop in project activity during the COVID-19 pandemic. The Lost Time Injury Rate (“**LTIR**”) was stable at 0.02 in 2021 and 2022.

The track record on major projects are illustrative of this performance:

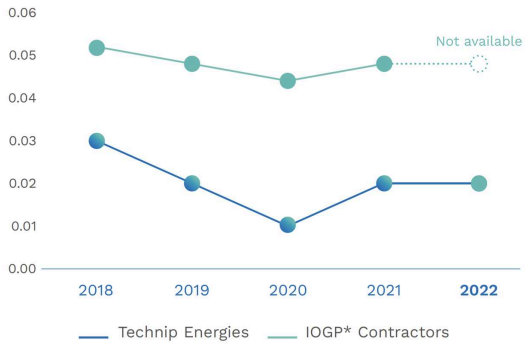
- **BAPCO Project:** 50 million man hours (“**MMH**”) without Lost Time Injury (“**LTI**”);
- **LONG SON Project:** 25 MMH without LTI;
- **ALNG Project:** 17 MMH without LTI;
- **HURL Barauni Project:** 16 MMH without LTI;
- **NESTE Project:** 12 MMH without LTI;
- **MIDOR Project:** 10 MMH without LTI;
- **HPCL NIU Project:** 5 MMH without LTI;
- **NNMY Dahej Yard:** 4 MMH without LTI;
- **ECA Project:** 3 MMH without LTI.

Safety – 5-year records

Total recordable incident rate (TRIR)[1]



Lost time injury rate (LTIR)[2]



(1) TRIR: Total recordable incident rate per 200,000 hours worked.
(2) LTIR: Lost time injury rate per 200,000 hours worked.
(*) IOGP: International Association of Oil & Gas Producers.

Medical - Working on project sites

Working far from home

Working on project sites involves many specific considerations. To assess and mitigate the risks involved, Technip Energies has established three important processes:

- a medical management plan (MMP) to assess the required medical facilities and trained medical staff for each project worksite;
- a health risk assessment (HRA) for all sites where Technip Energies employees are involved; this is to mitigate health risks present at each work location; and
- a medical emergency response plan (MERP) providing information for what to do in the case of medical events that need specific treatments not available at worksite medical facilities.

Every project is different due to the number of people involved, location of the project, and multicultural environment. It is important to prepare in advance medical support for each project, to be able to better react in case of medical event at the work site.

Before you go... fitness to work

A medical assessment is carried out for all employees before expatriation to ensure that they will face no higher health risk than in their home country, and to assess and mitigate any additional risks. This assessment covers health risks, such as asthma which can deteriorate in countries where there is high pollution. But it also covers mental health risks, because many projects are located in areas where it can be difficult for some people to work, where it is remote, or isolated and far from families. Adapting to life on the camps, living and working 24/7 with the same people for 4, 8 or more weeks can be difficult, and we are very vigilant about this.

This medical assessment is carried out in the employee’s home country. It can be repeated upon arrival in the country of expatriation and is adapted to the specificities of each job. Medical surveillance is carried out on a regular basis to ensure employees are in good health throughout their mobilization abroad.

Zoom: Qatargas NFE Project

- Number of people on site at peak = 40,000+ in 2024-2025
- 35 nationalities
- HSE staff (including medical and paramedical) = 300
- Medical and paramedical staff (external provider) on site = 50
- Primary health risks: sun, heat, dust, fatigue and mental health
- Heat stress management: Technip Energies manages several EPC projects in regions with high temperatures and humidity which can be harmful to workers on construction sites, especially in Central America, India and the Middle East. To protect workers from heat stress, we perform random fatigue assessments everyday and carry out mandatory heat stress training for all personnel on site. Engineered controls, through the maximization of shaded areas, and administrative controls restricting work during the hottest hours or implementing strict work-rest cycles are also put in place to minimize the workers' exposure. We display heat index boards and flags at site and provide several heat stress mitigation facilities, such as rest shelters, industrial fans or cool rooms, water stations and water flasks.

Employee well-being and mental health

The COVID-19 pandemic highlighted the importance of physical and mental well-being for all our employees. While digital solutions enabled employees to work from home, they also raised other challenges. Our response is called "SmartWorking", which means working differently to facilitate team collaboration, even when we are all in different locations. This company policy for working from home offers a flexible approach and is designed to contribute towards creating a better work/life balance. We are committed to keeping offices open and promoting social interaction to have a positive impact for employees' well-being and enhance performance.

To support our employees with their work/life balance we offer flexible work schedules, remote working and parental leave programs. We also provide our employees with access to wellness and mental health professionals through our employee assistance program.

It is also important to raise mental health awareness at management level, to better understand the risks and provide support for their teams. Managers must learn to disconnect for themselves, to lead by example, to promote a serene team spirit, and facilitate communication to create a pleasant working atmosphere in which everyone benefits.

For some years now, we provide a mental health hotline in some countries for people to call when they need help. But it is not always easy to call a hotline when you do not feel well. So, what is a more effective way of helping staff to cope with mental health issues?

- Firstly, by understanding mental health issues as an illness that can happen to anyone and that can be treated. Anyone can suffer from stress, anxiety or depression. But there is no universal solution. Different cultures require different approaches. In some countries, a psychologist or specialist is available on-site and anyone can make an appointment and have an open discussion when necessary;
- Secondly, by training people to be alert to mental health issues, encouraging people to speak out about mental health and knowing the first steps to take to get help. Around 110 mental health and well-being ambassadors have been trained, step by step throughout the company, to pay attention to their colleagues, spot early signs and give early support;
- Thirdly, as preventive measures, by providing access to well-being activities, which may include sport, music, yoga etc, to enable staff to take breaks from their busy work schedules. These well-being activities are organized in offices but also at project sites.

3.3.2.2. Attract and grow talents

As we grow in a fast-changing environment and transition to a more sustainable tomorrow, employees are the human engine to achieve this transformation. The energy transition means reinventing the way we live and the way we do things. We don't have a choice. To succeed, we need to do things differently. This means attracting new talents with new skills, enhancing the learning mindset across the company, and managing our expertise and critical skills.Our People Development journey aims to support an inspiring learning journey for all.

- 92.6% of employees participating in ESG learning;
- Graduate recruitment multiplied by 3 with 51.7% of women in the talent pool;
- Launch of Technip Energies new International Graduate Program dedicated to energy transition.

Workforce overview

The table below provides an overview of the total number of both permanent and temporary employees of the Company as at years ended December 31, 2021 and 2022, subdivided by geographical areas.

	December 31, 2022		December 31, 2021	
Geographical areas	**Permanent**	**Temporary**	**Permanent**	**Temporary**
Americas	1,423	86	1,309	34
Asia-Pacific	1,435	277	1,354	874
Europe, including Russia	5,923	364	5,926	1,260
India	2,571	489	2,429	341
Middle-East/Africa	1,287	660	1,094	965
TOTAL	**12,639**	**1,876**	**12,112**	**3,474**
TOTAL		**14,515**		**15,586**

The permanent workforce increased in 2022 by 4% compared to 2021 in all geographic areas, mainly in Middle East and Americas.

The temporary workforce decreased by 46% in 2022 compared to 2021. This is due to a decrease of the temporary workforce in Europe (with a 71% headcount decrease in 2022 compared to 2021) and in Asia (-68% temporary staff decrease in 2022 compared to 2021) as these geographies (Russia and China) have been impacted by the reduction of our activities related to Russia and the Arctic LNG 2 project.

In 2022, an average of 302 employees were employed by Technip Energies in the Netherlands. Over the same period, an average of 14,213 employees were employed outside of the Netherlands.

The breakdown below shows the number of employees in corporate functions, in main operating centers (where we carry out engineering studies as well as R&D) and in other centers supporting operations (e.g. temporary offices in support of a project, commercial offices).

2022 Average number of employees	**In the Netherlands**	**Outside the Netherlands**
Corporate	3	956
Operating Centers	299	12,228
Other centers supporting operations	0	1,029
TOTAL	**302**	**14,213**

Making Technip Energies' employer brand recognized by future talents

In 2022, we pursued a global effort to enlarge the graduate intake into the workforce, multiplying by three their total number compared to 2021 from 131 to 393. This result has been achieved thanks to active campus partnerships across the globe, fostering Technip Energies presence as an employer of choice to initiate a purposeful career. The quality of our undergraduate offerings and internship experience has also been recognized at our French premises in Paris, ranked in the top 5 of the Happy Trainee Index for the category 100-500 interns/apprentices.

We also exceeded our Women in Graduate Intake targets for the second year in a row, demonstrating our attention to diversify the future pipeline of talent.

We have introduced the Energy Transition Graduate Program to an external public; a 2-year flagship program, including job rotation to develop newly graduated people and immerse them into the energy transition markets where Technip Energies operates and accelerate their growth as future ESG leaders.

A highly selected pool of participants will join in 2023, in addition to several local graduate programs currently in place.

Because the diversification of ways and practices to engage with future employees is a must in an extremely competitive and tense marketplace, all talent acquisition teams from the main locations have been gathered for a 2-day workshop in October 2022 to refresh skills and techniques to attract diverse and performing talents, to foster business partnering living our values and to drive process excellence. Similarly, all hiring managers exposed to recruitment activities have been invited to attend 5 weekly global webinars on talent acquisition to gain awareness on the need to revisit how Technip Energies performs on candidate attraction and selection process to deliver the best experience to candidates.

Empower, upskill and reskill our workforce to unleash potential and sustain employability

Empower people to grow

To accelerate our energy transition transformation, we need the right skills and people. In 2022, we conducted a collaborative internal study to map and define the green critical skills needed. We have been able to target the business activities on top of digital where green skills development is crucial and will work on delivering the right solutions to upskill our workforce in their existing role or reskill with new pathways. As a result of this study, we will introduce in 2023 T.EN University around six learning domains: technology, commercial, leadership and management, digital, culture and project management. This is to ensure constant alignment of learning solutions with business strategies and a learning offering for all.

In addition, a new ambition part of our ESG Scorecard has been set to reach an average of 40 hours of learning per employee per year by 2025.

Empower managers to be people developers

In 2022 we have sought to revitalize our management, leadership development programs and digital learning offer. This resulted in the kickoff on a new blended learning leadership program for junior future leaders with the intention of accelerating their development and career path.

Also, we have designed and piloted a new managerial learning path in 2 modules: “People Developer 1 & 2” targeting new and experienced managers to engage and grow their teams, deploy vision and strategy and lead change. 1,500 managers will be enrolled in the next 3 years.

In addition, a data upskilling program to enhance the creation of value with data have been delivered for 20 highly selected employees. A new governance has been put in place in 2022 with a learning lab to ensure constant alignment of learning solutions with business strategies.

In 2022 we have also continued our Project Excellence Program, which was introduced the previous year. It brings project managers enhanced learning in commercial, project leadership and stakeholder management. Around 100 project managers have participated in 2022. We have enhanced our global onboarding program with our new Values, Purpose and organization to reinforce understanding of our culture.

One campaign for performance and development

At Technip Energies, we value and believe that every individual is a talent with their own unique journey.

We help talents grow within the organization, learn new skills and advance in career. We have a continuous communication process between managers and employees that focuses on building a high-performing culture aligned with each individual’s aspirations. It includes key processes such as goal setting, performance appraisal, career talk, individual development plan that allows each individual to maximize their potential, accept challenges to think differently, and develop themselves.

In 2022, our performance management framework has been refined with an aim to support this major shift in the way we work. We have launched a one-campaign approach allowing identification of goals earlier in the year. To support individuals to thrive and grow, we have also introduced discussion around how each individual lives the Company Values, project their career aspirations and learning opportunities.

“Talking Talents” campaign in the whole company

We have been conducting talent reviews for many years already, and their importance has grown. Our “Talking Talents” are a unique forum for discussions about people development. The primary objective is to support a successful and sustainable future for Technip Energies by working on developing our talents and identifying the future leaders of tomorrow. Newly launched in 2022, managers and People & Culture representatives have worked during this bottom-up calibration exercise to spot the individuals in our business who are performing consistently at a high level, demonstrating a high capability to grow, the agility, drive and motivation to progress to a leadership role.

The main outcome of the exercise is to strengthen succession planning for leadership and key positions through promising individual development plan and to design career paths in line with individual aspirations.

In addition, a particular attention and focus has been at the center of 2022 exercise to pay attention to the development of women at an early stage in their career. In the frame of our Diversity & Inclusion strategy, the “Talking Talent” process is a key pillar to accelerate the development of women towards managerial roles and accelerate cross-functional projections in the organization.

Together we are smarter: accelerating technology connections to grow people synergies

Knowledge Management

At Technip Energies, the Knowledge Management (“**KM**”) center of excellence delivers solutions and support as it drives a culture of learning and execution through social learning, innovative collaboration and knowledge transfer strategies, to unleash the potential of Technip Energies’ people - in order to improve our core business capabilities.

KM is built around four primary solutions and is a key contributor to the coordination of the Technical Expertise Program and Expertise Day. By showcasing our technical expertise, employees feel more connected, motivated, and united behind our collective effort to engineer a sustainable future.

Our Technical Expertise Program

Technical Expertise Program

We employ people based on relevant qualifications, demonstrated skills, performance and other job-related factors. Consequently, the retention of key knowledge and skills among employees is a major identified risk. To mitigate this risk, Technip Energies is developing several initiatives such as Knowledge Management technologies and solution designs, and has deployed its new global Technical Expertise Program to recognize technical experts from all over the world who have demonstrated outstanding expertise in a technical field. Its 400 members advance Technip Energies’ technical leadership by advising, innovating, enhancing operations, sharing knowledge, and inspiring others – within the Company and across the industry.

In 2023, a new nomination phase will be deployed across the organization, with a new focus on energy transition disciplines. Technip Energies will continue to enlarge the current pool of experts and with KM strategies and solutions as a foundation, it will help make Technical Expertise Program member contributions and expertise available to the entire organization.

Expertise Day becomes a global event

In 2022, Technip Energies held its first-ever company-wide Expertise Day. An integral element to the Technical Expertise Program, the event gathers experts in a single day to engage and share knowledge with employees. As part of the event, eight global webinars were held throughout the day, covering topics from Hydrogen Generation to LNG, attended by around 700 employees. In addition, there was an extensive range of local events at 20 locations across our business. In total we had 190 technical presentations, stands and panels, delivered by our experts. At these events, a myriad of subjects were discussed, from “Exotic Heat Exchangers” to “3D Laser Scan and Virtual Reality”.

Compensation and Benefits

Compensation policy: sustaining a competitive approach

Our compensation and benefits strategy ambitions to be competitive in each market we operate, in order to motivate our employees to achieve and exceed our short-term and long-term objectives (business and ESG), while keeping the focus on Technip Energies Values and Purpose, and also to align the interests of our employees with our Shareholders. The Company's pay-for-performance philosophy, supported by a robust performance management practice, strives to set our employees' total remuneration package at a competitive level by benchmarking the market and providing incentives geared to agreed performance outcome, where appropriate. We aim at awarding to our managers, and as many to our employees as possible, short-term incentives driven by individual, team and Group performance. We provide long-term incentives to high-potential and highly valued employees, driven by long-term Company’s performance and value creation. We believe our long-term success is directly linked to the caliber of the employees we employ and the working environment that we create. See also section 5.3.3. Employee share schemes.

Setting core benefits standard worldwide

The creation of Technip Energies in 2021 was the occasion to define a new corporate culture with the goal of embedding ESG in everything we do and in the choices we make to reinforce our long-term impact. Accordingly and in relation to Technip Energies’ aspiration to offer an adequate work environment to its people, we set the objective to provide a new core benefits standard worldwide by 2025. The global core benefit standard ambitions to provide to Technip Energies’ employees a harmonized and common ground of benefits wherever they operate, embedding basic coverage needs as well as reflecting as much as possible well-being expectations from today society

To achieve this high-level ambition, and to start the journey, the first step involved to clearly identify our risk portfolio and mutualizing it as much as possible through multinational pooling. In 2022, we therefore carried out an exhaustive inventory of all employee benefits throughout the Company with the objective of optimization, alignment, and harmonization. As part of this inventory, we benchmarked Technip Energies’ practices with other companies in the industry to reinforce our alignment with our peers where needed. This been completed, the next steps over 2023 will be to design the features of the core benefit standard in collaboration with internal and external stakeholders. It will also require to work specifically with our global broker and insurance companies to assess the impact on the existing contract base and agree on the roadmap to make it converge towards the new standard.

Our objective is minimum 90% of our employees being covered by the new core benefit standards worldwide by 2025.

When you compare the social security systems for instance in India, France, the UK or the US, the way people are protected by their nation is totally different from one country to another. Therefore, we cannot treat everyone on the same terms, but we can agree on the key markers, on the principles and rights that we are defending. This may include flexible working, parental leave for men and women, minimum levels of coverage for death or access to healthcare as well as other non-insured benefits. In addition, flexibility will be given to Technip Energies’ entities to enrich the core offer to reflect their local market specificities. Once the design phase will be completed, we will define the guidelines for our entities to converge towards this core benefit standard as their existing insurance contracts expire.

“Defining and implementing the new core benefits standard is a voluntary commitment and signal for the well-being of our people and towards those who intend to join us, underpinned by insurance contracts which represent an annual budget superior to €50 million. It is an investment for our people and core to our employee value proposition.” **Sébastien Thirion, Vice-President, Compensation, Benefits & International Mobility**

3.3.2.3. Advance an inclusive culture

Our ambitions to foster an inclusive and caring environment have been reflected in 2022 by our continuous efforts to keep our Diversity and Inclusion (“**D&I**”) agenda a business priority like any other. “Inclusion in Action” is Technip Energies response to developing our culture of inclusion by nurturing a genuine connection for and between every individual to feel welcome, respected and engaged. We are cultivating real behavioral change in everyday interactions and ways of working to boost innovation and collaboration, providing a complementary answer to progress on diversities representation at each level of the organization.

Starting 2023, Wei Cai, Chief Technology Officer, is appointed Diversity and Inclusion spokesperson of the Executive Committee to sponsor internal events in favor of the promotion of diversity representation and advancement.

2022 key figures

- Women hiring on yearly graduate intake: 51.7% vs. 50% in 2021
- Women in leadership positions: 18.1% vs. 12% in 2021
- Main countries defined their local diversity action plans (France, India, Italy, the USA, United Arab Emirates, Malaysia, Spain, United Kingdom, the Netherlands, and Colombia)

Inclusion in Action

To progress an inclusive culture, we are focused on the following:

- Bring tangible results on gender representation at all levels of the organization and establishing a robust governance to drive results;
- Increase leadership awareness on barriers of inclusion in the workplace and their visible accountability;
- Listen actively to our employees’ voices.

To drive our D&I dynamics, in particular, to promote gender diversity, we started by agreeing on how success would look like, acknowledging the complexity and as-is data in the 10 largest countries where we have operating centers, representing more than 80% of our workforce. As a next step, we collectively defined and set yearly internal milestones as well as key D&I enablers embedded in monthly business review routine. This approach led to a successful 2022 reaching our target for gender balance graduate intake, a substantial improvement for women in leadership positions, and an encouraging increase on women representation in the permanent workforce compared to 2021.

Resistance to achieving D&I objectives is often based on wrong assumptions. Reinforcing awareness on visible and invisible barriers, such as biases is an essential step for leadership teams to role model inclusive behaviors and systematically address risks and inclusive solutions in the decision-making process. Therefore, our senior leadership teams gathered in June 2022 for a dedicated half-day workshop to grow their capabilities of spotting bias and calling it out. This format has been extended to our 10 largest country leadership teams, gathering more than 200 leaders between September and December 2022 to recall our business case and intent for Diversity and Inclusion at Technip Energies. They worked on identifying where unconscious biases exist, putting everyone in a position to address these biases and preparing their country D&I action plan to solve these challenges.

The combination of global and local initiatives in 6 areas, such as Talent Acquisition, Career Progression, Reward and Recognition, Job Satisfaction, Communications, and Learning is at the center of our Diversity and Inclusion strategy to influence the culture and drive tangible results. In 2023, the 10 largest countries will present their respective D&I action plans to support our balanced gender representation aspirations as well as other under-represented diversities to advance an inclusive culture.

We do not limit our commitment to gender diversity but we amplify our diversity representation in the respect of each country social challenges and matters. Our premises in Paris have made progress in favor of people with disability by signing in June 2022 a 3-year agreement (2023-2025) with Unions to promote professional integration and job retention for disabled workers.

To raise attention in favor of various under-represented groups in our organization, in 2022, we promoted our commitments and ambitions for an inclusive culture in our industry and our company in the occasion of several international days. In particular, we marked international women's day, women in engineering day, women and girls in science day, day against racial discrimination and the day against homophobia, transphobia and biphobia, raising global awareness to disparities and challenges that may be faced in the workplace. Local events marking the unique benefits of a diverse workforce have further enriched brave conversations and dialogue amongst employees.

Continuous dialogue

Technip Energies is committed to maintaining an ongoing, open and constructive dialogue with employees or their representatives to better support its transformation and share its strategy. In 2022, the company engaged in setting up a European works council which would provide a greater channel for worker involvement and representation across the EU member States about business change with cross-border implications.

A significant number of our employees are represented by unions or works councils across the globe. Also, within our 10 main countries (i.e.Colombia, France, India, Italy, Malaysia, Netherlands, Spain, UAE, United Kingdom, USA), three are totally covered by collective bargaining agreements (representing 46% of the payroll workforce of our 10 main countries).

3.3.2.4. Contribute to local development

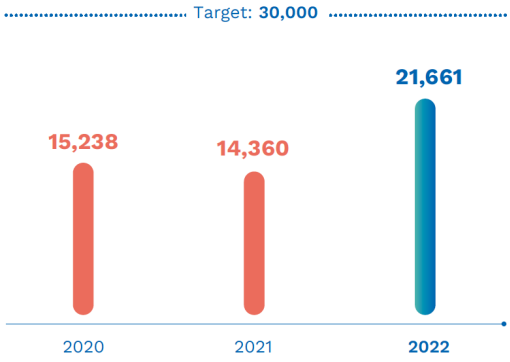
Technip Energies is an international company with approximately 15,000 employees of 108 different nationalities, and with offices in 35 countries, we play an important role in the ecosystem around us. We have a responsibility that goes beyond our day-to-day work to make a positive and lasting impact on our local communities. This is why contributing to local communities' development is integral to our ESG Roadmap. Our initiatives fall into three main categories:

- education;
- local development; and
- the T.EN Relief and Development Fund ("**TRDF**").

2022 key figures

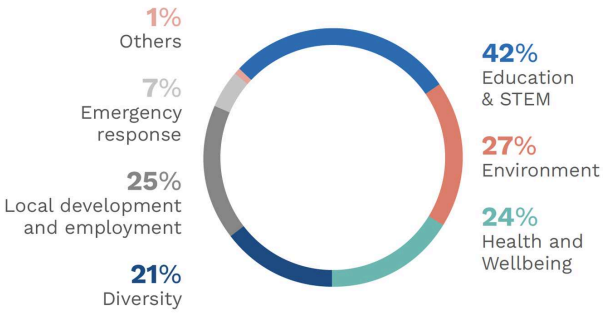
- Volunteering hours: 51% increase since 2021 (21,661 vs. 14,360 in 2021)
- Number of beneficiaries from local communities: multiplied by 4 since 2021 (424,451 vs. 112,436 in 2021)
- Budget of Technip Energies Relief and Development Fund doubled

Volunteering hours: progress against the target



We support employees who, on a voluntary basis, are willing to lend their time to support community development programs and initiatives. In 2022, 2,770 people were engaged in 135 local initiatives, dedicating 21,661 volunteering hours. These initiatives benefited over 420,000 people in our local communities.

Social initiatives: main thematic in 2022



Building stronger communities through volunteerism

China in lockdown

Whilst most of the world was recovering from the COVID-19 pandemic, for most of 2022, stringent lockdown measures remained in place in China. To support the workers, our Shanghai office arranged fresh food delivery during the city lockdowns. Some employees volunteered to deliver meals to people with disabilities, to buy medicines for the elderly, and help them use mobile phones apps, and carry out PCR tests. Moreover, employees were encouraged to stay fit and healthy during lockdowns.

Once restrictions were lifted, management were the first to return to the offices, to inspect the air conditioning, cleaning and disinfection of antigens, and ensure distribution of masks.

Volunteerism and giving back, Houston, USA

In Houston, our employees and families came together for community service, fostering teamwork and solidarity. In 2022, 745 volunteers participated in 25 initiatives, dedicating 9,600 hours to local communities. As a highlight, for Earth Day, over 50 volunteers joined forces to clean up Sunny Beach in Galveston. Additionally, 80 volunteers from our Houston operating center helped make the city greener by planting 200 trees at Terry Hershey Park with Livelihood LLC and Precinct 4 foresters. At the Houston Food Bank, Technip Energy volunteers assisted with preparing donated food for distribution by packing small bags of peas into boxes for easier distribution. After 4 hours of team work, the group filled nine pallets of boxes, weighing 11,520 pounds, equivalent to 9,600 meals.

Education and STEM

As an engineering company, Science, Technology, Engineering and Mathematics ("**STEM**") are part of our daily work at Technip Energies. We believe that through our capabilities and experience, we can help to empower and motivate young underprivileged students and girls to have equal opportunities and become future leaders in these fields.

For many years, Technip Energies has been supporting schools and students through scholarships, mentoring, donation of educational materials and equipment, promotion of events, knowledge transfer and other STEM-oriented activities. In 2022, we supported more than 8,500 students. Here are some examples of our initiatives.

Preparing students to succeed, Kuala Lumpur, Malaysia

The sustainability team in Kuala Lumpur organized two initiatives designed to help young students succeed.

- 36 volunteers participated in a 2-day Super Camp program to prepare secondary school students for their exams. The program was designed to help students with time management, setting and achieving targets, and key tools to achieve better results in the final exams.
- For younger primary students, the team organized a public speaking course for students from two Technip Energies' adopted primary schools. Over a course of 6 months, a group of 20 students were trained in public speaking by experts, and at the end they participated in an interschool competition. Improving communication skills and giving students the self-confidence to express their thoughts in public is a key attribute for future leaders.

The MIT Practice School – An intense learning experience

The Technip Energies office in Boston hosted six graduate students and an industry expert as part of the MIT Practice

School. For four weeks, the students worked on two different problems, both related to the recently acquired BioMEG technology (from Iowa Corn). One problem was related to data management and machine learning, the other a process design concept. In a short time, the students were able to collaborate and propose solutions for their problem, ultimately providing results that will be used in further development of the BioMEG program.

The MIT Practice School is one example of the close links Technip Energies has with major universities and research centers. Several alumni now work in our Boston office.

Encouraging young students with STEM, Houston, USA

Volunteers from the Technip Energies office in Houston organized discovery sessions at two local schools to share their enthusiasm and introduce students to some of the wonders of science, technology, engineering and math. They also delivered empowerment moments to motivate students who performed poorly in standardized school tests, the mission being to leave no student behind.

Local development

Seeds of Hope, India

For Technip Energies India, Seeds of Hope is the flagship program which covers numerous social responsibility initiatives. Since its inception in 2015, the program has been running across ten states and has so far impacted more than 95,000 lives.

Reduce, reuse, recycle

One of these initiatives is project ACE – to Accelerate the Circular Economy. In Dahej, Gujarat, India, we have set up a recycling center to treat both biodegradable and non-biodegradable waste which is completely powered by solar power. The waste is collected, segregated and then recycled – biodegradable waste is recycled into organic manure, non-biodegradable waste, such as plastic, cardboard and so, is segregated, shredded and bundled to be sold on to recyclers. One recycling company is combining this plastic waste with construction and demolition waste to create paving blocks for footpaths. All the waste is recycled, nothing goes to landfills.

- 85,000 kg of waste recycled, of which 11,000 kg is plastic waste;
- 12 sustainable livelihood opportunities created, 10 of which are for women;
- Aligned with the UN SDGs;
- Over 1,000 tonnes of CO_2 emissions (scope 3) have been avoided.

Garima project, empowering women

At our manufacturing yard in Dahej, Gujarat, India, we provide vocational training for women to pursue different trades, such as sewing. In 2022, 40 women benefited from this project, giving them access to a bank account and government insurance scheme, providing them with independence and empowerment. The women have produced over 45,000 eco-friendly cotton face masks and bags and generated income of more than ₹5,00,000 Indian currency.

Working together - Employee Resource Groups, USA

At Technip Energies in the USA, employee resource groups (“**ERG**”) bring together employees around shared goals to have a positive impact in the workplace and in the communities in which they operate. The four main ERG are:

- **ONE Group –** the Organization of Networking Employees aim to promote a diverse and inclusive culture supporting the uniqueness of each individual to enhance the employee experience.

  The ONE group organized the annual Toys for Tots drive, collecting and distributing over 300 new toys so that underprivileged children in the community enjoy a gift for the holiday season.
- **Family Network –** provides support and social engagement to families within Technip Energies and in our communities. It aims to help employees balance home and career, to support families during difficult times, and connect families, to share, learn, and support those in need in our communities.
- **B.O.L.D. –** the Black & Brown Organization for Leadership and Development is a platform to promote recruitment, development, and retention of black and brown professionals through learning and talent enrichment programs, community outreach and communication channels.
- **Toastmasters Club –** to develop oral communication and leadership skills, to foster self-confidence and personal growth.

T.EN Relief and Development Fund

T.EN Relief and Development Fund (“**TRDF**”) supports social and charitable initiatives in countries where we have a permanent presence, and that address our sustainability priorities such as health, education, emergency missions, natural disaster relief and other topics related to our ESG Roadmap. Since its creation in 2011, the TRDF supports approximately five NGOs per year for specific projects in different countries.

In 2022, donations through the TDRF doubled to reach 225,840 euros. We supported projects in Egypt, Mozambique, Senegal, Thailand, and Ukraine.

- **Egypt:** Through the ASMAE we promote the participation, integration, and protection of young disabled people in Egypt by raising awareness and strengthening the capacities of local actors involved in this field.
- **Mozambique:** Since 2019, through ESSOR, we help social and professional inclusion of young people in the Cabo Delgado province. Also, through INTERAIDE, we provide awareness and support regarding health, sanitation, and disease prevention to families in the Memba and Chipene areas.
- **Senegal:** We are supporting the Senegalese Association for the protection of children with mental disorders (ASEDEME) to raise awareness and change perceptions. Through specialized medical and educational centers, they help young adults to find work and earn a living.
- **Thailand:** The Yuvabadhana Foundation based in Bangkok allows children to continue their education. Through the Education Scholarship Program, we are supporting nine students (ages 11 and 12) over the next six years to complete their high school education. In addition to the scholarship, volunteers are providing an active mentoring and pen-pal program.
- **Ukraine:** We contributed to the humanitarian aid in Ukraine through the Red Cross platform. The solidarity expressed through these donations is a testimony to the Values that characterize us at Technip Energies. Through the donation of our employees and the TRDF, we were able to contribute a total of 170,840 euros. All the funds are being used to provide relief for those suffering as a result of the war in Ukraine.

3.3.3. TRUST

At Technip Energies the tone has been set from the top, in the goals that we define and in the way we measure and compensate performance. Integrity is at the center of what we do. Our reputation is built on our ability to deliver and our limitless drive to enhance our clients' performance. Our ESG Roadmap supports our business strategy and our future commercial success. It sets a clear direction for the Company to achieve its long-term ambition.

We leverage the strengths from our rich history and remarkable track record. We translate the priorities of today into tangible actions to benefit our clients, people, communities, and planet, and we do that together. Meanwhile, how we work is also a critical success factor: the way each of us behaves, whether towards our colleagues, clients, partners, suppliers, shareholders or others within or outside the Company, makes the difference.

Key highlights

- ABC training completed by 92.5% of people in at-risk functions
- 60% progress in integrating ESG criteria into supplier and subcontractor qualification
- Human Rights reviews completed for selected suppliers and subcontractors

Christophe Virondaud, Senior Vice-President Commercial: *"We apply a selective, risk-based approach to projects – safety and security, environment, and respect of human rights are key concerns we seek to address. We have the skills to support our customers at every step of the energy transition. We're not only an EPC contractor with proven expertise in project execution, but we also provide consulting and advisory services to support customers at each stage of their asset lifecycle. Our ability to embrace change and be flexible is key to unlock future business growth."*

Michael McGuinty, Chief Legal Officer: *"Our legal, compliance and insurance teams play an important role to assist the Company to achieve its energy transition goals while continuing to conduct business in a respectful, sustainable, and ethical manner in all the markets in which we operate. Working with clients, partners, and suppliers, to establish standards and procedures, can bring about positive changes in areas such as traceability, environmental standards, and human rights.*

3.3.3.1. Integrate ESG into our Business Strategy

The strategy of Technip Energies is 100% focused on the energy transition, which means supporting our clients to address the challenges that the energy transition represents for their business. How do we achieve this? By leveraging both pillars of our business: Technology, Products & Services (**"TPS"**) and Project Delivery. Unlike other players in our industry, Technip Energies is uniquely positioned as an EPC contractor with proven expertise in project execution, and with its own portfolio of technologies, advisory and consulting services.

2022 key figures

- Energy transition portfolio increased x5 from €200 million to €1 billion
- More than 3,000 patents
- 2 technology centers

Technology, Products & Services

Technip Energies portfolio of proprietary technologies enables us to work on the supply side to decarbonize energy. Our engineering capabilities can be leveraged to accelerate time to market and take nascent technologies from laboratory prototypes to full scale industrialization. We are joining forces with innovative start-ups, universities, as well as established players from within and across different industries to bridge expertise and develop new solutions.

We are organized around three market-focused business lines to meet customer needs from energy source to end-use: gas and low-carbon energies; sustainable fuels, chemicals and circularity; and carbon-free solutions. Our focus on technologies means that we adopt a consistent approach across all these domains, making sure that knowledge is shared around the group. We develop ideas and processes that have worked in certain markets and look to apply them globally.

In addition, our T.EN X – Consulting & Products business line provides cross-market services to support customers at each stage of their asset life, from ultra-front-end design, through project management consultancy, to asset lifecycle excellence. Technology-driven and feedstock agnostic, we integrate complex technologies, including our own, to decarbonize the energy supply, enhance circularity and leverage digital solutions.

See more in section 2.2.1. Technologies, Products & Services.

Project Delivery

ESG considerations play an essential role in successful Project Delivery in three key areas:

- First, when we assess a project, we look at it through an energy transition lens to identify opportunities to promote our decarbonization technologies and build a proposition with the lowest environmental impact. We have a rigorous project framework, applying a very selective and risk-based assessment covering safety, security, environment and respect of human rights. By assessing all the risks at the earliest stage of a project we can propose solutions to mitigate risks to a level which is acceptable for all stakeholders involved.
- Next, we build a project team with the right competencies, skills, and experience. From the very start of the project, we formalize the execution plan, coordinate procedures and organization, and establish overall project controls. Everyone knows how to work. For project managers, it's about leadership, fostering a collaborative mindset, being flexible and agile to make sure things are happening and motivating people to outperform that makes a difference.
- And most importantly, we ensure transparent collaboration with partners. This means having a clear code of business conduct which reflects our commitment to acting ethically, lawfully, and sustainably. We collaborate with our partners and suppliers towards a sustainable supply chain to instill a culture of social responsibility as we work towards our ESG Roadmap commitments. Working together to monitor risks, establish contractual safeguards, and share information to reach solutions is a win-win approach.

See more in sections 2.1.1. Selectivity and project execution and 2.2.2. Project Delivery.

3.3.3.2. Foster Integrity

We recognize corruption and fraud are ever-present risks for global companies such as Technip Energies. We have a zero tolerance for corruption, we believe in fair competition, and we encourage our employees to speak up. To foster awareness and encourage transparent discussions, we train our management and our high-risk populations on anti-corruption and bribery.

We abide by the laws but our concept of compliance goes beyond the strict adherence to the laws and our policies and procedures, as our Values guide our decisions.

2022 key figures

- 92.5% of gatekeeper employees completed anti-bribery and corruption (ABC) training, above our 90% target;
- Review of our non-mandatory commercial intermediaries with the objective of eliminating their use by the end of 2024. In 2022, we have made progress and reduced their number by 13%.

Technip Energies' Code of Business Conduct

Technip Energies' aim of building a better tomorrow is intrinsically linked to the respect of our Values. Our Code of Business Conduct serves as a fundamental guide that must be read and followed by our directors, officers, and employees. We aspire to develop business relationships with like-minded clients, subcontractors, suppliers, and business partners who are guided by a similar set of principles of business conduct.

Our Compliance program is designed to prevent, detect and remediate violations of our Code of Business Conduct whenever they arise. We are committed to continuously improving and enhancing our Compliance program, through relevant risks assessments, data analysis, policies and procedures, and cooperation amongst key stakeholders.

Our Code of Business Conduct is available at https://www.technipenergies.com/sites/energies/files/2022-03/T.EN_CoBC_ENG_Final.pdf.

Governance

We do not compromise on integrity. Our Code of Business Conduct helps us recognize and address the ethical dimensions to our everyday decisions. The Compliance organization is part of the Legal Department, under the responsibility of the Chief Legal Officer. The Company's Chief Compliance Officer leads a dedicated team of legal and compliance professionals that provide support, advice and risk management services relating, in particular, to anti-bribery and corruption, internal investigations, trade sanctions, export controls, conflicts of interests, human rights, and data privacy. Dedicated subject matter experts and compliance counsels serving geographic roles and covering company projects ensure that the Compliance program is implemented consistently across the different businesses and geographies of the organization.

The Chief Compliance Officer reports to the Chief Legal Officer, and to the ESG Committee of the Board of Directors. The ESG Committee plays a key role in the oversight and continued development of our Compliance program to ensure that the Company operates in compliance with principles of ethical conduct and good governance.

The Chief Legal Officer reports to the Chief Executive Officer and presents to the Audit Committee all legal and compliance matters that may have a material impact on the Company.

Anti-Corruption and Anti-Bribery Compliance Controls

The Company is required to comply with numerous laws and regulations, in jurisdictions around the world where we conduct business, including countries perceived as having an increased risk of corruption. Technip Energies is, in particular, subject to the U.S. Foreign Corrupt Practices Act and French law No. 2016-1691 dated December 9, 2016 (also more commonly known as "Sapin II").

Regardless of where we operate, Technip Energies does not accept any form of corruption and prohibits all acts of corruption (including bribes, facilitation payments, kickbacks, and self-dealing) and influence peddling. We do not make or accept improper payments to obtain or retain business with those in government or the private sector, or as a reward for awarding subcontractor or supplier contracts. We are committed to complying with all international and national legislation against illegal payments, including prohibitions on facilitation payments (to expedite routine and administrative government action) except in extraordinary circumstances where the safety or security of an employee is in immediate danger.

Dedicated standards, policies, and procedures are designed to supplement the Code of Business Conduct by providing a clear and comprehensive operational framework. Such standards, policies, and procedures address in more detail the applicable bribery and corruption risks exposures, and include:

- an Anti-Bribery and Corruption Standard, which sets out our principles for strict compliance with applicable anti-bribery and corruption laws;
- a Third-Party Intermediaries and Business Partner Standard, which clarifies the requirements for the due diligence and monitoring of Third-Party Intermediaries and joint ventures/consortia partners. This Standard is designed to enable us to assess and manage bribery and corruption risks as part of our global business activities;
- a Gifts, Hospitality, and Travel Standard, which sets forth our rules related to the receipt or provision of gifts, hospitality, or travel, and establishes procedures for the approval, reporting, and accounting of such. The Gifts, Hospitality, and Travel Standard assists employees in ensuring that gifts and hospitality, whether given or received as part of a usual courtesy of business, are not and cannot be considered as bribes;
- a Social Donations, Sponsorships, and Charitable Contributions Standard which sets forth our rules related to the making of contributions to our communities to ensure contributions are not misused for improper purposes, such as to disguise illegal payments to government officials;
- a Conflicts of Interests Standard, which sets forth our rules related to the identification and disclosure by employees of actual or potential conflicts of interest that could unduly influence the performance of their duties.

These standards are supplemented by internal operating procedures and guidelines. We have several processes to monitor compliance with our rules by employees and business partners, including by embedding compliance processes into the processes run by other functions. The Internal Audit department conducts periodic, independent audits of our compliance processes to assess the effective implementation of such standards. Internal Audit reports the results of its audits to the Audit Committee of the Board and management. Such reports may include recommendations for strengthening our internal controls.

Communication and awareness

Technip Energies uses a variety of tools to engage with employees, managers and third parties, such as face-to-face and town-hall meetings, e-learning modules, dedicated intranet webpages, articles, posters, targeted emails, short videos, messages on our internal social media "Yammer" network and dedicated introductions prior to every meeting.

The Company continues to develop Microlearnings, which are e-learnings developed in-house, covering anti-bribery and corruption, trade compliance, and data privacy. A human rights module was launched in September.

Our culture of speaking-up and no retaliation policy

We encourage our employees to ask questions and report behaviors that may violate the guidelines set out in our Code of Business Conduct or in the policies and procedures that derive from it.

Various channels are available to report such concerns, and include anyone within the Company's management, the Chief Compliance Officer or anyone within the Compliance organization, any officer of the Company, HR representatives or members of the legal department.

Moreover, employees and third parties can report concerns using an independent third party via a dedicated reporting helpline (available at www.technipenergies.ethicspoint.com). The helpline allows users to submit questions or concerns securely and confidentially.

Each report of a suspected violation of our Code of Business Conduct or its underlying standards is treated seriously, and investigated following the principles of objectivity, confidentiality, thoroughness, proportionality, timeliness and professionalism. Investigators must follow internal Standards while conducting investigations to ensure investigations are closed timely and in accordance with best practices.

Technip Energies has a zero-tolerance policy on retaliation against employees for good-faith reporting of suspected violations of our Code of Business Conduct or its underlying standards, or against those who assist in investigations of suspected violations.

Reporting and remediation

Our employees are encouraged and expected to report violations or suspected violations of our Code of Business Conduct. Various channels are available, including the option to report concerns to managers, to anyone in the corporate compliance or legal department, to an employee's human resources representative, or to an independent third party via Ethics Point Helpline, a dedicated reporting helpline and website. We have a zero-tolerance policy on retaliation against employees for reporting suspected violations of our policies or Code of Business Conduct or for cooperating with an investigation. We encourage employees and others to raise questions and concerns to ensure that we are leading by example.

Other compliance requirements

Technip Energies will seek to identify at the outset regulatory and compliance requirements, related to procurement, supply, and construction, whether of a national or supranational nature (e.g. European regulations). It will then develop a plan to ensure project development and implementation in order to maintain effective regulatory compliance management processes and deliver the work in compliance with applicable statutory requirements. The Company's operations and construction activities are governed by international, regional, transnational, and national laws and regulations in each jurisdiction in which the Company operates relating to matters such as environmental protection, health and safety, labor and employment, import/export controls, currency exchange, bribery and corruption, professional and operational licensing, and taxation. These laws and regulations are complex, frequently change, and have become increasingly stringent over time. In the event the scope of these laws and regulations expands in the future, the incremental cost of compliance could adversely impact the Company's financial condition, results of operations, or cash flows. Examples of government laws and regulations that may have a material effect on the Company's business include Export Controls and Trade Sanctions Regulations. The Company is subject to export controls and trade and economic sanctions laws and regulations, including those administered by the United Nations, the European Union and, as applicable the U.S. Department of Commerce's Bureau of Industry and Security, the U.S. Department of the Treasury's Office of Foreign Assets Control, the U.S. Department of State and other governmental bodies having jurisdictions over the operations. These statutes may prohibit or restrict the Company's ability to, directly or indirectly, conduct activities or dealings in countries or territories or with persons that are the target of trade sanctions-related prohibitions and restrictions. See also section 4.3.4.2. Existing or future laws and regulations relating to greenhouse gas emissions and climate change and the environment may adversely affect our business for a description of environmental laws affecting the Group's operations.

The Company has implemented internal controls designed to minimize and detect potential violations of laws and regulations in a timely manner, but it can provide no assurance that such policies and procedures will be followed at all times or will effectively detect and prevent violations of the applicable laws by one or more of its employees, consultants, agents, or partners.

3.3.3.3. Partner towards a sustainable supply chain

To achieve a more sustainable supply chain means collaborating with partners, to assess and identify risks, to negotiate and implement sustainable solutions. A more sustainable supply chain seeks to reduce and eliminate external environmental and social costs which are often excluded in price negotiations. The goal is to encourage more responsible behavior within our supply chain, in line with our ESG Scorecard.

2022 key figures

- 60% progress in integrating ESG criteria into supplier and subcontractor qualification
- Human Rights reviews completed for selected suppliers and subcontractors

Sustainable procurement

Effective supply chain management is a major contributor to Technip Energies' success in project execution. At Global Sourcing & Procurement, we collaborate with our suppliers to instill the culture of ESG and deliver the associated roadmap unveiled in 2022.

Two ESG targets have been set for our supply chain:

- Supplier qualification integrates ESG criteria. Beyond the traditional focus on technical and financial aspects, we will consider Environmental, Social and Governance factors systematically in supply chain qualification process. Criteria, such as the assessment of GHG emission, human rights due diligence and business integrity, will form a critical part.

  During the course of 2022, efforts have been deployed from both internal and external perspectives. Internally, supplier ESG questionnaire and working procedure have been prepared in lockstep with a variety of internal stakeholders, ranging from Compliance to HSE. Externally, a communication campaign, aiming to have a better grasp of our supply chain's ESG maturity, with a prime focus on the environmental aspect, was launched in Q2 2022. About 70 suppliers across the globe were contacted and with nearly half of which we had a dialogue to exchange ESG ambitions and roadmap. Such dialogues promote our commitment to ESG and pave the way for the deployment of ESG qualification which is scheduled to kick start in 2023.

  Looking ahead, ESG criteria will be incorporated as part of the supplier qualification process in 2023.
- Key suppliers monitored and audited on ESG performance. To ensure compliance, suppliers' commitment to ESG will be monitored and verified. Dedicated process and methodology will be defined in 2023 and the implementation is expected to start in the first quarter of 2024.

Building a sustainable subcontracting chain

At Global Construction, we partner with our subcontractors in charge of the execution of the works on construction sites for our EPC projects, aiming at building a responsible and sustainable global subcontracting chain.

Three ESG targets have been set up to achieve this ambition:

- integrate Technip Energies ESG criteria into our prequalification process. To ensure that we select and qualify for projects subcontractors that match our ESG requirements and vision. In 2021, we began the development of a new prequalification application ("QualifyMe" apps), integrating in the main digital questionnaire all the new defined ESG criteria, and generating automated ESG reports and scoring, to support the decision-making at an early stage (bidder list constitution). The development was completed at the end of 2022 and full-scale deployment (go live) is scheduled in Q1 2023, as per initial plan.
- monitor and audit in the field our subcontractors' ESG performance. A specific work process will be defined and set up in 2023, aiming at defining and monitoring key ESG KPI's as well as auditing at job site our subcontractors during project execution lifespan. Progressive deployment and implementation of our new monitoring and auditing work process will start early 2024, reaching steady-state by Q4 2024.
- establish an ESG council to continuously improve subcontractors' ESG performance. This ESG council aims to become the think tank for our ESG innovation and implementation. This ESG council will work for the benefit of the complete subcontractor chain, enhancing ultimately the overall ESG performance. This council will be articulated around three main pillars: collecting feedback, sharing best practice and innovation, and standardizing best ESG-proven solutions. The implementation of the ESG council is planned for 2023 with a launch in 2024.

Human rights due diligence

Protecting Human Rights lays the foundations for a more sustainable supply chain and is a fundamental Value for Technip Energies. Our goal is to put in place standards and processes to identify, prevent, and address Human Rights risks. The complexities of global supply chains highlight the importance of working hand in hand with all stakeholders involved in the sector.

Our Code of Business Conduct, which reflects our commitment to acting ethically and lawfully, recognizes human rights. We do not tolerate any form of modern slavery, child, forced, indentured, or involuntary labor, regardless of where we conduct business. It is our policy that our Code of Business Conduct be shared and discussed with our clients, suppliers, and business partners to better explain our rules of conduct and reinforce our culture of accountability. We aim to develop business relationships with like-minded subcontractors, suppliers, and business partners who are guided by a similar set of principles of business conduct and aspire to only do business with counterparties who respect human rights and uphold labor laws.

The Company endeavors to ensure compliance with human rights within the scope of its operations and in accordance with the following international human rights regulations and principles:

- the United Nations Guiding Principles on Business and Human Rights;
- the 1948 Universal Declaration of Human Rights; and
- the International Labor Organization's Fundamental Conventions.

Human rights principles at Technip Energies encompass a broad range of topics, from prohibiting any form of child labor, forced labor or modern slavery; prohibiting discrimination in all forms; creating a working environment free from any form of harassment or violence; ensuring fair working conditions; maintaining a safe, healthy and secure workplace; ensuring ethical recruitment; respecting freedom of association and collective bargaining and grievance mechanisms. The protection of human rights principles involves many aspects of our operations and is a topic handled by different functions and departments working together to develop and implement effective processes to foster a better working environment for our employees and our subcontractors.

We have defined our overall policy by engaging with external and internal stakeholders to embed respect for human rights in our operations and business relationships and promote the protection of human rights for our employees in the workplace and across our supply chain as a foundational business practice. We have developed a Human Rights Standard, supplemented by dedicated processes, which collectively set forth recognized human rights and worker welfare principles to ensure our operations are executed in compliance with these standards and to ensure everyone with whom we work is treated with respect and dignity.

Risk assessment and mitigation

Identifying and mapping the risks related to human rights in our operations enables us to put in place appropriate mitigation measures. We follow a risk-based approach to assess where our operations face the highest risks from a Human Rights perspective and define mitigation measures to address the risks related to worker welfare. Subcontractors and suppliers may be subject to human rights due diligence to understand potential areas of concern and define specific actions to mitigate the concerns before the execution of work. It allows us to discuss and align standards and processes with suppliers and subcontractors involved during the tendering phase of a project and before the signature of a contract.

In addition, we are working on developing processes to evaluate the implementation of human rights and workers welfare requirements by our subcontractors during the execution of the work. In some instances, a set of human rights KPIs aimed at monitoring the human rights performance of the subcontractors during operations has been developed and integrated to the contractual requirements. Also, we continue to assess how our company-wide monitoring processes could be reinforced in this area.

Collaboration

We are convinced that Human Rights are not the responsibility of one company, but of many companies working together to make a difference. This is why we endeavor to discuss and align with all stakeholders from the earliest phase of tendering. As members of the Steering Committee of Building Responsibly, an association of leading companies that promote human rights and worker welfare in engineering and construction, we are closely involved in the definition of standards and development of tools associated with the Building Responsibly Worker Welfare Principles to support the industry supply chain. Technip Energies is also a member of the United Nations Global Compact.

By speaking with the same voice and establishing agreed standards to prohibit any form of forced labor, discrimination, and harassment, while promoting ethical recruitment practices, and a safe working environment, we can have greater influence with our stakeholders.

Social Accountability – SA8000 Certification

Technip Energies Italy is certified to the SA8000 Standard to manifest its commitment to protecting human rights in the workplace. The SA8000 Standard is the leading social certification, based on the Universal Declaration of Human Rights and International Labor Organization (ILO) conventions. Since 2011, Technip Energies Italy is audited on a quarterly basis by an external and independent third party approved by Social Accountability International (SAI).

"My role is to ensure that we act in compliance with the SA8000 certification. This means raising the bar on the social aspects of EPC project management in the same way that HSE has been raised in the past. It is reflected in our Purpose, our Values and our ESG Roadmap, and it can be a differentiator in the industry. Our project managers and directors are convinced. Results have shown that improvements in worker welfare can lead to improved safety and higher productivity." **Sabina Lezziroli, Sustainable Development Manager.**

In addition to the HSE team, we put a social team in place for each EPC and EPCm project managed by Rome operating center. Their job is to work with stakeholders to assess the specific welfare issues of each project and to implement actions to address the needs of the workforce. Raising awareness, establishing a grievance mechanism, and facilitating dialogue are important aspects of their role.

Two projects in Egypt managed by our Rome operating center demonstrate the progress that is being made to protect human rights and promote worker welfare.

Midor Refinery Expansion Project

- Contract: EPC Refinery Expansion
- Client: Egypt's state-owned Middle East Oil Refinery (MIDOR)
- Location: Alexandria, Egypt
- Description: Increase overall production capacity of the facility. Construction completion and start-up of first utility production unit in Q3 2022.
  - 8,000 workers on site, 12,000 at peak construction
  - 85% local workforce (versus 60% target)
  - 5% women
  - Control system installed to monitor site access
  - Social toolbox and grievance mechanism
  - Walkthroughs during site inspections in which we verify the workers' level of knowledge about their rights and their satisfaction with the welfare facilities or if they have any issue to raise; moreover an open door policy is in place to directly receive in office any request of clarification or complaint and explain rights and duties of workers/employees.

Assiut Oil Refinery Expansion and Upgrade Project

- Contract: EPC contract for Mazut Hydrocracking Complex
- Client: Assiut National Oil Processing Company (ANOPC) and state-owned oil company ENPPI
- Location: Assiut, Upper Egypt
- Description: Construction phase started early 2022
  - 6,500 workers on site, 8,000 at peak construction
  - 45% local workers (versus 30% target)
  - Grievance mechanism
  - 2 social rooms: since the employees are located in a camp and the site is far from leisure facilities in the area, we installed rooms dedicated to social interaction between colleagues, including Arabic and Italian lessons, to engage employees and promote the well-being and inclusion when far from home.

Teaching workers about their rights and duties, treating them fairly and with respect, bringing their grievances to the attention of management and solving them, demonstrates to workers that we take care of people, and it provides them with a sense of belonging. It also has a positive result in terms of overall safety.

Going forward, we will share these initiatives and transfer the knowledge gained from our experience on these projects to other operating centers.

3.4. MATERIALITY AND UN SDGS

3.4.1. METHODOLOGY

On January 28, 2021, during our Capital Markets Day event, we announced that we would be conducting an in-depth and collaborative exercise in 2021 to define Technip Energies' ESG Roadmap and the associated scorecard that would support our ESG strategy. This exercise, which has been led by a dedicated team, started with a materiality assessment, included all our stakeholders and allowed us to define our roadmap that was revealed on March 3, 2022.

The ESG materiality assessment was conducted from May 2021 to July 2021 by our project team with the assistance of a specialized outside consultant. Internally, approximately 5,800 employees (38%) from 38 countries participated in a company-wide survey. 28 interview sessions were held with Board members, Executive Committee members, business leaders and union representatives. Externally, we conducted a survey and interviews with approximately 110 participants, including clients, investors, suppliers, subcontractors, non-governmental organizations, journalists and professional organizations.

The materiality assessment and the resulting matrix are unchanged in 2022. However, the ESG Roadmap and Scorecard have been modified to focus on issues of high importance to stakeholders where Technip Energies can make a strong business impact.

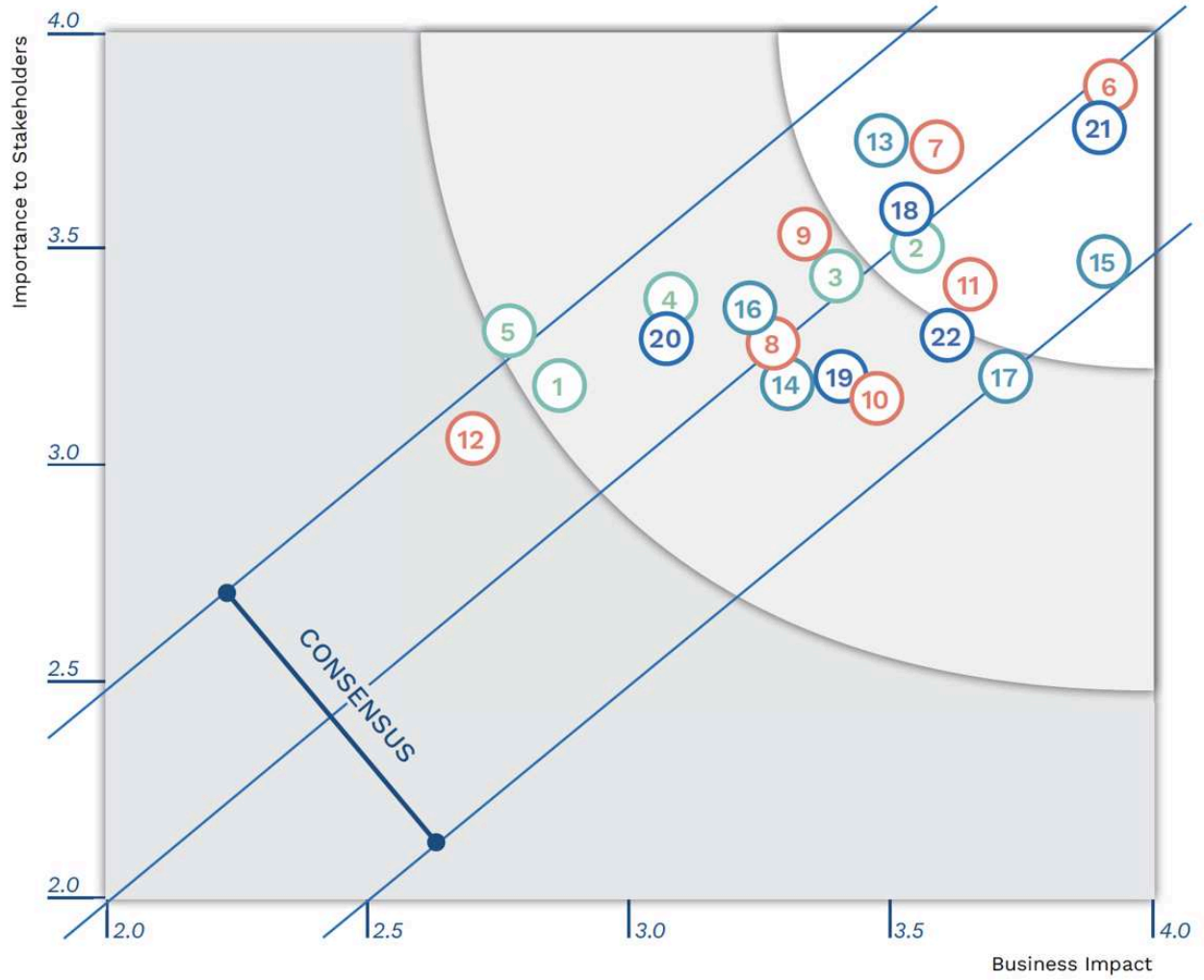
3.4.2. MATERIALITY MATRIX

The ESG materiality matrix (see figure below) identifies our 12 ESG priority topics and our main sustainability challenges for the coming years.

These are:

1. Safety and security of teams;
2. Human rights;
3. Safety and quality of our solutions;
4. Business ethics;
5. Environmental footprint of projects through eco-design;
6. Climate change mitigation and adaptation;
7. Employee well-being and health;
8. Skills development and talent management;
9. Diversity and inclusion;
10. Low to zero-carbon solutions through innovation and digitalization;
11. Responsible and sustainable supply chain; and
12. ESG criteria in corporate governance and decision making.

Technip Energies ESG materiality matrix



Environment

1. Impact of our own facilities on their direct environment
2. Environmental footprint of projects
3. Climate change mitigation & adaptation
4. Sustainable use of resources
5. Protection of biodiversity

People & Communities

6. Safety & security of teams
7. Human Rights
8. Employee engagement & social dialogue
9. Employee well-being & health
10. Skills development & talent management
11. Diversity & equal opportunities
12. Community engagement

Solutions & Services to support energy transition & Sustainability

13. Safety & quality of our solutions
14. Integration of ecofriendly design in our solutions
15. Low to zero-carbon technologies & solutions
16. Responsible & sustainable supply chain
17. Innovative solutions, cutting-edge technologies & digitalization

Governance & Business model

18. Corporate governance & transparency
19. Dissemination of an ESG culture
20. Stakeholder relationships & dialogue
21. Business ethics
22. Integration of ESG criteria in the corporate decisions

3.4.3. UN SDGS

The United Nations Sustainable Development Goals ("**UN SDGs**") are a set of 17 global goals to help create a sustainable future for all. They represent an interconnected action plan for the planet and society to achieve by 2030.

At Technip Energies, we are taking actions and contributing to the global goals. In 2022, we mapped our alignment with the SDGs to determine where our business most aligned with and contributed to supporting the goals. Our process of identification and prioritization of the main SDGs for Technip Energies is based on our sustainability materiality analysis. In 2021, we have engaged with our internal and external stakeholders to assess the impact of our business through our entire value chain. As a result, we established our ESG Scorecard and Roadmap which represent our commitments and targets and we identified 12 priority SDGs as the goals we most significantly contribute to.

UN SDGs	Technip Energies' contribution
	Our employees are our most important asset, they constitute our key to success as a company. Therefore, our approach is preventive and holistic for our employees well-being. We continue to put in place measures and tools to improve our employees' well-being, health and safety. We also defined targets: in 2022, we set a goal of zero fatality within our company's operations, and a yearly threshold of total recordable incident rate ("**TRIR**") at 0.10, both including employees and subcontractors. See more information in the section 3.3.2.1. Safeguard people and reinforce well-being.
	The development of our employees is critical to Technip Energies' success. We invest in our employees development, across all functions and career paths. This is essential for Technip Energies to continue to win and grow leading positions and expertise to meet the energy transition challenges. T.EN University will be launched in 2023. It will be structured around 6 main domains: Technology, Project Management, Digital, Commercial, Management & Leadership and Culture. For the 2023-2025 period, the global Learning & Development budget will be increased and we have set in our ESG Roadmap a target of 40 hours of learning per year, on average, by employee by 2025. As a part of our efforts to raise knowledge about energy transition for young talent, we will also launch an International Graduate Program dedicated to energy transition in 2023. See more information in the section 3.3.2.2. Attract and grow talents.
	In order to promote diversity amongst all our operations around the world, we are implementing local diversity action plans in our main countries. We have ambitious targets within our ESG Scorecard to ensure diversity is within our Board, Executive Committee, leadership positions and in Technip Energies globally. In 2022, we hired 51.7% of women in graduate intake and we achieved 18% of women in leadership positions. Technip Energies is making sure that gender pay equity is effective within the Company. See more information in the section 3.3.2.3. Advance an inclusive culture.
	Technip Energies intends to improve the sustainable use of water. Therefore, as part of our ESG Scorecard, we have a target to source 50% of our water consumption from reused sources by 2025. In 2022, we achieved 19% of water from reused sources in our projects and operations. See more information in the section 3.3.1.2 Enhance circularity and protect biodiversity.
	We are investing in carbon-free solutions, and especially in floating offshore wind, to contribute to increasing the share of renewables in the global energy mix. We are also very active in CO_2 management, and especially in carbon capture and storage ("**CCS**"). In addition, we also continue to improve energy efficiency of our buildings, reduce our energy consumption and maximize the use of renewables. See more information in the sections 3.1.5. A Focus on CO_2 Management and 3.3.1.1. Decarbonize the future.
	We are a People company. Every employee and every person who works for us can have a meaningful contribution. We aim to develop a workplace where contributions from all are recognized, where people can continuously develop their skills and are fairly rewarded and associated to the company's performance. One of our Values is "We actively listen". In November 2022, we have launched "My Voice", our first global employee engagement survey to which 71% of our employees have participated. See more information in the sections 3.2.3. Stakeholder Engagement and 3.3.2.2. Attract and grow talents.
	Since Technip Energies' activities are focused on energy transition, innovation is a must-have to accelerate the world transition to a less carbon-reliant economy. We are making sustainable changes to the way we operate, broaden opportunities, and support new business models. We are focusing our R&D on the low-carbon solutions and establishing technology pathways for our clients to achieve their net zero ambitions. See more information in the sections 3.1.5. A Focus on CO_2 Management, 3.3.1.1. Decarbonize the future and 3.3.1.3 Accelerate innovation and digitalization.

UN SDGs	Technip Energies' contribution
	We aim to reduce inequalities in communities where we operate through our volunteering program. We always foster and encourage participation of employees. In 2022, 2,770 volunteers participated in initiatives organized by Technip Energies for the benefit of more than 420,000 people in the local communities where we operate. See more information in the section 3.3.2.4. Contribute to local development.
	Technip Energies continues to focus on waste valorization, which means reusing, recycling, composting, and recovering waste from our operations. In 2022, we gave economic value to 87% of waste generated in our sites through recycling and reuse. Technip Energies has joined Act4nature International in September 2022 to reinforce its action towards conservation of nature and biodiversity. See more information in the section 3.3.1.2 Enhance circularity and protect biodiversity.
	Our new climate targets cover the entire value chain (scopes 1, 2 & 3). We aim to become net zero scopes 1 & 2 by 2030 and net zero scope 3 by 2050. We also aim to help our clients reduce their greenhouse gas emissions at their operation sites, thanks to our low-carbon solutions including carbon capture and storage. See more information in the sections 3.1.5. A Focus on CO_2 Management and 3.3.1.1. Decarbonize the future.
	As per our Code of Business Conduct, we have a zero tolerance for corruption, we believe in fair competition, we reject any form of human slavery, we protect personal data and human rights, we encourage our employees to speak up. To reinforce our anti-bribery and anti-competitive practices, we are reducing our non-mandatory commercial intermediaries, with the aim to eliminate all of them by 2025. See more information in the section 3.3.3.2. Foster Integrity.
	We continue to partner with various companies in our ecosystem in order to achieve our mutual goals. Examples of partnerships signed or strengthened in 2022: ■ With Shell Catalysts & Technologies to address the growing Carbon Capture and Storage demand; ■ With Greenko Group to explore Green Hydrogen project opportunities in India; ■ With Equinor to accelerate Floating Offshore Wind development. See more information in the section 3.1.6. Join forces and bridge expertise across industries.

3.5. ESG RISKS AND OPPORTUNITIES

3.5.1. ESG RISK MANAGEMENT

ESG-related risks

ESG risks are social, environmental, and governance variables that could affect a company's financial position or operating performance. For Technip Energies, ESG risks include those related to climate change, environmental protection, working and safety conditions, respect for human rights, anti-bribery and corruption practices, and compliance with relevant laws and regulations.

Our process to identify, assess and manage our risks, threats and opportunities is described in the sections 4.1. Risk Management overview and 4.2. Enterprise Risk Management framework where we have listed the main risks associated to the ownership of Technip Energies' shares: strategic risks, operational risks, financial risks, legal and regulatory risks, taxation risk, and ownership of Technip Energies shares. See more in section 4.3. Risks to which we are subject. The ESG-related risks are integrated in the three main risks below:

- Strategic risks;
- Operational risks; and
- Legal and regulatory risks.

Climate change-related risks

Risks related to climate change have a significant impact on the Company's activities and that of our clients throughout the entire value chain.

Climate change and the energy transition have and will have an impact on the Company's services and solutions provided to clients. Therefore, the identification and management of risks related to climate change and actions to seize opportunities are key for Technip Energies. Some climate-related risks are already captured by our company's Enterprise Risk Management ("**ERM**"), which implements risk identification and assessment both at global level (i.e. Group and operating centers) and at operational level (i.e. projects for our clients). Current processes enable the identification of climatic events that could impact the achievement of business objectives, strategies, and measures to address them.

For more details on our risk management system, see section 4.2. Enterprise Risk Management framework.

In addition, this year, a high-level analysis has been performed to establish an exhaustive climate-related risk universe for Technip Energies. We ensured alignment of identified risks with the Task Force on Climate-Related Financial Disclosures ("**TCFD**") and Carbon Disclosure Project ("**CDP**") risks categories and subcategories (defined as "Primary climate-related risk drivers"). These risks can be found in the table below. The analysis was based on interviews with key internal stakeholders, a desktop review of existing external and internal documentation related to climate change and its associated impacts as well as a benchmark of common and best practices in the energy and oil and gas sectors.

Through the interviews of key internal stakeholders and the business strategy, risks at short-, medium- and long-term horizons were captured. However, time horizons have not been fully integrated in our ESG risk assessment yet; this is work in progress and will be disclosed in the coming years. Technip Energies, as a solution developer for several major energy companies in the world, needs to consider climate-related issues throughout its entire value chain to be able to respond to the technological innovations linked to the energy transition and climate change. The part of the value chain (upstream, own operations, downstream) impacted by each risk is described in the table below.

Identifying physical climate risks

Regarding physical climate risks, in 2022, Technip Energies carried out a study, based on the 6th Intergovernmental Panel on Climate Change ("**IPCC**") report published in August 2021, to assess the risks of climate change for our employees, customers, and assets. The study ranks the countries where we operate according to their exposure to four specific risk factors: flooding, coastal submersion, heat stress and tropical cyclone. The aim is to provide information to site teams to conduct more local investigations, bearing in mind that different regions within a country may be affected differently.

The risk rating analysis will continue to be developed in 2023 to support our projects and sites to identify and implement adaptation solutions within their respective HSES and risk management plans as early as possible in projects life cycle.

3.5.2. ESG RISKS AND OPPORTUNITIES

The tables below provide a summary of Technip Energies ESG-related risks and opportunities. For more details on the Company's risks and how they are managed, see section 4.3. Risks to which we are subject.

Table 1 - ESG-related Risks

Topic	Risk Type	Main Technip Energies Risks	Risk Impact Driver	Risk Description	Where in the value chain the risk driver occurs
Climate	Transition risk: Emerging and current regulation	Legal and regulatory risks	Mandates on and regulations of existing products and services	Existing or future laws and regulations relating to GHG emissions and climate change, such as the EU Taxonomy regulation, may adversely affect our business. See the details in 4.3.4.2.	Direct operations, Downstream
Climate	Transition risk: Technology	Strategic risks	Substitution of existing products and services with lower emissions options	Inability to develop a sufficiently adequate technological innovation position for the business associated with energy transition. See the details in 4.3.1.1. and 4.3.1.2.	Direct operations
Climate	Transition risk: Legal	Operational risks	Exposure to litigation	Our operations require us to comply with numerous regulations, violations of which could have a material adverse effect on our financial condition, results of operations, or cash flows. See the details in 4.3.2.7.	Direct operations, Downstream
Climate	Transition risk: Market	Strategic risks	Uncertainty in market signals	Trends in the energy markets and changes in demand for certain products and services are directly affecting our business, such as: ■ Oil and gas demand and prices ■ Renewable energy profitability ■ CO_2 storage and hydrogen demand ■ Ability to access capital/financing See the details in 4.3.1.2., 4.3.1.4., and 4.3.1.5.	Downstream
Climate	Transition risk: Market	Operational risks	Price volatility and reduced material availability	The low-carbon transition could lead to increased prices as companies providing raw materials (clays, rock, sands) and processed materials (cement, concrete, metals) are also committed to climate trajectories. Indeed, their investments to reduce their carbon footprint and their willingness to develop "green" offers can lead to cost increases for their clients, including Technip Energies. See the details in 4.3.2.1.	Upstream, Direct operations
Climate	Transition risk: Reputation	Strategic & Operational risks	Stigmatization of oil & gas sector and increased stakeholder concern or negative stakeholder feedback	Our activity continues to focus to a very large extent on oil and gas sector, an emissive sector that can be stigmatized. This could affect: ■ Talent attraction and retention (difficulties in recruiting certain expert profiles in energy transition and low-carbon solutions) ■ Investors' perception of oil, gas and renewables investments ■ Negative public opinion, demonstrations See the details in 4.3.1.2. and 4.3.2.5.	Direct operations

Topic	Risk Type	Main Technip Energies Risks	Risk Impact Driver	Risk Description	Where in the value chain the risk driver occurs
Climate	Physical Risk: Acute	Strategic, Operational, & legal and regulatory risks	Increased severity of extreme weather events such as: ■ Cyclone, hurricane, typhoon ■ Flood (coastal, fluvial, pluvial, groundwater) ■ Heat wave ■ Heavy precipitation (rain, hail, snow/ice)	Increased severity of extreme weather events could impact Technip Energies in several ways: ■ Delays and costs on construction projects due to disruption on the site and in the supply chain, ■ Health and safety of employees and potential liabilities arising from these events, ■ Contract margins (unforeseen additional costs due to disruption in supply chain, additional costs to implement climate-resilient design and construction). See the details in 4.3.1.3., 4.3.2.2., 4.3.2.3. and 4.3.4.4.	Upstream, Direct operations, Downstream
Climate	Physical risk: Chronic	Strategic, Operational, & legal and regulatory risks	■ Changing precipitation patterns and types (rain, hail, snow/ice) ■ Temperature variability ■ Precipitation and/or hydrological variability ■ Water scarcity	Chronic changes (such as temperatures and precipitations) could impact Technip Energies in several ways: ■ Health and safety of employees with adverse working conditions, ■ Contract margins (additional costs to ensure efficiency and performance of the plant designed in evolving climate conditions). See the details in 4.3.1.3., 4.3.2.2., 4.3.2.3. and 4.3.4.4.	Upstream, Direct operations, Downstream
Environmental	Biodiversity	Legal and regulatory risks	Biodiversity loss, nature deteriorating worldwide, water scarcity	Without proper assessment, mitigation and prevention measures, the natural habitats of flora and fauna could be negatively impacted by our projects. See the details in 4.3.4.2.	Direct operations
Social	Employees	Operational risks	■ Highly dynamic labor market and instability ■ Need of specialized skills and experience in the workforce ■ Specific growing need of Green skills across the industries ■ Inflation and increase of wage rates	We may be unable to employ and retain a sufficient number of skilled and qualified workers. See the details in 4.3.2.5.	Direct operations
Social	Safety	Operational & Legal and regulatory risks	Serious or fatal employee injury or illness ■ Loss of, or impact to, employees ■ Loss of productivity ■ Property damage ■ Reputational impact ■ Clients' confidence ■ Fines	Our ability to ensure the safety, health and well-being of our people. See the details in 4.3.2.7. and 4.3.4.4.	Direct operations

Topic	Risk Type	Main Technip Energies Risks	Risk Impact Driver	Risk Description	Where in the value chain the risk driver occurs
Social	Supply Chain and Human Rights	Operational risks	Supply chain disruption due to increase of climate-related risks as well as the evolution of international trade and market barriers ■ Delays in production and delivery, incurring important costs ■ Impact on clients experience if delays are too long Violations of human rights and fundamental freedoms ■ Reputation and brand image ■ Legal impact ■ Health & well-being impact for our employees, suppliers and sub-contractors	We face risks relating to our reliance on subcontractors, suppliers, joint venture and consortium partners and our operations require us to comply with numerous regulations, violations of which could have a material adverse effect on our financial condition, results of operations, or cash flows. We can operate in regions where the risk of human rights, such as forced and compulsory labor, work conditions, and discrimination are high, and we need to invest financial and managerial resources to ensure the human rights for all the workers in all projects and operations. See the details in 4.3.2.4. and 4.3.2.7.	Upstream
Governance	Ethics and Compliance	Operational risks	Our international operations are subject to anti-corruption laws and regulations	As a result of doing business in foreign countries, including through partners and agents, we are exposed to a risk of violating anti-corruption laws and sanctions regulations. We may be exposed to the risk of damage to our image and reputation due to non-ethical business behavior. See the details in 4.3.2.7.	Upstream, Direct operations
Governance	Cybersecurity	Operational risks	■ Dependency on information technology (“**IT**”) systems ■ Risk of cyber-attacks	A failure of our IT infrastructure, including as a result of cyber-attacks, could adversely impact our business and results of operations. See the details in 4.3.2.6.	Direct operations

Table 2 - ESG-related Opportunities

Topic	Opportunity Type	Opportunity Impact Driver	Opportunity Description	Where in the value chain the opportunity driver occurs
Climate	Products and services	Development and/or expansion of low-emission goods and services & shift in consumer preferences	Technip Energies has placed the challenges of energy transition at the heart of its strategy, orienting its new organization and businesses towards sustainable and low-carbon solutions. Increased demand for sustainable and low-carbon solutions are expected from "historical" clients engaging in their energy transition journey and also from new clients. Energy transition opportunities, excluding LNG, which are accelerating with a near doubling of the commercial pipeline since the start of 2022. See more in section 2.3.1.	Direct operations, Downstream
Climate	Products and services	Development of new products or services through R&D and innovation	Technip Energies' investments in R&D related to low-carbon solutions is key to ensure that reliable solutions to the energy transition are provided to its clients. Through its investments to improve the resilience of materials used and of products designed, Technip Energies also intends to continue to provide resilient technologies, products and services to climate change.	Direct operations
Climate	Products and services	Ability to diversify business activities	Through its new organization towards sustainable and low-carbon solutions, Technip Energy identifies the opportunity to reach a wider range of clients, and therefore to depend less on a minority of major clients.	Direct operations
Climate	Markets	Access to new markets	Global agenda to mitigate impacts of climate change has taken center stage and Technip Energies has the opportunity to reach new markets related to the energy transition and the climate by two means: through its traditional markets (such as liquefied natural gas, downstream and offshore) which are themselves evolving towards lower carbon solutions, and through high-growth new markets (such as hydrogen, sustainable chemistry and CO_2 management).	Direct operations, Downstream
Climate	Resilience	Participation in renewable energy programs and adoption of energy-efficiency measures	Technip Energies is expanding its technologies and process portfolio to carbon-free energy chains including "green hydrogen" produced from renewable energy. See the markets we have been focusing on and partnerships we have developed during 2022 in the section 1.5. Our Markets - from traditional to emerging.	Direct operations
Climate	Resource efficiency	Move to more efficient buildings	The Company's ambition to play a decisive role in the energy transition can be illustrated with its actions on its own buildings and facilities. The move to more efficient buildings is an opportunity for Technip Energies to show design, construction and composition approach of buildings that fits with the Company's energy transition positioning and commitments in terms of carbon footprint reduction. The best example is the new headquarter inaugurated in 2021 in Paris-La Défense area that illustrates well the Company's intentions in terms of energy transition.	Direct operations
Climate	Energy source	Use of lower-emission sources of energy & Use of new technologies	With more than 80 buildings including offices and industrial sites, and many construction sites all around the world where our engineering, project management and construction activities are developed, the use of lower-emission sources of energy is an opportunity to demonstrate our strategy on energy transition, and, in a more concrete way, to reduce certain costs and risks related to energy supply. Our ESG Roadmap (section 3.1.2.) includes targets related to scope 1, 2, 3 and avoided emissions. See more details in 3.3.1.1.	Direct operations

Topic	Opportunity Type	Opportunity Impact Driver	Opportunity Description	Where in the value chain the opportunity driver occurs
Environment	Circular economy	Provide a recycling technology for each of Technip Energies' polymer technologies and minimize environmental impact	As one of the world's major providers of proprietary technologies and services in the field of plastics producing plants, ranging from polyesters, polyamides to polyolefins, we are now using our expertise to provide plastic recycling solutions. Our aim is to provide a recycling technology for each of Technip Energies' polymer technologies. See more in the section 1.5.2. Sustainable Fuels, Chemicals and Circularity.	Direct operations, Upstream, Downstream
Environment	Protection of the biodiversity	Join Act4nature International to reinforce its action towards conservation of nature and biodiversity	As part of joining Act4nature International, Technip Energies individually committed to: ■ Integrate biodiversity into its global strategy and activities ■ Not participate in any new projects inside International Union for Conservation of Nature (IUCN) most sensitive areas ■ Report the exposure of Technip Energies sites to biodiversity risk and adapt its management practices.	Direct operations
Social	People development	Make Technip Energies Employer Brand recognized and attractive	We are working in our employer branding strategy in order to attract talent, engage people and reduce employee turnover. See more in section 3.3.2.2.	Direct operations
Social	People development	Empower, upskill and reskill our workforce to unleash potential and sustain employability	Our aim is to enable our people to build knowledge that matches business needs and enhance learning mindset. See more in section 3.3.2.2.	Direct operations
Social	People development	Advance an inclusive culture	Our ambitions to foster an inclusive and caring environment have been reflected in 2022 by our continuous efforts to keep Diversity and Inclusion (D&I) agenda a business priority like any other. To progress an inclusive culture, we focus on several axes: bring tangible results on gender representation at all levels of the organization establishing a robust governance to drive results, increase leadership awareness on barriers of inclusion in the workplace and their visible accountability and listen actively to our employees' voices. See more in 3.3.2.3.	Direct operations

3.6. IMPACT BOOK

In line with our ESG Roadmap, we are committed to strengthening our ESG accountability and report on progress. In addition to the results presented below, this chapter has been audited and is aligned with EU Taxonomy and international frameworks (TCFD, SASB, and GRI Standards).

Investors and other stakeholders are looking beyond traditional metrics to consider profitability that is sustainable over the long term. Being able to demonstrate progress on ESG measures is an important differentiator and source of pride.

3.6.1. DEFINITIONS AND METHODOLOGIES

ESG Scorecard definitions

Our ESG scorecard is both a framework and a commitment. It is the way, we translate our ambitions into specific objectives and targets. In the table below we describe the main terminologies used in the ESG scorecard and how we calculate the respective targets.

Terminology	Definition
Climate & Environment	
Scope 1: Technip Energies' direct GHG emissions	Direct GHG emissions occur from sources that are owned, or long-term rented, according to IFRS 16 regulation, by the company. Activity data and emissions include on-site stationary combustion of fossil fuel burning equipment (e.g. heating boilers) or process-based emissions (e.g. backup electricity generators). Also included, are refrigerants for heating, ventilation, and air conditioning purposes, and emissions from service vehicles for our own operations (owned and leased).
Scope 2: Technip Energies' indirect GHG emissions	Scope 2 accounts for GHG emissions consumed by the company in its owned or long-term rented assets. It comprises emissions associated with the consumption of purchased or acquired electricity, heating and cooling. Activity data and emissions include the purchase of electrical power, heat and/or cooling from the utility local district network.
Scope 3: Technip Energies' other indirect GHG emissions	Scope 3 emissions are a consequence of the activities of the company but occur from sources not owned by the company. Some examples of scope 3 activities are extraction and production of purchased materials; transportation; and use of sold products and services. Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions. Scope 3 emissions are divided into 15 different categories, such as purchased goods and services (category 1), the use of sold products (category 11, not reported this year), and the end-of-life treatment of sold products (category 12, not reported this year). Please see below scheme - Overview of life cycle stages for typical onshore/offshore EPC projects - which provides a clear split between scope 3 upstream and scope 3 downstream.
Net zero emissions	The reporting company reaches a state of net zero emissions when (a) reducing its scope 1, 2 and 3 emissions to zero or to a residual level that is consistent with reaching net zero emissions at the global or sector level in eligible 1.5°C scenarios or sector pathways and; (b) neutralizing any residual emissions at the net zero target date and any GHG emissions released into the atmosphere thereafter.
Technip Energies' avoided GHG emissions	Avoided GHG emissions are direct or indirect GHG emissions reductions or removals or sequestration that occur outside of Technip Energies services or project's life cycle or value chain, but as a result of the use of that sold service or project. The point of view is that of the clients, comparing two situations: with the solutions sold by Technip Energies, and without the solutions sold by Technip Energies (corresponding to the reference scenario or baseline, e.g. without carbon capture units).
Carbon footprint	The total amount of greenhouse gases expressed in metric tonnes of CO_2 equivalent listed in the GHG Protocol for a defined perimeter.
R&D budget allocation to energy transition	Research and Development (R&D) budget allocated to our energy transition domains: Liquefied Natural Gas (LNG), sustainable chemistry, carbon-free energy solutions, and decarbonization from January 1 to December 31 of the reporting year.
Main entities ISO 14001 certified	All main operating centers, above 50 permanent employees, as the Technip Energies organization, certified ISO 14001: Environmental Management System.
Water consumed on sites from reused sources	Water consumed whose source type is rainwater collected and stored for use, wastewater treated and reused internally, and/or wastewater from another organization.
Waste valorized	Waste, under Technip Energies ownership, whose management type is classified as diverted from disposal.

Terminology	Definition
People	
Women hiring on yearly graduate intake	Newly graduated employees hired on payroll (college, bachelor, master, PhD) with up to 2 years of professional experience.
Women in leadership positions	Permanent women employees in positions classified as band 15 or above (internal job classification).
Main countries have local diversity action plan	Countries, where Technip Energies has the biggest headcount (France, India, Italy, the USA, United Arab Emirates, Malaysia, Spain, United Kingdom, the Netherlands, and Colombia), need to develop their own action plans to improve diversity based on local context.
Eligible construction sites with BBS program	HSE accountable projects with EPC activities and having a peak manpower above 500 workers that implemented Behavior-based Safety Program.
Employees participating in the ESG learning	Permanent employees who completed the "Together by T.EN" e-learning about Technip Energies ESG strategy and Roadmap.
Total Recordable Incidents Rate (TRIR)	Total number of Recordable Cases (RC) x 200,000 / Worked hours.
Volunteering hours	Hours spent by Technip Energies employees and stakeholders (such as subcontractors, employees' family, clients, etc.) during an action or activity that creates a long-term positive impact in the communities where we live and work.
Trust	
Link compensation to ESG Roadmap performance annually	ESG targets and key performance indicators as part of Technip Energies remuneration policies: Annual Performance Bonus and Long-term Incentive programs.
Yearly ABC training for all at risk functions and gatekeepers	Identified risk functions in the company who completed the "Anti-bribery and Corruption: the Basics" e-learning in 2022.
Continued reduction of non-mandatory commercial intermediaries	Eliminate commercial consultants or distributors interacting on behalf of Technip Energies in a sales capacity with our clients in countries where it is not mandatory per national law.

Carbon Footprint Methodology

At Technip Energies, we engage with our various stakeholders to find and develop solutions to assess and reduce our global carbon footprint, including all direct and indirect greenhouse gas ("**GHG**") emissions – whether scope 1, 2 or 3, as defined in the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol).

Since 2021, we have reshaped our approach regarding climate change adaptation and mitigation. With the mobilization of a fully dedicated Climate Change and Actions team, our approach has been reviewed and confirmed with the support of well-recognized third parties in order to ensure a fully transparent and consistent approach, sound follow-up and tracking of our reduction objectives.

In 2022, we have developed our set of methodologies and calculation guidelines and are expanding our reporting to cover our entire scope 3 for both upstream and downstream emissions, our scope of avoided emissions, set a scope 3 emissions reduction and avoided emissions maximization targets.

We have aligned our methodologies and calculation guidelines as much as possible to the Greenhouse Gas Protocol requirements while the ISO and EN standards have been used as guidance even if initially, these two sets of standards have not been developed neither for an engineering company nor for an EPC contractor. Specificities and reasons are highlighted and described below.

Reporting boundaries

Technip Energies generates GHG emissions through its various activities:

1. Activities related to buildings, offices, factories, employees and associated commodities;
2. Activities related to projects or "sold products":
   a. Project management services, assistance to client, sales of process licenses, engineering and design activities mainly in our offices throughout the world;
   b. Procurement, manufacturing, subcontracted construction activities, installation on onshore/offshore sites including the transport and reception of purchased equipment from vendors, as well as project activities related to commissioning and start-up;
   c. Manufacturing activities of equipment (such as loading systems and ethylene furnaces) in industrial buildings owned by Technip Energies.

All these generated GHG emissions are reported and split between scopes 1 & 2, scope 3 upstream and scope 3 downstream based on the Greenhouse Gas Protocol which establishes comprehensive global standardized frameworks to manage GHG emissions.

Technip Energies' GHG emissions related to all scopes are consolidated and reported as per the following boundaries:

- equity share approach;
- where Technip Energies' equity share is marginal (under 15%), related carbon footprint is reported under category 15 – Investment. Only very few legal entities fall down into this category while for other cases, the emissions are reported in the appropriate scope 3 categories.

Scope 1 & 2

Following equity share approach and aligned with our financial reporting under IFRS 16, only emissions related to our own use of permanent assets are reported in scopes 1 and 2 as part of Technip Energies assets while temporary facilities and other activities related to our clients' assets (i.e. our projects) are reported separately under scope 3.

For these types of activities, with the addition of our business travel, employee commuting and other activities related to our own assets and people, which represent Technip Energies' carbon footprint as an engineering and services company, carbon footprint annual reporting is based on actual accounted quantities for each calendar year.

Quantification methods used for the inventory are in accordance with best practice as followed by the GHG Protocol, based on the most recently available emission factors.

Usage or "activity" data from emission sources is used to calculate the emissions. The activity data is multiplied by the correlating emission factor, as defined in the GHG Protocol, or by engineering evaluations for the respective activities. The formula for calculating emissions is: Activity Data x Emission Factor = (CO_2, CH_4, N_2O, HFC, HCFC, SF_6) Emissions.

All GHG emissions are calculated in metric tonnes of pollutant and converted to metric tonnes of CO_2 equivalent (or "CO_2 eq") using the corresponding global warming potentials (GWP). The GWPs allow policymakers to compare the impacts and reductions associated with various gases in our environment, relative to a reference gas. Carbon dioxide is the reference gas and has a GWP equivalent to 1.

GWPs for Technip Energies' inventory are taken from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5) using 100-year values. For direct emissions (scope 1), fuel-specific emission factors for CO_2, CH_4, N_2O are used for all sites worldwide using DEFRA emissions dataset.

Technip Energies' inventory follows the location-based accounting method to calculate scope 2 emissions. Following the Scope 2 Guidance from the GHG Protocol, Technip Energies uses the national or regional emission factors for indirect (scope 2) emissions defined by the following methods in each relative geography where Technip Energies operates:

- International Energy Agency (IEA) CO_2 Emissions from Fuel Combustion;
- for US sites: US EPA Emissions & Generation Resource Integrated Database (eGRID).

Emission factors were selected based on the following hierarchy: regional or subnational grid average (US only) > National production.

For the 2022 inventory, we collected financial and operational data from each site greater than 500 m^2 which in total represents more than 99% of the total surface of the buildings owned or rented for our business operations.

One site in India is excluded from the reporting since it is maintained closed and not in operation. One site in Houston, which is 100% subleased and does not contribute to our business operations, is accounted in scope 3.13.

The data management process includes the collection of electricity, heat, cooling and fuels consumption as well as refrigerants leakages, that is monthly fulfilled by data owners. Data is controlled by the regional Real Estate Manager before being published. Activity data is converted to the appropriate units for calculating emissions with standard emission factors.

When data is not available for one or several months for one building (e.g. because the invoice is not yet available), the energy consumption is estimated on the basis of the data history related to previous months and years.

To cover the sites not included in the data collection (sites < 500 m^2 and a non-active site), we have voluntarily and conservatively added a contingency of 3% to the total volume of GHG emissions related to our buildings.

One of the main tools used in Technip Energies for data consolidation, analytics, visualization and monitoring of our CO_2 emissions has been developed internally. This dashboard is the basis of the site inventory and energy uses for GHG reporting.

The data management process includes the collection of invoices and other primary evidences (procurement reports, extracts from the third-party providers' reports, etc.) for quality control and assurance purposes.

Same process of data collection was followed for the few external data centers. Data collected in 2022 is not as accurate as originally expected and includes some key assumptions especially for scope 1 emissions. The process will continue to be improved in 2023. Emissions from the data centers that are hosted in our buildings are accounted in the building's emissions.

Regarding the fleet of vehicles (service cars) attached to the buildings and used for our direct operations, the calculation methodology is being revised and these emissions are not reported in 2022, they will be carried over to 2023. Company cars and vehicles used for home-to-worksite transport is reported in scope 3 (commuting).

Annual GHG reporting is reviewed and validated by Technip Energies on an annual basis, as part of Technip Energies' review process. The process is intended to ensure that the inventory is complete, accurate and maintaining continuous improvement and performance of any ongoing environmental sustainability reporting programs, KPIs and/or targets.

Scope 3

Scope 3 is mainly induced by our projects under development for our clients and is largely based on anticipated quantification before the plants are started-up and entered into operation.

Most of our scope 3 represents life-cyle emissions of our projects which are our "sold products" according to the Greenhouse Gas Protocol. Most of the upstream represents Technip Energies' carbon footprint as main or EPC contractor while the downstream part represents the use of our "sold products" – the plants - by our clients.

The GHG emissions calculations boundary limits (system boundaries) are the same as for our general contractual project scope (including by definition our subcontractors), which can be only a part of a larger project developed by our clients. Life-cycle emissions that are accounted are only those from projects that are in our portfolio; contracts that we did not win are excluded from the calculation.

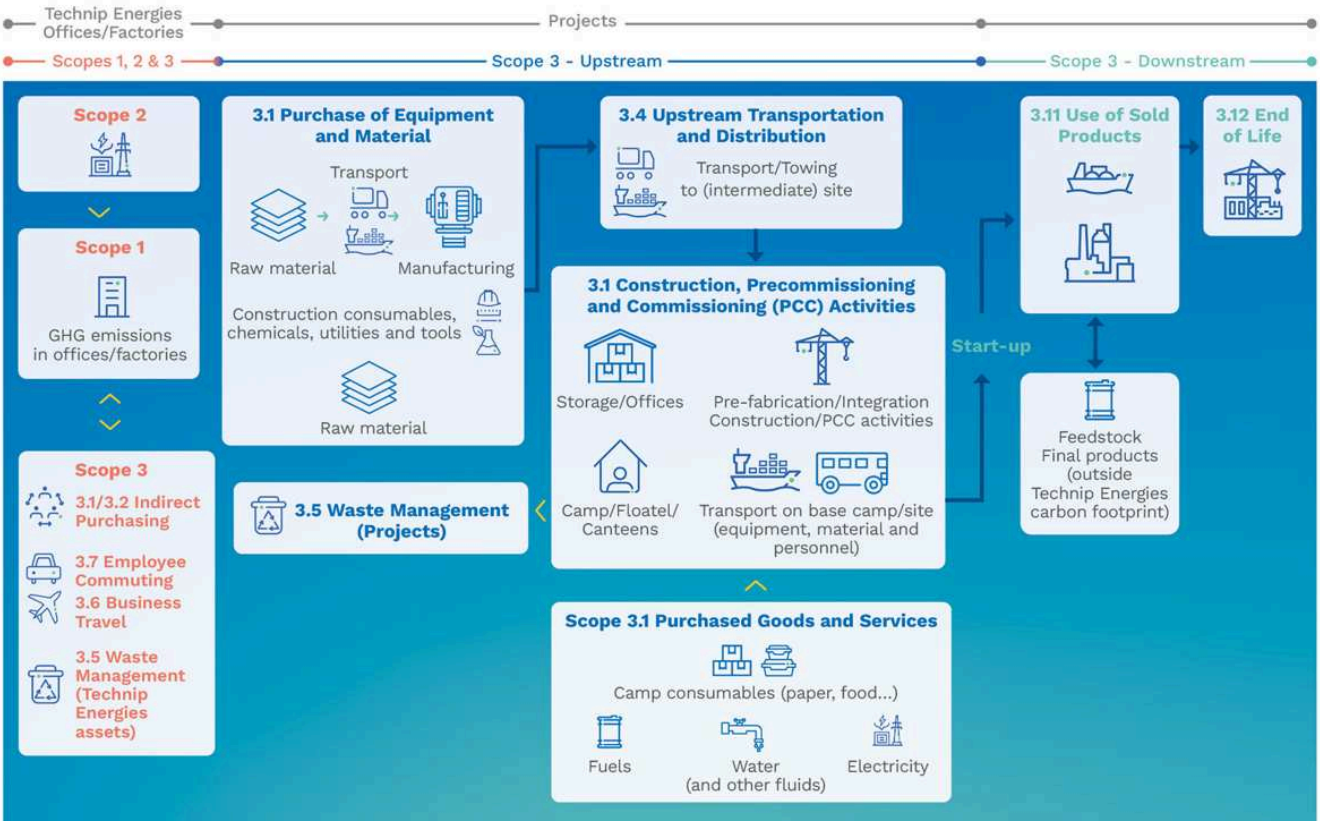
For both scopes, upstream and downstream, GHG emissions are calculated for the entire project lifetime from cradle to grave as a whole, including all Technip Energies partners' scope of work (subcontractors, consortium partners, joint venture partners).

If Technip Energies contract does not cover the full EPC scope (e.g. joint ventures or consortium partnerships), the whole project carbon footprint is assessed and only Technip Energies' equity share is reported, while subcontracted activities are included in Technip Energies' reporting into category 1 - Purchased goods and services.

Technip Energies activities include projects that are developed for greenfield plants (new plants with no existing GHG emissions) or brownfield plants (existing plants that are modified and already with existing GHG emissions).

For brownfield plants, Technip Energies GHG emissions shall only be representative of the overall Technip Energies scope, which means that only the GHG emissions induced by Technip Energies project scope are considered.

Technip Energies GHG emissions scopes 1, 2 and 3:
Overview of life cycle stages for typical onshore/offshore EPC projects



Key accounting principles

The approach of GHG emissions calculation and assessment can follow two philosophies which can be combined and added to ensure the completeness of the quantification:

- collecting data approach based on, if any, actual measured data. This methodology is to be used for activities achieved (actual work);
- estimating approach based on data quantification. This methodology is generally to be used for activities not yet achieved or when data are not fully available (remaining or planned work).

Technip Energies bases its calculations as much as possible on real data, measured or collected from customers and suppliers, and updates the calculations during the project development, on a regular basis to incorporate the project maturity, data availability or change or modification until the completion of the project. For example, if during the lifetime of a project, the configuration is planned to be changed moving from fossil energy produced in situ to electrification with renewable energy, the benefit of the change, if sufficiently documented and secured, would be incorporated in the calculation.

If a carbon footprint calculation has not been performed for an on-going project within Technip Energies' portfolio, the carbon footprint is estimated by extrapolation from other projects using GHG emissions per revenue or cost ratios. This approach is only applicable for the small projects.

Progressive carbon footprint reporting mechanism is applied for Technip Energies' on-going projects portfolio. The term "on-going projects" refers here to the projects under development between their contract award and 100% progress achieved. The part of the project carbon footprint, corresponding to the progress achieved on the reported year, is reported each year, from year of contract award and year of 100% progress is achieved. This approach is aligned with IFRS 15 related to revenue progress and recognition and allowed to align Technip Energies' annual carbon footprint reporting with our annual revenue reporting. Although this approach is not presented in the GHG Protocol, it was deemed appropriate to Technip Energies' company profile, which deals with major "sold" projects of values above Technip Energies' own annual revenue and need several years of development between contract award and final acceptance.

Data collection, management and control

Large volume of information is already collected in our databases and other IT tools for the needs of various existing activities developed on projects and for support functions. This information and its digitalization have been analyzed for this new purpose of GHG emissions quantification. Especially completeness and accuracy of the data and quantities have been checked and completed by estimating approaches where needed.

We have used our engineering and construction expertise to make the quantification, based on physical, quantified, actual and certified data originally and already developed and used by other disciplines for other purposes. This approach guarantees a good level of accuracy of the calculated figures based on proven and reliable processes and data sources well tested internally and by our clients for decades.

For this first year of reporting, the Climate Change and Actions teams has ensured the completeness of the reporting through centralized actions. In the future, decentralization will be deployed in order to make each project and each function owner of the process and responsible for the quality of data reported, and for the reduction actions to be implemented and tracked to meet our reduction ambitions.

On projects, the Technip Energies Project Director is responsible for the carbon footprint quantification and the reduction objectives of his project. He may be assisted by a dedicated Project Carbon Manager but remains responsible for the quality and the accuracy of the quantification expected at each step of the project development in line with Technip Energies methodologies and guidelines even if the quantification is carried out by a JV partner or a specialized consultant or the Client or their own consultants.

Annual GHG reporting is reviewed and validated by internal control, as part of Technip Energies' review process. This process is intended to ensure that the inventory is complete, accurate and to maintain continuous improvement and performance of any ongoing sustainability reporting programs, KPIs and/or targets.

Emission factors used

The large volume of activities achieved on our projects needed to be rationalized at the right level of detail to be manageable. Semi-consolidation approaches were achieved. In parallel, the emission factors existing in numerous external databases (e.g. EcoInvent, International Energy Agency (IEA), Ademe, Inies, DEFRA, US EPA, Concawe) and provided by suppliers and vendors were analyzed, domains of applicability checked, adapted to our activities and combined for application to known and unknown quantities. An in-house and appropriate emission factors database has been developed for all our engineering disciplines to cover all our types of activities.

Avoided emissions

We believe we have to quantify the full CO_2 impact of our offers, to drive our decisions and provide expert and decisive advice to our clients to meet their GHG emissions reduction targets.

In 2022, we have also worked on defining our avoided emissions and its related methodology and guidelines. This scope represents the reduction of our clients' emissions achieved thanks to our solutions/projects compared to a reference scenario or baseline without the solutions/projects (i.e. carbon capture units).

Because of the different nature and variety of the solutions and projects that Technip Energies provide, we have decided, for this year, to focus this scope on carbon capture projects only. A similar calculation methodology as developed for scope 3 downstream, Use of sold product category, has been implemented for avoided emissions.

Pre-investment stages of future projects

While their carbon footprints do not appear as such in Technip Energies annual reporting, we also use these similar methodologies and approaches to estimate the full carbon footprint of future projects during pre-investment stages from conceptual to FEED up to EPC proposals. These approaches are sufficiently detailed that the parameters can be used at the design phase to lower a project's overall carbon footprint, providing value for our clients, our decision-making processes and contributing to our sustainability offer.

Methodological notes regarding Scope 3 GHG emissions (refer to section 3.6.2. ESG Indicators)

Scope 3.1 - Purchased goods and services:

- out of projects, calculation is based on actual quantities purchased during the year;
- for manufacturing of goods on projects:
  - calculation is partially based on actual and forecasted quantities (55% of total carbon footprint value); and
  - completed by revenue-based extrapolation for other projects (45% of total carbon footprint value);
  - prorata annual progress.
- for construction activities on projects:
  - calculation is partially based on actual and forecast quantities (74% of total carbon footprint value); and
  - completed by revenue-based extrapolation for other projects (26% of total carbon footprint value);
  - prorata annual progress.

Scope 3.2 - Capital goods: Calculation is based on annual actual quantities of materials purchased for manufacturing of physical capital assets. For construction of building capital assets owned or rented with a long-term lease over 12 months, although this approach is not presented in the GHG Protocol, emissions are smoothed over the lifetime of the building and calculation is based on actual building square meters and theoretical annual ratio for construction, refreshment, renovation and restructuration.

Scope 3.3 - Fuel-and energy-related activities (not included in scope 1 and scope 2): Extraction, production and transport of energy related to scope 1 based on ratio (22.2%).

Scope 3.4 - Upstream transportation and distribution: Transportation of goods, modules, towing, offshore campaigns on projects:

- calculation is partially based on actual and forecasted quantities (30% of total carbon footprint value); and
- completed by revenue-based extrapolation for smaller projects (70% of total carbon footprint value);
- prorata annual progress.

Scope 3.5 - Waste generated in operations: Calculation is based on actual quantities completed by in-house quantification based on past experience.

Scope 3.6 - Business travel: Air business travel only. Calculation is based on actual mileage and type of haul (short, medium and long). Value for year 2019 before COVID-19 crisis was 31,712 tonnes CO_2 eq. Rail, road and hotel nights are included in scope 3.1.

Scope 3.7 - Employee commuting: Calculation is based on actual number of employees (15,586 in 2021 and 14,515 in 2022) x 40 km/day average and average split transportation type per operating center and country.

Scope 3.8 - Mandatory parts of upstream leased assets are reported in other scopes (scope 1 or 2). Manufacturing of used equipment, reported in scope 3.1, such as temporary site facilities, camps, lifting equipment, site vehicles and transportation equipment (vessel, train) is optional and not included.

Scope 3.9 - Downstream transportation and distribution: Not applicable for EPC projects. Technip Energies' "sold products" are composed of the "plants" which are not subject to transportation and distribution. Applicable only for Technip Energies industrial sites (Loading Systems, Cybernetix and Dahej).

Scope 3.10 - Processing of sold products: Not applicable. Technip Energies' "sold products" are composed of the plants or loading arms or furnaces which are not subject to intermediate processing.

Scope 3.11 - Use of sold products (operation of our clients' plants and manufactured equipment by Technip Energies): in progress.

Scope 3.12 - End-of-life treatment of sold products (our clients' plants): in progress.

Scope 3.13 - Downstream leased assets (leased or sub-leased in assets not included in scope 1 or 2): scope 1 & 2 emissions from one site located in Houston that is 100% subleased and does not contribute to our business operations is accounted in this category in 2022 (was included in scope 1 & 2 emissions in 2021).

Scope 3.14 - Franchises: Technip Energies has no franchises and consequently this scope 3.14 is not applicable and nil. Licenses are not considered as franchises and are reported the same way as other engineering services.

Scope 3.15 - Investments: For Technip Energies, this scope includes the annual GHG emissions of Technip Energies' legal entities with equity share under 15%. Number, size and share of these entities are very limited and considered as negligible compared to the other scopes.

3.6.2. ESG INDICATORS

In line with our ESG Roadmap, we are committed to strengthening our ESG accountability and report on progress. In addition to the results presented below, this chapter has been audited and is aligned with EU Taxonomy and international frameworks (TCFD, SASB, GRI Standards[1]).

An independent practitioner performed procedures on a selection of sustainability information for the year ended December 31, 2022, identified in the tables with an asterisk (*****), and issued a limited assurance report on it.

The sustainability report encompasses the same entities as the consolidated financial statement, which can be found in Annual Report Note 31. Companies included in the scope of the consolidated financial statements Exceptions or further information on the reported ESG indicators are provided in section 3.6.1. Definitions and Methodologies, as well as notes on tables in the sections 3.6.2.1. Environmental indicators, 3.6.2.2. Social indicators, and 3.6.2.3. Governance indicators**.**

(1) *TCFD: Task force on Climate Related Financial Disclosure, SASB: Sustainability Accounting Standards Boards, GRI Standards: GRI Sustainability Reporting Standards.*

Our sustainability performance is presented in the following tables:

3.6.2.1. Environmental indicators

Indicator	Unit	2022	2021	2020
GREENHOUSE GAS EMISSIONS – EQUITY SHARE APPROACH [1]				
Scope 1 (direct)*	**tonnes CO_2 eq**	**2,468**	**2,824**	**2,129**
■ Offices	tonnes CO_2 eq	1,637	2,142	1,596
■ Industrial sites	tonnes CO_2 eq	664	682	533
■ Data centers	tonnes CO_2 eq	167	--	--
Scope 2 - Location based (indirect)*	**tonnes CO_2 eq**	**15,711**	**16,014**	**16,409**
■ Offices	tonnes CO2 eq	13,813	14,969	15,061
■ Industrial sites	tonnes CO_2 eq	1,517	1,045	1,348
■ Data centers	tonnes CO_2 eq	380	--	--
Total scope 1 (direct) & scope 2 (indirect)*	**tonnes CO_2 eq**	**18,179**	**18,838**	**18,538**
Absolute scope 1 & 2 reduction versus base year (2019 with 20,460 tCO_2 eq)	%	-11.1%	-7.9%	-9.4%
Scope 3 (indirect) – Upstream*	**tonnes CO_2 eq**	**1,842,969**	**1,478,309**	
1. Purchased goods and services	tonnes CO_2 eq	1,335,422	1,051,671	--
2. Capital goods	tonnes CO_2 eq	10,313	11,922	--
3. Fuel-and energy-related activities (not included in scope 1 and scope 2)	tonnes CO_2 eq	976	1,064	--
4. Upstream transportation and distribution	tonnes CO_2 eq	376,572	329,737	--
5. Waste generated in operations	tonnes CO_2 eq	85,299	69,848	--
6. Business travel	tonnes CO_2 eq	26,315	5,399	--
7. Employee commuting	tonnes CO_2 eq	8,072	8,668	--
8. Upstream leased assets (not included in scope 1 or 2)	tonnes CO_2 eq	0	0	--
Scope 3 (indirect) – Downstream*	**tonnes CO_2 eq**	**In progress**	**In progress**	**--**
9. Downstream transportation and distribution	tonnes CO_2 eq	1,081	Not assessed	--
10. Processing of sold products	tonnes CO_2 eq	Not applicable	Not applicable	--
11. Use of sold products (our clients' plants operation)	tonnes CO_2 eq	In progress	--	--
12. End-of-life treatment of sold products (our clients' plants)	tonnes CO_2 eq	In progress	--	--
13. Downstream leased assets (leased or sub-leased assets not included in scope 1 or 2)	tonnes CO_2 eq	605	0	--
14. Franchises	tonnes CO_2 eq	Not applicable	Not applicable	--
15. Investments (legal entities with equity share under 15%)	tonnes CO_2 eq	0	0	--
Avoided GHG emissions*	**tonnes CO_2 eq**	**-7,325,458**	**-1,798,038**	**--**
Carbon Capture and Storage (CCS) projects only	tonnes CO_2 eq	-7,325,458	-1,798,038	--
Other types of projects	tonnes CO_2 eq	In progress	--	--

Indicator	Unit	2022	2021	2020
R&D*				
R&D budget allocation to energy transition	%	83	56	--
ENERGY				
Energy within Technip Energies (offices and industrial sites)*				
Energy consumption	MWh	55,288	57,373	51,688
■ Renewable	%	38	--	--
■ Non-renewable	%	62	--	--
Energy consumption per activity				
■ Offices	MWh	45,525	49,622	44,118
■ Industrial sites	MWh	7,798	7,751	7,570
■ Data Centers	MWh	1,965	--	--
Energy consumption per type				
■ Fuel (excluding feedstock)	MWh	7,143	--	--
■ Purchased or acquired electricity	MWh	41,443	--	--
• Renewable	MWh	20,400	--	--
• Non-renewable	MWh	21,043	--	--
■ Purchased cooling	MWh	4,086	--	--
■ Purchased heating	MWh	2,219	--	--
■ Self-generated renewable energy	MWh	397	--	--
Fuel consumption per type				
■ Diesel	MWh	374	--	--
■ Gasoline	MWh	In progress	--	--
■ Liquid Petroleum Gas (LPG)	MWh	In progress	--	--
■ Natural Gas	MWh	6,768	--	--
■ Biofuel	MWh	1.3	--	--
Energy outside the organization*				
■ Energy consumption on construction sites and yards	MWh	2,259,685	592,294	286,629
Energy management				
Data centers certified ISO 50001	%	41.6	--	--
WATER*				
Water withdrawal	m^3	2,337,469	1,983,789	882,949
Water withdrawal per activity				
■ Offices	m^3	182,588	173,677	121,331
■ Industrial sites	m^3	22,089	15,316	17,490
■ Construction sites and yards	m^3	2,132,791	1,794,796	744,128
Water withdrawal by source				
■ Percentage from recycled or reused sources (2)	%	18.8	21.3	6.2
■ Percentage from water supply or other water utilities (municipal water)	%	62.4	--	--
■ Percentage from other sources (surface water, ground water, seawater)	%	18.8	--	--

Indicator	Unit	2022	2021	2020
WASTEWATER				
Wastewater generated	m^3	1,873,921	1,199,769	846,780
Wastewater generated per activity				
■ Offices	m^3	128,023	128,575	100,350
■ Industrial sites	m^3	9,217	6,888	5,479
■ Construction sites and yards	m^3	1,736,680	1,064,306	740,951
Wastewater generated by destination				
■ Percentage discharged into the environment after quality control	%	38.2	26.8	33.8
■ Percentage sent to external wastewater treatment plant	%	34.7	47.5	39.6
■ Percentage recycled or reused internally	%	21.6	25.6	19
WASTE*				
Waste generated	tonnes	221,524	65,513	299,963
Waste generated by activity				
■ Offices	tonnes	791	1,406	585
■ Industrial sites	tonnes	737	624	786
■ Construction sites and yards	tonnes	219,994	63,483	298,592
Waste generated by type				
■ Percentage of hazardous waste (3)	%	1.4	3.4	0.12
■ Percentage of non-hazardous waste (4)	%	98.6	96.6	99.88
Waste generated by destination				
■ Percentage of waste diverted from disposal (reuse, recycling, recovery and composting)	%	87.2	76.0	96.2
■ Percentage of waste directed to disposal (sent to landfill or mass burn incineration)	%	12.8	23.5	3.7
ENVIRONMENTAL MANAGEMENT				
Number of main operating centers certified ISO 14001*	number	25	21	--
Number of operating center eligible to ISO 14001 certification*	number	31	33	--
Percentage of main operating centers certified ISO 14001*	%	81	64	--
Percentage of projects and assets with an ENVID completed	%	80	67	60
Environmental incidents per significance				
■ Adverse impact (significant incident) (5)	number	13	2	0
■ Limited impact (significant incident) (6)	number	37	6	2
■ Spill of non-significant incidents (negligible) (7)	number	15	--	--
Environmental incidents per substance				
■ Spill of hazardous liquid (oil, diesel)	number	64	2	0
■ Spill of waste (concrete)	number	1	6	2
Volume of significant spills (8)	m^3	2.52	--	--
Number of incidents of non-compliance with environmental permits, standards, and regulations	number	0	--	--

Indicator	Unit	2022	2021	2020
AIR EMISSIONS [9]				
Nitrogen Oxides (NOx)	tonnes	10,902	7,323	4,864
Sulphur Oxides (SOx)	tonnes	826	597	393
BIODIVERSITY				
Number of sites located in protected areas IUCN Cat.Ia/Ib	number	0	--	--
Number of top priority sites (i.e. located in sensitive areas)	number	5	--	--
Percentage of top priority sites with systematic action plans	%	20	--	--

(*) An independent practitioner performed procedures on a selection of sustainability information for the year ended December 31, 2022, identified in the table with an asterisk (*), and issued a limited assurance report on it.
(1) Refer to the methodology detailed in the GHG Protocol – A Corporate Accounting and Reporting Standard – Revised Edition March 2004.
(2) Wastewater from another organization, wastewater treated and reused internally, and rainwater collected and stored for reuse.
(3) Hazardous waste: contaminated soil, medical waste, photocopier/printer toner, electrical equipment, batteries, waste paints, solvents and other hazardous waste.
(4) Non-hazardous waste: concrete, food waste, glass, mixed domestic waste, soil, rock, dredging material, paper, cardboard, plastic, scrap metal, wood and other non-hazardous waste.
(5) Adverse Impact: Short-term (3 months) non-persistent change or pollution with reversible effects on the environment.
(6) Limited Impact: Non-persistent change or pollution with reversible effects on the environment and short duration (less than 1 week).
(7) Minor non-persistent change or pollution with short duration (less than 1 day) and reversible effects on the environmental domain.
(8) In 2022, 87% of the spills impacted the soil, surface and/or undergrounds and 7% impacted the seawater (the remaining 6% is unknown). Regarding the substances released, 64% of the spills are related to lubricant oil, 10% to diesel and the remaining 26% to firewater, sewage or waste.
(9) Scope of air emissions reporting includes construction sites and yards located in Bahrain, China, Egypt, Mozambique, Qatar, Russia and Singapore.

3.6.2.2. Social indicators

Indicator	Unit	2022	2021	2020
SAFETY [1]				
Number of Lost Time Injuries (LTI)*	number	30	25	7
Lost Time Injuries Rate (LTIR)*	ratio per 200,000 hours worked	0.02	0.02	0.01
Lost Time Injuries Rate (LTIR)*	ratio per 1 million hours worked	0.10	0.10	0.05
Number of Total Recordable Incidents (TRI)*	number	116	94	23
Total Recordable Incidents Rate (TRIR)*	ratio per 200,000 hours worked	0.09	0.08	0.04
Total Recordable Incidents Rate (TRIR)*	ratio per 1 million hours worked	0.45	0.40	0.20
Number of fatalities*	number	2	3	1
Serious Incident and Fatality Rate (SIFR)*	ratio per 200,000 hours worked	0.02	0.01	0.03
Serious Incident and Fatality Rate (SIFR)*	ratio per 1 million hours worked	0.10	0.05	0.15
Number of worked man-hours	hours	252,061,945	228,248,194	126,340,251
Number of lost workdays	days	985	1,197	493
Number of HSE leadership visits [2]	number	515	382	385
Number of Risk Reduction Projects [3]	number	109	167	40
SIF Control Index [4]	ratio	3.31	3.67	3.60
Number of eligible construction sites with BBS program*[5]	number	17	--	--
Percentage of eligible construction sites with BBS program*	%	100	--	--
Number of main operating centers certified ISO 45001*	number	23	--	--
Number of operating center eligible to ISO 45001 certification*	number	31	--	--
Percentage of main operating centers certified ISO 45001*	%	74	--	--

Indicator	Unit	2022	2021	2020
QUALITY				
Customer Satisfaction Survey (CSS) rating	ratio	8.7/10	8.6/10	8.8/10
Number of Customer Satisfaction Survey (CSS)	number	205	209	242
Number of main operating centers certified ISO 9001	number	39	--	--
Number of operating center eligible to ISO 9001 certification	number	39	--	--
Percentage of main operating centers certified ISO 9001	%	100	--	--
EMPLOYMENT				
Total number of permanent and temporary employees (including apprentices and excluding trainees)*	number	14,515	15,586	14,657
■ In the Netherlands	number	302	344	--
• Corporate	number	3	8	--
• Operating Centers	number	299	336	--
• Other centers supporting operations	number	0	0	--
■ Outside the Netherlands	number	14,213	14,677	--
• Corporate	number	956	746	--
• Operating Centers	number	12,228	10,919	--
• Other centers supporting operations	number	1,029	3,010	--
Breakdown of payroll workforce by geographical areas				
■ Americas	number	1,509	1,343	1,504
• Permanent	number	1,423	1,309	--
• Temporary	number	86	34	--
■ Asia-Pacific	number	1,712	2,228	2,320
• Permanent	number	1,435	1,354	--
• Temporary	number	277	874	--
■ Europe, including Russia	number	6,287	7,186	6,487
• Permanent	number	5,923	5,926	--
• Temporary	number	364	1,260	--
■ India	number	3,060	2,770	2,640
• Permanent	number	2,571	2,429	--
• Temporary	number	489	341	--
■ Middle East/Africa	number	1,947	2,059	1,706
• Permanent	number	1,287	1,094	--
• Temporary	number	660	965	--
Breakdown of payroll workforce by country (the most significant countries)				
■ France	%	22.4	--	--
■ India	%	21.1	--	--
■ Italy	%	10.1	--	--
■ USA	%	6.4	--	--
■ UAE	%	4.0	--	--
■ Malaysia	%	5.1	--	--
■ Spain	%	4.8	--	--
■ United Kingdom	%	2.4	--	--
■ The Netherlands	%	2.1	--	--
■ Colombia	%	3.3	--	--
Breakdown of payroll workforce by type of contract				
■ Permanent contract	%	87.1	77.7	--
■ Temporary contract	%	12.9	23.3	--

Indicator	Unit	2022	2021	2020
Breakdown of payroll workforce for permanent contract by seniority				
■ ≤ 5 years	%	45.4	40.7	--
■ 6-10 years	%	14.6	22.0	--
■ 11-15 years	%	16.0	18.2	--
■ ≥ 16 years	%	24.1	19.1	--
Total number of new hires in the payroll	number	2,390	2,938	--
■ Women	%	24	19	--
■ Men	%	76	81	--
Pay ratio [6]	ratio	46	71	--
Percentage of payroll workforce of our 10 main countries covered by collective bargaining agreements	%	46	--	--
■ France	%	100	--	--
■ Italy	%	100	--	--
■ Spain	%	100	--	--
PEOPLE DEVELOPMENT				
Total hours of learning hours of permanent employees*	hours	123,242	102,445	--
Average hours of training per year per permanent employee	hours per employee	10	8.5	--
Total hours learning for Legal and Compliance	hours	6,955	5,293	--
Total hours learning for Diversity and Inclusion	hours	1,402 [7]	16,373	--
Percentage or employees who completed the ESG e-learning*	%	92.6	--	--
Percentage of employees who completed the Code of Business Conduct e-learning*	%	92	94	--
DIVERSITY AND INCLUSION				
Percentage of women on total payroll workforce*	%	28.1	27	27
Percentage of men on total payroll workforce*	%	71.9	73	73
Percentage of women with permanent contract	%	29.7	29	--
Percentage of men with permanent contract	%	70.3	71	--
Percentage of women into graduate intake*	%	51.7	50	--
Percentage of men into graduate intake*	%	48.3	50	--
Percentage of women in leadership positions (band 15 and above in our grading system)*	%	18.1	12	--
Percentage of men in leadership positions (band 15 and above in our grading system)*	%	81.9	88	--
Percentage of women in managerial roles [8]	%	26	26	--
Percentage of men in managerial roles [8]	%	74	74	--
Breakdown of payroll workforce by age				
■ ≤ 30 years	%	12.2	10.8	--
■ 31-40 years	%	29.9	32.6	--
■ 41-50 years	%	33.3	32.8	--
■ ≥ 51 years	%	24.5	23.8	--
Number of nationalities represented in the payroll workforce	number	108	108	104

Indicator	Unit	2022	2021	2020
COMMUNITIES				
Number of local community initiatives*	number	137 (incl. 25 STEM)	159 (incl. 34 STEM)	121 (incl. 33 STEM)
Number of people acting as volunteers*	number	2,770	2,371	6,874
Number of volunteering hours*	number	21,661	14,360	15,238
Number of countries where we had local initiatives	number	17 (incl. 7 STEM)	19 (incl. 10 STEM)	21 (incl. 9 STEM)
List of countries	--	Australia, Azerbaijan, Colombia, Egypt, France, India, Italy, Malaysia, Mozambique, Qatar, Senegal, Singapore, Thailand, Ukraine, United Arab Emirates, United Kingdom, USA	Australia, Bahrain, China, Colombia, Egypt, France, India, Italy, Kuwait, Malaysia, Mozambique, Russia, Singapore, Spain, Thailand, the United Arab Emirates, United Kingdom, the USA, Vietnam	--
Number of people from the community who benefited from the initiatives	number	424,451	112,436	--

(*) An independent practitioner performed procedures on a selection of sustainability information for the year ended December 31, 2022, identified in the table with an asterisk (*), and issued a limited assurance report on it.
(1) All safety indicators are related to employees and contractor staff.
(2) Leadership visits refer to Technip Energies Executive Team, Chief Officers, Senior Vice-Presidents, Vice-Presidents, Directors, and Leaders who directly report to, or who are nominated and approved by the above group.
(3) Risk Reduction Projects: Mitigation measures identified, designed, implemented and shared in order to eliminate an identified hazard or reduce its risk. Risk prevention projects are tracked through the "Hazard Observation" module in our internal HSE reporting system.
(4) SIF Control Index: Average of the highest implemented corrective action level for each Serious Incident and Fatality (SIF) Incidents. Level refers to the HSE Hierarchy of Controls.
(5) Eligible construction sites with BBS program: HSE accountable projects with EPC activities and having a peak manpower above 500 workers that implemented a behavior-based safety (BBS) program.
(6) Calculated by dividing the total remuneration cost of the CEO by the average Technip Energies employee payroll cost.
(7) In 2021, the Diversity & Inclusion training was mandatory for all employees and completed by 94% of them. From 2022, the Global Inclusion Course became part of our standard global onboarding for new lines. Other D&I training sessions became optional for all employees according to the needs.
(8) All managers with at least one direct report.

3.6.2.3. Governance indicators

Indicator	Unit	2022	2021	2020
DIVERSITY OF THE BOARD OF DIRECTORS (1)				
Number of women on the Board of Directors*	number	3	3	--
Number of men on the Board of Directors*	number	7	7	
Percentage of women on the Board of Directors*	%	30	30	
Percentage of men on the Board of Directors*	%	70	70	--
BUSINESS ETHICS				
Number of employees at risk functions and gatekeepers*	number	534	--	--
Number of employees at risk functions and gatekeepers that have received training on anti-corruption and anti-bribery*	number	494	--	--
Percentage of employees at risk functions and gatekeepers that have received training on anti-corruption and anti-bribery*	%	92.5	75	--
Number of non-mandatory commercial intermediaries*	number	13	15	--
Percentage of reduction of non-mandatory commercial intermediaries*	%	13	0	--
SUPPLY CHAIN				
Progress in integrating ESG criteria into supplier and subcontractor qualification	%	60	0	'--
Human Rights Due Diligence undertaken on eligible projects	%	In progress	0	--

(*) An independent practitioner performed procedures on a selection of sustainability information for the year ended December 31, 2022, identified in the table with an asterisk (*), and issued a limited assurance report on it.
(1) Refer also to section 5.4.2. Diversity Policy.

3.6.3. EU GREEN TAXONOMY

Our ESG roadmap has been published in March 2022 and is deployed in a context where national governments and international bodies are implementing new policies to address the effects of a rapidly changing environment. The Taxonomy Regulation (the "**EU Taxonomy**") is a key component of the European Commission's action plan to redirect capital flows towards a more sustainable economy. It consists in a classification system that establishes a list of environmentally sustainable economic activities. The aim of the EU Taxonomy is to provide companies, investors and policymakers with clear definitions of economic activities which can be considered as environmentally sustainable. This provides clarity and security for investors, helps companies to become more climate-friendly, mitigates market fragmentation and helps to shift investments where they are most needed.

The Taxonomy Regulation came into force July 12, 2020. It sets out the conditions an economic activity must meet to qualify as environmentally sustainable. The regulation establishes six environmental objectives:

- climate change mitigation;
- climate change adaptation;
- the sustainable use and protection of water and marine resources;
- the transition to a circular economy;
- pollution prevention and control; and
- the protection and restoration of biodiversity and ecosystems.

The first delegated act concerning the technical screening criteria for economic activities with significant contribution to climate change mitigation and adaptation (the 'Climate Delegated Act') was published in the EU Official Journal in December 2021. In accordance with Article 8 of the Taxonomy Regulation and Article 10-(2) of the Article 8 Delegated Act, we set forth in this section the share of our Group's revenue, capital expenditure ("**CAPEX**") and operating expenditure ("**OPEX**") for the reporting period 2022, which are associated with Taxonomy-eligible economic activities defined in the first delegated act concerning the first two environmental objectives (climate change mitigation and climate change adaptation) adopted on 4 June 2021 (the "**Climate Delegated Act**"). The reporting requirements for 2022 are extended to the disclosure of Taxonomy-aligned economic activities, i.e. sustainable activities, according the aforementioned Climate Delegated Act.

The evaluation of the alignment has been performed by identifying our activities or CAPEX covered by the Climate Delegated Act and assessing their alignment to technical criteria (substantial contribution criteria), their compliance with the "Do No Significant Harm" principle and the minimum safeguards.

Summary

Based on an exhaustive analysis performed during 2022, and given our position in the value chain, our revenue is Taxonomy-non-eligible because our activities are not covered by the Climate Delegated Act to date and therefore, the capital and operating expenditures related to our activities are also Taxonomy-non-eligible.

However, the CAPEX to be reported also include those that are related to the purchase of output from Taxonomy-aligned economic activities (such as some real estate activities) and enable us to consider a part of our leasing of buildings, our leasing of passenger cars and our investments related to the replacement of energy-efficient equipment as Taxonomy-aligned.

Regarding our total OPEX that comply with the EU Taxonomy, they are non-significant in comparison with our total consolidated operating expenses and we chose to use the materiality exemption option offered by the regulation.

Consequently, the indicators related to our revenue and our OPEX are not disclosed, we only report the following indicator related to our CAPEX:

	Capital expenditures (CAPEX)
Proportion of Taxonomy – Eligible economic activities *(in %)*	48%
Proportion of Taxonomy – Aligned economic activities *(in %)*	8%

Our Assessment

Revenue - Core business activities

As a leading Engineering and Technology company for the energy transition, we are contributing to the reduction of the energy industry's environmental footprint by making available to our clients the most efficient technologies and by reducing the impact of the activities we are conducting. We are developing solutions in hydrogen, offshore wind farms, ethylene, sustainable chemistry including biofuels and biochemicals, decarbonization projects including low-carbon hydrogen and carbon capture utilization and storage as well as carbon-free energy (see section 1.5 Our Markets - from traditional to emerging).

Taking the entire value chain into consideration, we expect to contribute substantially to the energy transition and GHG emission reductions in other sectors, as disclosed in sections 1.5.1. Gas & Low Carbon Energies, 1.5.2. Sustainable Fuels, Chemicals and Circularity, and 1.5.3. New energies. We are an enabler of technologies that aim to reduce GHG emissions significantly.

Based on the current application of the eligibility criteria, wind power, bioenergies (biogas, biofuels and bioliquids), ethylene, hydrogen and storage of CO_2 are broadly listed in Annex I to the Climate Delegated Act, notably through the activities "3.14. Manufacture of organic basic chemicals", "3.2. Manufacture of equipment for the production and use of hydrogen", "4.13. Manufacture of biogas and biofuels for use in transport and of bioliquids", "4.3. Electricity generation from wind power", "5.11. Transport of CO_2" and "5.12. Underground permanent geological storage of CO_2". Under these activities, the EU Taxonomy targets the manufacture of products and technologies or the operation of the facilities but not the engineering and construction of the facilities.Therefore, though our activities are not eligible to the EU Taxonomy, we nevertheless contribute as an engineering and technology company to the energy transition and enable our clients to be more sustainable. As Technip Energies, we do operate upstream in the value chain of Green Taxonomy activities. That does not exclude that in the future, new projects type coming from our customers, would lead to new eligible activities for Technip Energies. In the complementary Climate Delegated Act, the Commission has included certain gas activities, notably through the activities "4.29 Electricity generation from fossil gaseous fuels", "4.3 High-efficiency co-generation of heat/cool and power from fossil gaseous fuels" and "4.31 Production of heat/cool from fossil gaseous fuels in efficient district heating and cooling system". Under these activities the EU Taxonomy targets the gas energy activities as transitional activities, subject to specific conditions which recognize the role gas can play to help some regions in their transition from the most polluting solid fossil fuel energy sources, such as coal, to renewable energy. Therefore, even though Technip Energies provides low-carbon capital expenditure solutions to the gas industry, our revenues are not eligible due to our position in the value chain. The gas-eligible activities are restricted to the construction or operation for electricity generation or production of heat/cool using fossil gaseous fuel.

Therefore, according to the Climate Delegated Act, we did not identify any Taxonomy-eligible or Taxonomy-aligned economic activities among those contributing to our 2022 annual consolidated revenue.

Capital expenditures (CapEx)

The CAPEX KPI is defined as Taxonomy-eligible CAPEX (numerator) divided by our total CAPEX (denominator).

Total consolidated CAPEX (denominator) consists of additions to tangible and intangible fixed assets during the financial year, before depreciation, amortization and any re-measurements, including those resulting from revaluations and impairments, as well as excluding changes in fair value. It includes additions to fixed assets (IAS 16), intangible assets (IAS 38) and right-of-use assets (IFRS 16). Additions resulting from business combinations are also included. Goodwill is not included in CAPEX as it is not defined as an intangible asset in accordance with IAS 38. For further details on our accounting policies regarding our CAPEX, refer to section 8.1.6. Notes to consolidated financial statements of our 2022 Annual Financial Report.

Purchase of output from Taxonomy-eligible and Taxonomy-aligned economic activities and individual measures enabling certain target activities to become low-carbon or to lead to greenhouse gas reductions can be taken into account (section 1.1.2.2. (c) of Annex I to the Article 8 Delegated Act).

We have identified the following economic activities in the Climate Delegated Act resulting in CAPEX which can be considered as individually Taxonomy-eligible and/or Taxonomy-aligned. These CAPEX concern purchases of output related to taxonomy-eligible and aligned economic activities:

Table 1 – CapEx - Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2022

				Substantial contribution criteria					
Economic activities	**Code(s)**	**Absolute CapEx**	**Proportion of CapEx**	**Climate change mitigation**	**Climate change adaptation**	**Water and marine ressources**	**Circular economy**	**Pollution**	**Biodiversity and ecosystems**
		(M€)	*(%)*	*(%)*	*(%)*	*(%)*	*(%)*	*(%)*	*(%)*
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
6.5 Transport by motorbikes, passenger cars and commercial vehicles	6.5	0.3	3.90	100	0	N/A	N/A	N/A	N/A
7.3 Installation, maintenance and repair of energy efficiency equipment	7.3	0.4	4.87	100	0	N/A	N/A	N/A	N/A
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings	7.4	0.1	0.83	100	0	N/A	N/A	N/A	N/A
7.6 Installation, maintenance and repair of renewable energy technologies	7.6	0.2	2.74	100	0	N/A	N/A	N/A	N/A
7.7 Acquisition and ownership of buildings	7.7	7.8	87.66	100	0	N/A	N/A	N/A	N/A
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**8.9**	**8.22**	**100**	**0**				
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
6.5 Transport by motorbikes, passenger cars and commercial vehicles	6.5	1.6	3.66						
7.7 Acquisition and ownership of buildings	7.7	12.2	27.85						
8.1 Data processing, hosting and related activities	8.1	26.5	60.64						
8.2 Data-driven solutions for GHG emissions reductions	8.2	0.3	0.72						
9.1 Close to market research, development and innovation	9.1	3.1	7.13						
CapEx of Taxonomy-eligible not but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**43.7**	**40.26**	**0**	**0**				
Total CapEx of Taxonomy-eligible activities (A.1 + A.2) (A)		**52.6**	**48.48**	**100**	**0**				
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
CapEx of Taxonomy-non-eligible activities (B)		**55.9**	**51.52**						
TOTAL (A + B)		**108.5**	**100.00**						

Activities listed under A2 may be filled in on a voluntary basis by non-financial undertakings

Non applicable for the 2022 reporting (1st year of full reporting)

DNSH Criteria										
Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy aligned proportion of CapEx Year 2022	Taxonomy aligned proportion of CapEx Year 2021	Category (enabling activity)	Category (transitional activity)
Y/N	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*(%)*	*(%)*	*E*	*T*
N/A	Y	N/A	Y	Y	N/A	Y	0.32		_	T
N/A	Y	N/A	N/A	Y	N/A	Y	0.40		E	_
N/A	Y	N/A	N/A	N/A	N/A	Y	0.07		E	_
N/A	Y	N/A	N/A	N/A	N/A	Y	0.22		E	_
N/A	Y	N/A	N/A	N/A	N/A	Y	7.2		_	_
							8			
							8			

In 2022, our Taxonomy-aligned CAPEX mainly comprised the increase in right-of-use related to the annual rent indexation of our "Origine" Headquarters located in Nanterre, France, representing more than 87% of our Taxonomy-aligned CAPEX. We have performed the analysis of the alignment and assessed that our headquarters complies with the technical screening criteria, this alignment has been confirmed by the lessor.

In a lesser extent, our Taxonomy-aligned CAPEX also comprised the increase in right-of-use related to our leasing of passenger cars, our investments in replacement of energy-efficient equipment, our installation of charging stations for electric vehicles and our installation of solar photovoltaic systems (including installation under construction).

Our Taxonomy-eligible (but non-aligned) CAPEX comprised:

- renting and leasing of vehicles, including extensions of existing lease contracts, independently of their emissions of CO_2 in relation with the activity "6.5. Acquisition and ownership of buildings" of the Taxonomy regulation;
- acquisitions of buildings, including extensions of existing lease contracts, independently of their use or energy efficiency in relation with the activity "7.7. Acquisition and ownership of buildings" of the Taxonomy regulation;
- acquisitions of infrastructure for data processing services, hosting, and related activities, including lease contracts in relation with the activity "8.1. Data processing, hosting and related activities" of the Taxonomy regulation;
- acquisitions of data-driven solutions for GHG emissions reductions, including CAPEX under construction in relation with the activity "8.2. Data-driven solutions for GHG emissions reductions" of the Taxonomy regulation;
- research and development solution for the electricity generation from wind power in relation with the activity "9.1. Close to market research, development and innovation" of the Taxonomy regulation.

Operating expenses (OPEX)

The EU Taxonomy defines operating expenses (OPEX) as direct non-capitalized costs that relate to research and development, building renovation measures, short-term leases, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plants and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets.

Due to our economic activities and our economic model, our operating expenses consist primarily of cost of sales, representing more than 94% of the total consolidated OPEX in 2022 (refer to section 8.1.1. Consolidated statement of income of this 2022 Annual Financial Report).

Consequently, our total operating expenses that comply with the EU Taxonomy (denominator), as detailed above, represents for the 2022 financial year around €90 million and 1.6% of our total consolidated operating expenses. We, therefore, chose to use the materiality exemption offered by the Regulation, and not to compute this indicator numerator which is considered as being equal to zero.

3.6.4. TCFD CORRESPONDENCE TABLE

Climate Change has been identified as a material topic to Technip Energies' stakeholders during the materiality assessments that took place in 2021. Overall, transformations linked to climate change are a source of opportunities for Technip Energies, the main risk being to fail leading by example and thereby lose traction with clients, investors, new talents and collaborators in the company. Concrete climate-related programs to either grab opportunities, or mitigate risks are deployed in our ESG Scorecard, aligned with a 1.5 °C trajectory. We present below our main climate-related disclosures in line with the TCFD recommendations.

Theme	Recommended Disclosure	Reference in Technip Energies 2022 Annual Report
Governance	a) Describe the board's oversight of climate-related risks and opportunities.	3.2.1. ESG Governance 5.1.8. 2022 Board of Directors Meetings 5.1.9. 2022 Board Committee Meetings
Governance	b) Describe management's role in assessing and managing climate-related risks and opportunities.	3.2.1. ESG Governance
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	3.5.2. ESG Risks and Opportunities 3.1.5. A Focus on CO_2 Management
Strategy	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	3.5.2. ESG Risks and Opportunities
Strategy	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2 °C or lower scenario.	3.3.1.1. Decarbonize the future 3.5.2. ESG Risks and Opportunities
Risk Management	a) Describe the organization's processes for identifying and assessing climate-related risks.	3.4. Materiality and UN SDGs 3.5.2. ESG Risks and Opportunities 4.1. Risk Management overview 4.2. Enterprise Risk Management framework
Risk Management	b) Describe the organization's processes for managing climate-related risks.	3.3.1.1. Decarbonize the future 3.5.2. ESG Risks and Opportunities 4.1. Risk Management overview 4.2. Enterprise Risk Management framework
Risk Management	c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	3.5.2. ESG Risks and Opportunities 4.1. Risk Management overview 4.2. Enterprise Risk Management framework
Metrics and Targets	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	3.3.1.1. Decarbonize the future 3.5.2. ESG Risks and Opportunities 3.6.2. ESG Indicators
Metrics and Targets	b) Disclose scope 1, scope 2 and, if appropriate, scope 3 greenhouse gas (GHG) emissions, and the related risks.	3.3.1.1. Decarbonize the future 3.5.2. ESG Risks and Opportunities 3.6.2. ESG Indicators
Metrics and Targets	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	3.1.2. ESG Roadmap and Scorecard 3.3.1.1. Decarbonize the future

3.6.5. SASB CORRESPONDENCE TABLE

Technip Energies followed the Sustainability Accounting Standard: Engineering and Construction Services version 2018-10 as recommended by the Sustainability Accounting Standards Board ("**SASB**").

Topic	Accounting metric	Category	Code	Reference in Technip Energies 2022 Annual Report
Environmental Impacts of Project Development	Number of incidents of non-compliance with environmental permits, standards, and regulations	Quantitative	IF-EN-160a.1	Information unavailable
	Discussion of processes to assess and manage environmental risks associated with project design, siting, and construction	Discussion and Analysis	IF-EN-160a.2	3.3.1.2 Enhance circularity and protect biodiversity
Structural Integrity & Safety	Amount of defect- and safety-related rework costs	Quantitative	IF-EN-250a.1	Information unavailable
	Total amount of monetary losses as a result of legal proceedings associated with defect- and safety-related incidents	Quantitative	IF-EN-250a.2	Information unavailable
Workforce Health & Safety	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Quantitative	IF-EN-320a.1	See Safety indicators at section 3.6.2. ESG Indicators
Lifecycle Impacts of Buildings & Infrastructure	Number of (1) commissioned projects certified to a third-party multi-attribute sustainability standard and (2) active projects seeking such certification	Quantitative	IF-EN-410a.1	See ISO certifications indicators on the sections Environmental Management, Safety and Quality at 3.6.2. ESG Indicators
	Discussion of process to incorporate operational-phase energy and water efficiency considerations into project planning and design	Discussion and Analysis	IF-EN-410a.2	3.3.1.1. Decarbonize the future 3.3.1.2 Enhance circularity and protect biodiversity
Climate Impacts of Business Mix	Amount of backlog for (1) hydrocarbon-related projects and (2) renewable energy projects	Quantitative	IF-EN-410b.1	Information unavailable
	Amount of backlog cancellations associated with hydrocarbon-related projects	Quantitative	IF-EN-410b.2	Information unavailable
	Amount of backlog for non-energy projects associated with climate change mitigation	Quantitative	IF-EN-410b.3	Information unavailable
Business Ethics	(1) Number of active projects and (2) backlog in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Quantitative	IF-EN-510a.1	Information unavailable
	Total amount of monetary losses as a result of legal proceedings associated with charges of (1) bribery or corruption and (2) anticompetitive practices	Quantitative	IF-EN-510a.2	Information unavailable
	Description of policies and practices for prevention of (1) bribery and corruption, and (2) anti-competitive behavior in the project bidding processes	Discussion and Analysis	IF-EN-510a.3	3.3.3.2. Foster Integrity
Activity Metrics	Number of active projects	Quantitative	IF-EN-000.A	Information unavailable
	Number of commissioned projects	Quantitative	IF-EN-000.B	Information unavailable
	Total backlog	Quantitative	IF-EN-000.C	2.3.2. Consolidated results of operations

3.6.6. GRI CONTENT INDEX

GRI CONTENT INDEX ESSENTIAL SERVICE + SECTOR STANDARDS ADD-ON 2023

For the Content Index - Essentials Service, GRI Services reviewed that the GRI content index is clearly presented, in a manner consistent with the Standards, and that the references for disclosures 2-1 to 2-5, 3-1 and 3-2 are aligned with the appropriate sections in the body of the report.

Statement of use	Technip Energies has reported in accordance with the GRI Standards for the period of January 1st 2022 to December 31st 2022.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	GRI 11: Oil and Gas Sector 2021

GRI 2: General disclosures 2021

GRI Standard Reference	Disclosure	Reference in Technip Energies 2022 Annual Report
2.1	Organizational details	1. Presentation of Technip Energies - page 6 3.1.1. 2022 Sustainability Highlights and Key Figures - page 81
2.2	Entities included in the organization's sustainability reporting	The sustainability report encompasses the same entities as the consolidated financial statement, which can be found in Annual Report Note 31. Companies included in the scope of the consolidated financial statements (page 308). Exceptions or further information on the reported ESG indicators are provided in section 3.6.1. Definitions and Methodologies (page 131), as well as notes on tables in the section 3.6.2. ESG Indicators (page 136)
2.3	Reporting period, frequency and contact point	Reporting period: 1 January 2022 to 31 December 2022 Frequency: Annually Contact: https://www.technipenergies.com/en/contact
2.4	Restatements of information	Technip Energies did not do any restatement in this report.
2.5	External assurance	8.3. Independent Auditor's report - page 339
2.6	Activities, value chain and other business relationships	3.1.4. Technip Energies Business Model - page 86
2.7	Employees	3.3.2. People - page 106 Social indicators at 3.6.2. ESG Indicators - page 136
2.8	Workers who are not employees	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.
2.9	Governance structure and composition	3.2.1. ESG Governance - page 91 5.1. The Technip Energies Board - page 186
2.10	Nomination and selection of the highest governance body	5.1. The Technip Energies Board - page 186
2.11	Chair of the highest governance body	5.1. The Technip Energies Board - page 186
2.12	Role of the highest governance body in overseeing the management of impacts	3.2.1. ESG Governance - page 91 5.1. The Technip Energies Board - page 186
2.13	Delegation of responsibility for managing impacts	3.2.1. ESG Governance - page 91 5.1.8. 2022 Board of Directors Meetings - page 198 5.1.9. 2022 Board Committee Meetings - page 201
2.14	Role of the highest governance body in sustainability reporting	3.2.1. ESG Governance - page 91 5.1.8. 2022 Board of Directors Meetings - page 198 5.1.9. 2022 Board Committee Meetings - page 201
2.15	Conflicts of interest	5.1.7.3. Conflicts of interest - page 196
2.16	Communication of critical concerns	5.1. The Technip Energies Board - page 186
2.17	Collective knowledge of the highest governance body	5.1.4. Board skills and experience matrix - page 193

GRI Standard Reference	Disclosure	Reference in Technip Energies 2022 Annual Report
2.18	Evaluation of the performance of the highest governance body	5.1. The Technip Energies Board - page 186
2.19	Remuneration policies	6. Remuneration report - page 216
2.20	Process to determine remuneration	6. Remuneration report - page 216
2.21	Annual total compensation ratio	6. Remuneration report - page 216
2.22	Statement on sustainable development strategy	Message from the Chairman - page 2 Message from the Chief Executive Officer - page 4
2.23	Policy commitments	3.2.2. ESG Policies and Certifications -page 92
2.24	Embedding policy commitments	3.2.2. ESG Policies and Certifications -page 92
2.25	Processes to remediate negative impacts	3.3.3.2. Foster Integrity - page 116
2.26	Mechanisms for seeking advice and raising concerns	3.3.3.2. Foster Integrity - page 116
2.27	Compliance with laws and regulations	3.4.3.2. Foster Integrity - page 116
2.28	Membership associations	2.1.4. Technology & Innovation - page 44 3.1.3. ESG Commitments and Ratings - page 84
2.29	Approach to stakeholder engagement	3.2.3. Stakeholder Engagement -page 94
2.30	Collective bargaining agreements	3.3.2.3. Advance an inclusive culture - page 111

GRI 3: Material topics 2021

GRI Standard Reference	Disclosure	Reference in Technip Energies 2022 Annual Report
3.1	Process to determine material topics	3.4. Materiality and UN SDGs - page 121
3.2	List of material topics	3.4.2. Materiality Matrix - page 121
3.3	Management of material topics	3.4. Materiality and UN SDGs - page 121 GRI 11 Content Index at 3.6.6. GRI Content Index - page 153 Note : Information unavailable for the material topics (13) Safety & quality of our solutions, (14) Integration of ecofriendly design in our solutions, (17) Innovative solutions, cutting-edge technologies & digitalization, (18) Corporate governance & transparency, (19) Dissemination of an ESG culture and (22) Integration of ESG criteria in the corporate decisions. These topics are not related to GRI 11 Oil and Gas Sector 2021. Technip Energies will perform a new materiality assessment in the coming years.

GRI 11: Oil and gas sector 2021

Sector standard	Disclosure		Reference in Technip Energies 2022 Annual Report
11.1 GHG emissions			3.4. Materiality and UN SDGs - refer to (3) Climate change mitigation & adaptation - page 121
11.1.1	GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	3.3.1.1. Decarbonize the future - page 99
11.1.2	GRI 302: Energy 2016	Disclosure 302-1 Energy consumption within the organization	**Energy indicators** in the section 3.6.2. ESG Indicators - page 136
11.1.3		Disclosure 302-2 Energy consumption outside of the organization	**Energy indicators** in the section 3.6.2. ESG Indicators - page 136
11.1.4		Disclosure 302-3 Energy intensity	**Energy indicators** in the section 3.6.2. ESG Indicators - page 136

Sector standard	Disclosure		Reference in Technip Energies 2022 Annual Report
11.1.5	GRI 305: Emissions 2016	Disclosure 305-1 Direct (Scope 1) GHG emissions	**GHG emissions indicators** in the section 3.6.2. ESG Indicators - page 136
11.1.6		Disclosure 305-2 Energy indirect (Scope 2) GHG emissions	**GHG emissions indicators** in the section 3.6.2. ESG Indicators - page 136
11.1.7		Disclosure 305-3 Other indirect (Scope 3) GHG emissions	**GHG emissions indicators** in the section 3.6.2. ESG Indicators - page 136
11.1.8		Disclosure 305-4 GHG emissions intensity	**GHG emissions indicators** in the section 3.6.2. ESG Indicators - page 136
11.2 Climate adaptation, resilience, and transition			3.4. Materiality and UN SDGs - refer to (3) Climate change mitigation & adaptation (15) Low to zero-carbon technologies & solutions (16) Responsible & sustainable supply chain and (17) Innovative solutions cutting-edge technologies & digitalization - page 121
11.2.1	GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	3.3.1.1. Decarbonize the future - page 99
11.2.2	GRI 201: Economic Performance 2016	Disclosure 201-2 Financial implications and other risks and opportunities due to climate change	3.5. ESG Risks and Opportunities - page 125
11.2.3	GRI 305: Emissions 2016	Disclosure 305-5 Reduction of GHG emissions	3.3.1.1. Decarbonize the future - page 99
11.2.4	Additional Sector Disclosure	Describe the organization's approach to public policy development and lobbying on climate change	3.2.3. Stakeholder Engagement -page 94
11.3 Air Emissions			3.4. Materiality and UN SDGs - refer to (1) Impact of our own facilities on their direct environment and (2) Environmental footprint of projects - page 121
11.3.1	GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	3.3.1.2 Enhance circularity and protect biodiversity - page 102
11.3.2	GRI 305: Emissions 2016	Disclosure 305-7 Nitrogen oxides(NOx), Sulfur oxides (SOx), and other significant air emissions	**Air emissions indicators** in the section 3.6.2. ESG Indicators - page 136
11.3.3	GRI 416: Customer Health and Safety 2016	Disclosure 416-1 Assessment of the health and safety impacts of product and service categories	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.
11.4 Biodiversity			3.4. Materiality and UN SDGs - refer to (5) Protection of biodiversity - page 121
11.4.1	GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	3.3.1.2. Enhance circularity and protect biodiversity - page 102

Sector standard	Disclosure		Reference in Technip Energies 2022 Annual Report
11.4.2	GR 304: Biodiversity 2016	Disclosure 304-1 Operational sites owned, leased, management in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	3.3.1.2 Enhance circularity and protect biodiversity - page 102
11.4.3		Disclosure 304-2 Significant impacts of activities, products, and services on biodiversity	3.3.1.2 Enhance circularity and protect biodiversity - page 102 3.5. ESG Risks and Opportunities
11.4.4		Disclosure 304-3 Habitats protected or restored	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.
11.4.5		Disclosure 304-4 IUCN Red List species and national conservation list species with habitat in areas affected by operations	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.
11.5 Waste			3.4. Materiality and UN SDGs - refer to (1) Impact of our own facilities on their direct environment and (2) Environmental footprint of projects - page 121
11.5.1	GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	3.3.1.2 Enhance circularity and protect biodiversity - page 102
11.5.2	GRI 306: Waste 2020	Disclosure 306-1 Waste generation and significant waste-related impacts	3.3.1.2 Enhance circularity and protect biodiversity - page 102 3.5. ESG Risks and Opportunities - page 125
11.5.3		Disclosure 306-2 Management of significant waste-related impacts	3.3.1.2 Enhance circularity and protect biodiversity - page 102 3.5. ESG Risks and Opportunities - page 125
11.5.4		Disclosure 306-3 Waste generated	3.3.1.2 Enhance circularity and protect biodiversity - page 102 Waste indicators in the section 3.6.2. ESG Indicators - page 136
11.5.5		Disclosure 306-4 Waste diverted from disposal	3.3.1.2 Enhance circularity and protect biodiversity - page 102 Waste indicators in the section 3.6.2. ESG Indicators - page 136
11.5.6		Disclosure 306-5 Waste directed from disposal	3.3.1.2 Enhance circularity and protect biodiversity - page 102 Waste indicators in the section 3.6.2. ESG Indicators - page 136
11.6 Water and effluents			3.4. Materiality and UN SDGs - refer to (1) Impact of our own facilities on their direct environment and (2) Environmental footprint of projects (4) Sustainable use of resources - page 121
11.6.1	GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	3.3.1.2 Enhance circularity and protect biodiversity - page 102
11.6.2	GRI 303: Water and Effluents 2018	Disclosure 303-1 Interactions with water as a shared resource	3.3.1.2 Enhance circularity and protect biodiversity - page 102
11.6.3		Disclosure 303-2 Management of water discharge-related impacts	3.3.1.2 Enhance circularity and protect biodiversity - page 102
11.6.4		Disclosure 303-3 Water withdrawal	3.3.1.2 Enhance circularity and protect biodiversity - page 102 **Water & wastewater indicators** in the section 3.6.2. ESG Indicators - page 136
11.6.5		Disclosure 303-4 Water discharge	3.3.1.2 Enhance circularity and protect biodiversity - page 102 **Water & wastewater indicators** in the section 3.6.2. ESG Indicators - page 136
11.6.6		Disclosure 303-5 Water Consumption	3.3.1.2 Enhance circularity and protect biodiversity - page 102 **Water & wastewater indicators** in the section 3.6.2. ESG Indicators - page 136

Sector standard	Disclosure		Reference in Technip Energies 2022 Annual Report
11.7 Closure and rehabilitation			During the materiality assessment, this topic was not identified as material based on the importance to our stakeholders and the impact of our business.
11.8 Asset integrity and critical incident management			3.4. Materiality and UN SDGs - refer to (1) Impact of our own facilities on their direct environment and (2) Environmental footprint of projects - page 121
11.8.1	GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	3.3.1.2 Enhance circularity and protect biodiversity - page 102
11.8.2	GRI 306: Effluents and Waste 2016	Disclosure 306-3 Significant spills	3.3.1.2 Enhance circularity and protect biodiversity - page 102 **Environmental management indicators** in the section 3.6.2. ESG Indicators - page 136
11.9 Occupational health and safety			3.4. Materiality and UN SDGs - refer to (6) Safety & security of teams - - page 121
11.9.1	GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	3.3.2.1. Safeguard people and reinforce well-being - page 106
11.9.2	GRI 403: Occupational Health and Safety 2018	Disclosure 403-1 Occupational health and safety management system	3.3.2.1. Safeguard people and reinforce well-being - page 106
11.9.3		Disclosure 403-2 Hazard identification, risk assessment, and incident investigation	3.3.2.1. Safeguard people and reinforce well-being - page 106
11.9.4		Disclosure 403-3 Occupational health services	3.3.2.1. Safeguard people and reinforce well-being - page 106
11.9.5		Disclosure 403-4 Worker participation, consultation, and communication on occupational health and safety	3.3.2.1. Safeguard people and reinforce well-being - page 106
11.9.6		Disclosure 403-5 Worker training on occupational health and safety	3.3.2.1. Safeguard people and reinforce well-being - page 106 **People development indicators** in the section 3.6.2. ESG Indicators - page 136
11.9.7		Disclosure 403-6 Promotion of worker health	3.3.2.1. Safeguard people and reinforce well-being - page 106
11.9.8		Disclosure 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	3.3.2.1. Safeguard people and reinforce well-being - page 106
11.9.9		Disclosure 403-8 Workers covered by an occupational health and safety management system	3.3.2.1. Safeguard people and reinforce well-being - page 106 **Safety indicators** in the section 3.6.2. ESG Indicators - page 136
11.9.10		Disclosure 403-9 Work-related injuries	3.3.2.1. Safeguard people and reinforce well-being - page 106 **Safety indicators** in the section 3.6.2. ESG Indicators - page 136
11.9.11		Disclosure 403-10 Work-related ill health	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.

Sector standard	Disclosure		Reference in Technip Energies 2022 Annual Report
11.10 Employment practices			3.4. Materiality and UN SDGs - refer to (8) Employee engagement & social dialogue, (9) Employee well-being & health, and (10) Skills development & talent management - page 121
11.10.1	GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	3.3.2. People - page 106
11.10.2	GRI 401: Employment 2016	Disclosure 401-1 New employee hires and employee turnover	**Employment indicators** in the section 3.6.2. ESG Indicators - page 136
11.10.3		Disclosure 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	3.3.2.2. Attract and grow talents - page 109
11.10.4		Disclosure 401-3 Parental leave	**Employment indicators** in the section 3.6.2. ESG Indicators - page 136
11.10.5	GRI 402: Labor/ Management Relations 2016	Disclosure 402-1 Minimum notice periods regarding operational changes	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.
11.10.6	GRI 404: Training and Education 2016	Disclosure 404-1 Average hours of training per year per employee	**People Development indicators** in the section 3.6.2. ESG Indicators - page 136
11.10.7		Disclosure 404-2 Programs for upgrading employee skills and transition assistance programs	3.3.2.1. Attract and grow talents - page 109
11.10.8	GRI 414: Supplier Social Assessment 2016	Disclosure 414-1 New suppliers that were screened using social criteria	3.3.3.3. Partner towards a sustainable supply chain - page 118
11.10.9		Disclosure 414-2 Negative social impacts in the supply chain and actions taken	3.3.3.3. Partner towards a sustainable supply chain - page 118
11.11 Non-discrimination and equal opportunity			3.4. Materiality and UN SDGs - refer to (11) Diversity & equal opportunities - page 121
11.11.1	GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	3.3.2.3. Advance an inclusive culture - page 111
11.11.2	GRI 202: Market Presence 2016	Disclosure 202-2 Proportion of senior management hired from the local community	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.
11.11.3	GRI 401: Employment 2016	Disclosure 401-3 Parental leave	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.
11.11.4	GRI 404: Training and Education 2016	Disclosure 404-1 Average hours of training per year per employee	People Development indicators in the section 3.6.2. ESG Indicators - page 136
11.11.5	GRI 405: Diversity and Equal Opportunity 2016	Disclosure 405-1 Diversity of governance bodies and employees	3.3.2.3. Advance an inclusive culture - page 111 5.4.2. Diversity Policy - page 212
11.11.6		Disclosure 405-2 Ratio of basic salary and remuneration	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.
11.11.7	GRI 406: Non-discrimination 2016	Disclosure 406-1 Incidents of discrimination and corrective actions taken	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.

Sector standard	Disclosure		Reference in Technip Energies 2022 Annual Report
11.12 Forced labor and modern slavery			3.4. Materiality and UN SDGs - refer to (7) Human Rights - page 121
11.12.1	GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	3.3.3.3. Partner towards a sustainable supply chain - page 118
11.12.2	GRI 409: Forced or Compulsory Labor 2016	Disclosure 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.
11.12.3	GRI 414: Supplier Social Assessment 2016	Disclosure 414-1 New suppliers that were screened using social criteria	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.
11.13 Freedom of association and collective bargaining			3.4. Materiality and UN SDGs - refer to (7) Human Rights - page 121
11.13.1	GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	3.3.3.2. Foster Integrity - page 116 3.3.3.3. Partner towards a sustainable supply chain - page 118 3.3.2.3. Advance an inclusive culture - page 111
11.13.2	GRI 407: Freedom of Association and Collective Bargaining 2016	Disclosure 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.
11.14 Economic impacts			3.4. Materiality and UN SDGs - refer to (15) Communities Engagement and (16) Responsible & sustainable supply chain - page 121
11.14.1	GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.
11.14.2	GRI 201: Economic Performance 2016	Disclosure 201-1 Direct economic value generated and distributed	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.
11.14.3	GRI 202: Market Presence 2016	Disclosure 202-2 Proportion of senior management hired from the local community	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.
11.14.4	GRI 203: Indirect Economic Impacts 2016	Disclosure 203-1 Infrastructure investments and services supported	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.
11.14.5		Disclosure 203-2 Significant indirect economic impacts	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.
11.14.6	GRI 204: Procurement Practices 2016	Disclosure 204-1 Proportion of spending on local suppliers	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.
11.15 Local communities			3.4. Materiality and UN SDGs - refer to (12) Communities engagement (20) Stakeholder relationships & dialogue - page 121
11.15.1	GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	3.3.2.4. Contribute to local development - page 113

Sector standard	Disclosure		Reference in Technip Energies 2022 Annual Report
11.15.2	GRI 413: Local Communities 2016	Disclosure 413-1 Operations with local community engagement, impact assessments, and development programs	3.3.2.4. Contribute to local development - page 113
11.15.3		Disclosure 413-2 Operations with significant actual and potential negative impacts on local communities	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.
11.15.4	Additional Sector Disclosures	Report the number and type of grievances from local communities identified, including: a) percentage of the grievances that were addressed and resolved; b) percentage of the grievances that were resolved through remediation.	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.
11.16 Land and resource rights			During the materiality assessment, this topic was not identified as material based on the importance to our stakeholders and the impact of our business.
11.17 Rights of indigenous peoples			During the materiality assessment, this topic was not identified as material based on the importance to our stakeholders and the impact of our business.
11.18 Conflict and security			During the materiality assessment, this topic was not identified as material based on the importance to our stakeholders and the impact of our business.
11.19 Anti-competitive Behavior			3.4. Materiality and UN SDGs - refer to (21) Business ethics - page 121
11.19.1	GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	3.3.3.2. Foster Integrity - page 116
11.19.2	GRI 206: Anticompetitive Behavior 2016	Disclosure 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	3.3.3.2. Foster Integrity - page 116
11.20 Anti-corruption			3.4. Materiality and UN SDGs - refer to (21) Business ethics - page 121
11.20.1	GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	3.3.3.2. Foster Integrity - page 116
11.20.2	GRI 205: Anticorruption 2016	Disclosure 205-1 Operations assessed for risks related to corruption	3.3.3.2. Foster Integrity - page 116 4.3. Risks to which we are subject - page 167
11.20.3		Disclosure 205-2 Communication and training about anti-corruption policies and procedures	3.3.3.2. Foster Integrity - page 116 **People Development and Business Ethics** indicators in the section 3.6.2. ESG Indicators - page 136
11.20.4		Disclosure 205-3 Confirmed incidents of corruption and actions taken	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.

Sector standard	Disclosure		Reference in Technip Energies 2022 Annual Report
11.21 Payment to governments			3.4. Materiality and UN SDGs - refer to (20) Stakeholder relationships & dialogue and (21) Business ethics - page 121
11.21.1	GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	3.3.3. Trust page 115
11.21.2	GRI 201: Economic Performance 2016	Disclosure 201-1 Direct economic value generated and distributed	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.
11.21.3		Disclosure 201-4 Financial assistance received from government	Not applicable. Technip Energies do not receive financial assistance from government.
11.21.4	GRI 207: Tax 2019	Disclosure 207-1 Approach to tax	Technip Energies Code of Business Conduct 3.2.2. ESG Policies and Certifications - page 92
11.21.5		Disclosure 207-2 Tax governance, control, and risk management	4.3.5. Taxation risks page 179
11.21.6		Disclosure 207-3 Stakeholder engagement and management of concerns related to tax	Technip Energies Code of Business Conduct 4.3.5. Taxation risks page 179
11.21.7		Disclosure 207-4 Country-by-country reporting	Information unavailable. Technip Energies is developing this KPI and will report it in the coming years.
11.21.8	Additional Sector Disclosures	For oil and gas purchased from the state, or from third parties appointed by the state to sell on their behalf, report: a) Volumes and types of oil and gas purchased; b) Full names of the buying entity and the recipient of the payment; c) Payments made for the purchase	Not applicable. Technip Energies do not sell oil and gas.
11.22 Public Policy			During the materiality assessment, this topic was not identified as material based on the importance to our stakeholders and the impact of our business.

Risk and Risk Management



4.



4.1. RISK MANAGEMENT OVERVIEW 164

4.2. ENTERPRISE RISK MANAGEMENT FRAMEWORK 165

4.2.1. Governance and responsibilities 165

4.2.2. Business lines and Project risk management 166

4.2.3. Enterprise Risk Management and Internal Control 166

4.2.4. Internal Audit 167

4.3. RISKS TO WHICH WE ARE SUBJECT 167

4.3.1. Strategic risks 168

4.3.2. Operational risks 171

4.3.3. Financial risks 176

4.3.4. Legal and Regulatory risks 177

4.3.5. Taxation risks 179

4.3.6. Risks related to the Ownership of Technip Energies Shares 182

4.1. RISK MANAGEMENT OVERVIEW

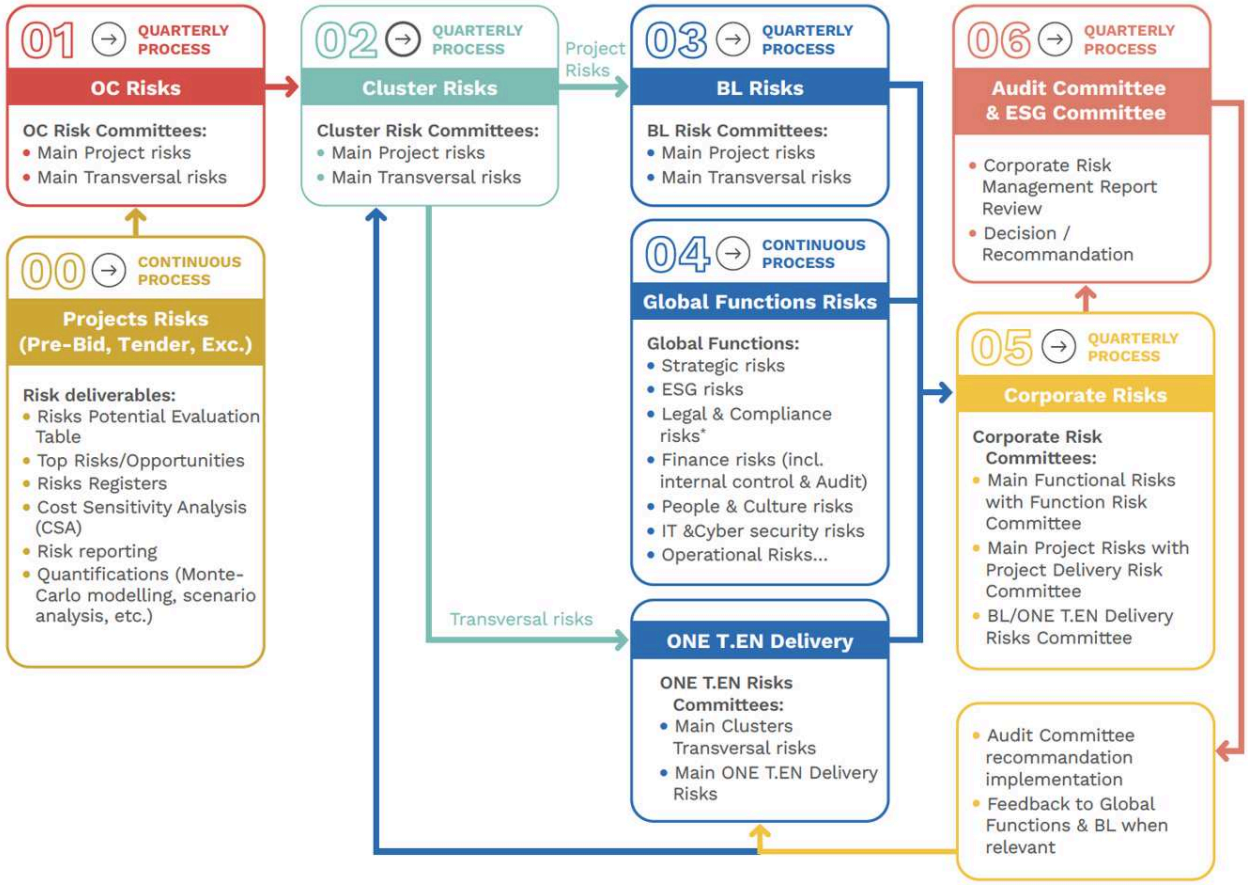
The recognition of risks, threats and opportunities is an integral part of the management process across our operations, in projects, operating centers, clusters, business lines and administrative functions. We have implemented and we are constantly maintaining an adequate system of internal control and risk management processes. This encompasses relevant organizational structures and procedures designed to safeguard our rights and assets, ensure the effectiveness and efficiency of our internal procedures, the reliability of our financial reporting and strict compliance with laws, regulations and best practices applicable to our businesses.

Within Technip Energies risk management is not a process that runs in isolation from the rest of our activities but rather is an integral part of existing company and business processes. The Enterprise Risk Management ("**ERM**") process (the "**ERM Process**") is defined by a dedicated Global Practice Standard ("**GPS**"). This GPS is supplemented by external standards (such as ISO 31000) which contribute to process definition.

The ERM Process is an iterative and continuous process which is executed across all levels of the Company from Tender/Project level to Corporate level. It is designed to identify, assess, mitigate, monitor and report risks (both threats and opportunities).

- **Identify:** identification of events or situations that may occur (not certain) and could prevent the achievement of the objectives.
- **Assess:** qualitative evaluation of the risks identified in terms of severity (by measuring their impact, whether positive or negative) and probability of occurrence. It allows us to prioritize the definition of a response plan which is mandatory for the highest-risk criticalities and is reported through the ERM quarterly reporting process - which will allow us to define a time impact horizon if applicable (short term: less than one year, medium-term: between one and four years, long term: above four years).
- **Mitigate:** definition of the action or set of actions to be carried out to reduce risk criticality to an acceptable level.
- **Monitoring/Management:** management of the whole process through regular reporting and review meetings with the objective of continuously reassessing risks, anticipating new risks and follow-up on mitigation actions.

The following ERM reporting workflow has been designed to ensure a proper bottom-up and top-down sharing of the risks faced by the Company:

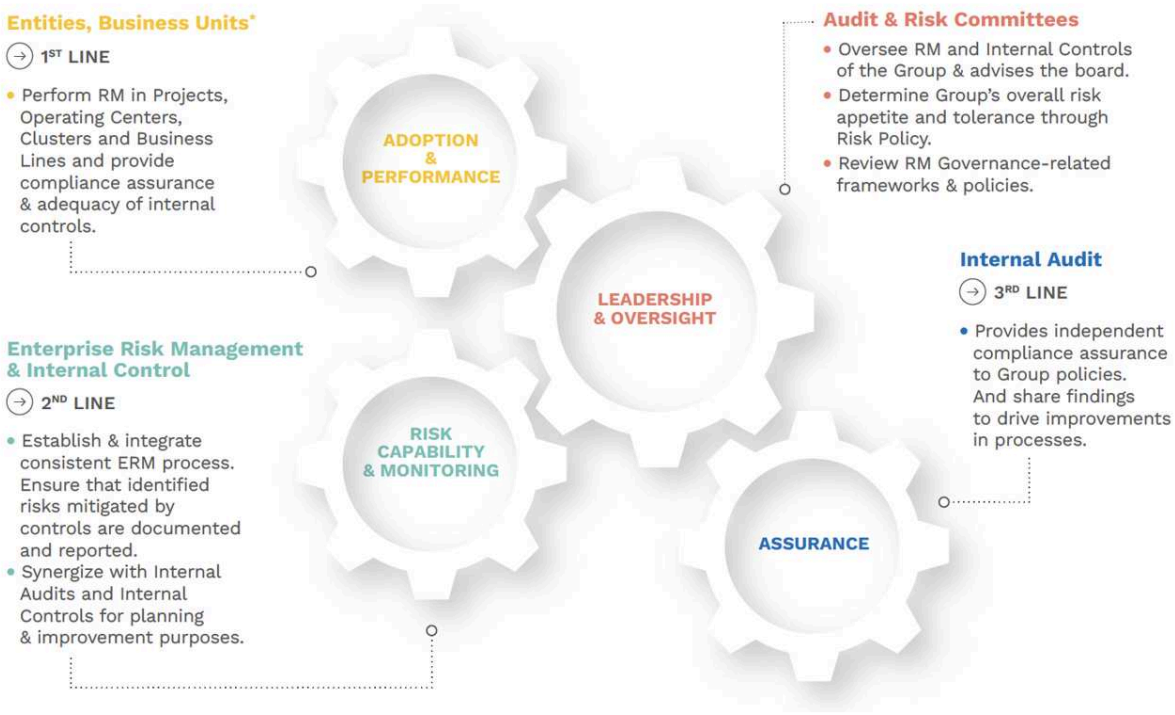


* *Compliance risks are covered by the ESG Committee.*

No significant deficiencies or material weaknesses in the risk management and internal control systems were observed during 2022 nor were any significant changes made to these systems.

4.2. ENTERPRISE RISK MANAGEMENT FRAMEWORK

Our ERM framework is derived from the Institute of Internal Auditor's ("**IIA**") three lines model as follows:



* *Notes: Strong collaboration between the 3 lines to fortify the Group RM approach & Governance.*

4.2.1. GOVERNANCE AND RESPONSIBILITIES

The governance and responsibility of the ERM framework is as follows:

- **Board of Directors:** it supervises with the support of the Audit Committee the risks (threats and opportunities) identified through the ERM Process. It also assesses the effectiveness of the process and validates the ERM objectives.
- **Executive Management:** Executive Management is responsible for the effectiveness of the ERM Process and defines the ERM objectives and Technip Energies' risk appetite.
- **Head of Enterprise Risk Management:** she/he is responsible for the design and implementation of the ERM Process with regards to the ERM objectives defined by Management.

During the course of 2022, the Audit Committee of the Board reviewed on a regular basis with management the key risks facing the Company in relation to its risk appetite, including legal and compliance matters, key project execution, the fallout resulting from Russia's invasion of Ukraine, the status of ERP migration from several providers to a single cloud-based solution, as well as price volatility and resource scarcity. It was also provided with a specific presentation relating to the Company's Enterprise Risk Management framework. The Audit Committee was also provided with regular updates regarding the internal control function as well as reports from the Vice President, Internal Audit. The key findings were reported by the Chair of Audit Committee to the Board. The Board was also provided with presentations relating to key risks, including those arising out of the Company's strategy review and resulting business positioning and on cybersecurity.

4.2.2. BUSINESS LINES AND PROJECT RISK MANAGEMENT

The first line of our ERM framework consists of our operating centers, clusters and business lines, each being under the responsibility of a dedicated managing director (or equivalent manager), with project risk management being under the responsibility of the relevant project director, with control systems based on a combination of appropriate resources, policies, procedures, behaviors and actions all of which are intended to ensure that we conduct our business emphasizing health, safety and environmental standards, and that the design, execution and management of our projects are undertaken in accordance with Technip Energies' policies and procedures.

Project risk management and internal control are also intended to identify and mitigate the transversal risks which could have a material impact on Technip Energies' assets, results, operations or our ability to implement our objectives and strategy, whether these risks are operational, commercial, legal, financial or related to compliance with ethical rules or applicable laws and regulations.

Project risk management and internal control functions are active during the pre-bidding, proposal and execution phases of our activity, and feature various procedures that assess project selectivity, partner selection, contracting models and execution schemes prior to the grant of internal authorization to tender and authorization to submit a final bid. Additionally, at various project milestones, executive project reviews are undertaken to periodically assess compliance. We consider early engagement as an important component of risk management with regards to project execution as it helps identify and select the appropriate technology and design features. Additionally, our project execution risk mitigation approach helps in the selection of suitable partners and sub-contractors (including by drawing on our experience in relevant geographical areas).

4.2.3. ENTERPRISE RISK MANAGEMENT AND INTERNAL CONTROL

The second line of our ERM Framework encompasses a bottom-up and top-down approach. Risk registers are developed at project and local level and rolled up into business lines and functions risk registers which are then reviewed every quarter with the relevant executives of the Company. Emerging risks are identified throughout the year and escalated or pushed down for assessment based on the identification of risks either by Non-Executive Directors or by Executive Committee members. Technip Energies operates in many different countries, sometimes with differences in accounting policies and local reporting requirements. This exposes Technip Energies to the risk of reporting figures that are not in line with the Group's IFRS framework, which may lead to a material impact on the reported figures. In order to mitigate this risk an accounting manual and other finance procedures containing detailed guidelines for the financial reporting are available to all employees. Continuous guidance and support are also delivered to the senior management and controllers of reporting entities. Each quarter a process for the signature of representation letters is deployed at each level of the organization, with detailed statements regarding financial reporting and internal control.

The business plans of every reporting entity are also translated into forecasts with deviations from the forecast being analyzed on a regular basis. Any unexpected circumstances that arise, or any substantial deviation from the forecasts, must be reported immediately to the responsible management. The reports submitted by operational management include an analysis of achievements versus approved plans and a forecast for the coming periods including actions to address any loss.

Technip Energies management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process under the supervision of the Company's Board of Directors and executed by the management and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS as issued by the IASB and adopted by the European Union (EU).

The effectiveness of any system of internal control over financial reporting is subject to inherent limitations, including the exercise of judgment in designing, implementing, operating, and evaluating the controls and procedures, and the inability to eliminate potential misconduct completely. Accordingly, any system of internal control over financial reporting can only provide reasonable, not absolute, assurances. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. We intend to continue to monitor and upgrade our internal controls as necessary or appropriate for our business, but cannot assure that such improvements will be sufficient to provide us with effective internal control over financial reporting.

Our management assessed the effectiveness of Technip Energies internal control over financial reporting as of December 31, 2022 and concluded that our internal control over financial reporting was effective as of December 31, 2022, based on criteria stated in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The COSO framework is considered equivalent to the reference framework of the French Financial Markets Authority (Autorité des Marchés Financiers). The Group's internal control system is consequently built around the five components of the COSO framework and it covers the processes of the consolidated entities and key controls of some specific entities of which Technip Energies does not have full ownership. The progress and results of the internal control evaluation are coordinated and consolidated by the Corporate Internal Control Department and regularly discussed with Corporate, business lines and operating centers management and presented to the Audit Committee.

4.2.4. INTERNAL AUDIT

Internal Audit, the third line of our ERM Framework, is an independent function within the organization and provides assurance that, in the pursuit of the Company's objectives, risks are being managed effectively and financial and other controls are in place. It assists Technip Energies in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organization's risk management, control, and governance process.

Internal Audit performs the work in compliance with the Audit Committee Charter (which is approved by the Audit Committee and the Board) and the IIA (Institute of Internal Auditors) professional practices and requirements.

4.3. RISKS TO WHICH WE ARE SUBJECT

The occurrence of any of the events or circumstances described in these risk factors, individually or together with other circumstances, could have a material adverse effect on the business, results of operations, financial condition prospects or cashflow of Technip Energies.

All of these risk factors and events are contingencies, which may or may not occur. Technip Energies may face a number of these risks described below simultaneously, and one or more risks described below may be interdependent. The most material risk factors have been presented first in each category. The order in which the remaining risks are presented is not necessarily an indication of the likelihood of the risks actually materializing, of the potential significance of the risks, or of the scope of any potential harm to the business, results of operations, financial condition or prospects of Technip Energies.

In selecting the risk factors, Technip Energies has considered circumstances such as the probability of the risk materializing on the basis of the current state of affairs, the potential impact which the materialization of the risk could have on Technip Energies' business, financial condition, results of operations and prospects, and the attention that management of Technip Energies would have to devote to these risks if they were to materialize.

The risk factors are based on assumptions that could turn out to be incorrect. Furthermore, although Technip Energies believes that the risks and uncertainties described below are the material risks and uncertainties concerning Technip Energies' business, they are not the only risks and uncertainties relating to Technip Energies. Other risks, facts or circumstances not presently known to Technip Energies, or that Technip Energies currently deems to be immaterial, could, individually or cumulatively, prove to be important and could have a material adverse effect on Technip Energies' business, results of operations, financial condition and prospects.

We have described specific risk management or mitigation measures to address risks where we have been able to put these in place. However, certain risks may not be the subject to risk management or mitigation. Furthermore, risk management and mitigation measures may be insufficient to eliminate a risk altogether or to alleviate its potential impact in a significant manner.

We have defined our risks according to five categories applicable to Technip Energies and its business. We have also identified the main risks associated with the ownership of Technip Energies shares. The risks detailed below are:

- Strategic risks;
- Operational risks;
- Financial risks;
- Legal and regulatory risks;
- Taxation risks; and
- Ownership of Technip Energies shares.

Section 3.5.1. ESG Risk Management and section 3.5.2. ESG Risks and Opportunities set forth the environmental, social and climate-related risks and opportunities to which the Company is subject.

Risk Appetite

Risk management activities conducted as part of the ERM Process are subject to a risk appetite which depends on the nature of the risk. We determine at least annually or as required by the context the level of risk we are willing to be subject to as relates to main risk categories and define our mitigation efforts as relates to such risks accordingly.

Main Risk Categories	Key Risks	Risk Appetite	Section	Technip Energies' approach
Strategic	■ Market Exposure ■ Innovation/ Acquisitions & Divestitures	■ Moderate to high ■ Moderate to high	4.3.1.	For strategic risks, acceptable risk levels vary depending on the market considered. As Technip Energies operates in both traditional energy markets and emerging markets, our risk appetite will be higher in developing energy transition services and solutions markets than in more mature energy markets. As an example of our willingness to take on added risk, we have actively redirected our R&D efforts towards energy transition initiatives.
Operational	■ Project Execution ■ Employees ■ QHSES management ■ IT & Cybersecurity	■ Moderate ■ Low ■ Low ■ Low	4.2.2. & 4.3.2.	Operational risks are handled with a moderate risk appetite with a dedicated Project Risk Management Process. All risks related to employees, QHSES and cybersecurity are subject to a low-risk appetite.
Financial	■ Financial Strength ■ FX ■ Banking counterparty	■ Low ■ Low ■ Low	4.3.3.	Financial risk appetite is low, with the intent of limiting/strictly monitoring financial risks and contract frustration risk.
Legal, Tax and Regulatory	■ Ethics ■ Compliance ■ Tax ■ Contractual liabilities	■ Zero Tolerance ■ Zero Tolerance ■ Low ■ Low	4.3.4. & 4.3.5.	There is no tolerance on ethics and compliance matters. Legal and tax are subject to a low risk appetite as Technip Energies strives for the highest level of compliance with legal and regulatory requirements.

4.3.1. STRATEGIC RISKS

4.3.1.1. Technip Energies must navigate competitive markets with moving parts as the world transitions to renewable energies

Technip Energies operates in a highly competitive environment, both in traditional energy markets and in emerging markets linked to the world's energy transition. The Group competes notably on product offerings, project execution, customer service, and price. In order to maintain a solid market position, best serve our clients and meet market as well as regulatory requirements, we develop and implement innovative technologies and processes.

As the energy market is transitioning from traditional markets to new renewable energies, Technip Energies as well as its competition are continuously evolving. Adapting and innovating to respond to market changes is key to our success, notwithstanding the changes within the competitive landscape which impact our ability to compete effectively with products or services. Last, but not least, the Group cannot ensure that some of our key markets will evolve and play less of a leading role in the world's energy mix as it transitions in the long run.

Our position as a provider of capital expenditure ("**CAPEX**") solutions to the oil and gas industry has seen increased competition from service providers in Asia and the Middle East for less complex projects where we may be less competitive in terms of pricing. We also face price competition in energy transition sectors that are less complex in terms of project size, technology, or other project challenges. These developments may impact our ability to maintain or grow market share in selected sectors and may have a significant adverse impact on our business, results of operations, financial condition or prospects.

Furthermore, in recent years, some engineering and technology (**"E&T"**) companies have carried out significant acquisitions and entered in joint ventures with the stated goal of pursuing complementary products, services, or geographic focus. This increased competition across our offering could impact our ability to maintain our market share, maintain or increase pricing for our products and services, or reach favorable contract terms with customers and suppliers, which could have a significant negative impact on our business, results of operations, financial condition or prospects. If we do not develop or acquire energy transition technologies or if our competitors' offering is more attractive than ours, we may not be retained. We are unable to predict what effect competitive factors in the industry may have on

prices, capital spending by our customers, our selling strategies, our competitive position, our ability to retain customers, or our ability to negotiate favorable agreements with our customers and suppliers.

How this risk is managed/mitigation plan:

We continuously assess our markets to understand their dynamics, evaluate our positioning and identify opportunities as well as risks. We notably investigate and analyze capital expenditure across the value chain, production capacity and forecasts, as well as geographic investments and economic, political, social, and environmental underlying market drivers. This enables us also to evaluate changes in competitive forces and business models. We use multiple scenarios to assess the resilience of our strategy and have factored the energy transition into it. We are actively broadening our energy transition offering in decarbonized technologies, whether in LNG, a key transition fuel, or in the deployment of CCUS solutions, including in connection with hydrogen production, as well as new energies, including green hydrogen and offshore wind.

We have also adapted by delivering projects in new production areas, implementing new technologies (with the development of our sustainable chemistry offering illustrated by our work on Neste's bio refineries, as well as the acquisition and continued growth of our Epicerol® technology) and adapting scalable solutions through our highly differentiated consulting services, Genesis. We are actively looking to enhance our portfolio of technologies, whether through in-house development, acquisitions or partnerships.

We are also shifting our portfolio of offerings to a higher margin model by growing our Technology, Product & Services offering.

The majority of the projects we are engaged to execute have been designed and evaluated by Technip Energies with most of the cost estimation being supported by firm offers already secured by our supply chain from the market.

4.3.1.2. Demand for our products and services is highly dependent on oil and gas industry activity and our business model needs to evolve due to the world's energy transition requirements

Our revenues predominately come from capital expenditure in energy infrastructure, notably from oil and gas companies' activity and more specifically related to:

- level of exploration, development, and production activity;
- capital spending; and
- processing of oil and natural gas in refining units, petrochemical sites, and natural gas liquefaction plants.

As the world seeks to transition away from carbon energies, our traditional business model is expected to be under pressure in the coming years due to anticipated reduction in oil and gas investments to reach climate targets.

Regarding the gas sector, the EU Commission's findings under the EU taxonomy for sustainable development and the role of natural gas as a mean towards a predominantly renewable-based future are deciding factors. The classification and conditions relating to gas under the EU taxonomy, and whether it contributes to the transition to climate neutrality, will directly affect the sanctioning of LNG projects and our ability to do business in this area.

Furthermore, if financing is not available for energy transition projects, either due to lack of public policy guidance and support or unwillingness of banks to finance such projects, the new markets we are working on in energy transition may not materialize.

How this risk is managed/mitigation plan:

We have actively redirected our efforts and investments away from oil and towards LNG, a key transition fuel, as well as low-carbon energies and free-carbon solutions. Our R&D investments are redirected towards energy transition initiatives.

We are monitoring ongoing consultations under the EU Taxonomy and other legislation relating to the energy transition and engaging with governmental authorities by participating in trade groups such as the Hydrogen Council. We are actively discussing future funding schemes with the investment community for energy transition projects.

In seeking to broaden our energy transition offering, we are entering into external alliances and seeking to acquire rights to energy transition technologies. We conduct active technology watch and are engaging in collaborations with international research institutions, universities, and promising startups to commercialize their technologies and establish an early position in the market for Technip Energies.

We are also developing our position in markets where our presence has been limited to date.

4.3.1.3. Disruptions in the political, regulatory, economic, and social conditions of the countries in which we conduct business could adversely affect our business or results of operations

We operate in various countries across the world. Instability and unforeseen changes in any of the markets in which we conducts business, including economically and politically volatile areas could have an adverse effect on the demand for our services and products, our business, our results of operations, our financial condition or our prospects. These factors include, but are not limited to, the following:

- disease outbreaks and other public health issues, including COVID-19;
- natural disasters;
- current and future climate-related weather conditions and chronic changes (in temperatures and precipitations) and acute extreme weather events (such as cyclones, hurricanes, typhoons, floods, heat waves and heavy precipitations);
- nationalization and expropriation;
- potentially burdensome taxation;
- inflationary and recessionary markets, including capital and equity markets;
- civil unrest, labor issues, political instability, terrorist attacks, cyber-terrorism, military activity and wars;
- supply disruptions;
- sanctions, prohibitions or restrictions, whether imposed by the United States of America, the European Union, the United Kingdom or other countries against countries that are the targets of economic sanctions or are designated as state sponsors of terrorism;
- foreign ownership restrictions;
- import or export licensing requirements;

- trade restrictions on operations, trade protection measures, price controls or restrictions imposed on trade partners and on investment decisions resulting from domestic and foreign laws and regulations or arising out of trade disputes;
- regime changes;
- changes in, and the administration of, treaties, laws, and regulations, including in response to public health issues;
- inability to repatriate income or capital;
- reductions in the availability of qualified personnel; and
- foreign currency fluctuations or currency restrictions, or fluctuation in the interest rate component.

How this risk is managed/mitigation plan:

We continually monitor global geopolitical developments. Our corporate functions (including our Legal, Compliance, Tax, Treasury and HSE departments) support our businesses and local affiliates to ensure that we have a proper understanding of the local environment and are able to comply with laws and fiscal regulations that are applicable to us. We seek to engage with governments and local authorities in countries where we operate in a transparent and open manner.

Our treasury operations are centralized and work to manage credit exposures associated with our cash, foreign exchange and interest rate positions.

Our Global Sourcing & Procurement team monitors our exposure to sourcing bottlenecks (such as electronic components and semi-conductors) and aims at diversifying our supply base.

Our Global Security team monitors security events and threat evolution in the countries where we operate and has developed security procedures and resources to ensure the protection of our people, assets, and reputation.

4.3.1.4. Due to the types of contracts we enter into and the markets in which we operate, the cumulative loss of several major contracts, customers, or alliances may have an adverse effect on our results of operations

In the ordinary course of our business, we enter into large, long-term contracts that, in the aggregate, represent a significant portion of our revenue. If long-term contracts are terminated or breached, our operating results or our financial condition would be disproportionately impacted compared to if shorter-term contracts were terminated or breached due to the higher value at risk. Moreover, the global market for the production, transportation and transformation of hydrocarbons and by-products, as well as the other industrial markets in which we operate, is dominated by a small number of companies. As a result, our business relies on a limited number of customers. As of December 31, 2022, our top five customers (Novatek[1], Qatar Energy, Sempra, Assiut National Oil Processing Company and ENI) represented 56% of our consolidated backlog and 54% of our revenues (both on an IFRS adjusted basis). Losing several key contracts, customers, or alliances could have a significant adverse impact on our financial condition, results of operations or cash flows.

The trends in the energy markets including oil and gas demand and price, renewable energy profitability, CO_2 storage and hydrogen demand could impact our main customers' activities and the contracts that we enter into with them. Any of the foregoing could have a material adverse impact on the business, results of operations, financial condition or prospects of Technip Energies.

How this risk is managed/mitigation plan:

The development of our energies transition business and the growing of Technology, Products & Services are generating a greater number of contracts with a more diversified customer base, resulting in the reduction of our exposure. As part of our strategy roadmap we are seeking to grow our Technology, Product & Services businesses which should reduce the share of our business which is concentrated in certain countries, geographical areas or clients as Technology, Product & Services' portfolio consists of smaller and more numerous projects.

4.3.1.5. Our acquisition and divestiture activities involve substantial risks

We may pursue acquisitions, divestitures or other investments that may strategically fit our business and/or growth objectives. We cannot provide assurances that we will be able to locate suitable acquisitions, divestitures or investments, or that we will be able to consummate any such transactions on terms and conditions acceptable to us. Even if we do execute such transactions, these may not result in anticipated benefits. If we are unable to successfully integrate and develop acquired businesses, we could fail to achieve anticipated synergies and cost savings, including any expected increases in revenues and operating results, which could have a material adverse impact on our business, results of operations, financial condition or prospects.

Due to uncertainty in certain market signals related to the energy transition, we may fail to correctly anticipate market trends affecting our business such as the pace of transition from oil and gas, renewable energy profitability, CO_2 storage or hydrogen demand, leading to the risk that we may invest in companies or businesses that fail, causing a loss of all or part of our investment. In addition, if we determine that a decline in the fair value exists for a company in which we have invested, we may have to write down that investment to its fair value and recognize the related write-down as an investment loss. As a result of divestitures, we may not be able to cause a buyer of a divested business to assume the liabilities of that business or, even if such liabilities are assumed, we may have difficulties enforcing its rights, contractual or otherwise, against the buyer

How this risk is managed/mitigation plan:

We deploy due diligence teams during the course of reviewing a possible transaction to identify and address legal, compliance, tax, technical, technological and other risks with each transaction being thus evaluated by a team from different functions to de-risk each opportunity. This multi-stage internal process allows us to review and identify key risks prior to management deciding to proceed. We also have a review process after a transaction is complete to evaluate if we realized the expected benefits and incorporate lessons learned for future transactions.

(1) *The Company is in the process of exiting the Arctic LNG 2 project.*

4.3.2. OPERATIONAL RISKS

4.3.2.1. We are subject to price volatility and reduced material availability

The COVID-19 pandemic and Russia's invasion of Ukraine have had a material impact on energy prices with supply being unable to match demand. Resource shortages, reduction in production capacity and logistical bottlenecks have also contributed to significant inflation in the price of commodities and equipment. Technip Energies infrastructure projects are affected by increases in oil products (fuel oil, lubricants, bunker oil, etc.), raw materials (including steel), as well as labor and associated costs which are inputs in the realization of projects that we undertake for our clients. Since the outbreak of the COVID-19 pandemic we have had to weather a sudden increase in several raw materials (steel, copper and nickel among others). The impact of the Ukraine war has as well lead to further price volatility and reduced material availability. Regarding logistic issues, if the constraints following the COVID-19 pandemic are reducing, we still face volatility due to the energy price increase.

In addition, the low-carbon transition could lead to increased prices as companies providing raw materials (including clay, rocks and sand) and processed materials (cement, concrete, metals) are also committed to climate trajectories. Their own investments to reduce their carbon footprint and their willingness to develop "green" offers may lead to cost increases for their clients, including Technip Energies

Should we not be able to recoup input increases from our customers, our business, results of operations, financial condition or prospects could be materially affected.

How this risk is managed/mitigation plan:

We have dedicated sourcing and procurement teams which as part of their procurement strategies seek to control these risks through: (1) implementation of sourcing execution plans at the tendering stage including by execution of supply agreements before a contract award to Technip Energies to minimize risk, (2) seeking to identify equipment for which a possible precommitment agreement may be entered into to lock in prices to minimize the effects of the volatility, (3) diversifying our supplier base including by identifying new alternative suppliers (and sub-suppliers as needed), (4) reviewing contractual clauses to be included at the contract negotiation phase, (5) increasing the monitoring of suppliers, (6) supporting other Company functions in the escalation assessment to be part of the overall material cost evaluation, (7) moving away from lump sum turn key contracts with clients to reimbursable contracts with price escalation clauses, and (8) regarding worldwide transportation constraints and resulting increased shipping costs, adapting our shipping strategy, including by seeking to charter vessels on a long-term basis to be more pro-active in managing delivery schedules with a dedicated department having been created for such purpose.

4.3.2.2. We may lose money on fixed-price contracts

As is customary for some of our projects, we may agree to provide products and services under fixed-price contracts. We are subject to material risks in connection with such fixed-price contracts. It is not possible to estimate with complete certainty the final cost or margin of a project at the time of bidding or during the early phases of its execution. Actual expenses incurred in executing fixed-price contracts can vary substantially from those originally anticipated for several reasons including, but not limited to, the following:

- unforeseen additional costs related to the purchase of substantial equipment necessary for contract fulfillment or labor shortages in the markets where the contracts are performed;
- increases in the prices of oil products, energy, raw material, processed prices, and supply chain disruption due to climate change;
- unforeseen additional costs during the construction, commissioning, and startup during the commissioning phase;
- failure to complete construction on time, or the inability to complete construction in accordance with design specifications;
- mechanical failure of our production equipment and machinery;
- additional costs and work to adapt plant design to more difficult operational conditions linked to climate change (with the requirement to plan for climate-resilient design and construction, and the requirement to anticipate efficiency and performance of equipment in evolving, more extreme, climate conditions);
- delays caused by current and future climate-related weather conditions, including chronic changes (such as more extreme temperatures and precipitations) and the increase in acute, extreme, weather events (such as cyclones, hurricanes, typhoons, floods, heat waves and heavy precipitations), as well as the occurrence of pandemics such as COVID-19; and
- a failure of suppliers, subcontractors, or joint venture partners to perform their contractual obligations.

The realization of any material risks and unforeseen circumstances could also lead to delays in the execution schedule of a project. We may be held liable to a client should we fail to meet project milestones or deadlines or to comply with other contractual provisions. Additionally, delays in certain projects could lead to delays in subsequent projects that were scheduled to use equipment or infrastructure still being utilized on a delayed project.

Pursuant to the terms of fixed-price contracts, we may not be able to increase the price of the contract to reflect factors that were unforeseen at the time our bid was submitted, and this risk may be heightened for projects with longer terms. Depending on the size of a project, variations from estimated contract performance, or variations in multiple contracts, could have a significant impact on our business, results of operations, financial condition or cashflow.

How this risk is managed/mitigation plan:

We are highly selective in the projects that we undertake. Early engagement allows us to provide greater accuracy in our project cost estimate. We negotiate in our contracts appropriate risk allocation schemes such as open book provisions. The majority of the projects we are engaged to execute have been designed and evaluated by Technip Energies with most of the cost estimation being supported by firm offers already secured with our supply chain. Contingencies towards risks are also built into the contract budget.

In addition, the contractual framework for projects can differ materially and we utilize multiple commercial models depending on our risk assessment of a given project. We enter into lump-sum turnkey contracts for certain projects, but are also adopting hybrid commercial models that have a fixed price component as well as a cost reimbursable component. We also enter into convertible lump-sum contracts which begin on a reimbursable basis and which, as the project scope becomes more defined, are progressively converted to lump-sum when sufficiently de-risked. We also enter into contracts on a fully reimbursable basis. The blend of different commercial models serve to mitigate the risks of execution within our backlog.

4.3.2.3. Our failure to timely deliver our backlog could affect future sales, profitability, and relationships with our clients; we may not realize revenue due to client order reductions, cancellations or acceptance delays

As of December 31, 2022, the Company's adjusted backlog was equal to €12,750.1 million, as compared to €16,388.3 million as of December 31, 2021.

We carry out construction projects to maintain, upgrade, and develop the asset base of our clients. Such projects are subject to risks of delay and cost overruns that are inherent to any large construction project due to:

- geopolitical risks including as a result of the Ukraine war;
- shortages or delay of key materials, equipment, or skilled labor;
- design and engineering issues;
- current and future climate-related weather conditions, including chronic changes (such as more extreme temperatures and precipitations) and the increase in acute, extreme, weather events (such as cyclones, hurricanes, typhoons, floods, heat waves and heavy precipitations); and
- shipyard delays and performance issues.

Many of the contracts we enter into with our clients also require long manufacturing lead times due to complex technical and logistical requirements. These contracts may contain clauses related to liquidated damages or financial incentives regarding on-time delivery, and a failure by Technip Energies to deliver in accordance with customer expectations could subject us to liquidated damages or loss of financial incentives, and project cost overruns which will reduce our margins on these contracts, or result in damage to existing customer relationships.

In certain limited circumstances our customers have invoked termination clauses leading to order reductions, cancellations and acceptance delays. Additionally, acts of state related to nationalization, expropriation, trade sanctions or change in the applicable legal framework may impose or require changes to contract terms which could in turn affect our backlog and may result in the suspension or termination of contracts.

We may be unable to collect revenue for orders reflected in our backlog, or we may be unable to collect cancellation penalties, to the extent we have the right to impose them, or the revenues may be delayed and pushed into future periods. In addition, clients who are more highly leveraged or otherwise unable to pay their creditors in the ordinary course of business may become insolvent or be unable to operate as a going concern. We may be unable to collect amounts or damages due from these clients.

How this risk is managed/mitigation plan:

In order to meet client delivery schedules reflected in our backlog, we monitor and manage a number of key items, including, but not limited to, access to equipment and material required for the delivery of products and the rendering of services, having an adequately trained and capable workforce, construction subcontractor performance, project engineering expertise and execution, securing sufficient manufacturing plant capacity, and appropriate planning and scheduling of access to manufacturing resources.

We seek to manage client risk at the contractual negotiation stage and have a contract management team in place throughout the life of a project with the objective of ensuring that the terms of the contract are adhered to and which documents any departures therefrom. We seek to include termination clauses and clauses that provide for compensation.

We also seek to include in our contracts' provisions relating to acts of state, change in laws, trade sanctions and *force majeure* so as to limit our exposure to such events and/or subscribe to contract frustration insurance policies.

4.3.2.4. We face risks relating to our reliance on subcontractors, suppliers, joint venture and consortium partners

We rely on subcontractors, suppliers, joint ventures and consortium partners ("**Partners**") for the performance of our contracts. Although we are not dependent upon any single supplier, certain geographic areas of our business or a project or group of projects may depend heavily on certain suppliers for fabrication materials or semi-finished goods. Any difficulty in engaging suitable subcontractors or acquiring equipment and materials could also compromise our ability to generate a significant margin on a project or to complete a project within the allocated timeframe. If Partners refuse to adhere to their contractual obligations with us or are unable to do so due to a deterioration of their financial condition, we may be unable to find a suitable replacement at a comparable price, or at all, or to secure the deliverables that were to be provided by a defaulting joint venture or consortium partner.

Any delay, failure to meet contractual obligations, or other event beyond our control or which we would have not been able to foresee, that is attributable to a Partner, could lead to delays in the overall progress of a project and/or generate significant extra costs as we may be obligated to assume the defaulting Partner's obligations or compensate our clients. Even if we are entitled to make a claim for these extra costs against the defaulting Partner, we may be unable to recover all or part of these costs and this could materially adversely affect our business, results of operations, financial condition or cashflow.

How this risk is managed/mitigation plan:

We monitor our global exposure to our clients and Partners, which allows us to give timely and appropriate input in the course of our selection process. We engage in extensive due diligence of clients and Partners, including review of their credit worthiness and their financial ability to perform their obligations. When negotiating contracts with our suppliers, we negotiate the terms and conditions of our contracts to include appropriate provisions that are intended to protect us such as liquidated damages provisions and make good clauses. We seek to secure performance guarantees from our suppliers. When negotiating the terms of our contracts with our clients we in turn seek to limit our exposure to similar provisions which are put in place for the benefit of the counterparty.

We have a dedicated sourcing and procurement teams which operates out of our Paris, Rome, Houston, and Kuala Lumpur main sourcing and procurement offices and which are tasked with developing procurement and project execution strategies. Those strategies encompass entering into strategic partnerships to secure the execution of our projects by having access to workshop workload capacity at competitive price. We also benefit from a large supply base which allows us to mitigate this risk.

In addition, we have expertise in maritime operations which address issues that may arise in connection with maritime transportation. We also seek to secure insurance policies that cover engineering, construction and shipping risks. To enhance our insurance program, we have set up a captive reinsurance affiliate.

4.3.2.5. We may be unable to employ a sufficient number of skilled and qualified workers

The delivery of our products and services requires personnel with specialized skills and experience. Our ability to be productive and profitable depends on our ability to employ and retain skilled workers. During periods of low activity in the industries we serve, we have had to reduce the size of our labor force to offset declining revenue levels, and some employees have chosen to leave in order to secure more stable employment. Also, in a post COVID-19 pandemic environment, companies have experienced record numbers of staff leaving their jobs and the challenge of managing higher attrition and competition for talents in a highly dynamic market. In addition, “green skills” which are required to contribute to a low carbon economy are evolving and will continue to emerge by 2030 and beyond. We observe the rising need for such skills in the workforce, in all sectors and at all levels, in order to help the adaptation of products, services and processes to the transformations taking place due to climate change and to enhanced environmental requirements and regulations.

These circumstances may cause us to lose skilled personnel, the absence of which could give rise to quality, efficiency, and deliverability issues in our operations, or delay our response to an upturn in the market. During periods of increasing activity in our industry, our ability to expand our operations depends in part on our ability to increase the size of our skilled labor force. In addition, during such periods, the demand for skilled workers is high, the supply is limited, and the cost to attract and retain qualified personnel increases. For example, we have in the past experienced shortages of engineers and welders, which in some instances slowed the productivity of certain of our operations. Furthermore, a significant increase in the wages paid by competing employers could result in attrition of our skilled labor force and/or result in increases in the wage rates that we must pay. Technip Energies’ activity continues to be perceived as being focused on the oil and gas, with a resulting negative image, especially amongst the younger generations, which could affect our ability to attract and retain talent. This may in turn give rise to difficulties in recruiting experts having skills relevant to the energy transition and to low-carbon solutions and impede our ability to respond quickly to client demands with our growth potential being negatively impacted.

We are also facing increasingly stringent and constantly evolving regulations in relation to social protection and employment conditions. Certain countries, in particular emerging economies and developing countries, aim to impose more onerous regulations in relation to local content requirements regarding operations conducted by or for foreign businesses, particularly regarding the employment of local workers, the provision of products and services sourced from, or provided by, local businesses, and social investment in favor of local communities.

The foregoing could have a material adverse impact on our business, results of operations, financial condition or cashflow.

How this risk is managed/mitigation plan:

We have developed and will continue in 2023 to develop active partnerships with campuses to provide young engineers opportunities for under-graduate training and first job enrollment. The number of young graduates hiring in 2022 has tripled, which allows us to enlarge our talent pool and prepare future growth. We are seeking to attract more talent by increasing our energy transition visibility.

We have also designed in 2022 an energy transition graduate program which kicked off in January 2023. This two-year program, which is focused on sustainability challenges, will offer to the selected young graduates a personalized development journey, with mentoring and exposure to senior leaders.

We have continued our Project Excellence Program to bring Project Managers enhanced learning in commercial, project leadership and stakeholder management.

We have in 2022 revitalized our existing programs:

- Management: targeting new and experienced managers to engage and grow their teams, deploy their vision and strategy and lead change;
- Leadership Development: for junior future leaders with the aim of accelerating their development and career; and
- Digital learning offer: to enhance the creation of value with data.

Since we are reflecting on how to accelerate our energy transition transformation with the right skills and people, we have conducted a collaborative internal study to map and define the critical green skills which are needed. We have been able to target the business activities on top of digital where green skills development is crucial and will work on delivering the right solutions to upskill our workforce in their existing role or reskill it with new pathways. A new governance has been put in place in 2022 with a learning lab to ensure constant alignment of learning solutions with business strategies.

We are also working on knowledge management and recognition of expertise within 29 key disciplines. Additional experts will be recognized in energy transition focused disciplines in 2023.

Finally, to strengthen our succession planning and capability to grow our teams with the appropriate individual development plans and career path design, we have launched a new talent review campaign which enables us to screen the

entire organization to identify potential talents for local, regional, functional, and senior management roles.

4.3.2.6. A failure of our IT infrastructure, including as a result of cyber-attacks, could adversely impact our operations

The efficient operation of our business is dependent on our information technology ("**IT**") systems. Accordingly, we rely upon the capacity, reliability, and security of our IT hardware and software infrastructure and our ability to expand and update this infrastructure in response to changing needs. We have been subject to cyber-attacks in the past, including phishing, malware, and ransomware. While no such attack has had a material adverse effect on our business, this may not be the case with future attacks. Our systems may be vulnerable to damage from such attacks, as well as from natural disasters, failures in hardware or software, deficient implementation of our enterprise resource planning migration from several Enterprise Resource Planning (ERP) systems to a single cloud-based system, power fluctuations, unauthorized access to data and systems, loss or destruction of data (including confidential customer information), human error, and other similar disruptions. We could also be impacted by cyberattacks originating from nation-states or various organizations and arising out of geopolitical tensions or conflicts, including, for instance, by Russia or Russian related actors in connection with the evolving Ukraine war. We cannot give assurance that any security measures we have implemented or may in the future implement will be sufficient to identify and prevent or mitigate such disruptions.

IT infrastructure that supports our business goes beyond Technip Energies' boundaries, represented by on-premises infrastructure managed internally, and includes services provided by third parties such as infrastructure-as-a-services (IaaS), software-as-a-service (SaaS) applications and public cloud services, which also support critical applications. The security and privacy measures implemented by such third parties, as well as the measures implemented by any entities we acquire or with whom we do business, may not be sufficient to identify or prevent cyber-attacks, and any such attacks may have a material adverse effect on our business. While our IT vendor agreements typically contain provisions that seek to eliminate or limit our exposure to liability for damages from a cyber-attack, we cannot ensure such provisions will withstand legal challenges or cover all or part of such damages.

The foregoing could have a material adverse impact on our business, results of operations, financial condition or cashflow.

How this risk is managed/mitigation plan:

To protect our IT infrastructure, we rely on an IT and cybersecurity risk management program that operates in synergy with a cybersecurity vulnerability management and resilience program, which are mainly focused in detecting and controlling the impact of a service disruption. In addition to risk mitigation and risk-based vulnerability management for incident prevention, we rely on managed services provided by third parties, which are dedicated to incident detection and response. Third-party reviews are performed prior to engagement to assess security and controls.

4.3.2.7. Our operations require us to comply with numerous regulations

Our operations and manufacturing activities are governed by international, regional, transnational, and national laws and regulations in every place where we operate relating to matters such as environmental protection, climate change, health and safety, labor and employment, import/export controls, currency exchange, bribery and corruption, sanctions and taxation. These laws and regulations are complex, frequently change, and have tended to become more stringent over time. In the event the scope of these laws and regulations expands in the future, the incremental cost of compliance could adversely impact our business, results of operations, financial condition or prospects.

Our international operations are subject to anti-corruption laws and regulations, such as the anti-corruption provisions of French law n° 2016-1691 dated December 9, 2016 relating to Transparency, Anti-corruption and Modernization of Business Practice (Sapin II Law), the U.S. Foreign Corrupt Practices Act ("**FCPA**"), the U.K. Bribery Act of 2010, Anti-corruption and Modernization of the Business Practice, and economic and trade sanctions (including those adopted against Russia as a result of the Ukraine war), including those administered by the United Nations, the European Union, the Office of Foreign Assets Control of the U.S. Department of the Treasury, and the U.S. Department of State. We are also subject to international data protection laws, such as the General Data Protection Regulation ("**GDPR**") in the European Economic Area.

As a result of doing business in foreign countries, including through partners and agents, we are exposed to a risk of violating anti-corruption laws and sanctions regulations. Some of the international locations in which we currently operates or may, in the future, operate, have developing legal systems and may have higher levels of corruption than more developed nations. Our continued expansion and worldwide operations, including in developing countries, its development of joint venture relationships worldwide, and the employment of local agents in the countries in which we operate increases the risk of violations of anti-corruption laws and economic and trade sanctions. Violations of anti-corruption laws and economic and trade sanctions are punishable by civil penalties, including fines, denial of export privileges, injunctions, asset seizures, debarment from government contracts (and termination of existing contracts), and revocations or restrictions of licenses, as well as criminal fines and imprisonment. In addition, any major violations could have a significant impact on our reputation and consequently on our ability to win future business.

We may be exposed to the risk of damage to our image and reputation due to non-ethical business behavior. This type of behavior can occur within affiliated entities or in projects but also at each stage of Technip Energies' value chain. The subcontracting and supply chain may reveal acts or events that are contrary to our ethical principles and sustainability policies, and which may be unknown to us in so far as they occur before our involvement. Clients and project sponsors may also act in a manner that is contrary to our principles and policies, resulting in accidents or exposure to reputational damage. This may directly or indirectly affect our image and reputation, which could ultimately impact our ability to remain in existing markets or break into new markets, create jobs or implement our operations in certain countries, ultimately resulting in financial losses.

The occurrence of any violation of laws or regulations applicable to Technip Energies could subject us to penalties

Furthermore, we can operate in regions where the risk of human rights, such as forced and compulsory labor, work conditions, and discrimination are high, and we need to invest financial and managerial resources to ensure the human rights for all the workers in all projects and operations.

The foregoing could have a material adverse impact on our business, results of operations, financial condition or prospects.

How this risk is managed/mitigation plan:

Our legal and compliance teams keep up to date on the laws and regulations that are applicable to Technip Energies.

We have implemented internal controls designed to minimize and detect potential violations of laws and regulations in a timely manner but we can provide no assurance that such policies and procedures will be followed at all times or will effectively detect and prevent violations of the applicable laws by one or more of our employees, consultants, agents, or partners.

We have implemented a data protection and privacy program by appointing a Data Protection Officer and a global data protection subject matter expert responsible for monitoring and ensuring effective compliance with the GDPR and other data protection legislation.

Our Code of Business Conduct helps us recognize and address the ethical dimensions to our everyday decisions. Our commitment to integrity is absolute and is embodied in our Code of Business Conduct which was in place from the day of the Spin-off. Since then, we have reinforced our commitment by making available our *Ethics Point Helpline* and *My Compliance Online* portal. Our Compliance team provides our stakeholders with the tools and guidance needed to work with integrity, wherever one is and whatever one does.

4.3.2.8. We may be affected by energy shortage during winters of 2022-2024

As a result of the invasion of Ukraine by Russia, the supply of Russian oil and gas to Western European countries has been increasingly constrained, with resulting very material price increases as well as possible severe impacts on electricity generation during the 2022-2023 and 2023-2024 winters. Should this result in material electricity shortages in Europe, governments may need to consider rationing measures. Though the Company has limited manufacturing facilities which would be affected by energy rationing, energy shortages could give rise to business continuity issues (both at manufacturing sites and at offices).

Our current assessment is that France is the country in which the Technip Energies group is most at risk of incurring power shortage during the winter of 2022-2023. This risk is moste likely to materialize during working days and at peak hours between 8 a.m. - 1 p.m. and 6 p.m. - 8 p.m. (when there is maximum demand on the electricity network).

The foregoing could could have a material adverse impact on our business, results of operations, financial condition or prospects.

How this risk is managed/mitigation plan:

We have set up an ambitious energy sobriety system in our main French offices in order to limit our energy consumption during the winter. This includes:

- surface optimization;
- an energy consumption reduction plan, including thermal needs reduction (19 °C), reduced lighting and lighting cuts in non-occupied areas, shut-down of IT equipment when not used, reduced charging time for electric vehicles, and staggered heating schedules in buildings;
- sharing of best practices; and
- anticipation of the risk of power shortage through the Ecowatt system in order to trigger Business Continuity process should it prove to be necessary.

4.3.2.9. COVID-19 may continue to have an adverse impact on our financial condition, results of operations, and cash flows

Since its global outbreak in 2020, COVID-19, including actions taken by governments and businesses, resulted in a significant reduction in global economic activity. Measures taken to address and limit the spread of the disease – such as stay-at-home orders, social distancing guidelines and travel restrictions – adversely affected the economies and financial markets of many countries. With the development of vaccines and the vaccination rates increasing in most countries, activity has resumed and protective measures have been relaxed but uncertainties remain due to the appearance of new variants.

The full extent to which the ongoing COVID-19 pandemic will continue impacting our results is evolving and will ultimately depend on various factors and consequences beyond our control.

How this risk is managed/mitigation plan:

We have maintained measures to minimize the impact of COVID-19 on our operations and to ensure the safety of all our staff. We continue to actively engage with our clients, JV partners, suppliers and subcontractors to mitigate the contractual impact of COVID-19 on project execution.

4.3.3. FINANCIAL RISKS

4.3.3.1. We are subject to currency exchange rate fluctuations

We conduct operations around the world in multiple currencies. Because a significant portion of our revenue is denominated in currencies other than our reporting currency, the euro, changes in exchange rates will produce fluctuations in our revenue, costs, and earnings, and may also affect the book value of our assets and liabilities and related equity.

We hedge transaction impacts on margins where a transaction is not in the functional currency of the business unit, but we do not hedge transaction impacts on earnings. Our efforts to minimize its currency exposure through such hedging transactions may not be successful depending on market and business conditions. Moreover, certain currencies in which we conduct operations, specifically currencies in countries such as Mozambique, do not actively trade in the global foreign exchange markets and may lead us to increased foreign currency exposure. As a result, fluctuations in foreign currency exchange rates may adversely affect our our business, results of operations, financial condition or cashflow.

4.3.3.2. A downgrade in the Company's credit rating could restrict our ability to secure financing

As of the date of this Annual Report, we have a public credit rating of BBB- (with a stable outlook) from S&P Global Ratings ("**S&P**") which is a credit rating agency established in the European Union and registered under Regulation (EU) 462/2013. The terms of our financing will, in part, be dependent on our ability to maintain such credit rating. We cannot provide assurance that credit ratings will remain in effect for any given period of time or that a rating will not be lowered or withdrawn entirely by a rating agency. Factors that may impact our credit ratings include debt levels, capital structure, planned asset purchases or sales, near- and long-term production growth opportunities, market position, liquidity, asset quality, cost structure, product mix, customer and geographic diversification, and commodity price levels. A downgrade in our credit rating particularly to non-investment grade level, could limit our ability to access new financing, increase our interest cost, or refinance our existing debt or cause us to refinance or issue debt with less favorable terms and conditions, which could have a material adverse effect on our business, results of operations, financial condition or cashflow.

Moreover, the terms of our revolving credit provide that in the event our credit rating is downgraded, the applicable margin on draw downs will be increased, thereby increasing the interest we would pay under the facility, which could have an adverse effect on our results of operations and cash flows.

An increase in the level of our indebtedness and related interest costs may increase our vulnerability to adverse general economic and industry conditions and may affect our ability to obtain additional financing, as well as have a material adverse effect on our business, results of operations, financial condition or cashflow.

4.3.3.3. Banking counterparty risk

We hold our cash on a per bank basis through the centralizing treasury company T.EN Eurocash SNC or through the joint-venture entities for specific projects. We negotiate banking arrangements with our partners at the beginning of a new joint venture once our Group Treasury Department has completed a regulations and constraints analysis and we seek to use Technip Energies core banks as much as possible. However, we may be unable to diversify sufficiently our bank holdings due to a number of reasons including bank compliance requirements on the origin of funds. As a result, we may become materially dependent on a limited number of banks and/or have a substantial portion of our cash held in certain countries from which it may be difficult to extract cash and/or have an overall exposure to sub-investments grade banks/high risk countries.

How this risk is managed/mitigation plan:

We apply a banking limits framework with a scoring model administered by the Technip Energies group treasurer. We have put in place a policy of diversification of our banking counterparties and investments products. We seek to diversify risk by opening up to different investment products such as money market funds which are aligned with our global bank relationships and policy (Cash & Cash equivalent, guaranteed Capital, counterparty rating...). We continuously monitor our exposure to bank counterparty risks and are consistently working to improve our scoring model.

4.3.4. LEGAL AND REGULATORY RISKS

4.3.4.1. We are subject to an ongoing investigation by the French *Parquet National Financier* related to historical projects in Equatorial Guinea, Ghana and Angola

We are subject to an ongoing investigation by the French Parquet National Financier ("**PNF**") related to certain historical projects in Equatorial Guinea, Ghana and Angola. Technip Energies and TechnipFMC are cooperating and Technip Energies remains committed to finding a resolution with the PNF. The financial consequences of these investigations are to be retained by TechnipFMC by way of an indemnity provided by TechnipFMC to the Company under the Separation and Distribution Agreement entered into at the time of the Spin-off. As such, we will be dependent on TechnipFMC's ability to fulfill its obligations under the Separation and Distribution Agreement. In the event that TechnipFMC is unable to indemnify us for all or part of the amounts payable to us this could adversely affect could have a material adverse impact on our business, results of operations, financial condition or prospects. A resolution could also result in non-monetary obligations and could include plea agreements with legal entities. If we cannot reach a resolution with the PNF, we could be subject to criminal proceedings in France, the outcome of which cannot be predicted. See section 5.7. Compliance Investigations and Legal Proceedings, for more details.

4.3.4.2. Existing or future laws and regulations relating to greenhouse gas emissions and climate change and the environment may adversely affect our business

Climate change continues to attract considerable public and scientific attention. As a result, numerous laws, regulations, and proposals have been made and are likely to continue to be made at the international, national, and regional levels of government to monitor and limit emissions of carbon dioxide, methane, and other greenhouse gases. These efforts have included cap-and-trade programs, carbon taxes, greenhouse gas reporting and tracking programs that directly limit greenhouse gas emissions from certain sources. The EU taxonomy which is a classification system establishing a list of environmentally sustainable economic activities, is part of this evolving framework. See section 3.6.3. EU Green Taxonomy.

Such existing or future laws, regulations, and proposals concerning the release of greenhouse gases or that concern climate change (including laws, regulations, and proposals that seek to mitigate the effects of climate change) may adversely impact the projects we participate in or demand for the equipment, systems, and services we design, market, and sell. For example, oil and natural gas exploration and production are expected to decline as a result of such laws, regulations, and proposals and as a consequence the sanctioning of certain projects we provide services to and demand for certain of our equipment, systems, and services are also expected to decline.

Under the EU Taxonomy Regulation which was published in the Official Journal of the European Union on June 22, 2020, and entered into force on July 12, 2020, the EU Commission has provided the list of environmentally sustainable activities which includes natural gas as a mean to facilitate the transition towards a predominantly renewable-based future. The companies we work with are also impacted by these regulations which could increase their operating costs and reduce their margins. Clients are also expected to introduce internal carbon price in the form of different mechanisms (e.g. shadow price, internal fees, offsets) to support their low carbon transition, which may affect demand for emissions intensive products and services. Therefore, contracts with our clients could be impacted.

The Company's facilities and operations are also subject to various other environmental laws and regulations in the jurisdictions in which it operates. These environmental requirements may include, among other things, certain pollution control measures or limits for solid and hazardous wastes, water discharges and air emissions, and measures relating to greenhouse gas emissions and/or the mitigation of climate change and may require businesses whose activities have an impact on the environment to obtain permits regulating those activities.

Existing or new laws that are being adopted requiring that assessment, mitigation and prevention measures be taken in order to preserve the natural habitats of flora and fauna could have the result of restricting, delaying or cancelling the projects on which we work for our clients.

Failure to comply with environmental laws and regulations may result in the issuance of orders enjoining our operations, claims and complaints in administrative, civil or criminal proceedings, the assessment of administrative, civil, and criminal penalties, an obligation to remediate any environmental damages (including damages to natural resources), and/or an obligation to take reasonable measures to prevent pollution or degradation of the environment from occurring, continuing or recurring.

Additionally, our insurance and compliance costs may increase as a result of changes in environmental laws and regulations or changes in enforcement.

These laws and regulations are becoming increasingly strict and could by increase our costs, limit the demand for our products and services, or restrict our operations. any of which could have a material adverse impact on our business, results of operations, financial condition or prospects.

How this risk is managed/mitigation plan:

Our legal and compliance teams keep up to date on the environmental laws and regulations that are applicable to Technip Energies. Our HSE team have integrated these in its processes to which our insurance department also contributes. On a longer-term basis, our focus on energy transition is expected to allow us to reduce our exposure to oil and gas as well as environmental and climate risk.

Our environmental management system complies with the ISO 14001 standard. Our targets and actions to mitigate our environmental impacts and support our clients and partners to implement the best environmental standards and technologies are described in our ESG roadmap. See chapter 3. Sustainability.

4.3.4.3. Our success will be affected by the use and protection of our proprietary technology

Our success will be affected by our development and implementation of new technology and improvements to existing technology and by our ability to protect and maintain intellectual property assets related to these developments, as well as to intellectual property assets and rights we already hold. We seek to protect the intellectual property rights in our proprietary technologies through a combination of patent, copyright, and trade secret laws. However, we cannot guarantee approval of patent applications filed throughout the world, nor of the scope of any issued patents. Furthermore, we may be subject to third-party challenges to our intellectual property.

In addition, we endeavor to protect our technology from misappropriation and unauthorized use by third parties by limiting access to, and distribution of, our technology, and by customarily entering into agreements with our employees, customers, potential customers and suppliers to protect our technology. However, we cannot guarantee compliance with such agreements by third parties.

We may become involved in legal proceedings from time to time to protect and enforce our intellectual property rights. Third parties may initiate litigation against us by asserting that conduct of our business infringes, misappropriates, or otherwise violates such third parties' intellectual property rights. Any such claims, even those without merit, could be expensive and time-consuming to defend, and divert management's attention and resources. Further, we may not prevail in any such legal proceedings related to such claims, and our products and services may be found to infringe, impair, misappropriate, dilute, or otherwise violate the intellectual property rights of others. The resolution of these claims could require us to enter into license agreements or develop alternative technologies. The development of these technologies or the payment of royalties under licenses from third parties, if available, would increase our costs to carry out our business. If a license were not available, or if we were not able to develop alternative technologies, we might not be able to continue providing a particular service or product, which could adversely affect our financial condition, results of operations, or cash flows. Further, any legal proceeding concerning intellectual property is likely to be protracted and costly and is inherently unpredictable, and could have a material adverse effect on our business, results of operations, financial condition or prospects of its outcome.

How this risk is managed/mitigation plan:

We seek to protect the intellectual property rights in our proprietary technologies and enforce such rights in a cost effective manner. We further engage in landscaping and competitive intelligence activities to ascertain freedom to operate in light of third-party intellectual property and detect third-party infringement of our intellectual property.

4.3.4.4. Potential liabilities arising from equipment malfunctions, equipment misuse, personal injuries, and natural disasters, as well as uninsured claims and litigation against us, could have a material adverse effect on the Company

Although such occurrences are rare, the industries in which we operate or have operated, expose the Company to potential liabilities arising from, among other events, equipment malfunctions, equipment misuse, personal injuries, and natural disasters, any of which may result in hazardous situations.

Current and future climate-related weather conditions and chronic changes (in temperatures and precipitations) and acute extreme weather events (such as cyclones, hurricanes, typhoons, floods, heat waves and heavy precipitations) could also generate potential liability. In addition, increased temperatures, and severe heatwaves, notably in summer, could have health and safety impacts on employees and contractors (notably field technicians working without air conditioning in environments with high temperature and humidity) by increasing the occurrence of heat-related illnesses and the likelihood of injuries, accidents and fatalities as extreme heat can inhibit decision-making.

Whilst we have secured insurance coverage against operating hazards, including product liability claims and personal injury claims related to our projects or operating environments in which our employees operate, such insurance policies are subject to exclusions and limitations. In 2022 Russia's invasion of Ukraine was one such example and has had a significant impact on our ability to insure our activities in Russia, Ukraine and Belarus. Additionally, the nature and amount of insurance that we may be able to secure may not be sufficient to fully indemnify us against liabilities arising out of pending and future claims and litigation.

Insurance may not be available in certain circumstances such as in Russia's invasion of Ukraine. Additionally, even if such insurance is available, premiums may not be commercially justifiable as the insurance market has significantly worsened over the last year and a half. Our ability to secure insurance will also be dependent on the insurance market's then available capacity for risk of the type represented by Technip Energies. If we incur substantial liability the consequences of which are not covered by insurance or are in excess of policy limits, or if we were to incur liability at a time when it is not able to obtain insurance, such liabilities could have a material adverse effect on our business, results of operations, financial condition, or cash flows.

Additionally, in certain specific circumstances, certain proceedings or cases may also lead to our formal or informal exclusion from tenders or the revocation or loss of business licenses or permits.

The occurrence of any of the foregoing could have a material adverse impact on our business, results of operations, financial condition or prospects.

How this risk is managed/mitigation plan:

In order to manage these risks, we have entered into different insurance programs covering our assets and liabilities.

We are party to a master insurance liability program, which covers public liability, product liability, professional liability, environmental liability and employment liability. In addition, we have secured insurance programs covering our real estate assets and other properties. We also cover specific liability exposure under financial lines which include, amongst other risks, Directors and Officers, crime and cyber risks.

4.3.4.5. TechnipFMC may fail to perform under various transaction agreements that were entered into as part of the Spin-off and its indemnification obligations may not be sufficient to insure us against the full amount of liabilities for which we may be allocated responsibility

In connection with the Spin-off from TechnipFMC, Technip Energies N.V. has entered into the Separation and Distribution Agreement and into ancillary agreements related to the Spin-off with TechnipFMC which agreements remain executory including a tax matters agreement and an employee matters agreement. We rely on TechnipFMC to satisfy TechnipFMC's performance and payment obligations under these agreements as TechnipFMC has agreed to indemnify Technip Energies for certain liabilities.

The indemnity from TechnipFMC may not be sufficient to protect us against the full amount of such liabilities, and TechnipFMC may not be able to fully satisfy its indemnification obligations in the future.

Moreover, even if we ultimately succeed in recovering from TechnipFMC any amounts for which it is held liable, we may be temporarily required to bear these losses. Conversely, we have agreed to indemnify TechnipFMC for certain liabilities. Indemnities that we may be required to provide TechnipFMC may not be subject to any cap, may be significant and could negatively impact our financial condition.

Third parties could also seek to hold us responsible for any of the liabilities that TechnipFMC has agreed to retain.

The occurrence of any of the foregoing could have a material adverse impact on our business, results of operations, financial condition or prospects.

4.3.5. TAXATION RISKS

4.3.5.1 Technip Energies N.V. is subject to the tax laws of numerous jurisdictions; challenges to the interpretation of, or future changes to, such laws could adversely affect it

Technip Energies N.V. and its subsidiaries are subject to tax laws and regulations in the Republic of France, and many other jurisdictions in which Technip Energies operates. These laws and regulations are inherently complex, and Technip Energies N.V. is, and will continue to be, obligated to make judgments and interpretations about the application of these laws and regulations to its operations and businesses. The interpretation and application of these laws and regulations could be challenged by the relevant governmental authorities, which could result in administrative or judicial procedures, actions, or sanctions, which could be material.

The French or Dutch Governments, the European Union, the U.S. Congress, the Organization for Economic Cooperation and Development ("**OECD**"), and other government agencies in jurisdictions where Technip Energies N.V. and its affiliates do business, have had an extended focus on issues related to the taxation of multinational corporations. New tax initiatives, directives, and rules, such as the OECD's Base Erosion and Profit Shifting initiative, the European Union's Anti-Tax Avoidance Directives and the U.S. Tax Cuts and Jobs Act, may increase Technip Energies N.V.'s tax burden and require additional compliance-related expenditures. The occurrence of any of the foregoing could have a material adverse impact on our business, results of operations, financial condition or prospects. Further changes, including with retroactive effect, in the tax laws of the Republic of France, the European Union or other countries in which Technip Energies N.V. and its affiliates do business could also adversely affect it.

Finally, we anticipate that tax authorities may be more aggressive in their audits, and as a result we may see an increase in future tax charges.

How this risk is managed/mitigation plan:

The precautionary principle is used in all the interpretations and judgments made about the application of these laws and regulations. Technip Energies N.V. employs in-house tax experts in charge of advising the business and finance teams about the tax consequences of our operations. When the law is particularly complex or when there is uncertainty about interpretation, external tax advice is requested from international tax firms.

In addition, according to our tax principles, all international contracts signed by us should include contractual protection against incremental tax costs which could arise from a change in tax regulations, interpretations and practices.

4.3.5.2. Technip Energies N.V. intends to be treated exclusively as a resident of France for tax purposes, but Dutch or other tax authorities may seek to treat it as a tax resident of another jurisdiction

Technip Energies N.V. is a company incorporated under the laws of the Netherlands but effectively managed in France. Technip Energies N.V. is considered a tax resident of the Netherlands for Dutch tax purposes based on the so-called Dutch incorporation fiction. Therefore, in principle, Technip Energies N.V. is subject to Dutch corporate income tax and dividend withholding tax. Since its incorporation, Technip Energies N.V. has also been subject to all French taxes and related compliance requirements applicable to French tax resident companies. Dividends distributed by Technip Energies N.V. are subject to French taxation rules as well.

Based on the Convention between the Governments of the Kingdom of the Netherlands and the Republic of France for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and capital ("**France-Netherlands Tax Treaty**"), the Netherlands should be restricted in imposing Dutch tax where Technip Energies N.V.'s "effective place of management" is located in France and Technip Energies N.V. is thus a tax resident of France under the France-Netherlands Tax Treaty.

The test of "effective place of management" is largely a question of facts and circumstances. The relevant case law and OECD guidance suggest that Technip Energies N.V. is likely to be regarded as having become a French tax resident from incorporation and remaining so as long as, (i) Meetings of its Board of Directors (the "**Technip Energies N.V. Board**", and each member of the Technip Energies N.V. Board being a "**N.V. Director**") are prepared and held in France (and none will be prepared and held in the Netherlands) with a majority of N.V. Directors present in France for those Meetings; (ii) at those Meetings there are full discussions of, and decisions are made regarding, the key strategic issues affecting Technip Energies N.V. and its subsidiaries; (iii) those Meetings are properly minuted; (iv) a majority of the N.V. Directors, together with supporting staff, senior executives and management are based in France; (v) Technip Energies N.V. has permanent staffed office premises in France and (vi) maintains its accounting records in France.

Technip Energies N.V. has obtained a written recognition of its French tax residency in an agreement dated March 7, 2022 in which the Dutch Tax Authorities have confirmed that the effective place of management of Technip Energies N.V. should be considered as being in France and that Technip Energies N.V. is therefore tax resident of France within the meaning of the France-Netherlands Tax Treaty. Notwithstanding the Dutch Tax Authorities' confirmation on Technip Energies N.V.'s French tax residency, the incorporation fiction of the Dutch domestic law still determines that dividends distributed by Technip Energies N.V. are in principle subject to Dutch dividend withholding tax unless the Dutch resident Shareholder is entitled to a Dutch dividend withholding tax exemption. Based on the restrictions provided for in the France-Netherlands Tax treaty, this results in the fact that only dividends distributed by Technip Energies N.V. to Dutch tax resident Shareholders are in principle subject to Dutch dividend withholding tax. As a consequence, dividends paid to Technip Energies N.V.'s Dutch resident Shareholders could be subject to both French and Dutch dividend withholding tax.

Technip Energies N.V. should also be considered as a French tax resident company for purposes of tax treaties concluded by the Republic of France with other countries. However, whether Technip Energies N.V. qualifies for benefits under other treaties will depend on the requirements contained in each treaty and applicable domestic laws, on the facts and circumstances surrounding Technip Energies N.V.'s operations and management, and on the relevant interpretation of the tax authorities and courts.

The failure by Technip Energies N.V. to qualify for benefits under tax treaties entered into between the Republic of France and other countries could result in adverse tax consequences (including an increased tax burden and increased filing obligations) and could result in certain tax consequences of owning and disposing of Technip Energies N.V.'s shares.

The agreement signed with the Dutch Tax Authorities together with the French tax residency certificate delivered by the French tax authorities will help to ascertain Technip Energies N.V.'s qualification for benefits under tax treaties entered into between the Republic of France and other countries.

How this risk is managed/mitigation plan:

Technip Energies N.V. has obtained a written recognition of its French tax residency in an agreement dated March 7, 2022 in which the Dutch Tax Authorities have confirmed that, as long as the factors regarding its effective place of management are present at all material times, Technip Energies N.V. is a tax resident of France solely within the meaning of the France-Netherlands Tax Treaty.

As mentioned above, this means that Technip Energies N.V. should be considered a French tax resident under the France-Netherlands Tax Treaty. This is also expected for other tax treaties concluded by the Republic of France with other countries.

However, profit distributions by Technip Energies N.V. to Dutch tax resident Shareholders remain technically subject to Dutch dividend withholding tax, to the extent these Dutch tax resident Shareholders cannot apply an exemption. In line with the aforementioned agreement, Technip Energies N.V. will, in principle, not effectively withhold Dutch dividend withholding tax on profit distributions to Dutch tax resident Shareholders. This is either due to the fact that, as a base rule, the company will bear the withholding tax burden or, alternatively, an exemption is applicable. Technip Energies N.V. could, however, decide to withhold Dutch dividend withholding tax in certain scenarios, for example in the event of a Dutch corporate income tax-exempt Shareholder that is known to be eligible to a refund of the amount withheld.

The Dutch Tax authorities have acknowledged that, as a listed company, Technip Energies N.V. does not have a complete overview of which country the Shareholders are resident in. Therefore, they have accepted that Technip Energies N.V. will pay and bear the cost of Dutch dividend withholding tax based on the most accurate estimate possible of the part of its Shareholder base that is attributable to the relevant group of residents of the Netherlands. This estimate should be performed with the assistance of an external party with expertise in this field.

The costs incurred by Technip Energies in connection with dividends distribution will thus include the Dutch dividend withholding tax at the effective tax rate of approximately 17.6% which corresponds to a gross-up of the Dutch dividend withholding tax at the rate of 15% applicable to dividends paid to non-tax-exempted Dutch Shareholders. This incremental dividend cost will vary in proportion to the part of the Shareholders base attributable to relevant group of Dutch tax residents and should be reassessed each time dividends are distributed.

Please note that tax considerations associated with (currently enacted) laws which are not in force as of this date have not been addressed in this section.

4.3.5.3. U.S. tax risks in relation to the Spin-off

Shareholders should also consider a specific U.S. taxation risk that would arise should the United States Internal Revenue Service not agree that Technip Energies N.V. is a foreign corporation for U.S. federal income tax purposes as a result of the Spin-off. For a full description of this risk please refer to the Spin-off Prospectus dated February 9, 2021, which was filed with the *Autoriteit Financiële Markten*. See sections entitled "**The IRS may not agree that Technip Energies is a foreign corporation for U.S. federal income tax purposes as a result of the Spin-off.**", "**The IRS may assert that IRC section 7874 applies to the Spin-off as a result of TechnipFMC being treated as a U.S. corporation.**", "**IRC section 7874 may limit the ability of Technip Energies' U.S. affiliates to use certain tax attributes following the Spin-off, increase such U.S. affiliates' U.S. taxable income or have adverse consequences to Shareholders.**" and "**If Technip Energies is a passive foreign investment company, U.S. holders of Technip Energies Shares could be subject to adverse U.S. federal income tax consequences.**", at pages 34 to 36 of the Spin-off Prospectus.

The Spin-off Prospectus is available at https://investors.technipenergies.com/events-presentations/separation-transaction under the name "Technip Energies EU Prospectus". The Spin-off Prospectus can also be obtained on the AFM's website at https://www.afm.nl/en/sector/registers/meldingenregisters/goedgekeurde-prospectussen/details?id=100524&KeyWords=technip+energies.

4.3.6. RISKS RELATED TO THE OWNERSHIP OF TECHNIP ENERGIES SHARES

4.3.6.1. Because Technip Energies N.V. is organized under the laws of the Netherlands as a public limited liability company, the ability of its Shareholders in certain countries other than the Netherlands, in particular in the U.S., to bring an action against Technip Energies may be limited under law

Most of our Directors and senior managers are citizens or residents of countries other than the U.S. All or a substantial proportion of the assets of these individuals are located outside the U.S. In addition, a majority of our assets are located outside of the U.S. As a result, it may be impossible or difficult for investors to effect service of process within the U.S. upon such persons or Technip Energies or to enforce against them in U.S. courts a judgment obtained in such courts. In addition, there is doubt as to the enforceability, in the Netherlands, of original actions or actions for enforcement based on the federal or state securities laws of the U.S. or judgments of U.S. courts, including judgments based on the civil liability provisions of the U.S. federal or state securities laws.

The U.S. and the Netherlands do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. The Company has been advised by its Dutch counsel that a judgment rendered by a court in the U.S. will not be recognized and enforced by the Dutch courts; however, if a person has obtained a final judgment without appeal in such a matter rendered by a court in the U.S. that is enforceable in the U.S. and such person files his or her claim with the competent Dutch court, the Dutch court will recognize and give effect to such foreign judgment insofar as it finds that (i) the jurisdiction of the U.S. court has been based on grounds which are internationally acceptable, (ii) proper legal procedures have been observed, (iii) the judgment does not contravene Dutch public policy and (iv) the judgment is not irreconcilable with a judgment of a Dutch court or an earlier judgment of a foreign court that is capable of being recognized in the Netherlands.

4.3.6.2. HAL Investments and BPI have the ability to exert substantial influence over us and their interests may differ from the interests of other Shareholders

As of December 31, 2022, Hal Investments and BPI held 11.79% and 8.91%, respectively, of Technip Energies Shares. See section 5.1.6.4. Agreements with TechnipFMC and BPI, for a description of certain agreements entered into by Technip Energies and BPI. See also section 5.2.1. Description of Share Capital for information relating to Shareholders holding more than 3% of the Company's total voting rights.

The interests of BPI and Hal Investments may be different from those of other Shareholders. This concentration of ownership by BPI and Hal Investments and the nomination rights conferred to BPI with regard to the composition of the Technip Energies Board may delay, deter or prevent acts that would be favored by Technip Energies N.V.'s other Shareholders. For example, BPI's or Hal Investments' influence could delay, defer, or prevent a sale of Technip Energies N.V. that other Shareholders support, or, conversely, this influence could result in the consummation of a transaction that other Shareholders do not support.

4.3.6.3. Percentage ownership in Technip Energies N.V. may be diluted in the future

On February 15, 2021, prior to the closing of the Spin-off, the general meeting of shareholders of Technip Energies N.V. (the "**General Meeting**") adopted a resolution pursuant to which the Technip Energies Board is authorized, for a period of five years from February 16, 2021, to issue shares and grant rights to subscribe for shares up to the entire Technip Energies' authorized share capital from time to time. Consequently a Shareholder's percentage of ownership in Technip Energies N.V. may be diluted without further Shareholder approval via the issuance of Technip Energies Shares by the Board for purposes of (among others) consummating acquisitions or capital markets transactions, or via other equity issuances, including equity awards that Technip Energies N.V. may grant to Directors (see Chapter 6 Remuneration report), members of senior management, and employees for purposes of employee incentive award plans. Directors, senior management and employees have thus been granted rights to receive Technip Energies Shares, including restricted stock units ("**RSUs**") and performance stock units ("**PSUs**"), and may be awarded additional rights to receive RSUs and PSUs in the future. Employees may also participate in Employee Stock Ownership Programs. See section 5.3.3. Employee share schemes. These programs may have a dilutive effect on Technip Energies N.V.'s earnings per share, which could adversely affect the market price of Technip Energies Shares.

4.3.6.4. No assurance can be given that Technip Energies N.V. will pay or declare dividends

There can be no assurance that Technip Energies N.V. will pay or declare dividends in the future. The determination of the Technip Energies Board as to whether to resolve upon a dividend will depend upon many factors, including Technip Energies N.V.'s financial condition, earnings, corporate strategy, capital requirements of its operating subsidiaries, covenants, legal requirements to which Technip Energies is subject, and other factors deemed relevant by the Technip Energies Board.

4.3.6.5. Holders of ADRs are subject to the terms of the deposit agreement governing Technip Energies' ADR program

Technip Energies maintains a sponsored ADR program in the United States. Technip Energies' ADRs are not listed on any national securities exchange in the United States or quoted on any automated inter-dealer quotation system in the United States and trade over-the-counter. There are important differences between the rights of holders of ADRs and the non-U.S. stock that such ADRs represent. The ADRs are issued pursuant to a deposit agreement that sets forth the rights and responsibilities of Technip Energies N.V., the depositary bank and holders of ADRs. Such rights and responsibilities of holders of ADRs may be different from the rights and responsibilities of holders of Technip Energies Shares. Technip Energies N.V. may make distributions in respect of the Technip Energies Shares that are not passed on to the holders of its ADRs. Any such differences between the rights of holders of ADRs and the rights of holders of Technip Energies Shares may be significant and may materially and adversely affect the value of the ADRs and, as a result, the value of such investors' securities.

In addition, as a result of fluctuations in the exchange rate between the U.S. dollar and the euro, the U.S. dollar equivalent of any cash dividends paid in euros on Technip Energies Shares represented by the ADRs could also decline, thereby reducing the value of such investor's securities.

4.3.6.6. Shareholders outside the Netherlands may suffer dilution if they are unable to exercise preemptive rights in future offerings

In the event of an increase in Technip Energies N.V.'s share capital, Shareholders are generally entitled to full preemptive rights unless these rights are limited or excluded either (i) by virtue of Dutch law, (ii) a resolution of the General Meeting upon the proposal of the Technip Energies Board, or (iii), a resolution of the Technip Energies Board, if the Technip Energies Board has been authorized to do so by the General Meeting in accordance with the Articles of Association. Certain Shareholders outside the Netherlands may not be able to exercise preemptive rights, and therefore suffer dilution, unless local securities laws have been complied with.

In particular, a beneficial owner of Technip Energies Shares who is also (i) a citizen or individual resident of the United States; (ii) a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state therein or the District of Columbia; or (iii) an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source of shares may not be able to exercise its preemptive rights or participate in a rights offer, as the case may be, unless a registration statement under the U.S. Securities Act of 1933, as amended, is effective with respect to such rights or an exemption from the registration requirements is available. Technip Energies N.V. intends to evaluate at the time of any issue of shares subject to preemptive rights or in a rights offer, as the case may be, the costs and potential liabilities associated with any such registration statement, as well as the indirect benefits to it of enabling the exercise of such holders of their preemptive rights to shares or participation in a rights offer, as the case may be, and any other factors considered appropriate at the time and then to make a decision as to whether to file such a registration statement. Technip Energies N.V. cannot assure investors that any registration statement would be filed as to enable the exercise of such holders' preemptive rights or participation in a rights offer.

Corporate Governance



5.



5.1. THE TECHNIP ENERGIES BOARD 186

5.1.1. A One-tier board structure 186
5.1.2. Board composition 187
5.1.3. Current Board 188
5.1.4. Board skills and experience matrix 193
5.1.5. Board stakeholder engagement 195
5.1.6. Appointment and dismissal of Directors 195
5.1.7. Rules relating to the Board of Directors 196
5.1.8. 2022 Board of Directors Meetings 198
5.1.9. 2022 Board Committee Meetings 201

5.2. SHARE CAPITAL 206

5.2.1. Description of Share Capital 206
5.2.2. Board of Directors and issuance of shares 207
5.2.3. Preemptive rights 207
5.2.4. Repurchase of Technip Energies shares 207
5.2.5. Capital reduction 208
5.2.6. Transfer of shares 208

5.3. AGREEMENTS AFFECTING CONTROL OF TECHNIP ENERGIES 209

5.3.1. Agreements between Shareholders 209
5.3.2. Change of control agreements 209
5.3.3. Employee share schemes 209
5.3.4. Transactions between Technip Energies and 10% Shareholders 210

5.4. CORPORATE GOVERNANCE STATEMENT 211

5.4.1. Dutch Corporate Governance Code, “Comply or Explain” 211
5.4.2. Diversity Policy 212

5.5. BOARD MEMBERS INDEPENDENCE REQUIREMENTS 213

5.6. SHAREHOLDERS GENERAL MEETINGS 213

5.6.1. Functioning of meetings 214
5.6.2. Right to attend Shareholders’ Meeting 214
5.6.3. Amendment to the Articles of Association 214

5.7. COMPLIANCE INVESTIGATIONS AND LEGAL PROCEEDINGS 215

In this section of the Annual Report, we describe relevant elements of our corporate governance practices and provide the information required by the Dutch governmental Decree on Corporate Governance (*Besluit inhoud bestuursverslag*), including how we apply the principles and best practices of the Dutch Corporate Governance Code (the "**Code**"), and the governmental Decree on Article 10 Takeover Directive (*Besluit artikel 10 overnamerichtlijn*). The Code, which was updated December 20, 2022, is publicly available on the Monitoring Commission Corporate Governance Code website at www.mccg.nl.

Technip Energies N.V. is governed by the laws of the Netherlands (in particular Volume 2 of the Dutch Civil Code), the Code (on a comply or explain basis) and by its articles of association (the "**Articles of Association**"). The Articles of Association are publicly available on Technip Energies N.V.'s website at www.technipenergies.com/about/governance.

Technip Energies N.V. is subject to various legal provisions of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) (the "**WFT**"). In addition, given that its shares trade on the Euronext Paris Stock Exchange, a regulated market, Technip Energies N.V. is also subject to certain laws and regulations in France.

5.1. THE TECHNIP ENERGIES BOARD

The Technip Energies N.V. Board has the powers, authorities and duties vested in it by and pursuant to Dutch Law and the Articles of Association. In carrying out its responsibilities, the Board of Technip Energies N.V. is focused on long-term value creation for Technip Energies and its business, and takes into account stakeholder interests that are relevant in this regard.

In furtherance of these objectives, the Board combines the experience, qualifications and skills needed to help the Company address the world's ever-increasing need for energy transition. See also section 5.1.4. Board skills and experience matrix.

Technip Energies complies with the Non-Executive Director independence requirements of the Code. The Board annually assesses and reports on the independence of the individual Non-Executive Directors within the meaning of the Code. See section 5.5. Board members independence requirements.

Technip Energies' principal place of business, located at 2126, Boulevard de La Défense, 92000 Nanterre, France, serves as the business address for all Directors and members of Senior Management.

5.1.1. A ONE-TIER BOARD STRUCTURE

Technip Energies has a one-tier board structure comprising Executive and Non-Executive Directors. The Board is responsible for discussing and approving the strategy developed and proposed by the CEO and for the supervision of its implementation by the CEO and the management team. The Board is also responsible for the CEO selection and succession process, the supervision of the CEO's performance of duties and performance of the general management of the Company, and it assists the CEO by providing advice and direction. With respect to Technip Energies' general affairs and business, the Board's responsibility is one of oversight. It is the responsibility of the CEO and management to conduct Technip Energies' operations and prepare documents, whether or not in cooperation with the Non-Executive Directors, in accordance with applicable laws and regulations, and of the external statutory auditor to audit its financial statements.

The CEO is primarily responsible for: (i) the day-to-day operations of the Company; (ii) the development, proposal and implementation of the strategy; and (iii) serving as the principal external spokesperson for the Company with analysts, investors, media and clients.

Pursuant to the Articles of Association, the Technip Energies Board's regulations set out its internal organization, the manner in which decisions are taken, the composition, duties and organization of Committees and any other matters concerning the Executive Director, Non-Executive Directors and Committees. The Technip Energies Board rules (the "**Board Rules**") set out its decision-making rules. The Board Rules are available online at www.technipenergies.com/about/governance along with Technip Energies' other governance documents. Also, see section 5.1.7.1. Decision making.

In accordance with Dutch law, Technip Energies N.V. has separated the functions of Chair and CEO. The Board designates an Executive Director as CEO. If there is only one Executive Director in office, he or she will automatically be the CEO. The Technip Energies Board will designate one of the Non-Executive Directors as Chair. The Board may grant other titles to Directors as the Board deems appropriate.

The Technip Energies Board has instituted an Audit Committee, a Compensation Committee and an Environmental, Social and Governance Committee (the "**ESG Committee**") and appointed its members from among the Non-Executive Directors. The ESG Committee's charter also includes the responsibilities of a nomination committee. See section 5.1.9. 2022 Board Committee Meetings.

The Technip Energies Board as a whole is authorized to represent Technip Energies. In addition, Technip Energies may be represented by an Executive Director acting individually. The Technip Energies Board may also appoint individuals (*procuratiehouders*) with general or limited power to represent the Company. Each of these individuals is able to represent Technip Energies subject to any restrictions imposed on him or her.

5.1.2. BOARD COMPOSITION

The Technip Energies N.V. Board may consist of a maximum of 12 members, except in such circumstances where the Technip Energies Board would determine that a higher number of Board members would be required or appropriate. The Board considers that the optimal size of the Board is not more than 12 Directors as it allows the Company to benefit from a panel of experienced professionals having a diverse skill set yet not so large as to hinder the ability of the Directors to have meaningful and inclusive debates and discussions. As one of the Directors, Didier Houssin, is retiring from the Board and one additional Director, Stephanie Cox, is being proposed for appointment, the Board will be comprised of ten Directors should the proposed slate be voted in at the May 10, 2023, Annual General Meeting.

The desired composition of the Board of Technip Energies is such that the Board has the requisite mix of specific experience, qualifications, skills and gender diversity to ensure that, as a whole, it has the necessary means to perform its function effectively. For more about the Board's commitment to diversity see section 5.4.2. Diversity Policy.

As stated in the Board Rules, the desired composition of the Technip Energies Board includes specific areas of expertise and backgrounds, including those listed below. The Board has applied these considerations in developing the Board skills and experience matrix discussed in section 5.1.4. Board skills and experience matrix.

Areas of expertise and background are:

- experience relevant to the Company's industry;
- experience in advanced processes and technologies;
- financial administration and accounting, and internal risk management and control systems;
- management strategy and risks;
- compliance, corporate governance, stock exchange rules and stakeholder management;
- experience in sustainable business practices and in corporate social responsibility matters;
- international experience in markets and products in the Company's current and prospective fields; and
- expertise and experience in corporate management.

In addition, the Board and the ESG Committee, as applicable, will consider whether there are potential conflicts of interest with a candidate's other personal and professional pursuits. This assessment is made at least once a year and each time a potential conflict of interest is reported to the Chair of the Board. See section 5.1.7.3. Conflicts of interest.

5.1.3. CURRENT BOARD

The current Board has ten members, comprised of one Executive Director and nine Non-Executive Directors. The Executive Director and all of the current Non-Executive Directors, with the exception of Mr. Didier Houssin who has decided to retire from the Board, have been nominated by the Board for reappointment at the 2023 Annual General Meeting. Ms. Stephanie Cox has been nominated by the Board as a first time Director for appointment at the 2023 Annual General Meeting.

Joseph Rinaldi _ Independent Director



65 years old

Australian, American and Italian

Chairman of the Board

CURRICULUM VITAE

Joseph Rinaldi is the Managing Partner of Fennecourt Partners, an investment management and consulting firm. He is a retired partner in the international law firm of Davis Polk & Wardwell, where he advised companies, financial institutions and board of directors on corporate governance issues, public and private mergers and acquisitions, financing and capital markets transactions, corporate law and securities laws, with a particular focus on international and cross border matters.
From 2002 to 2007, he was the senior partner in the Paris office of Davis Polk & Wardwell, after joining in 1984 and becoming a partner in 1990.
Mr. Rinaldi holds degrees in both Economics and Law from the University of Sydney as well as a master's degree in law from University of Virginia School of Law.

OTHER CURRENT PUBLIC BOARD MEMBERSHIP(S)

- None

OTHER CURRENT PRIVATE BOARD MEMBERSHIP(S)

- Fennecourt Partners LLC: Managing Partner

Arnaud Pieton _ Executive Director



49 years old

French

Chief Executive Officer

CURRICULUM VITAE

Arnaud Pieton is Chief Executive Officer of Technip Energies. Mr. Pieton served as President of TechnipFMC's Subsea business segment from October 2018 to October 2020. From January 2017 to October 2018, Mr. Pieton served as Executive Vice President People & Culture of TechnipFMC. From January 2004 to January 2017, Mr. Pieton served in a number of leadership positions at Technip, including as President Asia Pacific Region covering subsea and onshore/offshore operations and other subsea assignments in Paris, Houston and Kuala Lumpur. Prior to joining Technip in 2004, he held several positions at Serimax, part of Vallourec Group.

Mr. Pieton holds a master's degree in material science & welding from Polytech Nantes and attended executive education programs at The University of Chicago Booth School of Business.

OTHER CURRENT PUBLIC BOARD MEMBERSHIP(S)

- None

OTHER CURRENT PRIVATE BOARD MEMBERSHIP(S)

- None

Arnaud Caudoux _ Independent Director



52 years old

French

Member of the Audit Committee

CURRICULUM VITAE

Arnaud Caudoux is currently Deputy Chief Executive Officer and Executive Director of Bpifrance, a French state-owned investment bank, in charge of the Finance, Risk Management, IT, and Guarantee business line. He was formerly Chief Financial Officer and a member of the Executive Board of Bpifrance from 2013 to 2015. He also served as Deputy Chief Executive Officer of OSEO from 2008 to 2012 and Managing Director of OSEO Garantie (formerly Sofaris) from 2004 to 2008. From 2003 to 2004, Mr. Caudoux was Chief Credit Risk and IT Officer of Sofaris.

Mr. Caudoux began his career in 1997 at Accenture as a consultant before joining A.T. Kearney in 2001.

Mr. Caudoux graduated from École Polytechnique and holds a degree in economics from École Nationale des Ponts et Chaussées.

OTHER CURRENT PUBLIC BOARD MEMBERSHIP(S)

- None

OTHER CURRENT PRIVATE BOARD MEMBERSHIP(S)

- Bpifrance S.A.: Executive Director and Deputy General Manager
- Younited S.A.: Permanent Representative as a Director

Colette Cohen _ Independent Director



54 years old

British and Irish

Member of the Compensation Committee, member of the ESG Committee

CURRICULUM VITAE

Colette Cohen is the Chief Executive Officer for the Net-Zero Technology Centre, an organization committed to the development and deployment of technology to accelerate the transition to an affordable net-zero future. She has worked in the industry for over 25 years, having held senior positions within industry leaders such as BP, ConocoPhillips and Centrica E&P, both in the UK and internationally. Ms. Cohen is a Commissioner for the Just Transition Commission for Scotland and a member of the Technology Leadership Board for the UK Government.

Ms. Cohen is an ambassador for Powerful Women.

Ms. Cohen holds a degree in Pure & Applied Chemistry from Queen's University Belfast, as well as a master's in Project Management & Economics from CERAM (France) and an honorary PhD from Aberdeen University.

In 2020, Ms. Cohen was awarded the Order of the British Empire (OBE) for services to the Oil and Gas industry.

OTHER CURRENT PUBLIC BOARD MEMBERSHIP(S)

- Norwegian Energy Company ASA: Director

OTHER CURRENT PRIVATE BOARD MEMBERSHIP(S)

- Net-Zero Technology Centre: Chief Executive Officer and Director
- DeepOcean Group AS: Director
- Flylogix: Chair of the Board

Marie-Ange Debon _ Independent Director



57 years old

French

Chair of the Audit Committee

CURRICULUM VITAE

Marie-Ange Debon has acted as Chairwoman of the Keolis Group Executive Board since August 2020. Prior to joining Keolis, Ms. Debon was Deputy Chief Executive Officer of the Suez Group, a global water and waste company she joined in 2008. She held various positions at Suez: CEO for France (from 2018 to 2020), CEO for international (from 2013 to 2018) and General Secretary (from 2008 to 2013). From 1998 to 2008, Ms. Debon served as General Secretary of Thomson (now Technicolor), and, prior to that, served as Deputy Chief Financial Officer. Prior to Thomson, Ms. Debon served in various positions in both the public and private sectors, including as Senior Executive Vice President of television broadcaster France 3 from 1994 to 1998 and as Magistrate to the French Audit Court (Cour des Comptes) from 1990 to 1994.

She has been Vice President of MEDEF International (Mouvement des entreprises de France), an international branch of the French Business association, since 2016. She was a member of the AMF (Autorité des Marchés Financiers) from 2008 to 2014.

Ms. Debon holds a master's degree in business from HEC Paris and a master's degree in economics and public administration from École Nationale d'Administration.

OTHER CURRENT PUBLIC BOARD MEMBERSHIP(S)

- Arkema S.A.: Director, Chair of the Audit Committee

OTHER CURRENT PRIVATE BOARD MEMBERSHIP(S)

- Keolis Group S.A.S.: Executive Chair

Simon Eyers _ Independent Director



58 years old

British

Member of the Audit Committee

CURRICULUM VITAE

Simon Eyers is a Senior Advisor to Next Energy Capital, a leading European investor in renewable energy. Until January 2022, Simon Eyers served as Chairman of Evrythng, a leading provider of cloud-based traceability data services to the consumer products industry, and as a Director of Trident Energy. Mr. Eyers served as Managing Director of Warburg Pincus International from 2012 to 2018 focusing on energy investments, and as a Senior Advisor until the end of 2020 upon retirement from his full-time role. He was a founding partner of 4D Global Energy Advisors, a private equity firm based in Paris specializing in the energy sector, serving from 2002 to 2012. Mr. Eyers previously held executive leadership roles in various technology ventures prior to which he worked for 13 years in energy investment banking.

Mr. Eyers holds a BSc. in electrical and electronic engineering from the University of Edinburgh.

OTHER CURRENT PUBLIC BOARD MEMBERSHIP(S)

- None

OTHER CURRENT PRIVATE BOARD MEMBERSHIP(S)

- None

Alison Goligher _ Independent Director



57 years old

British and Irish

Chair of the Compensation Committee and member of the ESG Committee

CURRICULUM VITAE

Alison Goligher is the Executive Chair of Silixa, a private equity-backed Distributed Fibre Optic company working in the energy sector, a role she has held since 2016. From 2006 to 2015, Ms. Goligher held various executive leadership roles at Royal Dutch Shell, most recently serving as Executive Vice President Unconventionals, Upstream International in The Netherlands. Ms. Goligher began her career at Schlumberger as a wireline field engineer. She spent 17 years at Schlumberger working internationally, and progressing into more senior, global leadership positions in operations and technology, eventually becoming its Vice President of Production Management, Integrated Project Management.

Ms. Goligher graduated from Edinburgh University with BSc in Mathematical Physics and also holds a master's degree in Petroleum Engineering from Heriot-Watt University.

In 2005, Ms. Goligher was recognized as an Officer of the Order of the British Empire (OBE) for services to the Oil and Gas industry.

OTHER CURRENT PUBLIC BOARD MEMBERSHIP(S)

- United Utilities Group Plc.: Director

OTHER CURRENT PRIVATE BOARD MEMBERSHIP(S)

- Silixa Ltd.: Executive Chair

Didier Houssin _ Independent Director



65 years old

French

Chair of the ESG Committee

CURRICULUM VITAE

Didier Houssin served as Chairman and Chief Executive Officer of IFP Energies Nouvelles, a research and training company in the fields of energy, transport, and the environment, from 2015 until 2020. From 2012 to 2015, he was Director of Sustainable Energy Policy and Technology at the IEA (International Energy Agency) and was responsible for the development of low-carbon technologies and energy. From 2007 to 2012, he was Director of Energy Markets and Security at the IEA and was responsible for analyzing energy markets, in particular oil, gas, electricity, and renewable energies, and overseeing security of supply. Before joining the IEA, Mr. Houssin gained broad experience in numerous positions both in the French government and the private industrial sector. He was Managing Director of BRGM, the French Geological Survey, from 2004 to 2007 and served as Director of Energy and Mineral Resources at the French Ministry for the Economy and Finance from 1997 to 2004. From 1987 to 1990, he was responsible for developing E.U. strategy at Total. From 1983 to 1987, he held international positions at the French Ministry of the Industry.

Mr. Houssin holds a master's degree in law from Paris Sorbonne University and a master's degree in economy and political sciences from IEP Paris, and graduated from École Nationale d'Administration.

OTHER CURRENT PUBLIC BOARD MEMBERSHIP(S)

- None

OTHER CURRENT PRIVATE BOARD MEMBERSHIP(S)

- Storengy S.A.S.: Director
- Société Française Donges-Metz S.A.: Chairman of the Board

Nello Uccelletti _ Non-Independent Director



69 years old

Italian

Member of the Compensation Committee

CURRICULUM VITAE

Nello Uccelletti is currently serving as advisor to the Chairman of Consolidated Contractors Group S.A.L. He previously served as President and Advisor to TechnipFMC's Chief Executive Officer from November 2019 to February 2020. From 2014 to 2019, Mr. Uccelletti served as President of TechnipFMC's Onshore/Offshore business after previously serving as Senior Vice President of Onshore. Mr. Uccelletti originally joined Technip in 1978 and has spent his entire career with Technip and its affiliates serving in a variety of leadership positions, including as Chief Executive Officer of Technip Italy and Region B Senior Vice President and as the head of Technip Italy's Engineering Department, Middle East Business and Projects units, and business development team.

Mr. Uccelletti was the Chairman of ANIMP (Associazione Nazionale di Impiantistica Industriale) from 2011 to 2015.

Mr. Uccelletti holds a degree in electrical engineering from the University of Naples.

OTHER CURRENT PUBLIC BOARD MEMBERSHIP(S)

- None

OTHER CURRENT PRIVATE BOARD MEMBERSHIP(S)

- None

Francesco Venturini _ Independent Director



54 years old

Italian and American

Member of the Audit Committee

CURRICULUM VITAE

Francesco Venturini is the Head of Enel X Global Retail, the new global business line that consolidates all the customers of the Enel Group and the related portfolios of products and services under one single umbrella. From 2017 and 2021, he was the Chief Executive Officer of Enel X, the global business line of the Enel Group. Mr. Venturini held various positions at the Enel Group. He served as Chief Executive Officer and General Manager for Enel Green Power (from 2014 to 2017), after having served as its Head of North American Area (from 2011 to 2014) and Head of Finance (from 2009 to 2011). He also served as Head of Sales Administration within Enel's Distribution and Market Division after having served as its Head of Internal Audit. Mr. Venturini was initially appointed as Head of Administration and Management Control at Enel S.p.A. in 1998. Prior to joining Enel, Mr. Venturini served as Chief Financial Officer for several companies of the Elsag Bailey Process Automation and Hartmann & Braun Group, a former Finmeccanica (Leonardo) group company.

Mr. Venturini graduated cum laude in Economics from the University of Rome "La Sapienza" in 1992 and was licensed as a Certified Public Accountant. He is a London Business School alumnus and holds an MBA from MIT's Sloan Businesss School.

OTHER CURRENT PUBLIC BOARD MEMBERSHIP(S)

- None

OTHER CURRENT PRIVATE BOARD MEMBERSHIP(S)

- CESI S.p.A.: Director

Stephanie Cox _ Proposed Independent Director [1]



54 years old

American

Member of the ESG Committee (if appointed)

CURRICULUM VITAE

Stephanie Cox served as the Executive President, Operations Business Unit for Wood plc, in Houston, Texas, from 2020 to 2022 and as CEO Asset Solutions – Americas, from 2019 to 2020.

Prior to that she held multiple leadership roles with Schlumberger from 1991 to 2019, including most recently President, North America Land Drilling from 2018 to 2019, Chief Human Resources Officer in Houston, TX, from 2017 to 2018 and from 2014 to 2016 in Paris, France, President, North America from 2016 to 2017, and President, Asia from 2014 to 2016 in Kuala Lumpur, Malaysia.

She holds a Bachelor of Arts from Michigan State University in Supply Chain, Materials Logistics Management. She is also a Certified Corporate Director by the National Association of Corporate Directors (NACD).

OTHER CURRENT PUBLIC BOARD MEMBERSHIP(S)

- Alliant Energy Corporation: Member of the Compensation and Personnel Committee as well as of the Operations Committee

OTHER CURRENT PRIVATE BOARD MEMBERSHIP(S)

- Terra Co_2
- Board Trustee, AWTY International School

(1) Ms. Cox was nominated by the Board in February 2023 for appointment as an independent Non-Executive Director at the 2023 Annual General Meeting.

5.1.4. BOARD SKILLS AND EXPERIENCE MATRIX

Technip Energies N.V.'s Board has developed a skills and experience matrix encompassing the areas most relevant to overseeing the Company's international operation and strategy. The skills in the matrix are re-evaluated each year in reference to the Company's strategy so that the matrix can serve as an up-to-date tool for identifying Director nominees who collectively have the complementary experience, qualifications, skills and attributes to guide the Company. Technip Energies' Board skills and experience matrix reflects the diversity and complementarity of expertise and experience of the current Board. A new Non-Executive Director, Ms. Stephanie Cox, is proposed to be added to the Board. Her skills also appear in the Board skills and experience matrix.

Energy Industry:
Understanding of the energy sector and markets, including the business and policy context relevant to energy, the environment and the energy transition

Project Management:
Experience in managing large and complex capital and infrastructure projects

Technology and Innovation:
Experience in adopting emerging technology and digitalization in the operations and strategy of businesses

Finance/Audit/M&A/Risk Management:
Financial literacy including understanding of financial reporting processes and principles, experience in corporate finance, capital markets, corporate transactions, partnering arrangements and risk management practices

Governance:
Understanding of best practices in corporate governance, executive compensation practices, trends in shareholder engagement, relevant legislative and regulatory frameworks and best-in-class compliance

Social and Sustainability:
Experience in assessing, monitoring and managing sustainable business practices and knowledge in the field of corporate social responsibility

International experience:
Extensive experience doing business across multiple geographic regions

Senior Executive experience:
Experience as the CEO or other senior executive responsible for the operations of a major global business

	Name	Gender	Age	Nationality	Tenure (years)	Independent	Skills and Experience							
	Joseph Rinaldi	Male	65	Australian, American and Italian	2	Yes	●			●	●		●	
	Arnaud Pieton	Male	49	French	2	No	●	●	●	●		●	●	●
	Arnaud Caudoux	Male	52	French	2	Yes	●			●	●			
	Colette Cohen	Female	54	British and Irish	1	Yes	●	●	●			●	●	●
	Marie-Ange Debon	Female	57	French	2	Yes	●	●		●	●	●	●	●
	Simon Eyers	Male	58	British	2	Yes	●		●	●			●	
	Alison Goligher	Female	57	British and Irish	2	Yes	●	●			●	●	●	
	Didier Houssin[1]	Male	65	French	2	Yes	●		●		●	●	●	●
	Nello Uccelletti	Male	69	Italian	2	No	●	●	●				●	●
	Francesco Venturini	Male	54	Italian and American	1	Yes	●	●	●	●		●	●	●
	Stephanie Cox[2]	Female	54	American	0	Yes	●	●	●			●	●	●

(1) Mr. Didier Houssin decided not to seek reappointment as an independent Non-Executive Director at the 2023 Annual General Meeting.
(2) Ms. Cox was nominated by the Board in February 2023 for appointment as an independent Non-Executive Director at the 2023 Annual General Meeting.

5.1.5. BOARD STAKEHOLDER ENGAGEMENT

The Board and executive team have solicited feedback from Technip Energies' stakeholders on a number of matters throughout the year.

We believe this engagement is important and necessary as we seek to develop long-term relationships with our stakeholders, and ensure that they fully understand our strategy and the ways in which we seek to unlock value across our business portfolio and conduct our sustainability strategy. Our intention is to ensure that our stakeholders are kept updated on significant matters and relevant emerging trends. In addition, engagement allows our stakeholders' to provide feedback on ESG matters for the Board's consideration including sustainability, climate change, board dynamics and executive compensation.

Our 2022 Off-Season Engagement Campaign which was completed on December 1, 2022, involved an active outreach to our largest Shareholders representing approximately 39% of Technip Energies ordinary shares, as well as the two most influential global proxy advisors. Through our stakeholder engagement initiatives, the Board is able to consider different perspectives, including Shareholders' and proxy advisors' input on the Company's ESG priorities, board composition and Executive and Non-Executive Director compensation. We will continue our efforts to engage with our stakeholders, including our Shareholders, through meaningful and ongoing dialogue as an important part of the Board's corporate governance commitment (further details are set out in chapter 6. Remuneration report).

5.1.6. APPOINTMENT AND DISMISSAL OF DIRECTORS

5.1.6.1. Appointment of Directors

The number of Executive Directors and Non-Executive Directors is determined by the Technip Energies Board. Our Directors are appointed for a term of one year and are elected on an annual basis.

5.1.6.2. Responsibilities of the ESG Committee in selecting Directors for appointment

Technip Energies' ESG Committee assists the Board in identifying individuals qualified to become a Director and who would contribute positively to the skills and experience of the Board (further details are set out in section 5.1.4. Board skills and experience matrix). Any new nomination should be consistent with the Board's composition profile and the Diversity Policy before the ESG Committee could recommend a Director nominee to the Board for appointment.

More specifically, the ESG Committee is responsible for the following:

- drawing up a succession plan for the Directors;
- establishing and reviewing the need for any changes to criteria for Board membership and selection of new Directors. An important component of the Board is the diversity of its members including background, skills, experience, expertise, gender, race, international awareness and cultural sensitivity;
- identifying, screening, interviewing, selecting and recruiting candidates for new Directors, to fill vacancies or the additional needs of the Board; and
- retaining and dismissing any recruiting firm to be used to identify Director candidates.

5.1.6.3. Dismissal of Directors

The Articles of Association provide that members of the Board can only be suspended or dismissed by the General Meeting by a resolution adopted by a majority of two-thirds of the votes cast representing more than half of the issued share capital, unless such resolution is adopted upon a proposal of the Board. If proposed by the Board, a simple majority of the votes cast at the General Meeting suffices.

Dutch law provides for a statutory cooling-off period of up to 250 days. During this cooling-off period, the General Meeting is not able to dismiss or suspend Directors unless upon a proposal by the Board. The cooling-off period can be invoked by the Board in case:

- Shareholders, using either their Shareholder proposal right or their right to request a General Meeting of Shareholders, propose an agenda item for the General Meeting of Shareholders to dismiss or suspend a Director; or
- a public offer for the Company is made or announced without the Company's support, provided, in each case, that the Board believes that such proposal or offer materially conflicts with the interests of the Company and its business.

The cooling-off period, if invoked, ends at occurrence of the earliest of the following events:

- the expiration of 250 days from, in case of Shareholders using their Shareholder proposal right, the day after the deadline for making such proposal expired; in case of Shareholders using their right to request a General Meeting of Shareholders, the day when they obtain court authorization to do so, or in case of a hostile offer being made, the first day following the day on which the hostile offer was made;
- the day after the hostile offer having been declared unconditional; or
- the Board voluntarily terminating the cooling-off period.

In addition, Shareholders representing at least 3% of Technip Energies' issued share capital may request the enterprise chamber of the court of appeal in Amsterdam (*Ondernemingskamer van het Gerechtshof te Amsterdam*) for early termination of the cooling-off period.

In addition to the statutory cooling-off period, the Code provides for a 180-day response period. If one or more Shareholders intends to request that an item be put on the agenda for a General Meeting that may result in a change in Technip Energies' strategy such as the suspension or dismissal of a Director, pursuant to the Code, the Technip Energies Board may invoke a response time of a maximum of 180 days. During this period the Technip Energies Board does not have to include the item on the agenda for the General Meeting.

5.1.6.4. Agreements with TechnipFMC and BPI

Technip Energies is party to agreements with each of TechnipFMC and BPI which entitle TechnipFMC and BPI to propose candidates to the Board for nomination as Non-Executive Directors (the "**Shareholder Nominated Directors**"). For more information about these agreements, see section 5.3.1. Agreements between Shareholders.

In connection with the Spin-off of Technip Energies from TechnipFMC, Technip Energies and TechnipFMC entered into a separation and distribution agreement (the "**Separation and Distribution Agreement**"). Pursuant to the Separation and Distribution Agreement, TechnipFMC has the right to designate (i) two shareholder Nominated Directors, so long as it owns at least 18% of the Technip Energies shares, and (ii) one shareholder Nominated Director, so long as it owns at least 5%, but less than 18% of the Technip Energies shares. On April 27, 2022, TechnipFMC announced that it had completed the sale of its remaining shares in Technip Energies. It is thus no longer entitled to designate shareholder Nominated Directors.

Pursuant to the Relationship Agreement dated January 7, 2021, entered into between the Company, Bpifrance and TechnipFMC, (the "**Relationship Agreement**") BPI had the right to designate (i) two shareholder Nominated Directors, so long as it owned at least 18% of the Technip Energies shares, and (ii) one shareholder Nominated Director, so long as it owns at least 5%, but less than 18% of the Technip Energies shares. Notwithstanding the foregoing, at General Meetings occurring prior to the vote on Technip Energies' 2022 annual accounts, under the Relationship Agreement BPI had the right to designate two shareholder Nominated Directors. Pursuant to Amendment n°1 of the Relationship Agreement dated April 20, 2021, BPI accepted, in all instances, to have only one shareholder Nominated Director so long as it owns at least 5% but less than 18% of the Technip Energies shares. As a result, effective April 20, 2021, BPI is entitled to designate one shareholder Nominated Director, which right it exercised by designating Mr. Arnaud Caudoux.

5.1.6.5. Non-Executive Director nominees

In February 2023, the Technip Energies Board, upon the ESG Committee's recommendation and after having reviewed the Board composition, nominated for re-appointment at the 2023 Annual General Meeting all of the Non-Executive Directors currently on the Board with the exception of Mr. Houssin who is not seeking reappointment. In addition, the Board has nominated for appointment Ms. Cox as Non-Executive-Director.

5.1.7. RULES RELATING TO THE BOARD OF DIRECTORS

5.1.7.1. Decision making

The Technip Energies Board adopts resolutions unanimously where possible, but may adopt resolutions by a majority of votes cast. In the event of a tie vote, the proposal is rejected. Pursuant to the Board Rules, the Technip Energies Board may only adopt resolutions at a Meeting where a majority of the Directors entitled to vote are present or represented.

Resolutions of the Technip Energies Board that cause a significant change in the identity or character of Technip Energies or its associated business enterprise require the approval of the Shareholders at a General Meeting. This includes in any event: (i) the transfer to a third party of the business enterprise of Technip Energies or practically the entire business enterprise of Technip Energies; (ii) the entry into or breaking off of any long-term cooperation of Technip Energies or a subsidiary with another legal entity or company or as a fully liable partner of a general partnership or limited partnership, where such entry or breaking off is of material importance to Technip Energies; or (iii) the acquisition or disposal by Technip Energies or a subsidiary of an interest in the capital of a company with a value of at least one-third of Technip Energies' assets according to the consolidated balance sheet with explanatory notes included in the last adopted Annual Accounts of Technip Energies. In addition, a resolution to relocate the corporate office and headquarters of the Company outside of France requires the approval of the General Meeting.

5.1.7.2. Responsibilities

Pursuant to the Board Rules, the Non-Executive Directors supervise the policies, management and the general affairs of the Company and the business, including the relations with Shareholders. The Non-Executive Directors assist the CEO with advice on general policies related to the Company and the business.

The Board supervises how the CEO implements the Company's long-term value creation strategy. The Board discusses and approves the strategy developed and proposed by the CEO and supervises its implementation by the CEO and the principal risks associated with it. See section 5.1.8.2. Board's involvement in the Company's strategy and section and 4.2. Enterprise Risk Management framework. The report drawn up by the Board accounts for its involvement in the approval of the strategy, and the way in which it monitors the strategy's implementation.

Each Non-Executive Director follows an induction program. This program covers general financial, social and legal affairs, financial reporting by the Company, specific aspects that are unique to the Company and its business, the Company's culture, and the responsibilities of a Non-Executive Director.

Each Non-Executive Director conducts an annual review to identify the aspects which each Non-Executive Director requires training or education.

The responsibilities of the Non-Executive Directors include supervising and advising the CEO with respect to the following:

- setting the Company's management agenda;
- enhancing the Company's performance;

- developing and proposing a general strategy, including the strategy for realizing long-term value creation, and taking into account risks connected to the Business;
- determining and pursuing operational and financial objectives;
- structuring and managing internal business control systems;
- overseeing the Company's financial reporting processes;
- ensuring the Company's compliance with applicable laws and regulations;
- ensuring compliance with and maintaining the Company's corporate governance structure;
- ensuring publication by the Company of any information required by applicable laws and regulations;
- preparing the Company's annual report, the annual budget and significant capital expenditures;
- overseeing the Company's sustainability practices - please also refer to section 3.2.1. ESG Governance ;
- ensuring that internal procedures are established and maintained which safeguard that all relevant information is known to the Board in a timely fashion;
- developing a procedure for reporting actual or suspected misconduct or irregularities, and taking appropriate follow-up action on the basis of these reports;
- discussing the items reported on by the Audit Committee under best practice provision 1.5.3 of the Code; and
- Discussing succession planning and management development activities reported on by the ESG Committee.

In addition, the responsibilities and tasks of the Non-Executive Directors include:

- drawing up the Company's policies for the composition of the Board;
- selecting and nominating individuals for appointment by the General Meeting as Director;
- proposing the Remuneration Policy for adoption by the General Meeting, determining the remuneration for the Executive Directors and acting as corporate body within the meaning of article 7.4.2 of the Company's Articles of Association to determine the remuneration for the Non-Executive Directors;
- selecting and nominating for appointment by the General Meeting of the Company's external auditor;
- dealing with conflicts of interest regarding Directors and majority Shareholders in relation to the Company; and
- giving the external auditor a general idea of the content of the reports that relate to the external auditor's performance.

Pursuant to the Board Rules, at each Board Meeting the Non-Executive Directors may meet in executive session without the presence of the Chief Executive Officer and other members of Management. Executive sessions are intended to foster open discussions between Non-Executive Directors without Management being present.

5.1.7.3. Conflicts of interest

Pursuant to the Articles of Association and the Board Rules, a Director is not allowed to participate in the deliberations and decision-making process if he or she has a direct or indirect personal conflict of interest with the Company and its associated business enterprise. The Board Rules and the Company's related party transactions policy provide further requirements as to how to identify and address a conflict of interest of a Director, all in accordance with the Code. The Board Rules forbid directors from competing with the Company, demanding or accepting, substantial gifts from the Company, providing unjustified advantages to third parties at the Company's expense or taking advantage of business opportunities that the Company is entitled to. The Board Rules contain a self-reporting obligation by Directors to the Chair of the Board. The Board then decides whether a Director has a conflict of interest, without the Director concerned being present.

The Company has not entered in 2022 into transactions under which members of the Board had or could have had a conflict of material significance to the Company or the relevant Director.

5.1.7.4. Directors' training

In accordance with the Board Rules each Non-Executive Director is to participate in the Board's induction program. The program covers general financial, social and legal affairs, financial reporting by the Company, specific aspects that are unique to the Company and the business, the Company's culture and the responsibilities of a Non-Executive Director. Topics covered include the legal aspects of being a Director of a Dutch company listed on Euronext Paris as well as directors' duties, allocation of powers and responsibilities among Directors and disclosure requirements. Ms. Colette Cohen and Mr. Francesco Venturini, who were both appointed directors at the 2022 Annual General Meeting in May 2022 completed an onboarding session in July 2022.

In addition, each Non-Executive Director conducts an annual review to identify the aspects which each Non-Executive Director requires training or education. The ESG Committee also monitors the induction program and training needs of Board members and recommends action to the Board concerning such induction program and training needs where appropriate.

In 2022, and based on their feedback, Non-Executive Directors completed training on climate change, cybersecurity and digitalization.

For 2023, the Company intends to develop a training program addressing the following topics:

- technology developments impacting the Company (cybersecurity, and artificial intelligence);
- safety (behavioral based safety); and
- energy transition policies and recent developments (in particular REPowerEU plan and the Inflation Reduction Act).

5.1.7.5. Positions outside the Company

The Board has not adopted guidelines limiting or prohibiting Directors from serving on boards and/or committees of other organizations. However, the ESG Committee may take into account the nature and time involved in a Director's service on other boards and/or committees in evaluating the suitability of individual Director candidates and current Directors. The Board ensures and monitors attendance of Directors at Board and Committee meetings.

Serving on other boards and/or committees should be consistent with the Company's conflict of interest policies, the Articles of Association and all applicable laws and regulations.

When a Director becomes aware of circumstances that may adversely reflect upon the Director or the Company, such Director must notify the ESG Committee of such circumstances. The ESG Committee will consider the circumstances, and may in certain cases recommend that the Board request that the Director submit his or her resignation from the Board if, for example, continuing service on the Board by the individual is not consistent with the criteria deemed necessary for continuing service on the Board.

A Director must inform the Board before accepting board positions, including positions on the committee of a board. Other board positions of Directors are discussed at a Board Meeting at least annually.

The acceptance of a non-executive position by the CEO requires the approval of the Board.

5.1.8. 2022 BOARD OF DIRECTORS MEETINGS

5.1.8.1. 2022 Board Meetings

The Board is comprised of eight independent directors: Mr. Rinaldi (Chair), Mr. Caudoux, Ms. Cohen, Ms. Debon, Mr. Eyers, Ms. Goligher, Mr. Houssin and Mr. Venturini. Mr. Pieton (the sole executive director) and Mr. Uccelletti are considered to be non-independent. 80% of the Directors sitting on the Board are thus independent. In 2022, the Board held five meetings.

Date	Joseph Rinaldi	Arnaud Pieton	Arnaud Caudoux	Colette Cohen[1]	Marie-Ange Debon	Simon Eyers	Alison Goligher	Didier Houssin	Nello Uccelletti	Francesco Venturini[1]
February	●	●	●	N/A	●	●	●	●	●	N/A
April	●	●	●	N/A	●	●	●	●	●	N/A
July	●	●	●	●	●	●	●	●	●	●
October	●	●	●	●	●	●	●	●	●	●
December	●	●	●	●	●	●	●	●	●	●
ATTENDANCE[2]	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

(1) Ms. Colette Cohen and Mr. Francesco Venturini were appointed directors at the 2022 Annual General Meeting in May 2022. Mr. Pascal Colombani, who ceased to be a director after the 2022 Annual General Meeting, participated in the February and April Board Meetings. Ms. Colette Cohen, who was appointed Board Observer in October 2021, attended the February and April Board Meetings in such capacity.

(2) The CFO, the COO, the Chief Legal Officer and the external auditors attended all of the Board Meetings. Other Technip Energies senior managers were also invited to attend certain meetings to make presentations to the Board on specific topics.

Highlighted below are the topics that were addressed by the Board on a recurring basis at regular meetings and a list of the specific topics that were addressed by the Board over the course of 2022.

BOARD RECURRING TOPICS

- Review of commercial activities;
- Review of quarterly financial results and press releases;
- Update on shareholder base and strategic investors;
- Review of the Company's operations;
- Review of the Company's sustainability practices;
- Update on safety and security;
- Update on cybersecurity;
- Review of the Arctic LNG 2 Project; and
- Update on litigation and compliance matters.

BOARD SPECIFIC TOPICS

- Approval of the Company's ESG Roadmap and Scorecard;
- Approval of the Company's amended Diversity Policy;
- Approval of 2021 Executive Director's performance and compensation;
- Approval of 2022 Executive Director and Non-Executive Director's compensation;
- Approval of the Company's 2021 annual accounts and earnings press release;
- Approval of the Company's 2021 Sustainability Report;
- Approval of the nomination of statutory auditors;
- Approval of the nomination of a new independent Non-Executive Directors and Committee structure;
- Approval of 2022 Annual General Meeting notice;
- Approval to repurchase Company's ordinary shares;
- Approval of the deliverance of Parent Company Guarantees in connection with the Qatargas NFPS Compression Project (Qatar);
- Approval of the Company's revised Code of Business Conduct;
- Approval of the Company's 2022 Half-year report and earnings releases;
- Review of the Company's Strategy;
- Approval of the establishment of the Ad Hoc Committee;
- Review of the Technology, Products & Services segment;
- Review of the Genesis business;
- Review of "Beyond™ by T.EN";
- Review of the Company's Enterprise Risk Management program and process;
- Approval of the deregistration of the Company's ordinary shares from the Securities and Exchange Commission;
- Approval of Employee Stock Ownership Program; and
- Board, Committee and CEO performance evaluation.

At each Board Meeting, the Chairs of each of the Committees reported to the full Board on their respective Committee's findings and actions.

In addition to the foregoing, in July 2022, the Technip Energies Board, established an Ad Hoc Committee to oversee developments in the PNF matter and to make recommendations concerning this matter to the Board (the "**Ad Hoc Committee**"). The Ad Hoc Committee met on four separate occasions and is comprised of Ms. Goligher (chair), Ms. Cohen and Messrs. Eyers and Caudoux. Ms. Goligher has briefed the Board with regard to the status of the PNF matter (for details relating to the PNF matter, refer to Sections 2.3.7 Other matters, 4.3.4.1. We are subject to an ongoing investigation by the French Parquet National Financier related to historical projects in Equatorial Guinea, Ghana and Angola, and 5.7 Compliance Investigations and Legal Proceedings. See also Note 29. Commitments and contingent liabilities of the consolidated financial statements) to the Consolidated Financial Statements.

5.1.8.2. Board's involvement in the Company's strategy

The Board regularly interacted with management throughout the year to develop and set the strategic objectives for the Company as well to review the actions required to execute these objectives. The CEO and other members of the Executive Committee, at the request of the Board, undertook to develop a strategy to chart the Company's growth over the coming years. The status of this work was regularly reviewed by the Board. This also involved the Board reviewing and assessing market analyses, business models, technology and innovation opportunities, potential investment and partnership opportunities and considering different macroeconomic scenarios. In addition, at the December 2022 Board Meeting the Board conducted two days of meetings which were principally dedicated to a comprehensive review of the Company's strategy and which included alignment with the Company's sustainability strategy as defined in the Company's ESG Roadmap and Scorecard.

5.1.8.3. 2022 annual performance evaluation of the Directors

The Chairman is the main contact on behalf of the Board regarding the performance of Directors other than the Chairman.

Each Non-Executive Directors regularly, and at least annually, evaluates his/her own performance, the performance of each of the other Non-Executive Directors individually, and the performance of the CEO without the CEO being present. The performance of the various Committees is evaluated as well.

The ESG Committee receives comments from all Directors and reports annually to the Board regarding the Board and its Committees and recommendations for improvements in the overall performance of the Board and its Committees. A Director will be asked to resign early in the event of inadequate performance, structural incompatibility of interests, and in other instances in which the majority of the Non-Executive Directors deems this necessary.

The formal evaluation of Directors takes place by means of a self-evaluation consisting of a written survey. Self-evaluations were undertaken by the Directors for the Board and each of the Committees. The evaluation process which was followed consisted of the following steps:

PROCESS INITIATED	EVALUATION DISTRIBUTED	ANALYSIS	PRESENTATION OF RESULTS
The ESG Committee reviews and approves the process to evaluate the performance of the Board of Directors and its Committees.	Questionnaires are distributed through a third-party web-based platform. The process encourages candid responses from Directors and promotes productive discussions. Questionnaires solicit feedback on issues, including: ■ Board/Committee operations; ■ Succession planning; ■ Committee composition, processes, and effectiveness; ■ Board dynamic; ■ Director preparation, participation, and contribution; and ■ Management preparation and communications.	Completed questionnaires are analyzed and discussed at each Committee and reported to the ESG Committee Chair.	The ESG Committee Chair reviews the results of the evaluations with the full Board and each Committee to determine areas of improvement.

The ESG Committee Chair reported the results of the Board performance at the December Board Meeting and discussed the areas to be addressed in the upcoming year.

The ESG Committee discussed the evaluation process and reiterated that, starting in 2023, an outside party would be mandated to carry out a Board evaluation every three years in line with best practice recommendations.

As part of the annual performance evaluation process and in addition to the self-evaluation process described above, each Non-Executive Director had one-on-one calls with the Chair of the Board. This process was designed to provide nuanced and specific insights and recommendations for improvement for each Non-Executive Director and improvement of Board processes with the additional benefit of helping identify skill sets the Board may need in the future.

The conclusions of the individual evaluation of Non-Executive Directors' performance were reviewed in executive session at the December Board Meeting.

The Board is also responsible for the evaluation of the Executive Director's performance. The conclusions of the evaluation of Mr. Pieton's performance were reviewed in executive session at the February 2023 Board Meeting. See section 6.6.1. Executive Director remuneration which sets forth the assessment of the Executive Director's performance.

5.1.9. 2022 BOARD COMMITTEE MEETINGS

The Audit Committee, the Compensation Committee, the ESG Committee enable the Technip Energies Board to work in an efficient and effective manner, ensuring a thorough review and discussion of issues, while giving the Technip Energies Board more time for deliberation and decision-making.

Committees regularly meet with management and, at times, external consultants to review the business, better understand applicable laws and policies affecting Technip Energies and support the Technip Energies Board and management in meeting the requirements and expectations of stakeholders (including Company Shareholders).

5.1.9.1. Audit Committee

The Audit Committee is comprised of four independent Directors: Ms. Debon (Chair), Mr. Caudoux, Mr. Eyers and Mr. Venturini. 100% of the Directors sitting on the Audit Committee are thus independent. The Audit Committee meets at least four times per year. In 2022, the Audit Committee held five meetings. The Audit Committee's members attended all 2022 meetings.

Date	Marie-Ange Debon	Arnaud Caudoux	Simon Eyers	Francesco Venturini[1]
February	●	●	●	N/A
April	●	●	●	N/A
July	●	●	●	●
October	●	●	●	●
December	●	●	●	●
ATTENDANCE[2]	**100%**	**100%**	**100%**	**100%**

(1) Mr. Venturini was appointed director at the 2022 Annual General Meeting in May 2022. He did not participate as an observer prior to then. Mr. Rinaldi participated in the February and April Audit Committee Meeting as a member of the Audit Committee. He ceased to be a member of the Audit Committee after the 2022 Annual General Meeting.

(2) The Chairman of the Board, the CEO, the CFO, the Chief Legal Officer, the Vice President Internal Audit, the Vice President Group Accounting, the Treasurer and the Company's external auditors attended all Audit Committee meetings. Other Technip Energies senior managers (including the Company's Senior Vice President and Chief Information Officer) attended certain meetings to make presentations to the Audit Committee on specific topics.

The Audit Committee's main responsibilities are as follows:

- monitoring the Company's financial reporting process;
- reviewing the Company's financial statements and internal controls (including reporting structures) with management and Technip Energies' auditor;
- monitoring compliance with internal accounting and control policies, as well as legal and regulatory requirements relating to financial statements and financial disclosures;
- preparing the selection of the auditor for appointment at a Shareholders General Meeting, and reviewing the qualifications, independence and performance of such auditor;
- reviewing the effectiveness and performance of the internal audit function; and
- reviewing the effectiveness of processes for reviewing and escalating financial-related allegations reported through the allegations hotline.

Highlighted below are the topics that were addressed by the Committee on a recurring basis at regular Audit Committee meetings and a list of specific topics that were addressed by the Audit Committee over the course of 2022.

AUDIT COMMITTEE RECURRING TOPICS	AUDIT COMMITTEE SPECIFIC TOPICS
■ Review of legal and compliance matters; ■ Review of the situation in Russia and of the Arctic LNG2 project; ■ Review of quarterly financial results and related press releases and presentations; ■ Review of key projects and segment performance; ■ Update on internal control processes and internal audit program; ■ Treasury updates (including cash forecast); ■ Monitoring of the Company's transition to a single cloud-based enterprise reporting tool; and ■ Review of external auditors reports to the Committee.	■ Review of the Company's 2022 budget and Long Range Plan; ■ Review of the Company's financial guidance; ■ Review of the 2021 Annual Report and the 2021 Financial Statements and recommendation to the Board for approval; ■ Review of the proposed 2022 dividend and recommendation to the Board for approval; ■ Review of the 2021 20-F and recommendation to the Board for approval; ■ Review of the of 2022 Half-year report, including half-year financial statements, and recommendation to Board for approval; ■ Review of the Company's Enterprise Risk Management framework and process (with key risks including cybersecurity, talent retention and price volatility); ■ Review of PWC's report on the Company's Enterprise Risk Management system; ■ Approval of the deliverance of certain Parent Company Guarantees; ■ Review of share buy-back program and recommendation to the Board for approval; ■ Adoption of a policy relating to the hiring of the external auditor's employee; ■ Review of the Company's Internal Audit's budget and planning; and ■ Audit Committee performance evaluation.

During these Audit Committee Meetings, the Audit Committee held separate sessions with PwC, the Company's external auditors, as well as with the CEO and CFO. At the end of each Audit Committee meeting members are given the opportunity to meet in executive session without management or PwC being present.

Financial expertise requirements

The Board has determined that the Audit Committee's composition meets the financial expertise requirements and complies with the Audit Committee Charter.

Ms. Debon's relevant financial experience includes the following: she is currently the Chairwoman of the Keolis Group Executive Board and was General Secretary of the Suez Group (where she was responsible for legal, audit, information systems, and procurement). She also served as General Secretary and, prior to that, as Deputy Chief Financial Officer of Thomson (now Technicolor). She was also a member of the AMF (*Autorité des Marchés Financiers*) and served as Magistrate to the French Audit Court (*Cour des Comptes*).

Mr. Caudoux's relevant financial experience includes his current position as Deputy Chief Executive Officer and Executive Director of Bpifrance where he is responsible for Finance, Risk Management, IT and the Guarantee business line. Mr. Caudoux also served as Chief Financial Officer and member of the Executive Board of Bpifrance.

Mr. Eyers worked 13 years in energy investment banking at SG Warburg & Co, Goldman Sachs and Credit Suisse First Boston Europe.

Mr. Venturini's relevant financial experience includes the following: he is the Head of Enel X Global Retail and was the Chief Executive Officer of Enel X, the Chief Executive Officer and General Manager for Enel Green Power after having served as its Head of Finance. He also served as the Head of Internal Audit within Enel's Distribution and Market Division and Head of Administration and Management Control at Enel S.p.A. Prior to joining Enel, Mr. Venturini served as Chief Financial Officer for several companies of the Elsag Bailey Process Automation and Hartmann & Braun Group, a former Finmeccanica (Leonardo) group company.

The Board has determined that based on their respective experience, each of Ms. Debon, Mr. Caudoux, Mr. Eyers and Mr. Venturini has the relevant expertise to be qualified as a financial expert.

5.1.9.2. Compensation Committee

The Compensation Committee is comprised of two independent Directors: Ms. Goligher (Chair) and Ms. Cohen, and one non-independent Director, Mr. Uccelletti. 66% of the Directors sitting on the Compensation Committee are thus independent. The Compensation Committee meets at least four times per year. In 2022, the Compensation Committee held five meetings. The Compensation Committee's members attended all 2022 meetings.

Date	Alison Goligher	Colette Cohen[1]	Nello Uccelletti
February	●	N/A	●
April	●	N/A	●
July	●	●	●
October	●	●	●
December	●	●	●
ATTENDANCE[2]	**100%**	**100%**	**100%**

(1) Ms. Cohen was appointed director at the 2022 Annual General Meeting in May 2022. Mr. Rinaldi who ceased to be a member of the Compensation Committee after the 2022 Annual General Meeting, participated in the February and April Compensation Committee Meetings. Ms. Cohen, who was appointed Board Observer in October 2021, attended the February and April Compensation Committee Meetings in such capacity.

(2) The Chairman of the Board, the CEO, the Senior Vice President People & Culture and the Vice President Compensation and Benefits attended all Compensation Committee meetings. Other Technip Energies senior managers and external compensation consultants were also invited to attend certain meetings. The CEO did not participate in discussions or decisions related to his compensation.

The Compensation Committee's main responsibilities are as follows:

- reviewing, evaluating, and recommending to the Board for approval changes to the agreements, plans, policies and programs to compensate Non-Executive Directors and the CEO;
- reviewing, evaluating and approving all awards of equity securities or equity derivatives to persons discharging managerial responsibilities and approving the number of equity securities or equity derivatives to be provided to the Chief Executive Officer to be allocated to all employees at the discretion of the Chief Executive Officer;
- annually preparing for publication on the website the Remuneration Report;
- reviewing and discussing the compensation-related disclosures to be included in the management report and Annual Accounts and other required filings and determine whether to recommend that such disclosures be included in the Management Report and Annual Accounts;
- reviewing, evaluating, and approving the Remuneration Policy, and submitting at least every four years a clear an understandable proposal to the Board of a Remuneration Policy which will be subject to Technip Energies' Shareholder approval;
- reviewing, evaluating, and approving proposals to Shareholders on compensation matters, including advisory votes on the remuneration report;
- discharging the Board's responsibilities related to compensation of Directors and other persons discharging managerial responsibilities.

Highlighted below are the topics that were addressed by the Compensation Committee at regular meetings over the course of 2022:

COMPENSATION COMMITTEE TOPICS

- Appointment of Compensation Advisors in the context of the revision of the Remuneration Policy;
- Review of 2019 Long-term equity award (LTI) program performance;
- Review and approval of 2021 annual incentive program performance;
- Review and approval of 2021 LTI program (Complementary Grants) performance;
- Review of 2021 Executive Director's performance and compensation;
- Review of 2022 Executive Director's compensation;
- Review of 2022 Non-Executive Director compensation;
- Review of 2022 Executive Committee member's compensation; and
- Review and approval of the 2022 Annual Incentive Plan (STI) and LTI programs.
- Review of the 2021 Remuneration Report, 2021 Annual Report and Form 20-F and 2022 Annual General Meeting Notice;
- Review of share ownership requirements;
- Review and approval of the Executive Director's 2022 objectives;
- Review of the 2022 Annual General Meeting results;
- Review of the Remuneration Policy;
- Review of the compensation peer groups;
- Executive Director's compensation benchmarking methodology and results;
- Review of shareholder and proxy advisor feedback on compensation practices;
- Review of Employee Stock Ownership Program; and
- Compensation Committee performance evaluation.

At the end of each Compensation Committee meeting members are given the opportunity to meet in executive session without management being present.

See chapter 6. Remuneration report for more information on the Compensation Committee's activities.

5.1.9.3. ESG Committee

The ESG Committee is comprised of three independent Directors: Mr. Houssin (Chair, who was appointed as ESG Committee Chair in replacement of Mr. Colombani at the March 1, 2022, Board subject to Mr. Houssin' reappointment as Non-Executive Director at the 2022 AGM), Ms. Cohen and Ms. Goligher. 100% of the Directors sitting on the ESG Committee are thus independent. The ESG Committee meets at least four times per year. In 2022, the ESG Committee held five meetings. The ESG Committee's members attended all 2022 meetings.

Date	Didier Houssin	Colette Cohen[1]	Alison Goligher
February	●	N/A	●
April	●	N/A	●
July	●	●	●
October	●	●	●
December	●	●	●
ATTENDANCE[2]	**100%**	**100%**	**100%**

(1) Ms. Cohen was appointed director at the 2022 Annual General Meeting in May 2022. Mr. Colombani, who ceased to be the Chair of the ESG Committee after the 2022 Annual General Meeting, participated in the February and April ESG Committee Meetings. Ms. Cohen, who was appointed Board Observer in October 2021, attended the February and April ESG Committee Meetings in such capacity.

(2) The Chairman of the Board, the CEO and the Chief Legal Officer attended all ESG Committee meetings. The Company's Chief Compliance Officer provided updates on compliance matters to the ESG Committee at each of the quarterly meetings. The Senior Vice President Communications and the Chief Strategy and Sustainability Officer also attended certain meetings for purposes of providing updates on the ESG strategy. Other Technip Energies senior managers were also invited to attend certain meetings. The CEO did not participate in any discussions or decisions related to the recruitment of new directors.

The ESG Committee's main responsibilities are as follows:

- advising and making recommendations to the Board regarding appropriate corporate governance practices and assisting the Board in implementing those practices;
- monitoring the development and implementation of the compliance program (including procedures for allegation reporting, investigation and remediation), to ensure Technip Energies operates in compliance with the principles of ethical conduct and good governance;
- identifying individuals qualified to become members of the Board, consistent with Technip Energies' values and challenges, the composition profile of the Board and its Diversity Policy and recommending Director nominees to the Board for appointment at a General Meeting or for appointment by the Board as temporary replacement to fill vacancies on the Board;
- recommending members of the Board to serve on each Committee of the Board;
- leading the Board in the annual performance evaluation of the Board and its Committees; and
- reviewing and overseeing the corporate responsibility programs and initiatives, including the environmental, health and safety, and sustainability policies and programs and matters (which would include matters related to climate change) impacting stakeholders and reputations.

Highlighted below are the topics that were addressed by the ESG Committee on a recurring basis at regular meetings and a list of the specific topics that were addressed by the ESG Committee over the course of 2022.

ESG COMMITTEE RECURRING TOPICS

- Review of the ESG Roadmap and Scorecard;
- Update on compliance matters; and
- Shareholder and Proxy Advisor engagement.

ESG COMMITTEE SPECIFIC TOPICS

- Review of amended Diversity Policy;
- Review and updating of Board Skills and Experience Matrix;
- Non-Executive Director recruitment;
- Non-Executive Director independence;
- Review of Board Committee Memberships;
- Review of the 2021 Annual Report and Form 20-F, 2021 Sustainability Report and 2022 Annual General Meeting Notice;
- Review of the 2022 Annual General Meeting results;
- Establishment of an Ad Hoc Committee to oversee the resolution of the PNF Matter;
- Review of the 2022 Board and Committee evaluation process;
- Review of Board and Management Succession Plan;
- Review of the various initiatives implemented by the Company or its employees to support local communities;
- Review of the Board Rules and Committee Charters; and
- ESG Committee performance evaluation.

At the end of each ESG Committee meeting members are given the opportunity to meet in executive session without management being present.

5.1.9.4. Board Committees and Composition

In February 2023, the Technip Energies Board, upon recommendation of the ESG Committee, made the Committee appointments set forth below which are to become effective at the close of the 2023 Annual General Meeting, subject to each nominee Non-Executive Director being appointed at the General Meeting.

Non-Executive Directors	Audit Committee	Compensation Committee	ESG Committee
Arnaud Caudoux	●		
Colette Cohen		●	● (Chair)
Stephanie Cox			●
Marie-Ange Debon	● (Chair)		
Simon Eyers	●		
Alison Goligher		● (Chair)	●
Nello Uccelletti		●	
Francesco Venturini	●		

5.2. SHARE CAPITAL

5.2.1. DESCRIPTION OF SHARE CAPITAL

Technip Energies' authorized share capital consists of 850,000,000 ordinary shares with a nominal value of €0.01 each and amounts to €8,500,000.00. As of December 31, 2022, the issued and paid-up capital consists of 179,827,459 ordinary shares and amounts to €1,798,274.59.

Technip Energies has only one class of shares, its ordinary shares. No special voting rights or profit rights are attached to ordinary shares. All shares are issued in registered form and no share certificates are or may be issued.

The Technip Energies Shares rank pari passu with each other and holders of Technip Energies Shares are entitled to dividends and other distributions declared and paid on them. Each Technip Energies share carries distribution rights and entitles its holder the right to attend and to cast one vote at the General Meeting.

Relying on regulatory filings which are made by Shareholders with the SEC, the AFM and/or notified directly to the Company, Technip Energies understands that the following holders of Technip Energies shares held 3% or more of Technip Energies' total voting rights on December 31, 2022:

Name of beneficial owner	Number of Technip Energies shares beneficially owned	Percentage of outstanding Technip Energies shares beneficially owned[1]
HAL Investments B.V.	21,200,000	11.79%[2]
Bpifrance Participations S.A.	16,022,820	8.91%[3]
Wellington Management Group LLP	9,034,752	5.02%[4]
Moneta Asset Management	5,400,010	3.00%[4]

(1) The calculation of percentage of ownership of each the above beneficial owners is based on 179,827,459 Technip Energies Shares issued on December 31, 2022.
(2) As reported to the AFM on January 9, 2022.
(3) As reported to the AFM on January 11, 2022. On June 24, 2022 Caisse des dépôts et consgnation, BPI's parent, reported holding in the aggregate 17,732,879 Company shares (including BPI's interest), representing 9.26% of the outstanding shares.
(4) As reported to the AFM on November 15, 2022.
(5) Joint filing by Wellington Management LLP, Wellington Group Holdings LLP and Wellington Investment Advisors Holdings LLP with the SEC by way of form 13D on February 14, 2023, for an event that occurred December 30, 2022.

On January 14, 2022, Technip Energies acquired 1,800,000 ordinary shares from TechnipFMC. The agreement to purchase these shares was part of TechnipFMC's announced sell-down of its stake in the Company through a private sale transaction which also included BPI and HAL Investments B.V., the Dutch investment subsidiary of HAL Holding N.V., each agreeing to purchase 3.6 million Technip Energies ordinary shares.

The purchase price for the shares subject to the sale was set at €13.15 per share. The settlement for the sale took take place on January 14, 2022. Upon completion of the sale, TechnipFMC's stake in the Company was reduced to approximately 7.15%. HAL Investments B.V. stake was increased to approximately 11.79% and BPI's stake to approximately 8.91%.

On April 27, 2022, TechnipFMC announced that it had completed the divestiture of its remaining shares in Technip Energies.

Changes in the issued share capital

There has been no change in 2022 in the Company's issued share capital which, as described above, consists of 179,827,459 ordinary shares and amounts to €1,798,274.59 as of December 31, 2022.

Non-voting shares

On January 14, 2022, Technip Energies acquired 1,800,000 ordinary shares from TechnipFMC to cover future obligations under equity incentive plans. As long as these shares are kept in treasury, these shares have no voting rights and are not entitled to profits or to the reserves of Technip Energies.

Pursuant to a liquidity agreement with Kepler Cheuvreux, shares of Technip Energies are being acquired to ensure liquidity of the market. These shares once acquired on behalf of Technip Energies have no voting rights and are not entitled to profits or reserves of Technip Energies for so long as they are held on behalf of Technip Energies. The liquidity agreement was suspended as of November 22, 2022, pending renewal of the resolution of the General Meeting of shareholders authorizing share repurchases. Shares acquired pursuant to a share buy-back program launched in March 2022 and concluded in August 2022 have also been held as treasury shares. See section 5.2.4. Repurchase of Technip Energies shares. On December 31, 2022, the number of Technip Energies shares owned by, or held on behalf of, the Company and kept, or deemed, in treasury consisted of 5,487,378 ordinary shares representing approximately 3,05% of the issued and paid-up capital of the Company.

Restrictions on voting rights

There are no restrictions on voting rights of ordinary shares other than when held as treasury shares by the Company at which time they have no voting rights and are not entitled to profits or reserves of Technip Energies. Deadlines for the exercising of voting rights for the 2023 Annual General Meeting are set forth in section 5.6. Shareholders General Meetings.

5.2.2. BOARD OF DIRECTORS AND ISSUANCE OF SHARES

The Articles of Association provide that (i) in case the Board has not been authorized to do so, shares may be issued or rights to subscribe for shares may be granted pursuant to a resolution adopted by the General Meeting at the proposal of the Board, or (ii), by the Technip Energies Board if and insofar as the Technip Energies Board has been designated to do so by the Shareholders at a General Meeting. An authorization by resolution of the General Meeting cannot be withdrawn unless determined otherwise at the time of the authorization.

The scope and duration of the Board's authority to issue shares or grant rights to subscribe for shares is determined by a resolution of the General Meeting and relates to all unissued shares in Technip Energies' authorized capital on the date on which the Board resolves to issue shares or grant rights to subscribe for shares.

The duration of this authority may not exceed a period of five years. The number of shares that may be issued is determined by the authorization.

No Shareholders' resolution or resolution of the Technip Energies Board is required to issue shares pursuant to the exercise of a previously granted right to subscribe for shares.

On February 15, 2021, prior to the closing of the Spin-off, the General Meeting adopted a resolution pursuant to which the Technip Energies Board is authorized, for a period of five years from February 16, 2021, to issue shares and grant rights to subscribe for shares up to the entire Technip Energies' authorized share capital from time to time.

5.2.3. PREEMPTIVE RIGHTS

Shareholders have preemptive rights to subscribe on a pro rata basis for any issue of new Technip Energies Shares or, upon a grant of rights, to subscribe for Technip Energies shares. Shareholders have no preemptive rights upon (i) the issue of Technip Energies shares against a payment in kind (being a contribution other than in cash); (ii) the issue of Technip Energies shares to Technip Energies' employees or the employees of a member of the Company; and (iii) the issue of Technip Energies shares to persons exercising a previously granted right to subscribe for shares.

The General Meeting may restrict or exclude the preemptive rights of Shareholders at the proposal of the Board or authorize the Technip Energies Board to do so (in which case the General Meeting no longer has such authority for the duration of the authorization of the Board).

The authorization of the Technip Energies Board as the body competent to restrict or exclude the preemptive rights may be extended by a resolution of the General Meeting for a period not exceeding five years in each case. An authorization by resolution of the Shareholders at the General Meeting cannot be withdrawn unless determined otherwise at the time of the authorization.

On February 15, 2021, prior to the closing of the Spin-off, the General Meeting adopted a resolution pursuant to which the Technip Energies Board is authorized, for a period of five years from February 16, 2021, to restrict or exclude the preemptive rights upon the issuance of shares.

5.2.4. REPURCHASE OF TECHNIP ENERGIES SHARES

Technip Energies may acquire its own shares, subject to certain provisions of Dutch law and the Articles of Association. Repurchases of shares are only possible if and insofar as the General Meeting has authorized the Technip Energies Board to do so. The authorization may not be for more than 18 months. The authorization of the Technip Energies Board is not required if Technip Energies acquires shares for the purpose of transferring these to Technip Energies employees or the employees of a member of the Company's group under any applicable equity compensation plan.

On February 15, 2021, prior to the closing of the Spin-off, the General Meeting adopted a resolution to authorize the Technip Energies Board for a period of 18 months from February 16, 2021, to repurchase up to 50% of Technip Energies' issued and outstanding share capital at February 16, 2021.

On January 14, 2022, Technip Energies acquired 1,800,000 of its own shares from TechnipFMC to cover future obligations under equity incentive plans at a purchase price of €13.15 per share. In acquiring the Shares, the Company was exercising its rights under the Separation and Distribution Agreement pursuant to which the Company became an independent company on February 16, 2021. See section 5.2.1. Description of Share Capital.

On March 22, 2022, Technip Energies announced the launch of a share buy-back program of up to €29,850,000 (and a maximum number of 2,700,000 shares) which was to be executed until December 31, 2022. The share buy-back program has been carried out in accordance with the authorization of the Board of Directors and applicable law, including Market Abuse Regulation (EU) 596/2014. The Company appointed a broker to independently execute the share buy-back program. The Company acquired the shares for the purpose of meeting the Company's obligations under equity incentive plans. The Company repurchased 2,618,945 ordinary shares under the share buy-back program which was completed in August 2022.

Technip Energies entered into a liquidity agreement with Kepler Cheuvreux on July 9, 2021. The liquidity agreement is carried out in accordance with the legal framework in force, and more particularly in accordance with the provisions of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse (MAR), Commission Delegated Regulation (EU) 2016/908 of February 26, 2016 supplementing Regulation (EU) No. 596/2014 of the European Parliament and of the Council with regulatory technical standards on the criteria, procedure and requirements for the establishment of an admitted market practice and the requirements for maintaining, discontinuing or modifying its conditions of admission, section 2.4.3 of the Dutch Civil Code and AMF decision no. 2021-01 of June 22, 2021, applicable as of July 1, 2021. €9,000,000 have been allocated to the liquidity account. On November 22, 2022, Technip Energies suspended the liquidity agreement pending renewal of the resolution of the General Meeting authorizing share repurchases. The number of shares and amount allocated as of November 22, 2022, close of trading, to the liquidity agreement was 8,900 shares and €9,780,454.34.

5.2.5. CAPITAL REDUCTION

The General Meeting may resolve, at the proposal of the Technip Energies Board, to reduce the issued and outstanding share capital by a cancellation of shares or by reducing the nominal value of the shares by amending the Articles of Association. A resolution to cancel shares may only relate to shares held by Technip Energies itself. A reduction of the nominal value of shares, with or without repayment, must be made pro rata on all relevant shares. This requirement may be waived if all relevant Shareholders so agree.

A resolution of the General Meeting to reduce the share capital requires a majority of the votes cast, if more than or equal to half of the issued share capital is present or represented at the General Meeting.

A resolution of the General Meeting to reduce the share capital requires a majority of at least two-thirds of the votes cast, if less than half of the issued share capital is present or represented at the General Meeting.

In addition, Dutch law contains detailed provisions regarding the reduction of capital. A resolution to reduce the issued share capital is not to take effect as long as creditors can have legal recourse against the resolution.

5.2.6. TRANSFER OF SHARES

The transfer of registered shares (other than held by Euroclear France) requires a Dutch deed executed for that purpose and, save in the event that Technip Energies itself is a party to the transaction, written acknowledgment by Technip Energies. There are no restrictions under the Articles of Association or Dutch law that limit the right of holders of Technip Energies shares to hold Technip Energies shares. The transfer of Technip Energies shares to persons who are located or resident in, citizens of, or have a registered address in jurisdictions other than the Netherlands may, however, be subject to specific regulations or restrictions according to their relevant laws.

For as long as the Technip Energies shares are listed on a regulated foreign stock exchange, the Technip Energies Board may resolve, with due observation of the statutory requirements, that the property law aspects of the Technip Energies shares, be governed by the law of the state of establishment of such stock exchange or by the law of the state in which transfers and other legal acts under property law relating to the Technip Energies shares can or must be made with the consent of such stock exchange. The Technip Energies Board has not adopted such resolution to date.

5.3. AGREEMENTS AFFECTING CONTROL OF TECHNIP ENERGIES

The Articles of Association contain provisions that are intended to secure a degree of continuity in the governance of Technip Energies as well as provide the Technip Energies Board adequate time to consider alternative solutions in the event an unsolicited approach is made which could result in a change in control of Technip Energies. These consist of:

- a provision that members of the Technip Energies Board can only be suspended or removed at a General Meeting by adoption of a resolution garnering two-thirds of the votes cast representing more than 50% of Technip Energies' issued share capital, where such suspension or removal is not proposed by the Technip Energies Board;
- a provision that members of the Technip Energies Board are to be appointed by adoption of a binding nomination proposal by the Technip Energies Board, unless such proposal is overruled by adoption of a resolution garnering two-thirds of the votes cast representing more than 50% of Technip Energies' issued share capital; and
- requirements that certain matters, including an amendment of the Articles of Association, are to be adopted at a General Meeting only upon proposal by the Technip Energies Board; and a provision that, except where the law requires otherwise, resolutions of the General Meeting require the prior approval of the Technip Energies Board except where the resolution has been adopted following a proposal by the Technip Energies Board.

Also note that an issue of Technip Energies shares decided by the Board may make it more difficult for a Shareholder to obtain control over the General Meeting (the relevant powers of the Board in this regard are described in sections 5.2.2. Board of Directors and issuance of shares and 5.2.3. Preemptive rights).

5.3.1. AGREEMENTS BETWEEN SHAREHOLDERS

Technip Energies, TechnipFMC and BPI entered into a relationship agreement (the "**Relationship Agreement**") in connection with the consummation of the Spin-off of Technip Energies from TechnipFMC.

The Relationship Agreement grants certain rights to TechnipFMC and BPI, and TechnipFMC and BPI agreed to certain obligations, relating to their ownership of Technip Energies shares.

5.3.2. CHANGE OF CONTROL AGREEMENTS

Technip Energies N.V.'s €1,400,000,000 Bridge and Revolving Facilities Agreement dated February 10, 2021, provides that Technip Energies N.V. is to notify the agent under the Facilities Agreement if it is aware that a change of control has occurred. Following such notification by Technip Energies, the agent will, if so requested by the lenders, by notice to Technip Energies N.V. cancel the available commitments and declare all outstanding loans together with accrued interest to be due and payable.

The terms and conditions of Technip Energies N.V.'s 1.125% senior unsecured notes due 2028 provide that If at any time while any note remains outstanding, there occurs a change of control and within 90 days of the first public announcement of the result of the change of control, a rating downgrade (from investment grade to non-investment grade, or a withdrawing of the rating) has occurred as a result of such change of control, each noteholder will have the option to require Technip Energies N.V. to redeem the notes held by it at their principal amount together with interest accrued thereon.

Certain provisions of the Separation and Distribution Agreement between Technip Energies and TechnipFMC would terminate upon a change of control. Certain provisions of the Relationship Agreement between Technip Energies and BPI would terminate upon a change of control. See section 5.3.1. Agreements between Shareholders.

5.3.3. EMPLOYEE SHARE SCHEMES

Incentive Award Plan

On February 15, 2021, the Board adopted the "Technip Energies N.V. Incentive Award Plan" together with the "Technip Energies N.V. Incentive Award Plan U.S. Addendum", the "Technip Energies N.V. Incentive Award Plan for the Grant of French Restricted Stock Units to Employees and Corporate Officers in France" and the "Technip Energies N.V. Incentive Award Plan for the Grant of French Stock Options to Employees and Corporate Officers in France" (collectively, the "**Plan**").

The Plan is administered by the Compensation Committee, one or more persons to whom duties have been delegated by the Compensation Committee or the Board (the "**Administrator**"). The Administrator may, from time to time, select eligible employees, consultants or a Director. The Administrator is to determine to whom an award is to be granted and is to determine the nature and amount of each award, which will not be inconsistent with the requirements of the Plan. Except for any Director's right to awards granted in accordance with the Company's Articles of Association, the Board Rules and other governance documents, no eligible person or other person is to have any right to be granted an award pursuant to the Plan and neither the Company nor the Administrator is obligated to treat eligible persons, holders of awards or any other persons uniformly. Participation by each holder in the Plan is to be voluntary and nothing in the Plan or any program of the Plan is to be construed as mandating any eligible person or other person to participate in the Plan.

For a description of Long Term Incentive Plans, the general principles of which would also be applicable to Company employees, please see description of the Long Term Incentive Programs under section 6.2.1. Executive Director remuneration policy. Note that as relates to employees, the allocation between PSUs and RSUs will be made on a 50% PSU - 50% RSU basis.

Employee Stock Ownership Plan

On December 5, 2022, the Board resolved to authorize the implementation of an employee stock ownership plan ("**ESOP**") which is to provide for the issuance of shares to eligible employees of Company group entities in an aggregate amount which is not to exceed 1.5% of the Company's share capital on such date (representing a maximum of 2,697,411 shares) with a maximum total subscription amount equal to €30 million for all shares to be issued in the all-employee share plan offering. The Company intends to implement the ESOP in the course of 2023.

5.3.4. TRANSACTIONS BETWEEN TECHNIP ENERGIES AND 10% SHAREHOLDERS

In connection with the Spin-off of Technip Energies from TechnipFMC, in addition to the Separation and Distribution Agreement, Technip Energies and TechnipFMC entered into various agreements including a tax matters agreement, an employee matters agreement, a transition services agreement, a patent license agreement and a coexistence and trademark matters agreement. A summary of these agreements can be found in the prospectus published by the Company in connection with the Spin-off. As these agreements were entered into prior to Technip Energies listing on Euronext Paris, provision 2.7.5 of the Code did not apply to these agreements.

On January 14, 2022, Technip Energies acquired 1,800,000 of its own ordinary shares from TechnipFMC to cover future obligations under equity incentive plans. The purchase these shares was part of TechnipFMC's announced sell-down of its stake in the Company through a private sale transaction which also included BPI and HAL Investments B.V., the Dutch investment subsidiary of HAL Holding N.V., each agreeing to purchase 3.6 million Technip Energies ordinary shares. The purchase price of the shares subject to the sale was set at €13.15 per share. The settlement for the sale took take place on January 14, 2022. Upon completion of the sale, TechnipFMC's stake in the Company was reduced to approximately 7.15%. On April 27, 2022, TechnipFMC announced that it had completed the sale of its remaining shares in Technip Energies. The transaction was in compliance with provision 2.7.5. of the Code.

Technip Energies and TechnipFMC are otherwise parties to commercial and operational agreements which have been negotiated on an arm's length basis, and include terms and conditions customary in the market. None of these transactions are of material nature to the Company, and provision 2.7.5 of the Code has been complied with.

5.4. CORPORATE GOVERNANCE STATEMENT

5.4.1. DUTCH CORPORATE GOVERNANCE CODE, "COMPLY OR EXPLAIN"

As a Dutch company listed on Euronext Paris Technip Energies is subject to the Code

The Code contains governance principles and best practices for Dutch listed companies. Technip Energies, a company incorporated in the Netherlands and listed on the Euronext Paris Stock Exchange, is required to disclose in its management report whether it complies with the suggested governance principles and best practices of the Code or list the reasons for any deviation in its management report.

Technip Energies complies with all applicable provisions of the Code except for the provisions stated below.

As a Dutch Company, Technip Energies does not comply with the Afep/Medef Corporate Governance Code or any other inapplicable governance conventions.

Compliance with the Code

Technip Energies endorses the underlying principles of the Code and is committed to adhering to the best practices promoted by the Code. Provisions adopted by Technip Energies that differ from Code principles are:

- Provision 2.3 of the Code recommends that Committees prepare the decision-making for later adjudication by the full Technip Energies Board. Technip Energies has delegated certain decision-making powers to its Committees, as defined in each Committee's charter. In particular, the Compensation Committee has the authority to directly adopt certain resolutions on behalf of the Technip Energies Board and the Audit Committee has the authority to approve certain Technip Energies N.V. guarantees. The Technip Energies Board believes that this deviation leads to more efficient decision-making.
- The General Meeting may overrule a binding nomination for the appointment of a Director by a two-thirds majority of the votes cast, representing more than 50% of Technip Energies' issued share capital. If a binding nomination for the appointment of a Director is overruled, the Technip Energies Board may make a new binding nomination. Although in deviation from suggested governance provision 4.3.3 of the Code which provides that the threshold may not be higher than a simple majority of the votes cast representing more than one-third of the issued share capital, this is in line with article 2:133 (2) BW, which provides for the same majority and quorum requirements. The Technip Energies Board believes that this deviation provides the Technip Energies Board the needed stability to execute the strategy to create long-term value for all stakeholders.
- A resolution to suspend or dismiss a Director other than at the proposal of the Technip Energies Board requires a two-thirds majority of the votes cast, representing more than 50% of Technip Energies' issued and outstanding share capital. Although this is a deviation from provision 4.3.3 of the Code which provides that the threshold may not be higher than a simple majority of the votes cast representing more than one-third of the issued share capital, this is in line with article 2:134 (2) BW, which provides for the same majority and quorum requirements. The Technip Energies Board believes that this deviation provides the Technip Energies Board the needed stability to execute the strategy to create long-term value for all stakeholders.
- Non-Executive Directors have been granted in 2021 restricted stock-units which vested in 2022, in deviation from provision 3.3.2 of the Code which provides that Non-Executive Directors may not be awarded remuneration in the form of shares or rights for shares. As further described in section 6.7.2. Non-Executive Directors remuneration, the Technip Energies Board decided in March 2022, that effective March 1, 2022, Non-Executive Directors would not be remunerated in the form of restricted stock-units but would only be remunerated in cash. The Technip Energies Board decided to accordingly modify the Company's Remuneration Policy that will be presented to shareholders' approval at the 2023 Annual General Meeting. See sections 6.7.2. Non-Executive Directors remuneration.

On December 20, 2022 the Corporate Governance Code Monitoring Committee has published the updated Dutch Corporate Governance Code which is available at www.mccg.nl. The Company is reviewing whether any adaptations to the Board Rules and Committee Charters should be considered following this update to the Code.

Internal Control and risk management in relation to financial reporting

Please refer to section 4.2. Enterprise Risk Management framework for a description of the main features of the Company's internal control and risk management systems in relation to the financial reporting process of the Company and of the group of which the financials are included in the annual accounts.

Functioning of Shareholders General Meeting

Please refer to sections 5.6.1. Functioning of meetings and 5.6.2. Right to attend Shareholders' Meeting for a description of the functioning of the general meeting the main rights of the shareholders and how these rights may be exercised.

Board and Committees

Please refer to section 5.1. The Technip Energies Board for a description of the composition and operation of the Company's Board and its committees.

Diversity Policy

Please refer to section 5.4.2. Diversity Policy for a description of the Board's Diversity Policy.

Conflicts of interest and other information

There are no institutional potential conflicts between the personal interests of Directors or senior management on the one hand and the interests of Technip Energies on the other hand. There are no family relationships between any Directors or members of senior management.

Maximum number of supervisory positions of Directors

At the date of this Annual Report, Technip Energies is not subject to provisions on a maximum number of supervisory positions of Executive Directors and Non-Executive Directors under Dutch law.

5.4.2. DIVERSITY POLICY

Technip Energies is incorporated in the Netherlands and listed on Euronext Paris. Given its size in prior financial years, the Company is, at the date of this Annual Report, not subject to Dutch law in relation to any gender diversity targets with respect to the composition of the Technip Energies Board or any Committees thereof.

The Board has adopted a Diversity Policy that sets out the rules regarding the diversity of the composition of the Technip Energies Board. This Diversity Policy has been established in accordance with best practice provision 2.1.5 of the Code, came into effect on February 16, 2021 and has been revised on March 1, 2022. The Diversity Policy is published on the Company's website. The policy addresses the specific targets relating to diversity and the diversity aspects relevant to the Company, such as nationality, age, gender, education, work background and other relevant items.

Technip Energies recognizes the benefits of having a diverse Board and sees diversity at Board level as an important element in maintaining a competitive advantage and strives to meet a more balanced male/female ratio.

The Board acknowledges the Company's strategic priority to increase the diversity of its workforce to mirror its stakeholders and markets, which will (i) positively impact the Company's business performance in all countries it operates in, (ii) lead to a well-balanced decision-making process within the Company and (iii) result in a proper functioning of the Board.

The Diversity Policy aims to ensure that the Board has a sufficient diversity of views and the expertise needed for a good understanding of current affairs and longer-term risks and opportunities related to the Company's business. The nature and complexity of the Company's business is taken into account when assessing optimal Board diversity, as well as the social and environmental context in which the Company operates.

The selection of candidates for appointment to the Board will be based on merit. With due regard to the above, the Board will seek to fill vacancies by considering candidates that bring a diversity of (amongst others) nationality, age, gender and educational and professional backgrounds.

The composition of the Board furthermore follows the profile as included in the Board Rules, which aims for an appropriate combination of knowledge and experience among its members encompassing technology, financial, economic, social, environmental and legal aspects of international business in relation to the global character of the Company's businesses. For information with respect to the Board skills and experience matrix see section 5.1.4. Board skills and experience matrix.

In terms of diversity:

- the Company's aim is for the Board to comprise members with diverse background including in terms of nationality and work experience;
- as from May 5, 2022, Technip Energies's Board is comprised of seven male members (including the Executive Director) and three female members, thus meeting the target set forth in the initial Board Diversity Policy providing that the Board is to be comprised of at least 30% female and at least 30% male members. The revised Diversity Policy now provides that the Board is to be comprised of at least 40% female and at least 40% male members on or before the date of the Company's 2024 Annual General Meeting. Should all of the proposed Director nominees be appointed at the Annual General Meeting of May 10, 2023, the Board would be comprised of 40% female Directors and 60% male Directors;
- currently the Board comprises ten members representing in the aggregate five nationalities;
- currently two of the Company's three Board committees are chaired by female Board members; and
- currently age varies from 49 to 69 years old and 70% of the Board members are less than 60 years old.

See section 5.1.7. Rules relating to the Board of Directors.

5.5. BOARD MEMBERS INDEPENDENCE REQUIREMENTS

In the Board's opinion, the composition of the Technip Energies Board meets the independence requirements of the Code.

Upon a recommendation made by the ESG Committee, the Board determined in February 2023 that all the Non-Executive Directors qualified as independent Directors with the exception of Nello Uccelletti who qualified as non-independent as a result of his former position as an executive at Technip Energies' predecessor parent company, TechnipFMC.

The desired composition of the Board enables the Non-Executive Directors to operate independently, including the ability to operate critically with one another, the Executive Director of the Board, and any particular interests involved.

Independence requirements under the Code are not applicable to Arnaud Pieton as Executive Director.

5.6. SHAREHOLDERS GENERAL MEETINGS

Shareholders exercise their rights through Annual and Extraordinary General Meetings of Shareholders. The Company is required to convene an Annual General Meeting of Shareholders in the Netherlands each year, no later than six months after the end of the Company's financial years. Additional Extraordinary General Meetings of Shareholders may be convened at any time by the Board.

The convocation date is set at 42 days prior to the date of the Annual General Meeting by law.

The record date is set at 28 days prior to the date of the Annual General Meeting by law. Those who are registered as Shareholders at the record date are entitled to attend the Meeting and to exercise other Shareholder rights. Shareholders may be represented by written proxy.

The key dates for the upcoming May 10, 2023, Annual General Meeting are thus as follows:

- The Convocation for the 2023 Annual General Meeting will occur on or prior to March 29, 2023;
- The Record Date of the 2023 Annual General Meeting is on April 12, 2023.

5.6.1. FUNCTIONING OF MEETINGS

General Meetings are held in the Netherlands at the place where Technip Energies has its corporate seat (Amsterdam), or at Eindhoven, Groningen, Haarlem, Haarlemmermeer (Schiphol Airport), Hoofddorp, Maastricht, Rotterdam, The Hague, or Zoetermeer (the Netherlands). The Annual General Meeting shall be held no later than six months after the end of the financial year. Typically the agenda for the Annual General Meeting includes, among other things, the discussion and adoption of the Annual Accounts, appropriation of Technip Energies profits, and proposals relating to the Technip Energies Board, including the filling of any vacancies in the Board, discharge from liability of the Board members for the performance of the responsibilities in the previous financial year and the advisory vote on Technip Energies' remuneration report. In addition, the agenda shall include such items as have been included therein by the Technip Energies Board or by Shareholders. One or more Shareholders, alone or together with other Shareholders, representing at least 3% of the issued share capital may also request to include items in the agenda of a General Meeting. Requests must be made in writing and received by the Technip Energies Board at least 60 days before the day of the Meeting.

Additional Extraordinary General Meetings may also be held whenever considered appropriate by the Technip Energies Board or when the Extraordinary General Meeting is requested by one or more Shareholders who jointly represent at least 10% of the issued share capital. The request must be made in writing to the Board in accordance with Dutch law.

Unless Dutch law or the Articles of Association state otherwise, all resolutions adopted by the Shareholders at the General Meeting are adopted with a simple majority of the votes cast. Insofar as the law does not prescribe otherwise, resolutions of the General Meeting require the approval of the Technip Energies Board unless the resolution has been adopted at the proposal of the Board. Generally, no quorum requirements apply.

Each Technip Energies share confers the right to cast one vote at the General Meeting and no restriction on voting applies pursuant to the Articles of Association and Dutch law. However, no votes may be cast at a General Meeting on shares held by Technip Energies or Technip Energies subsidiaries. Nonetheless, the holders of a right of usufruct and the holders of a right of pledge in respect of shares in Technip Energies' share capital held by Technip Energies or Technip Energies' subsidiaries are not excluded from the right to vote on such shares, if the right of usufruct or the right of pledge was granted prior to the time such share was acquired by Technip Energies or any of Technip Energies' subsidiaries. Technip Energies may not cast votes on shares in respect of which Technip Energies or a subsidiary holds a right of usufruct or a right of pledge. Shares which are not entitled to voting rights pursuant to the preceding sentences will not be taken into account for the purpose of determining the number of shares on which votes may be cast, or the amount of the share capital that is present or represented at a General Meeting.

5.6.2. RIGHT TO ATTEND SHAREHOLDERS' MEETING

Shareholder Meetings are convened by public announcement on the website of Technip Energies. The convening notice will be published no later than 42 days prior to the Shareholders' Meeting in accordance with Dutch law and the Articles of Association. The Technip Energies Board will provide the Shareholders with the agenda including the agenda timing and whether these are discussion items or voting items. Furthermore, the Board will provide Shareholders with relevant information in the explanatory notes to the agenda.

All Shareholders, and each usufructuary and pledgee to whom the right to vote on Technip Energies' shares accrues, are entitled to attend and exercise other Shareholder rights. The record date is set at the 28th day prior to the day of the General Meeting. Anybody who is registered as Shareholder on the record date is entitled to attend the Meeting and to exercise other Shareholder rights, provided that a person wishing to attend the Meeting must notify the Company of intention to do so no later than on a day and in the manner mentioned in the notice convening the relevant General Meeting. There are no restrictions on voting rights attaching to the Technip Energies shares.

5.6.3. AMENDMENT TO THE ARTICLES OF ASSOCIATION

The Articles of Association may be amended by a resolution of the General Meeting, by a simple majority of votes cast, but only at the proposal of the Technip Energies Board.

If a resolution to amend the Articles of Association is to be submitted to the General Meeting, this must in all cases be stated in the notice convening the General Meeting.

5.7. COMPLIANCE INVESTIGATIONS AND LEGAL PROCEEDINGS

In late 2016, TechnipFMC was contacted by the United States Department of Justice ("**DOJ**") regarding its investigation of offshore platform projects awarded between 2003 and 2007, performed in Brazil by a joint venture company in which TechnipFMC was a minority participant. Subsequently TechnipFMC raised with the DOJ certain other projects performed by TechnipFMC subsidiaries in Brazil between 2002 and 2013. The DOJ has also inquired about projects in Ghana and Equatorial Guinea that were awarded to TechnipFMC subsidiaries in 2008 and 2009, respectively. TechnipFMC cooperated with the DOJ in its investigation into the potential violations of the U.S. Foreign Corrupt Practices Act (the "**FCPA**") in connection with these projects, and contacted and cooperated with the Brazilian authorities (the Federal Prosecution Service (the "**MPF**"), the Comptroller General of Brazil (the "**CGU**") and the Attorney General of Brazil (the "**AGU**")) as relates to their investigation concerning the projects in Brazil. Technip Energies is subject to an ongoing investigation by the French *Parquet National Financier* ("**PNF**") related to the above referenced projects in Equatorial Guinea and Ghana. Technip Energies was later informed by the PNF that the PNF was also investigating certain historical projects in Angola.

On June 25, 2019, TechnipFMC announced a global resolution to pay a total of $301.3 million to the DOJ, the SEC, the MPF, and the CGU/AGU to resolve these anti-corruption investigations, of which $281.3 million related to Technip Energies' business. The final amount due in accordance with the global resolution was paid by Technip Energies during the second quarter of 2021. As part of this resolution, TechnipFMC entered into a three-year deferred prosecution agreement with the DOJ related to charges of conspiracy to violate the FCPA in relation to conduct in Brazil and other matters (the "**DPA**"). In addition, Technip USA, Inc (since renamed Technip Energies USA, Inc.), a U.S. subsidiary, pled guilty to one count of conspiracy to violate the FCPA related to conduct in Brazil.

As part of the Spin-off arrangements and pursuant to the terms of the Separation and Distribution Agreement, Technip Energies has had to assume certain obligations and liabilities arising out of the DPA. TechnipFMC and Technip Energies were not required to have a compliance monitor in place but were required to report annually on their anti-corruption programs to authorities during the DPA's three-year term. Technip Energies N.V. and Technip Energies USA submitted the final report as well as the certifications required under the DPA on May 25, 2022. The DPA expired on June 25, 2022, and was dismissed by the Eastern District Court of New York on January 5, 2023. Separately, Technip Energies N.V. and Technip Energies USA were also subject to a Cease and Desist Order by the U.S. Securities and Exchange Commission ("**SEC**"). The three-year term of the Cease and Desist Order ended on September 23, 2022. On October 3, 2022, Technip Energies N.V. and Technip Energies USA submitted to the SEC the final certification of their compliance with all undertakings set forth in the Cease and Desist Order.

To date, the investigation by the PNF has related to certain historical projects in Equatorial Guinea, Ghana and Angola and has not reached a resolution. Technip Energies and TechnipFMC are cooperating and Technip Energies remains committed to finding a resolution with the PNF.

There is no certainty that a settlement with PNF will be reached. The PNF has a broad range of potential sanctions under anticorruption laws and regulations that it may seek to impose in appropriate circumstances including, but not limited to, fines, penalties, the appointment of a monitor, and modifications to business practices and compliance programs. Any of these measures, if applicable to the Company, as well as potential customer reaction to such measures, could have a material adverse impact on its financial position or profitability. The financial consequences of these investigations are to be retained by TechnipFMC by way of an indemnity provided by TechnipFMC to the Company under the Separation and Distribution Agreement. If no resolution is reached with the PNF, Technip Energies subsidiaries could be subject to criminal proceedings in France, the outcome of which cannot be predicted.

For further information please refer to section 4.3.4.1. We are subject to an ongoing investigation by the French Parquet National Financier related to historical projects in Equatorial Guinea, Ghana and Angola.

The Group is involved in various pending or potential legal actions, disputes and proceedings, whether initiated by the Company or by third parties (including governmental authorities) any of which could result in sanctions of a financial, administrative or criminal nature. Management is unable to predict the ultimate outcome of these actions because of their inherent uncertainty. However, management believes that the most probable, ultimate resolution of these matters will not have a material adverse effect on the Company's financial position or profitability.

In 2003, Petrobras B.V. ("**PNBV**") and FSTP, a Joint Venture between Keppel (75%) and Technip Brasil Engenharia (25%) signed a contract for construction of the P-52 offshore platform (the "**Project**"). In 2007 the Brazilian Tribunal de Contas da União ("**TCU**") contested the validity of an amendment to the contract which compensated FSTP for additional costs incurred in relation to the Project (the "**Contested Payments**"). To ensure project completion and avoid suspension of payments pending the outcome of proceedings initiated by the TCU to recover the Contested Payments, FSTP issued a USD 126M letter of credit in favor of PNBV, with the Company being responsible for 25%. Proceedings relating to the Contested Payments have been ongoing since 2007. Technip Energies and Keppel continue to contest TCU's efforts to have PNBV recover the Contested Payments.

Remuneration report



6.



- CHAIR OF COMPENSATION COMMITTEE MESSAGE 218
- TECHNIP ENERGIES KEY PRACTICE IN DETERMINING EXECUTIVE COMPENSATION 220
- RESPONSIVENESS TO STAKEHOLDERS' FEEDBACK 221

6.1. REMUNERATION AT A GLANCE 222
Overview 2022 222
Overview 2023 (subject to Shareholders' vote) 224

6.2. MAIN ELEMENTS OF THE CURRENT REMUNERATION POLICY 226
6.2.1. Executive Director remuneration policy 226
6.2.2. Non-executive Directors' remuneration policy 227

6.3. THE COMPENSATION PEER GROUP 228

6.4. LIMITATION ON LIABILITY AND INDEMNIFICATION MATTERS 228

6.5. OTHER ARRANGEMENTS 228

6.6. APPLICATION OF THE REMUNERATION POLICY IN 2022 229
6.6.1. Executive Director remuneration 229
6.6.2. Non-Executive Directors remuneration 235
6.6.3. Historical LTI grants and holdings 235

6.7. CHANGES TO REMUNERATION UNDER THE 2023 POLICY 237
6.7.1. Executive Director remuneration 237
6.7.2. Non-Executive Directors remuneration 241

Alison Goligher Chair of the Compensation Committee



Dear Shareholder,

On behalf of the Compensation Committee and the Board of Directors, I am pleased to report on the activities of the Committee in 2022 and to introduce our 2022 Remuneration Report.

A NEWLY INCORPORATED COMPANY

Incorporated in the Netherlands since 2021 following the spin-off from New-York and Paris listed TechnipFMC, the Board of Directors aims to offer a Remuneration Policy supporting Technip Energies strategic long-term objectives and the repositioning of its business to align with the energy transition, while navigating a very competitive talent market environment.

To ensure our approach to remuneration is aligned with the views of our stakeholders, the Board is committed to an ongoing and constructive dialogue with shareholders, proxy advisors and key stakeholders. This proactive engagement was started ahead of the 2022 AGM and led to a number of adjustments including, among other, eliminating the grant of equity-based compensation to Non-Executive Directors as well as removing any potential vesting below median performance for the TSR long-term incentive performance indicator.

REVISION OF THE REMUNERATION POLICY

At the 2022 AGM, shareholders were asked to cast an advisory vote on the Remuneration Report for the first time. The 2021 Remuneration Report was approved with 64% of the votes. Given this outcome and in line with its commitment, the Compensation Committee undertook a fundamental review of the Remuneration Policy, to continue to improve alignment with best practices while appropriately serving executive retention and incentivization goals.

The current Remuneration Policy was adopted in 2021 at the time of the Spin-off and was intended to run for four years up to the 2025 AGM. However, in consideration of the shareholders' feedback and the review made with the support of an external remuneration expert, the Compensation Committee believes several enhancements are necessary. Accordingly, a revised Remuneration Policy will be proposed for adoption at the 2023 AGM.

In order to further align the CEO's compensation structure with the market practice among peer companies and as a response to shareholders' concerns, the Compensation Committee proposes to eliminate the long-term time-based component (Restricted Stock Units, previously 30% of the long-term component) and reduce the long-term component cap (from 600% to 450% of annual base salary). The proposed changes are aligned with the Board's willingness to have the majority of our Executive Director's remuneration package at risk, aligned with the long-term interests of shareholders and a reasonable but competitive pay practice.

In addition, and to ensure the attractiveness and sustainability of the Remuneration Policy over the long-term, it is proposed to introduce a supplementary defined contribution pension plan (25% of annual base salary) as an optional feature in the Remuneration Policy. We are mindful of shareholders' and stakeholders' attention to pay magnitude, and therefore the pension component will be included in the long-term incentive target nominal grant date value (275% of annual base salary) and newly introduced cap (450% of annual base salary). As such it won't lead to an increase in the total remuneration package.

Finally, this comprehensive review is also an opportunity to:

- outline the Board's discretion power in line with shareholder's expectations;
- clarify termination conditions and post mandate vesting rules;
- formally reflect the adjustments already announced ahead of the 2022 AGM.

Having consulted with shareholders (representing ~40% of the capital of the Company) and proxy advisors before finalizing this revised Remuneration Policy, we trust these changes will be viewed positively.

A summary of the changes is provided in section 6.7. Changes to Remuneration under the 2023 Policy. The full Remuneration Policy, as submitted to shareholder vote, will be made available on Technip Energies website at https://investors.technipenergies.com.

2022 BUSINESS HIGHLIGHTS AND OUTCOMES

The 2022 Remuneration Report is subject to an advisory vote. In it, we look back on the year 2022 and report on the Company's performance.

The war in Ukraine compromised the Company's ability to execute the Arctic LNG 2 project which had an impact on Project Delivery revenue trajectory in 2022. Despite this challenge, adjusted recurring EBIT increased benefiting from revenue growth in the higher-margin Technologies Product Services (TPS) segment and strong execution on LNG and downstream projects. The growth of the TPS segment resulted from higher project management consultancy and engineering services activity in the Middle East, and improved activity in sustainable chemistry as well as Process Technology activity.

Regarding the ESG roadmap, the Company reported the full Scope 3 GHG emission, and completed the climate, ESG training, and gender diversity objectives above targets. Sadly, 2 fatalities were reported in 2022, resulting in 0% achievement for this measure. As a result of the fatalities, the total maximum achievable for the ESG measure was capped at 100%. Investigation into the root causes were led by the CEO and a refreshed PULSE safety program was rolled out.

When considering the application of upwards or downwards discretion, the Committee considered whether the outcomes on executive remuneration were in line with the Company performance as a whole and considered the experience of all stakeholders during the year. Despite the disruptive impact of the tragic war in Ukraine, the Committee determined that no discretion be applied to any outcomes. Finally, the Compensation Committee acknowledged the strong personal contribution and resilience demonstrated by the CEO in delivering a very strong set of financial results coupled with strategic and organizational developments in 2022.

LOOKING AHEAD TO 2023

The Committee undertook to set challenging performance indicators for 2023 to ensure further alignment with the Company's priorities and sustainable performance. Therefore, the Committee decided to change the TPS Growth underlying metric from a revenue to a Book-to-bill measure. In addition, the assessment of scope 3 criteria being completed, an objective to build an action plan to increase our commitments on scope 4 has been set (emissions saved or avoided due to Technip Energies technologies and solution) which is critical in the Company's strategy and impact on climate. Moreover, and to sustain the Group's upskilling ambition program, an objective of learning hours per employee is introduced to replace the ESG training module measure which has been achieved in 2022.

The full details of the 2023 remuneration measures can be read in section 6.7.1. of this report.

On behalf of the Compensation Committee and the Board of Directors, I would like to thank our shareholders and other stakeholders for their engagement and for sharing transparently their view on executive remuneration.

Alison Goligher

Chair of the Compensation Committee

TECHNIP ENERGIES KEY PRACTICE IN DETERMINING EXECUTIVE COMPENSATION

Our Remuneration Policy is designed to reflect and support our vision for the continued growth and prosperity for the Company, while embedding our purpose and values by:

- Motivating the Executive Director to achieve and exceed Technip Energies' short-term and long-term business and ESG objectives.
- Aligning the interests of the Executive Director with our shareholders by focusing the Remuneration Policy on drivers of sustainable value creation and by ensuring most of the executive compensation is at risk.
- Providing a compensation package that is competitive in the market and allows Technip Energies to attract, incentivize and retain exceptionally talented individuals who can deliver on the Company's vision and strategy.

What we do	What we don't do
Determine a Remuneration Policy that is transparent and supports our ambition to attract and retain the best talent and ensures alignment between the Company and our shareholders	Grant excessive perquisites, benefits, or pension payments
Pay for performance by aligning performance measures with our strategy (including ESG related KPIs in full accordance with Technip Energies' purpose) and ensure that the CEO's total remuneration is mostly at risk	Pay variable remuneration components in the event of poor performance of the Company
Ensure we stay abreast of market trends and expectations by retaining the services of an independent specialist company providing support and advice on all topics related to governance and Remuneration Policy, including external total remuneration benchmarks to help the Compensation Committee in setting the CEO's remuneration within competitive market ranges	Select metrics in the short and long-term incentive programs that are intangible or not aligned with the Company's strategy, uncap incentives, and guarantee bonuses for the CEO
Maintain clawback provisions for performance-based compensation and forfeiture provisions in our equity awards	Allow pledging or hedging of Company stocks held by officers
Maintain an open dialogue with shareholders to ensure we can include their feedback to continuously improve our Remuneration Policy	Remain indifferent to our stakeholders' feedback

RESPONSIVENESS TO STAKEHOLDERS' FEEDBACK

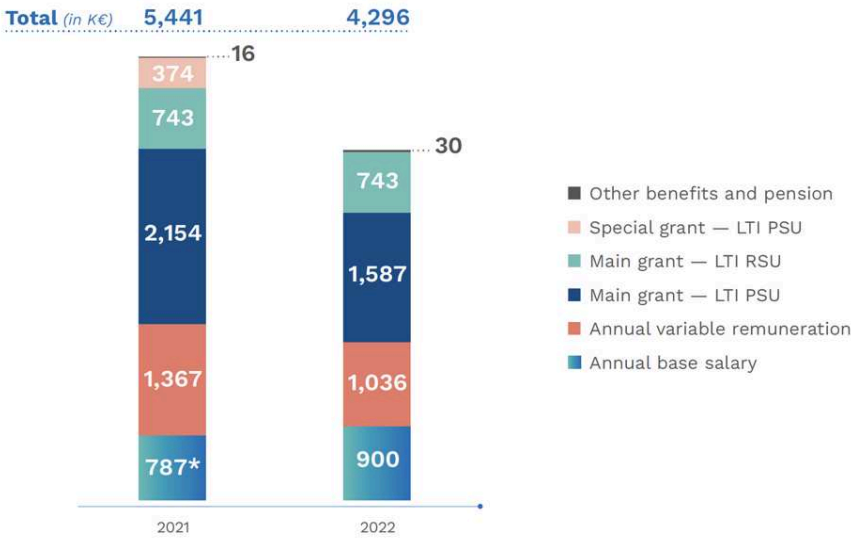
Technip Energies, its Board of Directors and Compensation Committee value the feedback received from its investors, shareholders and other key stakeholders. In response to the shareholder engagement held in Q1 2022, the following changes were initiated in 2022:

What we heard	What we did
Avoid awarding remuneration in the form of shares to the Non-Executive Directors	The remuneration of the Non-Executive Directors was modified by eliminating the award of time based Restricted Stock Units (RSUs)
Avoid vesting for below median performance for the TSR measure performance	The payout scale for TSR performance has been modified to ensure there is no payout below median performance
Avoid granting time-based restricted stock units to the Executive Director	Technip Energies decided to bring forward the review of the Remuneration Policy. As part of this review, the revised Policy, which will be submitted to the AGM for a vote in May 2023, proposes to cease granting time-based Restricted Stock Units (RSUs i.e. shares without performance indicators) to the Executive Director starting in 2023
Consider reducing the long-term incentive maximum opportunity	Technip Energies decided to bring forward the review of the Remuneration Policy. As part of the Remuneration Policy review process, it is proposed to reduce the long-term component cap from 600% to 450% of annual base salary
Reduce the weight of the qualitative component and improve the level of disclosure	In the 2022 Remuneration Report, Technip Energies has improved the disclosure of the achievement of short-term incentive program non-financial metrics in order to help its stakeholders to better understand the link between the pay-out and the effective performance. In addition, as part of the Remuneration Policy review process, it is proposed to reduce the maximum weight of the individual qualitative component (from 25% to 20%)

6.1. REMUNERATION AT A GLANCE

OVERVIEW 2022

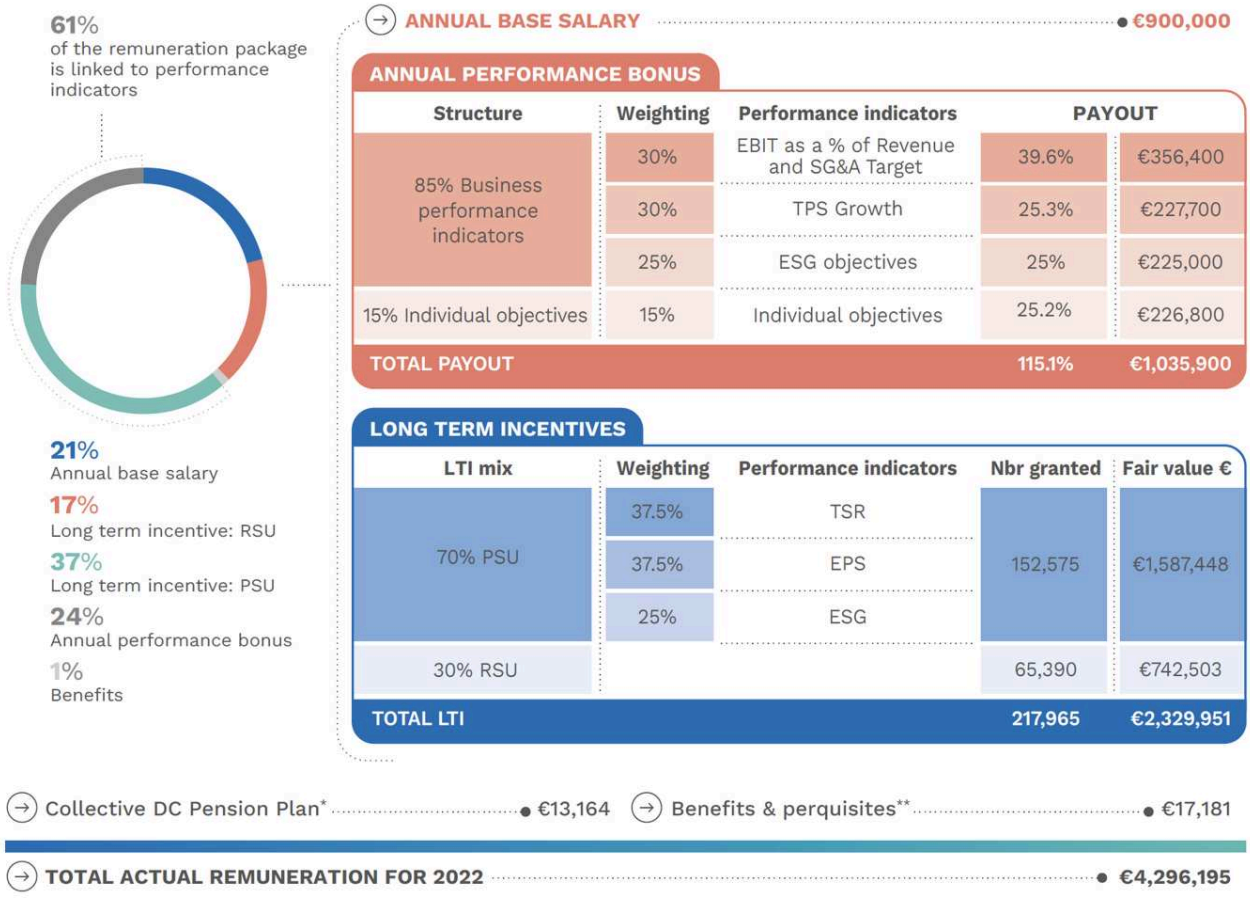
For 2022, the remuneration package of the Technip Energies Executive Director is outlined below. The 2021 Executive Director package is provided for reference and comparison purposes.



* *Prorated amount from the annual base salary of €900,000 from February 16 to December 31, 2021.*

Arnaud Pieton	**2022**
Annual base salary *(€)*	**900,000**
Annual performance bonus *(€)*	**1,035,900**
Annual performance bonus payout *(%)*	115.1 %
Number of granted PSUs	152,575
Number of granted RSUs	65,390
Total LTI granted fair value *(€)*	**2,329,951**
Total Direct Compensation (€)	**4,265,851**
Pension *(€)*	13,164
Other benefits *(€)*	17,181
TOTAL REMUNERATION *(€)*	**4,296,195**

Technip Energies' Executive Director compensation structure aligns short-term and long-term objectives (business and ESG) with short-term and long-term performance-based compensation.



* *For 2022 the total amount contributed to the collective defined contribution plan (art. 83) was equal to 8% of the gross compensation above four times the annual French social security limit and capped at eight times the annual French social security limit was €13,164.*

** *For 2022, The benefits offered to the Executive Director are similar to the benefits granted to other executives of Technip Energies. For 2022, the total costs of the benefits provided to the Executive Director accounted for €17,181.*

2022 NON-EXECUTIVE DIRECTORS

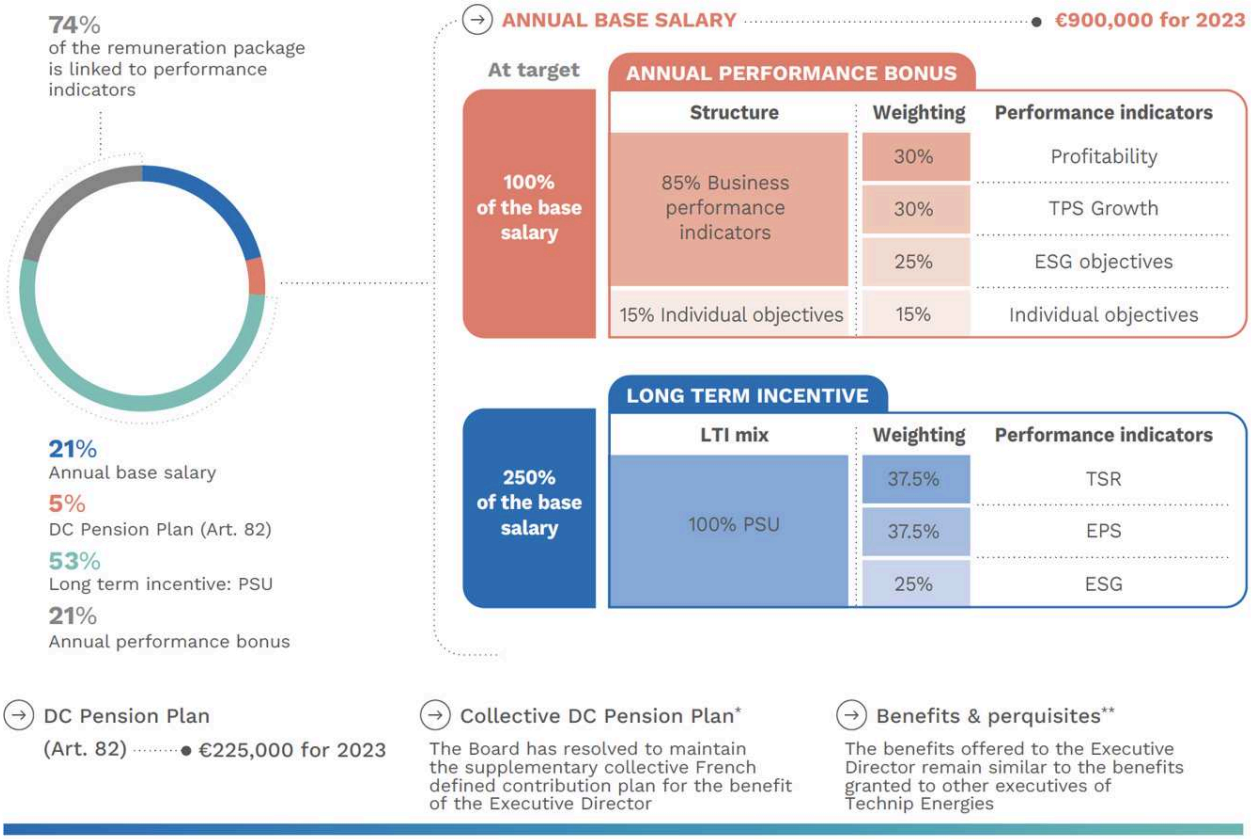
Director	Retainer	Chair Fee	Observer	Committee Meeting Fees	Total Fees FY2022
Arnaud Caudoux[1]	0.0€	0.0€	0.0€	0.0€	0.0€
Colette Cohen[2]	59,093.4€	0.0€	9,092.4€	18,000.0€	86,185.8€
Pascal Colombani[3]	30,906.6€	3,167.6€	0.0€	5,000.0€	39,074.2€
Marie-Ange Debon	90,000.0€	18,000.0€	0.0€	14,000.0€	122,000.0€
Simon Eyers	90,000.0€	0.0€	0.0€	14,000.0€	104,000.0€
Alison Goligher	90,000.0€	12,500.0€	0.0€	28,000.0€	130,500.0€
Didier Houssin	90,000.0€	8,207.4€	0.0€	14,000.0€	112,207.4€
Joseph Rinaldi	250,000.0€	0.0€	0.0€	10,000.0€	260,000.0€
Nello Uccelletti	90,000.0€	0.0€	0.0€	14,000.0€	104,000.0€
Francesco Venturini[4]	59,093.4€	0.0€	0.0€	9,000.0€	68,093.4€

(1) Mr. Arnaud Caudoux waived his cash remuneration because of the policies of his employer, Bpifrance.
(2) Ms. Colette Cohen attended the February 28 and April 21 2022 Board Sessions as an Observer and received €9,092 in fees.
(3) Mr. Pascal Colombani stood down from the Board at the time of the AGM on May 5, 2022.
(4) Mr. Francesco Venturini joined the Board at the AGM on May 5 2022

OVERVIEW 2023 (SUBJECT TO SHAREHOLDERS' VOTE)

For 2023, the proposed target remuneration package of the Executive Director is described below.

Overview of the new target remuneration package:



* *For 2023, the collective defined contribution plan (art. 83) provides contributions equal to 8% of the gross compensation above four times the annual French social security limit and capped at eight times the annual French social security limit.*

** *For 2023, the benefits offered to the Executive Director are similar to the benefits granted to other executives of Technip Energies.*

The chart below shows the proposed remuneration structure at target and maximum levels.

Proposed remuneration package structure for 2023

(in k€)



As illustrated above, the proposed 2023 CEO remuneration package is divided into four main elements:

- **Annual base salary** represents **21%** of the total compensation at target, 13% at maximum level;
- **Annual performance bonus** represents **21%** of the total compensation at target, 27% at maximum;
- **Long-term incentives** represent **53%** of the total compensation at target, 57% at maximum;
- **DC Pension Plan (Art. 82)** represents **5%** of the total compensation at target, 3% at maximum.

Effective March 1, 2022, the total remuneration for the Non-Executive Directors was modified by eliminating the award of Restricted Stock.

2023 – NON-EXECUTIVE DIRECTORS	
Chairperson annual retainer	€250,000
Board member annual retainer	€90,000
Annual Chair fee	€18,000 for Audit Committee €12,500 for Compensation Committee €12,500 for ESG Committee
Committee meeting fee	€3,000 per Committee meeting
The Compensation Committee will retain the discretion to modify the value of compensation, should this be considered appropriate. Where any discretion is exercised, the basis of this exercise will be disclosed in the next Remuneration Report. Each Non-Executive Director will be reimbursed for reasonable incidental expenses incurred in connection with the attendance of Board and Committee meetings.	

6.2. MAIN ELEMENTS OF THE CURRENT REMUNERATION POLICY

Technip Energies' Remuneration Policy was approved by the General Meeting of Shareholders of Technip Energies on February 15, 2021, and took effect on February 16, 2021. The Compensation Committee has conducted a global review of the Remuneration Policy during the 2022 fiscal year. The contemplated changes are presented at section 6.7. Changes to Remuneration under the 2023 Policy of the current Remuneration Report. A summary of the main elements from the Remuneration Policy applicable in 2022 is presented below for information purpose.

6.2.1. EXECUTIVE DIRECTOR REMUNERATION POLICY

The Executive Directors' Remuneration Policy is applicable to the CEO of Technip Energies who is currently the sole Executive Director.

	Purpose and link to strategy	Operation	Policy level	Maximum Payment
Annual base salary	Reflect and be aligned with the global energy and energy transition market practices in order to attract and retain exceptionally talented individuals	Reviewed annually or following a change in responsibilities with changes usually taking effect from March 1 of a given year. When reviewing the annual base salary level, the Compensation Committee considers key parameters such as Executive Director individual performance, economic conditions, market pay levels, etc.	Refer to section 6.6.1. Executive Director remuneration	Not applicable, the annual base salary is a set amount determined at the beginning of the year by the Compensation Committee
Annual performance bonus	Incentivize achievement of Technip Energies' annual financial and strategic targets which may include but are not limited to ESG targets. Provide focus on key financial metrics and an Executive Director's contributions to Technip Energies' performance	Performance measures and stretch targets are set annually in advance by the Compensation Committee: ■ The majority of the bonus is based on financial performance. However, operational, strategic and individual targets may also be used; ■ 75% of the bonus is based on business performance indicators (BPIs) comprising financial metrics, and 25% of the bonus is based on an annual performance incentive comprising personal targets; ■ The award will usually be paid out in cash after the end of the financial year.	The target annual performance bonus is set at 100% of the annual base salary	The maximum achievable annual performance bonus amount is 200% of the annual base salary. No bonus will be paid for below threshold performance
Long-term incentives	Incentivize an Executive Director to deliver superior long-term returns to Shareholders	■ PSUs: an award of a right to receive Technip Energies Shares subject to achievement of applicable performance indicators assessed over a period of three years, subject to continuous service; and ■ RSUs: an award of a right to receive Technip Energies Shares that vest three years from grant, subject to continuous service. Current weighting is: ■ 70% PSUs; and ■ 30% RSUs.	The target nominal grant date value of long-term incentive granted to an Executive Director per annum is set at 275% of the annual base salary	The maximum grant date fair value of long-term incentive awards granted to Executive Directors per annum will be 3 times the sum of such Director's annual base salary and target annual bonus

	Purpose and link to strategy	Operation and Policy level
Pension and other retirement benefits	Provide competitive post-retirement benefits, see under "Annual base salary– Purpose and link to strategy".	Provision of market-competitive retirement benefits may vary based on the location in which an Executive Director is based. In addition to pension and other retirement benefits available to French employees in general, an Executive Director may participate in a supplementary French defined contribution plan, to which other French executives of the Company are eligible and which provides for contributions equal to 8% of the gross compensation above four times the annual French social security (*Sécurité sociale*) limit and capped at eight times such limit.
Benefits and perquisites	To provide market competitive benefits and to facilitate the performance of an Executive Director in his/her duties.	An Executive Director is eligible to receive benefits which are similar to those provided to other executives of the Company and that may include, but are not limited to: personal tax assistance, use of company cars, medical, vision and dental benefits, sickness, death and dismemberment benefits. Benefits may vary by location. The actual value of benefits and perquisites varies depending on the cost to the business and individual Executive Director's circumstances.

6.2.2. NON-EXECUTIVE DIRECTORS' REMUNERATION POLICY

The Non-Executive Directors' Remuneration Policy is applicable to all Non-Executive Directors.

NON-EXECUTIVE DIRECTORS WILL BE COMPENSATED IN CASH ONLY IN ACCORDANCE WITH THE TABLE BELOW	
Chairperson annual retainer	€250,000
Board member annual retainer	€90,000
Annual Chair fee	€18,000 for Audit Committee €12,500 for Compensation Committee €12,500 for ESG Committee
Committee meeting fee	€3,000 per Committee meeting

The Compensation Committee will retain the discretion to modify the value of compensation, should this be considered appropriate. Where any discretion is exercised, the basis of this exercise will be disclosed in the next Remuneration Report. Each Non-Executive Director will be reimbursed for reasonable incidental expenses incurred in connection with the attendance of Board and Committee meetings.

6.3. THE COMPENSATION PEER GROUP

For the purposes of benchmarking the total direct compensation of the Executive Director for 2022, the Compensation Committee reviewed the Compensation Peer Group in 2021 to include additional companies which would be strong competitors for the services of the Executive Director and to better reflect the strategic direction of Technip Energies and its aspired strategic intent. No changes were made to the Compensation Peer Group during 2022.

European companies	US companies	APAC companies
Aker Carbon Capture ASA	AECOM	Chiyoda Corporation*
Aker Solutions ASA*	Baker Hughes Co	JGC Holdings Corp*
John Wood Group PLC*	Fluor Corp*	Worley Ltd*
Linde PLC*	KBR Inc	
Maire Tecnimont Group*		
Petrofac Ltd		
Saipem SpA*		
SBM Offshore NV		
Schlumberger NV		
Siemens Energy Global GmbH & Co. KG		
Subsea 7 SA		
TechnipFMC PLC		
Tecnicas Reunidas SA*		

* *Companies belonging to the TSR panel.*

6.4. LIMITATION ON LIABILITY AND INDEMNIFICATION MATTERS

Under Dutch law, a member of the Technip Energies Board and certain other officers may be held liable for damages in the event of improper or negligent performance of their duties. They may be held jointly and severally liable for damages to Technip Energies and to third parties for infringement of the Articles of Association or of certain provisions of the Dutch Civil Code – *Burgerlijk Wetboek (BW)*. In certain circumstances, they may also incur additional specific civil and criminal liabilities.

Directors and certain members of senior management are insured under an insurance policy taken out by Technip Energies against damages resulting from their conduct when acting in their capacities as Directors or senior managers. In addition, Technip Energies' Articles of Association provide for indemnification of Technip Energies' Directors, including reimbursement for reasonable legal fees and damages or fines based on acts or failures to act in their duties. No indemnification shall be given to a member of Technip Energies Board if (i) a Dutch court has established, without possibility for appeal, that the acts or omissions of such indemnified person that led to the financial losses, damages, suit, claim, action or legal proceedings can be described as deliberate (*opzettelijk*), willfully reckless (*bewust roekeloos*) or seriously culpable, (ii) the costs or capital losses of the indemnified person are covered by an insurance policy and the insurer has paid out these costs or capital losses, or (iii) the indemnified person failed to notify Technip Energies as soon as possible of the costs or capital losses or of the circumstances that could lead to the costs or capital losses.

6.5. OTHER ARRANGEMENTS

Technip Energies does not provide loans or advance to the members of the Board of Directors.

6.6. APPLICATION OF THE REMUNERATION POLICY IN 2022

In accordance with article 2:135b of the Dutch Civil Code, application of the Remuneration Policy in 2022 will be submitted to a non-binding vote of the Shareholders at the May 10, 2022 General Shareholders Meeting.

Set forth below is information regarding the Executive Director of Technip Energies as of May 10, 2023.

Name	Age	Position
Arnaud Pieton	49	Chief Executive Officer

6.6.1. EXECUTIVE DIRECTOR REMUNERATION

Annual base salary

In accordance with the Remuneration Policy, and with due observance of the most recent advisory vote results of the General Meeting on May 5, 2022 regarding the Remuneration Report, the Board of Directors set the annual base salary of the Executive Director at €900,000 for fiscal year 2022, which is unchanged compared to 2021. This figure was determined by considering salaries within Technip Energies and by comparison with the median level of Chief Executive pay at companies within the Compensation Peer Group which was also used as a reference to compare the total direct compensation and other individual components of the Executive Director's compensation in 2022, with median level being the focus.

Short-term incentive - Annual performance bonus

The 2022 annual performance bonus program was determined as follows:

1. Adjusted Recurring EBIT (30% weighting): chosen to align and drive the profitability of Technip Energies, Adjusted Recurring EBIT represents the profit before financial expense (as described in section 2.3. Operating and financial review) and it is supplemented with a target on SG&A - Selling expenses (primarily costs incurred to win a contract) and General and Administrative expenses (mainly personal costs, professional services fees, office facilities and other support overhead costs).
2. Growth of revenues generated by the higher margin business of the Technology, Products & Services segment ("**TPS**") (30% weighting) was chosen to drive alignment with the future development priorities of the business with a target on Adjusted Recurring EBIT of TPS Revenue to monitor the profitability in this area.
3. ESG objectives (weighting 25%) which comprise a set of four indicators which reflect some of the main ESG priorities:
   - 5%: HSE – achieve 0 fatalities in 2022,
   - 10%: assessment and action plan to report 100% of our scope 3 in 2023,
   - 5%: up to 90% of employees having completed an ESG training module explaining our Company's vision on this key topic,
   - 5%: young graduates – 50% female in new graduate intake.

These indicators are derived from our ESG scorecard to highlight the importance of embedding our ESG framework and roadmap in our culture and business practices and ensures accountability and transparency of their implementation.

4. Individual objectives (15% weighting) set to ensure focus on the key priorities for 2022 (these are detailed in the table Individual objectives page 231):
   - Safety,
   - People,
   - Strategy.



The payout curves for 2022 were set according to the following rules:

- no payout for below threshold performance,
- for "on-target" performance, the payout is up to 100% of target value,
- for maximum performance, the payout is up to 200% of target value.

Interpolation is linear between these points for the Business Performance Indicators. The individual performance is measured and approved by the Compensation Committee based on the achievements of the Executive Director.

2022 Annual performance bonus results

For 2022, the Executive Director achieved a total performance of 115.1% against the targets set.

Annual performance bonus indicators		Weighting as % of target bonus	Threshold performance	Target performance	Max. performance	Actual result	Achieved performance	Payout as of target
			0%	100%	200%			
Financial indicators	% EBIT of Revenue and target on SG&A	30%	≤ 6.0% ≥ €360 M	6.5% **€325 M**	≥ 7.3% ≤ €285 M	7.0 % €319.5 M	131.9%	39.6%
	TPS Revenue Growth vs 2021 and target on TPS EBIT	30%	≤ 0.0% ≤ 8.0%	**12.0%** 9.2 %	≥ 25.0% ≥ 11.0%	7.5 % 9.3 %	84.4%	25.3%
	TOTAL	**60%**					**108.2%**	**64.9%**
Non-financial indicators	ESG objectives:							
	HSE – achieve 0 fatality in 2022[1]	5%	no	**yes**		2	—%	—%
	Assessment and action plan to report 100% of our scope 3 in 2023	10%	no	**yes**	> 50% of reporting	Yes and reporting started	130.0%	13.0%
	Up to 90% of employees having completed an ESG training module explaining our Company's vision on this key topic	5%	< 80%	**90%**	100%	92.6 %	126.0%	6.3%
	Young graduates – 50% female in new graduate intake	5%	< 40%	**50%**	≥ 60%	51,7%	117.0%	5.9%
	TOTAL	**25%**					**100.6%**	**25.0%** [1]
Business performance indicators		**85%**					**105.9%**	**89.9%**
Individual objectives[2]		**15%**	**0%**	**100%**	**200%**	**Board assessment**	168%	**25.2%**
TOTAL PAYOUT								**115.1%**

(1) The payout of the ESG portion is capped at 100% in case the 0 fatality objective is not met
(2) The individual objectives are described in the following section below.

The financial indicators and measures have been set at the beginning of 2022, before the start of the war in Ukraine. During the year, the Committee considered potential changes to indicators and targets, and it resulted into no adjustments made to the indicators and performance measures set at the start of the year.

Financial measures

- 2022 Adjusted Revenue slightly reduced year-on-year by 3.6% to €6.4. billion. The impact of the war in Ukraine compromised our ability to execute the Arctic LNG 2 project where an exit framework agreement was signed in the third quarter, providing a clear pathway to a full handover of our remaining contractual obligations. While this event had an impact on Project Delivery revenue trajectory in 2022 (decrease of 6.3% year-over-year), the underlying Project Delivery portfolio (excluding Arctic LNG 2) delivered significant growth buoyed by the ramp up of major LNG and downstream projects, and continued to benefit from strong operational execution.
- Adjusted recurring EBIT[1] increased by 4.7% year-over-year, benefiting from margin expansion to 7.0%, up 50 bps versus 2021, despite lower revenues year-over-year. Profitability benefited from revenue growth in the higher-margin TPS segment, and strong execution on LNG and

[1] *Adjusted recurring EBIT: adjusted profit before net financial expense and income taxes adjusted for items considered as non-recurring.*

downstream projects in the later phases of completion that delivered a material improvement in Project Delivery margins, despite a year-over-year increase in SG&A costs which normalized at a higher level in 2022, €319.5 million (after restatement of €8M foreign exchange negative impact), following the spin-off in 2021.

- The 7.5% growth of our TPS segment resulted from higher project management consultancy and engineering services activity in the Middle East, and improved activity in sustainable chemistry including renewable fuels, as well as Process Technology activity, including licensing and proprietary equipment, notably for PBAT, a biodegradable polymer, and ethylene. Our Loading Systems activities remained strong and we have seen a notable increase in engineering services for early-phase work in energy transition. TPS profitability increased modestly by 10 bps to 9.3% benefiting from higher volumes in Process Technology licensing and proprietary equipment, notably in Sustainable Chemistry, higher activity levels for project management consultancy and advisory services performed by Genesis and steady activities in our Loading System products.

ESG

- Zero fatalities is a formalized goal as part of our ESG roadmap. In 2022, there were 2 fatalities on our project sites. This is a sad reminder to never give up on our safety culture, high safety standards and incident prevention initiatives. Safety and worker welfare will remain our top priority. Consequently, the performance on the other ESG objectives was capped at 100%.
- Full scope 3 upstream GHG emission is reported one year ahead of schedule. The objective was to build an action plan in 2022 to be able to report emissions in 2023. Sustainability team managed to deliver this report ahead of schedule in 2022. Building on expertise and methodologies already deployed within other existing disciplines, including project management and control, process and technology, engineering, procurement, transport, construction, digital, and HSE, the dedicated Climate Change and Actions team has been able to adapt, extend and combine similar processes to quantify GHG emissions accurately and efficiently.
- To raise awareness of our people on ESG matters and promote Technip Energies' ESG roadmap and associated actions, we have created and launched an e-learning module in June 2022. This has been a success with more than 92.6% of our employees having completed the training module by the end of 2022.
- Gender diversity starts at recruitment, which is why we set out to hire 50% women graduates at entry level. Thanks to the mobilization our managers, People & Culture teams and the appropriate resourcing policies throughout all Technip Energies locations, the Company is proud of having reached this target for the second year in a row. In 2022, 51.7% of graduates hired were women as part of the young graduate population.

Individual objectives

Indicators		
Individual objectives	**Safety**	Continue to implement the plan for Active Safety & Ethics Leadership
		Improve YoY on leading and lagging indicators
		Design, plan and implement a program & protocols related to Human Rights for large projects in sensitive countries
	People	Develop and Implement Executive Committee career management & succession planning
		Design, plan and kick-off first leadership program for Technip Energies
	Strategy	Establish and implement 2023 – 2027 overall strategy
		Design and implement the Technip Energies Investment & Open innovation practice program
		Define a resilient and efficient commercial plan for "derisking" the impact of geopolitics events

Executive Director's individual performance

2022 has been a challenging year for business as the world wrestled with the lasting effects of the zero COVID policy in China and the consequences of the conflict in Ukraine.

It is to be noted that the Executive Director's 2022 individual objectives have been set and agreed by the Board of Directors, upon the recommendation of the Compensation Committee, prior to the situation in Ukraine with Russia where Technip Energies was actively engaged on executing a mega LNG project, namely Arctic LNG2.

While continuing to focus on the transformation of Technip Energies and preparing for its future, the course of 2022 has been influenced by the detailed attention required of the Executive Director and his team to manage the crisis and organize an orderly exit from the Arctic LNG2 project. The goal was to safeguard Technip Energies' employees and to protect the Company from any net negative financial impact. The Compensation Committee acknowledged the strong personal contribution and resilience demonstrated by the CEO in delivering a very strong set of financial results coupled with strategic and organizational developments in 2022.

The individual performance of the Executive Director has been assessed as follows:

- **Safety:** maintaining Technip Energies' leadership in safety practices and standards is essential to its differentiation. A refreshed PULSE safety program was rolled out and the CEO led investigations globally into the root causes of incidents in the Company. Whilst the safety performance remained strong overall, lagging indicators stayed flat year-on-year. The Ethics & Compliance leadership has been strengthened with the recruitment and onboarding of a seasoned Chief Compliance Officer. Under the Executive Director's leadership, Technip Energies has initiated the creation of a set of guidelines and standards related to Human Rights which will form the framework for large projects in sensitive countries.

- **People:** tackling climate change and energy security is an urgent challenge which requires forming a capable organization focused on the right topics and markets. Consistent with his ambition for Technip Energies to be a leader in the emerging Energy Transition business opportunities, the Executive Director delivered on the implementation of a new Executive Committee together with a matching organizational structure. Externally, the CEO's interventions have helped in shifting Technip Energies' positioning towards being recognized as a provider of low-carbon solutions, enhancing the attractiveness of Technip Energies as an employer of first choice in the marketplace for both emerging and mature talent. Preparing the future also included the creation and launch of Technip Energies' first leadership program (Catalyst).
- **Strategy:** the Executive Director is driving Technip Energies' ambition to be the leading technology and engineering company in the delivery of solutions for a low carbon future. To that effect:
  - A strategic plan 2023-2025 framework has been established under his direction and guidance,
  - Consistent with the strategic framework, the Company implemented a plan for an open innovation practice, entered into several strategic alliances, (notably in the domain of 'Clean Tech') and acquired access to or interest in key technologies,
  - Historical core businesses activities continued to be operated for value rather than volume,
  - A procurement strategy has been implemented, with visible results, to lower Technip Energies' exposure to geopolitical risks.

The Compensation Committee considered the performance of the Executive Director against the individual objectives as outlined above, the overall performance of the Company, the external economic and geopolitical environments and the Executive Director's resilience and leadership throughout, and resolved to make no changes to the assessment of the performance versus objectives.

Long-term incentive

The long-term Incentive program's objective is to align incentives with the long-term value creation for Technip Energies and its shareholders. The structure of the Executive Director's long-Term Incentive program (LTI) award in 2022 included 70% Performance Stock Units (PSUs) and 30% Restricted Stock Units (RSUs). Both PSUs and RSUs are subject to continuous service with Technip Energies during the vesting period. The target nominal grant has been set at 275% of the annual base salary.

The PSUs granted in 2022 are subject to three performance indicators measured over a three-year period. These indicators are:

1. The Total Shareholder Return (TSR) weighted at 37.5% of the grant.
2. The Basic Adjusted Earnings per Share ("**EPS**") weighted at 37.5% of the grant.
3. The ESG performance, weighted at 25% of the grant, which is measured by three equally weighted indicators:
   - **E:** Reduce 30% on scopes 1 & 2 GHG emissions by 2025 vs. 2019
   - **S:** 25% of women in leadership positions including Executive Committee by 2025
   - **G:** Continued reduction of non-mandatory commercial intermediaries: -100% by 2025

The RSUs are not subject to any performance indicator. However, in its assessment, the Compensation Committee can apply discretion should the performance of the Company in the round not support the award of some or all of the RSUs. The RSUs are designed as a retention tool while reinforcing the long-term alignment of the interests of the Executive Director and Shareholders. The Committee considered the application of discretion to the award of the RSUs and resolved that no adjustments were necessary.

Total Shareholder Return

The Total Shareholder Return (TSR) is the rate of return of a share over a year considering the payment of a dividend during the period. The dividend is assumed to be reinvested immediately into the share itself at the closing share price of the dividend payment day. The calculated average for Technip Energies over a given period is compared to the calculated average of the TSR peer group.

These are laid out below:

TSR PEER GROUP

European companies	U.S. companies	APAC companies
Aker Solutions ASA	Fluor Corp.	Chiyoda Corporation
John Wood Group PLC		JGC Holdings Corp.
Linde PLC		Worley Ltd
Maire Tecnimont Group		
Saipem SpA		
Tecnicas Reunidas SA		

Technip Energies' performance is measured against the corresponding average performance of the panel of its peers. Earned PSUs will be based on the percentile ranking of Technip Energies' TSR against the peer group's results. The TSR award structure provides no reward for achievement below median performance.

TSR PERFORMANCE - Ranking	Below Rank 5th	Rank 5th	Rank 4th	Rank 3rd	Rank 1st or 2nd
Earned PSUs(1) (Return >=0%)	0%	50%	100%	150%	200%

(1) If absolute TSR is less than 0%, achievement cannot be greater than 100%.

PSUs which are not acquired due to the lack of performance will be forfeited.

Basic Adjusted Earnings per Share

Basic Adjusted Earnings per Share ("**EPS**") is a key long-term performance metric which promotes the execution of Technip Energies' strategy to deliver profitable growth with a strong alignment with shareholders. The criterion is defined as the annual rates of Basic Adjusted EPS for the 2022 to 2024 fiscal years.

Basic Adjusted EPS is calculated by dividing the Adjusted Net Income (Loss) attributable to Technip Energies Group by the weighted average number of common shares outstanding during the period adjusted for own shares held and without any dilution effect.

	≤1,50	1.6	1.7	1.85	≥2,0
EPS Performance[1]	0%	50%	100%	150%	200%

(1) Interpolated on a straight-line basis between those points.

The PSUs which are not acquired due to the lack of performance will be forfeited.

ESG Performance

In 2022, ESG performance indicators were added to the TSR and EPS performance indicators. This strengthens the alignment with sustainable long-term value creation and signals the Company's commitment to embed sustainable, socially responsible and ethical business practices.

The ESG indicators are part of the ESG Roadmap which lays out Technip Energies' commitments by the end of 2025.

The targets for these measures were prorated to the end of the 2024 performance year to align with the three-year vesting period. The performance of the ESG indicators will be measured according to the following scales:

	Threshold	Target	Maximum
Reduce scope 1 & 2 GHG emissions	< -19%	-21%	≥ -23%
% Of women in leadership positions	≤ 8%	11%	≥ 19%
Reduction of non-mandatory commercial intermediaries	< -23%	-23%	-75%
Earned PSUs matrix[1]	**0%**	**50%**	**100%**

(1) Interpolated on a straight-line basis between threshold and maximum targets.

The details of the PSUs and RSUs granted in 2022 to the Executive Director are provided below:

Type of grant	Grant date	Nominal value at grant date[1]	Fair value at grant date[2]	Number of granted rights	Vesting period	Performance indicator	Continuous service indicator
PSUs	03/28/2022	€ 1,732,489	€ 1,587,448	152,575	3 years	TSR / EPS / ESG	Yes
RSUs	03/28/2022	€ 742,503	€ 742,503	65,390	3 years	Committee discretion	Yes

(1) Based on the closing share price at the grant date, ie €11.355.
(2) Costs of performance shares based on accounting standards (IFRS).

As indicated in Technip Energies' Insider Trading Policy, the Executive Director must comply with a share ownership requirement equivalent to three times his annual base salary which is to be met within five years from his initial appointment date. The share ownership requirement:

- Includes shares owned outright, RSUs, PSUs where the performance period has been completed;
- Excludes unexercised stock options, unvested PSUs, shares eventually held in retirement plans;
- As of date, the shares owned outright by the Executive Director amounts to 64,394 shares;
- In consideration to RSUs to be vested on March 9, 2023, and RSUs granted in 2021 and 2022, the share ownership requirement amounts to 286,284 units which leads the Executive Director to comply with the share ownership requirement (with min stock price €9.43 and continuous service until March 28, 2025).

Pension and other retirement benefits

As is the case with other Technip Energies' senior managers based in France the Executive Director participates in a collective supplementary French defined contribution plan which provides for contributions equal to 8% of the gross compensation above four times the annual French social security limit and capped at eight times the annual French social security limit. For 2022, the total amount contributed to the plan was €13,163.5 The Executive Director also participated in the French mandatory pension scheme.

Benefits and perquisites

The total cost of the benefits provided to the Executive Director for fiscal year 2022 amounted to €17,180.9. These benefits were aligned to the benefits granted to other Technip Energies' senior executives in France and included medical, death and disability coverage. The Executive Director is also eligible to a fully expensed company car.

Service agreement

The service agreement of the Executive Director is fully aligned with the Remuneration Policy.

2022 Total remuneration

The total remuneration cost of the Executive Director for fiscal year 2022 was €4,296,195.

Arnaud Pieton	**2022**
Annual base salary *(€)*	**900,000**
Annual performance bonus *(€)*	**1,035,900**
Annual performance bonus payout *(%)*	115.1 %
Number of granted PSUs	152,575
Number of granted RSUs	65,390
Total LTI allocation fair value *(€)*	**2,329,951**
Total Direct Compensation (€)	**4,265,851**
Pension *(€)*	13,164
Other benefits *(€)*	17,181
TOTAL REMUNERATION *(€)*	**4,296,195**

The table below presents the proportion of fixed and variable remuneration as a percentage of the total remuneration for the Executive Director, illustrating that more than 75% of the total remuneration is at risk.

Proportion of fixed and variable remuneration[(1)]	**% of annual fixed remuneration**	**% of annual variable remuneration**
Chief Executive Officer, Arnaud Pieton	22 %	78 %

(1) Annual fixed remuneration is determined as the sum of annual base salary, pension costs and other benefits. Annual variable remuneration is determined as the sum of actual annual performance bonus and performance shares based on accounting standards (IFRS).

Pay ratio consideration

Technip Energies strives to maintain social consensus within the Company on compensation issues in accordance with its remuneration philosophy and objectives.

As Technip Energies was formed in 2021, there is no pay ratio data before this date.

Year	**2022**	**2021**
CEO remuneration	4,296,195	5,440,540
Average Technip Energies employee payroll cost	91,914	76,691
PAY RATIO	**47**	**71**

The pay ratio is calculated by dividing the total remuneration of the Executive Director by the average Technip Energies employee payroll cost.

The average Technip Energies employee payroll cost is €91,914 in 2022. It was calculated considering the wages, salaries and other pension costs for a total amount of €1,334.1 million (see Note 11. Expenses by nature) divided by the number of Full Time Equivalent Employees as of December 31, 2022 for a total number of 14,515 (see Note 12. Payroll staff).

The year-on-year evolution of the ratio is explained by the decrease of the Executive Director's total remuneration (decrease of annual performance bonus, LTI PSU fair value and absence of special LTI grant) and the increase of the average employee payroll cost mostly due to the closing of joint ventures in relation to the termination of our activities in Russia.

This ratio will continue to be taken into consideration in the determination of any adjustments to the Remuneration Policy and particular attention will be paid to its relative evolution over the years.

6.6.2. NON-EXECUTIVE DIRECTORS REMUNERATION

As presented in the 2021 Remuneration Report, based on a review of relevant market practice among relevant peer groups operated in 2021, the Compensation Committee proposed and the Non-Executives Directors approved, effective from March 1, 2022, modification to the remuneration of Non-Executive Directors in order to eliminate Restricted Stock Units and to provide for annual cash remuneration for Non-Executive Directors delivered in 2022 as provided below.

2022 NON-EXECUTIVE DIRECTORS

Director	Retainer	Chair Fee	Observer	Committee Meeting Fees	Total Fees FY2022
Arnaud Caudoux [1]	0.0€	0.0€	0.0€	0.0€	0.0€
Colette Cohen [2]	59,093.4€	0.0€	9,092.4€	18,000.0€	86,185.8€
Pascal Colombani [3]	30,906.6€	3,167.6€	0.0€	5,000.0€	39,074.2€
Marie-Ange Debon	90,000.0€	18,000.0€	0.0€	14,000.0€	122,000.0€
Simon Eyers	90,000.0€	0.0€	0.0€	14,000.0€	104,000.0€
Alison Goligher	90,000.0€	12,500.0€	0.0€	28,000.0€	130,500.0€
Didier Houssin	90,000.0€	8,207.4€	0.0€	14,000.0€	112,207.4€
Joseph Rinaldi	250,000.0€	0.0€	0.0€	10,000.0€	260,000.0€
Nello Uccelletti	90,000.0€	0.0€	0.0€	14,000.0€	104,000.0€
Francesco Venturini [4]	59,093.4€	0.0€	0.0€	9,000.0€	68,093.4€

(1) Mr. Arnaud Caudoux waived his cash remuneration because of the policies of his employer, Bpifrance.
(2) Ms. Colette Cohen attended the February 28 and April 21 2022 Board Sessions as an Observer and received €9,092 in fees.
(3) Mr. Colombani stood down at the AGM on May 5, 2022.
(4) Mr. Francesco Venturini joined the Board at the AGM on May 5, 2022.

6.6.3. HISTORICAL LTI GRANTS AND HOLDINGS

Technip FMC grants

In connection with the separation of Technip Energies from TechnipFMC plc, the outstanding rights to receive ordinary shares of TechnipFMC pursuant to Restricted Stock Unit and Performance Stock Unit awards held by the Executive Director as a result of his pre-separation employment with TechnipFMC were converted into RSUs on the same terms under Technip Energies long-term incentive programs.

The same principles have been applied to the outstanding options to purchase ordinary shares of TechnipFMC which have been converted into stock options on the same terms under Technip Energies long-term Incentive programs.

The following elements correspond to the TechnipFMC outstanding rights of the Executive Director at the Spin-off which have been converted into Technip Energies long-term Incentive programs.

Plan	Grant date	Acquisition date	Number of granted rights	Number of rights forfeited	Balance of rights	Number of vested and negotiable shares
RSU 2020	03/09/2020	03/09/2023	93,629	0	93,629	0

Plan	Grant date	Tax maturity	Expiration date	Exercise price	Number of options granted	Number of options forfeited	Number of options unvested	Number of options non-exercisable	Number of options exercisable	Number of options exercised	Number of outstanding options
SOP 02/26/2018	02/26/2018	02/26/2021	02/27/2028	37	13,359	0	0	0	13,359	0	13,359
SOP 03/08/2019	03/08/2019	03/08/2022	03/09/2029	26	30,822	0	0	30,822	0	0	30,822

Technip Energies grants - Executive Directors

In accordance with the Remuneration Policy approved in 2021, the Executive Director has been granted long-term incentives under the Technip Energies' Incentive Award Plan.

In 2021, granted awards comprised:

- PSUs: shares subject to performance indicators assessed over a period of 3 years, subject to continuous service;
- RSUs: shares that vest 3 years from grant subject to continuous service.

Plan	Grant date	Acquisition date	Number of granted rights	Number of rights forfeited	Balance of rights	Number of vested and negotiable shares
PSUs 2021	04/15/2021	03/01/2024	146,697	0	146,697	0
RSUs 2021	04/15/2021	03/01/2024	62,871	0	62,871	0

In order to better align interests and build team cohesiveness at a time when the Company was facing the challenges of establishing itself as an independent company in the midst of the COVID-19 pandemic, the Compensation Committee awarded a special grant of shares to the Executive Committee of the Company on April 15, 2021 including the Executive Director.

The special grant constituted an entitlement to receive shares in the form of PSUs at the end of two vesting periods as follows: 50% of PSUs are to vest after 18 months from the grant date, and 50% of PSUs are to vest after 30 months from the grant date.

Plan	Grant date	Acquisition date	Negotiability date	Number of granted rights	Number of rights forfeited	Balance of rights	Number of vested and non-negotiable shares
PSUs – 1st tranche	04/15/2021	10/15/2022	04/15/2023	19,051	0	0	19,051*
PSUs – 2nd tranche	04/15/2021	10/15/2023	10/15/2023	19,052	0	19,052	0

* *For the first tranche, the TSR performance indicator was met according to the LTI program terms and conditions, and approved by the Board of Directors on October 17, 2022.*

Technip Energies grants - Non-Executive Directors

In accordance with the Remuneration Policy approved in 2021, the Non-Executive Directors have been granted Restricted Stocks Units (RSUs) in April 2021. These RSUs have been granted under a non-qualified plan with a one-year vesting period. The acquired RSUs before and after taxes are detailed in the table below:

Director	Grant date	Type of grant	Number of granted rights	Number of vested rights	Balance of rights after tax[1]
Pascal Colombani[2]	04/15/2021	RSU	13,547	13,547	9,482
Marie-Ange Debon	04/15/2021	RSU	13,547	13,547	9,482
Simon Eyers	04/15/2021	RSU	13,547	13,547	11,812
Alison Goligher	04/15/2021	RSU	13,547	13,547	11,812
Didier Houssin	04/15/2021	RSU	13,547	13,547	9,482
Joseph Rinadi	04/15/2021	RSU	13,547	13,547	11,812
Nello Uccelletti	04/15/2021	RSU	13,547	13,547	11,812

(1) According to tax residency (French / non-French).
(2) Mr. Colombani stood down at the AGM on May 5, 2022.

Effective March 1, 2022, the total remuneration for the Non-Executive Directors was modified by eliminating the award of Restricted Stock.

6.7 CHANGES TO REMUNERATION UNDER THE 2023 POLICY

REVISED REMUNERATION POLICY

Technip Energies' Remuneration Policy was first adopted in 2021 at the time of the separation of the Company from TechnipFMC.

As announced in Technip Energies' 2021 Remuneration Report and considering investors' feedback, the Compensation Committee undertook a review of the Remuneration Policy, to continue to improve alignment with best practices while appropriately serving executive retention and incentivization goals. This review included engagement with shareholders and other relevant stakeholders as well as a benchmark of the Compensation Peer Group pay disclosure and practices. The Compensation Committee recommended a revised Remuneration Policy to the Board of Directors with a significant number of changes.

The Board of Directors approved the changes and the revised Remuneration Policy will be submitted to a vote of the shareholders at the 2023 Annual General Meeting which will be held on May 10, 2023. Shareholders approval requires a simple majority of the votes cast.

The revised Remuneration Policy will be posted on our website.

We outline below the proposed changes to the Directors Remuneration Policy.

6.7.1. EXECUTIVE DIRECTOR REMUNERATION

Annual base salary

The Compensation Committee considered the Compensation Peer Group as set out in section 6.3. The Compensation Peer Group and recommended no changes. This allows continuity and consistency with the previous policy.

Subsequent to the benchmarking against the Compensation Peer Group, the Board of Directors upon recommendation of the Compensation Committee determined to leave the annual base salary unchanged at **€900,000** for 2023.

Short-term incentive - Annual performance bonus

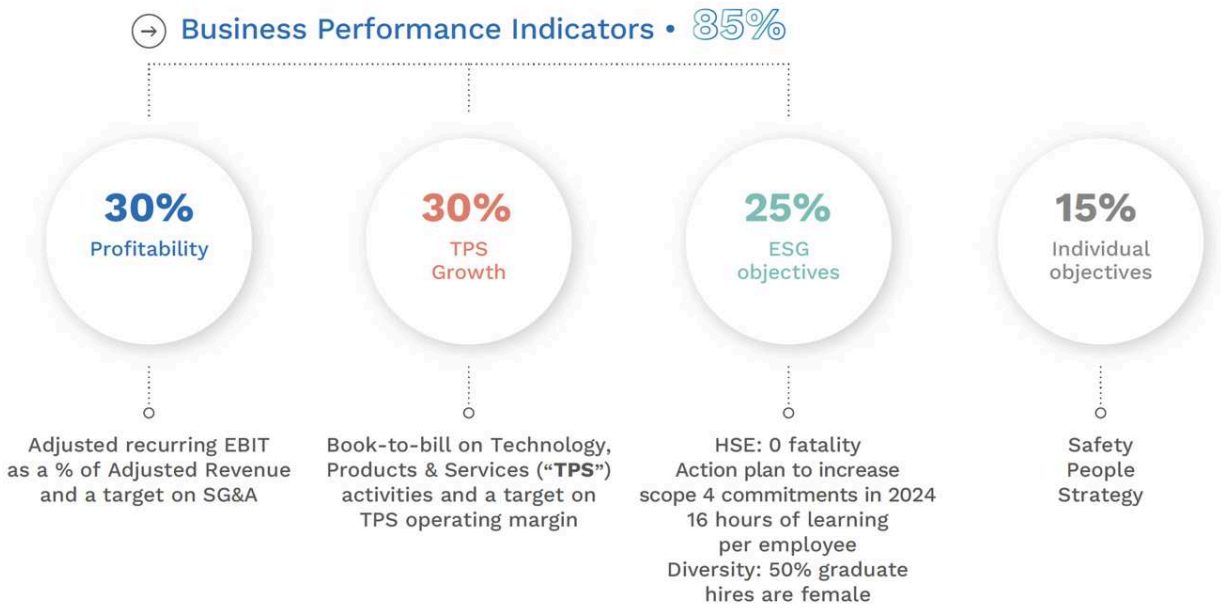
For 2023, Technip Energies decided to maintain the same structure for the short-term incentive - annual performance bonus, with Business Objectives comprising 85% and Individual Objectives 15%.

In addition, no changes were proposed to the maximum award, and no payout on any measure for below threshold performance.

1. Profitability: Adjusted Recurring EBIT and a target on SG&A (30% weighting, both measures equally weighted).
2. TPS Growth: Book-to-bill measure on the Technology, Products & Services business ("**TPS**") to monitor further sustainable revenue creation on the mid to long-term, and a target on TPS profit margin (30% weighting, both measures equally weighted).
3. ESG comprising a set of four indicators which reflect some of the main ESG priorities (25% weighting):
   - 5%: HSE – achieve 0 fatality in 2023;
   - 10%: build an action plan to increase Scope 4 commitments in 2024;
   - 5%: 16 hours of learning per permanent employees to sustain Technip Energies' upskilling ambitious program;
   - 5%: young graduates – 50% female in new graduate intake.
4. Individual objectives (15% weighting – below the proposed cap at 20% set in the revised Remuneration Policy) - For 2023, the focus will be on actively deploying Technip Energies' strategy as per the plan presented to and approved by the Board of Directors in December 2022, while further ensuring the development of future leaders to secure the succession of executive positions. Safety will remain a top priority, including a visible recognition of HSE at Technip Energies across the industry. Therefore, the individual objectives will be set, as in 2022, according to the three topics below:
   - Safety,
   - People,
   - Strategy.

The year-end outcomes will be adjusted for the impacts of any merger, acquisition or divestiture activities in year, to ensure a "like for like" assessment at the end of the year.

The 2023 annual performance bonus program will be determined as follows:



The payout curves whether pertaining to Business Performance Indicators or individual objectives remain unchanged from 2022 with zero payout for performance measured below threshold, 100% payout of annual base salary at target, and a maximum payout of 200% for maximum performance. The interpolation will be linear between these points.

The Compensation Committee has the discretion to amend the level of payment upward and downward within the limit of the policy if it is not deemed to reflect appropriately the individual's contribution or the overall business performance. Any use of this discretion power would be made public and duly justified in the corresponding Remuneration report.

Long-term incentive

To further align with market practices, more closely tie the Executive pay with the Company's long-term performance and respond to shareholders' feedback, the Compensation Committee has decided to eliminate Restricted Stock Units (RSUs) awards which are solely time based from the revised Remuneration Policy.

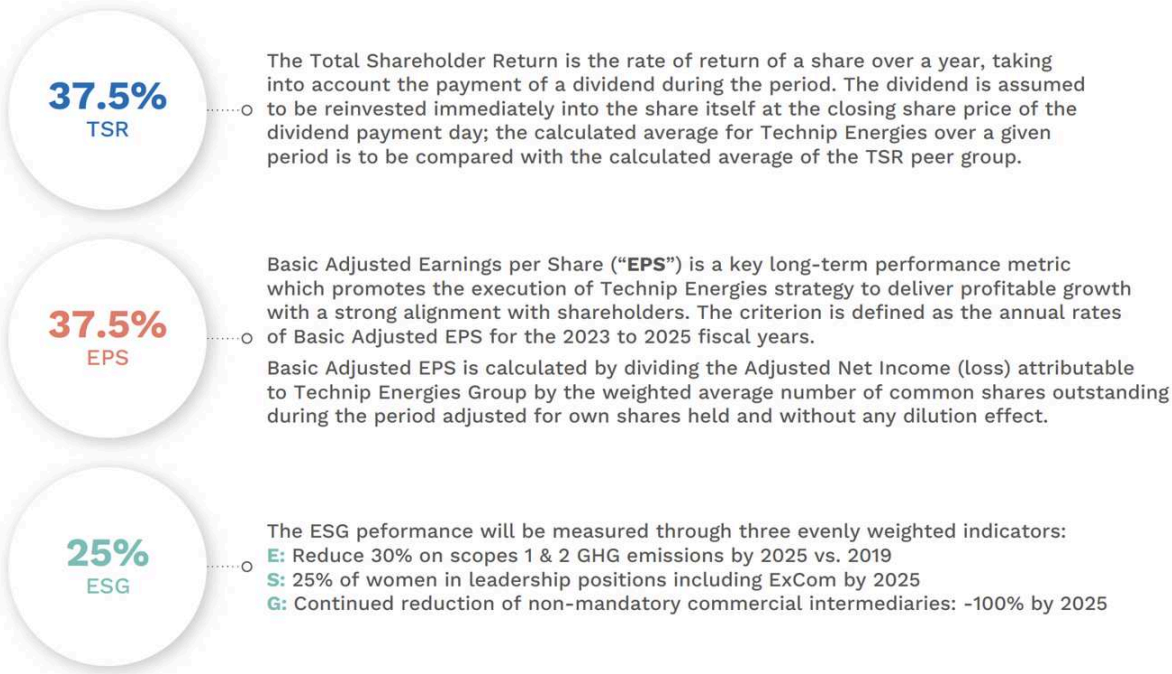
In addition, the maximum grant level of long-term incentive awards are being reduced from 600% to 450% of the annual base salary under the revised Remuneration Policy. This will include the value of the additional pension opportunity described in the next sentence.

The revised Remuneration Policy also introduces an option to provide for an additional Defined Contribution pension (Art. 82) without increasing the target remuneration package. This allows flexibility for considering a wider range of incentive mechanisms for Executive Directors.

The Compensation Committee believes these proposed changes demonstrate the extent to which the Board's values feedback from stakeholders, and will support the Company's overall performance, ambition and values and will contribute to long-term value creation for our Shareholders, while providing a fair and motivating package for Executive Directors.

When considering performance indicators for 2023, the Compensation Committee proposes no change to the indicators used. These measures remain appropriate for the future growth of the Company and allow consistency with outstanding awards. Therefore, the performance indicators for long-term incentive programs to be granted in 2023 will remain identical to those used in 2022. In addition, the Compensation Committee, after due consideration, decided to leave the TSR peer group unchanged for 2023.

The PSU indicators will consist of the following:



The payout curves will be also maintained as follows:

- The TSR curve provides zero reward for achievement below median and the maximum payout will remain capped at 200%;
- The EPS curve provides 100% payout at target performance with a maximum payout capped at 200%;
- Each ESG KPI will follow a curve capped at 100% at target and maximum performance.

The ESG indicators are part of the ESG Roadmap which lays out Technip Energies' commitments by the end of 2025.

The PSUs success rate will correspond to the result of the weighted average of TSR, EPS and ESG indicators respective performance.

The Compensation Committee can amend the performance indicators in exceptional circumstances. Any adjustment would be made public and duly justified in the corresponding Remuneration report.

Post-employment benefits and other arrangements

Pension

To ensure the attractiveness and sustainability of the Remuneration Policy in long run, it is proposed to introduce the option for an Executive Director to benefit from a supplementary Defined Contribution (DC) pension plan (25% of annual base salary). To avoid any increase in the total remuneration package, should this option be taken, the long-term incentive target nominal grant date value would be reduced from 275% to 250%.

DC Pension Plan (Art. 82)

As aforementioned, the Compensation Committee has decided to integrate a Defined Contribution (DC) pension element as an option for Executive Officers in the 2023 Remuneration Policy for a contribution value equivalent to 25% of the annual base salary. This decision reflects the ambition of the Compensation Committee to further converge towards the practice of its peers and more broadly with comparable listed companies. The Committee also sought to enhance the flexibility and improve the competitiveness of the remuneration package to maximize the opportunity for Technip Energies to onboard Executive talent from the broadest possible range.

This Defined Contribution (DC) pension plan will be anchored in the regulatory framework of the Article 82 of the French Tax Code. This plan will be carried by an independent insurance company.

Indemnities after termination and treatment of unvested awards

The termination conditions provide protection to the Company from potential legal and competition risks. In addition, it is an efficient tool for retaining the know-how of the Group which is key in a transitioning market.

The Committee reviewed these conditions in significant depth, given the leadership position the Company is building in energy transition markets, and the criticality to the future growth of the Company. Continuing the process of aligning our Remuneration Policy with our international peers and aiming to simplify it, the Compensation Committee intends to align loss of office and non-compete covenants to award an amount that cannot be greater than 12 months of the gross annual base salary and average gross annual bonus paid in the prior three years immediately preceding the termination.

The cumulated award of both loss of office and non-compete indemnities shall be capped at €3,000,000.

The Committee has considered both Dutch Code and French AFEP-MEDEF recommendations, and also market practices both within our Compensation Peer Group and more broadly with comparable listed companies, as advised by our Remuneration Consultant. The proposal seeks to balance all these inputs while allowing Technip Energies to remain competitive in the market.

The Board retains full discretion to settle the loss of office and non-compete covenants at any level below the cap proposed.

The Compensation Committee has decided to define further these terms as follows:

- Loss of office payment: the Board of Directors has the discretion to set the termination indemnity at an amount which represents up to one year of annual compensation (12 months of gross base salary + average gross annual bonus paid in the prior three years immediately preceding the termination) and to resolve to maintain unvested rights ie. according to the same terms and conditions at the time of their grant or to decide that unvested rights become fully vested (on a pro rata basis) according to the principles set forth in the revised Remuneration Policy.
- Non-compete clause: in line with the benchmark survey conclusions, the non-compete clause will cover a 12 month-period after the termination of the mandate. As a compensation, Technip Energies will pay an amount representing one year of annual compensation (12 months of gross base salary + average gross annual bonus paid in the prior three years immediately preceding the termination) to the Executive Director. The Board will decide whether to apply this clause and may decide to waive it.
- Cap for indemnities: as communicated by key stakeholders and as observed also among the peer companies, the Compensation Committee has set a €3,000,000 cap for the aggregate of the loss of office payment and the non-compete clause.
- Change of control clause - in case of a change of control, where an executive's services will terminate following completion, the Board of Directors may decide on the following:
  - maintain unvested rights ie. according to the same terms and conditions at the time of their grant; or
  - require the exchange of unvested rights with comparable rights of the acquiring company or merged company; or
  - decide that unvested rights become fully vested (on a pro rata basis) upon consummation of the change of control with relevant business performance indicators assessed at target; and
  - provide compensation equal to two years of annual compensation (12 months of gross base salary + average gross annual bonus paid in the prior three years immediately preceding the termination).

Other arrangements

Clawback clause

Pursuant to Dutch law, in the event of a material restatement of the Company's financial results, the Board of Directors will evaluate the circumstances and may, in its discretion, recover from any current or former Executive Officer or employee the portion of any variable performance-based compensation earned by that executive or employee during the periods materially affected by the restatement.

In accordance with Dutch law, if according to the principles of reasonableness and fairness, payment of a bonus would be unacceptable, the Board of Directors has the power to modify the level of the variable performance-based compensation, whether paid in the form of equity or cash, to an appropriate level. Under this Policy, if financial results are restated due to fraud or other intentional misconduct, such as violations of our Code of Conduct, dishonesty, willful misconduct, breach of fiduciary duty, conflict of interest, material failure or refusal to perform job duties in accordance with Company policies, material violation of Company policies that causes harm to the Company or its subsidiaries or other wrongful conduct of a similar nature and degree, the Board of Directors will review any variable performance-based or incentive compensation paid to executive officers who are found to be personally responsible for one of the behaviors listed above.

The Board of Directors will have authority under Dutch law to recover (clawback) from an Executive Director any variable remuneration awarded based on incorrect financial or other data.

Any activation of this clawback clause will be justified, detailed, and explained in the following Annual Report to ensure transparency and the requirement to serve the long-term interests and sustainability of the Company.

Sign-on bonus

In the event that an Executive Director is recruited externally, the Board retains the right to grant to the newly appointed executive a sign-on bonus. The Board will seek to make awards on a like-for-like basis to ensure that the value awarded would be no greater than the value forfeited by the individual. The sign-on bonus would be arranged to reflect the type, risk profile and the vesting horizon of the lost benefits. The Compensation Committee may also consider relocation expenses and other associated expenses when negotiating the employment conditions and setting the final amount of the sign-on bonus.

The sign-on bonus may take the form of stock options, shares, performance shares or a cash payment.

Any use of sign-on bonus will be justified, detailed, and explained in the following Remuneration Report to ensure the transparency and the requirement to serve the long-term interests and sustainability of the Company.

Employee Stock Ownership Program (ESOP)

The Compensation Committee resolved to cancel the eligibility of an Executive Director to participate in stock ownership programs applicable to all employees in the revised Remuneration Policy.

6.7.2. NON-EXECUTIVE DIRECTORS REMUNERATION

In 2021, the Compensation Committee proposed and the Non-Executives Directors approved, effective from March 1, 2022, modification to the remuneration of Non-Executive Directors in order to eliminate Restricted Stock Units and to provide for annual cash remuneration for Non-Executive Directors.

This elimination, applied in the frame of the current Remuneration Policy, will be embedded in the revised Remuneration Policy submitted to the vote of the Shareholders at the May 10, 2023, Annual General Meeting.

2023 – NON-EXECUTIVE DIRECTORS	
Chairperson annual retainer	€250,000
Board member annual retainer	€90,000
Annual Chair fee	€18,000 for Audit Committee €12,500 for Compensation Committee €12,500 for ESG Committee
Committee meeting fee	€3,000 per Committee meeting
The Compensation Committee will retain the discretion to modify the value of compensation, should this be considered appropriate. Where any discretion is exercised, the basis of this exercise will be disclosed in the next Remuneration Report. Each Non-Executive Director will be reimbursed for reasonable incidental expenses incurred in connection with the attendance of Board and Committee meetings.	

Board Members responsibility statement



7.



7.1. MANAGEMENT REPORT 244

7.2. CEO STATEMENT 244

7.3. FINANCIAL STATEMENTS 245

MANAGEMENT REPORT

Chapters 1., 2. Value creation, businesses and financial performance, 3. Sustainability, 4. Risk and Risk Management, 5. Corporate Governance, relevant parts of chapter 6 Remuneration report (Chair of compensation committee message, Technip Energies key practice in determining executive compensation, Responsiveness to stakeholders' feedback, as well as sections 6.1. Remuneration at a glance, 6.2. Main elements of the current remuneration policy, 6.3. The Compensation Peer Group, 6.4. Limitation on liability and indemnification matters, 6.5. Other arrangements, 6.6. Application of the remuneration policy in 2022), form the Management Report of Technip Energies N.V. within the meaning of section 2:391 of the Dutch Civil Code.

These chapters provide information on the business outlook, investments, financing, personnel and research and development of Technip Energies N.V. and of the companies included in the scope of consolidation as required by section 2:391(2) of the Dutch Civil Code and Dutch Accounting Standard 400.

CEO STATEMENT

The undersigned, Arnaud Pieton, in my capacity as Chief Executive Officer of Technip Energies hereby declares that:

"I am responsible for the design of the risk management and internal controls within Technip Energies. I am aware of risks Technip Energies can be confronted with. A broad range of processes and procedures have been implemented to provide control by management over Technip Energies' operations including internal risk management and control systems to identify and manage risks. I have reviewed the effectiveness of Technip Energies' internal risk management and control systems, in the form of reports of internal audit on reviews performed throughout the year, various assessments performed throughout the Company, including risk assessment by our corporate Treasury, Financing & Risk department and reports of Technip Energies' internal control function which monitors compliance with our procedures and updates these including to address the emergence of new risks.

All these processes and procedures are aimed at providing a reasonable level of assurance that we have identified and managed Technip Energies' significant risks, and that we meet our operational and financial objectives in compliance with applicable laws and regulations. For a detailed description of Technip Energies' internal enterprise risk management framework and the principal risks please refer to chapter 4 Risk and Risk Management.

Such internal risk management and control systems can never provide absolute assurance as to the realization of operational and strategic business objectives, nor can they prevent all misstatements, inaccuracies, errors, fraud and noncompliance with legislation, rules and regulations. These systems do not provide certainty that Technip Energies will achieve its objectives.

Based on the above and to the best of my knowledge I am of the opinion that the Management Report:

- provides sufficient insights into any deficiencies in the effectiveness of the internal risk management and control systems;
- the aforementioned systems provide reasonable assurance that Technip Energies' financial reporting does not contain any material errors;
- based on the current state of affairs, I am justified in stating that the financial reporting is prepared on a going concern basis; and
- the report states those material risks and uncertainties that are relevant to the expectation regarding Technip Energies' continuity for the period of twelve months after the preparation of the Management Report.

I have discussed the above opinion and conclusions with the Audit Committee, the Board and the external auditors."

Arnaud Pieton, Chief Executive Officer

Paris, France

March 10, 2023

FINANCIAL STATEMENTS

The undersigned Board members of Technip Energies N.V. being the persons responsible for the accounts of Technip Energies N.V. hereby declare that, to the best of our knowledge:

- the Technip Energies Group consolidated financial statements and the Technip Energies N.V. Company financial statements prepared in accordance with the applicable accounting standards give a true and fair view of the assets, liabilities, financial position and profit or loss of Technip Energies N.V. and of the companies included in the scope of consolidation and the Management Report included in this Annual Report provides a fair review of the state of affairs at December 31, 2022, of the development and performance during 2022 of Technip Energies N.V. and of the companies included in the scope of consolidation and a description of the principal risks that Technip Energies N.V. and such companies face.

Joseph Rinaldi, Arnaud Pieton, Arnaud Caudoux,

Colette Cohen, Marie-Ange Debon,

Simon Eyers, Alison Goligher,

Didier Houssin, Nello Uccelletti

Francesco Venturini

Paris, France

March 10, 2023

Annual accounts



8.



8.1. CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022 248

8.1.1. Consolidated statement of income 248

8.1.2. Consolidated statement of comprehensive income 249

8.1.3. Consolidated statement of financial position 250

8.1.4. Consolidated statement of cash flows 251

8.1.5. Consolidated statement of changes in equity 252

8.1.6. Notes to consolidated financial statements 252

8.2. TECHNIP ENERGIES COMPANY FINANCIAL STATEMENTS 315

8.2.1. Company balance sheet 315

8.2.2. Company income statement 316

8.2.3. General 316

8.2.4. Notes to the Company financial statements 318

8.2.5. Appropriation of result 332

8.3. INDEPENDENT AUDITOR'S REPORT 333

Report on the financial statements 2022 333

Report on the other information included in the Annual Report 339

Report on other legal and regulatory requirements and ESEF 339

Responsibilities for the financial statements and the audit 340

Appendix to our auditor's report on the financial statements 2022 of Technip Energies N.V. 341

8.1. CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

8.1.1. CONSOLIDATED STATEMENT OF INCOME

(In millions of €)	Note	December 31, 2022	December 31, 2021
Revenue	**4**	**6,282.3**	**6,433.7**
Costs and expenses			
Cost of sales	11	(5,398.0)	(5,521.4)
Selling, general and administrative expense	11	(327.4)	(300.7)
Research and development expense	11	(49.5)	(38.6)
Impairment, restructuring and other expense	5, 11	(1.4)	(32.0)
Other operating income (expense), net	6, 11	(2.1)	15.0
Operating profit (loss)		**503.9**	**556.0**
Share of profit (loss) of equity-accounted investees	9	78.1	33.1
Profit (loss) before financial expense, net and income tax		**582.0**	**589.1**
Financial income	10	48.0	16.6
Financial expense	10	(188.2)	(218.4)
Profit (loss) before income tax		**441.8**	**387.3**
Income tax (expense)/profit	13	(127.6)	(126.7)
Net profit (loss)		**314.2**	**260.6**
Net (profit) loss attributable to non-controlling interests		(13.5)	(16.0)
NET PROFIT (LOSS) ATTRIBUTABLE TO TECHNIP ENERGIES GROUP		**300.7**	**244.6**
EARNINGS (LOSS) PER SHARE ATTRIBUTABLE TO TECHNIP ENERGIES[1]			
Basic	7	€1.72	€1.37
Diluted	7	€1.68	€1.36

(1) For December 31, 2022 and 2021, basic earnings per share have been calculated using the weighted average number of outstanding shares of 175,111,076 and 178,573,624 respectively; and diluted earnings per share have been calculated using the weighted average number of 178,840,994 and 180,328,838 respectively.

8.1.2. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(In millions of €)	December 31, 2022	December 31, 2021
Net profit (loss)	**314.2**	**260.6**
Foreign currency translation differences	10.3	55.7
Reclassification adjustment for net gains included in net profit (loss)	0.6	—
Cash-flow hedge	14.7	(14.9)
Income tax effect	(6.4)	1.8
Other comprehensive income (loss) to be reclassified to statement of income in subsequent years	**19.2**	**42.6**
Actuarial gains (losses) on defined benefit plans	25.5	4.9
Income tax effect	(4.9)	(1.3)
Other comprehensive income (loss) not being reclassified to statement of income in subsequent years	**20.6**	**3.6**
Other comprehensive income (loss), net of tax	**39.8**	**46.2**
Comprehensive income (loss)	**354.0**	**306.8**
Comprehensive (income) loss attributable to non-controlling interest	(12.1)	(18.7)
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO TECHNIP ENERGIES GROUP	**341.9**	**288.1**

8.1.3. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(In millions of €)	Note	December 31, 2022	December 31, 2021
ASSETS			
Goodwill	14	2,096.4	2,074.4
Intangible assets, net	14	108.2	97.8
Property, plant and equipment, net	15	102.8	114.6
Right-of-use assets	16	221.7	251.9
Equity accounted investees	9	106.3	75.4
Deferred income taxes	13	140.6	178.0
Other non-current financial assets	17	101.6	66.2
Total non-current assets		**2,877.6**	**2,858.3**
Trade receivables, net	18	1,287.4	1,038.4
Contract assets	4, 18	343.2	331.8
Income taxes receivable		101.8	55.5
Advances paid to suppliers		267.3	154.5
Other current assets	17	337.6	302.2
Cash and cash equivalents	19	3,477.4	3,638.6
Total current assets		**5,814.7**	**5,521.0**
TOTAL ASSETS		**8,692.3**	**8,379.3**
EQUITY AND LIABILITIES			
Issued capital		1.8	1.8
Additional paid-in capital		941.6	941.6
Invested equity and retained earnings		886.1	655.1
Accumulated other comprehensive income (loss)		(58.6)	(99.8)
Treasury shares		(64.2)	(22.5)
Equity attributable to Technip Energies Group		**1,706.7**	**1,476.2**
Non-controlling interests		29.7	30.2
Total equity	**23**	**1,736.4**	**1,506.4**
Long-term debt, less current portion	22	595.3	594.1
Lease liability – non-current	22	195.1	236.9
Deferred income taxes – liabilities	13	22.7	13.0
Accrued pension and other post-retirement benefits, less current portion	24	100.9	127.7
Non-current provisions	25	56.0	60.7
Other non-current financial liabilities	20	50.3	64.2
Total non-current liabilities		**1,020.3**	**1,096.6**
Short-term debt	22	123.7	89.2
Lease liability – current	22	72.1	68.9
Accounts payable, trade	21	1,662.7	1,497.1
Contract liabilities	4	3,154.8	3,206.5
Accrued payroll		261.0	232.3
Income taxes payable		68.4	80.8
Current provisions	25	126.3	90.5
Other current liabilities	20	466.6	511.0
Total current liabilities		**5,935.6**	**5,776.3**
Total liabilities		**6,955.9**	**6,872.9**
TOTAL EQUITY AND LIABILITIES		**8,692.3**	**8,379.3**

8.1.4. CONSOLIDATED STATEMENT OF CASH FLOWS

(In millions of €)	Note	December 31, 2022	December 31, 2021
CASH PROVIDED (REQUIRED) BY OPERATING ACTIVITIES			
Net profit (loss)		314.2	260.6
Adjustments to reconcile net profit to cash provided (required) by operating activities			
Depreciation and amortization	11	127.8	116.9
Employee benefit plan and share-based compensation	8, 25	27.6	29.9
Tax expense	13	127.6	126.7
Net finance costs	10	140.2	201.8
Impairments	5	12.7	0.1
Share of profit (loss) of equity-accounted investees, net of dividends received	9	(25.3)	(33.1)
Income tax paid		(128.9)	(116.3)
Interest received (paid)		18.4	(10.7)
Other		0.7	(34.1)
Changes in operating assets and liabilities			
Trade receivables, net	18	(274.8)	147.3
Contract assets	4	45.9	(72.4)
Inventories, net		(4.7)	0.1
Accounts payable, trade	21	152.4	118.4
Contract liabilities	4	(174.3)	150.9
Other current assets and liabilities, net	17, 20	(159.1)	60.5
Change in working capital		**(414.6)**	**404.8**
Other non-current assets and liabilities, net	17, 20	(16.0)	(12.2)
Cash provided by operating activities		**184.4**	**934.4**
CASH PROVIDED (REQUIRED) BY INVESTING ACTIVITIES			
Acquisition of property, plant, equipment and intangible assets		(46.7)	(49.6)
Acquisition of financial assets		(11.5)	(1.6)
Acquisition of subsidiary, net of cash acquired	2	—	(2.0)
Proceeds from disposal of intangible and tangible assets		—	0.1
Other		0.6	0.1
Cash required by investing activities		**(57.6)**	**(53.0)**
CASH PROVIDED (REQUIRED) BY FINANCING ACTIVITIES			
Net increase (repayment) in long-term and short-term debt	22	32.9	588.0
Net decrease in commercial paper	22	—	(313.0)
Payments for the principal portion of lease liabilities		(78.1)	(70.4)
Purchase of treasury stock	23	(53.5)	(20.0)
Liquidity contract	23	—	(9.0)
Dividends paid to shareholders	23.2	(79.0)	—
Dividends paid to non-controlling interests		(12.0)	—
Settlements of mandatorily redeemable financial liability	20	(206.6)	(256.0)
Net proceeds from (repayment of) loans from TechnipFMC		—	54.7
Net (distributions to) / contributions from TechnipFMC		—	(532.9)
Cash provided (required) by financing activities		**(396.3)**	**(558.6)**
Effect of changes in foreign exchange rates on cash and cash equivalents		108.3	126.1
(Decrease) Increase in cash and cash equivalents		**(161.2)**	**448.9**
Cash and cash equivalents, beginning of period		**3,638.6**	**3,189.7**
CASH AND CASH EQUIVALENTS, END OF PERIOD		**3,477.4**	**3,638.6**

8.1.5. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(In millions of €)	Issued capital	Additional paid-in capital	Invested equity and retained earnings	Accumulated other comprehensive income (loss)	Treasury shares	Equity attributable to Technip Energies	Non-controlling interests	Total equity
Balance as of December 31, 2020	**—**	**—**	**1,993.9**	**(184.1)**	**—**	**1,809.8**	**16.0**	**1,825.8**
Net profit (loss)	—	—	244.6	—	—	244.6	16.0	260.6
Other comprehensive income (loss)	—	—	—	43.5	—	43.5	2.7	46.2
Net (distributions to) / contributions from TechnipFMC	1.8	941.6	(1,599.6)	40.8	—	(615.4)	(3.8)	(619.2)
Share-based compensation	—	—	29.1	—	—	29.1	—	29.1
Treasury shares	—	—	—	—	(22.5)	(22.5)	—	(22.5)
Other	—	—	(12.9)	—	—	(12.9)	(0.7)	(13.6)
Balance as of December 31, 2021	**1.8**	**941.6**	**655.1**	**(99.8)**	**(22.5)**	**1,476.2**	**30.2**	**1,506.4**
Net profit (loss)	—	—	300.7	—	—	300.7	13.5	314.2
Other comprehensive income (loss)	—	—	—	41.2	—	41.2	(1.4)	39.8
Dividends	—	—	(79.0)	—	—	(79.0)	(12.0)	(91.0)
Share-based compensation	—	—	16.7	—	—	16.7	—	16.7
Treasury shares	—	—	(8.5)	—	(41.7)	(50.2)	—	(50.2)
Other	—	—	1.1	—	—	1.1	(0.6)	0.5
BALANCE AS OF DECEMBER 31, 2022	**1.8**	**941.6**	**886.1**	**(58.6)**	**(64.2)**	**1,706.7**	**29.7**	**1,736.4**

8.1.6. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The accompanying notes are an integral part of the consolidated financial statements.

As used herein, “Technip Energies Group”, “Technip Energies”, “the Group” or “the Company” refers to Technip Energies N.V. and all the companies included in the scope of consolidation. “Technip Energies N.V.” refers only to the parent company of the Group.

Contents of notes

Note 1.	Accounting principles	254
Note 2.	Changes in the scope of consolidation	271
Note 3.	Segment information	272
Note 4.	Revenue	273
Note 5.	Impairment, restructuring and other expense	275
Note 6.	Other operating income (expense), net	275
Note 7.	Earnings per share	276
Note 8.	Share-based compensation	276
Note 9.	Investment in equity affiliates, joint ventures and other construction project entities	278
Note 10.	Financial income (expense)	279
Note 11.	Expenses by nature	280
Note 12.	Payroll staff	280
Note 13.	Income tax	280
Note 14.	Goodwill and intangible assets, net	283
Note 15.	Property, plant and equipment	284
Note 16.	Leases	286
Note 17.	Other assets (non-current and current)	287
Note 18.	Trade receivables, net and contract assets	288
Note 19.	Cash and cash equivalents	288
Note 20.	Other liabilities (non-current and current)	289
Note 21.	Accounts payable, trade	289
Note 22.	Debt (long and short-term)	289
Note 23.	Shareholder's equity	291
Note 24.	Pensions and other long-term employee benefits plans	293
Note 25.	Provisions (non-current and current)	296
Note 26.	Financial instruments	297
Note 27.	Related party transactions	301
Note 28.	Market-related exposure	303
Note 29.	Commitments and contingent liabilities	306
Note 30.	Auditor's remuneration	307
Note 31.	Companies included in the scope of the consolidated financial statements	308
Note 32.	Subsequent events	314

Note 1. Accounting principles

1.1. Background

Technip Energies is incorporated as a public limited liability company (*naamloze vennootschap*) operating under the laws of the Netherlands.

The legal and commercial name of Technip Energies is Technip Energies N.V. It is registered with the Dutch Chamber of Commerce under number 76122654. Technip Energies N.V. has its corporate seat *(statutaire zetel)* in Amsterdam, the Netherlands and its principal place of business is at 2126, boulevard de la Défense, CS 10266, 92741 Nanterre Cedex, France (RCS Nanterre 879 464 584).

On January 31, 2021, TechnipFMC's entire Onshore/Offshore business segment (including Genesis, Loading Systems and Cybernetix), was contributed to Technip Energies. On February 16, 2021, TechnipFMC distributed by way of a special dividend 50.1% of Technip Energies N.V. shares (the "**shares**"), held by TechnipFMC to the shareholders of TechnipFMC, with TechnipFMC retaining 49.9% of Technip Energies' shares (the "**Spin-off**"). Between February 16, 2021 and April 2022, TechnipFMC progressively sold its residual interest in Technip Energies. In April 2022, TechnipFMC sold the remaining 4 million Technip Energies' shares it still held at that time and consequently has now fully exited its position in Technip Energies.

Technip Energies has prepared consolidated financial statements in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and adopted by the European Union ("**EU**") pursuant to Regulation (EC) No 1606/2002 for financial year 2022. These financial statements include comparative information from Technip Energies' consolidated financial statements for 2021. Information for these periods constitute the Technip Energies Group's consolidated financial statements as of December 31, 2022.

1.2. Business description

As one of the largest engineering and technology ("**E&T**") companies by revenue, the Technip Energies Group offers a full range of design and project development services to its customers spanning the downstream value chain, from early engagement technical consulting through final acceptance testing.

The Group's core purpose is to combine its E&T capabilities to bring forth new energy solutions and provide applications for the world's energy transition.

The Group's business focuses on the study, engineering, procurement, construction, and project management of the entire range of onshore and offshore facilities related to gas monetization, ethylene, hydrogen, refining, and chemical processing from biofuels and hydrocarbons. Technip Energies conducts large-scale, complex, and challenging projects often in environments with extreme climatic conditions. The Group relies on early engagement and front-end design as well as technological know-how for process design and engineering, either through the integration of technologies from its own proprietary technologies or through alliance partners. Technip Energies seeks to integrate and develop advanced technologies and reinforce the Group's project execution capabilities.

The Technip Energies Group believes that it is differentiated from its competitors by its ability to offer clients a comprehensive portfolio of technologies, products, projects, and services. The Group's capabilities span from feasibility studies, consulting services, process technology know-how, proprietary equipment, and project management to full engineering and construction. The Group's expertise in integrating process technologies, either proprietary or from third-party licensors, fosters early project engagement, with a significant impact on project economics.

The Group partners with some of the world's most well-known players in oil and gas for technologies, equipment and construction worldwide. Additionally, the Group's project management consulting services leverage its expertise in the management of complex projects to the benefit of its clients.

1.3. Basis of preparation

The Technip Energies Group's consolidated financial statements as of December 31, 2022, are prepared under the presentation, recognition and measurement rules set out in the IFRS published by the IASB and approved by the EU for application as of December 31, 2022.

The Group has not opted for early application of standards and interpretations that were not yet mandatory in 2022, except amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12", applied in its December 31, 2021 consolidated financial statements, notably on the accounting of deferred taxes on IFRS 16 "Leases" effects.

The consolidated financial statements are presented in millions of euros, and all values are rounded to the nearest thousand, unless otherwise specified.

The consolidated financial statements were prepared under the responsibility of and approved by the Board of Directors on March 10, 2023.

1.4. Going concern

As required by IAS 1 "Presentation of Financial Statements", in determining the basis of preparation for the consolidated financial statements, we have considered the Company's business activities, together with the factors likely to affect its future development, performance and position to assess whether the Company may adopt the going concern basis in preparing its consolidated financial statements.

Operating activities

The Group continues to actively monitor the evolution of the conflict in Ukraine, the volatility in commodity prices and their impacts on business activity and financial reporting. Whilst the situation is uncertain and evolving, the Company has modelled potential severe but plausible impacts on revenues, profits and cash flows in its assessment.

Since the beginning of Russia's invasion of Ukraine in February of 2022, Technip Energies has been taking all appropriate measures to protect its people, had ceased working on new opportunities in Russia and has been carrying any residual activities connected to Russia in compliance with all applicable laws, including the various trains of sanctions that have been adopted by the European Union, the United States, and other countries.

European Union sanctions targeting goods and technology related to LNG have had a direct impact on the execution of Technip Energies only active project in Russia – Arctic LNG 2. The Company has been working with its client, partners, and suppliers within the relevant contractual frameworks to take appropriate measures in connection with Arctic LNG 2.

Discussions with the client have resulted in the signing of an Exit Framework Agreement in the third quarter of 2022.

The Group is currently implementing the terms of this agreement and anticipates completing this process in the first half of 2023. The orderly exit from Arctic LNG 2 in Russia is thus progressing well. All operational personnel have been demobilized from the project during 2022.

The Group does not expect any negative net financial exposure as a result of our exit from Arctic LNG 2.

As of December 31, 2022, approximately €1.3 billion relating to Arctic LNG 2 was removed from total company backlog, which results from sanctioned work that has been suspended, and is in line with the Group's ongoing orderly exit discussions. This was a significant factor in backlog decreasing by 22% year-over-year from €15.9 billion as of December 31, 2021, to €12.5 billion as of December 31, 2022. Despite this reassessment, the level of backlog still provides a high multi-year visibility to the Company.

Based on the above, the Technip Energies Group's management considers that the Company has sufficient resources (including the unused capacity of the Revolving Facility and commercial paper program as referred to in Note 2.3.5 Liquidity and capital resources) to continue in operational existence for the foreseeable future and that there are no material uncertainties about the Company's ability to continue as a going concern. For this reason, Technip Energies continues to adopt the going concern basis in preparing the consolidated financial statements. The conflict in Ukraine and the sanctions imposed against Russia and Belarus as well as the evolution of macroeconomic conditions were considered as part of this assessment and are discussed more in detail in Note 1.8. Other sources of estimation uncertainty.

1.5. Changes in accounting policies and disclosures

a. IFRS standards, amendments and interpretations effective as of January 1, 2022

Reference to the Conceptual Framework - Amendment to IFRS 3

In May 2020, the IASB issued amendments to IFRS 3. The amendments are intended to replace a reference to a previous version of the IASB's Conceptual Framework. These amendments add an exception to the recognition principle of IFRS 3 to avoid the issue of potential "day 2" gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 and IFRIC 21 if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date. At the same time, the amendments add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

Property, Plant & Equipment: Proceeds before Intended Use – Amendments to IAS 16

The amendments prohibit entities from deducting from the cost of an item of property, plant and equipment (PP&E), any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing them, in the income statement.

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

Annual improvements to IFRS standards 2018-2020

As part of its process to make non-urgent but necessary amendments to IFRS Standards, the IASB has issued the Annual Improvements to IFRS Standards 2018–2020. Annual improvements make minor amendments to:

- IFRS 1 First-time adoption of IFRS;
- IFRS 9 Financial instruments;
- IAS 41 Agriculture;
- IFRS 16 Leases.

IFRIC decisions 2022

The IFRS Interpretation committee has reached the following decisions:

- TLTRO III Transactions (IFRS 9 and IAS 20);
- Demand deposits with restrictions on use arising from a contract with a third party (IAS 7);
- Principal versus agent: software reseller (IFRS 15);
- Negative low-emission vehicle credits (IAS 37);
- Special purpose acquisition companies (SPAC): Classification of public shares as financial liabilities or equity (IAS 32);
- Transfer of insurance coverage under a group of annuity contracts (IFRS 17);
- Multi-currency groups of insurance contracts (IFRS 17 and IAS 21);
- Special purpose acquisition companies (SPAC): Accounting for warrants at acquisition;
- Lessor forgiveness of lease payments (IFRS 9 and IFRS 16);
- Definition of a lease-substitution rights (IFRS 16 leases).

The above-mentioned new interpretations and amendments effective on January 1, 2022, did not have a significant impact on the Company's consolidated financial statements.

b. Published IFRS standards, amendments and interpretations not yet effective or early adopted by the Group

Norm	Effective date	Statement
Classification of Liabilities as Current or Non-Current – Amendments to IAS 1	The IASB has issued an exposure draft proposing the deferral of the amendments until at least January 1, 2024	The amendment clarifies: ■ what is meant by a right to defer settlement, ■ that a right to defer must exist at the end of the reporting period, ■ that classification is unaffected by the likelihood that an entity will exercise its deferral right, ■ that only if an embedded derivative in a convertible liability is itself an equity instrument, would the terms of a liability not impact its classification.
Non-current Liabilities with Covenants - Amendments to IAS 1	Jan 1, 2024	The amendments to IAS 1 improved the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants. The amendments also responded to stakeholders' concerns about the classification of such a liability as current or non-current.
Definition of Accounting Estimates – Amendments to IAS 8	Jan 1, 2023	The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. The effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior periods' errors. The previous definition of a change in accounting estimates may result from new information or developments. Therefore, such changes are not corrections of errors.
Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2	Jan 1, 2023	The amendments aim to help entities provide more useful accounting policy disclosures by replacing the requirement to disclose their "significant" accounting policies with their "material" accounting policies, and by adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.
IFRS 17 Insurance contracts	Jan 1, 2023	In May 2017, the IASB issued IFRS 17 Insurance Contracts, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts.
Sale or contribution of assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28	Effective application date is indefinitely postponed	The amendments address the conflict between IFRS 10 Consolidated financial statements and IAS 28 Investments in Associates and Joint Ventures in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in IFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.
Lease liability in a Sale and Leaseback - Amendments to IFRS 16	Jan 1, 2024	The amendment to IFRS 16 specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.

New standards, interpretations or amendments effective on January 1, 2023 and 2024 were not early adopted by Technip Energies. The Group does not currently anticipate any material impact to result from these new standards, amendments and interpretations.

1.6. Summary of significant accounting policies

a. Consolidation principles

In accordance with IFRS 10 "consolidated financial statements" ("**IFRS 10**"), the Group's consolidated financial statements include the financial statements of Technip Energies N.V. and subsidiaries controlled by Technip Energies (including structured entities).

Technip Energies controls an entity where the Group has all the following:

- The power over the company subject to the investment;
- An exposure or rights to the company's variable returns; and
- The ability to use its power over the entity to affect these returns.

The power to direct the activities of the entity usually exists when holding more than 50% of voting rights in the entity and these rights are substantive.

As per IFRS 11 "Joint Arrangements" ("**IFRS 11**"), joint arrangements could be classified as joint ventures or joint operations. Joint operations should be recognized to the extent of Technip Energies' assets and its liabilities, including its share of any assets held jointly or liabilities incurred jointly.

The equity method is used for joint ventures and for investments over which Technip Energies exercises a significant influence on operational and financial policies. Unless otherwise indicated, such influence is deemed to exist for investments in companies in which the Group's ownership is between 20% and 50%.

Companies in which the Group's ownership is less than 20% or which do not represent material investments are recorded under "Other non-current financial assets".

The list of Technip Energies' related undertakings as of December 31, 2022 is provided in Note 31. Companies included in the scope of the consolidated financial statements.

The main affiliates of Technip Energies close their accounts as of December 31 and all consolidated companies apply Group's accounting policies as set in the Group Accounting Manual.

All intercompany balances and transactions, as well as internal income and expenses, are fully eliminated.

Subsidiaries are consolidated as of the date of acquisition, being the date on which Technip Energies obtains control, and continue to be consolidated until the date control ceases.

b. Recognition of revenue from customer contracts

Technip Energies accounts for revenue in accordance with IFRS 15 "Revenues from Contracts with Customers" ("**IFRS 15**"). Revenue is measured based on the consideration specified in a contract with a customer. Most of our revenue is from long-term contracts associated with designing and manufacturing products and systems and providing services to customers involved in exploration and production of crude oil and natural gas. The Technip Energies Group recognizes revenue when or as it transfers control over a good or service to a customer.

Contract modifications – Contracts are often modified to account for changes in contract specifications and requirements. The Group considers contract modifications to exist when the modification either creates new, or changes the existing, enforceable rights and obligations. Most of the Group's contract modifications are for goods or services that are not distinct from the existing contract due to the significant integration service provided in the context of the contract and are accounted for as if they were part of that existing contract. The effect of a contract modification on the transaction price and our measure of progress for the performance obligation to which it relates is recognized as an adjustment to revenue (either as an increase in or a reduction of revenue) on a cumulative catch-up basis.

Variable consideration – Due to the nature of the work required to be performed on many existing performance obligations, the estimation of total revenue and cost at completion is complex, subject to many variables and requires significant judgment. It is common for long-term contracts to contain variable considerations that can either increase or decrease the transaction price. Variability in the transaction price arises primarily due to liquidated damages. The Technip Energies Group considers its experience with similar transactions and expectations regarding the contract in estimating the amount of variable consideration to which it will be entitled and determining whether the estimated variable consideration should be constrained. We include estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved. The estimates of variable consideration are based largely on an assessment of anticipated performance and all information (historical, current and forecasted) that is reasonably available to Technip Energies.

Payment terms – Progress billings are generally issued upon completion of certain phases of the work as stipulated in the contract. Payment terms may either be fixed, lump-sum or driven by time and materials (i.e., daily or hourly rates, plus materials). Because typically the customer retains a small portion of the contract price until completion of the contract, contracts generally result in revenue recognized in excess of billings which we present as contract assets on the statement of financial position. Amounts billed and due from customers are classified as receivables on the statement of financial position. The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component because the intent is to protect the customer. For some contracts, the Technip Energies Group may be entitled to receive an advance payment. The Technip Energies Group recognizes a liability for these advance payments in excess of revenue recognized and presents them as contract liabilities on the statement of financial position. The advance payment typically is not considered a significant financing component because it is used to meet working capital demands that can be higher in the early stages of a contract and to protect us from the other party failing to adequately complete some or all of its obligations under the contract.

Warranty – Certain contracts include an assurance-type warranty clause, typically between 18 and 36 months, to guarantee that the products comply with agreed specifications. A service-type warranty may also be provided to the customer; in such a case, management allocates a portion of the transaction price to the warranty as a separate performance obligation based on the estimated stand-alone selling price of the service-type warranty.

Allocation of transaction price to performance obligations – A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue, when, or as, the performance obligation is satisfied. To determine the proper revenue recognition method, the Group evaluates whether two or more contracts should be combined and accounted for as one single contract and whether the combined or single contract should be accounted for as more than one performance obligation. This evaluation requires significant judgment; some of the Group's contracts have a single performance obligation as the promise to transfer the individual goods or services is not separately identifiable from other promises in the contracts and, therefore, not distinct. For contracts with multiple performance obligations, Technip Energies allocates the contract's transaction price to each performance obligation using its best estimate of the standalone selling price of each distinct good or service in the contract.

Cost-to-cost method – For long-term contracts, because of control transferring over time, revenue is recognized based on the extent of progress towards completion of the performance obligation. The cost-to-cost measure of progress for contracts is generally used because it best depicts the transfer of control to the customer which occurs as costs on the contracts are incurred. Under the cost-to-cost measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated fees or profits, are recorded proportionally as costs are incurred. Any expected losses on contracts in progress are charged to earnings, in total, in the period the losses are identified.

Right to invoice practical expedient – The right-to-invoice practical expedient can be applied to a performance obligation satisfied over time if we have a right to invoice the customer for an amount that corresponds directly to the value transferred to the customer for performance completed to date. When this practical expedient is used, variable consideration is not estimated at the inception of the contract to determine the transaction price or for disclosure purposes. Certain contracts have payment terms dictated by daily or hourly rates while other contracts may have mixed pricing terms that include a fixed fee portion. For contracts in which the customer is charged a fixed rate based on the time or materials used during the project that correspond to the value transferred to the customer, the Technip Energies Group recognizes revenue in the amount it has the right to invoice.

Significant financing component – certain contracts could include a period between the transfer of the promised goods or services to the customer and the payment received from the customer. If this period exceeds one year, the time value is assessed and the transaction price could be adjusted if the identified financing component is considered significant.

c. Foreign currency transactions

The items of each of the Group's subsidiaries included in these consolidated financial statements are measured using the currency of the main economic environment in which the entity operates, which mainly affects revenue and expenses ('functional currency'). The consolidated financial statements are presented in euros, which is Technip Energies N.V.'s functional currency.

Foreign currency transactions are translated into the functional currency at the exchange rate applicable on the transaction date.

At the closing date, monetary assets and liabilities stated in foreign currencies are translated into the functional currency at the exchange rate prevailing on that date. Resulting exchange gains or losses are directly recorded in the statement of income (for further details, refer to Note 6. Other operating income (expense), net, except exchange gains or losses on cash accounts eligible for future cash flow hedging and for hedging on net foreign currency investments.

Translation of financial statements of subsidiaries in foreign currency – The statements of income of foreign subsidiaries are translated into euro at the average exchange rate prevailing during the year. The statements of financial position are translated at the exchange rate at the closing date. Differences arising in the translation of financial statements of foreign subsidiaries are recorded in other comprehensive income (loss) as foreign currency translation reserve. Items that are recognized directly in equity are translated using historical rates. The functional currency of the foreign subsidiaries is most commonly the local currency.

d. Business combinations

Business combinations are accounted for using the acquisition method of accounting. Under the acquisition method, assets acquired and liabilities assumed are recorded at their respective fair values as of the acquisition date. Determining the fair value of assets and liabilities involves significant judgment regarding methods and assumptions used to calculate estimated fair values. The purchase price is allocated to the assets acquired, including identifiable intangible assets, and liabilities based on their estimated fair values. Any excess of the purchase price over the estimated fair value of the net assets acquired is recorded as goodwill. Identifiable assets are depreciated over their estimated useful lives.

Acquisition-related costs are expensed as incurred and included in the statement of income line item "Selling, general and administrative expenses".

Adjustments recorded for a business combination on the provisional values of assets, liabilities and contingent liabilities are recognized as a retrospective change in goodwill when occurring within a 12-month period after the acquisition date and resulting from facts or circumstances that existed as of the acquisition date. After this measurement period ends, any change in valuation of assets, liabilities and contingent liabilities is accounted for in the statement of income, with no impact on goodwill.

e. Separation costs

Separation costs are expensed as incurred and include fees and expenses associated with the separation transaction ("**the Spin-off**"). The costs include legal and tax advice expenses, consulting services and other separation activities related costs. Separation costs are included in the consolidated statement of income line "Impairment, restructuring and other expenses". There were no separation-related costs incurred in the financial year 2022.

f. Segment information

Information by operating segment

IFRS 8 – Operating Segments requires to determine operating segments based on information which is provided internally to the Chief Operating Decision Maker ("**CODM**").

In the periods presented here, the Chief Executive Officer reviewed and evaluated the Technip Energies Group operating performance to make decisions about resource to be allocated and has been identified as the CODM. Utilizing the internal reporting information provided to the CODM, the Technip Energies Group has changed, in 2021, the structure of its internal organization and defined two segments designated as Project Delivery and Technology, Products & Services.

The corresponding definitions are disclosed as follows:

- Project Delivery: the Project Delivery segment provides comprehensive engineering, procurement and construction delivery capabilities globally. The Company's key capabilities leverage its operational and technical excellence as a global provider of engineering, procurement and construction ("**EPC**") services for onshore oil and gas; liquid natural gas ("**LNG**") and gas to liquids ("**GTL**"), oil refining, ethylene, petrochemicals, chemicals, fertilizers, offshore oil and gas (shallow-water, deep-water) with floating solutions (floating production units ("**FPUs**"), Floating production storage and offloading ("**FPSO**"), floating liquefied natural gas ("**FLNG**") and floating storage and regasification unit ("**FSRU**"). EPC contracts are undertaken under various contractual schemes and include fixed lump-sum, reimbursable and hybrid contracting models based on selectivity and risk assessment work carried out by Technip Energies' teams during the early engagement phases.
- Technology, Products & Services: the activities within the Company's Technology, Products & Services businesses are more versatile, combining proprietary technologies with associated licensing fees and equipment such as LNG Loading Arms and associated knowledge-based services into a global business for ethylene, refining, petrochemicals, inorganic and specialty chemicals as well as gas monetization. From technology definition, early engagement through scope definition, advanced technologies and project lifecycle support, Technip Energies works closely with customers to provide the optimal approach to maximize their return on investment. Consulting and services may be provided under the Company's specialist consulting brand, Genesis, or through the Group's project management consulting or engineering services businesses.
- Corporate / non allocable: corresponds to the unallocated items in the two segments above.

Disaggregation of revenue

The Technip Energies Group disaggregates its revenue by the following geographic regions:

- Europe & Russia;
- Africa & Middle East;
- Asia Pacific; and
- Americas.

The geographical breakdown is based on the contract delivery within the specific country. Geographical areas are defined considering risks associated to activities performed in a given area, economic framework or monetary risks.

g. Earnings per share

As per IAS 33 "Earnings per Share" ("**IAS 33**"), Earnings Per Share ("**EPS**") are based on the average number of outstanding shares over the year, after deducting treasury shares.

Diluted earnings per share amounts are calculated by dividing the net profit of the year, restated if need be for the after-tax financial cost of dilutive financial instruments, by the sum of the weighted average number of outstanding shares, the weighted average number of share subscription options not yet exercised, the weighted average number of performance shares granted calculated using the share purchase method, and, if applicable, the effects of any other dilutive instrument.

In accordance with the share purchase method, only dilutive instruments are used in calculating EPS. Dilutive instruments are those for which the option exercise price plus the future share-based compensation expense not yet recognized is lower than the average share price during the EPS calculation period.

h. Goodwill

Goodwill is measured at the acquisition date as the total of the fair value of consideration transferred, plus the proportionate amount of any non-controlling interest, plus the fair value of any previously held equity interest in the acquiree, if any, less the net recognized amount (generally at fair value) of the identifiable assets acquired and liabilities assumed.

Goodwill is allocated to cash-generating units that are expected to benefit from the business combination in which the goodwill arose and in all cases is at the operating segment level, which represents the lowest level at which goodwill is monitored for internal management purposes.

Goodwill is not amortized but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

i. Property, plant and equipment

In compliance with IAS 16 "Property, plant and equipment" ("**IAS 16**"), an asset is recognized only if the cost can be measured reliably and if future economic benefits are expected from its use.

Property, plant and equipment could be initially recognized at cost or at their fair value in case of business combinations.

As per IAS 16, the Technip Energies Group uses different depreciation periods for each of the significant components of a single property, plant and equipment asset where the useful life of the component differs from that of the main asset. Below are the useful lives most commonly applied by the Technip Energies Group on a straight-line basis:

- Buildings: 10 to 60 years;
- IT Equipment: 3 to 5 years;
- Machinery and Equipment: 3 to 20 years;
- Office Fixtures: 5 to 10 years.

If the residual value of an asset is material and can be measured, it is taken into account in calculating its depreciable amount.

On a regular basis, the Technip Energies Group reviews the useful lives of its assets. That review is based on the effective use of the assets.

Depreciation costs are recorded in the statement of income as a function of the fixed assets' use, split between the following line items: cost of sales, research and development expense, selling, general and administrative expenses.

In accordance with IAS 36 – Impairment of Assets, the carrying value of property, plant and equipment is reviewed for impairment whenever internal or external events indicate that there may be impairment, in which case, an impairment test is performed.

j. Leases

Technip Energies mainly leases real estate assets such as offices buildings and residential housing.

The standard requires that payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. In practice, given the structure of the Group's financing all of which is held by Technip Energies N.V. or T.EN Eurocash SNC, the discount rate used to determine the right-of-use asset and the lease liability for each leased asset is calculated based on the incremental borrowing rate of the Group at inception of the lease. Technip Energies calculated the rate applicable to each lease contract on the basis of the lease duration.

Technip Energies Group determines if an arrangement is a lease at inception by assessing whether an identified asset exists and if the Group has the right to control the use of the identified asset. Leases are included in right-of-use assets, lease liabilities (non-current and current on the statement of financial position). Right-of-use assets represent the right to use an underlying asset for the lease term and lease liabilities represent Technip Energies obligation to make lease payments arising from the lease. Right-of-use assets and lease liabilities are recognized at the commencement date based on the present value of the remaining lease payments over the lease term. The right-of-use assets also include any lease prepayments made and exclude lease incentives the Group received from the lessor. Depreciation of right-of-use assets is recognized on a straight-line basis over the lease term.

The lease term generally used to calculate the liability is the term of the initially negotiated lease, not taking into account any early termination options, except in special circumstances. When leases contain extension options, the term used for the calculation of the liability may include these periods, mainly when the anticipated period of use of the fixed assets, whether under a new or existing lease, is greater than the initial contractual lease term.

The Group has variable lease payments, including adjustments to lease payments based on an index or rate (such as the Consumer Price Index) and fair value adjustments to lease payments. Variable lease payments that depend on an index or a rate (such as the Consumer Price Index or a market interest rate) are included when measuring initial lease liability of the lease arrangements using the payments' base rate or index. The Group remeasures the lease liability when there is a change in future lease payments resulting from a change in such index or rate.

Short-term leases with an initial term of 12 months or less that do not include a purchase option and leases of low-value assets (referring mainly to IT equipment e.g. laptops and mobile phones) are not recorded on the statement of financial position.

Technip Energies Group adopted the practical expedient to not separate lease and non-lease components for all asset classes.

The Group currently subleases certain of its leased real estate to third parties. The subleases are classified as operating or finance leases by the sublessor depending on the duration of the sublease contract and the end date of the main lease contract.

k. Intangible assets

Internally generated research and development costs

Research costs are expensed when incurred. In compliance with IAS 38 "Intangible assets" ("**IAS 38**"), development costs are capitalized if all of the following criteria are met:

- The projects are clearly identified;
- The Technip Energies Group is able to reliably measure expenditures incurred for each project during its development;
- The Technip Energies Group is able to demonstrate the technical or industrial feasibility of the project;
- The Technip Energies Group has the financial and technical resources available to complete the project;
- The Technip Energies Group can demonstrate its intention to complete, to use or to commercialize products resulting from the project; and
- The Technip Energies Group is able to demonstrate the existence of a market for the output of the intangible asset, or, if it is used internally, the usefulness of the intangible asset.

All research and development costs not meeting the IAS 38 criteria are expensed as incurred in the consolidated Statement of income. The Technip Energies Group capitalized costs on certain IT projects developed internally.

Other intangible assets

Intangible assets other than goodwill (including those acquired in a business combination) are amortized on a straight-line basis over their expected useful lives, as follows:

- Backlog: as per the timeframe of the outstanding orders (usually less than 3 years);
- Licenses, Patents and Trademarks: less than 20 years;
- Software (including software rights, proprietary IT tools, such as the E-procurement platform, or the Technip Energies Group's management applications): 3 to 7 years.

In accordance with IAS 36, the carrying value of intangible assets is reviewed for impairment whenever internal or external events indicate that there may be an impairment, in which case, an impairment test is performed.

l. Impairment of non-financial assets

Non-financial assets, property, plant and equipment, and identifiable intangible assets being amortized are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of the asset or cash-generating unit ("**CGU**") may not be recoverable. If any indication exists, or when annual impairment testing for an asset is required, the Technip Energies Group estimates the asset's recoverable amount. The asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and the value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, including growth rates in revenues, costs, estimates of future expected changes in operating margins, tax rates and cash expenditures. Future revenues are also adjusted to match changes in the Technip Energies Group's business strategy. Factors that could trigger a lower value in use estimate include sustained price declines of a CGU's products and services, cost increases, regulatory or political environment changes, changes in customer demand, and other changes in market conditions, which may affect certain market participant assumptions used in the discounted future cash flow model.

In determining the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Goodwill is tested for impairment annually at September 30 and whenever changes in circumstances indicate that its carrying amount may not be recoverable. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

m. Fair value measurement

In compliance with IFRS 13 "Fair value measurement", the Technip Energies Group measures certain financial instruments (including derivatives) at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Technip Energies Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets;
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly;
- Level 3: Unobservable inputs (e.g., a reporting entity's own data).

For assets and liabilities that are recognized in the consolidated financial statements at fair value on a recurring basis, the Technip Energies Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

n. Financial assets

Financial assets are categorized at initial recognition, as subsequently measured at either amortized cost, at fair value through other comprehensive income ("**FVOCI**"), or at fair value through profit or loss ("**FVTPL**").

For debt instruments this classification depends on the financial asset's contractual cash flow characteristics as well as business model according to which the Technip Energies Group is managing them. Financial assets are initially measured at their fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under IFRS 15.

A financial asset is classified and measured at amortized cost or fair value through other comprehensive income ("**OCI**") if and only if it gives rise to cash flows that are 'solely payments of principal and interest ("**SPPI**"), i.e., the asset meets the SPPI test criteria, which are assessed at an instrument level.

The business model applied by the Technip Energies Group determines whether the cash flows from the instruments will be realized through collecting contractual cash flows, selling the financial assets, or both.

Transactions on financial assets that require delivery of assets within a time frame legally or contractually (regular way trades) are recognized on the trade date, being the date when the Technip Energies Group commits to acquire or sell the asset.

For purposes of subsequent measurement, financial assets are classified into three categories:

- Financial assets at amortized cost;
- Financial assets at fair value through OCI, either with recycling or no recycling of cumulative gains and losses;
- Financial assets at fair value through profit or loss.

Financial assets at amortized cost

A financial asset is measured at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate and are also subject to impairment. Gains and losses are recognized in the Statement of income, within the Other income, expenses (net) line when the asset is derecognized.

The Technip Energies Group's financial assets at amortized cost include trade receivables, loans issued to third or related parties and debt notes receivable presented under other non-current assets or other current assets, as applicable.

Financial assets at fair value through OCI

Financial assets are classified and measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include:

- Financial assets held for trading (i.e., those which are acquired for the purpose of selling or repurchasing in the near term);
- Financial assets designated upon initial recognition at fair value through profit or loss (in order to eliminate, or significantly reduce, an accounting mismatch); or
- Financial assets required to be measured at fair value (i.e. assets with cash flows that are not solely payments of principal and interest, irrespective of the business model).

Derivatives, including separated embedded derivatives, are also classified as held for trading except for those designated as effective hedging instruments. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of income.

This category includes derivative instruments, listed and non-quoted equity investments which the Technip Energies Group had not irrevocably elected to classify at fair value through OCI, as well as certain liquid, frequently traded debt instruments such as treasury bills.

Dividends on listed equity investments are also recognized in the statement of income when the right of payment has been established.

Impairment of financial assets

An allowance for Expected Credit Losses (ECL) is recognized for all debt instruments not held at fair value through profit or loss. As opposed to the incurred loss approach, ECL is based on the difference between the carrying amount (as per the contractual cash flows of the instruments) and all the cash flows that the Technip Energies Group expects to receive, discounted at the original effective interest rate. The expected cash flows will include consideration of collaterals or other credit enhancements that are integral to the contractual terms.

In case of instruments for which there has not been a significant increase in credit risk since initial recognition, ECL is applied for default events that are possible within the next twelve months (a 12-month ECL). In case there has been a significant increase in credit risk since initial recognition, an ECL is applied over the remaining life of the exposure (lifetime ECL).

For trade receivables and contract assets, the Technip Energies Group applies a simplified approach permitted by IFRS 9. Therefore, the Technip Energies Group recognizes lifetime ECL at initial recognition and at each reporting date. The Technip Energies Group has considered historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment to determine lifetime expected losses.

For debt instruments recognized at amortized cost, as permitted by IFRS 9, the Technip Energies Group applies the low credit risk simplification. Accordingly, the Technip Energies Group evaluates whether the debt instrument is considered to have low credit risk at the reporting date, using available, reasonable and supportable information. The Technip Energies Group considers its internal credit rating of the debt instrument, and also considers that there has been a significant increase in credit risk when contractual payments are more than 90 days past due. For debt instruments that continue to have low credit risk after the evaluation, the Technip Energies Group assumes that there is no significant increase in the credit risk of the instrument.

ECL on such instruments is measured on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Technip Energies Group uses the ratings from credit rating agencies both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Technip Energies Group considers a financial asset in default when contractual payments are 90 days past due. Also, in cases when internal or external information indicates that it is unlikely to receive the outstanding contractual cash flows before considering any credit enhancements, the Technip Energies Group considers a financial asset to be in default. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired; or
- The Technip Energies Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement and either (a) the Technip Energies Group has transferred substantially all the risks and rewards of the asset, or (b) the Technip Energies Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Technip Energies Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Technip Energies Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Technip Energies Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Technip Energies Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Technip Energies Group could be required to repay.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

o. Derivative financial instruments and hedging

Initial recognition and subsequent measurement

The Technip Energies Group uses derivative financial instruments, such as forward contracts, swaps and options to hedge its risks, in particular foreign exchange risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Currently, every derivative financial instrument held by the Technip Energies Group is aimed at hedging future cash inflows or outflows against exchange rate fluctuations during the period of contract performance. Derivative instruments and in particular forward exchange transactions are aimed at hedging future cash inflows or outflows against exchange rate fluctuations in relation to awarded commercial contracts.

To hedge its exposure to exchange rate fluctuations during the bid-period of construction contracts, the Technip Energies Group occasionally enters into insurance contracts under which foreign currencies are exchanged at a specified rate and at a specified future date only if the new contract is awarded. The premium that the Technip Energies Group pays to enter into such an insurance contract is charged to the statement of income when paid. If the commercial bid is not successful, the insurance contract is automatically terminated without any additional cash settlements or penalties.

In some cases, the Technip Energies Group may enter into foreign currency options for some proposals during the bid period. These options cannot be eligible for hedging.

For the purpose of hedge accounting, instruments qualifying as hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment;
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecasted transaction or the foreign currency risk in an unrecognized firm commitment;
- Hedges of a net investment in a foreign operation (the Technip Energies Group currently has no financial instruments designated for such a hedging relationship).

Foreign currency treasury accounts designated for a contract and used to finance its future expenses in foreign currencies may qualify as a foreign currency cash flow hedge. Cash as a hedging instrument is determined as cash less accounts payable (including debts contracted on projects) plus accounts receivable (including loans contracted on projects) on reimbursable, services and completed contracts at closing date.

An economic hedging may occasionally be obtained by offsetting cash inflows and outflows on a single contract (“natural hedging”).

When implementing hedging transactions, each applicable member of the Technip Energies Group enters into forward exchange contracts with banks or with the member of the Technip Energies Group that performs centralized treasury management for the Technip Energies Group. However, only instruments that involve a third party outside of Technip Energies are designated as hedging instruments.

At the inception of a hedge relationship, the Technip Energies Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how Technip Energies Group will assess the effectiveness of changes in the hedging instrument’s fair value in offsetting the exposure to changes in the hedged item’s fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for as described below. The fair value of derivative financial instruments is estimated on the basis of valuations provided by bank counterparties or financial models commonly used in financial markets, using market data as of the statement of financial position date.

A derivative instrument qualifies for hedge accounting (fair value hedge or cash flow hedge) when there is a formal designation and documentation of the hedging relationship, and of the effectiveness of the hedge throughout the life of the contract. A fair value hedge aims at reducing risks incurred by changes in the market value of some assets, liabilities or firm commitments. A cash flow hedge aims at reducing risks incurred by variations in the value of future cash flows that may impact net profit (loss).

In order for a currency derivative to be eligible for hedge accounting treatment, the following conditions have to be met:

- Its hedging role must be clearly defined and documented at the date of inception; and
- Its effectiveness should be proved at the date of inception and/or as long as it remains effective. If the effectiveness test results in a score between 80% and 125%, changes in fair value or in cash flows of the covered element must be almost entirely offset by the changes in fair value or in cash flows of the derivative instrument.

All derivative instruments are recorded and disclosed in the statement of financial position at fair value:

- Derivative instruments considered as hedging are classified as non-current and current assets and liabilities, as they follow the operating cycle; and
- Derivative instruments not considered as hedging are also classified as non-current and current assets and liabilities.

Changes in fair value are recognized as follows:

- Regarding cash flow hedges, the portion of the gain or loss corresponding to the effectiveness of the hedging instrument is recorded directly in other comprehensive income, and the ineffective portion of the gain or loss on the hedging instrument is recorded in the statement of income. The exchange gain or loss on derivative cash flow hedging instruments, which is deferred in equity, is reclassified in the net profit (loss) of the year(s) in which the specified hedged transaction affects the statement of income;
- The changes in fair value of derivative financial instruments that qualify as fair value hedges are recorded in the other income, expenses (net) of the statement of income. The ineffective portion of the gain or loss is immediately recorded in the statement of income. The carrying amount of a hedged item is adjusted by the gain or loss on this hedged item which may be allocated to the hedged risk and is recorded in the statement of income; and
- The changes in fair value of derivative financial instruments that do not qualify as hedging in accounting standards are directly recorded in the statement of income.

p. Advances paid to suppliers

Advance payments made to suppliers under long-term contracts are shown under the "Advances paid to suppliers" line item, on the consolidated statement of financial position.

q. Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Technip Energies Group holds trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method.

Impairment of trade receivables

Technip Energies Group applies IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. The Technip Energies Group's trade receivables and contracts assets constitute a homogeneous portfolio, therefore, to measure the expected credit losses, trade receivables and contract assets have been grouped based on a selection of the members of the Technip Energies Group that cover a representative part of the Technip Energies Group's trade receivables and contract assets at each period end. Contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Technip Energies Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for contract assets.

r. Cash and cash equivalents

Cash and cash equivalents consist of cash in bank and in hand, as well as short-term investments that are considered to be readily convertible into a known amount of cash and where the risk of a change in their value is deemed to be negligible based on the criteria set out in IAS 7. Securities are measured at their market value at year-end. Any change in fair value is recorded in the statement of income.

s. Share-based compensation

The Technip Energies Group employees participated in TechnipFMC's share-based plans accounted for in accordance with IFRS 2 "Share-based payments" ("**IFRS 2**"). Share-based compensation expense has been allocated to the Technip Energies Group based on the awards and terms previously granted to the Technip Energies Group's employees as well as an allocation of TechnipFMC's management expenses attributable to the Technip Energies Group for the year ended December 31, 2020.

Within the Company there are three types of share-based payment plans that qualify as equity-settled:

- Restricted Share Unit (RSU);
- Performance Share Unit (PSU);
- Stock Options.

The measurement of share-based compensation expense on restricted share awards is based on the market price at the grant date and the number of shares awarded. The fair value of performance shares is estimated using a combination of the closing stock price on the grant date and the Monte Carlo simulation model.

TechnipFMC used the Black-Scholes options pricing model to measure the fair value of share options granted on or after January 1, 2017, excluding from such valuation the service and non-market performance conditions (which are considered in the expected number of awards that will ultimately vest) but including market conditions (Note 8. Share-based compensation).

The share-based compensation expense for each award is recognized during the vesting period (i.e. the period in which the service and, where applicable, the performance conditions are fulfilled). The cumulative expense recognized for share-based employee compensation at each reporting date reflects the already expired portion of the vesting period and the Technip Energies Group's best estimate of the number of awards that will ultimately vest. The expense or credit in the statement of income for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

t. Provisions

Provisions are recognized if and only if the following criteria are simultaneously met:

- The Technip Energies Group has an ongoing obligation (legal or constructive) as a result of a past event;
- The settlement of the obligation will likely require an outflow of resources embodying economic benefits without expected counterpart; and
- The amount of the obligation can be reliably estimated: provisions are measured according to the risk assessment or the exposed charge, based upon best-known elements.

Contingencies related to contracts

These provisions relate to claims and litigation on contracts.

Restructuring

Once a restructuring plan has been decided and the interested parties have been informed, the plan is scheduled and valued. Restructuring provisions are recognized in accordance with IAS 37 – Provisions, Contingent Liabilities and Contingent Assets and presented within Impairment, Restructuring and Other Expenses (Income) in the consolidated statement of income.

u. Pensions and other long-term benefits

The Technip Energies Group sponsors various end-of-service and retirement employee benefit plans. Payments under such employee benefit plans are made either at the date of the employee's termination of service with the Technip Energies Group or at a subsequent date or dates in accordance with the laws and practices of each country in which a participant resides. Depending on the employing entity the main defined benefit plans can be:

- End of service benefits, to be paid at the termination of service;
- Retirement benefits;
- Jubilee benefits;
- Post-retirement medical benefits (health care and life insurance).

The Technip Energies Group assesses its obligations in respect of employee pension plans and other long-term benefits such as "jubilee benefits", post-retirement medical benefits, special termination benefits and cash incentive plans. The plan assets are recorded at fair value based on recognized and uniform actuarial methods performed by an independent actuary.

The obligations of providing benefits under defined benefit plans are determined by independent actuaries using the projected unit credit actuarial valuation method as per IAS 19 "Employee Benefits" ("**IAS 19**").

The actuarial assumptions used to determine the obligations may vary depending on the country. The actuarial estimation is based on usual parameters such as future wage, salary increase rate, life expectancy, staff turnover and inflation rate.

The defined benefit liability equals the present value of the defined benefit obligation after deducting the plan assets. Present value of the defined benefit obligation is determined using present value of future cash disbursements based on interest rates of corporate bonds, in the currency used for benefit payment, and whose term is equal to the average expected life of the defined benefit plan.

According to amended IAS 19, the actuarial gains and losses resulting from adjustments related to experience and changes in actuarial assumptions are recorded in other comprehensive income (see Note 24. Pensions and other long-term employee benefits plans).

v. Deferred income tax

Deferred tax assets and liabilities are recognized in accordance with IAS 12 "Income Taxes" ("**IAS 12**") and are based on all temporary book-tax basis differences as of the closing date measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are reviewed at each closing date to take into account the effect of any changes in tax laws and in the prospects of recovery.

Deferred income tax assets are recognized for all deductible temporary differences, unused tax credit carry-forwards and unused tax loss carry-forwards, to the extent that it is probable that taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences, except in certain specific circumstances, in accordance with the provisions of IAS 12.

Tax assets and liabilities are not discounted.

w. Financial liabilities

Financial liabilities are classified, at initial recognition, as:

- financial liabilities at fair value through profit or loss (i.e. instruments held for trading including derivatives not designated as hedging instruments and also instruments designated upon initial recognition at fair value through profit or loss);
- financial debt;
- trade and other payables; or
- derivatives designated as hedging instruments in an effective hedge.

Financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the consolidated statement of income.

The Technip Energies Group has not elected to designate any financial liability as at fair value through profit or loss.

Financial debts (current and non-current)

Current and non-current financial debts include borrowings and commercial paper programs. After initial recognition, borrowings are measured at amortized cost using the effective interest rate method. Transaction costs are included in the cost of debt on the liability side of the statement of financial position, as an adjustment to the nominal amount of the debt. The difference between the initial debt and redemption at maturity is amortized at the effective interest rate.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or canceled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of income.

x. Current / non-current distinction

The distinction between current assets and liabilities, and non-current assets and liabilities is based on the operating cycle of contracts. If related to contracts, assets and liabilities are classified as "current"; if not related to contracts, assets and liabilities are classified as "current" if their maturity is less than 12 months or "non-current" if their maturity exceeds 12 months.

1.7. Key judgments and estimates

The preparation of Technip Energies consolidated financial statements requires the use of key judgments and estimates, either at the balance sheet date or during the period that affect reported amounts of assets, liabilities, incomes, and expenses.

Management exercises its best judgment based upon its experience and the circumstances prevailing as of reporting date. Judgments and estimates are reviewed periodically, on an ongoing basis, and may be reassessed if the circumstances and assumptions on which they were based change, if new information becomes available, or because of greater experience.

Consequently, the actual result from operations may differ from these estimates. In addition, Technip Energies Group's exposure to risks is also discussed in Note 1. Accounting principles and Note 28. Market-related exposure.

a. Judgments in applying accounting policies

Revenue recognition

Most of the Group's revenue is derived from long-term contracts that can span several years. The Group accounts for revenue in accordance with IFRS 15, as described in paragraph b. Recognition of revenue from customer contracts of Note 1.6. Summary of significant accounting policies.

A significant portion of total revenue recognized over time primarily relates to a large range of onshore facilities and fixed and floating offshore facilities that involve the design, engineering, manufacturing, construction, and assembly of complex, customer-specific systems. Because of control transferring over time, revenue is recognized based on the extent of progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the products or services to be provided. The Group generally uses the cost-to-cost measure of progress for its contracts because it best depicts the transfer of control to the customer that occurs as the Group incurs costs on its contracts.

Due to the nature of the work required to be performed on performance obligations, the estimation of total revenue and costs at completion is complex, subject to many variables, and requires significant judgment. It is common for long-term contracts to contain award fees, incentive fees, or other provisions that can either increase or decrease the transaction price. The estimated amounts in the transaction price are included when management believes there is an enforceable right to the modification, the amount can be estimated reliably, and its realization is probable. The estimated amounts are included in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

The Group executes contracts with its customers that clearly describe the equipment, systems, and/or services. After analyzing the drawings and specifications of the contract requirements, project engineers estimate total contract costs based on their experience with similar projects and then adjust these estimates for specific risks associated with each project, such as technical risks associated with a new design. Costs associated with specific risks are estimated by assessing the probability that conditions arising from these specific risks will affect total cost to complete the project. After work on a project begins, assumptions that form the basis for the calculation of total project cost are examined on a regular basis and estimates are updated to reflect the most current information and management's best judgment.

Adjustments to estimates of contract revenue, total contract cost, or extent of progress toward completion are often required as work progresses under the contract and as experience is gained, even though the scope of work required under the contract may not change. The nature of accounting for long-term contracts is such that refinements of the estimating process for changing conditions and new developments are continuous and characteristic of the process.

Consequently, the amount of revenue recognized over time is sensitive to changes in estimates of total contract costs. There are many factors, including, but not limited to, the ability to properly execute the engineering and design phases consistent with customers' expectations, the availability and costs of labor and material resources, productivity, and weather, all of which can affect the accuracy of cost estimates, and ultimately, a future profitability.

b. Assumptions and sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, which could have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year relate to:

- Impairment of non-financial assets;
- Income tax;
- Accounting for pension and other post-retirement benefit plans;
- Provisions.

Impairment of non-financial assets

- **Goodwill**

Goodwill represents the excess of cost over the fair market value of net assets acquired in business combinations. Goodwill is not subject to amortization but is tested for impairment at the level of CGU or GCGUs the goodwill has been allocated to, on an annual basis, or more frequently if impairment indicators arise. Management has established September 30 as the date of its annual test for impairment of goodwill. Management identifies a potential impairment by comparing the recoverable amount of the applicable CGU or GCGUs to its carrying amount, including goodwill. If the carrying amount exceeds the recoverable amount of the applicable CGU or GCGUs, management measures the impairment by comparing the carrying value of the CGU or GCGUs to its recoverable amount. CGUs with goodwill are tested for impairment using a quantitative impairment test.

Determining the recoverable amount of CGUs is judgmental and involves the use of significant estimates and assumptions. Management estimates the recoverable amount of the Group CGUs using a discounted future cash flow model. Most of the estimates and assumptions used in a discounted future cash flow model on a post-tax basis involve unobservable inputs reflecting management's own assumptions about the assumptions market participants would use in estimating the fair value of a business. These estimates and assumptions include revenue growth rates and operating margins used to calculate projected future cash flows, discount rates and future economic and market conditions. The estimates are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and do not reflect unanticipated events and circumstances that may occur.

A lower recoverable amount estimate in the future for any of the Group's CGUs could result in a goodwill impairment. Factors that could trigger a lower recoverable amount estimate include sustained price declines of the CGUs' products and services, cost increases, regulatory or political environment changes, changes in customer demand, and other changes in market conditions, which may affect certain market participant assumptions used in the discounted future cash flow model based on internal forecasts of revenues and expenses over a specified period plus a terminal value (the income approach).

The income approach estimates recoverable amount by discounting each CGUs estimated future cash flows using a weighted-average cost of capital that reflects current market conditions and the risk profile of CGUs. To arrive at future cash flows, management uses estimates of economic and market assumptions, including growth rates in revenues, costs, estimates of future expected changes in operating margins, tax rates and capital expenditures. Future revenues are also adjusted to match changes in the Group business strategy. Management believes this approach is an appropriate valuation method and utilizes this approach in determining the CGUs valuations.

For additional information related to goodwill impairment testing during the periods presented, refer to Note 14. Goodwill and intangible assets, net.

- **Property, plant and equipment and identifiable intangible assets**

Property, plant and equipment and identifiable intangible assets being amortized are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of the non-financial assets may not be recoverable. The carrying amount of a non-financial asset is not recoverable if it exceeds the recoverable amount determined as the higher of an asset's fair value less costs of disposal and its value in use. If it is determined that an impairment loss has occurred, the loss is measured as the amount by which the carrying amount of the non-financial asset exceeds its recoverable amount. The determination of future value in use as well as the estimated fair value of non-financial assets involves significant estimates on the part of management. Because there usually is a lack of quoted market prices for non-financial assets, fair value of impaired assets is typically determined based on the present values of expected future cash flows using discount rates believed to be consistent with those used by principal market participants or based on a multiple of operating cash flow validated with historical market transactions of similar assets where possible. The expected future cash flows used for impairment reviews and related fair value calculations are based on judgmental assessments of future productivity of the asset, operating costs and capital decisions and all available information at the date of review. If future market conditions deteriorate beyond current expectations and assumptions, impairments of non-financial assets may be identified if management concludes that the carrying amounts are no longer recoverable.

Refer to paragraphs i) Property, plant and equipment and k) Intangible assets for estimates and accounting policies relevant to those assets.

Income tax

Income tax expense, deferred tax assets and liabilities, and reserves for uncertain tax positions reflect management's best assessment of estimated future taxes to be paid. The Group is subject to income taxes in France and numerous other jurisdictions. Judgments and estimates are required in determining the consolidated income tax expense.

In determining the current income tax provision, management assesses temporary differences resulting from differing treatments of items for tax and accounting purposes. These differences result in deferred tax assets and liabilities, which are recorded in the consolidated statement of financial position. When management assesses deductible temporary differences, including those originating from tax losses carried forward, management must assess the probability that these will be recovered through the future taxable income. To the extent management believes recovery is not probable, no deferred tax asset is recognized. Management believes the assessment related to the availability of future taxable income is a critical accounting estimate because it is highly susceptible to change from period to period, requires management to make assumptions about future income over the period of deductible temporary differences, and finally, the impact of increasing or decreasing deferred tax assets is potentially material to the results of operations.

Forecasting future income requires the use of a significant amount of judgment. In estimating future income, management uses internal operating budgets and long-range planning projections. Management develops its budgets and long-range projections based on recent results, trends, economic and industry forecasts influencing the Group's performance, its backlog, planned timing of new product launches and customer sales commitments. Significant changes in management's judgment related to the expected realizability of deductible temporary differences result in an adjustment to the associated deferred tax asset.

The calculation of income tax expense involves dealing with uncertainties in the application of complex tax laws and regulations in numerous jurisdictions in which the Group operates. Management recognizes tax benefits related to uncertain tax positions when, in management's judgment, it is more likely than not that such positions will be sustained on examination, including resolutions of any related appeals or litigation, based on the technical merits. Management adjusts liabilities for uncertain tax positions when its judgment changes because of new information previously unavailable. Due to the complexity of some of these uncertainties, their ultimate resolution may result in payments that are materially different from current estimates. Any such differences will be reflected as adjustments to income tax expense in the periods in which they are determined.

IFRIC 23 "Uncertainty over Income Tax Treatments" provides guidance on how to recognize and measure uncertainty over "income tax" treatment as defined by paragraph 5 of IAS 12. The Group analyses all the tax treatments impacting current tax or deferred tax and reported or planned to be reported in income tax filings that could be challenged by the tax authorities. The tax assets and liabilities relating to these uncertain tax treatments are reviewed on a case-by-case basis assuming a full knowledge of the tax authorities and measured at the most probable amount.

For further information, refer to Note 13. Income tax.

Accounting for pension and other post-retirement benefit plans

The determination of the projected benefit obligations of pension and other post-retirement benefit plans are important to the recorded amounts of such obligations in the consolidated statement of financial position and to the amount of pension expense in the consolidated statement of income. To measure the projected benefit obligations of pension and other post-retirement benefit plans and the expense associated with such benefits, management must make a variety of assumptions and estimates, including discount rates used to value certain liabilities, rates of compensation increase, employee turnover rates, retirement rates, mortality rates and other factors. Management updates these assumptions and estimates on an annual basis or more frequently upon the occurrence of significant events. These accounting assumptions and estimates consider the risk of change due to the uncertainty and difficulty in estimating these measures. Different assumptions and estimates used by management could result in recognition of different amounts of expense over different periods of time.

The discount rate affects the interest cost component of net periodic pension cost and the calculation of the projected benefit obligation. The discount rate is based on rates at which the pension benefit obligation could be effectively settled on a present value basis. Discount rates are derived by identifying a theoretical settlement portfolio of long-term, high quality ("AA" rated) corporate bonds at determination date that is sufficient to provide for the projected pension benefit payments. A single discount rate is determined that results in a discounted value of the pension benefit payments that equate to the market value of the selected bonds. The resulting discount rate is reflective of both the current interest rate environment and the pension's distinct liability characteristics. Significant changes in the discount rate, such as those caused by changes in the yield curve, the mix of bonds available in the market, the duration of selected bonds and the timing of expected benefit payments, may result in volatility in pension expense and pension liabilities.

Due to the specialized and statistical nature of these calculations which attempt to anticipate future events, management engages third-party specialists to assist in evaluating assumptions as well as appropriately measuring the costs and obligations associated with these pension and other post-retirement benefits.

The actuarial assumptions and estimates made by management in determining pension and other post-retirement benefit obligations may materially differ from actual results because of changing market and economic conditions and changes in plan participant assumptions. While management believes the assumptions and estimates used are appropriate, differences in actual experience or changes in plan participant assumptions may materially affect the Technip Energies Group's financial position or results of operations.

The Group's pension and other post-retirement obligations are described in Note 24. Pensions and other long-term employee benefits plans.

Provisions

The Group is involved in judicial or administrative litigation. The process for assessing and measuring the risks related to these proceedings is based on multiple factors that require to make assumptions and estimates, particularly regarding the assessment of uncertainties. Provisions are estimated based on the Group best estimate of the expenditure required to settle the obligations, considering all relevant information available and different possible outcomes at the reporting date.

1.8. Other sources of estimation uncertainty

In the elaboration of its financial statements, the Group also considered as other sources of estimation uncertainty the following:

- Climate-related matters;
- Conflict in Ukraine;
- Macroeconomic conditions.

Climate-related matters

The Group considered climate-related matters in the preparation of its financial statements and concluded to the absence of material impacts on reported amounts of the Group's assets and liabilities as well as on assets and liabilities that may be recognized in the future, mostly for the following reasons:

- Technip Energies generally acts as a contractor. As such, the Group's portfolio and positioning will evolve with the energy transition unfolding landscape: the profile of projects and services is directly impacted by the Group clients' evolving investments to transform energy production infrastructure to meet environmental targets and address the need to reduce global warming and greenhouse gas emissions.
- Due to its operating model the Group does not hold material tangible or intangible assets that could become obsolete considering climate-related matters and would therefore require a revision of estimated residual values or expected useful lives. This also explains why none of the Group's assets is forecasted to bear subsequent major expenditures to cope with obsolescence or new legal restrictions.
- Although the Group still operates major contracts on its traditional markets, a conversion trend is confirmed by 2022 awards in the renewable fuels and clean hydrogen domains. As of December 31, 2022, the Group energy transition orders, excluding LNG, reached €1.0 billion, representing approximately 28% of the Group total 2022 order intake. The change of mix, with a growing portion of energy transition projects is reflected in the Group prospective financial information for the next coming years.
- The Group has strong experience of conducting projects in extreme weather conditions.

The specific positioning of the Group in the value chain and the way Technip Energies participates in the energy transition is moreover described in part 3.6.3. EU Green Taxonomy.

- **Research and development and sustainable investments associated to climate**

In 2022, the Group continued to allocate resources to strengthen its technology portfolio and diversify its offer related to energy transition.

During the year, the Group invested €33.6 million in acquiring licenses and technologies. Amongst its main investments, Technip Energies acquired 16.3% of X1 Wind, a renewable energy startup that has designed an innovative and disruptive offshore wind turbine floater and participated in the world's largest private investment in green hydrogen acquiring stake of Hy2Gen.

The Group's ambition to achieve the objectives set out in its ESG roadmap is also reflected in its increased R&D efforts. As of December 31, 2022, R&D expenses related to energy transition amounted to €41.1 million on the total €49.5 million 2022 expense.

- **Impairment test and valuation of assets**

The Group is currently engaged in activities and markets for which the demand provides a high multiyear visibility and are not subject to regulations that would jeopardize its activities in the short or medium term.

The business plan underpinning the impairment test performed by the Group as of December 31, 2022 is in line with market demand and does not include any disruptive elements that would be required to be reflected in future cash flows. Finally, the prospective financial information reflects the future opportunities in the energy transition markets.

- **Share-based compensation and remuneration policy applied to Executive Officer, Executive Committee members, Senior Managers, and other key employees**

The Compensation Committee of the Board of Directors has granted to the Executive Officer, Executive Committee members, Senior Managers, and other key employees (e.g., technical experts, high potentials) a Long-Term Incentive plan in the form of Performance Stock Units (PSUs) and Restricted Stock Units (RSUs). The PSUs vesting is subject to the satisfactory achievement of performance conditions. As of 2022, the performance conditions comprise the total shareholder return ("TSR"), EPS and a set of three weighted ESG indicators directly derived from our ESG Roadmap to support Technip Energies vision in accelerating energy transition for a "better tomorrow" and to strengthen the alignment with sustainable long-term value creation. One of these indicators is a climate-friendly objective: 30% decrease in scope 1 and 2 greenhouse gas emissions between 2019 and 2025.

In addition, the Compensation Committee reviewed the Executive Director's remuneration and notably reinforced the weighting of the ESG component in the Short-Term Incentive program with ESG KPIs derived from the Company's ESG roadmap. These changes have been introduced in 2022 and are described in section 6.6.1. Executive Director remuneration. As compared to December 31, 2021, the ESG business performance indicators weighting increased from 15% to 25% to emphasize ESG performance and to signal the Company's commitment to embed sustainable, socially responsible and ethical business practices.

- **Green financing**

The terms and conditions of the Group financing agreements do not include climate-friendly covenants or objectives, except for the Revolving Facility for which the applicable margin is adjusted based on the successful completion by the Group of the 3 ESG key performance indicators defined in the facility agreement: reduction of carbon footprint, supporting of ESG ratings and improvement of gender diversity. On May 24, 2022, the Revolving Credit Facility margin was adjusted accordingly following the successful achievement of all three KPI's for the year 2021. As of today, the Revolving Credit Facility remains undrawn, the financial cost associated with the facility is therefore immaterial. For further information, refer to Note 22. Debt (long and short-term).

Conflict in Ukraine

The Conflict in Ukraine and sanctions imposed against Russia and Belarus pose significant challenges to business activities and introduce a degree of uncertainty on the expected development of such activities. The Group considered its direct and indirect risk exposure resulting from the conflict in the preparation of its consolidated financial statements and its assessment is discussed below.

- **Impairment of non-financial assets**

The Group considered the conflict as an impairment trigger and conducted a dedicated ad hoc goodwill impairment test. This test was based on the Group CGU's carrying values as of March 31, 2022. The prospective financial information used excluded net cash-flows related to Arctic LNG 2 project as well as new business opportunities in Russia.
Risk-adjusted post tax discount rate for both CGUs used for this impairment test was 12.0% for Project Delivery and 10.5% for Technology, Products & Services. This compares to 11.5% and 9.5% as of December 31, 2021, for Project Delivery and Technology, Products & Services, respectively.

This dedicated test did not lead to an impairment. The excess of value in use over carrying values was approximately €700.0 million and €625.0 million for Project Delivery and Technology, Products & Services, respectively. The Group also performed a sensitivity analysis on discount and long-term growth rates. A 1.0% increase of the discount rate and a 1.0% decrease of the long-term growth rate would result in excess of value in use over carrying values of approximately €568.0 million for Project Delivery and €443.0 million for Technology, Products & Services.

The conclusions of this dedicated impairment test remained unchanged after allocating corporate assets.

The carrying value of goodwill allocated by CGU for this specific test was €1,551.5 million for Project Delivery and €534.6 million for Technology, Products & Services. This compares to €1,542.8 million and €531.6 million as of December 31, 2021, for Project Delivery and for Technology, Products & Services, respectively.

This test did not replace the one performed on an annual basis, the conclusions of which are discussed in Note 14. Goodwill and intangible assets, net.

In addition, the Group does not hold significant non-financial assets located in Russia or Ukraine that would directly or indirectly be impacted by the conflict.

Revenue from Contracts with Customers

The Group evaluated the potential implications of the Ukraine conflict on revenue recognition for the financial year ended December 31, 2022 and concluded that current developments did not affect its ability to recognize revenue nor the measurement of variable considerations over the year.

The analysis performed confirms that the criteria to recognize revenue are met. To date, the Group considers that any outstanding consideration due is collectible on the Arctic LNG 2 project.

Although the Group's revenue will be affected by the inability to pursue its operations in Russia due to the sanctions associated to the Ukraine conflict, suspension and termination of the Arctic LNG 2 contract will not give rise to variable considerations arising out of contractual penalties, liquidated damages, or price concessions that could be granted to the Arctic LNG 2 customer.

There are no refund liabilities, termination penalties or other contractual liability that would not already have materialized in the balance sheet positions of the Arctic LNG 2 contract.

The Group did not identify significant additional costs to be incurred to satisfy its performance obligation under the Arctic LNG 2 contract that would be included in the cost-to-cost input method for measuring progress and revenue recognition.

Discussions with the client have resulted in the signing of an Exit Framework Agreement in the third quarter of 2022. This process is expected to be completed within the first half of 2023. Technip Energies recognized revenue where it was authorized to do so, in compliance with applicable sanctions adopted by the European Union, the United States, and other countries. The Group does not expect any negative net financial exposure due to its contractual rights and the balance sheet position of the Arctic LNG 2 project.

Expected credit loss

In assessing impairment of financial instruments, the Group considered the potential effects of the conflict in Ukraine on the measurement of its weighted average expected credit loss rate. The analysis of the increase in the credit risk on financial instruments has been performed on a collective basis. Counterparties which are Russian or have links with Russia have been identified. The Group concluded that there is no impact on the rate used to measure the expected credit loss at Group level. As of December 31, 2022, balance sheet positions of the Arctic LNG 2 project reflect the Group's assessment of its exposure and level of collectability.

Excluding Arctic LNG 2, the Group's positions with Russian external third parties are not material, and the collection of receivables is considered highly probable.

Finally, these elements are reinforced by the way most of the Group's long-term contracts are financed, notably through advanced payments presented as contract liabilities on the statement of financial position, and by the nature and financial strength of the Group's major clients.

Liquidity and currency risk

Further to the conflict in Ukraine and the consecutive sets of sanctions and counter sanctions which have been enacted by, amongst others, the European Union, the United States authorities and the Central Bank of Russia, the Group is monitoring financial risks to which it may be exposed such as credit risk, liquidity risk and currency risk. The Group no longer has any foreign exchange instruments related to Rubles in its books, nor any debit situation with its treasury center. The cash position held by Russian subsidiaries is not material at Group level, and no loan is in place to Russian entities or other Russian parties. The Group does not hold significant balances of cash in Rubles or located in Russia (detail by currency provided in Note 19. Cash and cash equivalents).

Cyber impacts

As part of Technip Energies' ongoing cybersecurity strategy, the Group undertakes regular reviews of external threats and evaluates them against its existing systems and processes. Following the beginning of the conflict in Ukraine, the Group increased its threat monitoring capabilities through a combination of additional technologies and services to mitigate any additional threats that are identified. These can be from several threats including nation states and political hacktivists. Technip Energies has also increased its employees' awareness of these threats through a combination of additional awareness campaigns and supplemental training.

On April 1, 2022, the Group renewed its cyber insurance policy with Lloyd's syndicates Brit and Kiln who, in the cover provided under this policy have expressly excluded:

- Any loss or damage or liability in or from any occurrence in Russia or their respective territorial waters,
- Any loss or damage or liability incurred by persons or entities located in Russia or their respective territorial waters.

Following key assessments described above, we have not identified any significant risk that could result in a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Macroeconomic conditions

Current macroeconomic conditions (inflationary pressures, increases in interest rates and raw material and energy costs, shortages, exchange rate volatility) may increase economic uncertainties and have effects on Technip Energies consolidated financial statements. The estimates described below have been reviewed to take in consideration this specific macroeconomic environment:

Measurement of the present value of the post-employment benefit obligations

Actuarial assumptions have been revalued (wage and discount rate increase) to reflect long term economic forecast. Assumptions used to assess post-retirement valuation as of December 31, 2022, include as compared to December 31, 2021, an increase of:

- The expected long-term inflation assumption set by the European Central Bank;
- The spread above assumed the long-term inflation to derive the expected yearly salary increase.

Moreover, to consider increased volatility observed on key assumptions such as discount rate and inflation rate, sensitivities shown include +/- 50 bps ranges as compared to +/- 25bps last year.

Impairment test of goodwill

During the year ended December 31, 2022, global macroeconomic conditions have significantly deteriorated. The increase in interest rates and inflation were considered in the discount rates and in the prospective financial information used in the determination of the value in use.

Regarding discount rates, the increase in weighted average cost of capital, period over period, reflected the rise in risk-free rates. The variation, per operating segment compared to last year is the following:

	December 31, 2022	December 31, 2021
Project Delivery	12.0 %	11.5 %
Technology, Products & Services	11.5%	9.5%

Besides, the long-term growth rates used to estimate cash flow projections beyond the period covered by the budgets were unchanged from last year, remaining at 1.9% for both operating segments. Macroeconomic conditions, in particular wage increases, or higher commodity prices were also reflected in the future cash flows used to determine the value in use of the CGUs. The consideration of the above-mentioned did not lead to the recognition of an impairment, as described in Note 14. Goodwill and intangible assets, net.

- **Estimates on long-term and onerous contracts**

Estimates on long-term and onerous contracts have been reviewed to evaluate the expected economic benefits and the performance obligations. As of December 31, 2022, the Group considered increased prices and rising inflation in its assessment of onerous contracts. The current macroeconomic conditions did not lead the Group to consider long-term contracts in force as onerous; thus, no additional provisions were accounted for as a direct consequence of the market situation.

Note 2. Changes in the scope of consolidation

Year ended December 31, 2022

The Group did not have any significant acquisitions and divestitures during the twelve months ended December 31, 2022.

Year ended December 31, 2021

On April 27, 2021, the Technip Energies Group's participation in Inocean AS was increased to 100% by acquiring the remaining 49% of Inocean AS that the Group did not already own for €2.0 million. Inocean AS was already fully consolidated. The carrying amount of non-controlling interests, at the date of acquisition, was €0.5 million.

The Group did not have any other significant acquisitions and divestitures during the twelve months ended December 31, 2021.

Note 3. Segment information

In the periods presented here, the Chief Executive Officer reviewed and evaluated the Technip Energies Group operating performance to make decisions about resources to be allocated and has been identified as the CODM. Utilizing the internal reporting information provided to the CODM, the Technip Energies Group has changed, in 2021, the structure of its internal organization and defined two segments designated as Project Delivery and Technology, Products & Services. The assessment of the operating segment's performance is based on the Group's EBIT. Statement of income information by segment is shown below:

	December 31, 2022			
(In millions of €)	Project Delivery	Technology, Products & Services	Corporate/non allocable	Total
Revenue	4,884.3	1,398.0	—	6,282.3
EBIT (Profit (loss) before financial expense, net and income tax)	527.3	129.2	(74.5)	582.0

	December 31, 2021			
(In millions of €)	Project Delivery	Technology, Products & Services	Corporate/non allocable	Total
Revenue	5,132.5	1,301.2	—	6,433.7
EBIT (Profit (loss) before financial expense, net and income tax)	529.2	118.0	(58.1)	589.1

During the year ended December 31, 2022, revenue from Arctic LNG 2 and North Field East (NFE) projects exceeded 10% of Technip Energies' consolidated revenue. During the year ended December 31, 2021 revenue from Arctic LNG 2 project exceeded 10% of Technip Energies' consolidated revenue.

Statement of financial position information by segment is shown below:

	December 31, 2022			
(In millions of €)	Project Delivery	Technology, Products & Services	Corporate/non allocable	Total
TOTAL ASSETS	2,956.8	1,364.1	4,371.4	8,692.3

	December 31, 2021			
(In millions of €)	Project Delivery	Technology, Products & Services	Corporate/non allocable	Total
TOTAL ASSETS	2,697.8	1,091.5	4,590.0	8,379.3

Note 4. Revenue

4.1. Principal revenue generating activities

As one of the largest E&T groups by revenue, Technip Energies Group offers what it characterizes as a full range of design and project development services to its customers spanning the downstream value chain, from early engagement technical consulting through final acceptance testing.

The Group's offering to its clients consists of Project Delivery, and Technology, Products & Services. Technip Energies Group business focuses on the study, engineering, procurement, construction, and project management of the entire range of onshore and offshore facilities related to gas monetization, refining, and chemical processing from biofuels and hydrocarbons.

The majority of the Technip Energies Group revenue is from long-term contracts associated with designing and manufacturing products and systems and providing services to customers involved in the energy sector.

Many of these contracts provide a combination of engineering, procurement, construction, project management and installation services, which may last several years. Management has determined that contracts of this nature have generally one performance obligation. In these contracts, the final product is highly customized to the specifications of the field and the customer's requirements. Therefore, the customer obtains control of the asset over time, and thus revenue is recognized over time.

These customized products do not have an alternative use for Technip Energies Group. The Group has an enforceable right to payment plus reasonable profit for performance completed to date.

4.2. Disaggregation of revenue

The Technip Energies Group disaggregates revenue from external customers as follows:

	December 31, 2022			December 31, 2021		
(In millions of €)	Project Delivery	Technology, Products & Services	TOTAL	Project Delivery	Technology, Products & Services	TOTAL
Europe & Russia	1,612.7	628.0	2,240.7	3,038.4	554.1	3,592.5
Africa & Middle East	2,157.5	221.4	2,378.9	1,233.3	160.7	1,394.0
Asia Pacific	723.4	316.3	1,039.7	575.5	292.3	867.8
Americas	390.7	232.3	623.0	285.2	294.2	579.4
TOTAL REVENUE	**4,884.3**	**1,398.0**	**6,282.3**	**5,132.4**	**1,301.3**	**6,433.7**

4.3. Contract balances

The timing of revenue recognition, billings and cash collections results in billed accounts receivable, revenues in excess of billings on uncompleted contracts (contract assets), and billings in excess of revenues on uncompleted contracts (contract liabilities) on the consolidated statement of financial position.

Contract assets – Contract assets include unbilled amounts typically resulting from sales under long-term contracts when revenue is recognized over time and revenue recognized exceeds the amount billed to a customer, and right to payment is not just subject to the passage of time. Amounts may not exceed their net realizable value. Contract assets are generally classified as current.

Contract liabilities – The Group often receives advances or deposits from its customers before revenue is recognized, resulting in contract liabilities.

The following table provides information about net contract assets (liabilities) as of December 31, 2022 and 2021:

(In millions of €)	December 31, 2022	December 31, 2021	Change	% change
Contract assets	343.2	331.8	11.4	3%
Contract (liabilities)	(3,154.8)	(3,206.5)	51.7	(2%)
NET LIABILITIES	**(2,811.6)**	**(2,874.7)**	**63.1**	**(2%)**

The increase in our contract assets from December 31, 2021, to December 31, 2022, was primarily due to the timing of milestones.

The increase in contract liabilities was primarily due to additional cash received, excluding amounts recognized as revenue during the period.

To determine revenue recognized in the period from contract liabilities, the Group allocates revenue to the individual contract liability balance outstanding at the beginning of the period until the revenue exceeds that balance. Revenue recognized for the years ended December 31, 2022 and 2021 that were included in the contract liabilities balance at December 31, 2021 and 2020 was €2,524.2 million and €2,016.8 million, respectively.

Revenue recognized for the years ended December 31, 2022 and 2021 from the Technip Energies Group's performance obligations satisfied in previous periods had a favorable impact of €133.2 million and €434.0 million respectively. This primarily relates to changes in the estimate of the stage of completion.

4.4. Transaction price allocated to the remaining unsatisfied performance obligations

Remaining unsatisfied performance obligations ("backlog") represent the transaction price for products and services for which we have an enforceable right but work has not been performed. Transaction price of the backlog includes the base transaction price, variable consideration, and changes in transaction price. The backlog table does not include contracts for which we recognize revenue at the amount to which we have the right to invoice for services performed. The transaction price of backlog related to unfilled, confirmed customer orders is estimated at each reporting date. As of December 31, 2022 and 2021, the aggregate amount of the transaction price allocated to backlog was €12,494.2 million and €15,916.9 million, respectively. Remaining unsatisfied performance obligations as of December 31, 2022 takes into consideration the revision of the backlog associated with Arctic LNG 2 project.

The following table details the backlog as of December 31, 2022:

(In millions)	December 31, 2023	December 31, 2024	December 31, 2025+
Total remaining unsatisfied performance obligations	**5,345.7**	**4,009.9**	**3,138.6**

The following table details the backlog as of December 31, 2021:

(In millions)	December 31, 2022	December 31, 2023	December 31, 2024+
Total remaining unsatisfied performance obligations	**6,225.5**	**4,199.4**	**5,492.0**

Note 5. Impairment, restructuring and other expense

Impairment, restructuring and other expense is detailed as follows:

(In millions of €)	December 31, 2022	December 31, 2021
Impairment costs	(12.7)	(0.1)
Restructuring and non-recurring income (expense)	11.1	(3.4)
Separation costs	—	(28.3)
Other	0.2	(0.2)
TOTAL IMPAIRMENT, RESTRUCTURING AND OTHER EXPENSE	**(1.4)**	**(32.0)**

Impairment costs

As of December 31, 2022, three buildings leased and used by the Group for its offices have been impaired for an aggregate of €12.7 million. The impairment test conducted on Goodwill is discussed in detail in Note 1. Accounting principles and presented in Note 14. Goodwill and intangible assets, net and concluded to the absence of impairment.

Restructuring and non-recurring income (expense)

As of December 31, 2022, restructuring and non-recurring income (expense) were made of releases of provisions for which risks expired, partially offset by severance costs. During the year ended December 31, 2021, restructuring and non-recurring income (expense) included €3.8 million of severance costs and €0.4 million of release of provision on facility costs (mainly early lease termination and relocation).

Separation costs

Separation-related costs include fees and expenses associated with the separation transaction from TechnipFMC (the "**Spin-off**") for €28.3 million as of December 31, 2021. The costs included legal and tax advice expenses, consulting services and other separation activities related costs. There were no separation related costs incurred as of December 31, 2022.

Note 6. Other operating income (expense), net

Total other income and expense, net is as follows:

(In millions of €)	December 31, 2022	December 31, 2021
Foreign currency gain (loss)	(9.3)	4.9
Reinsurance income (expense)	7.6	7.9
Net gain (loss) from disposal of property, plant and equipment and intangible assets	(0.7)	0.9
Other	0.3	1.3
TOTAL OTHER OPERATING INCOME (EXPENSE), NET	**(2.1)**	**15.0**

Note 7. Earnings per share

Diluted earnings per share are determined in accordance with accounting principles described in Note 1. Accounting principles.

Reconciliation between earnings per share before dilution and diluted earnings per share is as follows:

(In millions of €, except per share data)	December 31, 2022	December 31, 2021
Net profit (loss) attributable to Technip Energies	300.7	244.6
Weighted average number of ordinary shares outstanding	**175,111,076**	**178,573,624**
Effect of dilutive instruments	3,729,918	1,755,214
WEIGHTED AVERAGE NUMBER OF DILUTED SHARES OUTSTANDING	**178,840,994**	**180,328,838**
Earnings (loss) per share attributable to Technip Energies		
Basic earnings (loss) per share attributable to Technip Energies	€1.72	€1.37
Diluted earnings (loss) per share attributable to Technip Energies	€1.68	€1.36

Diluted earnings (loss) per share is determined by dividing net profit (loss) attributable to Technip Energies by the combination of the weighted average number of ordinary shares outstanding during the period and the dilutive effect of performance shares. Stock options which are "out of the money" are not dilutive.

In 2022, the average annual share price amounted to €12.61 and the closing price to €14.67.

Note 8. Share-based compensation

The expense related to compensation based on performance shares ("**Performance Shares**") and stock options granted to employees and board members was recorded in the consolidated statement of income for €16.7 million and €17.3 million as of December 31, 2022, and 2021 respectively.

8.1. Performance and restricted shares

a. 2022 Performance shares program under the Technip Energies N.V. Incentive Award Plan

The Compensation Committee of the Board of Directors, at its meeting of February 22, 2021, established the terms and conditions of the 2021 Performance shares program (the "**2021 Program**") under and pursuant to the terms of the Technip Energies N.V. Incentive Award Plan (the "**Plan**"). The 2021 Program provided for the allocation of shares granted in either the form of performance stock units ("**PSUs**") or restricted stock units ("**RSUs**").

On February 28, 2022, the Compensation Committee delegated to the Chief Executive Officer the decision to implement the granting of Performance Shares under the 2022 Program. Main grant and additional grant of these Performance Shares were allocated respectively as of March 28, 2022 and September 19, 2022 by the Chief Executive Officer under the 2022 Program pursuant to his decision.

Performance Shares generally vest after 3 years of service.

Share-based compensation expense is recognized ratably over the vesting period. Exceptions to the service period are the death or disability of the employee upon which vesting accelerates.

The Compensation Committee of the Board of Directors, at its meeting of February 28, 2022, has approved the terms of the 2022 Long-Term Incentive Program, and the LTI performance metrics. Under this program, certain Employees, Senior Executives, Executive Committee members or Officers benefit from PSUs that vest subject to achieving satisfactory performances and/or from RSUs that vest subject to continuous presence within the Group. The performance metrics that rule performance criteria of the PSUs are detailed below:

- The Total Shareholder Return ("TSR") represents now 37.5% of the performance conditions mix (vs 100% in 2021 Performance Shares Program). The TSR peer group to assess Technip Energies has also been revised from 8 to 10 reference companies;
- Earnings Per Share ("EPS") has been set as a second financial indicator for 37.5% of the performance conditions mix;
- An E.S.G. performance metric, representing 25.0% of PSUs performance conditions, combines 3 Key Performance Indicators. They are evenly weighted and described below:
  - E: reduce 30% on scope 1&2 GHG emissions by 2025 compared to 2019,
  - S: 25% of women in leadership positions including ExCom by 2025,
  - G: reduce by 2025 non-mandatory commercial intermediaries by 100%.

The fair value of such PSUs is estimated using both a Monte Carlo simulation model and closing stock price at the grant date whereas RSUs fair value is based on the closing stock price at the grant date.

Under the 2022 Program, €21.0 million were authorized for awards. A first grant of 1,659,182 shares (897,084 PSUs and 762,098 RSUs, representing €18.9 million at €11.36 (closing stock price at the grant date) was made on March 28, 2022. A second grant of 167,476 shares (94,792 PSUs and 72,684 RSUs) was performed on September 19, 2022 representing €2.1 million at €12.60 per share (closing stock price at the grant date).

b. Vesting of March 8, 2019, September 23, 2019 and April 15, 2021 Long-Term Incentive programs

In connection with the separation of Technip Energies from TechnipFMC, the outstanding rights to receive ordinary shares of TechnipFMC pursuant to Restricted Stock Units and Performance Stock Units awarded on March 8, 2019 and September 23, 2019, were converted as RSUs on the same terms and conditions under Technip Energies' Long Term Incentive programs.

March 8, 2019 program

Out of the 560,006 Performance Shares granted to certain Employees, Senior Executives, Executive Committee members or Officers:

- 538,124 shares were vested on March 8, 2022, at an acquisition price of €9.16 per share (Technip Energies' stock price on the vesting date, i.e.: the opening of the Paris stock exchange market on March 8, 2022), for grantees having fulfilled the presence conditions for PSUs and RSUs (3 years of service) and after having applied 100% performance conditions for PSUs;
- 21,882 shares were forfeited due to the unfulfillment of presence condition from grantees, according to the requirement of program terms and conditions.

September 23, 2019 program

Out of the 56,806 Performance Shares granted to certain Employees, Senior Executives, Executive Committee members or Officers:

- 43,028 shares were vested on September 23, 2022, at an acquisition price of €12.00 per share (Technip Energies' stock price on the vesting date, i.e.: the opening of the Paris stock exchange market on September 23, 2022), for grantees having fulfilled the presence conditions for PSUs and RSUs (3 years of service) and after having applied 100% performance conditions for PSUs;
- 13,778 shares were forfeited due to the unfulfillment of presence condition from grantees, according to the requirement of program terms and conditions.

April 15, 2021 program – Non-Executive Directors

A Restricted Shares Units (RSUs) Program was granted to 7 Non-Executive Directors on April 15, 2021, subject to a one-year vesting and to presence condition as of April 15, 2022. These 94,829 RSUs were vested in full on April 15, 2022, at the acquisition price of €12.18 per share (Technip Energies' stock price at the opening of the Paris stock exchange market on April 19, 2022).

April 15, 2021 program – Executive Committee (1st Tranche Vesting)

The Compensation Committee awarded a special grant of shares to the Executive Committee of the company as of April 15, 2021 including the Executive Director. The value of the special grant was set at 50% of annual base salary at the date of the grant and constitutes an entitlement to receive shares in the form of PSUs at the end of two vesting periods as follows: 50% of PSUs are to vest after 18 months from the grant date, and 50% of PSUs are to vest after 30 months from the grant date.

The performance measure used for the special grant is the Total Shareholder Return over the vesting periods and is subject to no termination of service occurring prior to the end of the vesting periods. The Total Shareholder Return (TSR) is the rate of return observed, taking into account the payment of a dividend during the period. The dividend is assumed to be reinvested immediately into the share itself at the closing share price of the dividend payment day. The calculated TSR is then compared to the TSR peer group.

The Compensation Committee by written resolution on October 11, 2022 approved the financial performance of the TSR (Total Shareholder Return) at 100% for the period concerning the first vesting tranche of PSU's, in accordance with the terms of the "2021 - Technip Energies N.V. Incentive Award Plan /Special Grant".

As a result, out of 147,741 Performance Shares granted as of April 15, 2021:

- 66,784 shares were vested on October 15, 2022, at an acquisition price of €12,49 per share (Technip Energies' stock price on the vesting date, i.e.: the opening of the Paris stock exchange market on October 17, 2022);
- 7,086 shares have been forfeited due to the unfulfillment of presence condition or the lack of formal acceptance from grantees, according to the requirement of program terms and conditions.

8.2. Stock options

During the years ended December 31, 2022 and 2021 there were no movements regarding stock options.

Note 9. Investment in equity affiliates, joint ventures and other construction project entities

The carrying amounts of the Technip Energies Group's equity affiliates and joint ventures accounted for under the equity method amounted to €106.3 million and €75.4 million as of December 31, 2022 and December 31, 2021, respectively.

Main equity investments were as follows as of December 31, 2022, and December 31, 2021:

		December 31, 2022		December 31, 2021	
(In millions of €, except %)	Place of business/ incorporation	Percentage owned	Carrying value	Percentage owned	Carrying value
ENI Coral FLNG	Mozambique, France	50.0%	48.2	50.0%	45.5
BAPCO Sitra Refinery	Bahrain	36.0%	—	36.0%	—
Novarctic	France, Russian Federation	33.3%	9.0	33.3%	—
NFE	Qatar, France, Japan	50.0%	19.2	50.0%	2.0
Others		N/A	29.9	N/A	27.9
TOTAL			**106.3**		**75.4**

ENI Coral FLNG is an affiliated company in the form of a joint venture between Technip Energies, JGC Corporation, Samsung Heavy Industries and TechnipFMC, all partners in the TJS Consortium. ENI Coral FLNG was formed in 2017 when awarded a contract for the Engineering, Procurement, Construction, Installation, Commissioning and Startup of the Coral South FLNG facility. The 50.0% investment has been accounted for using the equity method.

BAPCO Sitra Refinery is an affiliated company in the form of a joint venture between Technip Energies and Samsung Engineering and Técnicas Reunidas. BAPCO Sitra Refinery was formed in 2018 when awarded a contract from Bahrain Petroleum Company for the BAPCO Modernization Program (BMP) for the expansion of the capacity of the existing Sitra oil refinery in Bahrain's Eastern coast. The 36.0% investment has been accounted for using the equity method.

Novarctic is an affiliated company in the form of a joint venture between Technip Energies, Saipem and Nipigas. The entity was formed in 2019 when awarded a contract from Novatek for three liquefied natural gas (LNG) trains to manage the construction located in the Gydan peninsula in West Siberia, Russia. The 33.3% investment has been accounted for using the equity method.

With our partner Chiyoda Corporation, Technip Energies was awarded a contract from Qatar Petroleum for the onshore facilities of the North Field East Project for four liquefied natural gas (LNG) trains and associated utility facilities (NFE Project). To carry out our performance obligation under the contract, various legal companies and arrangements have been established, some of which qualify as joint operations according to IFRS 11 and are accounted at our proportionate share of such operations and others are joint ventures which are accounted for using the equity method.

The Technip Energies Group's total net profit from equity affiliates and joint ventures was €78.1 million and €33.1 million as of December 31, 2022 and 2021 respectively.

The Technip Energies Group's dividends received from equity affiliates and joint ventures was €52.8 million as of December 31, 2022 and was nil as of December 31, 2021.

The summarized financial information (at 100%) of these investments in joint ventures and associates is presented below for all entities as well as separately for the three major equity investments:

Summarized statement of financial position:

	Total for all JVs and associates		Bapco, Coral and Novarctic only	
(In millions of €)	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
DATA AT 100%				
Non-current assets	38.4	50.5	4.2	17.6
Other current assets	684.4	556.3	362.5	482.4
Cash and cash equivalents	1,204.2	1,275.8	928.9	1,084.0
Total current assets	1,888.6	1,832.1	1,291.4	1,566.4
Total non-current liabilities	34.8	20.3	9.2	3.2
Total current liabilities	1,640.2	1,676.8	1,176.7	1,500.9
Net assets at 100%	**252.0**	**185.5**	**109.7**	**79.9**
Net assets attributable to Technip Energies Group	86.4	59.8	52.2	41.5
Negative investments reclassification	19.9	15.6	5.0	4.0
Investments in equity affiliates	**106.3**	**75.4**	**57.2**	**45.5**

Summarized statement of total comprehensive income:

	Total for all JVs and associates		Bapco, Coral and Novarctic only	
(In millions of €)	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
DATA AT 100%				
Revenue	**2,534.6**	**1,733.3**	**1,429.6**	**1,462.6**
Depreciation and amortization	(3.8)	(3.3)	(2.4)	(2.3)
Financial income	68.5	25.1	58.4	19.2
Financial expense	(54.8)	(30.7)	(49.7)	(28.0)
Income tax (expense)/profit	(35.1)	4.1	(32.1)	2.1
Net profit (loss)	**163.4**	**63.1**	**123.5**	**64.1**
Other comprehensive income	5.8	2.9	(0.9)	(0.4)
TOTAL COMPREHENSIVE INCOME (LOSS)	**169.2**	**66.0**	**122.6**	**63.7**

Note 10. Financial income (expense)

Total financial income was as follows for the years ended December 31, 2022 and 2021:

(In millions of €)	December 31, 2022	December 31, 2021
Interest income	41.1	13.8
Dividends from non-consolidated investments	0.4	—
Other financial income	6.5	2.8
TOTAL FINANCIAL INCOME	**48.0**	**16.6**

Interest income reached €41.1 million and €13.8 million as of December 31, 2022 and 2021 respectively. The variation was mainly caused by the increase of the average deposit amount and the rise of the interest rate during 2022.

Other financial income included fair value through profit and loss of quoted equity instruments for €5.9 million and €2.1 million, as of December 31, 2022 and 2021.

Total financial expense was as follows for the years ended December 31, 2022 and 2021:

(In millions of €)	December 31, 2022	December 31, 2021
Interest expense	(22.5)	(19.4)
Financial expense related to long-term employee benefit plan	(1.4)	(1.1)
Redeemable financial liability fair value measurement	(154.1)	(182.9)
Other financial expense	(10.2)	(15.0)
TOTAL FINANCIAL EXPENSE	**(188.2)**	**(218.4)**

Total financial expense was mainly composed of €154.1 million and €182.9 million as of December 31, 2022 and 2021 respectively, related to the Yamal redeemable financial liability fair value measurement (Note 26.).

Interest expense included lease interest for €4.6 million and €5.8 million as of December 31, 2022 and 2021 respectively.

Other financial expense included fair value through profit and loss of quoted equity instruments for €6.0 million and €8.1 million as of December 31, 2022 and 2021 respectively.

Note 11. Expenses by nature

Operating expenses by nature

Total operating expenses by nature were as follows:

(In millions of €)	December 31, 2022	December 31, 2021
Wages, salaries and other pension costs	(1,334.1)	(1,195.3)
Depreciation and amortization	(127.3)	(116.9)
Purchases, external charges and other expenses	(4,317.0)	(4,565.5)
TOTAL COSTS AND EXPENSES	**(5,778.4)**	**(5,877.7)**

Note 12. Payroll staff

As of December 31, 2022 and 2021, the Technip Energies Group employed 14,515 and 15,586 full-time employees respectively.

Note 13. Income tax

13.1. Income tax expense

Technip Energies N.V. is incorporated in the Netherlands. However, for income tax purposes Technip Energies N.V. is resident in France where its effective place of management is located and where some of its main entities operate. Therefore, Technip Energies N.V. earnings are subject to tax at the French statutory tax rate of 25.83% (vs. 28.41% in 2021).

The following table provides details of income taxes, including deferred taxes for 2022 and 2021:

(In millions of €)	December 31, 2022	December 31, 2021
Current income tax credit (expense)	(91.6)	(157.3)
Deferred income tax credit (expense)	(36.0)	30.6
Income tax credit (expense) as recognized in the consolidated statement of income	**(127.6)**	**(126.7)**
Income tax credit (expense) as recognized in consolidated statement of other comprehensive income at opening	5.6	5.4
Deferred income tax related to items booked to equity during the year	(11.3)	0.2
INCOME TAX CREDIT (EXPENSE) AS RECOGNIZED IN CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME	**(5.7)**	**5.6**

Current income tax includes mainly corporate income tax due in the jurisdictions where the Group operates, but also local state taxes and other contributions assimilated to income tax such as the Italian IRAP or the French CVAE. It also includes taxes withheld on foreign source income when they are not creditable against income tax.

13.2. Income tax reconciliation

The reconciliation between taxes calculated using the statutory tax rate applicable to Technip Energies N.V. and the amount of tax effectively recognized in the statement of income is as follows:

(In millions of €)	December 31, 2022	December 31, 2021
Net profit (loss)	314.2	260.6
Income tax (expense)/profit	(127.6)	(126.7)
Profit (loss) before income tax	**441.8**	**387.3**
At Technip Energies' statutory income tax rate[1]	(114.1)	(110.0)
Difference between Technip Energies N.V. and affiliates tax rates	9.2	6.5
Non creditable foreign taxes	(2.5)	(13.4)
Lump sum taxes classified as income taxes	(7.2)	(9.1)
Non-deductible expenses for tax purposes[2]	(1.6)	(2.4)
Net change in tax contingencies	(4.0)	(0.5)
Adjustments on prior year taxes	2.3	4.3
Net change in deferred tax assets recognized	(13.1)	2.9
Share of profit (loss) of equity-accounted investees	11.2	(0.5)
IFRS adjustments with no tax impact	(8.4)	(4.4)
Deferred tax impact related to change in tax rate	(0.1)	0.2
Other	0.7	(0.3)
Effective income tax credit (expense)	**(127.6)**	**(126.7)**
Effective tax rate	28.9%	32.7%
INCOME TAX CREDIT (EXPENSE) AS RECOGNIZED IN THE CONSOLIDATED STATEMENT OF INCOME	**(127.6)**	**(126.7)**

(1) The tax rate used for the purpose of the income tax expense reconciliation was 25.83% in 2022 and 28.41% in 2021. The rate corresponds to the statutory rate in France where the parent company is tax resident, as well as many other Group's entities.
(2) Formerly Other non-deductible expenses.

13.3. Deferred income tax

Significant components of deferred tax assets and liabilities are shown in the following table:

(In millions of €)	December 31, 2021	Recognized in Statement of Income	Recognized in Statement of OCI	Net foreign exchange difference	Other	December 31, 2022
Tax loss carry-forwards and tax credits	35.9	(9.7)	—	(0.1)	—	26.1
Foreign exchange derivatives	5.4	3.2	(10.7)	0.1	7.1	5.1
Employee compensation and benefits	30.6	1.5	(1.2)	0.5	(1.2)	30.2
Contingencies	40.9	(15.0)	—	0.4	(4.3)	22.0
Construction contract accounting	57.4	(13.3)	—	1.0	11.9	57.0
Property, plant and equipment, goodwill and other assets	—	3.6	—	0.2	6.0	9.8
Other	—	1.2	—	0.8	0.9	2.9
Offsetting	—	—	—	—	(12.5)	(12.5)
Total deferred income tax assets	**170.2**	**(28.5)**	**(11.9)**	**2.9**	**7.9**	**140.6**
Foreign exchange derivatives	—	(5.0)	1.0	(0.5)	(9.3)	(13.8)
Employee compensation and benefits	—	(1.7)	(0.4)	(0.1)	1.0	(1.2)
Contingencies	—	(4.1)	—	(0.4)	4.4	(0.1)
Construction contract accounting	—	5.1	—	1.1	(9.0)	(2.8)
Property, plant and equipment, goodwill and other assets	(6.9)	—	—	(1.3)	(7.0)	(15.2)
Other	1.7	(1.8)	—	(0.2)	(1.8)	(2.1)
Offsetting	—	—	—	—	12.5	12.5
Total deferred income tax liabilities	**(5.2)**	**(7.5)**	**0.6**	**(1.4)**	**(9.2)**	**(22.7)**
DEFERRED INCOME TAX ASSETS (LIABILITIES), NET	**165.0**	**(36.0)**	**(11.3)**	**1.5**	**(1.3)**	**117.9**

(In millions of €)	December 31, 2020	Recognized in statement of Income	Recognized in statement of OCI	Net foreign exchange difference	Other	December 31, 2021
Tax loss carry-forwards and tax	7.2	28.1	—	0.6	—	35.9
Cost accruals/reserves	17.7	—	—	—	(17.7)	—
Foreign exchange derivatives	19.3	2.1	2.7	(0.3)	(18.4)	5.4
Employee compensation and benefits	24.8	3.1	(0.5)	0.4	2.8	30.6
Contingencies	29.3	10.0	—	1.0	0.6	40.9
Construction contract accounting	41.0	(10.9)	—	2.3	25.0	57.4
Total deferred income tax assets	**139.3**	**32.4**	**2.2**	**4.0**	**(7.7)**	**170.2**
Property, plant and equipment, goodwill and other assets	(2.1)	0.3	—	(0.8)	(4.3)	(6.9)
Other	(10.4)	(2.1)	0.4	0.1	13.7	1.7
Total deferred income tax liabilities	**(12.5)**	**(1.8)**	**0.4**	**(0.7)**	**9.4**	**(5.2)**
DEFERRED INCOME TAX ASSETS (LIABILITIES), NET	**126.8**	**30.6**	**2.6**	**3.3**	**1.7**	**165.0**

13.4. Tax loss carry-forwards and tax credits

Deferred tax assets are recognized for tax loss carry-forwards and tax credits to the extent that the realization of the related tax benefit through offset against future taxable profit is probable.

As of December 31, 2022 and 2021 deferred tax assets excluded certain tax benefits related to net operating loss carry-forwards, notably in Saudi Arabia and Germany. Management believes it is more likely than not that we will not be able to utilize certain of these operating loss carry-forwards.

These unrecognized deferred tax assets amounted to €83.3 million and €67.6 million as of December 31, 2022 and 2021, respectively.

Note 14. Goodwill and intangible assets, net

The goodwill and intangible assets' costs and accumulated amortization are presented in the following table:

(In millions of €)	Goodwill	Licenses, patents and trademarks	Software	Other	Total
Net book value as of December 31, 2020	**2,047.8**	**42.1**	**18.7**	**45.0**	**2,153.6**
Costs	2,074.4	100.2	96.7	105.8	**2,377.1**
Accumulated amortization	—	(66.0)	(79.4)	(59.5)	**(204.9)**
Net book value as of December 31, 2021	**2,074.4**	**34.2**	**17.3**	**46.3**	**2,172.2**
Costs	2,096.4	115.8	115.9	125.4	**2,453.5**
Accumulated amortization	—	(71.9)	(93.5)	(83.5)	**(248.9)**
NET BOOK VALUE AS OF DECEMBER 31, 2022	**2,096.4**	**43.9**	**22.4**	**41.9**	**2,204.6**

Goodwill includes €1,453.6 million that was allocated to the TechnipFMC Onshore/Offshore operating segment on the merger date. It was the direct result of the merger between FMC Technologies and Technip in January 2017. Because goodwill attributed to the carve-out entity using the parent's basis is acquisition-specific, it may include synergistic goodwill that the parent entity previously assigned to its other CGU or GCGU that were expected to benefit from the synergies of the business combination. Accordingly, because the Onshore/Offshore operating segment has been carved-out and included in the combined financial statements of the Technip Energies Group, management determined that was most appropriate to include the associated Onshore/Offshore operating segment's goodwill with the Technip Energies Group.

14.1. Goodwill and intangible assets, net

The changes in goodwill and intangible assets are presented in the following table:

(In millions of €)	Goodwill	Licenses, patents and trademarks	Software	Other	Total
Net book value as of December 31, 2020	**2,047.8**	**42.1**	**18.7**	**45.0**	**2,153.6**
Additions – acquisitions – internal developments	—	—	0.3	17.9	**18.2**
Depreciation expense for the year	—	(2.3)	(9.1)	(11.2)	**(22.6)**
Net foreign exchange differences	26.6	2.1	0.2	1.8	**30.7**
Other	—	(7.7)	7.2	(7.2)	**(7.7)**
Net book value as of December 31, 2021	**2,074.4**	**34.2**	**17.3**	**46.3**	**2,172.2**
Additions – acquisitions – internal developments	—	11.4	(2.2)	34.8	**44.0**
Depreciation expense for the year	—	(3.3)	(12.2)	(20.8)	**(36.3)**
Net foreign exchange differences	22.0	1.6	0.2	1.5	**25.3**
Other	—	—	19.3	(19.9)	**(0.6)**
NET BOOK VALUE AS OF DECEMBER 31, 2022	**2,096.4**	**43.9**	**22.4**	**41.9**	**2,204.6**

14.2. Goodwill

Goodwill reallocation per operating segment

Following the Spin-off from TechnipFMC, in February 2021, the Group performed a reallocation of its goodwill to the Group's cash-generating unit ("**CGU**").

For impairment testing purposes, goodwill is tested at the level it is monitored for internal management purposes, which corresponds to the Technip Energies operating segments, Project Delivery or Technologies, Products & Services (for further information on Technip Energies' operating segments, refer to Note 3. Segment information).

The changes in segment reporting and the reallocation of goodwill did not give rise to any goodwill impairment. The goodwill allocated based on those CGUs' enterprise value is split as shown below:

(In millions of €)	December 31, 2022	December 31, 2021
Project Delivery	1,546.6	1,542.8
Technology, Products & Services	549.8	531.6
TOTAL	**2,096.4**	**2,074.4**

Goodwill impairment testing

As of December 31, 2022, the Group performed its goodwill impairment test following the methodology discussed in Note 1. Accounting principles.

The carrying amounts of the CGUs were compared to their value in use. Cash flow projections used in the determination of value in use were made using management prospective financial information on the next 4 years. The valuation of CGUs for the purpose of goodwill impairment test was determined primarily by using the income approach by estimating the value in use.

The income approach estimates the value in use by discounting each CGU's estimated future cash flows using a weighted average cost of capital that reflects current market conditions and the risk profile of the CGU. To estimate future cash flows, Technip Energies used economic and market assumptions that reflect global economic growth, technology efficiency, policy measures, cost increases, consideration of investments (capital expenditures) and cost of development.

The following table presents the key assumptions used by management in determining the recoverable amount of the Group CGUs as of December 31, 2022, and 2021:

	December 31, 2022	December 31, 2021
Year of cash flows before terminal value	4	4
Risk-adjusted post-tax discount rate	11.9%	11.0%
Long term growth rate	1.9%	1.9%

As discussed above, when evaluating the 2022 and 2021 quantitative impairment test results, management considered many factors in determining whether an impairment of goodwill for CGUs was reasonably likely to occur in future periods, including future market conditions and the economic environment. Circumstances such as market declines, unfavorable economic conditions, loss of a major customer or other factors could increase the risk of impairment of goodwill for these CGUs in future periods.

During the years ended December 31, 2022 and 2021 the Technip Energies Group did not record any goodwill impairment expense. Sensitivities applied to weighted average cost of capital (+0.5%) and to long-term growth rates (-0.5%) further support this conclusion.

The excess of fair value over carrying amount for Technip Energies was approximately 212% of the respective carrying amounts for 2022, and 140% for 2021. The Group excess of fair values over carrying amount, after allocation of corporate assets, was respectively 100% for 2022 and 2021.

Note 15. Property, plant and equipment

Location of property, plant and equipment, net by country is the following:

(In millions of €)	December 31, 2022	December 31, 2021
France	54.5	59.5
Italy	14.1	15.5
India	13.9	15.4
United States	11.1	13.3
All other countries	9.2	10.9
TOTAL PROPERTY, PLANT AND EQUIPMENT, NET	**102.8**	**114.6**

The following tables show the property, plant and equipment roll forward per category:

(In millions of €)	Land and buildings	IT equipment	Machinery and equipment	Office fixtures	Other	Total
Net book value as of December 31, 2020	**46.3**	**12.9**	**16.4**	**7.0**	**12.9**	**95.5**
Costs	100.1	83.8	36.6	57.8	60.2	338.5
Accumulated depreciation	(68.4)	(68.4)	(21.1)	(44.0)	(14.5)	(216.4)
Accumulated impairment	(0.3)	(3.8)	(3.4)	—	—	(7.5)
Net book value as of December 31, 2021	**31.4**	**11.6**	**12.1**	**13.8**	**45.7**	**114.6**
Costs	106.6	67.8	38.0	56.7	56.6	325.7
Accumulated depreciation	(80.0)	(56.1)	(23.2)	(44.2)	(11.9)	(215.4)
Accumulated impairment	(0.5)	(3.6)	(3.4)	—	—	(7.5)
NET BOOK VALUE AS OF DECEMBER 31, 2022	**26.1**	**8.1**	**11.4**	**12.5**	**44.7**	**102.8**

(In millions of €)	Land and buildings	IT equipment	Machinery and equipment	Office fixtures	Other	Total
Net book value as of December 31, 2020	**46.3**	**12.9**	**16.4**	**7.0**	**12.9**	**95.5**
Additions	1.9	7.7	1.2	5.5	15.5	31.8
Disposals through divestitures	(0.1)	(0.1)	—	—	—	(0.2)
Disposals – write-off	(0.3)	—	(0.1)	—	(0.2)	(0.6)
Depreciation expense for the year	(5.8)	(6.2)	(2.0)	(2.8)	(2.5)	(19.3)
Net foreign exchange differences	1.1	—	0.5	0.3	0.1	2.0
Other	(11.7)	(2.7)	(3.9)	3.8	19.9	5.4
Net book value as of December 31, 2021	**31.4**	**11.6**	**12.1**	**13.8**	**45.7**	**114.6**
Additions	0.9	3.0	1.1	0.8	5.9	11.7
Disposals through divestitures	—	(0.4)	—	—	(0.3)	(0.7)
Disposals – write-off	—	(0.7)	(0.2)	(0.1)	—	(1.0)
Depreciation expense for the year	(8.1)	(5.8)	(2.1)	(2.6)	(3.2)	(21.8)
Impairment	(0.2)	—	—	—	—	(0.2)
Net foreign exchange differences	—	—	0.2	0.1	—	0.3
Other[1]	2.1	0.4	0.3	0.5	(3.4)	(0.1)
NET BOOK VALUE AS OF DECEMBER 31, 2022	**26.1**	**8.1**	**11.4**	**12.5**	**44.7**	**102.8**

(1) As of December 31, 2022, "Other" is mainly composed of building arrangements on the Group's headquarters.

Note 16. Leases

The following table is a summary of amounts recognized in the consolidated statements of income for the years ended December 31, 2022 and 2021:

(In millions of €)	December 31, 2022	December 31, 2021
Depreciation of right-of-use assets	(69.5)	(75.0)
Interest expense on lease liabilities	(4.6)	(5.8)
Short-term lease costs	(3.9)	(1.8)
Sublease income	2.1	2.0

The table below shows the ending balance and depreciation of right-of-use assets by types of assets:

(In millions of €)	Real estate	Office furniture and IT equipment	Machinery and equipment	Total
Net book value as of December 31, 2020	**178.3**	**2.7**	**3.5**	**184.5**
Costs	368.2	16.4	2.2	386.8
Accumulated depreciation	(112.9)	(10.6)	(1.0)	(124.5)
Accumulated impairment	(10.4)	—	—	(10.4)
Net book value as of December 31, 2021	**244.9**	**5.8**	**1.2**	**251.9**
Costs	373.2	33.8	1.9	408.9
Accumulated depreciation	(153.0)	(10.4)	(1.0)	(164.4)
Accumulated impairment	(22.8)	—	—	(22.8)
NET BOOK VALUE AS OF DECEMBER 31, 2022	**197.4**	**23.4**	**0.9**	**221.7**

The following table shows the right-of-use roll forward per category:

(In millions of €)	Real estate	Office furniture and IT equipment	Machinery and equipment	Total
Net book value as of December 31, 2020	**178.3**	**2.7**	**3.5**	**184.5**
Additions	153.6	9.2	(1.9)	160.9
Disposals through divestitures	0.1	—	—	0.1
Disposals - write-off	(24.0)	—	—	(24.0)
Depreciation expense for the year	(68.5)	(6.2)	(0.4)	(75.1)
Impairment	(0.1)	—	—	(0.1)
Net foreign exchange differences	5.0	0.1	—	5.1
Other	0.5	—	—	0.5
Net book value as of December 31, 2021	**244.9**	**5.8**	**1.2**	**251.9**
Additions	23.5	29.2	0.2	52.9
Disposals - write-off	(1.6)	(0.3)	(0.1)	(2.0)
Depreciation expense for the year	(57.5)	(11.3)	(0.4)	(69.2)
Impairment	(12.7)	—	—	(12.7)
Net foreign exchange differences	0.8	—	—	0.8
NET BOOK VALUE AS OF DECEMBER 31, 2022	**197.4**	**23.4**	**0.9**	**221.7**

As of December 2021, net book value of right-of-use assets was €251.9 million which compares to €221.7 million as of December 31, 2022.

The variation is mainly explained by the change of headquarters with the termination of the Adria tower lease and the new Origine headquarters (right-of-use asset net variation of €129.9 million), and partially offset by the depreciation of the period of on-going contracts.

As of December 31, 2022 the principal type of assets composing the net book value is the real estate for €197.4 million which is mainly consisting of the group headquarters lease. Increase of the office furniture and IT equipment is mainly related to new IT contracts with a net book value of €23.4 million as of December 31, 2022.

The table below shows the lease liability recorded as of December 31, 2022 and 2021 :

(In millions of €)	December 31, 2022	December 31, 2021
Non-current lease liabilities	195.1	236.9
Current lease liabilities	72.1	68.9
TOTAL LEASE LIABILITIES	**267.2**	**305.8**

Note 17. Other assets (non-current and current)

Non-current assets are as follows:

(In millions of €)	December 31, 2022	December 31, 2021
Financial assets at amortized cost, gross	69.9	37.1
Impairment allowance	(1.5)	(1.4)
Non-current financial assets at amortized cost, net	**68.4**	**35.7**
Quoted equity instruments at FVTPL	24.4	26.5
Fair value adjustment	0.7	(1.2)
Non-current financial assets at FVTPL	**25.1**	**25.3**
Derivative assets	6.2	3.1
Other lease receivable	1.9	2.1
Other non-current assets, total	**8.1**	**5.2**
TOTAL OTHER NON-CURRENT ASSETS	**101.6**	**66.2**

Current assets are as follows:

(In millions of €)	December 31, 2022	December 31, 2021
Value added and other tax receivables	158.7	171.7
Other receivables	88.5	61.0
Prepaid expenses	44.1	39.1
Derivative assets	19.9	7.9
Other	26.4	22.5
TOTAL OTHER CURRENT ASSETS	**337.6**	**302.2**

Note 18. Trade receivables, net and contract assets

These line items represent trade accounts receivable from completed contracts, contract assets and other miscellaneous invoices (e.g., trading, procurement services).

Given the nature of the Technip Energies Group's operations, its clients are mainly companies operating in the energy sector.

Valuation allowances for trade receivables and contract assets have changed as shown in the following table:

	December 31, 2022		December 31, 2021	
(In millions of €)	**Trade receivables**	**Contract assets**	**Trade receivables**	**Contract assets**
Gross amount	**1,428.8**	**343.6**	**1,189.2**	**332.1**
Opening loss allowance	(150.8)	(0.3)	(56.0)	—
Change in expected credit loss	(0.7)	(0.1)	1.6	(0.3)
Increase in loss allowance	(12.0)	—	(25.9)	—
Used allowance reversals	18.7	—	1.1	—
Unused allowance reversals	15.0	—	4.0	—
Effects of foreign exchange and other	(1.1)	—	(4.8)	—
Other	(10.5)	—	(70.8)	—
Closing loss allowance	**(141.4)**	**(0.4)**	**(150.8)**	**(0.3)**
TOTAL, NET	**1,287.4**	**343.2**	**1,038.4**	**331.8**

Credit risk details and risk management objectives are discussed in Note 28. Market-related exposure.

Note 19. Cash and cash equivalents

Cash and cash equivalents were as follows:

(In millions of €)	December 31, 2022	December 31, 2021
Cash at bank and in hand	816.6	1,510.3
Cash equivalents	2,660.8	2,128.3
TOTAL CASH AND CASH EQUIVALENTS	**3,477.4**	**3,638.6**
Euro (EUR)	1,517.0	1,441.0
U.S. dollar (USD)	1,461.4	1,654.2
Chinese yuan renminbi (CNY)	280.3	213.1
Japanese yen (JPY)	49.2	31.0
Malaysian ringgit (MYR)	27.4	46.7
Russian ruble (RUB)	17.4	28.8
Trinidad and Tobago dollar (TTD)	13.3	12.4
Pound sterling (GBP)	12.3	27.0
Colombian peso (COP)	11.1	9.2
Azerbaijani manat (AZN)	10.8	37.1
Norwegian krone (NOK)	10.0	15.5
Other (less than €10 million individually)	67.2	122.6
TOTAL CASH AND CASH EQUIVALENTS BY CURRENCY	**3,477.4**	**3,638.6**

A substantial portion of cash and securities are recorded or invested in either Euro or U.S. dollar which are frequently used by the Group within the framework of its commercial relationships. Cash and securities in other currencies correspond either to deposits retained by subsidiaries located in countries where such currencies are the national currencies in order to ensure their own liquidity, or to amounts received from customers prior to the payment of expenses in these same currencies or the payment of dividends. Short-term deposits are classified as cash equivalents along with other securities.

Note 20. Other liabilities (non-current and current)

The following table provides a breakdown of other non-current liabilities:

(In millions of €)	December 31, 2022	December 31, 2021
Redeemable financial liability	—	32.4
Non-current financial liability at FVTPL, total	**—**	**32.4**
Subsidies	7.0	1.8
Derivative liabilities	5.3	1.0
Others	38.0	29.0
Other non-current liabilities, total	**50.3**	**31.8**
TOTAL OTHER NON-CURRENT LIABILITIES	**50.3**	**64.2**

The following table provides a breakdown of other current liabilities:

(In millions of €)	December 31, 2022	December 31, 2021
Redeemable financial liability	101.7	108.4
Current financial liability at FVTPL, total	**101.7**	**108.4**
Accruals on completed contracts	83.4	112.0
Other taxes payable	110.1	101.0
Social security liabilities	43.1	41.7
Derivative liabilities	20.3	33.2
Others[(1)]	108.0	114.7
Other current liabilities, total	**364.9**	**402.6**
TOTAL OTHER CURRENT LIABILITIES	**466.6**	**511.0**

(1) For the year ended December 31, 2022, "Others" notably included government grants for €27.4 million, a €23.7 million liability incurred by Technip Energies N.V. in relation to the Spin-off, €24.6 million of customer advance payment and other current liabilities as well as the short-term portion of provisions for pensions and other employee benefits for €8.8 million. As of December 31, 2021, "Others" notably included liability on lawsuit litigation for €48.6 million, a €24.8 million liability incurred by Technip Energies N.V. in relation to the Spin-off, €24.2 million of customer advance payment and other current liabilities as well as the short-term portion of provisions for pensions and other employee benefits for €9.9 million.

Note 21. Accounts payable, trade

Accounts payable, trade amounted to €1,662.7 million, and €1,497.1 million as of December 31, 2022, and 2021 respectively. Accounts payable, trade maturities are linked to the operating cycle of contracts and mature within 12 months.

Note 22. Debt (long and short-term)

Long and short-term debt consisted of the following:

	December 31, 2022		December 31, 2021	
(In millions of €)	Carrying amount	Fair value	Carrying amount	Fair value
Bonds	599.3	486.7	598.5	602.1
Commercial papers	79.9	80.0	80.0	80.0
Bank borrowings and other	39.8	39.8	4.8	4.8
Financial debts	**719.0**	**606.5**	**683.3**	**686.9**
Lease liability	267.2	267.2	305.8	305.8
FINANCIAL DEBTS & LEASE LIABILITY	**986.2**	**873.7**	**989.1**	**992.7**

The split by maturity as of December 31, 2022 was as follows:

(In millions of €)	Maturity	< 1 year	Within 2 years	Within 3 years	Thereafter
Bonds	599.3	4.0	—	—	595.3
Commercial papers	79.9	79.9	—	—	—
Bank borrowings and other	39.8	39.8	—	—	—
Financial debts	**719.0**	**123.7**	**—**	**—**	**595.3**
Lease liability	267.2	72.1	61.2	27.4	106.5
FINANCIAL DEBTS & LEASE LIABILITY	**986.2**	**195.8**	**61.2**	**27.4**	**701.8**

The movements over the period December 31, 2021 to December 31, 2022, were as follows:

(In millions of €)	Bonds	Commercial papers	Bank borrowings and other	Lease liability	Total
Value as of December 31, 2021	**598.5**	**80.0**	**4.8**	**305.8**	**989.1**
Increase – issuance	7.6	190.0	78.4	44.3	320.3
Decrease – reimbursement	(6.8)	(190.1)	(41.5)	(84.8)	(323.2)
Foreign exchange	—	—	(1.9)	1.9	—
VALUE AS OF DECEMBER 31, 2022	**599.3**	**79.9**	**39.8**	**267.2**	**986.2**

Commercial paper

Under the commercial paper program, the Technip Energies Group through its treasury center company T.EN Eurocash SNC has the ability to access €750 million of short-term financing through commercial paper dealers. The program's rating by S&P Global was revised to 'A-3' from 'A-2' on March 11, 2022. As of December 31, 2022, the Technip Energies Group's Euro based commercial paper borrowings had a weighted average interest rate of 2.01%.

Revolving Facility and Senior unsecured notes

On February 10, 2021, Technip Energies N.V. and T.EN Eurocash SNC entered into a Facilities Agreement with Crédit Agricole Corporate and Investment Bank, as Agent, and the lenders party thereto (the "**Facilities Agreement**") .

The Facilities Agreement provides for the establishment of a bridge facility in an amount of up to €650 million (the "**Bridge Facility**"), to which Technip Energies N.V. was the sole borrower and a revolving facility in an amount of €750 million (the "**Revolving Facility**") to which Technip Energies N.V. and T.EN Eurocash SNC are the Borrowers. Subject to certain conditions, borrowers may request the aggregate commitments under the Revolving Facility to be increased by up to €250 million to reach €1.0 billion.

The Bridge Facility was prepaid and cancelled in full on May 31, 2021, upon issuance of €600 million of 1.125% senior unsecured notes by Technip Energies N.V. on May 28, 2021. The notes have a 7-year maturity, are currently rated 'BBB-' by Standard & Poor's and are listed on Euronext Paris.

The Revolving Facility provided for an initial three-year tenor as from the Initial Availability Date (February 15, 2021) and could be extended twice by one year each time. The first and the second extensions of the Revolving Facility were successfully completed on December 6, 2021, and December 16, 2022, respectively. Consequently, the termination date of the Revolving Facility is February 13, 2026.

The Revolving Facility is available in Euros only. The available capacity under the Revolving Facility is reduced by any outstanding commercial paper borrowings of T.EN Eurocash SNC.

The Revolving Facility contains usual and customary covenants, representations and warranties, mandatory prepayments and events of default for investment-grade credit facilities of this type. It also contains covenants restricting Technip Energies N.V.'s and certain of its subsidiaries' ability to provide additional securities and incur additional indebtedness, enter into asset sales, or make certain investments. It does not include any financial covenant.

Note 23. Shareholder's equity

23.1. Shareholder's equity activity

As of December 31, 2022, Technip Energies N.V. had 179,827,459 common shares issued with a nominal value of €0.01 per share. After cancellation of 5,487,378 treasury shares, the number of shares outstanding is 174,340,081.

Changes in shares outstanding are as follows:

(In number of shares)	
Shares issued as of December 31, 2020	**1**
Issuance of shares - Contribution	4,499,999
Issuance of shares - Reserve allocation	175,313,880
Issuance of shares - Share-based payment	13,579
Shares issued as of December 31, 2021	**179,827,459**
Movements of the period	—
Shares issued as of December 31, 2022	**179,827,459**
Treasury shares	(5,487,378)
SHARES OUTSTANDING AS OF DECEMBER 31, 2022	**174,340,081**

Refer to Note 7 for more information about number of shares considered for the calculation of earnings per share.

23.2. Dividends

(In millions of €)	2022
Final dividend for the year ended 31 December, 2021 of €0.45 per outstanding common share	79.0
Interim dividend for the year ended 31 December, 2022	N/A
TOTAL DIVIDENDS PROVIDED FOR OR PAID	**79.0**

Dividends paid in cash or satisfied by the issue of shares during the year ended December 31, 2022	
Paid in cash	79.0
Satisfied by issue of shares	N/A
TOTAL DIVIDENDS PAID IN CASH OR SATISFIED BY ISSUE OF SHARES FOR THE YEAR ENDED DECEMBER 31, 2022	**79.0**

Dividends not recognized at the end of the reporting period	
In addition to the above dividends, a dividend of €0.52 per share amounting to €91.2 million will be proposed to the Group's Annual Shareholder Meeting of May 10, 2023, in respect of the financial year ended December 31, 2022. The aggregate amount of the proposed dividend expected to be paid but not recognized as a liability as of December 31, 2022, is:	91.2

23.3. Share repurchase

From July 9, 2021, Technip Energies has implemented a liquidity agreement to enhance the liquidity of Technip Energies' shares admitted to trading on Euronext Paris by maintaining a reasonable average daily turnover, reducing bid-ask spread, and monitoring volatility. The cash resources initially allocated to the liquidity agreement were €9.0 million. The liquidity agreement has been suspended as of November 22, 2022, pending renewal of the resolution of the general meeting of shareholders authorizing share repurchases. The amount allocated to the Liquidity contract as of December 31, 2022 was €9.8 million and 8,900 shares. These shares are deducted from consolidated equity for a total value of €0.8 million.

On January 14, 2022 the Group acquired 1,800,000 shares of the Company from TechnipFMC at €13.15 per share. As of December 31, 2022, these treasury shares are deducted from consolidated equity for a total value of €23.7 million.

Treasury shares have been used by the Group to serve respectively March 2019, September 2019 and April 2021 (1st tranche) plans following the end of vesting period. For a detailed description, refer to Note 8. Share-based compensation.

On March 22, 2022, Technip Energies Group launched a share buy-back program of up to €29.8 million to be executed until December 31, 2022. This program provided for the repurchase of up to 1.5% of the Company's issued share capital, with the maximum number of shares that could be acquired being 2.7 million shares. The share buy-back program has been executed in accordance with the authorization of the Board of Directors and the provisions of the Market Abuse Regulation (EU) 596/2014, Commission Delegated Regulation (EU) 2016/1052 and Rule 10b5-1(c) of the U.S. Securities Exchange Act of 1934 (as amended). The Company appointed one broker to execute the share buy-back program in accordance with all applicable regulations on the regulated market of Euronext Paris. The share buy-back program was completed in August 2022. Technip Energies holds the shares bought back as treasury stock, for the purpose of meeting the Company's obligations under equity incentive plans. As of December 31, 2022, 2,618,945 shares have been purchased. These treasury shares are deducted from consolidated equity for a total value of €29.8 million.

23.4. Accumulated other comprehensive income (loss)

Accumulated other comprehensive income (loss) is as follows:

(In millions of €)	Cash flow hedges	Gains (losses) on defined benefit pension plans	Foreign currency translation	Other	Accumulated other comprehensive income/(loss)	Accumulated other comprehensive income/(loss) – non-controlling interests	Total accumulated other comprehensive income/(loss)
Accumulated other comprehensive income/ (loss) as of December 31, 2020	**11.8**	**(24.0)**	**(171.9)**	**—**	**(184.1)**	**(2.1)**	**(186.1)**
Gross effect before reclassification to profit or loss	(30.7)	4.9	55.6	—	29.8	3.5	33.3
Deferred tax	2.6	(1.3)	—	—	1.3	(0.8)	0.5
Reclassification to profit or loss	12.4	—	—	—	12.4	—	12.4
Equity transaction with TechnipFMC	(0.3)	—	41.1	—	40.8	0.1	40.9
Accumulated other comprehensive income/ (loss) as of December 31, 2021	**(4.2)**	**(20.4)**	**(75.2)**	**—**	**(99.8)**	**0.7**	**(99.1)**
Gross effect before reclassification to profit or loss	31.2	25.5	10.9	—	67.6	(1.7)	65.9
Deferred tax	(6.7)	(4.9)	—	—	(11.6)	0.3	(11.3)
Reclassification to profit or loss	(14.8)	—	—	—	(14.8)	—	(14.8)
ACCUMULATED OTHER COMPREHENSIVE INCOME/(LOSS) AS OF DECEMBER 31, 2022	**5.5**	**0.2**	**(64.3)**	**—**	**(58.6)**	**(0.7)**	**(59.3)**

Note 24. Pensions and other long-term employee benefits plans

24.1. Description of the Technip Energies Group's benefit plans

Technip Energies has two types of retirement plans: defined benefit plans and defined contribution plans. Depending on the employing entity, our pension provision encompasses various defined benefit plans, such as:

- End of service benefits, to be paid at the termination of service;
- Retirement benefits;
- Jubilee benefits;
- Post-retirement medical benefits (health care and life insurance).

The defined benefits obligations are estimated by independent actuaries using the projected unit credit actuarial valuation method as per IAS 19 "Employee Benefits". The actuarial assumptions used to determine the obligations may vary depending on the country, plan duration and type of plans. The actuarial estimation is based on usual parameters such as wage, seniority, age and assumptions including discount rate, retirement age, salary increase rate, life expectancy, staff turnover and inflation rate.

Plan assets are managed by separate legal entities and measured at their fair value.

A review of benefit plans is performed for all Technip Energies entities on a yearly basis. Depending on the collected information, materiality of the plans, or if significant changes occurred, a full valuation may be performed. The most material plans are fully evaluated every year while a roll forward is applied for immaterial plans which are fully evaluated every 3 years.

According to IAS 19, Technip Energies Group recognized the funded status of defined benefit plans as an asset or liability in the consolidated statements. The Group recognized in Other Comprehensive Income the changes related to actuarial gains and losses resulting either from actuarial assumptions changes or from experience adjustments. The Technip Energies Group measured its plan's assets at fair value as of the date of the consolidated financial statements. The Technip Energies Group has applied this guidance to its pension and other employee defined benefit plans which are primarily located in the Netherlands (43% of Group total obligations), France (31%), India (10%), the United Arab Emirates (7%), Italy (4%) and Germany (2%).

In the Netherlands, these obligations are generated by a legacy defined benefit plan which has been closed for new participants since December 31, 2014. It was agreed that the entitlement is fixed and that the Company will contribute a fixed annual amount to the plan assets to finance an increase of the defined benefit plan pension rights that were accrued up to December 31, 2014, for a period of 14 years subsequent to the curtailment of the defined benefit plan. The Company does not pay any other funding contributions other than these fixed annual contribution amounts. The pension provision as at December 31, 2022 represents the net present value of the remaining 7 annual contribution payments. The current assets are entirely invested in a Dutch pension insurance policy.

In France, these obligations are mostly generated by legal or collectively bargained end of career benefit plans and jubilee plans. The indemnities paid by the French entities when the employees leave for retirement are calculated based on their Group seniority and their salary at the time of departure.

The Group obligations with respect to post-employment healthcare benefits are not significant.

The Group is expected to pay €1.4 million of employer contribution in 2023 to the Dutch fund.

The Group is also expected to pay €7.1 million of pension and end of service benefits directly to Technip Energies employees in 2023.

The expected benefits payments (paid by the employer and by the plan assets) for the next 10 years are as follows:

(In millions of €)	Total expected benefit payments	France	The Netherlands	Others
2023	14.0	3.3	4.5	6.2
2024	12.3	1.7	4.7	5.9
2025	13.3	2.8	4.9	5.6
2026	13.6	3.5	4.9	5.2
2027	13.0	3.0	4.9	5.1
2028-2032	73.8	24.1	23.9	25.8
TOTAL	**140.0**	**38.4**	**47.8**	**53.8**

24.2. Net benefit expense recognized in the consolidated statement of income

The net benefit expense recognized in the statement of income is as follows:

(In millions of €)	December 31, 2022	December 31, 2021
Service cost	12.2	12.6
Interest on DBO	3.8	3.1
Interest on plan asset	(2.4)	(2.0)
Remeasurements of other long-term benefits	(1.5)	(0.4)
Special events (curtailment/settlement)	0.1	—
Other	—	1.3
DEFINED BENEFIT COST INCLUDED IN THE STATEMENT OF INCOME	**12.2**	**14.6**

As of December 31, 2022, the Group recognized €25.5 million of actuarial gains in OCI amongst which, €63.8 generated on the defined benefit obligation offset by €(38.3) million actuarial losses on plan assets.

The effect of changes in financial assumptions in 2022 amounts to €63.8 million for all group entities. The actuarial gain in financial assumption of € 68.5 million was partly offset with a loss generated by demographic assumptions €(2.7) million and an experience actuarial loss of €(2.0) million for the total of actuarial gain of €63.8 million. This significant increase in actuarial gains on DBO mainly results from the rise in discount rates used for valuation (especially in the Eurozone where discount rates increased from 0.9% to 3.75%). The actuarial return on plan asset represents a loss of €38.3 million mainly related to the Netherlands asset plans, which fair value is determined as the present value of accrued benefits, using the year-end 2022 discount rate.

24.3. Defined benefit asset (liability) recognized in the consolidated statement of financial position

The liability recorded in the statement of financial position is as follows:

	December 31, 2022			December 31, 2021		
(In millions of €)	Defined benefit obligation	Fair value of plan assets	Net defined benefit obligation	Defined benefit obligation	Fair value of plan assets	Net defined benefit obligation
Defined benefit obligation as of the prior period end date	**276.9**	**(139.3)**	**137.6**	**248.8**	**(125.5)**	**123.3**
Acquisition/divestiture/business combination	**(5.2)**	**—**	**(5.2)**	**—**	**—**	**—**
Expense as recorded in the statement of income	**14.5**	**(2.3)**	**12.2**	**16.6**	**(2.0)**	**14.6**
Total current service cost	12.2	—	12.2	12.6	—	12.6
Net financial costs	3.8	(2.3)	1.5	3.1	(2.0)	1.1
Actuarial gains of the year	(1.5)	—	(1.5)	(0.4)	—	(0.4)
Administrative costs and taxes and others	—	—	—	1.3	—	1.3
Actuarial gain/loss recognized in other comprehensive income	**(63.8)**	**38.3**	**(25.5)**	**(7.4)**	**2.5**	**(4.9)**
Actuarial gain/loss on defined benefit obligation	(63.8)	38.3	(25.5)	(7.4)	2.5	(4.9)
■ *Experience*	*2.0*	—	*2.0*	*(3.4)*	—	*(3.4)*
■ *Financial assumptions*	*(68.5)*	—	*(68.5)*	*(6.6)*	—	*(6.6)*
■ *Demographic assumptions*	*2.7*	—	*2.7*	*2.6*	—	*2.6*
Actuarial gain (loss) on plan assets	—	*38.3*	*38.3*	—	*2.5*	*2.5*
Contributions and benefits paid	**(15.3)**	**4.3**	**(11.0)**	**(12.6)**	**3.2**	**(9.4)**
Contributions by employer	—	(2.0)	(2.0)	—	(1.7)	(1.7)
Benefits paid by employer	(9.0)	—	(9.0)	(7.7)	—	(7.7)
Benefits paid from plan assets	(6.3)	6.3	—	(4.9)	4.9	—
Exchange difference and other settlements	**0.8**	**0.8**	**1.6**	**31.4**	**(17.5)**	**13.9**
DEFINED BENEFIT OBLIGATION AS OF THE PERIOD END DATE	**207.9**	**(98.2)**	**109.7**	**276.8**	**(139.3)**	**137.5**

As of December 31, 2022, the discounted defined benefit obligation included €107.8 million for funded plans (compared to €149.7 million in 2021) and €100.2 million for unfunded plans (compared to €127.1 million in 2021).

The breakdown of the net defined-benefit liability by type of benefit plans is as follows:

(In millions of €)	December 31, 2022	December 31, 2021
Pension plans	74.3	100.7
End of service benefits	32.2	30.4
Other long term benefits	3.2	6.4
NET DEFINED BENEFIT OBLIGATION	**109.7**	**137.5**

The table below presents the liabilities per country:

	December 31, 2022		
(In millions of €)	Defined benefit obligation	Assets	Liabilities
France	64.5	—	64.5
The Netherlands	89.3	(80.8)	8.5
Other	54.1	(17.5)	36.7
TOTAL	**207.9**	**(98.3)**	**109.7**

24.4. Actuarial assumptions

In 2022, the average duration of the Group's liability is 10.6 years. The average duration is 12.4 years in France and 11.7 years in the Netherlands.

In the Eurozone, the rates used to discount obligations are fixed by reference to the rates of bonds issued by companies within the main iBoxx Corporate AA index considering the duration of each plan.

In the Eurozone, the inflation rate used to calculate the obligations is fixed by reference to the long-term inflation target of 2.1% set by the European Central Bank.

The below sensitivity analyses are based on a change in an assumption while holding all other assumptions constant:

As of December 31, 2022	France	The Netherlands	Weighted-average rate
Discount rate	3.75%	3.75%	4.25%
Inflation rate	2.10%	2.10%	2.12%
Salary increases	3.60%	2.70%	4.31%

As of December 31, 2021	France	The Netherlands	Weighted-average rate
Discount rate	0.90%	0.90%	1.24%
Inflation rate	1.90%	1.90%	1.90%
Salary increases	3.12%	2.50%	3.42%

Sensitivity analysis:

As of December 31, 2022	France	The Netherlands	Weighted-average rate
Impact of a 50-bps increase or decrease in the discount rate	6.22%	5.47%	4.99%
Impact of a 50-bps increase or decrease in the inflation rate	6.30%	—%	2.15%
Impact of a 50-bps increase or decrease in the salary increase	6.15%	0.05%	2.35%

Assets plans break down:

	December 31, 2022	December 31, 2021
Equity instruments (shares)	—%	—%
Debt instruments (bonds)	—%	—%
Others	—%	—%
Insured assets	100%	100%

Note 25. Provisions (non-current and current)

The principles used to evaluate the amounts and types of provisions for liabilities and charges are described in Note 1. Accounting principles.

Movements in provisions as of December 31, 2022 were as follows:

(In millions of €)	December 31, 2021	Increase	Used reversal	Unused reversal	Other	December 31, 2022
Litigation	24.0	2.5	—	—	—	26.5
Restructuring obligations	16.2	5.7	(2.5)	(16.5)	7.8	10.7
Provisions for claims	7.9	0.2	—	—	0.1	8.2
Other non-current provisions	12.6	6.2	(0.1)	—	(8.1)	10.6
Total non-current provisions	**60.7**	**14.6**	**(2.6)**	**(16.5)**	**(0.2)**	**56.0**
Contingencies related to contracts	43.2	6.8	(1.3)	(18.9)	16.2	46.0
Litigation	28.5	15.6	(3.5)	(4.2)	3.5	39.9
Restructuring obligations	12.8	8.6	(3.8)	(5.4)	1.6	13.8
Provisions for claims	0.3	—	—	(0.1)	—	0.2
Other current provisions	5.7	25.4	(1.1)	(0.6)	(3.0)	26.4
Total current provisions	**90.5**	**56.4**	**(9.7)**	**(29.2)**	**18.3**	**126.3**
TOTAL PROVISIONS	**151.2**	**71.0**	**(12.3)**	**(45.7)**	**18.1**	**182.3**

Movements in provisions as of December 31, 2021 were as follows:

(In millions of €)	December 31, 2020	Increase	Used reversal	Unused reversal	Other	December 31, 2021
Litigation	5.2	0.6	—	—	18.2	24.0
Restructuring obligations	8.4	0.7	(3.4)	(0.9)	11.4	16.2
Provisions for claims	7.7	0.2	—	—	—	7.9
Other non-current provisions	4.8	0.5	(0.1)	(0.9)	8.3	12.6
Total non-current provisions	**26.1**	**2.0**	**(3.5)**	**(1.8)**	**37.9**	**60.7**
Contingencies related to contracts	42.1	12.3	(0.5)	(9.8)	(0.9)	43.2
Litigation	59.7	26.2	(43.4)	(3.5)	(10.5)	28.5
Restructuring obligations	9.3	4.3	(9.7)	(0.1)	9.0	12.8
Provisions for claims	0.3	0.1	—	—	(0.1)	0.3
Other current provisions	9.2	9.8	(7.5)	(2.6)	(3.2)	5.7
Total current provisions	**120.6**	**52.7**	**(61.1)**	**(16.0)**	**(5.7)**	**90.5**
TOTAL PROVISIONS	**146.7**	**54.7**	**(64.6)**	**(17.8)**	**32.2**	**151.2**

Note 26. Financial instruments

26.1. Financial assets and liabilities by category

The Technip Energies Group holds the following financial assets and liabilities:

	December 31, 2022				
	Analysis by category of financial instruments				
(In millions of €)	Carrying amount	At fair value through profit or loss	At amortized cost	At fair value through OCI	Level
Other non-current financial assets (excl. derivatives)	93.5	25.1	68.4	—	Level 1
Derivative financial instruments (non-current and current)	26.1	1.5	—	24.6	Level 2
Trade receivables, net	1,287.4	—	1,287.4	—	N/A
Cash and cash equivalents	3,477.4	3,477.4	—	—	N/A
TOTAL FINANCIAL ASSETS	**4,884.4**	**3,504.0**	**1,355.8**	**24.6**	
Long-term debt, less current portion	595.3	—	595.3	—	N/A
Derivative financial instruments (non-current and current)	25.6	0.8	—	24.8	Level 2
Short-term debt	123.7	—	123.7	—	N/A
Accounts payable, trade	1,662.7	—	1,662.7	—	N/A
Other current liabilities (excl. derivatives)	98.1	98.1	—	—	Level 3
TOTAL FINANCIAL LIABILITIES	**2,505.4**	**98.9**	**2,381.7**	**24.8**	

	December 31, 2021				
	Analysis by category of financial instruments				
(In millions of €)	Carrying amount	At fair value through profit or loss	At amortized cost	At fair value through OCI	Level
Other non-current financial assets (excl. derivatives)	60.9	25.3	35.6	—	Level 1
Derivative financial instruments (non-current and current)	11.0	1.1	—	9.9	Level 2
Trade receivables, net	1,038.4	—	1,038.4	—	N/A
Cash and cash equivalents	3,638.6	3,638.6	—	—	N/A
TOTAL FINANCIAL ASSETS	**4,748.9**	**3,665.0**	**1,074.0**	**9.9**	
Long-term debt, less current portion	594.1	—	594.1	—	N/A
Other non-current financial liabilities (excl. derivatives)	32.4	32.4	—	—	Level 3
Derivative financial instruments (non-current and current)	34.2	3.1	—	31.1	Level 2
Short-term debt	89.2	—	89.2	—	N/A
Accounts payable, trade	1,497.1	—	1,497.1	—	N/A
Other current liabilities (excl. derivatives)	108.4	108.4	—	—	Level 3
TOTAL FINANCIAL LIABILITIES	**2,355.4**	**143.9**	**2,180.4**	**31.1**	

During the financial years 2022 and 2021, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements.

Investments — The fair value measurement of quoted equity instruments is based on quoted prices that the Technip Energies Group has the ability to access in public markets.

Mandatorily redeemable financial liability — Management determined the fair value of the mandatorily redeemable financial liability using a discounted cash flow model. The key assumptions used in applying the income approach are the selected discount rates and the expected dividends to be distributed in the future to the non-controlling interest holders. Expected dividends to be distributed are based on the non-controlling interests' share of the expected profitability of the underlying contract, the selected discount rate, and the overall timing of completion of the project. The fair value measurement is based upon significant inputs not observable in the market and is consequently classified as a Level 3 fair value measurement.

Changes in the fair value of Level 3 mandatorily redeemable financial liability (Note 20. Other liabilities (non-current and current)) are presented in the below table. Over the periods presented, the Technip Energies Group consolidated the total results of the Yamal entities and recorded a mandatorily redeemable financial liability representing the Group's dividend obligation.

(In millions of €)	December 31, 2022	December 31, 2021
Balance at beginning of the period	**140.8**	**201.0**
Add: Expenses recognized in statement of income	154.2	182.9
Less: Settlements	(206.6)	(256.0)
Net foreign exchange differences	9.7	12.9
BALANCE AT END OF THE PERIOD	**98.1**	**140.8**

Fair value of debt — The fair values (based on Level 2 inputs) of the Technip Energies Group debt, carried at amortized cost, are presented in Note 22. Debt (long and short-term).

26.2. Derivative financial instruments

The management of the Technip Energies Group derivatives and hedge accounting was carried out centrally by Technip Energies as of December 31, 2022.

For purposes of mitigating the effect of changes in exchange rates, Technip Energies holds derivative financial instruments to hedge the risks of certain identifiable and anticipated transactions and recorded assets and liabilities in the consolidated statement of financial position. The types of risks hedged are those relating to the variability of future earnings and cash flows caused by movements in foreign currency exchange rates. The Technip Energies Group's policy is to hold derivatives only for the purpose of hedging risks associated with anticipated foreign currency purchases and sales created in the normal course of business and not for trading purposes where the objective is solely or partially to generate profit.

Generally, Technip Energies enters into hedging relationships so that changes in the fair values or cash flows of the transactions being hedged are expected to be offset by corresponding changes in the fair value of the derivatives. For derivative instruments that qualify as a cash flow hedge, the effective portion of the gain or loss of the derivative, which does not include the time value component of a forward currency rate, is reported as a component of OCI and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. For derivative instruments not designated as hedging instruments, any change in the fair value of those instruments is reflected in earnings in the period such change occurs. For further information on foreign currency risk exposure and management, refer to Note 28. Market-related exposure.

Technip Energies used the following types of derivative instruments: foreign exchange rate forward contracts. In general embedded derivative instruments are separated from the host contract if the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to those of the host contract and the host contract is not marked-to-market at fair value. The purpose of these instruments is to hedge the risk of changes in future cash flows of highly probable purchase or sale commitments denominated in foreign currencies and recorded assets and liabilities in the consolidated statement of financial position.

As of December 31, 2022, and 2021, the Group held the following material net positions:

	December 31, 2022		December 31, 2021	
	Net notional amount bought (sold)		Net notional amount bought (sold)	
(In millions of currency)	Local currency	Euro equivalent	Local currency	Euro equivalent
Australian dollar (AUD)	3.0	1.9	5.7	3.6
Canadian dollar (CAD)	2.0	1.4	—	—
Chinese yuan renminbi (CNY)	100.0	13.5	64.0	8.8
Euro (EUR)	99.4	99.4	173.1	173.1
Indian rupee (INR)	519.0	5.9	952.3	11.3
Japanese yen (JPY)	(1,342.1)	(9.5)	(544.7)	(4.2)
Kuwaiti dinar (KWD)	8.5	26.0	6.0	17.5
Malaysian ringgit (MYR)	34.1	7.3	118.5	25.0
Mexican peso (MXN)	486.4	23.4	684.3	29.4
Norwegian krone (NOK)	(23.2)	(2.2)	(186.1)	(18.6)
Pound sterling (GBP)	(54.4)	(61.3)	(62.1)	(74.0)
Qatari riyal (QAR)	(10.0)	(2.6)	(8.0)	(1.9)
Russian ruble (RUB)	—	—	(492.6)	(5.8)
Saudi riyal (SAR)	(10.0)	(2.5)	(3.0)	(0.7)
Singapore dollar (SGD)	20.0	14.0	41.4	27.0
Swedish krona (SEK)	—	—	(1.5)	(0.1)
U.A.E. dirham (AED)	30.0	7.7	—	—
U.S. dollar (USD)	(713.9)	(668.9)	(569.3)	(500.7)

Fair value amounts for all outstanding derivative instruments have been determined using available market information and commonly accepted valuation methodologies. Accordingly, the estimates presented may not be indicative of the amounts that Technip Energies would realize in a current market exchange and may not be indicative of the gains or losses Technip Energies may ultimately incur when these contracts are settled.

The following table presents the location and fair value amounts of derivative instruments reported in the consolidated statement of financial position:

	December 31, 2022		December 31, 2021	
(In millions of €)	Assets	Liabilities	Assets	Liabilities
Derivatives designated as hedging instruments				
Foreign exchange contracts				
Current – Derivative financial instruments	18.4	19.5	6.8	30.1
Long-term – Derivative financial instruments	6.2	5.3	3.1	1.0
Total derivatives designated as hedging instruments	**24.6**	**24.8**	**9.9**	**31.1**
Derivatives not designated as hedging instruments				
Foreign exchange contracts				
Current – Derivative financial instruments	1.5	0.8	1.1	3.1
Long-term – Derivative financial instruments	—	—	—	—
Total derivatives not designated as hedging instruments	**1.5**	**0.8**	**1.1**	**3.1**
TOTAL DERIVATIVES	**26.1**	**25.6**	**11.0**	**34.2**

Cash flow hedges of forecasted transactions resulted in accumulated other comprehensive (loss)/income of €16.4 million and €(18.3) million as of December 31, 2022 and 2021. The Technip Energies Group expects to transfer an approximately €9.1 million loss from accumulated other comprehensive income to earnings during the next 12 months when the anticipated transactions actually occur. All anticipated transactions currently being hedged are expected to occur by the last quarter of 2027.

The following table presents the location of gains (losses) in the consolidated statement of income related to derivative instruments designated as cash flow hedges:

	Gain (Loss) recognized in OCI (Effective Portion)	
(In millions of €)	**December 31, 2022**	**December 31, 2021**
Foreign exchange contracts		
Other comprehensive income/(loss)	31.2	(30.7)

The following table presents the location of cash flow hedge gain (loss) reclassified from accumulated other comprehensive income into profit (loss):

	Gain (Loss) reclassified from accumulated OCI into profit (loss) (Effective portion)	
(In millions of €)	**December 31, 2022**	**December 31, 2021**
Foreign exchange contracts		
Other income (expense), net	(14.8)	12.4

The following table presents the location of cash flow hedge gain (loss) recognized in profit (loss):

	Gain (Loss) recognized in profit (loss) (Ineffective portion and amount excluded from effectiveness testing)	
(In millions of €)	**December 31, 2022**	**December 31, 2021**
Foreign exchange contracts		
Other income (expense), net	(6.3)	8.8

The following table presents the location of gains (losses) in the consolidated statement of income related to derivative instruments not designated as hedging instruments:

	Gain (Loss) recognized in profit (loss) on derivatives (Instruments not designated as hedging instruments)	
(In millions of €)	**December 31, 2022**	**December 31, 2021**
Foreign exchange contracts		
Other income (expense), net	2.7	(7.1)

26.3. Offsetting financial assets and financial liabilities

The Technip Energies Group executes derivative contracts with counterparties that consent to a master netting agreement, which permits net settlement of the gross derivative assets against gross derivative liabilities.

Each instrument is accounted for individually and assets and liabilities are not offset. As of December 31, 2022 and 2021 the Technip Energies Group had no collateralized derivative contracts.

The following table presents both gross information and net information of recognized derivative instruments:

	December 31, 2022			December 31, 2021		
(In millions of €)	Gross amount recognized	Gross amounts not offset permitted under master netting agreements	Net amount	Gross amount recognized	Gross amounts not offset permitted under master netting agreements	Net amount
Derivative assets	26.1	(15.3)	10.8	11.0	(7.3)	3.7
Derivative liabilities	25.6	(15.3)	10.3	34.2	(7.3)	26.9

Note 27. Related party transactions

Receivables, payables, revenues and expenses which are included in the consolidated financial statements as transactions with related parties, defined as entities related to Technip Energies' directors and Technip Energies' main Shareholders as well as direct and indirect affiliates of Technip Energies and the partners of the Technip Energies Group's joint ventures, were as follows:

27.1. Transactions with related parties and equity affiliates

Trade receivables consisted of receivables due from the following related parties:

(In millions of €)	December 31, 2022	December 31, 2021
CTEP France	63.6	31.9
JGC Corporation	63.0	41.7
TTSJV W.L.L.	7.5	4.6
TKJV LLP	5.7	8.5
TPIT Dar & Engineering	5.3	4.1
Novarctic	0.7	2.1
Others	11.4	11.4
TOTAL TRADE RECEIVABLES	**157.2**	**104.3**

Trade payables consisted of payables due to the following related parties:

(In millions of €)	December 31, 2022	December 31, 2021
CTEP Japan	89.2	6.3
CTEP France	35.5	2.0
Chiyoda	8.4	3.4
TTSJV W.L.L.	2.5	1.7
TPIT Dar & Engineering	2.3	—
Others	2.4	0.9
TOTAL TRADE PAYABLES	**140.3**	**14.3**

Transactions with related parties also included loans to equity affiliates for an amount of €27.1 million as of December 31, 2022, and €8.8 million as of December 31, 2021.

Chiyoda and JGC Corporation are joint venture partners on Yamal and Qatar NFE projects. Saipem and Nipigas are joint venture partners on the Arctic LNG 2 project. CTEP France and CTEP Japan are joint ventures established to carry out our performance obligation under the Qatar NFE project and are accounted for using the equity method.

Revenue consisted of amounts with the following related parties:

(In millions of €)	December 31, 2022	December 31, 2021
CTEP France	164.0	106.9
JGC Corporation	66.5	40.6
Novarctic	43.8	9.3
TTSJV W.L.L.	19.1	25.6
Storengy	12.1	12.1
TKJV LLP	8.0	7.9
Chiyoda	5.5	—
Sasol	—	16.1
Nipigas	—	13.9
Others	4.8	7.3
TOTAL REVENUES	**323.8**	**239.7**

Expenses consisted of amounts with the following related parties:

(In millions of €)	December 31, 2022	December 31, 2021
CTEP Japan	(341.4)	(62.4)
CTEP France	(181.7)	(61.1)
Chiyoda	(15.6)	(6.2)
Arkema S.A.	(5.5)	—
Sofresid	(4.1)	(6.9)
TTSJV W.L.L.	(3.9)	(6.3)
Saipem	(2.0)	(5.3)
TPIT Dar & Engineering	(1.6)	—
Others	(4.3)	(6.6)
TOTAL EXPENSES	**(560.1)**	**(154.8)**

27.2. Key management remuneration

Technip Energies Executive Committee remuneration was as follows for December 31, 2022 and 2021 respectively:

(In millions of €)	December 31, 2022	December 31, 2021
Salaries and fringe benefits	6.0	5.4
Annual incentives	5.1	5.2
Long-term incentive awards	4.3	3.7
Pension related benefits	0.3	0.2
TOTAL	**15.7**	**14.5**

The Board of Directors remuneration was €1.4 million and €1.5 million as of December 31, 2022 and 2021 respectively.

Note 28. Market-related exposure

28.1. Liquidity risk

The primary objectives of liquidity management consist of meeting the continuing funding requirements of Technip Energies global operations with cash generated by such operations and Technip Energies existing commercial paper program.

Cash pooling and external financing are largely centralized at T.EN Eurocash SNC. Funds are provided to Technip Energies companies on the basis of an "in-house banking" solution.

The financing requirements of Technip Energies companies are determined on the basis of short and medium-term liquidity planning. The financing is controlled and implemented centrally on a forward-looking basis in accordance with the planned liquidity requirements or surplus. Relevant planning factors taken into consideration include operating cash flow, capital expenditures, divestments, margin payments and the maturities of financial liabilities.

Commercial paper program and credit facility

Under the commercial paper program, Technip Energies, through its treasury center T.EN Eurocash SNC, has the ability to access up to €750.0 million of financing through its commercial paper dealers. Technip Energies had respectively €79.9 million and €80.0 million of commercial paper issued under the facility as of December 31, 2022, and 2021. Refer to Note 22. Debt (long and short-term) for more details.

The following is a summary of the credit facility as of December 31, 2022:

(In millions of €)	Amount	Debt outstanding	Commercial paper outstanding	Unused capacity
Revolving credit facility	750.0	—	79.9	670.1

Technip Energies' available capacity under the Revolving Facility is reduced by any outstanding commercial paper. As of December 31, 2022, all restrictive covenants were complying under the Revolving Facility agreement.

Undiscounted financial liabilities

The contractual undiscounted repayment schedule of financial liabilities as of December 31, 2022 was as follows:

(In millions of €)	2023	2024	2025	2026	2027	2028 and beyond	Total
Financial Debts	123.7	—	—	—	—	595.3	719.0
Accounts payable, trade	1,662.7	—	—	—	—	—	1,662.7
Derivative financial instruments	20.3	5.2	0.1	—	—	—	25.6
Redeemable financial liability	98.1	—	—	—	—	—	98.1
TOTAL FINANCIAL LIABILITIES AS OF DECEMBER 31, 2022	**1,904.8**	**5.2**	**0.1**	**—**	**—**	**595.3**	**2,505.4**

The contractual undiscounted repayment schedule of financial liabilities as of December 31, 2021 was as follows:

(In millions of €)	2022	2023	2024	2025	2026	2027 and beyond	Total
Financial Debts	85.3	0.1	—	—	—	594.0	679.4
Accounts payable, trade	1,433.9	—	—	—	—	—	1,433.9
Derivative financial instruments	33.1	1.1	—	—	—	—	34.2
Redeemable financial liability	108.4	21.0	11.4	—	—	—	140.8
Due to TechnipFMC - Trade payables	63.2	—	—	—	—	—	63.2
Due to TechnipFMC - Loans	3.9	—	—	—	—	—	3.9
TOTAL FINANCIAL LIABILITIES AS OF DECEMBER 31, 2021	**1,727.8**	**22.2**	**11.4**	**—**	**—**	**594.0**	**2,355.4**

28.2. Foreign currency exchange rate risk

Technip Energies conducts operations around the world in several different currencies. Many of the Technip Energies Group's significant foreign subsidiaries have designated the local currency as their functional currency. Earnings are therefore subject to change due to fluctuations in foreign currency exchange rates when the earnings in foreign currencies are translated into Euro. The Technip Energies Group does not hedge this translation impact on earnings. A 10% increase or decrease in the average exchange rates of all foreign currencies as of December 31, 2022, would have changed the Technip Energies Group's revenue and profit (loss) before income taxes attributable to the Technip Energies Group by approximately €319.4 million and €32.6 million, respectively. A 10% increase or decrease in the average exchange rates of all foreign currencies as of December 31, 2021 would have changed the Technip Energies Group's revenue and profit (loss) before income taxes attributable to the Technip Energies Group by approximately €221.1 million and €33.6 million, respectively.

When transactions are denominated in currencies other than the respective functional currencies of the applicable subsidiaries of the Technip Energies Group, the Group manages these exposures through derivative instruments. The Group primarily uses foreign currency forward contracts to hedge the foreign currency fluctuations associated with firmly committed and forecasted foreign currency denominated payments and receipts. The derivative instruments associated with these anticipated transactions are usually designated and qualify as cash flow hedges, and as such the gains and losses associated with these instruments are recorded in other comprehensive income until such time that the underlying transactions are recognized. Unless these cash flow contracts are deemed to be ineffective or are not designated as cash flow hedges at inception, changes in the derivative fair value will not have an immediate impact on results of operations since the gains and losses associated with these instruments are recorded in other comprehensive income. When the anticipated transactions occur, these changes in value of derivative instrument positions will be offset against changes in the value of the underlying transaction. When an anticipated transaction in a currency other than the functional currency of an entity is recognized as an asset or liability on the statement of financial position, we also hedge the foreign currency fluctuation of these assets and liabilities with derivative instruments after netting the Technip Energies Group's exposures worldwide. These derivative instruments do not qualify as cash flow hedges.

Occasionally, the Technip Energies Group enters into contracts or other arrangements containing terms and conditions that qualify as embedded derivative instruments and are subject to fluctuations in foreign exchange rates. In those situations, the Technip Energies Group enters into derivative foreign exchange contracts that hedge the price or cost fluctuations due to movements in the foreign exchange rates. These derivative instruments are not designated as cash flow hedges.

For foreign currency forward contracts hedging anticipated transactions that are accounted for as cash flow hedges, a 10% increase in the value of the Euro would have resulted in an additional loss of €68.3 million and €65.0 million in the net fair value of cash flow hedges reflected in the consolidated statement of financial position as of December 31, 2022 and 2021 respectively.

For certain committed and anticipated future cash flows and recognized assets and liabilities that are denominated in a foreign currency the Technip Energies Group may choose to manage risk against changes in the exchange rates, when compared against the functional currency, through the economic netting of exposures instead of derivative instruments. Cash outflows or liabilities in a foreign currency are matched against cash inflows or assets in the same currency such that movements in exchange rates will result in offsetting gains or losses. Due to the inherent unpredictability of the timing of cash flows, gains and losses in the current period may be economically offset by gains and losses in a future period. All gains and losses are recorded in the consolidated statement of income in the period in which they are incurred. Gains and losses from the remeasurement of assets and liabilities are recognized in other income (expense), net.

28.3. Interest rate risk

The Technip Energies Group is generally financed using the internal cash pooling system. Cash pooling balances earn and bear interest on normal market terms and conditions (rates of interest for specific maturities and currencies). Individual members of the Technip Energies Group that are not included in the internal cash pool due to legal restrictions arrange financing independently or with discrete intercompany loans at arm's length terms and conditions or deposit their excess liquidity with leading local banks.

The Technip Energies Group assesses the effectiveness of forward foreign currency contracts designated as cash flow hedges based on changes in fair value attributable to changes in spot rates. The Technip Energies Group excludes the impact attributable to changes in the difference between the spot rate and the forward rate for the assessment of hedge effectiveness and recognizes the change in fair value of this component immediately in earnings. Considering that the difference between the spot rate and the forward rate is proportional to the differences in the interest rates of the countries of the currencies being traded, the Technip Energies Group has exposure in the unrealized valuation of its forward foreign currency contracts to relative changes in interest rates between countries in its results of operations.

Based on the Technip Energies Group's portfolio as of December 31, 2022, the Technip Energies Group has material positions with exposure to interest rates in the United States of America and the European Union.

The Technip Energies Group's fixed-rate borrowings include commercial paper. There are no floating rate borrowings.

(In millions of €)	December 31, 2022	December 31, 2021
Bonds (note 22)	599.3	598.5
Commercial paper (note 22)	79.9	80.0
Bank borrowings and other (note 22)	39.8	0.9
Loans due to TechnipFMC	—	3.9
TOTAL DEBT	**719.0**	**683.3**

Sensitivity analysis as of December 31, 2022

As of December 31, 2022, the net cash position of the Technip Energies Group (cash and cash equivalents, less financial debts) amounted to €2,758.4 million. A 1% (100 basis points) increase in interest rates would have generated an additional profit of €27.6 million before tax in the net cash position. A 1% (100 basis points) decrease in interest rates would have generated a loss of the same amount.

Sensitivity analysis as of December 31, 2021

As of December 31, 2021, the net short-term cash position of the Technip Energies Group (cash and cash equivalents, less short-term financial debt) amounted to €2,955.3 million. A 1% (100 basis points) increase in interest rates would have generated an additional profit of €29.6 million before tax in the net cash position. A 1% (100 basis points) decrease in interest rates would have generated a loss of the same amount.

28.4. Credit risk

Valuations of derivative assets and liabilities reflect the value of the instruments, including the values associated with counterparty risk. These values must also take into account the Technip Energies Group's credit standing, thus including in the valuation of the derivative instrument the value of the net credit differential between the counterparties to the derivative contract. The methodology includes the impact of both counterparties and such entity's own credit standing. Adjustments to derivative assets and liabilities related to credit risk were not material for any period presented.

By their nature, financial instruments involve risk, including credit risk, for non-performance by counterparties. Financial instruments that potentially subject the Technip Energies Group to credit risk primarily consist of trade receivables, contract assets, contractual cash flows from debt instruments (primarily loans), cash equivalents and deposits with banks, as well as derivative contracts. The Technip Energies Group manages the credit risk on financial instruments by transacting only with what management believes are financially secure counterparties, requiring credit approvals and credit limits, and monitoring counterparties' financial condition. The maximum exposure to credit loss in the event of non-performance by the counterparty is limited to the amount drawn and outstanding on the financial instrument. The Technip Energies Group mitigates credit risk on derivative contracts by executing contracts only with counterparties that consent to a master netting agreement, which permits the net settlement of gross derivative assets against gross derivative liabilities.

The Group has applied the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

Credit risk exposure on trade receivables and contract assets using a provision matrix are set out as follows:

	December 31, 2022					
	Days past due					
(In millions of €)	Current	Less than 3 months	3 to 12 months	Over 1 year	Total trade receivables	Contract assets
Net carrying amount	884.5	262.5	64.4	76.0	1,287.4	343.2
Weighted average expected credit loss rate	N/A	N/A	N/A	N/A	0.13%	0.13%

	December 31, 2021					
	Days past due					
(In millions of €)	Current	Less than 3 months	3 to 12 months	Over 1 year	Total trade receivables	Contract assets
Net carrying amount	680.3	114.0	144.3	99.8	1,038.4	331.8
Weighted average expected credit loss rate	N/A	N/A	N/A	N/A	0.09%	0.09%

Note 29. Commitments and contingent liabilities

29.1. Contingent liabilities associated with guarantees

In the ordinary course of business, the Technip Energies Group enters into standby letters of credit, performance bonds, surety bonds and other guarantees with financial institutions for the benefit of its customers, vendors and other parties.

Most of these financial instruments expire within five years. Management does not expect any of these financial instruments to result in losses that, if incurred, would have a material adverse effect on the Technip Energies Group's consolidated financial position, results of operations or cash flows.

Guarantees consisted of the following:

(In millions of €)	December 31, 2022	December 31, 2021
Financial guarantees[1]	202.4	105.0
Performance guarantees[2]	3,074.0	2,709.9
MAXIMUM POTENTIAL UNDISCOUNTED PAYMENTS	**3,276.4**	**2,814.9**

(1) Financial guarantees represent contracts that contingently require a guarantor to make payments to a guaranteed party based on changes in an underlying agreement that is related to an asset, a liability, or an equity security of the guaranteed party as primary obligor. These would be drawn down only if there is a failure to fulfill financial obligations by the primary obligor.

(2) Performance guarantees represent contracts that contingently require a guarantor to make payments to a guaranteed party based on another entity's failure to perform under a non-financial agreement. Events that trigger payment are performance-related, such as failure to ship a product or provide a service.

29.2. Contingent liabilities associated with legal matters

The Group is involved in various pending or potential legal actions, disputes and proceedings, whether initiated by the Company or by third parties (including governmental authorities) any of which could result in sanctions of a financial, administrative or criminal nature or proceedings. Management is unable to predict the ultimate outcome of these actions because of their inherent uncertainty. However, management believes that the most probable, ultimate resolution of these matters will not have a material adverse effect on the Technip Energies Group's financial position or profitability.

In late 2016, TechnipFMC was contacted by the United States Department of Justice ("**DOJ**") regarding its investigation of offshore platform projects awarded between 2003 and 2007, performed in Brazil by a joint venture company in which TechnipFMC was a minority participant. Subsequently TechnipFMC also raised the subject with the DOJ of certain other projects performed by TechnipFMC subsidiaries in Brazil between 2002 and 2013. The DOJ has also inquired about projects in Ghana and Equatorial Guinea that were awarded to TechnipFMC subsidiaries in 2008 and 2009, respectively. TechnipFMC cooperated with the DOJ in its investigation into the potential violations of the U.S. Foreign Corrupt Practices Act (the "**FCPA**") in connection with these projects, and contacted and cooperated with the Brazilian authorities (the Federal Prosecution Service (the "**MPF**"), the Comptroller General of Brazil (the "**CGU**") and the Attorney General of Brazil (the "**AGU**")) as relates to their investigation concerning the projects in Brazil. Technip Energies is subject to an ongoing investigation by the French *Parquet National Financier* ("**PNF**") related to the above referenced projects in Equatorial Guinea and Ghana. Technip Energies was later informed by the PNF that the PNF was also reviewing certain historical projects in Angola.

On June 25, 2019, TechnipFMC announced a global resolution to pay a total of $301.3 million to the DOJ, the SEC, the MPF, and the CGU/AGU to resolve these anti-corruption investigations, of which $281.3 million related to Technip Energies' business. The final amount due in accordance with the global resolution was paid by Technip Energies during the second quarter of 2021. As part of this resolution, TechnipFMC entered into a three-year deferred prosecution agreement with the DOJ related to charges of conspiracy to violate the FCPA in relation to conduct in Brazil and other matters ("**DPA**"). In addition, Technip USA, Inc (since renamed Technip Energies USA, Inc.), a U.S. subsidiary, pled guilty to one count of conspiracy to violate the FCPA related to conduct in Brazil.

To date, the investigation by the PNF has related to certain historical projects in Equatorial Guinea, Ghana and Angola and has not reached a resolution. Technip Energies and TechnipFMC are cooperating and Technip Energies remains committed to finding a resolution with the PNF.

There is no certainty that a settlement with the PNF will be reached. The PNF has a broad range of potential sanctions under anticorruption laws and regulations that it may seek to impose in appropriate circumstances including, but not limited to, fines, penalties, the appointment of a monitor, and modifications to business practices and compliance programs. Any of these measures, if applicable to the Company, as well as potential customer reaction to such measures, could have a material adverse impact on its financial position or profitability. The financial consequences of these investigations are to be retained by TechnipFMC by way of an indemnity provided by TechnipFMC to the Company under the Separation and Distribution Agreement.

In 2003, Petrobras B.V. ("**PNBV**") and FSTP, a Joint Venture between Keppel (75%) and Technip Brasil Engenharia (25%) signed a contract for construction of the P-52 offshore platform (the "**Project**"). In 2007 the Brazilian *Tribunal de Contas da União* ("**TCU**") contested the validity of an amendment to the contract which compensated FSTP for additional costs incurred in relation to the Project (the "**Contested Payments**"). To ensure project completion and avoid suspension of payments pending the outcome of proceedings initiated by the TCU to recover the Contested Payments, FSTP issued a USD 126M letter of credit in favor of PNBV, with the Company being responsible for 25%. Proceedings relating to the Contested Payments have been ongoing since 2007. Technip Energies and Keppel continue to contest TCU's efforts to have PNBV recover the Contested Payments.

Contingent liabilities associated with liquidated damages

Some of the Technip Energies Group's contracts contain provisions that require the relevant Technip Energies Group company to pay liquidated damages if the relevant company is responsible for the failure to meet specified contractual milestone dates and the applicable customer asserts a conforming claim under these provisions. These contracts define the conditions under which the customers of Technip Energies may make claims against it for liquidated damages. Based upon the evaluation of Technip Energies Group's performance and other commercial and legal analysis, management believes that the Group has appropriately recognized probable liquidated damages as of December 31, 2022, and 2021, and that the ultimate resolution of such matters will not materially affect its consolidated financial position, consolidated results of operations, or consolidated cash flows.

Note 30. Auditor's remuneration

Auditor's remuneration as of December 31, 2022 and 2021 is as follows:

(In millions of €)	December 31, 2022	December 31, 2021
Fees payable to Technip Energies' auditors for the audit of its annual financial statements	(2.1)	(1.8)
Fees payable to Technip Energies' auditors and its associates for the audit of its subsidiaries	(3.9)	(3.7)
TOTAL FEES PAYABLE FOR AUDIT SERVICES	**(6.0)**	**(5.5)**
Audit related	(0.1)	—
Tax fees	—	—
All other fees	(0.2)	(0.9)
TOTAL FEES PAYABLE FOR OTHER SERVICES	**(0.3)**	**(0.9)**

Of the total fees billed, an amount of €0.2 million relates to PricewaterhouseCoopers Accountants NV for audit services. The remainder relates to other firms within the PwC network.

Note 31. Companies included in the scope of the consolidated financial statements

The legal entities comprising Technip Energies' scope of consolidation including principal subsidiaries, associates and joint ventures as of December 31, 2022 are listed below:

31.1. Principal subsidiaries

Company Name	Address	Interest held in % as of December 31, 2022
AUSTRALIA		
Genesis Energies Consultants Pty Ltd	Ground Floor, 1 William Street Perth WA 6000	100
T.EN Australia and New Zealand Pty Ltd	Ground Floor, 1 William Street Perth WA 6000	100
BELARUS		
Technip Bel	Unitary Enterprise "Deloitte Legal" 51A K. Tsetkin St. 220004 Minsk	100
BRAZIL		
Genesis Oil & Gas Brasil Engenharia Ltda.	Rua Paulo Emídio Barbosa, 485, quadra 4 (parte) Cidade Universitária 21941-615, Rio de Janeiro	100
BRUNEI		
T.EN Engineering (B) Snd. Bhd.	B6, Second Floor, Block B, Shakirin Complex, Kampong Kiulap BE1518, Bandar Seri Begawan, Brunei Darussalam	93.1
CHINA		
Shanghai T.EN Trading Co. Ltd.	Room 1904, 19th Floor, Xuhui Vanke Center 55 Ding'An Road 200030, Shanghai	100
T.EN Chemical Engineering (Tianjin) Co. Ltd.	521 Jing Jin Road 300400, Tianjin	100
T.EN Engineering Consultant (Shanghai) Co. Ltd.	Room 1902, 19th Floor, Xuhui Vanke Center 55 Ding'An Road 200030, Shanghai	100
Gydan Yard Management Services (Shanghai) Co. Ltd.	18F/1329 Huai Hai Middle Road 200010, Shanghai	84.9
COLOMBIA		
T.EN Colombia S.A.	Calle 38 # 8-62 Piso 3, 110111, Bogota D.C.	56.5
FRANCE		
Clecel SAS	2126 boulevard de La Défense Immeuble Origine CS 10266 92741 Nanterre Cedex	100
Cybernetix SAS	Technopôle de Château Gombert 306 Rue Albert Einstein BP 94 13382 Marseille Cedex 13	100
Cyxplus SAS	Technopôle de Château Gombert 306 Rue Albert Einstein BP 94 13382 Marseille Cedex 13	100
Gydan LNG SARL	2126 boulevard de La Défense Immeuble Origine CS 10266 92741 Nanterre Cedex	84
Gygaz SNC	2126 boulevard de La Défense Immeuble Origine CS 10266 92741 Nanterre Cedex	84.85

Company Name	Address	Interest held in % as of December 31, 2022
Middle East Projects International (Technip Mepi) SAS	2126 boulevard de La Défense Immeuble Origine CS 10266 92741 Nanterre Cedex	100
Safrel SAS	2126 boulevard de La Défense Immeuble Origine CS 10266 92741 Nanterre Cedex	100
SCI Les Bessons	Technopôle de Château Gombert 306 Rue Albert Einstein BP 94 13382 Marseille Cedex 13	100
South Tambey LNG[1]	5 place de la Pyramide, Tour Ariane Paris La Défense 92800 Puteaux	50
T.EN Corporate Services SAS	2126 boulevard de La Défense Immeuble Origine CS 10266 92741 Nanterre Cedex	100
T.EN Eurocash SNC	2126 boulevard de La Défense Immeuble Origine CS 10266 92741 Nanterre Cedex	100
Technip Energies France SAS	2126 boulevard de La Défense Immeuble Origine CS 10266 92741 Nanterre Cedex	100
T.EN Engineering SAS	2126 boulevard de La Défense Immeuble Origine CS 10266 92741 Nanterre Cedex	100
T.EN Net SAS	2126 boulevard de La Défense Immeuble Origine CS 10266 92741 Nanterre Cedex	100
T.EN Ingénierie Régionale pour Industries SAS	14 rue Linus Carl Pauling PAT La Vatine 76130 Mont-Saint-Aignan	100
Yamgaz SNC[1]	2126 boulevard de La Défense Immeuble Origine CS 10266 92741 Nanterre Cedex	50
T.EN Loading Systems SAS	Route des Clérimois 89100 Sens	100
GERMANY		
T.EN Zimmer GmbH	Friesstrasse 20 60388 Frankfurt am Main	100
INDIA		
T.EN Global Business Services Private Limited	B-22 Okhla Industrial Area, Phase-1 110020 New Delhi	100
Technip Energies India Limited	B-22 Okhla Industrial Area, Phase-1 110020 New Delhi	100

(1) Technip Energies has an ownership interest in both Yamgaz SNC and South Tambey LNG of 200.002 shares (of total outstanding shares), or 50.0005%, and obtained a majority interest and voting control over Yamgaz SNC and South Tambey and consolidated both entities effective December 31, 2016.

Company Name	Address	Interest held in % as of December 31, 2022
INDONESIA		
PT Technip Engineering Indonesia	Metropolitan Tower, 15th Floor Jln. R.A. Kartini Kav. 14 (T.B. Simatupang) Cilandak, Jakarta Selatan 12430 Jakarta	32.67
ITALY		
Consorzio Technip Italy Procurement Services - TIPS	68, Viale Castello della Magliana 00148 Rome	100
T.EN Italy Solutions S.p.A.	68, Viale Castello della Magliana 00148 Rome	100
Technip Energies Italy S.p.A.	68, Viale Castello della Magliana 00148 Rome	100
TPL - Tecnologie Progetti Lavori S.p.A.	68, Viale Castello della Magliana 00148 Rome	100
Consorzio Technip Italy Worley Parsons	68, Viale Castello della Magliana 00148 Rome	90
JAPAN		
Technip Energies Japan GK	Level 10, Hulic Minatomirai 1-1-7, Sakuragi-cho, Naka-ku Yokohama-shi, Kanagawa	100
MALAYSIA		
Genesis Energies Malaysia Sdn. Bhd.	Suite 13.03, 13th Floor, Menara Tan & Tan 207 Jalan Tun Razak 50400 Kuala Lumpur	100
T.EN Far East Sdn. Bhd.	Suite 13.03, 13th Floor, Menara Tan & Tan 207 Jalan Tun Razak 50400 Kuala Lumpur	100
Technip Energies (M) Sdn. Bhd.	Suite 13.03, 13th Floor, Menara Tan & Tan 207 Jalan Tun Razak 50400 Kuala Lumpur	30
MEXICO		
Technip De Mexico S. De R.L. De C.V.	Blvd. Manuel Ávila Camacho 36, Piso 10, Oficina 1058 Lomas De Chapultepec I Sección. C. P. 11000, Alcaldía Miguel Hidalgo Ciudad de México	100
TP Energies Servicios Mexico, S. de R.L. de C.V.	Blvd. Manuel Ávila Camacho 36, Piso 10, Oficina 1058 Lomas De Chapultepec I Sección. C. P. 11000, Alcaldía Miguel Hidalgo Ciudad de México	100
TP Oil & Gas Mexico, S. de R.L. de C.V.	Calle Novena 357 Lote 8 Y 7 FRACC. De La Manzana 74,Seccion Primera Baja California, 22800, Ensenada, Mexico	100
MOZAMBIQUE		
T.EN Moçambique, Limitada	Zedequias Manganhela Avenue, no. 257, fifth floor, Maputo City	100
NETHERLANDS		
T.EN Netherlands B.V.	Afrikaweg 30, 2713 AW, Zoetermeer	100
Technip EPG B.V.	Fascinatio Boulevard 522, 2909VA Capelle aan den IJssel	100
Technip Oil & Gas B.V.	Afrikaweg 30, 2713 AW, Zoetermeer	100
Technip Energies International B.V.	Afrikaweg 30, 2713 AW, Zoetermeer	100
NEW-CALEDONIA - FRENCH OVERSEAS TERRITORY		
T.EN Nouvelle-Calédonie SAS	27 bis avenue du Maréchal Foch – Galerie Center Foch – Centre-Ville, B.P. 4460, 98847 Noumea	100
NORWAY		
Anchor Contracting	Bryggegata 9, NO-0250, Oslo	100
Genesis Energies Norway AS	Genesis Energies Norway AS v/ Kjell Haver Regnskapsservice Welhavens vei 5 4319 Sandnes, Norway	100
Inocean AS	Bryggegata 9, NO-0250, Oslo	100
Inocean Marotec	Bryggegata 9, NO-0250, Oslo	90.1
Kanfa AS	Philip Pedersens Road 7, 1366 Lysaker	100

Company Name	Address	Interest held in % as of December 31, 2022
PANAMA		
T.EN Overseas S.A.	East 53rd Street, Marbella, Humboldt Tower 2nd Floor, P.O. Box 0819-09132	100
POLAND		
Inocean Poland Sp. Z.o.o.	Ul. Dubois, 20, 71-610, Szczecin	100
Technip Polska Sp. Z.o.o.	Ul. Promyka 13/4, No. 13, suite 4, 01-604 Warsaw, Poland	100
RUSSIAN FEDERATION		
Rus Technip LLC	Prechistenka, str. 40/2, building 1, Office XXVII, 4th floor 123298 Moscow	51
JSC Technip Energies Rus	Ligovsky Prospekt, 266, Building 1. Litera. O 196084 St. Petersburg	100
SAUDI ARABIA		
Technip Saudi Arabia Limited	P.O. Box 3596 Al Khobar 34423	76
TPL Arabia	P.O. Box 3596 Al Khobar 34423	90
SINGAPORE		
Technip Energies Singapore Pte. Ltd.	4 Robinson Road, #05-01 The House of Eden 048543 Singapore	100
SPAIN		
Technip Energies Iberia, S.A.	Building n°8 – Floor 4th Plaça de la Pau s/n, World Trade Center – Almeda Park – Cornellà de Llobregat, 08940 Barcelona	100
SWEDEN		
Inocean AB	Gardatorget 1, Goteborg	100
SWITZERLAND		
Engineering Re AG	Vulkanstrasse 106, 8048 Zürich	100
Technipetrol AG	Industriestrasse 13c, CH-6304 Zug, Switzerland	100
THAILAND		
Technip Energies (Thailand) Ltd	20th Floor, Suntower, Building A 123 Vibhavadee-Rangsit Road, Jomphon Jatujak, Bangkok 10900	74
Technip Energies Holding (Thailand) Ltd	20th Floor, Suntower, Building A 123 Vibhavadee-Rangsit Road, Jomphon Jatujak, Bangkok 10900	49
UNITED ARAB EMIRATES		
TEN MIDDLE EAST FZE	Office No. LB14414 P.O. Box 262274 Jebel Ali Free Zone, Dubai	100
UNITED KINGDOM		
T.EN International UK Ltd	One St Paul's Churchyard London EC4M 8AP	100
Cybernetix S.R.I.S. Limited	One St Paul's Churchyard London EC4M 8AP	100
Genesis Oil & Gas Consultants Limited	One St Paul's Churchyard London EC4M 8AP	100
Genesis Energies Consultants Ltd	One St Paul's Churchyard London EC4M 8AP	100
T.EN E&C Limited	One St Paul's Churchyard London EC4M 8AP	100
T.EN PMC Services Limited	One St Paul's Churchyard London EC4M 8AP	100
T.EN UK Holdings Limited	One St Paul's Churchyard London EC4M 8AP	100

Company Name	Address	Interest held in % as of December 31, 2022
UNITED STATES		
Badger Licensing LLC	c/o Corporation Service Company 251, Little Falls Drive Wilmington, Delaware 19808	100
Technip E&C, Inc.	c/o CT Corporation System 3867 Plaza Tower Dr Baton Rouge, Louisiana 70816	100
T.EN Energy & Chemicals International, Inc.	c/o CT Corporation System 3867 Plaza Tower Dr Baton Rouge, Louisiana 70816	100
T.EN Process Technology, Inc.	c/o CT Corporation System 3867 Plaza Tower Dr Baton Rouge, Louisiana 70816	100
T.EN S&W Abu Dhabi, Inc.	c/o Corporation Trust Center 1209 Orange St. Wilmington, Delaware 19801	100
T.EN S&W International, Inc.	c/o CT Corporation System 3867 Plaza Tower Dr Baton Rouge, Louisiana 70816	100
T.EN Stone & Webster Process Technology, Inc.	c/o Corporation Trust Center 1209 Orange St. Wilmington, Delaware 19801	100
Technip Energies USA, Inc.	c/o Corporation Trust Center 1209 Orange St. Wilmington, Delaware 19801	100
VENEZUELA		
Inversiones Dinsa, C.A	Calle 1 con Calle 2, Centro Empresarial INECOM, Piso 1, La Urbina Caracas, 1073	100
T.EN Velam	Calle 1 con Calle 2, Centro Empresarial INECOM, Piso 1, La Urbina Caracas, 1073	100
VIETNAM		
T.EN Vietnam Co., Ltd.	207A Nguyen Van Thu, Da Kao Ward, District 1 Ho Chi Minh City	100

31.2. Associates and joint ventures

Company Name	Address	Interest held in % as of December 31, 2022
BAHRAIN		
TTSJV W.L.L.	Block 215, Rd 1531, Bldg 1130, Flt.12 P.O.Box 28110 Muharraq	36
BOSNIA AND HERZEGOVINA		
Petrolinvest, D.D. Sarajevo	Tvornicka 3, 71000 Sarajevo	33
BRAZIL		
FSTP Brasil Ltda.	Rua Visconde de Inhaúma, N.º 83 - 17º e 18º andares Centro, Rio de Janeiro	25
FRANCE		
Novarctic SARL	2126 boulevard de la Défense Immeuble Origine CS 10266 92741 Nanterre Cedex	33.33
TP JGC Coral France SNC	2126 boulevard de la Défense Immeuble Origine CS 10266 92741 Nanterre Cedex	50
CTEP France SNC	2126 boulevard de la Défense Immeuble Origine CS 10266 92741 Nanterre Cedex	50
INDONESIA		
PT Technip Indonesia	Metropolitan Tower, 15th Floor Jln. R.A. Kartini Kav. 14 (T.B. Simatupang) Cilandak, Jakarta Selatan 12430 Jakarta	33
JAPAN		
CTEP Japan	Level 10, Hulic Minatomirai 1-1-7, Sakuragi-cho, Naka-ku Yokohama-shi, Kanagawa	50
KAZAKHSTAN		
TKJV LLP	Av. Abdirova, bld. 3, 100009, Karaganda city, Kazybek bi district	49.5
MALAYSIA		
T.EN Consultant (M) Sdn. Bhd.	Suite 13.03, 13th Floor, Menara Tan & Tan 207 Jalan Tun Razak 50400 Kuala Lumpur	27.18
MEXICO		
Ethylene XXI Contractors S.A.P.I. de C.V.	Blvd Manuel Ávila Camacho Número 32, piso 6, oficina 677, Col. Lomas de Chapultepec, C.P. 11000, Ciudad de México	40
Desarrolladora de Etileno, S. de R.L. de C.V.	Blvd Manuel Ávila Camacho Número 32, piso 6, oficina 677, Col. Lomas de Chapultepec, C.P. 11000, Ciudad de México	40

Company Name	Address	Interest held in % as of December 31, 2022
MOZAMBIQUE		
ENHL- TechnipFMC Mozambique, LDA	Av. Vladimir Lenine, 1123, 7º andar Edifício Topazio Maputo	51
JGC Fluor TechnipFMC Mozambique, LDA	Av. Vladimir Lenine, 1123, 7º andar Edifício Topazio Maputo	33.33
TP JGC Coral Mozambique	Av. Vladimir Lenine, 1123, 7º andar Edifício Topazio Maputo	50
NETHERLANDS		
Etileno XXI Holding B.V.	Afrikaweg 30, 2713 AW, Zoetermeer	50
Etileno XXI Services B.V.	Beursplein 37, Office 869, 3011 AA Rotterdam	40
NORWAY		
Marine Offshore AS	Vollsveien 17A , 1366, Lysaker	51
SAUDI ARABIA		
Technip Italy S.p.A. & Dar Al Riyadh for Engineering Consulting	P.O. Box 3596, 34423 Al-Khobar	60
SINGAPORE		
FSTP Pte Ltd	50 Gul Road, 629351 Singapore	25
UNITED ARAB EMIRATES		
Yemgas FZCO	Office # LB15312 P.O. Box 17891 Jebel Ali Free Zone - Dubai	33.33
UNITED STATES		
Spars International, Inc.	c/o CT Corporation System 1999 Bryan Street, Suite 900 Dallas, Texas 75201	50
Deep Oil Technology, Inc.	c/o CT Corporation System 818 W. Seven St. Los Angeles, California 90017	50

Note 32. Subsequent events

The Board of Directors has decided to propose at the Annual Shareholder Meeting of May 10, 2023, the distribution of a dividend of €91.2 million for the 2022 financial year (which equals to €0.52 per share, based on the number of shares outstanding less the expected number of treasury shares held at the dividends record date).

8.2. TECHNIP ENERGIES COMPANY FINANCIAL STATEMENTS

8.2.1. COMPANY BALANCE SHEET

Company balance sheet

(In millions of €)

Before appropriation of profit	Notes	December 31, 2022	December 31, 2021
Assets			
Tangible fixed assets		0.1	—
Financial fixed assets	8.2.4.1	3,136.5	2,977.2
Deferred tax assets	8.2.4.2	2.7	18.5
Total non current assets		**3,139.3**	**2,995.7**
Other receivables	8.2.4.3	181.1	107.8
Cash and cash equivalent	8.2.4.4	—	—
Total current assets		**181.1**	**107.8**
TOTAL ASSETS		**3,320.4**	**3,103.5**
Equity and Liabilities			
Equity attributable to Shareholders			
Issued share capital		1.8	1.8
Share premium reserve		941.6	941.6
Treasury shares		(64.2)	(22.5)
Legal reserves		7.8	(38.1)
Retained earnings		473.3	319.8
Share Based Compensation		45.8	29.1
Profit of the period		306.3	244.6
Total equity	**8.2.4.5**	**1,712.4**	**1,476.2**
Provisions	**8.2.4.6**	**22.4**	**29.5**
Non current liabilities	**8.2.4.7**	**595.3**	**594.5**
Loans and borrowing	8.2.4.7	859.5	889.2
Other current liabilities	8.2.4.8	130.8	114.0
Total current liabilities		**990.3**	**1,003.2**
TOTAL EQUITY AND LIABILITIES		**3,320.4**	**3,103.5**

8.2.2. COMPANY INCOME STATEMENT

Company income statement

(In millions of €)	Notes	2022	2021
Revenue	8.2.4.9	148.2	138.6
General and administrative expenses	8.2.4.10	(186.3)	(203.2)
Restructuring costs		8.8	—
Operating profit/(loss)		**(29.3)**	**(64.6)**
Financial income	8.2.4.11	7.0	14.0
Financial expense	8.2.4.11	(23.1)	(29.1)
Profit/(Loss) before tax		**(45.4)**	**(79.7)**
Income tax (expense)/income	8.2.4.12	17.3	18.0
Result of Group companies		334.4	306.3
PROFIT/(LOSS)		**306.3**	**244.6**

8.2.3. GENERAL

The Company financial statements are part of the 2022 financial statements of Technip Energies N.V.

The Company was a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of The Netherlands on October 16, 2019 with a share capital of 0,01 euro at this date. Following the signature of the contribution agreement with TechnipFMC plc on January 31, 2021, TechnipFMC's Onshore/Offshore business was contributed to Technip Energies N.V. in exchange for 4 499 999 ordinary shares of €0.01 issuance in the share capital of Technip Energies. At this date, Technip Energies N.V. was converted into a public limited liability company (*Naamloze Vennootschap*) incorporated and operating under the laws of the Netherlands. On February 6, 2021, new shares were created by reserve allocation, the new number of shares amounting to 175 313 880 with a nominal value of €0.01 each.

Listing and first admission to trading on Euronext in Paris of ordinary shares in the share capital of Technip Energies N.V. took place on February 16, 2021.

The company is registered at the Chamber of Commerce with registration number 76122654 and it has its statutory seat in Amsterdam, the Netherlands.

The company has no establishment in the Netherlands. The company address is: 2126, boulevard de La Défense CS10266 92741 Nanterre France.

Technip Energies N.V. costs mainly comprise of management activities and cost of the headquarters office at Nanterre (France) of which part is recharged to Group companies.

Management fees and other corporate recharges are recognized in the financial year in which services are rendered to the entities and the costs are incurred.

Principles for the measurement of assets and liabilities and the determination of the result

The stand-alone financial statements were prepared in accordance with the statutory provisions of Part 9, Volume 2 of the Dutch Civil Code and the firm pronouncements of the "Raad voor de Jaarverslaggeving". Technip Energies N.V. uses the option provided in section 2:362 (8) of the Dutch Civil Code in that the principles for the recognition and measurement of assets and liabilities and determination of result (hereinafter referred to as principles for recognition and measurement) of the separate financial statements of Technip Energies N.V. are the same as those applied for the consolidated financial statements. These principles also include the classification and presentation of financial instruments, being equity instruments or financial liabilities. The consolidated financial statements are prepared according to the standards set by the International Accounting Standards Board and adopted by the European Union (referred to as EU-IFRS). Reference is made to the notes to the consolidated financial statements (8.1.6. Note 1. Accounting principles) for a description of these principles.

As a consequence of the Spin-off described in the paragraph above, the Company changed its accounting principles from Dutch GAAP to the accounting principles of the consolidated financial statements as explained above; however, this did not result in a change of the measurement in assets and liabilities.

In case no other policies are mentioned, refer to the accounting policies as described in the accounting policies in the consolidated financial statements of this Annual Report. For an appropriate interpretation, the company financial statements should be read in conjunction with the consolidated financial statements.

Investments in subsidiaries, associates and joint ventures

Consolidated subsidiaries are all entities (including intermediate subsidiaries) over which the company has control. The company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. Subsidiaries are recognized from the date on which control is transferred to the company or its intermediate holding entities.

They are derecognized from the date that control ceases.

Investments in consolidated subsidiaries are measured at net asset value. Net asset value is based on the measurement of assets, provisions and liabilities and determination of profit based on the principles applied in the consolidated financial statements. Investments in Group companies, over which control is exercised, are stated on the basis of the net asset value.

The equity method is used for joint ventures and for investments over which Technip Energies exercises a significant influence on operational and financial policies.

Results on transactions, involving the transfer of assets and liabilities between Technip Energies N.V. and its participating interests or between participating interests themselves, are not incorporated insofar as they are deemed to be unrealized.

As those financial statements were prepared applying the equity method, goodwill is presented together with investment in subsidiaries net asset value.

Separation and Distribution Agreement

Technip Energies N.V. and TechnipFMC entered into a Separation and Distribution Agreement on January 7, 2021. Pursuant to the Separation and Distribution Agreement, the following assets and liabilities were contributed to Technip Energies N.V.:

(In millions of €)	2021
Financial fixed assets	2,732.0
Provisions	(27.0)
Loans and borrowings	(1,442.2)
Other current liabilities	(75.4)
NET ASSET CONTRIBUTED	**1,187.4**

The assets and liabilities contributed have been measured according to the same accounting principles as those used in the consolidated financial statements.

Taxation

Corporate tax is payable on taxable profits at amounts expected to be paid, or recovered, under the tax rates and laws that have been enacted or substantively enacted at the balance sheet date. Reference is made to note 8.2.4.2. Deferred tax asset and 8.2.4.12. Income tax of Technip Energies company financial statements.

8.2.4. NOTES TO THE COMPANY FINANCIAL STATEMENTS

The accompanying notes are an integral part of the company financial statements.

Contents of notes

8.2.4.1.	Financial fixed assets	319
8.2.4.2.	Deferred tax asset	322
8.2.4.3.	Other receivables	322
8.2.4.4.	Cash and cash equivalents	322
8.2.4.5.	Shareholders' equity	322
8.2.4.6.	Provisions	325
8.2.4.7.	Loans and borrowing	326
8.2.4.8.	Other current liabilities	326
8.2.4.9.	Revenue	326
8.2.4.10.	General and administrative expenses	327
8.4.2.11.	Financial income and expenses	327
8.2.4.12.	Income tax	327
8.2.4.13.	Commitments and contingencies	328
8.2.4.14.	Board of Directors remuneration	329
8.2.4.15.	Number of employees	331
8.2.4.16.	Independent audit fees	331
8.2.4.17.	Events after end of reporting	331

8.2.4.1. Financial fixed assets

The movements in the financial fixed assets are as follows:

(In millions of €)	Investments in subsidiaries	Investments in associates and joint ventures	Other investments and quoted equity instruments at FVTPL	Loans	Deposits	Total
Balance at January 1, 2021	**—**	**—**	**22.3**	**—**	**—**	**22.3**
Contribution from TechnipFMC[(1)]	2,697.6	4.2	9.4	20.7	0.2	2,732.0
Result of Group companies	273.2	33.1	—	—	—	306.3
Acquisitions	2.3	—	—	—	—	2.3
Divestments and capital repayments	(8.2)	—	—	—	—	(8.2)
Purchase of deposits through liquidity contract	—	—	—	—	6.5	6.5
Share in other comprehensive income	(5.1)	7.3	—	—	—	2.2
Change in quoted equity instruments at FVTPL	—	—	(6.4)	—	—	(6.4)
Interest accrued/ paid	—	—	—	(0.1)	—	(0.1)
Foreign currency variations	39.8	0.3	—	—	—	40.1
Dividends received	(120.6)	—	—	—	—	(120.6)
Other	0.9	—	—	—	—	0.9
Movements	**2,879.9**	**44.9**	**3.0**	**20.6**	**6.7**	**2,955.0**
Balance at December 31, 2021	**2,879.9**	**44.9**	**25.3**	**20.6**	**6.7**	**2,977.2**

(1) Capital contribution value corresponds to the net asset value of the affiliates as of the contribution date.

(In millions of €)	Investments in subsidiaries	Investments in associates and joint ventures	Other investments and quoted equity instruments at FVTPL	Loans	Deposits	Total
Balance at January 1, 2022	**2,879.9**	**44.9**	**25.3**	**20.6**	**6.7**	**2,977.2**
Result of Group companies	256.3	78.1				334.4
Acquisitions	15.0					15.0
Capital increase	14.9					14.9
Divestments and capital repayments		(0.1)				(0.1)
Purchase of deposits through liquidity contract					3.2	3.2
Share in other comprehensive income	19.2	1.0				20.2
Change in quoted equity instruments at FVTPL			(0.1)			(0.1)
Interest accrued/ paid				(0.6)		(0.6)
Foreign currency variations	20.5	0.7				21.2
Dividends received	(176.8)	(52.8)				(229.6)
Loan refund				(20.0)		(20.0)
Other	0.8	(0.2)				0.6
Movements	**149.9**	**26.7**	**(0.1)**	**(20.6)**	**3.2**	**159.1**
Balance at December 31, 2022	**3,029.8**	**71.6**	**25.2**	**—**	**9.9**	**3,136.5**

All receivables included under the financial assets fall due in more than one year. The loan to Engineering Re of €20.6 million was fully refunded in 2022.

An overview of the Company's direct investments required under Articles 2:379 of the Dutch Civil Code is given below:

Subsidiaries

Company Name	Address	Interest held in % as of December 31,2022
AUSTRALIA		
T.EN Australia and New-Zealand Pty Ltd	1120 Hay St, West Perth WA 6005	100
CHINA		
T.EN Chemical Engineering (Tianjin) Co., Ltd.	10th Floor – Yunhai Mansion 200031 Shanghai	100
COLOMBIA		
Tipiel, S.A.	Calle 38 # 8-62 Piso 3 Santafe de Bogota D.C.	7.2
FRANCE		
Clecel SAS	2126 Boulevard de La Défense Immeuble Origine-CS 10266 92741 Nanterre Cedex	100
Cybernetix SAS	Technopôle de Château-Gombert 13382 Marseille Cedex 13	100
Middle East Projects International (T.EN Mepi)	2126 Boulevard de La Défense Immeuble Origine-CS 10266 92741 Nanterre Cedex	100
Safrel	2126 Boulevard de La Défense Immeuble Origine-CS 10266 92741 Nanterre Cedex	100
T.EN Catering Services SAS	2126 Boulevard de La Défense Immeuble Origine-CS 10266 92741 Nanterre Cedex	100
T.EN Corporate Services SAS	2126 Boulevard de La Défense Immeuble Origine-CS 10266 92741 Nanterre Cedex	100
T.EN Eurocash SNC	2126 Boulevard de La Défense Immeuble Origine-CS 10266 92741 Nanterre Cedex	96
Technip Energies France SA	2126 Boulevard de La Défense Immeuble Origine-CS 10266 92741 Nanterre Cedex	100
T.EN Engineering SAS	2126 Boulevard de La Défense Immeuble Origine-CS 10266 92741 Nanterre Cedex	100
T.EN NET SAS	2126 Boulevard de La Défense Immeuble Origine-CS 10266 92741 Nanterre Cedex	100
Cyxplus	Technopôle de Château-Gombert 13382 Marseille Cedex 13	0.01
SCI les Bessons	Technopôle de Château-Gombert 13382 Marseille Cedex 13	0.03
ITALY		
Technip Energies Italy S.P.A.	68, Viale Castello della Magliana 00148 Rome	100
MALAYSIA		
T.EN Far East Sdn Bhd	Suite 13.03, 13th Floor 207 Jalan Tun Razak Kuala Lumpur 50400	100
T.EN Consultant (M) Sdn. Bhd	Suite 13.03, 13th Floor 207 Jalan Tun Razak 50400 Kuala Lumpur	25
Technip Energies (M) Sdn. Bhd.	Suite 13.03, 13th Floor 207 Jalan Tun Razak 50400 Kuala Lumpur	30
MEXICO		
T.EN de Mexico S. de R.L. de C.V.	Blvd. Manuel Ávila Camacho 36, Piso 10, Torre Esmeralda II, Col. Lomas de Chapultepec, Miguel Hidalgo, 11000, Ciudad de México, Mexico	50
NETHERLANDS		
Technip Energies International B.V.	Afrikaweg 30 Zoetermeer 2713 AW	100
NEW-CALEDONIA - FRENCH OVERSEAS TERRITORY		
T.EN Nouvelle-Calédonie SAS	27 bis Avenue du Maréchal Foch - Galerie Center Foch - Centre-Ville B.P. 4460 98847 Nouméa	100
NORWAY		
Inocean AS	B Ryggegata 3 0250 Oslo	100
Kanfa AS	Nye Vakas vei 80 1395 Hvalstad	100

Subsidiaries

Company Name	Address	Interest held in % as of December 31,2022
PANAMA		
T.EN Overseas S.A.	East 53rd Street Marbella, Humboldt Tower 2nd Floor Panama	100
RUSSIAN FEDERATION		
Technip Energies Rus LLC	266 Litera O, Ligovsky Prospect 196084 St Petersburg	99.98
SINGAPORE		
Technip Energies Singapore Pte. Ltd.	149 Gul Circle - 629605 Singapore	100
SPAIN		
Technip Energies Iberia, S.A.	Building nº 8 - Floor 4th Plaça de la Pau s/n World Trade Center - Almeda Park - Cornellà de Llobregat 08940 Barcelona	100
SWITZERLAND		
Engineering Re AG	Vulkanstrasse 106 8048 Zurich	100
VENEZUELA		
Inversiones Dinsa CA	Avenida Principal de La Urbina, calle 1 con calle 2, Centro Empresarial INECOM, piso 1, oficina 1-1 La Urbina, Minicipio Sucre, 1070, Caracas, Venezuela	100
VIETNAM		
T.EN Vietnam Co., Ltd.	7F, Centec Tower Building 72-74 Nguyen Thi Minh Khai Street and 143-145B Hai Ba Trung Street, Ward 6, District 3, Ho Chi Minh City	100

Associates and joint ventures

Company Name	Address	Interest held in % as of December 31, 2022
BOSNIA AND HERZEGOVINA		
Petrolinvest, D.D. Sarajevo	Tvornicka 3 71000 Sarajevo	33.01
NORWAY		
Marine Offshore AS	Vollsveien 17A 1327 Lysaker	51
PORTUGAL		
TSKJ Servicos de Engenharia Lda	Avenida Arriaga, numero trinta, terceiro andar - H, Freguesia da Sé, Concelho do Funchal, 9000-064, Funchal, Portugal	25

Other investments and quoted equity instruments

Company Name	Address	Interest held in % as of December 31, 2022
FRANCE		
Mc Phy Energy SA	1115, route de Saint Thomas 26190 La Motte Fanjas	2.45
GERMANY		
HY2GEN AG	Klingholzstraße , 65189 Wiesbaden	8.33
MALAYSIA		
Malaysia Marine & Heavy Engineering Holdings Bhd	PLO 3, Jalan Pekeliling Pasir Gudang, 81700 Malaysia	8.5
LUXEMBOURG		
FreelTech A.G.	25A Boulevard Royal, L – 2449 Luxembourg Grand-Duche du Luxembourg	10
SPAIN		
Exponential Renewables S.L (X1 winds)	Avenida Pedralbes, 18 - 20 esc. B P. 3 PTA. 1 08034, Barcelona	16.31

8.2.4.2. Deferred tax asset

Deferred tax income

The tax rate utilized to compute deferred taxes depends on the location of the underlying transaction. Although registered in the Netherlands, Technip Energies N.V. is tax resident in France, so that the transactions are tax effected using the French tax rate.

Technip Energies N.V. earnings are subject to the French statutory rate which is 25.83% starting 2021 and onwards. Technip Energies N.V. is the head of the French tax consolidated group.

A deferred tax asset is recognized on the tax losses of the French tax consolidated group which can be carried forward and are expected to be recovered based on anticipated future taxable profits within the French tax consolidated group. The tax losses recognized for the years until 2021 can be carried forward for an unlimited period of time.

As of December 31, 2021, €18.1 million of deferred tax assets on carried forward loss has been recognized and recorded in the accounts.

In 2022, the amount of €15.7 million of this tax asset on losses carried forward has been used to offset taxable incomes of the French Tax consolidated group.

As of December 31, 2022, the balance of Deferred tax assets amounts to € 2.7 million, including €2.4 million of deferred tax asset on losses carried forward and deferred tax asset on pension for €0.3 million.

8.2.4.3. Other receivables

(In millions of €)	December 31, 2022	December 31, 2021
Amounts owed by Group Companies	93.5	74.4
Current income tax receivables[(1)]	60.2	0.3
Other debtors	13.0	17.3
Prepaid expenses	14.4	15.8
TOTAL	**181.1**	**107.8**

(1) Income tax installments paid in 2022 exceed the final tax due. This balance will be refunded to Technip Energies N.V. by French tax authority in June 2023.

Other receivables fall due in less than one year. The fair value of the receivables reasonably approximates the book value, due to their short-term character.

8.2.4.4. Cash and cash equivalents

Cash and cash equivalents are at Technip Energies N.V.'s free disposal.

8.2.4.5. Shareholders' equity

Share capital

As of December 31, 2022, Technip Energies N.V. had 179,827,459 common shares issued with a nominal value of €0.01 per share.

Changes in shares outstanding are as follows:

(In number of shares)	Ordinary Shares	Treasury Shares
Number of shares at January 1, 2021	**1**	**0**
Issuance of shares - Contribution	4,499,999	0
Issuance of shares - Reserve allocation	175,313,880	0
Issuance of shares - Share-based payment	13,579	0
Purchase of shares - Share-based payment	0	1,801,802
Net Purchase of shares through liquidity contract	0	210,334
NUMBER OF SHARES AT DECEMBER 31, 2021	**179,827,459**	**2,012,136**
Purchase of shares - Share-based payment		4,418,945
Delivery of shares – Share-based payment		-742,269
Net Purchase of shares through liquidity contract		-201,434
NUMBER OF SHARES AT DECEMBER 31, 2022	**179,827,459**	**5,487,378**

On May 3, 2021, the Group acquired 1,801,802 shares in the share capital of the Company from TechnipFMC at €11.10 per share for a total value of €20.0 million. On July 9, 2021, Technip Energies N.V. announced the implementation of a liquidity agreement to enhance the liquidity of Technip Energies' shares admitted to trading on Euronext Paris by maintaining a reasonable average daily turnover reducing bid-ask spread and monitoring volatility. On January 14, 2022, the Group acquired 1,800,000 shares in the share capital of the Company from TechnipFMC at €13.15 per share for a total value of €23.7 million.

Between March and September 2022, the group acquired a total of 2,618,945 shares through the implementation of shares' purchase program. Treasury shares are held in order to serve performance share plans that are granted to its employees. In 2022 a total of 742,269 shares were delivered to group employees and board members subsequent to the vesting of incentive plans.

The cash resources allocated to the liquidity agreement is €9.0 million. As part of this agreement, on December 31, 2022, the Group holds 8,900 shares in the capital of the Company for a total value of €0.1 million.

The movements in Shareholders' equity are as follows:

(In millions of €)	Issued share capital	Share premium	Treasury shares	Legal reserve	Retained earnings	Share based compensation	Profit of the period	Total
Balance at January 1, 2021	**—**	**—**	**—**	**—**	**—**	**—**	**7.0**	**7.0**
Appropriation of the result of preceding year	—	—	—	—	7.0	—	(7.0)	—
Capital increase	—	—	—	—	—	—	—	—
Net profit of the year	—	—	—	—	—	—	244.6	244.6
Net contribution from / (distribution to) TechnipFMC	1.8	941.6	—	(119.5)	351.8	11.8	—	1,187.4
Translation reserve change of the year	—	—	—	55.8	—	—	—	55.8
Cash flow hedges change of the year	—	—	—	(15.6)	—	—	—	(15.6)
Value of employee services	—	—	—	—	—	17.3	—	17.3
Acquisition of treasury shares	—	—	(22.5)	—	—	—	—	(22.5)
Non distributable share in profit and other gains regarding associates and joint ventures	—	—	—	41.2	(41.2)	—	—	—
Other	—	—	—	—	2.2	—	—	2.2
Movements	**1.8**	**941.6**	**(22.5)**	**(38.1)**	**319.8**	**29.1**	**237.6**	**1,469.3**
BALANCE AT DECEMBER 31, 2021	**1.8**	**941.6**	**(22.5)**	**(38.1)**	**319.8**	**29.1**	**244.6**	**1,476.2**

(In millions of €)	Issued share capital	Share premium	Treasury shares	Legal reserve	Retained earnings	Share based compensation	Profit of the period	Total
Balance at January 1, 2022	**1.8**	**941.6**	**(22.5)**	**(38.1)**	**319.8**	**29.1**	**244.6**	**1,476.2**
Appropriation of the result of preceding year					244.6		(244.6)	—
Capital increase								—
Net profit of the year							306.3	306.3
Translation reserve change of the year				10.9				10.9
Cash flow hedges change of the year				9.8				9.8
Dividends					(79.0)			(79.0)
Other comprehensive income change of the year					20.5			20.5
Value of employee services						16.7		16.7
Treasury shares			(41.7)		(8.5)			(50.2)
Non distributable share in profit and other gains regarding associates and joint ventures				25.2	(25.2)			—
Other					1.2			1.2
Movements	**—**	**—**	**(41.7)**	**45.9**	**153.6**	**16.7**	**61.7**	**236.2**
BALANCE AT DECEMBER 31, 2022	**1.8**	**941.6**	**(64.2)**	**7.8**	**473.4**	**45.8**	**306.3**	**1,712.4**

Difference in equity and profit/loss between the company and consolidated financial statements

The 2021 difference between the consolidated equity and Company equity is presented below:

(In millions of €)	Equity in the company financial statements	Differences in equity between the company and consolidated financial statements	Equity in the consolidated financial statements
Invested equity as of January 1, 2021	**7.0**	**1,802.8**	**1,809.8**
Net profit (loss)	244.6	—	244.6
Other comprehensive income (loss)	43.5	—	43.5
Net contribution from distribution to TechnipFMC	1,187.4	(1,802.8)	(615.4)
Share-based compensation	17.3	11.8	29.1
Treasury shares	(22.5)	—	(22.5)
Other	(1.1)	(11.8)	(12.9)
INVESTED EQUITY AS OF DECEMBER 31, 2021	**1,476.2**	**—**	**1,476.2**

As of December 31, 2022, there is no difference between the consolidated equity and company equity:

(In millions of €)	Equity in the company financial statements	Differences in equity between the company and consolidated financial statements	Equity in the consolidated financial statements
Invested equity as of January 1, 2022	**1,476.2**	**—**	**1,476.2**
Net profit (loss)	306.3	—	306.3
Other comprehensive income (loss)	41.2	—	41.2
Share-based compensation	16.7	—	16.7
Dividends paid	(79.0)		(79.0)
Treasury shares	(50.2)	—	(50.2)
Other	1.2	—	1.2
INVESTED EQUITY AS OF DECEMBER 31, 2022	**1,712.4**	**—**	**1,712.4**

Legal reserves

The legal reserves can be broken down as follows:

(In millions of €)	December 31, 2022	December 31, 2021
Translation reserve	(64.2)	(75.1)
Cash flow hedges	5.5	(4.2)
Non distributable share in profit and other gains regarding associates and joint ventures	66.5	41.2
TOTAL	**7.8**	**(38.1)**

The reserve for translation differences concerns all exchange rate differences arising from the translation of the net investment in foreign entities.

Proposed appropriation of result

Article 10 of the Articles of Association stipulates, among other things, that the Board of directors shall annually decide which part of the profit shall be allocated to the reserves. The remaining part of the profit shall be at the disposal of the Annual General Meeting. The profit attributable to the equity holders of the Company for fiscal year 2022 amounts to €306.3 million. The board of directors proposes to add an amount of €209.9 million to retained earnings and to present for approval to the Annual General Meeting its proposal to distribute in cash a dividend amount of €91.2 million, which represents a dividend of €0.52 per share.

8.2.4.6. Provisions

(In millions of €)	December 31, 2022	December 31, 2021
Provisions for pensions and other employee benefits	1.4	1.7
Provisions for liabilities guarantee[(1)]	—	9.1
Provisions for lawsuit contingency[(1)]	21.0	18.7
TOTAL PROVISIONS	**22.4**	**29.5**

(1) In connection with the Spin-off, Technip Energies N.V. and TechnipFMC entered into a Separation and Distribution Agreement on January 7, 2021. Pursuant to this agreement, certain lawsuits and provisions were transferred to Technip Energies N.V.

In 2022, all provisions can be classified as non-current (longer than one year). For more information on provisions for lawsuit contingency and provision guarantee, please refer to Note 25. Provisions (non-current and current) of the consolidated financial statements.

8.2.4.7. Loans and borrowing

(In millions of €)	December 31, 2022	December 31, 2021
Notes	594.0	594.0
Accrued interests - Bonds (non-current)	1.3	0.5
TOTAL NON CURRENT LIABILITIES	**595.3**	**594.5**
Accrued interests - Bonds (current)	4.0	4.0
Accrued interests - Bank borrowing	0.2	0.1
Financial debts and liabilities with Group companies[1]	855.3	885.1
TOTAL LOANS AND BORROWING (CURRENT)	**859.5**	**889.2**

(1) Current account with Group cash pooling entity bearing interests at Libor +0.40%.

Refer to Note 22.: Debt (long and short-term) for more details and notes of the consolidated financial statements.

8.2.4.8. Other current liabilities

(In millions of €)	December 31, 2022	December 31, 2021
Trade payables	5.1	15.6
Amounts owed to Group companies	54.0	56.6
Payroll costs and social security charges	5.2	6.1
Current income tax payable	2.3	—
Tax consolidation payable[1]	24.5	—
Other creditors[2]	39.7	35.8
TOTAL CURRENT LIABILITIES	**130.8**	**114.0**

(1) This is the balance of Income tax due to French subsidiaries, which are part of Tax consolidation group. It represents the difference between Income tax advances paid by subsidiaries during the year and the actual income tax due by subsidiaries in 2022.
(2) Including €26.7 million liability in relation to the Spin-off. Technip Energies N.V. and TechnipFMC entered into a Separation and Distribution Agreement on January 7, 2021. Pursuant to this agreement, certain liabilities were incurred by Technip Energies N.V.

The other current liabilities fall due in less than one year. The fair value of other current liabilities approximates the book value, due to their short-term character.

8.2.4.9. Revenue

Revenue comprises of management fees and other corporate costs recharged to the group companies.

8.2.4.10. General and administrative expenses

(In millions of €)	2022	2021
Employee Benefits	(24.9)	(26.7)
Services rendered by subsidiaries	(129.3)	(112.8)
External fees and other	(32.1)	(63.8)
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	**(186.3)**	**(203.2)**

Wages and salaries

(In millions of €)	2022	2021
Wages and salaries	(6.1)	(6.1)
Social security charges	(1.9)	(2.5)
Costs with respect to Long-Term incentive Awards(1)	(16.7)	(17.3)
Pension contributions	(0.1)	(0.1)
Other employee costs	(0.1)	(0.7)
TOTAL EMPLOYEE BENEFITS	**(24.9)**	**(26.7)**

(1) The cost with respect to Long-Term incentive Awards is related to all group employees.

8.2.4.11. Financial income and expenses

(In millions of €)	2022	2021
Interest Income/(charges)[1]	(12.8)	(7.8)
Foreign exchange gain/(loss)	(3.1)	(1.3)
Revaluation of quoted equity instruments	(0.1)	(6.1)
Other Financial Income/(expenses)	—	0.1
TOTAL FINANCIAL INCOME AND EXPENSES	**(16.0)**	**(15.1)**

(1) Including €0.8 million in 2021 and €(3.9) million in 2022 relating to group entities.

8.2.4.12. Income tax

Income tax is calculated based on the income before taxes, taking into account temporary and permanent differences. Technip Energies N.V. net income is subject to the French statutory rate which is 25.83% in 2022 and onwards.

The French companies of the group form a tax consolidated group headed by Technip Energies NV. According to the French tax law, Technip Energies NV is solely liable toward French tax authorities for the corporate income tax due for the entire tax consolidated group. However, every French affiliate member of the French tax consolidated group is liable toward Technip Energies NV for the corporate income tax resulting from the taxation of its share in the consolidated group taxable income. Therefore, every French affiliate member of the French tax consolidated group recognize a corporate income tax liability based on their taxable profit.

Income tax reconciliation

The reconciliation between taxes calculated using the statutory tax rate applicable to Technip Energies and the amount of tax effectively recognized in the income statement is as follows:

(In millions of €)	Notes	2022	2021
Profit/(Loss) before taxation	8.2.2.	(45.4)	(79.7)
French standard rate		25.8 %	25.8 %
Theoretical income tax expense		11.7	20.6
Effects of:			
Benefit of the tax consolidation		7.2	—
Change in quoted equity instruments at FVTPL		(0.1)	(1.6)
Gains/Losses on purchase/disposal of financial assets		(0.2)	—
Equity compensation		—	0.5
Share of expense allocated to dividends received		(0.8)	(1.5)
Others		(0.5)	—
TAX (EXPENSE)/INCOME	**8.2.2.**	**17.3**	**18.0**
EFFECTIVE TAX RATE		**38.1 %**	**22.6 %**

8.2.4.13. Commitments and contingencies

Company and bank guarantees

Technip Energies N.V. has issued guarantees for contractual obligations to complete and deliver projects for the account of several Group companies, and fulfillment of other obligations. Guarantees given by Technip Energies N.V. consist of bank guarantees for a total amount of €1,186 million and parental company guarantee for a total amount of €29,968 million as of December 31, 2022. In 2021 bank and parental company guarantees amounted to €822.4 million and €24,617 million respectively. Please refer to Note 29. Commitments and contingent liabilities of the consolidated financial statements.

Contingent liabilities

Technip Energies N.V. committed to provide all the requisite financial support to ensure that the subsidiaries listed below can continue as a going concern and meet all liabilities and obligations as they fall due. This support is provided for at least the next twelve months from the date that the Directors approved and signed the most recent financial statements:

Middle East Projects International (T.EN Mepi)
T.EN. NET SAS
Cybernetix SAS
CyXplus SAS
T.EN International UK LTD
Genesis Oil & Gas Consultants Ltd
Genesis Oil & Gas Ltd
Cybernetix S.R.I.S Limited
T.EN E&C Ltd
T.EN PMC Services Ltd
T.EN HOLDINGS Limited
Genesis Oil & Gas Consultants Malaysia Sdn. Bhd.
T.EN Vietnam Co., Ltd.

8.2.4.14. Board of Directors remuneration

Remuneration of Executive Director

The total remuneration cost of the Executive Director amounted respectively to €4,657.2 thousands in 2021 and €5,068.2 thousands in 2022.

(In thousands of €)

Arnaud Pieton	2022	2021
Wages and salaries	900.0	787.0
Annual Incentives	1,131.9	1,260.0
Social security charges	914.3	921.2
Costs with respect to Long-Term incentive Awards	2,122.0	1,689.0
Pension contributions	—	—
TOTAL REMUNERATION COST	**5,068.2**	**4,657.2**

The annual incentive 2021 was paid in 2022. The annual Incentive for 2022 will be paid in 2023.

Remuneration of Non-Executive Directors

(In thousands of €)

2022 Non-Executive Directors

Directors	Salaries and fringe benefits	Annual Incentives	Long-Term incentive Awards	Pension related benefits	Total 2022
Arnaud Caudoux (Audit)[1]	—	—	—	—	—
Colette Cohen (Compensation, ESG)[2]	86.2				86.2
Pascal Colombani (ESG Chair)[3]	39.1		48.3		87.4
Marie-Ange Debon (Audit Chair)	122.0		48.3		170.3
Simon Eyers (Audit)	104.0		48.3		152.3
Alison Goligher (Compensation Chair, ESG)	130.5		48.3		178.8
Didier Houssin (ESG Chair)	112.2		48.3		160.5
Joseph Rinaldi (Non-Executive Chair, Audit, Compensation)[4]	260.0		48.3		308.3
Nello Uccelletti (Compensation)	104.0		48.3		152.3
Francesco Venturini (Audit)[5]	68.1		—		68.1
TOTAL	**1,026.1**	**—**	**338.1**	**—**	**1,364.2**

(1) Mr. Arnaud Caudoux waived his cash and equity remuneration because of the policies of his employer, Bpifrance.
(2) Ms. Colette Cohen attended the February 28 and April 21, 2022 Board Session as an Observer and received €9,092 in fees.
(3) Mr. Colombani stood down at the AGM on May 5, 2022.
(4) Mr Rinaldi stepped down from the Audit and Compensation Committees following the conclusion of the AGM on May 5, 2022.
(5) Mr. Francesco Venturini joined the Board at the AGM on May 5, 2022.

Effective March 1, 2022, the total remuneration for the Non-Executive Directors was modified in structure by eliminating the award of Restricted Stock.

(In thousands of €)

2021 Non-Executive Directors

Directors	Salaries and fringe benefits	Annual Incentives	Long-Term incentive Awards	Pension related benefits	Total 2021
Arnaud Caudoux[1]	—	—	—	—	—
Pascal Colombani (ESG Chair)	95.5	—	111.7	—	207.2
Marie-Ange Debon (Audit Chair)	102.2	—	111.7	—	213.9
Simon Eyers (Audit)	88.5	—	111.7	—	200.2
Alison Goligher (Compensation Chair, ESG)	109.4	—	111.7	—	221.1
Didier Houssin (ESG Chair)	88.5	—	111.7	—	200.2
Joseph Rinaldi (Non-Executive Chair, Audit, Compensation)	137.8	—	111.7	—	249.5
Nello Uccelletti (Compensation)	88.5	—	111.7	—	200.2
Francesco Venturini	—	—	—	—	—
Total	**710.4**	**—**	**781.9**	**—**	**1,492.3**

(1) Mr. Arnaud Caudoux waived his cash and equity remuneration because of the policies of his employer, Bpifrance.
Ms Colette Cohen attended the February 28 and April 21, 2022 Board Session as an Observer and received €4,223 in fees.

No payments for termination were made neither in 2021 nor in 2022 to any Board members. For an explanation of the Remuneration Policy, see the Remuneration report at chapter 6.

8.2.4.15. Number of employees

The 9 employees of Technip Energies N.V. are members of the Executive Committee. These employees are located outside of the Netherlands.

8.2.4.16. Independent audit fees

For the audit fees relating to the procedures applied to Technip Energies N.V. and its consolidated group entities by accounting firms and external independent auditors, reference is made to Note 30. Auditor's remuneration of the consolidated financial statements.

8.2.4.17. Events after end of reporting

Dividend

A dividend of €91.2 million (which equals to €0.52 per share, based on the number of shares outstanding less the expected number of treasury shares held at the dividends record date), will be proposed at the Annual General Meeting on May 10, 2023.

In addition please refer to Note 32. Subsequent events of the Consolidated Financial Statements.

Nanterre, France

March 10, 2023

Executive Committee

- Arnaud Pieton, Chief Executive Officer
- Marco Villa, Chief Operating Officer
- Bruno Vibert, Chief Financial Officer
- Michael McGuinty, Chief Legal Officer
- Wei Cai, Chief Technology Officer
- Christophe Bélorgeot, Senior Vice President of Communications
- Magali Castano, Senior Vice President People & Culture
- Samir Karoum, Chief Strategy & Sustainability Officer
- Alain Poincheval, Fellow Executive Project Director
- Christophe Virondaud, Senior Vice President Commercial

Board of Directors

- Joseph Rinaldi, Chairman
- Arnaud Pieton, Chief Executive Officer
- Arnaud Caudoux
- Marie-Ange Debon
- Simon Eyers
- Alison Goligher
- Didier Houssin
- Nello Uccelletti
- Colette Cohen
- Francesco Venturini

8.2.5. APPROPRIATION OF RESULT

Articles of association governing profit appropriation

With regard to the appropriation of results, Article 10 of the Articles of Association provides as follows:

- 10.1 Profit and loss. Distributions on Shares:
  - 10.1.1 Distribution of dividends pursuant to this Article 10.1 will take place after the adoption of the Annual Accounts which show that the distribution is allowed,
  - 10.1.2 The Company may make distributions on Shares only to the extent that its Shareholders' equity exceeds the sum of the paid-up and called-up part of the capital and the reserves which must be maintained by Dutch law or the articles of association,
  - 10.1.3 The Board may determine that any amount out of the profit will be added to the reserves,
  - 10.1.4 The profit remaining after application of Article 10.1.3 will be at the disposal of the General Meeting,
  - 10.1.5 The General Meeting may only resolve to make a distribution on Shares in kind or in the form of Shares at the proposal of the Board,
  - 10.1.6 Subject to the other provisions of this Article 10.1, the General Meeting may, at the proposal of the Board, resolve to make distributions on Shares to the debit of one or several reserves which the Company is not prohibited from distributing by virtue of Dutch law or the articles of association,
  - 10.1.7 For the purpose of calculating the amount of any distribution, Shares held by the Company shall not be taken into account. No distribution shall be made on Shares held by the Company, unless those Shares are encumbered with a right of usufruct or a right of pledge;
- 10.2 Interim distributions:
  - 10.2.1 The Board may resolve to make interim distributions on Shares if an interim statement of assets and liabilities shows that the requirement of article 10.1.2 has been met,
  - 10.2.2 The interim statement of assets and liabilities referred to in Article 10.2.1 relates to the condition of the assets and liabilities on a date no earlier than the first day of the third month preceding the month in which the resolution to distribute is published. This interim statement must be prepared on the basis of generally acceptable valuation methods. The amounts to be reserved under Dutch law and the articles of association must be included in the statement of assets and liabilities. This statement must be signed by the Directors. If one or more of their signatures are missing, this absence and the reason for this absence must be stated;
- 10.3 Notices and payments:
  - 10.3.1 Any proposal for a distribution on Shares must immediately be published by the Board in accordance with the regulations of the stock exchange where the Shares are officially listed at the Company's request. The notification must specify the date when and the manner in which the distribution will be payable or – in the case of a proposal for distribution – is expected to be made payable,
  - 10.3.2 Distributions will be payable on the day determined by the Board. 10.3.3 The persons entitled to a distribution shall be the relevant Shareholders, holders of a right of usufruct on Shares and holders of a right of pledge on Shares, at a date to be determined by the Board for that purpose. This date shall not be earlier than the date on which the distribution was announced,
  - 10.3.4 Distributions which have not been claimed upon the expiry of five years and one day after the date when they became payable will be forfeited to the Company and will be carried to the reserves,
  - 10.3.5 The Board may determine that distributions will be made payable in euros or in another currency.

8.3. INDEPENDENT AUDITOR'S REPORT

To the General Meeting and the Board of Directors of Technip Energies N.V.

REPORT ON THE FINANCIAL STATEMENTS 2022

Our opinion

In our opinion:

- The consolidated financial statements of Technip Energies N.V. together with its subsidiaries ('the Group') give a true and fair view of the financial position of the Group as at December 31, 2022 and of its result and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union ('EU-IFRS') and with Part 9 of Book 2 of the Dutch Civil Code;
- The company financial statements of Technip Energies N.V. ('the Company') give a true and fair view of the financial position of the Company as at December 31, 2022 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2022 of Technip Energies N.V., Amsterdam. The financial statements include the consolidated financial statements of the Group and the company financial statements.

The consolidated financial statements comprise:

- The consolidated statement of financial position as at December 31, 2022;
- The following statements for 2022: the consolidated statement of income, the consolidated statements of comprehensive income, changes in equity and cash flows; and
- The notes, comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

- The company balance sheet as at December 31, 2022;
- The company income statement for the year then ended; and
- The notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is EU-IFRS and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated financial statements and Part 9 of Book 2 of the Dutch Civil Code for the company financial statements.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of Technip Energies N.V. in accordance with the European Union Regulation on specific requirements regarding statutory audit of public-interest entities, the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

Our audit approach

We designed our audit procedures with respect to the key audit matters, fraud and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in support of our opinion, such as our findings and observations related to individual key audit matters, the audit approach to fraud risk and the audit approach on going concern was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Overview and context

Technip Energies N.V. is an engineering and technology company providing primarily design and project development services within the energy industry. The Group is comprised of several components and therefore we considered our group audit scope and approach as set out in the section 'The scope of our group audit'. We paid specific attention to the areas of focus driven by the operations of the Group, as set out below.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the board of directors made important judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

The conflict in Ukraine and sanctions imposed against Russia pose significant challenges to the Group's business activities and introduce a degree of uncertainty in relation to the projects with Russian customers. This affected our audit procedures as described in the section 'Key audit matters'.

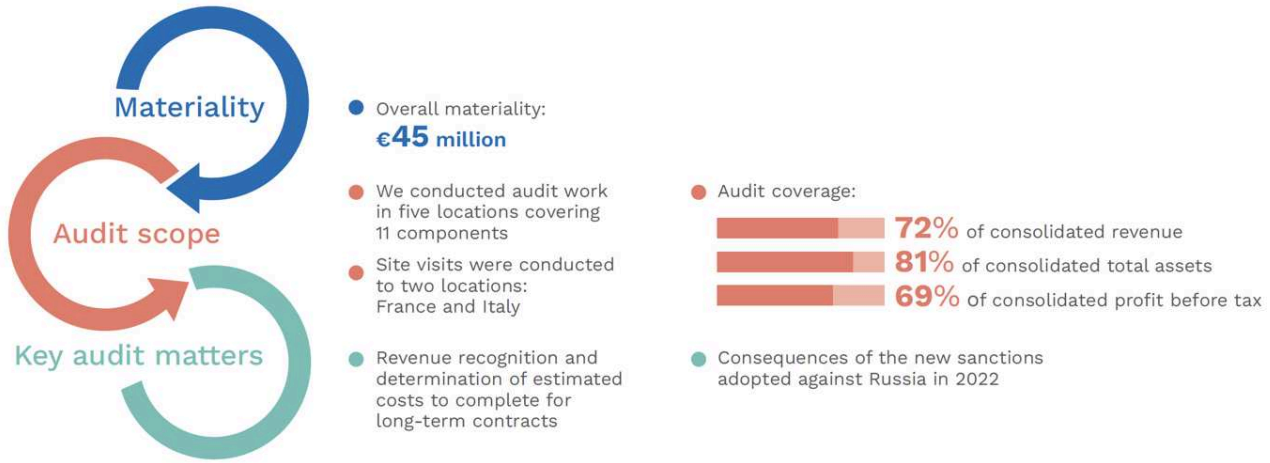
In Note 1.7 to the financial statements, the Company describes the areas of judgement in applying accounting policies and the key sources of estimation uncertainty. Given the significant estimation uncertainty and the related higher inherent risks of material misstatement in revenue recognition and determination of estimated costs to complete for long-term contracts, we considered this matter as a key audit matter as set out in the section 'Key audit matters' of this report.

Other areas of focus, that were not considered as key audit matters, were management's goodwill impairment testing and actuarial assumptions in the accounting for pension and other post-retirement benefit plans.

Technip Energies N.V. assessed the possible effects of climate change on its financial position, refer to Note 1.8 'Other sources of estimation uncertainty' where the Company disclosed the risk related to climate change. We discussed the Group's assessment and governance thereof with management and evaluated the potential impact on the financial position including underlying assumptions and estimates. As noted in Note 1.8, climate change impacts the customers of the Group resulting in new business opportunities for the Company and has had no significant impacts on the financial statements. As such, the impact of climate change is not considered to represent a key audit matter.

We ensured that the audit teams at both group and component level included the appropriate skills and competences which are needed for the audit of a global engineering and technology company. We therefore included experts and specialists in the areas of, amongst others, IT, tax, valuation and actuarial expertise in our team.

The outline of our audit approach was as follows:



Materiality

The scope of our audit was influenced by the application of materiality, which is further explained in the section 'Our responsibilities for the audit of the financial statements'.

Based on our professional judgement we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and to evaluate the effect of identified misstatements, both individually and in aggregate, on the financial statements as a whole and on our opinion.

Overall group materiality	€45 million (2021: €45 million)
Basis for determining materiality	We used our professional judgement to determine overall materiality. As a basis for our judgement, we used 0.7% of revenue.
Rationale for benchmark applied	We used revenue as the primary benchmark, a generally accepted auditing practice, based on our analysis of the common information needs of the users of the financial statements. On this basis, we believe that revenue is an important metric for the financial performance of the Group. We also considered other benchmarks, including profit before tax, EBITDA and total assets.
Component materiality	Based on our judgement, we allocated materiality to each component in our audit scope that is less than our overall group materiality. The range of materiality allocated across components was between €10 and €30 million.

We also take misstatements and/or possible misstatements into account that, in our judgement, are material for qualitative reasons.

We agreed with the audit committee that we would report to them any misstatement identified during our audit above

€4.5 million (2021: €4.5 million) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

The scope of our group audit

Technip Energies N.V. is the parent company of a group of entities. The financial information of this group is included in the consolidated financial statements of Technip Energies N.V.

We tailored the scope of our audit to ensure that we, in aggregate, provide sufficient coverage of the financial statements for us to be able to give an opinion on the financial statements as a whole, taking into account the management structure of the Group, the nature of operations of its components, the accounting processes and controls, and the markets in which the components of the Group operate. In establishing the overall group audit strategy and plan, we determined the type of work required to be performed at component level by the group engagement team and by each component auditor.

The group audit primarily focused on the significant components of Technip Energies N.V., which include group entities in France and Italy. Note that most of the significant projects of the Group are managed centrally out of France. We subjected four components in these countries to audits of their complete financial information, as those components are individually financially significant to the Group. Additionally, we selected six components for specified audit procedures to achieve appropriate coverage on financial line items in the consolidated financial statements.

In total, in performing these procedures, we achieved the following coverage on the financial line items:

Revenue	72 %
Total assets	81 %
Profit before tax	69 %

None of the remaining components represented more than 3% of total group revenue or total group assets. For those remaining components we performed, among other things, analytical procedures to corroborate our assessment that there were no significant risks of material misstatements within those components.

The group engagement team performed the audit work on the financial information of the Company. For the other components we used component auditors who are familiar with the local laws and regulations to perform the audit work.

Where component auditors performed the work, we determined the level of involvement we needed to have in their work to be able to conclude whether we had obtained sufficient and appropriate audit evidence as a basis for our opinion on the consolidated financial statements as a whole.

We issued instructions to the component audit teams in our audit scope. These instructions included amongst others our risk analysis, materiality and the scope of the work. We explained to the component audit teams the structure of the Group, the main developments that were relevant for the component auditors, the risks identified, the materiality levels to be applied and our global audit approach. We had individual in person or virtual meetings with each of the in-scope component audit teams both during the year and upon conclusion of their work. During these meetings, we discussed the significant accounting and audit issues identified by the component auditors, their reports, the findings of their procedures and other matters, that could be of relevance for the consolidated financial statements.

The group engagement team visits the component teams and local management on a rotational basis and taking into account the significance of individual components to the group. In the current year, the group engagement team visited the French and Italian component teams given their relative importance in total group revenue. For these component teams, we reviewed working papers of higher risk areas. The interaction with the other component teams was on a virtual basis only. Throughout the audit process sufficient interaction took place with all component teams considering the significance of individual components to the group. The group audit team attended in person or virtual meetings with local management and with the component auditors of all full scope components, covering the most significant projects of the Group.

The group engagement team performed the audit work on the group consolidation, financial statement disclosures and a number of more complex items at the head office. These included goodwill impairment testing, litigation and actuarial assumptions in the accounting for pension and other post-retirement benefit plans (refer to Note 24.4). The group engagement team also performed audit procedures over the central IT systems. By performing the procedures outlined above at the components, combined with additional procedures exercised at group level, we were able to obtain sufficient and appropriate audit evidence on the Group's financial information, as a whole, to provide a basis for our opinion on the financial statements.

Our audit approach to fraud risks

We identified and assessed the risks of material misstatement of the financial statements due to fraud. During our audit we obtained an understanding of the entity and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the board of directors exercise oversight, as well as the outcomes.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud and anti-bribery and corruption risk assessment, as well as amongst others, the code of conduct and whistle blower procedures. We discussed these risk assessments with the Audit Committee and the Chief Compliance Officer. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness, of internal controls designed to mitigate fraud risks. We considered available information and made inquiries of relevant executives and directors (including internal audit, legal and compliance) on whether they were aware of any actual or suspected fraud.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud was present.

We evaluated each of these factors considering significance, likelihood and pervasiveness and assessed whether they indicated that a risk of material misstatement due to fraud was present. Based on our evaluation, we identified the following fraud risks and performed the following specific procedures:

IDENTIFIED FRAUD RISKS	OUR AUDIT RESPONSE AND OBSERVATIONS
Management override of controls In general, management is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. That is why we, in all our audits, pay attention to the risk of management override of controls, including risks of potential misstatements due to fraud based on an analysis of potential interests of management. In this respect, we gave specific consideration to: ■ the appropriateness of journal entries and other adjustments made in the preparation of the financial statements; ■ possible management bias in management's significant estimates; and ■ significant transactions, if any, that were outside the normal course of business for the Group.	We evaluated the design and implementation of the internal control measures and, where relevant to our audit, tested the effectiveness of the measures in the processes of generating journal entries, making estimates, and monitoring projects. We also paid specific attention to the access safeguards in the IT system and the possibility that these lead to violations of the segregation of duties. We selected journal entries based on risk criteria and conducted specific audit activities for these entries. These procedures included, amongst others, agreeing the entries to supporting documentation. We also paid particular attention to material consolidation entries. With regard to management's accounting estimates, we evaluated key estimates and judgements for bias, through retrospective reviews of prior year estimates, where relevant. In this context, we paid specific attention to the following estimates: goodwill impairment assessment, actuarial assumptions in the accounting for pension and other post-retirement benefit plans and revenue recognition in relation to long-term contracts. Refer to the Key Audit Matters in this report for more information on our audit response in relation to revenue recognition and cost to complete estimates for long-term contracts. We evaluated whether there were any significant transactions or events that were outside the normal course of business for the Group. None were noted, other than the conflict in Ukraine and the new sanctions imposed against Russia impacting the Group's business activities. Refer to the Key Audit Matters in this report for more information on our audit response in relation to this event. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to management override of internal controls.
Risk of fraud in revenue recognition As part of our risk assessment and based on a presumption that there are risks of fraud in revenue recognition, we evaluated which types of revenue transactions or assertions give rise to the risk of fraud in revenue recognition. The Group enters into contracts that are considered complex from a revenue recognition perspective. We focused on those contracts which have a fixed price element with low margins and/or significant contingencies. The revenue or loss recognition of those contracts is deemed to be most sensitive to management's cost to complete estimates. Estimates are inherently uncertain and might be subject to management bias. Project directors may feel pressure or have an incentive to (mis)use estimates in order to satisfy stakeholders and reach key performance indicators.	Where relevant to our audit, we assessed the design and implementation of the internal control measures related to revenue reporting and in the processes for generating and processing journal entries related to revenue. We used a combination of a control and substantive testing-based approach with respect to cost to complete. Reference is made to the Key Audit Matter 'Revenue recognition and determination of estimated costs to complete for long-term contracts' for the audit procedures we performed. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to revenue recognition.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance with laws and regulations.

We also took note of lawyers' letters and correspondence with those charged with governance and stayed alert during the audit for indications and signals of fraud and considered the outcome of our other audit procedures and evaluated whether any findings or misstatements were indicative of fraud. If so, we reevaluated our assessment of fraud risk and its resulting impact on our audit procedures. In addition, we discussed the status of the investigations referred to in Note 2.6.7 'Other matters' with management and evaluated the impact on the financial statements.

Audit approach on going concern

As disclosed in Note 1.4. 'Going concern' in the financial statements, management performed their assessment of the entity's ability to continue as a going concern for the foreseeable future and has not identified events or conditions that may cast significant doubt on the entity's ability to continue as a going concern (hereafter: going concern risks).

Our procedures to evaluate management's going concern assessment included, amongst others:

- Considerations whether management's going concern assessment includes all relevant information of which we are aware as a result of our audit and inquiry with management regarding management's most important factors underlying their going concern assessment. These factors include the backlog and the impact of Russia's invasion of Ukraine and associated global sanctions;
- Analyzing the financial position per balance sheet date compared to prior year as well as the Group's liquidity, including the assessment of financing facilities of the Group and management's assessment of the Group's compliance with credit facility covenants, to assess whether events or circumstances exist that may lead to a going concern risk;
- Performing inquiries with management as to their knowledge of going concern risks beyond the period of management's assessment.

Our procedures did not result in outcomes contrary to management's assumptions and judgements used in the application of the going concern assumption.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements. We have communicated the key audit matters to the board of directors. The key audit matters are not a comprehensive reflection of all matters identified by our audit and that we discussed. In this section, we described the key audit matters and included a summary of the audit procedures we performed on those matters.

In comparison to prior year the key audit matter with respect to the completion of the spin-off transaction is not deemed applicable any longer and a new key audit matter has been added in relation to the consequences of the new sanctions adopted against Russia in 2022.

KEY AUDIT MATTER	OUR AUDIT WORK AND OBSERVATIONS
Revenue recognition and determination of estimated costs to complete for long-term contracts ***See Notes 1.6, 1.7 and 4 to the financial statements*** The majority of the Group's total revenue of €6.3 billion for the year ended December 31, 2022 is generated from long-term contracts. For the Group's long-term contracts, because of control transferring over time, revenue is recognized based on the extent of progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgement and is based on the nature of the products or services to be provided. The Group generally uses the cost-to-cost measure of progress for its contracts considering it best depicts the transfer of control to the customer which occurs as the Group incurs costs on the contracts. Under the cost-to-cost measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues are recorded proportionally as costs are incurred. Due to the nature of the work required to be performed on many of the performance obligations, management's estimation of total cost at completion is complex, subject to many variables and requires significant judgement. As the estimate of costs to complete for long-term contracts involves significant judgement by management that is subjective in nature, this area is subject to higher risk of misstatement due to error or fraud. Therefore, we considered these estimates as a key audit matter.	We obtained an understanding of the Group's long-term contracts and associated revenue and receivable process through performing an end-to-end walkthrough of the process. We tested the effectiveness of controls relating to the revenue recognition process, including controls over the determination of estimated costs to complete for long-term contracts. In addition, we substantively tested the estimated costs to complete for a selection of long-term contracts made based on risk criteria (including total contract value, margin level and value of contingencies recognized), as well as a selection of other contracts by (i) obtaining executed purchase orders and agreements, (ii) evaluating the appropriateness of the method used to measure progress towards completion, (iii) testing the completeness and accuracy of the underlying data used by management, and (iv) evaluating the reasonableness of significant assumptions related to the estimates of costs to complete. Evaluating management's assumptions related to estimated costs to complete long-term contracts involved, as applicable, (i) comparing changes in total estimated costs with prior period estimates, (ii) evaluating the competency and objectivity of project engineers providing significant input utilized in management's calculations, and (iii) assessing the adequacy of contract contingency provisions. The procedures listed above also included inquiries with project directors as to their understanding of the long-term contracts and associated estimates. We evaluated whether the audit procedures, the evidence obtained and the outcomes for these estimates, in combination with other estimates, provided indications of management bias. We found no such indications. We assessed the adequacy of the disclosures relating to revenue recognition, in accordance with the requirements of IFRS 15. Our procedures did not result in material findings with respect to revenue recognition and the related disclosures.
Consequences of the new sanctions adopted against Russia in 2022 ***See Note 1.8 to the financial statements*** Various jurisdictions, including the European Union, have adopted new sanctions against Russia in response to the invasion of Ukraine launched on February 24, 2022. Due to these sanctions, the Group had to suspend ongoing projects in Russia and pull out of future business opportunities identified in the country. As of December 31, 2021, approximately €3.8 billion or 23% of the Group's backlog scheduled to be executed over the five-year period from 2022 to 2026 was related to Russian projects. At the start of 2022, the Group anticipated that revenue for the year from ongoing Russian projects would be approximately €1.4 billion, when revenue from projects outside Russia was projected to be in the range of €5 to €5.5 billion. Considering the magnitude of the Group's historical revenue forecasts related to Russian projects, the consequences of the new sanctions adopted against Russia were considered to have a significant impact on the business and were determined to represent a triggering event warranting a dedicated ad hoc impairment test of the Group's goodwill and other assets related to Russian operations. Additionally, suspending projects is a rare event that required the Group to analyze the contractual terms and conditions related to such event and assess their potential accounting consequences. Due to these considerations, the consequences of the new sanctions adopted against Russia were considered to be a key audit matter.	Through inquiries with the Chief Compliance Officer and Chief Financial Officer as well as other procedures, we gained an understanding of management's process for monitoring, evaluating and complying with the sanctions adopted by relevant jurisdictions against Russia, and their consequences on the Group's operations and financial position. We obtained the business plans utilized to perform the goodwill impairment testing and verified that future cash-flows appropriately excluded all Russian projects, consistent with the Group's decision to cease business operations in the country. We also verified that the Group did not hold significant assets located in Russia that would likely need to be impaired. We evaluated management's assessment of the sanctions and the relevant contractual clauses related to project suspensions in Russia as well as the appropriateness of accounting entries recorded as a result of this assessment. For those significant Russian contracts that were suspended or completed during the year, we assessed the adequacy of the total amount of revenue (and margin) recorded. This involved evaluating the reasonableness of significant assumptions and notably the value of work done and the remaining costs to be incurred. Our procedures also included assessing the appropriateness of management's disclosures made in the financial statements in connection with this matter. Our procedures did not result in material findings with respect to the accounting and disclosures related to the consequences of the new sanctions adopted against Russia.

REPORT ON THE OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements; and
- Contains all the information regarding the management report and the other information that is required by Part 9 of Book 2 and regarding the remuneration report required by the sections 2:135b and 2:145 subsection 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 and section 2:135b subsection 7 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The board of directors is responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code. The board of directors are responsible for ensuring that the remuneration report is drawn up and published in accordance with sections 2:135b and 2:145 subsection 2 of the Dutch Civil Code.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS AND ESEF

Our appointment

We were appointed as auditors of Technip Energies N.V. on February 15, 2021 by the board of directors. Our appointment now represents a total period of uninterrupted engagement of two years.

European Single Electronic Format (ESEF)

Technip Energies N.V. has prepared the annual report, including the financial statements, in ESEF. The requirements for this format are set out in the Commission Delegated Regulation (EU) 2019/ 815 with regard to regulatory technical standards on the specification of a single electronic reporting format (these requirements are hereinafter referred to as: the RTS on ESEF).

In our opinion, the annual report prepared in XHTML format, including the partially tagged consolidated financial statements as included in the reporting package by Technip Energies N.V., complies in all material respects with the RTS on ESEF.

The board of directors is responsible for preparing the annual report, including the financial statements, in accordance with the RTS on ESEF, whereby the board of directors combines the various components into a single reporting package. Our responsibility is to obtain reasonable assurance for our opinion on whether the annual report in this reporting package, complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N 'Assuranceopdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument' (assurance engagements relating to compliance with criteria for digital reporting).

Our procedures, taking into account Alert 43 of the NBA (Royal Netherlands Institute of Chartered Accountants), included amongst others:

- Obtaining an understanding of the entity's financial reporting process, including the preparation of the reporting package.
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
  - Obtaining the reporting package and performing validations to determine whether the reporting package, containing the Inline XBRL instance document and the XBRL extension taxonomy files, has been prepared, in all material respects, in accordance with the technical specifications as included in the RTS on ESEF.
  - Examining the information related to the consolidated financial statements in the reporting package to determine whether all required taggings have been applied and whether these are in accordance with the RTS on ESEF.

No prohibited non-audit services

To the best of our knowledge and belief, we have not provided prohibited non-audit services as referred to in article 5(1) of the European Regulation on specific requirements regarding statutory audit of public-interest entities.

Services rendered

The services, in addition to the audit, that we have provided to the Company or its controlled entities, for the period to which our statutory audit relates, are disclosed in Note 30 to the financial statements.

For the period to which our statutory audit relates, we have not provided other services to the Company and its controlled entities.

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Responsibilities of the board of directors for the financial statements

The board of directors is responsible for:

- The preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code; and for
- Such internal control as the board of directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board of directors is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the board of directors should prepare the financial statements using the going-concern basis of accounting unless the board of directors either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The board of directors should disclose in the financial statements any event and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

The board of directors is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance, which makes it possible that we may not detect all material misstatements. Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Rotterdam, March 10, 2023

PricewaterhouseCoopers Accountants N.V.

drs. J. van Hoof RA

APPENDIX TO OUR AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS 2022 OF TECHNIP ENERGIES N.V.

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional skepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- Concluding on the appropriateness of the board of directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Considering our ultimate responsibility for the opinion on the consolidated financial statements, we are responsible for the direction, supervision and performance of the group audit. In this context, we have determined the nature and extent of the audit procedures for components of the Group to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole. Determining factors are the geographic structure of the Group, the significance and/or risk profile of group entities or activities, the accounting processes and controls, and the industry in which the Group operates. On this basis, we selected group entities for which an audit or review of financial information or specific balances was considered necessary.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. In this respect, we also issue an additional report to the audit committee in accordance with article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related actions taken to eliminate threats or safeguards applied.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Glossary





G

A

AGU: the Attorney General of Brazil.

B

BAT: Best Available Techniques.

BBS: Behavior-Based Safety.

BED: Basic Engineering Design - includes all basic studies required to support a Basic Engineering Design Package (BEDP) containing all data needed by a competent contractor to perform the detail engineering. Basic engineering studies may consist of consolidating a process package initiated by an external process licensor.

BEDP: Basic Engineering Design Package.

BPSD: Barrel per Stream Day

BtG: Biomass to Gas.

BtL: Biomass to Liquid.

C

CAGR: compounded annual growth rate, rate of return that would be required for an investment to grow from its beginning balance to its ending balance, assuming the profits were reinvested at the end of each period of the investment's lifespan.

CAPEX: Capital expenditures consisting of a company's major, long-term expenses.

CCS (Carbon Capture and Storage): CCS is a solution for reducing greenhouse gas emissions from industrial installations in response to global warming.

CCUS: Carbon Capture Utilization and Storage.

CDP (Carbon Disclosure Project): Not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.

CGU: the Comptroller General of Brazil.

CGU: cash-generating unit.

Code: the Dutch Corporate Governance Code.

CODM: Chief Operating Decision Maker.

COO: Chief Operation Officer.

CSR (Corporate Social Responsibility): A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. CSR concerns actions by companies over and above their legal obligations towards society and the environment.

D

D&I: Diversity and Inclusion.

DOJ: the Unites States Department of Justice.

DPA: Deferred Prosecution Agreement.

E

E&T: Engineering and Technology.

EARTH®: Enhanced Annular Reforming Tube for Hydrogen.

ECH: Epichlorohydrin.

ENVID: Environmental Aspects and Impacts Identification.

EPC (Engineering, Procurement, Construction): Type of contract comprising management and engineering services, procurement of equipment and materials, and construction.

EPCC (Engineering, Procurement, Construction and Commissioning): Type of contract comprising management and engineering services, procurement of equipment and materials, construction and commissioning.

EPCIC (Engineering, Procurement, Construction, Installation, Commissioning and Startup): Type of contract comprising management and engineering services, procurement of equipment and materials, construction, commissioning and startup.

EPCm (Engineering, Procurement and Construction Management): Type of contract comprising management and engineering services, procurement of equipment and construction management.

EPS: Earnings per Share.

ERG: Employee Resource Group.

ERM: Enterprise Risk Management.

ESG: Environmental, Social, and Governance.

ESOP: Employee Stock Ownership Plan.

Ethylene: Widely used in the production of consumer goods, such as plastics or polymers, ethylene is a hydrocarbon produced in the petrochemical industry by steam cracking, i.e. transformation of hydrocarbons by pyrolysis above 820 °C.

ETS: European Emissions Trading System.

EU: European Union.

EV: Electric Vehicles.

F

FCPA: U.S. Foreign Corrupt Practices Act.

Feasibility Studies: Engineering study based on engineering analysis which presents enough information to determine whether or not the project should be advanced to the final engineering and production/construction stage.

FEED (Front-End Engineering Design): covers mechanical data sheets of the main equipment, starting from the process specifications issued during the BED and incorporating the specific requirements of codes and standards to be applied to the project. It also includes, amongst other items, the reparation of tender packages for the main equipment as well as all studies to be performed before ordering the main equipment.

FID: Final Investment Decision, moment in time when the sponsor of a project decides to sanction the project's future development.

FLNG (Floating Liquefied Natural Gas unit): In a FLNG solution, the gas liquefaction installations are situated directly above the offshore gas field, thus making the construction of long subsea pipelines and large onshore infrastructure unnecessary.

Fluid Catalytic cracking: process which converts heavy petroleum fractions into lighter hydrocarbon products inside a reactor.

FPSO (Floating, Production, Storage and Offloading): A converted ship or custom-built vessel used as a support of oil and gas installations and for temporary storage of the oil prior to transport.

FPUs (Floating Production Units): are floating units used in the production of oil and gas.

FSRU (Floating Storage and Regasification Unit): It receives liquefied natural gas from offloading LNG carriers and the onboard regasification system provides natural gas exported to shore through risers and pipelines.

Furnace: A furnace is an enclosed structure in which material is heated to high temperatures to produce ethylene and other products. This occurs in two sections. In the radiant section, the tubes receive heat through thermal radiation and the pyrolysis reaction (cracking) takes place. In the convection section, the flue gas is cooled to deliver high thermal efficiency by recovering the remaining heat.

G

GBF: Global Biodiversity Framework.

GDP: Gross Domestic Product.

GDPR: The General Data Protection Regulation is a EU Regulation the aim of which is to address data protection and privacy and preserve individuals' control and rights over their personal data.

General Meeting: a general meeting of the shareholders of the Company.

GHG (Greenhouse gas): Any of the atmospheric gases that contribute to the greenhouse effect by absorbing infrared radiation produced by the solar warming of the Earth's surface. Greenhouse gases include carbon dioxide, methane, nitrous oxide and water vapor. These gases can be naturally occurring or produced by human activity.

Global Compact: International initiative of the United Nations, launched in 2000. It unites public and private businesses around 10 universal principles relating to human rights, labor and the environment.

GPS: Global Practice Standard.

GRI (Global Reporting Initiative): International independent standards organization that helps businesses, governments and other organizations understand and communicate their impacts on issues such as climate change, human rights and corruption.

GTL (Gas-to-Liquids): Transformation of natural gas into liquid fuels.

GW: Gigawatt.

H

H_2: Hydrogen.

HSE (Health, Safety and Environment): Defines all measures taken by a company to guarantee the occupational health and safety of individuals and the protection of the environment during the performance of its business activities, whether in offices or on construction sites.

Hydrogen: Hydrogen is widely used in petroleum refining processes to remove impurities found in crude oil such as sulfur, olefins and aromatics to meet the product fuels specifications. Removing these components allows gasoline and diesel to burn cleaner and thus makes hydrogen a critical component in the production of cleaner fuels needed by modern, efficient internal combustion engines.

I

IASB: the International Accounting Standards Board.

IEA: International Energy Agency.

IFRS: International Financial Reporting Standards.

IIA: Institute of Internal Auditors.

ILO: International Labor Organization.

IPCC: Intergovernmental Panel on Climate Change.

IRA: Inflation Reduction Act (2022), a United States federal law which aims to curb inflation by reducing the deficit, lowering prescription drug prices, and investing into domestic energy production while promoting clean energy.

ISMS: Information Security Management System.

ISO 14001: A standard dealing with environmental management systems.

IT: Information Technology.

IUCN: International Union for Conservation of Nature.

K

KM: Knowledge Management.

KPI: Key Performance Indicator.

L

LA: Lactic Acid.

LCOH: Levelized Cost of Hydrogen.

LNG (Liquefied Natural Gas): Natural gas, liquefied by cooling its temperature to -162 °C, thus reducing its volume 600 times, allowing its transport by boat.

LPG: Liquefied Petroleum Gas.

LTI: Lost Time Injury.

LTIR: Lost time injury rate per 200,000 hours worked.

M

MMH: Million Man Hours.

MPF: The Federal Prosecution Service of Brazil.

Mtpa: Million Tonnes per Annum.

MWe: Mega Watt Electric.

N

NFE: The North Field East Project carried out in Qatar by the Company.

NGL: Natural Gas Liquids.

O

O&M: Operations and Maintenance.

OECD: Organization for Economic Cooperation and Development.

Olefin: A family of molecules including in particular ethylene and propylene which constitutes the raw material allowing for the manufacture of many plastics.

OPEX: Operating Expenditure.

OTD: One T.EN Delivery.

P

PBS: Polybutylene Succinate, a biodegradable polymer.

PBAT: Polybutylene Adipate Terephthalate, a biodegradable polymer

PET: Polyethylene terephthalate, a lightweight and recyclable plastic.

PLA: Polylactic Acid.

PNF: the French *Parquet National Financier.*

Pre-FEED: Conceptual design fixing all that is needed for a FEED study including land requirements, technology, feed gas composition, product specifications, climatic data, etc.

Process Design Packages: Documentation relating to the design and construction of a plant prepared in accordance with standard industry practices.

PSUs: Performance Stock Units.

Q

QHSES: Quality, Health, Safety, Environment and Security.

R

R&D: Research and Development.

REPowerEU: The European Commission's plan unveiled in May 2022 to make Europe independent of Russian fossil fuels before 2030.

Rotating Olefins Cracker: Technology which will decarbonize olefin production processes by employing a dynamic reactor system that replaces conventional furnaces used for pyrolysis when manufacturing light olefins.

RSUs: Restricted stock units.

S

SAF: Sustainable aviation fuel.

SAI: Social Accountability International.

SASB (Sustainability Accounting Standards Board): SASB Standards identify the subset of environmental, social and governance issues most relevant to financial performance and enterprise value for 77 industries.

SEC: U.S. Securities and Exchange Commission.

SMR: Steam Methane Reforming.

Spar: A cylinder-shaped floating offshore drilling and production platform partially submerged that is particularly well-adapted to deep water by using top tensioned risers and surface wellheads.

Spin-off: the stock transaction pursuant to which TechnipFMC distributed to holders of TechnipFMC shares approximately 50.1% of the Technip Energies shares, thereby creating two independent groups.

STEM: Science, Technology, Engineering and Mathematics.

Sustainable Development: Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

Synthesis gas: Gas mixture that primarily contains varying amounts of hydrogen and carbon monoxide and often some carbon dioxide.

T

tCO_2: tonnes of CO_2 equivalent.

TCFD (Task Force on Climate-Related Financial Disclosures): The TCFD has developed a framework to help public companies and other organizations disclose climate-related risks and opportunities.

Topside: Surface installation allowing the drilling and/or production and/or processing of offshore hydrocarbons.

TPA: tonnes per annum.

TPS: The Company's Technology, Products & Services business segment.

TRDF: T.EN Relief and Development Fund.

TRIR: Total recordable incident rate per 200,000 hours worked.

TSR: Total Shareholder Return.

U

UN: United Nations.

UN SDGs: United Nations Sustainable Development Goals

W

WDPA: World Database of Protected Areas.

Realization: Ruban Blanc

Photos credits: ©Technip Energies - All rights reserved

Technip Energies N.V.
2126 boulevard de La Défense
Immeuble ORIGINE – CS 10266
92741 Nanterre cedex
France

A company incorporated under the laws of The Netherlands, with headquarters in Nanterre, and registered with the Dutch Chamber of Commerce under number 76122654

www.technipenergies.com