

Annual Activity Report

2020



Summary

EDITORIALS	2
1 PRESENTATION OF THE GROUP <small>NFPS</small>	5
1.1 Overview	6
1.2 Our activities	8
1.3 Our purpose	9
1.4 Contribute to key global issues	10
1.5 A committed roadmap for 2030	12
1.6 Financial and non-financial performance	14
1.7 Our value creation model	16
1.8 Sharing with our stakeholders	18
1.9 An operational risk management	20
1.10 A responsible and fully committed governance	21
2 SITUATION AND ACTIVITIES OF THE COMPANY AND ITS SUBSIDIARIES DURING THE PAST FINANCIAL YEAR <small>NFPS</small>	23
2.1 Highlights of the financial year	24
2.2 Simplified organization chart of the group – subsidiaries, interests and branch offices	27
2.3 The group's businesses	29
2.4 Research and Development activities	42
2.5 Financial situation of the Company and group during the past financial year	43
2.6 Foreseeable developments and future prospects	53
2.7 Significant post-closing events	55
3 RISKS AND SAFEGUARDS <small>NFPS</small>	57
3.1 Internal control system	58
3.2 Risk mapping process and risk management	61
3.3 Risk factors	64
3.4 Duty of care plan	75
4 SOCIAL, ENVIRONMENTAL AND SOCIETAL COMMITMENTS <small>NFPS</small>	85
4.1 Societal and environmental challenges at the heart of the strategy	86
4.2 Aim for the highest standards	101
4.3 Mobilize proud and committed employees who embody our purpose	115
4.4 Operate efficiently and reduce our footprint	123
4.5 Contribute to carbon neutrality	131
4.6 Innovate to preserve resources and protect health	134
4.7 Be engaged and responsible locally in our environment	138
4.8 Summary of indicators and cross-reference tables	143
4.9 Report by the independent third party, on the consolidated non-financial performance statement	150
5 CORPORATE GOVERNANCE AND SHARE CAPITAL	153
5.1 Report of the Board of Directors on corporate governance	154
5.2 Information on the share capital	188
6 FINANCIAL STATEMENTS	191
6.1 Consolidated financial statements – financial year ended December 31, 2020	192
6.2 Statutory Auditors' report on the consolidated financial statements for the financial year ended December 31, 2020	259
6.3 Company financial statements – financial year ended December 31, 2020	265
6.4 Statutory Auditors' report on the Company financial statements for the financial year ended December 31, 2020	290
7 MISCELLANEOUS INFORMATION	293
7.1 Statutory Auditors	294
7.2 Review of regulated agreements and commitments	295
7.3 Injunctions or fines for anti-competitive practices	296
7.4 Observations of the Works Council	296
7.5 Information on payment terms	297
7.6 Information on loans granted to other companies covered by Articles L. 511-6 and R. 511-2-1-II of the French Monetary and Financial Code	297
7.7 Five-year financial summary	298
7.8 Subsidiaries and associates	298
7.9 List of French companies controlled indirectly by Orano at December 31, 2020	299
7.10 Principles and criteria for determining, distributing and allocating the fixed, variable and exceptional components of the total compensation and benefits of any kind, attributable to the Company's corporate officers	301
7.11 Financial glossary	305



Annual Activity Report 2020

THIS ANNUAL ACTIVITY REPORT OF ORANO FOR 2020 INCLUDES:

- the management report of the Company's Board of Directors including the management report of Orano, including:
 - the group's duty of care plan and the report on its implementation (Article L. 225-102-4 of the French Commercial Code),
 - the statement of non-financial performance (Article L. 225-102-1 of the French Commercial Code),
A cross-reference table of the data required in the non-financial performance statement and the data required by the French Duty of Care law is provided in Section 4.8.2,
 - the report of the Board of Directors on corporate governance (Article L. 225-37 of the French Commercial Code); and
 - the principles and criteria for determining, distributing and allocating the fixed, variable and exceptional components of the total compensation and benefits of any kind attributable to the corporate officers of the Company.
-

The purpose of this report is to present the situation of Orano and its subsidiaries during the financial year running from January 1 to December 31, 2020.

The terms "group" or "Orano" refer to the group of companies formed by Orano and its subsidiaries and associates, both direct and indirect.

As French law public limited company entitled to issue financial securities admitted for trading on a regulated market, the Company is subject to the obligation to draw up a management report including the information stipulated by the French Commercial Code, as well as the specific information required of a company issuing debt instruments listed for trading on a regulated market.

This is a free translation into English of the Orano's Annual Activity Report for 2020, which is issued in the French language, and is provided solely for the convenience of English-speaking readers.

EDITORIALS



"Facing the challenges that are immense, the role of companies will be crucial."

Claude Imauvén

Chairman of the Board of Directors

In a few years, with hindsight, what will our opinion be about the year 2020? It was certainly a dreadful year, with a global pandemic, an unprecedented economic crisis, disrupted social relations and the feeling that there was a before and an after. Like all health crises of this magnitude in the past, the one impacting us at the moment will inevitably have repercussions in the long term, on production and working methods, as well as on consumption and travel. However, it must not obscure two fundamentals.

The challenges that humanity faced before Covid are still present: decarbonizing the economy, preserving resources, economic development, and protecting everyone's health.

Moreover, these immense challenges require the mobilization of all players in society. Everyone has a role to play, but I am convinced that a large part of the solutions is in the hands of companies. The current crisis has demonstrated their ability to quickly adapt to an extraordinary situation, to maintain the production of the services and goods that we all need in our everyday lives. Electricity is one of these, for production, heating, travel and healthcare.

The Orano group contributes to the production of electricity, which is decarbonized because it is nuclear. Thanks to its industrial know-how, the skills of its employees and its innovations, it meets the challenges of our time, whether they are related to energy, the environment or health. By adopting a purpose and a new commitment policy, Orano has chosen to set itself ambitious objectives. The Board of Directors approved this approach, which strengthens Orano's positioning as a key player in the nuclear industry.

Philippe Knoche

Chief Executive Officer

In addition to the environmental and economic challenges that had previously been a priority, the health issue was added in 2020.

This economy/environment/health triptych will structure our societies over the long term.

In 2020, Orano demonstrated its resilience in the face of an exceptional crisis and its ability to provide solutions for the production of low-carbon electricity while managing resources and health.

Like many other groups, Orano was impacted by the Covid crisis. This is reflected in particular by a slight decrease in revenue (-2.5%). Nevertheless, the mobilization of all of the group's teams made it possible to maintain more than 80% of our activities at the height of the crisis last spring, despite some industrial difficulties. Most of the suspended or disrupted activities were resumed within a few weeks. This ability to adapt enabled the group to achieve an increase in operating performance measured using EBITDA compared to 2019 and to continue its deleveraging trajectory by generating positive net cash flow. Lastly, with an order intake of 1.9 billion euros and no contract cancellations in 2020, we are proud of the confidence shown by our customers. These are all elements that help to prepare for the future.

Orano is rolling out a renewed corporate project in 2021 on the strength of these solid results and the commitment at all levels of the company to safety and security. It is based on commitment and on incorporating strong ambitions for the preservation of the climate, resource savings and medical research, the development of employee skills, innovation and relations with the regions where the group operates. This mobilizing project was co-constructed throughout the year with more than 1,300 group employees and 130 stakeholders. This collective effort led to the definition of our purpose.

All of Orano's business lines (production, processing and enrichment of uranium, recycling of nuclear materials,



***"Our purpose:
to develop know-how
in the transformation
and control of nuclear materials
for the climate, for a healthy
and resource-efficient world,
now and tomorrow."***

manufacture of packaging and transport, dismantling and associated services, and engineering) as well as its nuclear medicine activities contribute to this purpose.

Orano is thus expanding its social impact and adapting to a constantly changing environment that makes the use of nuclear energy more essential than ever: low-carbon energy that is resource-efficient, economically competitive and provides qualified jobs that cannot be relocated. With a business plan that will propel us until the year 2030, Orano aims to be a major player in the nuclear industry, which is regaining the place it deserves in the ecological transition.

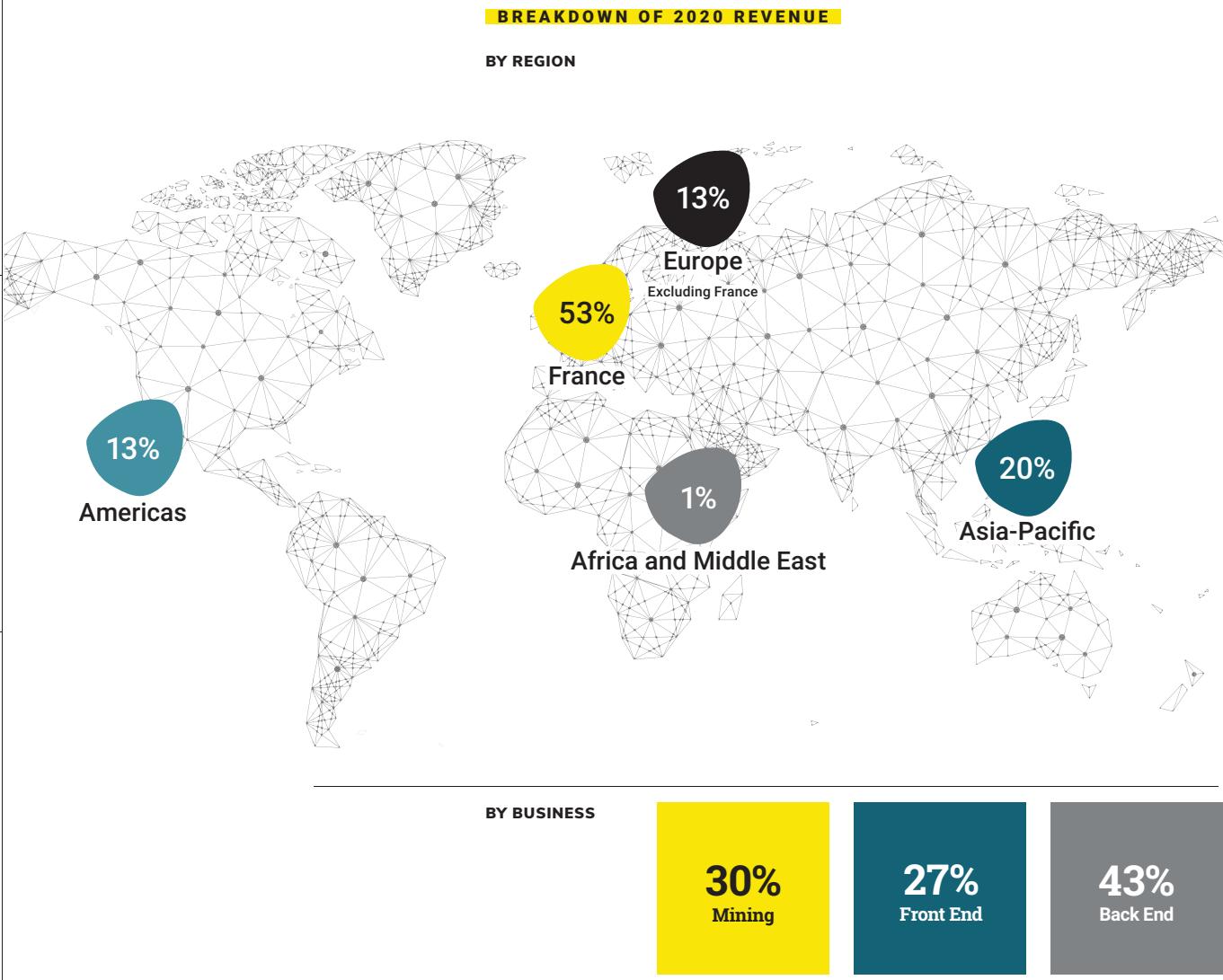
PRESENTATION OF THE GROUP

1

1.1 Overview	6	1.6 Financial and non-financial performance	14
1.2 Our activities	8	1.7 Our value creation model	16
1.3 Our purpose	9	1.8 Sharing with our stakeholders	18
1.4 Contribute to key global issues	10	1.9 An operational risk management	20
1.5 A committed roadmap for 2030	12	1.10 A responsible and fully committed governance	21

1.1 Overview

€3.7 bn in revenue	16,500 employees across the world
€27 bn order backlog (i.e. nearly 7 years of revenue)	14 countries
TOP 3 worldwide in our key activities	



1.2 Our activities

**Orano
and its 16,500
employees
use their expertise,
their permanent
quest for
innovation,
their mastery
of cutting-edge
technology
and their
unwavering
dedication
to safety, to serve
their customers
in France
and abroad.**



MINING

Our mining activities cover the exploration, production and commercialization of uranium worldwide, as well as the remediation of former mining sites. Orano is one of the world's leading producers of uranium.



CONVERSION AND ENRICHMENT OF URANIUM

On the strength of its unique integrated industrial platform and some of the most modern facilities in the world, with the Philippe Coste conversion plant and the Georges Besse II enrichment plant, Orano is recognized across the entire market for its technical skills and its processes at the cutting edge of innovation.



RECYCLING OF USED NUCLEAR FUEL

Thanks to the performance of its La Hague and Melox plants, the only ones of their kind to operate on an industrial scale, Orano is able to position itself as a key international player in the processing and recycling of used nuclear fuels.



NUCLEAR PACKAGES AND SERVICES

Right across the nuclear fuel cycle, Orano provides its unique expertise in the design, approval and manufacturing of casks, as well as the conducting of transport operations, whether over land, by sea or by rail, coupled with the very highest level of risk management.



DISMANTLING AND SERVICES

With 50 years of experience, Orano is a leading supplier of operations support services for nuclear sites (on-site logistics, specialized maintenance, radiological safety), radioactive waste management, and the dismantling of nuclear equipment and facilities at the end of their lifetime.



ENGINEERING

Engineering activities are focused on markets in engineering consulting, project owner or prime contractor assistance, design and execution engineering, startup and operations support for plants. They serve both the group's own activities, as well as external customers, in France and abroad.



NUCLEAR MEDICINE

Orano Med, a subsidiary of Orano, is a company that combines biotechnologies and nuclear technology to develop new therapies in the fight against cancer.

1.3 Our purpose



In 2020, the group defined a renewed corporate plan based on commitment and co-constructed with the teams. This is supported by a purpose, approved by the Board of Directors on December 17, 2020, which sets out the challenges to which Orano intends to contribute.

To develop know-how in the transformation and control of nuclear materials for the climate, for a healthy and resource-efficient world, now and tomorrow

1

OUR VALUES



SAFETY & SECURITY



CUSTOMER SATISFACTION



CONTINUOUS IMPROVEMENT



RESPECT AND PEOPLE DEVELOPMENT



COHESION AND TEAM SPIRIT



ETHICS, TRANSPARENCY AND DIALOGUE

1.4 Contribute to key global issues

Our contribution is made in a context of climate, energy, economic and health challenges. Orano intends to contribute to three challenges: for the climate, the preservation of resources and health.



CLIMATE

Thanks to all its activities in the fuel cycle, Orano contributes to access, for all, to competitive and low-carbon electricity in a world fighting against global warming.



RESOURCES

With proven technologies for the recycling of materials and waste reduction, our group contributes to the preservation of resources and the environment.



HEALTH

Orano develops activities in nuclear medicine to provide therapeutic solutions to combat cancer.

COMMITTED TO SUSTAINABLE DEVELOPMENT

Orano intends to contribute to the collective commitment to the United Nations's Sustainable Development Goals by prioritizing its action around 6 themes:

**Fight against climate change**

Climate and carbon neutrality

**Responsible consumption and production**

Preservation of natural resources and waste reduction

**Industry, innovation and infrastructure**

Environmentally-friendly industrialization and innovation

**Affordable and clean energy**

Reliable and competitive energy

**Decent work and economic growth**

Skills development in the regions

**Good health and well-being**

For safety, security, health and contribution to medical research

1.5 A committed roadmap for 2030

Through its strategic priorities, the group intends to structure its contribution and its actions with a societal and environmental ambition that meets the challenges and expectations, without forgetting the fundamentals of performance and development.

FIVE STRATEGIC AREAS TO STRUCTURE OUR ACTION



COMMUNITIES

Be engaged and responsible locally in our environment



CLIMATE

Contribute to carbon neutrality



COMPETENCIES

Mobilize proud and committed employees, who embody our purpose



CUSTOMER GROWTH

Innovate to preserve resources and protect health



CASH

Operate efficiently and reduce our footprint

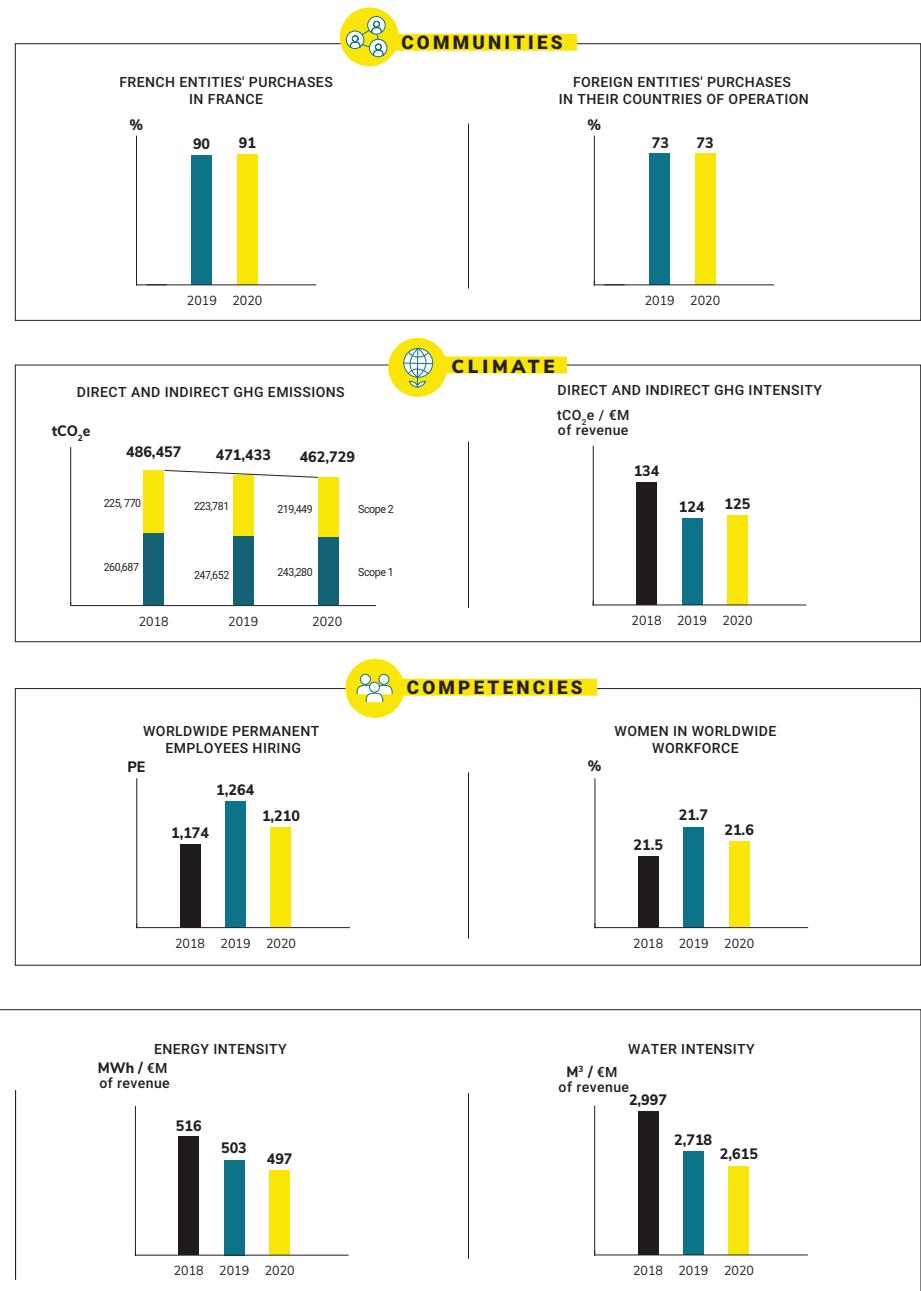
ORANO'S COMMITMENT ROADMAP FOR 2030

1

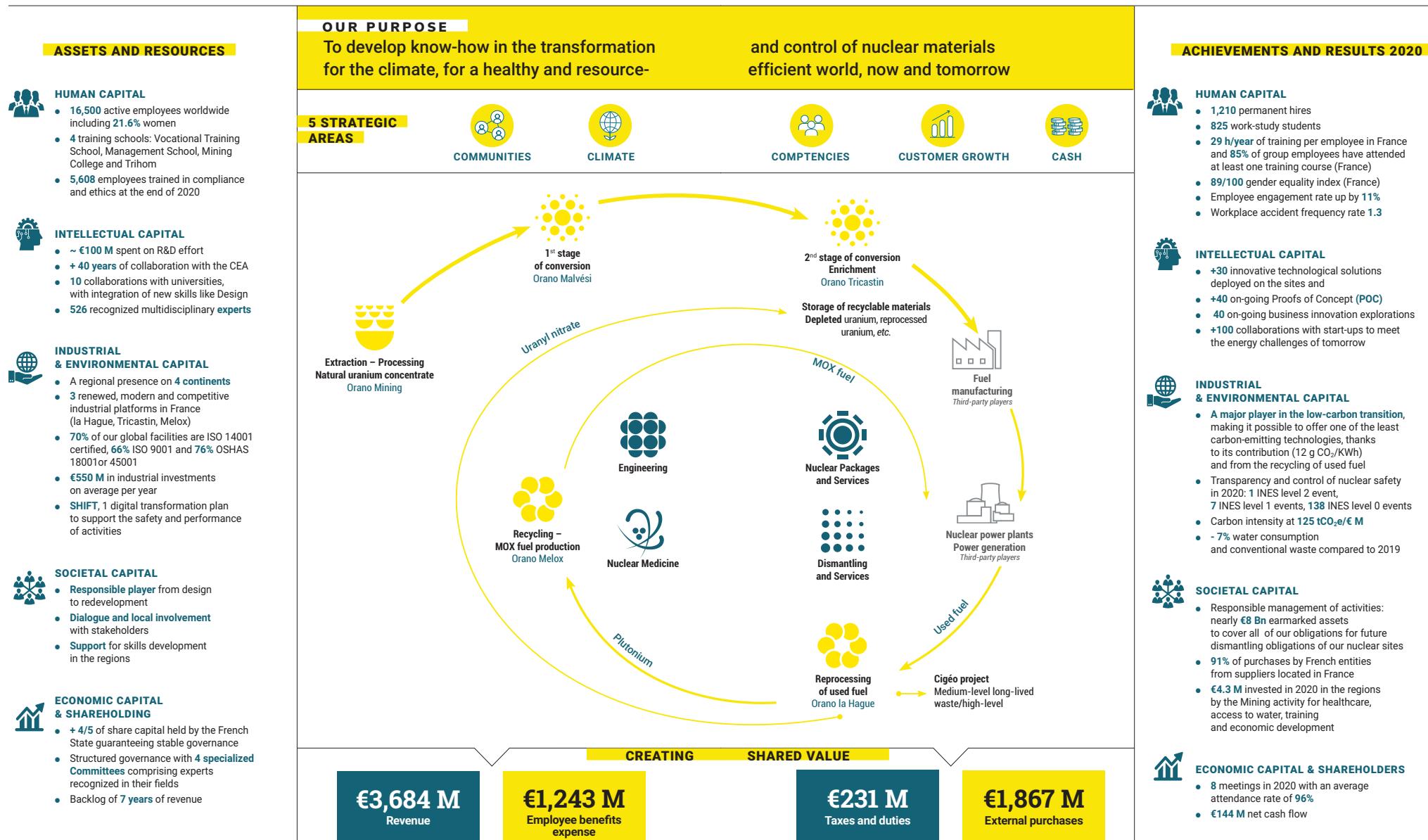
Focuses and commitments	Objectives for 2030 (vs. 2019)	Markers in 2025
OUR VALUES Aim for the highest standards	Aim for the highest standards in terms of nuclear safety, environment, health and occupational safety	0 INES level 2 event Accident frequency rate (Orano employees) less than 1
	Make information and dialogue more accessible to our stakeholders and more explicit regarding sensitive perceptions	80% of our stakeholders satisfied with the "transparency" and "dialogue" topics
COMMUNITIES Be engaged and responsible locally in our environment	Strengthen local roots, particularly in the area of skills development and employment	80% of local residents have a positive view of Orano's activity in their area
	Build a second life for sites	100% of site planning includes management of long-term liabilities
	Eco-design all our major projects	50% eco-designed projects
CLIMATE Contribute to carbon neutrality	Reduce the "equivalent" carbon footprint of our business in line with the Paris Agreement	-15% tCO ₂ e scopes 1 and 2 (vs. 2019), i.e. -40% vs. 2015 (SNBC* reference year)
	Innovate to reduce the footprint of our customers and increase the acceptability of nuclear and nuclear materials	Laboratory validation of a solution for decommissioning hulls
COMPETENCIES Mobilize proud and committed employees who embody our purpose	Offer professional and personal development within an attractive work environment	75% engagement rate for employees
	Be a benchmark, inclusive employer, promoting diversity	1,000 group managers involved in mentoring/tutoring
	Develop our innovation ecosystem	Revenue from innovative business models, products and services
CUSTOMER GROWTH Innovate to preserve resources and protect health	Broaden our recycling offer	Group revenue close to 4.5 billion euros
	Develop anti-cancer treatments using nuclear medicine	
	Become a player in the medical, industrial and research isotopes markets	
CASH Operate efficiently and reduce our footprint	Improve the efficiency of the extended enterprise by 25%	10% improvement in the use of raw materials (water, energy, etc.) vs. 2019
	Reduce our production of non-recycled waste by 25%	-10% of non-recycled waste produced (vs. 2019)

* SNBC: French National Low-Carbon Strategy (2020 version).

1.6 Financial and non-financial performance

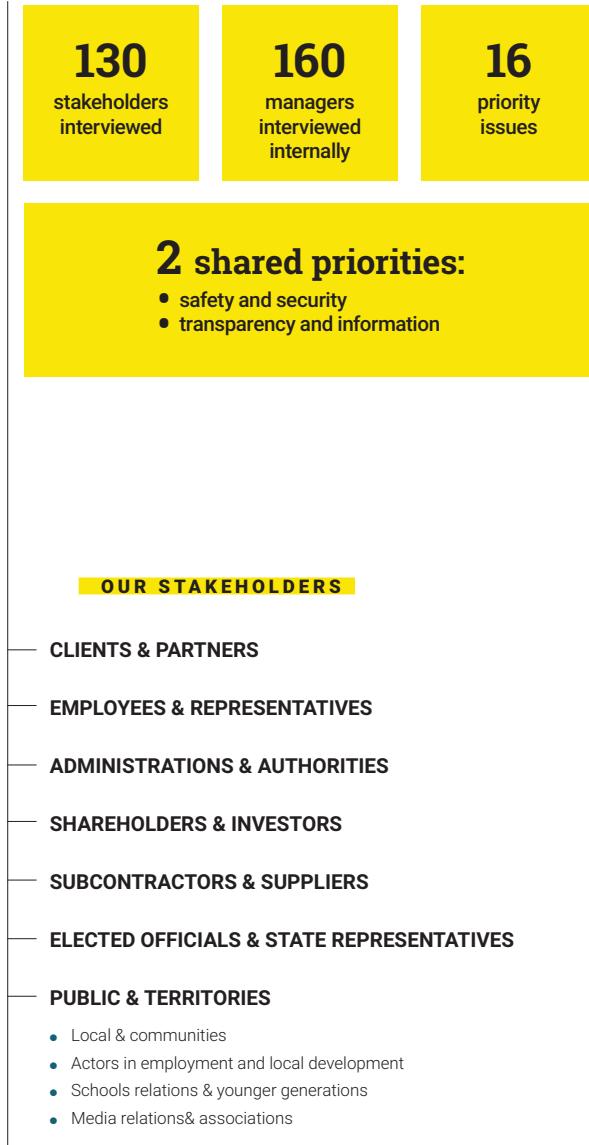


1.7 Our value creation model



1.8 Sharing with our stakeholders

In 2020, Orano carried out its first materiality analysis at group level. Nearly 50 managers interviewed 130 external stakeholders on their societal and environmental expectations.



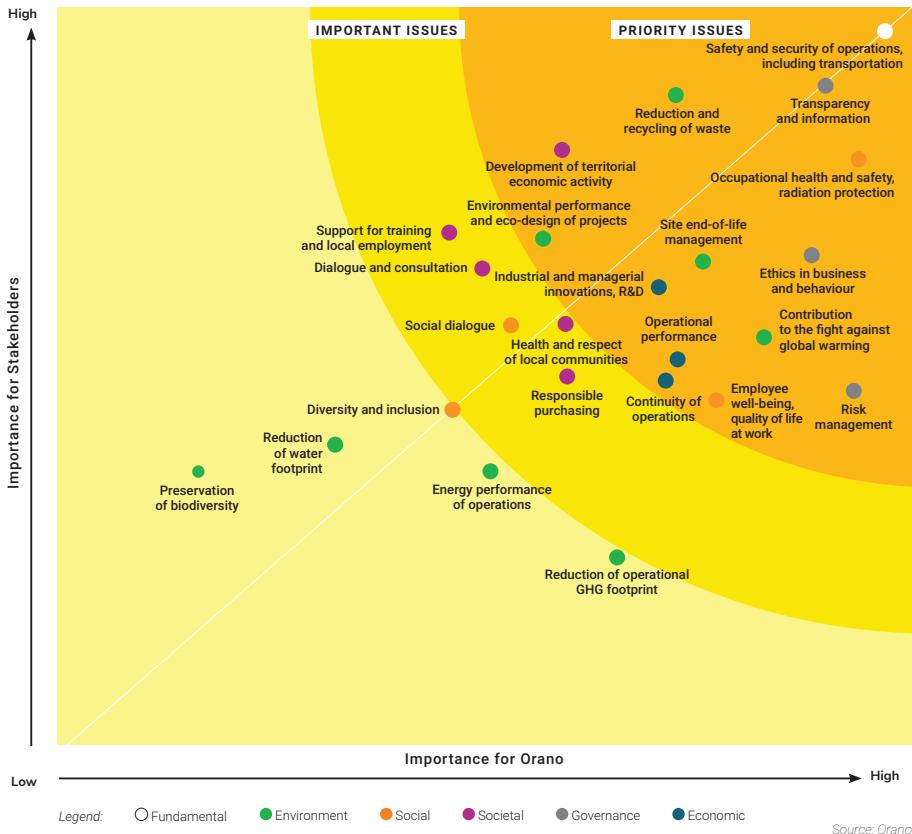
LISTENING TO THE EXPECTATIONS AND CHALLENGES EXPRESSED BY OUR STAKEHOLDERS

From this first matrix exercise, Orano has retained the following elements:

- a good understanding of safety and security, governance (ethics, risk management, business continuity, etc.) and contribution to the fight against global warming;
- strong expectations from stakeholders regarding waste management, the environmental performance and eco-design of our projects, end-of-life management of sites and innovation;
- expectations also regarding transparency and dialogue, regional economic development and support for training.

The group intends to respond to this through its commitments through 2030.

MATERIALITY MATRIX FOR ORANO'S STAKEHOLDER ISSUES



1.9 An operational risk management

In a constantly changing environment, the diversity of Orano's activities exposes the group to risks of various kinds and different origins.

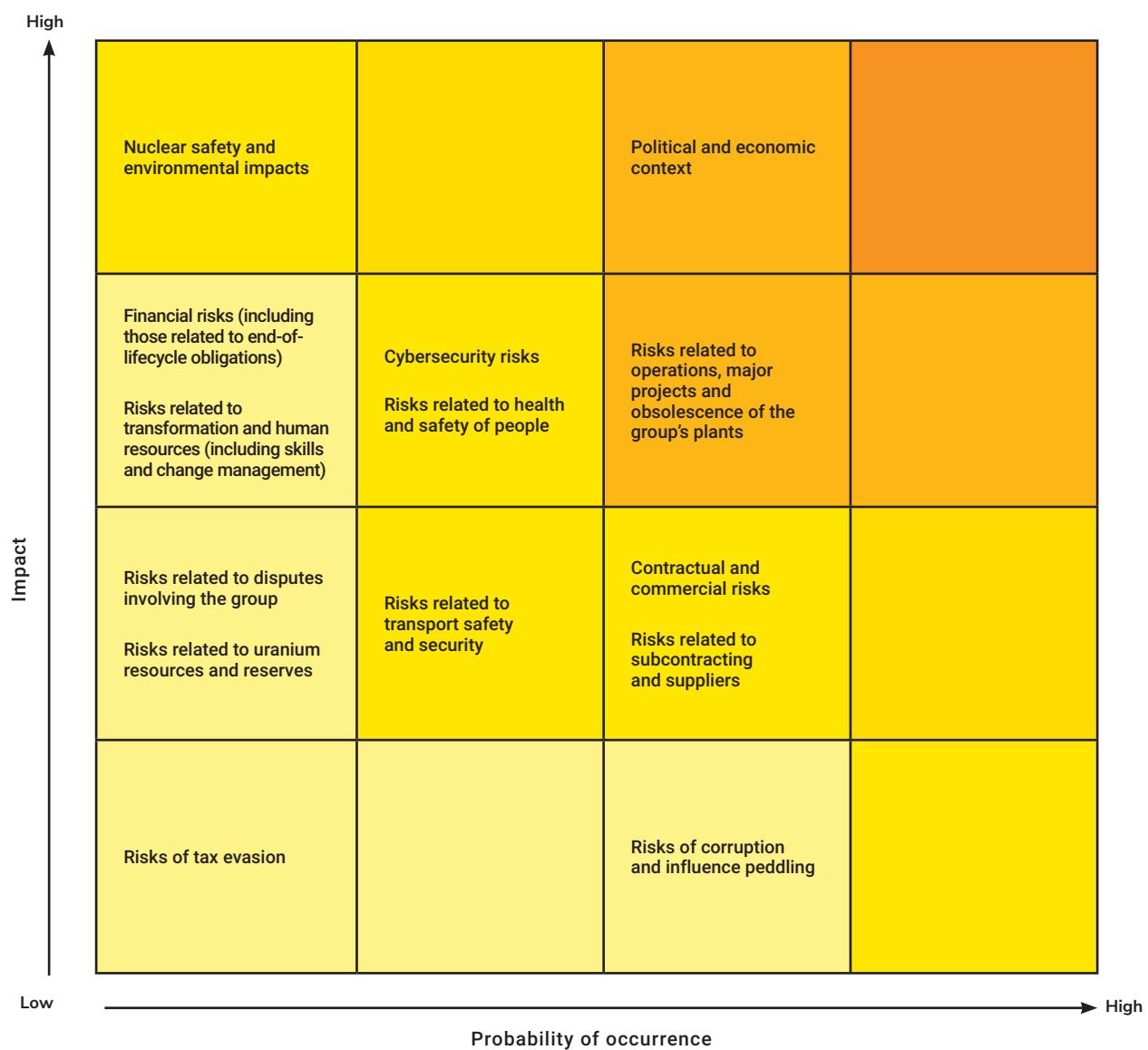
The group has created a risk management system in keeping with the recommendations of the Autorité des marchés financiers (AMF, the French financial market authority), the professional standards of the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and the changes in regulations concerning the statement of non-financial performance and the corporate duty of care.

The establishment of a strong risk culture within the group enables the identification, anticipation and management of these risks and associated opportunities.

The health crisis highlighted the resilient nature of the Orano group with the maintenance of its activity and little financial impact.

The challenges related to global warming have shown the complementarity and opportunity of low-carbon energies such as renewables and nuclear.

MAPPING OF THE MAIN RISKS



Source: Orano

This risk management feeds back into the group's internal control system, which is the responsibility of all group employees.

1.10 A responsible and fully committed governance

COMPOSITION OF THE BOARD OF DIRECTORS (AT FEBRUARY 25, 2021)



BOARD COMMITTEES



COMPOSITION OF THE EXECUTIVE COMMITTEE

Philippe KNOCHE	Chief Executive Officer
Patrick CHAMPALAUNE	Sales & Marketing
David CLAVERIE	Finance
Hélène DERRIEN	People & Communications
Laurence GAZAGNES	Safety-Health-Security and Environment
Corinne SPILIOS	Performance

Nicolas MAES	Mining
Jacques PEYTHIEU	Chemistry-Enrichment
Pascal AUBRET	Recycling
Frédéric DE AGOSTINI	Nuclear Packages and Services
Alain VANDERCRUYSEN	Dismantling and Services
Guillaume DUREAU	R&D and Innovation, Projects

SITUATION AND ACTIVITIES OF THE COMPANY AND ITS SUBSIDIARIES DURING THE PAST FINANCIAL YEAR

2

2.1 Highlights of the financial year NFPS	24
2.1.1 Impact of the Covid-19 health crisis	24
2.1.2 Change in Orano Cycle's legal structure	24
2.1.3 Funding	24
2.1.4 Business highlights	24
2.2 Simplified organization chart of the group – subsidiaries, interests and branch offices NFPS	27
2.2.1 Simplified organization chart of the group at December 31, 2020	27
2.2.2 Acquisitions of equity interests and takeovers during the past financial year	28
2.2.3 Branch offices and representation offices	28
2.3 The group's businesses NFPS	29
2.3.1 Mining	29
2.3.2 Front End	35
2.3.3 Back End	37
2.3.4 Orano's other operations	41
2.4 Research and Development activities NFPS	42
2.5 Financial situation of the Company and group during the past financial year NFPS	43
2.5.1 Summary of key figures and segment information	43
2.5.2 Consolidated financial statements for the past financial year	45
2.5.3 Company financial statements for the past financial year	52
2.5.4 Dividends	52
2.5.5 Non-tax deductible expenses	52
2.6 Foreseeable developments and future prospects NFPS	53
2.6.1 Outlook	53
2.6.2 Orano's financial outlook	54
2.7 Significant post-closing events NFPS	55
2.7.1 Significant events between the closing date and the preparation date of the management report	55
2.7.2 Important events between the preparation date of the report and the date of the General Meeting	55

2.1 Highlights of the financial year

2.1.1 Impact of the Covid-19 health crisis

Since the outbreak of the Covid-19 health crisis, Orano has implemented a set of measures to ensure both the health of its employees and the continuity of its customers' strategic businesses, in compliance with the directives of national and international health authorities.

The effects of the crisis are reflected by a reduction or temporary suspension of activities at certain of the group's industrial and mining sites, the temporary shutdown or significant disruption of Back End service activities, by postponement of deliveries in the Mining segment and additional costs related to pandemic protection and prevention measures (safety-related facility costs, purchase of masks for employees at all of the group's sites).

At the reporting date of the consolidated financial statements, the only significant disruptions related to Covid-19 concern the group's mining activities. The Cigar Lake mine operated by Cameco and the McClean Lake mineral processing plant in Canada, which were stopped for the first time at the end of March with a resumption of production in September, were again phased out at the end of December in view of the development of the local health situation, in order to protect the northern communities living in this region. In Kazakhstan, in accordance with the health recommendations of the Turkestan region, personnel at the Katco mine sites were quarantined at the end of January 2021.

Unforeseen events related to the pandemic did not give rise to any contract terminations, penalties for late performance and no significant disputes with customers or suppliers. One-off agreements have nevertheless been negotiated with certain customers in order to rearrange certain contractual obligations without prejudice to the parties.

2.1.2 Change in Orano Cycle's legal structure

In 2020, the legal entity Orano Cycle was split into three different companies to better match operating activities to their legal holding entities. The restructuring resulted in the transfer of Orano Cycle's chemistry and uranium enrichment activities to Orano Chimie-Enrichissement and its recycling activity to Orano Recyclage. Orano Cycle was renamed Orano Démantèlement and hosts the Dismantling and Services activities for nuclear facilities.

In parallel with this restructuring, the group's operating segments (Mining, Front End and Back End) are also monitored in terms of operating income before end-of-lifecycle activity. The statement of income and the statement of financial position of segment information for the financial year 2019 have been restated to reflect the impact of these changes over the comparable period.

2.1.3 Funding

In March 2020, Orano launched a partial buyback offer on AREVA's 2020 and 2021 bond issuances contributed to Orano in 2016.

As part of its EMTN program, on September 1, 2020, Orano launched and fixed the terms of a bond issue of 500 million euros at 7.5 years (due March 2028) with an annual coupon of 2.75% (yield of 2.877% on issue). When the order book was closed, demand amounted to approximately 2.4 billion euros.

With these transactions, Orano was able to strengthen the group's liquidity position, renew its long-term funding and as such optimize its borrowing profile.

2.1.4 Business highlights

2.1.4.1 Mining

- While the spot price of uranium hit a low of around 24.7 US dollars/lb at the end of February, many uranium producers were obliged, from the beginning of March 2020, to reduce, or even interrupt, the activity of their mines due to the Covid-19 pandemic. This was the case for the Cigar Lake mine in Canada, whose production was interrupted for five and a half months. This drop in uranium supply had an effect on the uranium spot price, which began to rise significantly to reach 34 US dollars/lb at the end of May. The improvement in the health situation during the summer, as well as the introduction of protective measures by producers, allowed the gradual return to normal activity in the fall. The uranium spot price has since stabilized at around 30 US dollars/lb at the end of 2020. The long-term indicator changed slightly during the Covid-19 pandemic to stabilize at 33US dollars at the end of 2020 (compared to 32 US dollars/lb at the end of 2019).
- During the first half of the year, a significant portion of Somaïr's resources was converted into reserves. This increase in the level of reserves, which should make it possible to extend the life of the mine by several years, is the result of the optimization of mining sequences and Somaïr's continuous efforts to optimize its production costs.
- In March, due to the evolution of the Covid-19 pandemic in the province of Saskatchewan, Orano Canada Inc. and Cameco took the decision to temporarily suspend production at the Cigar Lake mine (operated by Cameco) and the McClean Lake plant (operated by Orano). This measure was taken to protect the health of employees and local communities. In September, improved sanitary conditions in Canada enabled the safe restart of mine and plant activities. Another temporary suspension of production at the Cigar Lake mine and the McClean Lake plant was announced in mid-December 2020 due to the resurgence of the pandemic.

- In April, in coordination with the partner KazAtomProm, the drilling and wellfield development activities of the Katco mine were suspended in order to sharply reduce the workforce on site and help fight against the Covid-19 pandemic. Activities focused on the operation of existing fields. In August, improved sanitary conditions in Kazakhstan enabled the resumption of drilling and wellfield development activities at the Katco mine.
- In October, a little over a month after the award of two exploration licenses to Nurlikum Mining (a subsidiary of Orano in Uzbekistan) by the State Committee for Geology and Mineral Resources of the Republic of Uzbekistan, the teams began drilling work in the Kyzylkum Desert. The purpose of this work is to improve the level of classification of resources already identified by the Uzbek partner and to find new uranium resources.
- In November, Badrakh Energy (a subsidiary of Orano Mining in Mongolia) started processing the uranium-laden resins from the 2011 pilot at its Zuuvch Ovoo pilot plant. The start-up was carried out in accordance with the necessary authorizations and permits obtained by the company and in accordance with the programs validated by the corresponding competent authorities.
- The McArthur River mine (69.8% held by Cameco and 30.2% by Orano) and the Key Lake processing plant (83.3% owned by Cameco and 16.7% by Orano) remain suspended indefinitely.
- The construction of the new Innovation Center for Extractive Metallurgy (CIME) at the Bessines-sur-Gartempe site (France) achieved significant milestones in 2020, notably with the completion of structural work. The CIME will transform the group's production plant by bringing the current teams and facilities of the Research, Processes and Analyses Department (SEPA) together under one roof. The new 8,300 m² building will enable the group to continue developing its end-to-end solution, from technical studies to industrial pilot, in a state-of-the-art environment. The construction of these new premises represents an investment of more than 30 million euros and should be completed in 2021.

2.1.4.2 Front End

- In line with 2019, enrichment market indicators continued their gradual increase in 2020, due in particular to (i) the effects of the US foreign policy guidelines on quotas for enrichment sales from Russia, and (ii) the need, in the medium term, to renew certain installed enrichment capacities, which can only be done at market prices that justify these significant investments. The SWU Spot benchmark price rose from 47 US dollars per SWU at the end of 2019 to 52 US dollars per SWU at the end of 2020 (average of the UxC and TradeTech indicators). The long-term price of the SWU rose from 50 US dollars at the end of 2019 to 58 US dollars at the end of 2020.

With regard to the conversion market, the streamlining of the offer observed in recent years has led to a rise in price indicators. In 2020, as utilities have mainly concentrated their purchases of conversion services on the medium and long term, the spot price has slightly eroded from 22 US dollars/kgU at the end of 2019 to 21 US dollars/kgU at the end of 2020 (average of the UxC and TradeTech indicators) and the long-term price increased slightly from 18 US dollars/kgU at the end of 2019 to 19 US dollars/kgU at the end of 2020.

The impacts of the Covid-19 epidemic on the enrichment and conversion markets were limited in 2020.

- In 2020, the Philippe Coste conversion plant reliability program was accompanied by scheduled technical shutdowns. The ramp-up of the new electrolyzer fleet continues and the plant has had an installed capacity of 15,000 metric tons since mid-October. Simultaneous commissioning of the two flame reactors is expected in the first quarter of 2021. In October 2020, a social movement at the Malvési site led to the cessation of UF₄ production and, consequently, the shutdown of the Philippe Coste plant. Work resumed in December 2020 and plant ramp-up will continue in 2021.

At the same time, the modernization of the Malvési hydrofluorination workshop was completed in October 2020 after a scheduled technical shutdown of six months. Hydrofluorination is a key step in the uranium conversion process, necessary to form uranium tetrafluoride (UF₄). The modernization of this workshop will eventually ensure the supply of UF₄ to the Philippe Coste plant at full capacity.

In addition, the civil engineering for the new UO₂ powder production workshop, required to manufacture MOX fuels for the Melox site, was completed in the spring.

A new solid waste treatment workshop was commissioned at the Tricastin platform ("Trident") in 2020. It represents an investment of nearly 30 million euros.

The Georges Besse II enrichment plant produced continuously with a yield of over 99%.

- In October 2020, the US Department of Commerce announced the continuation of trade restrictions in the United States on Russian materials and services until 2040 (Russian Suspension Agreement). Russian import quotas for enrichment and conversion services, currently set at 20% of US demand, will gradually decrease to reach, respectively, 15% over the period 2027-2040 for enrichment, and 5% over the period 2026-2040 for conversion, thereby increasing Orano's accessible market in the United States by a similar amount.

2.1.4.3 Back End

Recycling

- In January, Orano signed an agreement with EDF on the terms and conditions for financing the operational investments needed to transport and manufacture MOX 1300 fuels.
- In January, Orano signed a contract with the Japanese company NFI (Nuclear Fuel Industries Ltd.) for the manufacture of 32 MOX fuel assemblies for reactors 3 and 4 of the Takahama nuclear power plant operated by Kansai Electric Power Company, Inc.. The manufacture of these MOX fuel assemblies will be carried out in the production workshops of the Orano Melox plant in Chusclan (Gard – France).
- EDF ordered a feasibility study from Orano for additional storage of used fuel at the la Hague site (Manche – France).
- Faced with the coronavirus health crisis, the industrial sites of the Recycling activity have set up a business continuity organization. It has proven effective in protecting the health of employees and subcontractors, guaranteeing the safety of facilities and ensuring supply to EDF nuclear power plants. This emergency led to the halting of production at la Hague for a period of one month in the spring of 2020 and the reorganization of production at the Melox plant to take account of the operational constraints of customers.

Nuclear Packages and Services

- In 2020, Orano won contracts worth several hundred million euros in the European, Asian and American markets for the transport, dismantling of packages and dry storage of used fuel.
- Despite the context of the global Covid-19 pandemic in 2020, Orano, whose activities have been recognized as being of vital importance to the nation, has managed to ensure its transport activities both for the supply of fresh fuel to nuclear power plants, the evacuation of used fuel to the la Hague site (France), the transport of refills to the EPR reactor of Taishan (China), the first transport for the Flamanville EPR (France) and the transport of rare earths. The activity did not experience any order or transport cancellations.
- Orano continued its development in Asia and successfully finalized its contract with its client CNNC (China National Nuclear Corporation) for the supply of NUHOMS dry storage systems and associated equipment, as well as for the loading of the first two packages for the Tianwan nuclear power plant (China).
- Orano is continuing to renew its range of products and on December 21, 2020 obtained approval from the ASN (French nuclear safety authority) for its new innovative nuclear packaging concept called TN Eagle.

Dismantling and Services (DS)

- In July, the Dismantling and Services activity acquired three companies specializing in nuclear maintenance from the German group KSB. The expertise of the 300 employees of Orano KSE, Orano Cotumer and Orano STII in the sectors of valves, rotating machines and sheet metal work reinforces Orano's presence in the nuclear facility maintenance sector, in particular for nuclear power plants.
- On a commercial level, Dismantling and Services continued to renew its backlog and won several major contracts with French nuclear operators. At the end of August, Orano DS won nearly 150 million euros in contracts with EDF for the provision of services in support of nuclear electricity production at the Chinon (Indre-et-Loire), Belleville (Cher), Nogent (Aube) and Saint-Alban (Isère) power plants through 2025, with an extension option of two additional years. Orano DS also won several contracts with the CEA, notably at the Marcoule site (Gard), where Orano will be responsible for dismantling two old used fuel storage pools.
- Internationally, Orano DS signed several contracts and agreements, reinforcing its presence as a major player in the dismantling market. In the United States, the utility Duke Energy has entrusted the complete dismantling and management of used fuel from its Crystal River 3 plant (Florida) to ADP (Accelerated Decommissioning Partners), a joint venture between Orano and Northstar, a key player in industrial deconstruction and asbestos removal. This global contract of nearly 540 million dollars, completed September 30, 2020, includes the cutting and conditioning of the reactor core, which will be carried out by the American Dismantling and Services teams (Orano Decommissioning Services LLC) over the next 7 years. In Korea, Orano DS signed a partnership agreement in December with KHNP (Korea Hydro & Nuclear Power), one of the world's leading nuclear operators, to strengthen their dismantling cooperation. Through this collaboration, Orano DS

will have access to the Korean market and will provide technical assistance to KHNP by training Korean engineers within its teams.

- At the operational level, several projects in France continued and were completed, notably in the Paris region where Orano DS completed the full decommissioning of the CEA's "Ulysses" experimental reactor within the deadline set by the French nuclear safety authority (ASN). At the beginning of the year, Orano DS also obtained the final administrative decommissioning of the old nuclear facilities held by the SICN subsidiary in Veurey-Voroize (Isère). This step took place at the end of the dismantling process of the old industrial process conducted in the 2010's and the completion of a public inquiry that defined the public utility easements. The Dismantling and Services activities continued their industrial and digital transformation in parallel with the management of construction sites. The Business Unit has invested nearly 10 million euros in 4 publishers to roll out various operational digital solutions for hundreds of employees by the end of 2020, with the aim of providing them to its 5,000 employees within three years.

Engineering

- In April, Orano Projets signed a contract with CEA-DAM for the detailed preliminary design of a new nuclear waste recycling workshop (R2D2) at the Valduc site in France.
- In October, Orano Projets, in a consortium with Onet Technologies, Egis and Jacobs, signed an 11-year contract with the CEA for the construction of nuclear waste recovery and conditioning units (UC2-UC3) at the Marcoule site (Gard – France).
- In October, Orano Projets won a first order in the pharmaceutical sector with Advanced Accelerator Application, a subsidiary of Novartis specializing in molecular nuclear medicine, for a study to reduce the volumes of radioactive waste generated at their Ivrea plant in Italy. This operation is part of the diversification objective of the Engineering business.

2.1.4.4 Other activities

Nuclear Medicine

- In 2020, Orano Med expanded its production capacities in France and the United States to accelerate its ongoing development and prepare for future marketing:
 - the extension works on the Laboratoire Maurice Tubiana (LMT) in Bessines-sur-Gartempe (France) was completed in September 2020;
 - the extension works on the Domestic Distribution & Purification Unit (DPU) in Plano (Texas - United States) was completed in mid-2020.
- Progress has been made in cancer research with the continuation of Phase I clinical trials for the development of treatment for neuroendocrine tumors (NETs), in partnership with Radiomedix. The results obtained are positive and encouraging after the administration of three to four cycles of lead-212 (^{212}Pb) combined with DOTAMTATE (Alphamedix™).

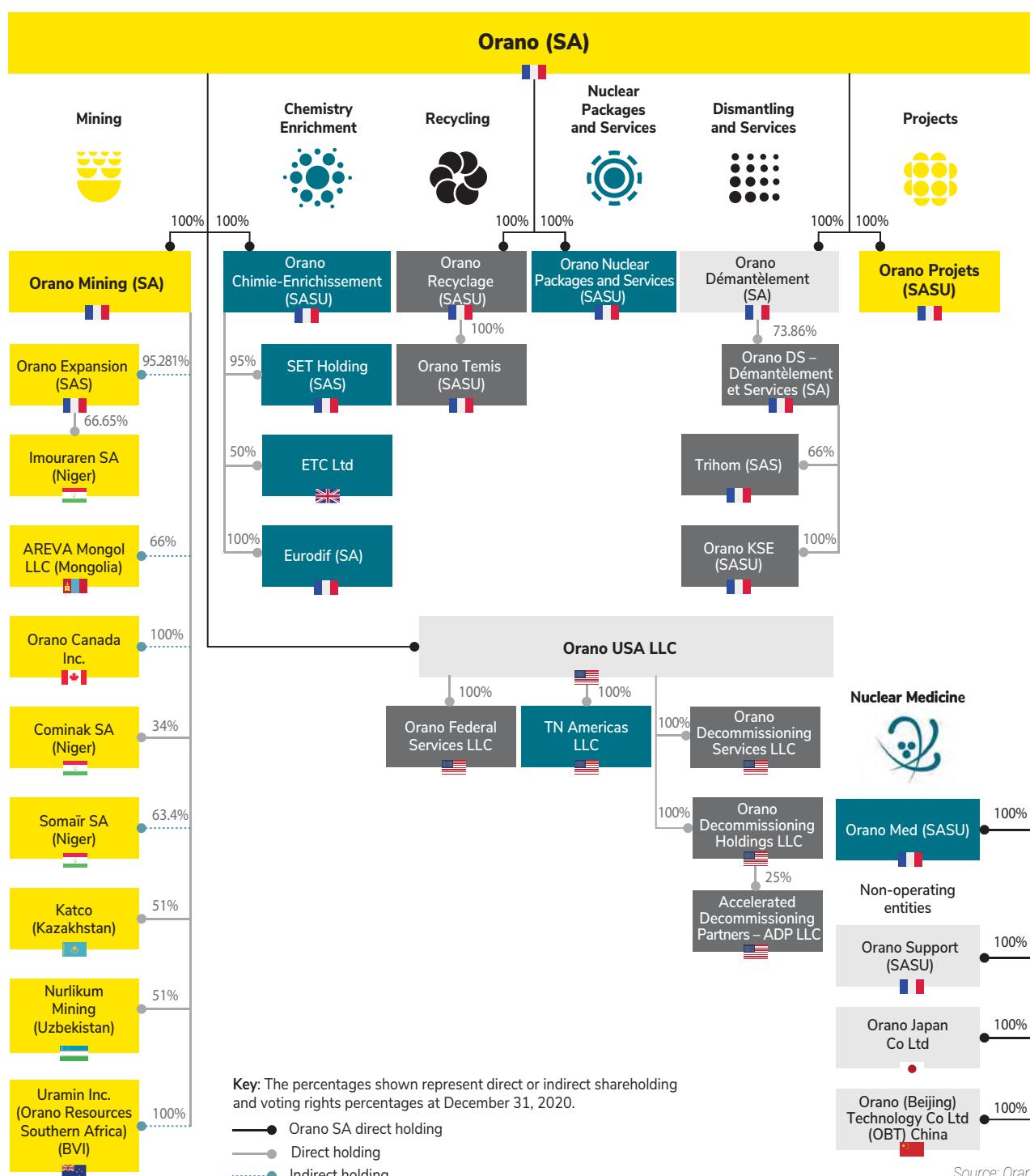
Please refer to Section 2.7 of this report for the highlights since the closing date.

SITUATION AND ACTIVITIES OF THE COMPANY AND ITS SUBSIDIARIES DURING THE PAST FINANCIAL YEAR

Simplified organization chart of the group – subsidiaries, interests and branch offices

2.2 Simplified organization chart of the group – subsidiaries, interests and branch offices

2.2.1 Simplified organization chart of the group at December 31, 2020



2.2.2 Acquisitions of equity interests and takeovers during the past financial year

Acquisitions of equity interests

Pursuant to Article L. 233-6 of the French Commercial Code, Orano made no investments in companies headquartered in France representing more than a twentieth, a tenth, a fifth, a third or a half of the equity in such a company.

Takeovers

Pursuant to the provisions of Article L. 233-6 of the French Commercial Code, on September 30, 2020, Orano acquired all the shares comprising the share capital of Orano Nuclear Packages and Services SAS (formerly TN International SASU), previously wholly-owned by its subsidiary Orano Démantèlement (formerly Orano Cycle).

In addition, as part of the planned changes to Orano Cycle's legal structure (see Section 2.1.1), Orano sold the shares representing 100% of the share capital of Orano Recyclage and Orano Chimie-Enrichissement to Orano Démantèlement on October 9, 2020. On December 31, 2020, the General Meeting of Orano Démantèlement, following the completion of the contributions, decided to allocate to Orano the securities of Orano Recyclage and Orano Chimie-Enrichissement received in consideration for the contributions of activities. On the same date, Orano Démantèlement sold the remaining shares to Orano so that Orano directly wholly owns Orano Recyclage and Orano Chimie-Enrichissement.

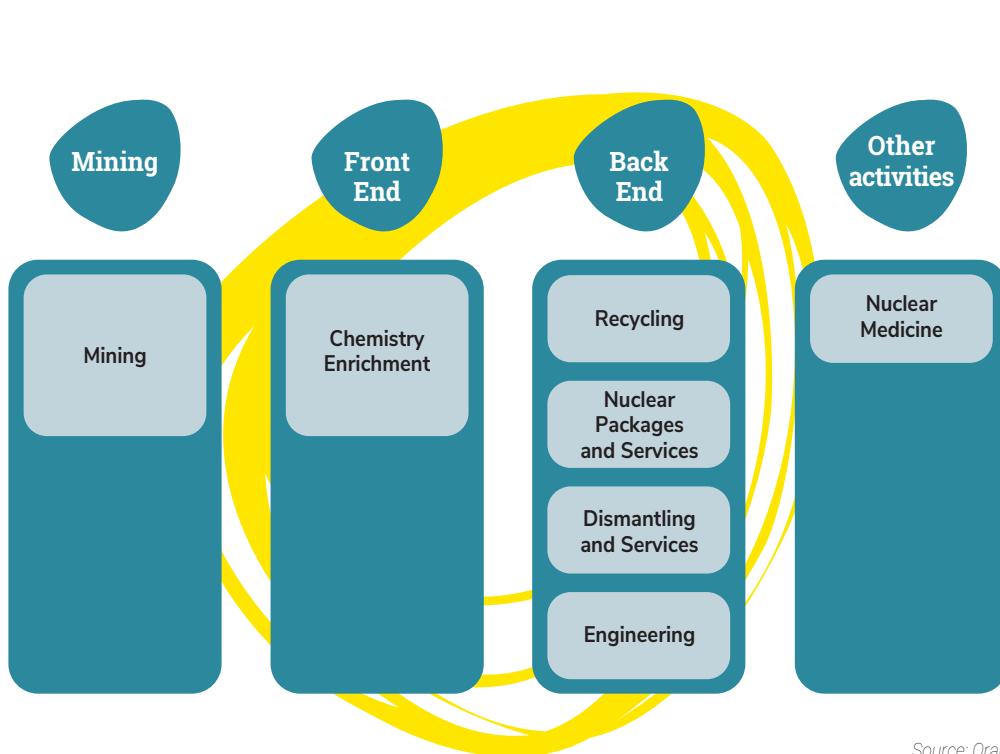
2.2.3 Branch offices and representation offices

In accordance with the provisions of Article L. 232-1 II of the French Commercial Code, please note that the Company has a representation office in Belgium.

2.3 The group's businesses

Refocused on nuclear fuel cycle operations, Orano operates in Mining, the Front End and the Back End of the cycle, and in other activities.

SCOPE OF ORANO OPERATIONS AT DECEMBER 31, 2020



Source: Orano

2.3.1 Mining

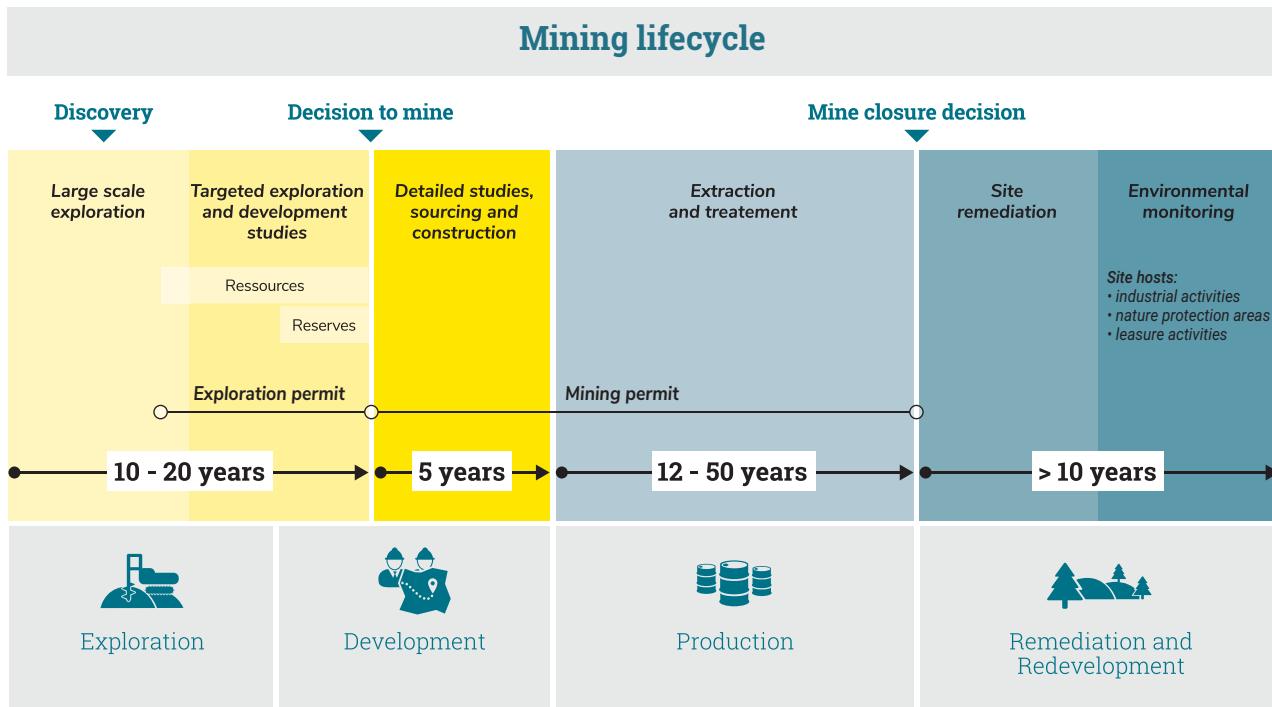
The group's mining activities concern the production and commercialization of natural uranium used after enrichment to make fuel for nuclear reactors.

The principal line operations of the Mining Business Unit follow the lifecycle of a mine, i.e.:

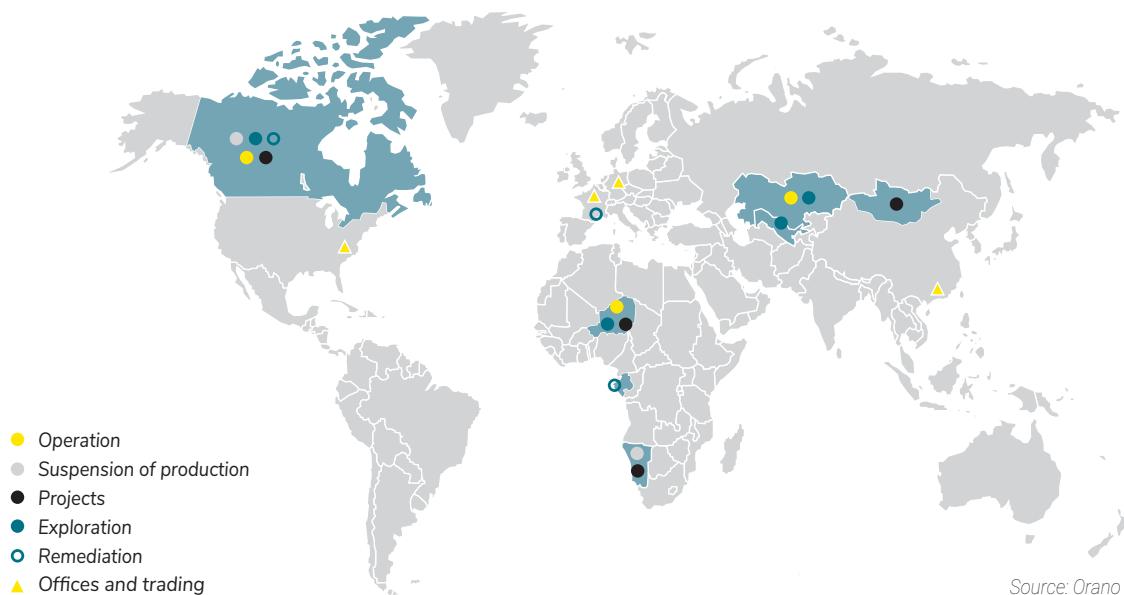
- exploration: search for new deposits;
- developing mining projects: detailed studies, procurement and construction;

- production: extraction of uranium ore using various mining techniques, and ore processing (concentration of natural uranium by chemical means); and
- site redevelopment and conversion after operation: rehabilitation of mining sites in accordance with current environmental standards, followed by environmental monitoring.

The lifecycle of a mine is shown in the following diagram.



Source: Orano

MAIN SITES OF THE MINING BUSINESS UNIT

Orano has a diversified portfolio of assets and resources, both in terms of geography and extraction technology. This diversity is an asset that enables Orano to guarantee long-term security of uranium supply to its utility customers.

92% of the Mining activity is located outside France, and 98% of employees are local and work in their country of origin. The main uranium production sites are located in three countries: Canada, Niger and Kazakhstan.

Orano Mining conducts its activities responsibly, following the principles of the International Council on Mining and Metals (ICMM) and its own CSR policies. Orano also supports the Extractive Industries Transparency Initiative (EITI), and specifically the standard which requires that member countries publish their contracts and licenses from 2021.

For more information on Orano Mining's societal actions, please refer to Chapter 4 on Orano's social, environmental and societal commitments or the Orano Mining Corporate Responsibility report available on the group's website (www.orano.group).

Canada

Orano has operated in Canada through its different mining operations for more than 50 years.

Canadian production comes from the McArthur River and Cigar Lake mines operated by Cameco. These sites are located approximately 700 kilometers north of Saskatoon in Saskatchewan Province. The group carries out major exploration work and holds majority interests in several deposits. Additional studies are required to determine the development schedules for these deposits, which will depend on uranium market conditions.

McArthur River is owned by a joint venture between Cameco Corporation (69.805%) and Orano (30.195%). The McArthur ore is processed in the Key Lake plant (83.3% owned by Cameco and 16.7% by Orano). It has a capacity of approximately 6,900 metric tons of uranium per year (or 18 million pounds of U₃O₈). Since late January 2018, at the request of its majority shareholder, operations at the McArthur mine and the Key Lake plant have been suspended indefinitely due to the deterioration in market conditions for uranium.

The Cigar Lake mine is owned by a joint venture consisting of Cameco Corporation (50.025%), Orano (37.1%), Idemitsu Uranium Exploration Canada Ltd (7.875%) and Tepco Resources Inc. (5%). This deposit, the richest in the world, is mined by Cameco. The ore is processed in the McClean Lake plant operated by Orano. Following the purchase by Orano of the stakes held by OURD (Overseas Uranium Resources Development Company Ltd, Japan) in the capital of the McClean Lake plant, it now holds a stake of 77.5%, with Denison Mines Ltd as partner at 22.5%. The mill, which is operated by Orano, is designed to process very high-grade ore (> 15%) and processes all of the ore from Cigar Lake. The Cigar Lake mine and the McClean plant have a production capacity of 6,900 metric tons of uranium (or 18 million pounds of U₃O₈) per year. Production in 2020, disrupted by the coronavirus pandemic, amounted to 3,878 metric tons of uranium (or 10.1 million pounds of U₃O₈).

The Cigar Lake mine, run by Cameco, and the McClean Lake ore processing plant in Canada, where production was halted initially at the end of March, restarted in September and again gradually shut down in late December due to the local health situation, to protect the northern communities of the region from the effects of the Covid-19 pandemic. In order to minimize the impact of this temporary suspension of production, maintenance and improvement work on the facilities were brought forward during this period and accelerated payment of supplier invoices for the northern communities was put in place.

Niger

Exploration teams from the CEA detected the presence of uranium in Niger at the end of the 1950s. The uraniferous area is located west of the Air granite massif near the city of Arlit. Orano operates on three sites, namely Somair, Cominak and Imouraren.

Somair and Cominak have delivered uranium to their customers without interruption since operations began in the 1970s. Close to 1,300 people, and as many subcontractors, work at Somair and Cominak. Along with jobs, the operating companies provide health, social and educational services to the local communities in this isolated area.

Somaïr (Société des mines de l'Aïr) was established in 1968. Orano Mining, the operator, holds 63.4% of the shares and SOPAMIN (Société du Patrimoine des Mines du Niger) holds 36.6% on behalf of the State of Niger. Given the current characteristics of the processed ore, Somaïr's production capacity is in the region of 2,000 metric tons per year (2020 production: 1,879 metric tons). During the first half of the year, a significant proportion of Somaïr's resources was converted into reserves. This increase in the level of reserves, which should make it possible to extend the life of the mine by several years, is the result of the optimization of mining sequences and of Somaïr's ongoing efforts to optimize its production costs.

Cominak (Compagnie Minière d'Akouta) is owned at 34% by Orano Mining, operator of the site, at 31% by SOPAMIN on behalf of the State of Niger, at 25% by OURD (Overseas Uranium Resources Development, Japan), at 10% by ENUSA (Enusa Industrias Avanzadas SA, Spain). The ore is extracted underground and then processed in the site's mill, with a capacity, considering the current characteristics of the ore processed, of approximately 1,000 metric tonnes of uranium per year (2.6 million pounds of U₃O₈) (2020 production: 1,112 metric tonnes).

Since Cominak's resources and reserves have now run out, Cominak's Board of Directors, at an extraordinary meeting of the Board of Directors held on October 23, 2019 decided by unanimous vote of the shareholders present that production at the Akouta site would cease on March 31, 2021. The Order to stop the operation of the Cominak mine on March 31, 2021 was signed by the Minister of Mines of Niger on October 15, 2020. On November 5, 2020, the Board of Directors of Cominak approved the conditions for OURD to exit from Cominak's share capital. The effective takeover by Orano Mining of the OURD stake in Cominak (25%) is expected to take place in early 2021. Orano, as a responsible actor, is committed to ensuring that the Cominak mine is shut down in the best possible conditions. Site remediation activities will commence following the mine's closure to make the site safe, clean and pollution-free. The mining company and its shareholders are committed to supporting its employees and subcontractors in a plan for retraining and developing entrepreneurial projects, as well as taking action for a long-term, sustainable and useful societal transition for the populations. To this end, a social agreement was signed with the staff representatives and the labor administration of Niger on November 25, 2020.

Imouraren SA is held at 66.65% by Orano Expansion, itself held at 95.3% by Orano Mining and at 4.7% by KIUI, 10% by Niger and 23.35% by SOPAMIN. This company holds the operating license for the Imouraren deposit. In view of market conditions, production startup work for the Imouraren mine was suspended in 2014. The project will restart when uranium prices permit. Project optimization studies are underway. The purpose of these studies is to assess the feasibility of using other extraction methods in an attempt to reduce operating costs.

Every year, the mining companies and Orano take on societal projects in the Arlit region and nationally. In 2020, the projects promoted access to water, health and education. In support of the response plan for the Covid-19 pandemic drawn up by the authorities, Orano and the mining companies Cominak and Somaïr have focused their actions on preparing sites and local communities for the onset of the health crisis. Medical equipment for hospitals, both nationally and locally, was provided and support was provided to raise awareness among the population and to train doctors to diagnose the disease. In addition to the masks provided to all employees and subcontractors, the mining companies have equipped the families of employees and the local populations of Arlit with fabric masks made by local service providers.

Kazakhstan

Katco was established in 1997 to develop and mine the Muyunkum and Tortkuduk deposits in southern Kazakhstan, approximately 250 kilometers north of Shymkent.

Its shareholders are Orano Mining (51%) and KazAtomProm (49%), Kazakhstan's national natural uranium producer. The annual maximum capacity of Katco is around 4,000 metric tons of uranium (2,833 metric tons produced in 2020).

In April 2017, Orano and KazAtomProm signed a strategic agreement aimed at strengthening their long-standing cooperation in the uranium mining sector in Kazakhstan including the development of the South Tortkuduk project, which will ensure its production over the next two decades. In July 2017, the Kazakh Geology Board validated the registration of the extent of the South Tortkuduk reserves. Since obtaining the mining license for the South Tortkuduk deposit in January 2018, the development of the project has continued. The reference documents for the Extraction Project and the redevelopment plans for the Muyunkum, Tortkuduk and South Tortkuduk sites were submitted to the authorities and validated in May 2020, which should enable the signature of the amendment to the contract for the use of the subsoil in parallel with the formalities for obtaining a land permit in early 2021. The detailed engineering carried out in 2020 will be presented at a public hearing in February 2021 and will then be submitted for approval by the State Expertise prior to the launch of site preparation work.

The Kanjungan land permit obtained at the end of November 2019 extends the operation of the Muyunkum deposit and ensures the transition to the South Tortkuduk deposit.

Katco is the largest ISR (*In Situ Recovery*) uranium mine in the world. While the safety of employees and subcontractors is paramount, the environment is also a priority for Katco. Research and Development efforts to improve productivity were boosted by end-to-end modeling from production through to remediation and a better understanding of the environmental impact of operations. In 2020, Katco continued the operational deployment of the HYTEC 3D modeling tool developed as part of its R&D initiatives in partnership with Mines ParisTech. Thanks to this tool, which dynamically simulates the exploitation of an ISR deposit, from the modeling of flows to the environmental impact during and after exploitation, Orano Mining is able to build natural mitigation models reducing the environmental impact but also optimizing the performance of the operation by improving the yields and therefore the life of the deposits.

In 2020, Katco continued its societal actions with local communities, particularly in the area of health and access to water. As part of the fight against the Covid-19 pandemic, Katco took action and made a financial donation to the public foundation "Birgemiz". This donation made it possible to purchase medical equipment for the benefit of the health authorities of the Turkestan region and the city of Shymkent. Thousands of masks were also distributed to local populations. On the economic front, payment facilities were granted to subcontractors to help them through the pandemic period.

Namibia

In Namibia, Orano owns the entire Trekkopje deposit in the Swakopmund region, as well as a water desalination plant, purpose-built at the outset to fulfil the needs of the Trekkopje mining operations, with a capacity of 20 million cubic meters per year. The deterioration of uranium market conditions prompted Orano to mothball the Trekkopje project in October 2012.

The desalination plant is operating at about 60% of its capacity and sells its production to Namwater, the Namibian water company, for neighboring mines and local communities.

In 2020, Orano Namibia joined the government's efforts to combat the Covid-19 pandemic and, thanks to its desalination plant provided, nearly 200,000 m³ of water free of charge to local communities during the months of April and May.

Mongolia

Since June 2017, in accordance with the Atomic Energy Act, the State of Mongolia, through the state-owned company Mon-Atom, has held a 34% stake in Badrakh Energy LLC (formerly AREVA Mines LLC). The remaining 66% is held by AREVA Mongol LLC. AREVA Mongol is itself held at 66% by Orano Mining and at 34% by Mitsubishi Corporation.

Badrakh Energy LLC holds the mining licenses awarded in July 2016 for the Dulaan Uul and Zuuvch Ovoo deposits in the Sainshand basin, discovered by Orano. A pilot plant was built in 2018 to confirm and optimize the technical and economic characteristics of a future operation. All administrative formalities were completed in 2019 with a view to obtaining the permit authorizing the launch of the pilot plant. The uranium-laden resins from the 2011 pilot began to be processed at the Zuuvch Ovoo pilot plant in November 2020. This start-up is being carried out in accordance with the necessary authorizations and permits obtained by Badrakh Energy LLC and in accordance with the programs validated by the corresponding competent authorities.

In 2020, through its subsidiary Badrakh Energy, Orano continued its actions to support the development of local communities in accordance with the "Community Development Agreement" signed in 2018. Efforts have focused in particular on access to culture and education and on local economic development through aid for the acquisition of livestock, for example.

At the same time, since the beginning of the Covid-19 health crisis, Badrakh Energy has contributed to the effort undertaken by Mongolia through donations to local (in the province of Dornogobi) and national level (Emergency Commission and National Center for Contagious Diseases) players for an amount of 300,000 euros.

Uzbekistan

The partnership agreement signed on September 4, 2019 between Orano and the State Committee for Geology and Mineral Resources of the Republic of Uzbekistan (GoscomGeology) led to the creation, on December 4, 2019, of Nurlikum Mining LLC, 51% owned by Orano and 49% by GoscomGeology. In September 2020, Nurlikum Mining LLC was awarded two exploration permits in the Djengeldi region in the heart of Kyzylkum province, an area rich in uranium deposits. The 2020 exploration campaign, which consists of drilling 40 wells, began in October 2020. The campaign planned for 2021 will consist of drilling around 300 additional boreholes.

France

Orano manages almost all of the former French uranium mining sites (235 out of a total of 248), whether or not operated by the group, for almost 60 years.

The teams ensure the environmental monitoring and the proper functioning of the water treatment plants. At the same time, the Post-Mining France department of Orano Mining manages the historical databases and enhances the value of the Orano Mining property portfolio in France. Orano Mining also invests in dedicated Research and Development projects, in constant dialogue with the public and the authorities. This research led to the establishment in 2019 and 2020 of innovative treatment plants, such as the Bois Noirs site (Loire department) where a zeolite filtration system was deployed to treat the site's water. This process, a first in the field of uranium mining, makes it possible to treat water without the addition of chemical products.

At the beginning of the year, Orano Mining made available to the general public an interactive mapping application called "CartOmines", which allows everyone to consult the environmental data of the various French uranium mining sites under the responsibility of Orano, and the state of their potential reconversion.

As site redevelopment is one of the major pillars of a successful redevelopment, Orano is working with various project leaders to install photovoltaic power plants on former mining sites and facilities classified for environmental protection. Thus, in 2020, the French Energy Regulatory Commission selected the EDF Energies Renouvelables France project and its location on the former

La Prée mining site, in the municipality of Beaurepaire in Loire-Atlantique, as the site of a new solar power plant project. At the same time, the Neoen (Bessines industrial site) and Total Quadran (Montamassacrot site) photovoltaic park projects, both in Haute-Vienne, have obtained their building permits.

At the heart of the Covid-19 crisis, and after discussions with its local stakeholders, Orano Mining, via its establishment in Bessines-sur-Gartempe, distributed emergency masks and consumables to local health institutions.

Reserves and resources

The mineral reserves in Orano's deposits amounted to 199,141 metric tonnes of uranium at December 31, 2020 (Orano's equity share), compared with 196,362 metric tonnes of uranium at December 31, 2019.

The volume of the best-known resources (measured and indicated resources) was 161,218 metric tonnes of uranium at December 31, 2020 (Orano group's equity share), compared with 157,937 metric tonnes of uranium at December 31, 2019. The volume of inferred resources was 150,984 metric tonnes of uranium at December 31, 2020 (Orano's equity share), compared with 152,061 metric tonnes of uranium at December 31, 2019.

Estimating methods

The estimates of the group's resources and reserves are based on internal work by the Mining Business Unit or from external reports audited by the business's internal experts. The estimates are based on the NI 43-101 standard. Estimates of mineral resources and reserves are carried out by applying the best international standards for disclosure. The NI 43-101 standard is currently one of the preferred standards for Orano reporting.

The mission of the Resources and Reserves Committee, which reports to the Orano group's Executive Management, is to validate the schedule for updating resources and reserves; to validate the resources and reserves reported by Orano each year; and to ensure that the means, organization, and internal and external estimating methods enable a comprehensive and objective estimate of resources and reserves, in accordance with international practices.

MINERAL RESERVES IN THE GROUND IN METRIC TONNES OF URANIUM (TU) (YEAR-END 2020 ESTIMATES)

Deposit	Proven reserves			Probable reserves			Total reserves			
	Ore (kT)	Grade (%)	Metal (TU)	Ore (kT)	Grade (%)	Metal (TU)	Metal (TU)	Yield (%)	Holding (%)	Orano's equity share (TU)
Cigar Lake	269	14.87	39,939	203	11.69	23,747	63,687	98.5%	37.1%	23,273
Key Lake	61	0.44	270	0	0.00	0	270	98.7%	16.7%	44
McArthur	2,041	6.03	123,151	540	5.11	27,588	150,739	98.7%	30.2%	44,924
McClean	90	0.31	275	0	0.00	0	275	96.0%	77.5%	205
TOTAL CANADA	2,461	6.65	163,635	743	6.91	51,336	214,970	98.6%	-	68,446
Katco - Muyunkum	0	0.00	0	7,339	0.07	4,842	4,842	84.5%	51.0%	2,086
Katco - Tortkuduk	0	0.00	0	17,356	0.11	19,168	19,168	89.5%	51.0%	8,745
TOTAL KAZAKHSTAN	0	0.00	0	24,695	0.10	24,010	24,010	88.5%	-	10,832
Cominak	23	0.38	88	0	0.00	0	88	89.2%	34.0%	27
Imouraren *	0	0.00	0	306,048	0.07	213,722	213,722	81.5%	63.5%	110,614
Somaïr	166	0.07	110	12,042	0.14	16,434	16,544	87.9%	63.4%	9,222
TOTAL NIGER	189	0.10	198	318,090	0.07	230,156	230,354	82.0%	-	119,863
TOTAL	2,650	6.18	163,833	343,528	0.09	305,501	469,334	-	-	199,141

* Updating work on the resources and reserves under standard NI 43-101 was launched in early 2021.

MINERAL RESOURCES IN THE GROUND IN METRIC TONNES OF URANIUM (TU) (YEAR-END 2020 ESTIMATES)

Deposit	Measured resources			Indicated resources			Total measured & indicated resources		
	Ore (kT)	Grade (%)	Metal (TU)	Ore (kT)	Grade (%)	Metal (TU)	Metal (TU)	Holding (%)	Orano's equity share (TU)
Cigar Lake	33	6.46	2,122	309	12.34	38,176	40,298	37.10%	14,951
Dawn Lake	0	0.00	0	184	37.47	6,886	6,886	42.53%	2,929
Kiggavik	0	0.00	0	10,418	0.47	48,953	48,953	66.19%	32,401
McArthur	98	2.18	2,130	92	1.97	1,821	3,951	30.20%	1,193
McClean	82	3.02	2,479	242	1.41	3,424	5,903	77.50%	4,575
Midwest	0	0.00	0	1,060	1.85	19,652	19,652	74.83%	14,705
Read Lake	0	0.00	0	0	0.00	0	0	21.76%	0
Shea Creek	0	0.00	0	526	2.67	14,014	14,014	50.90%	7,133
TOTAL CANADA	213	3.17	6,731	12,832	1.04	132,926	139,658	55.77%	77,888
Bagombe	0	0	0	0	0.00	0	0	100.00%	0
TOTAL GABON	0	0	0	0	0.00	0	0	100.00%	0
Katco	0	0	0	6,678	0.10	6,678	6,678	51.00%	3,406
TOTAL KAZAKHSTAN	0	0	0	6,678	0.10	6,678	6,678	51.00%	3,406
Dulaan Uul	0	0.00	0	2,567	0.02	632	632	43.56%	275
Zuuvch Ovoo	0	0.00	0	148,297	0.02	34,469	34,469	43.56%	15,015
TOTAL MONGOLIA	0	0	0	150,864	0.02	35,101	35,101	43.56%	15,290
Trekkopje	0	0.00	0	60,100	0.01	7,320	7,320	100.00%	7,320
TOTAL NAMIBIA	0	0.00	0	60,100	0.01	7,320	7,320	100.00%	7,320
Arlit Concession	0	0.00	0	0	0.00	0	0	100.00%	0
Cominak	36	0.32	116	31	0.32	100	216	34.00%	73
Imouraren *	0	0.00	0	108,668	0.06	62,584	62,584	63.50%	39,741
Somaïr	0	0	0	22,034	0	27,603	27,603	63.40%	17,500
TOTAL NIGER	36	0.32	116	130,733	0.07	90,287	90,403	63.40%	57,314
Bakouma	0	0	0	0	0	0	0	100.00%	0
TOTAL CAR	0	0.00	0	0	0.00	0	0	100.00%	0
TOTAL	248	2.76	6,847	361,207	0.08	272,312	279,159	-	161,218

* Updating work on resources and reserves under standard NI 43-101 was launched in early 2021.

Deposit	Inferred resources			Total inferred resources	
	Ore (KT)	Grade (%)	Metal (TU)	Holding (%)	Orano's equity share (TU)
Cigar Lake	186	4.70	8,758	37.10%	3,249
Dawn Lake	46	8.68	396	42.53%	168
Kiggavik	731	0.28	2,059	66.19%	1,363
McArthur	41	2.41	988	30.20%	298
McClean	38	1.01	382	77.50%	296
Midwest	831	0.84	6,983	74.83%	5,225
Read Lake	387	6.77	26,195	21.76%	5,700
Shea Creek	631	2.25	14,185	50.90%	7,220
TOTAL CANADA	2,891	2.07	59,946	39.24%	23,521
Bagombe	2,000	0.27	5,420	100.00%	5,420
TOTAL GABON	2,000	0.27	5,420	100.00%	5,420
Katco	33,820	0.10	34,015	51.00%	1,348
TOTAL KAZAKHSTAN	33,820	0.10	34,015	51.00%	17,348
Dulaan Uul	11,942	0.03	3,417	43.56%	1,488
Zuuvch Ovoo	174,727	0.02	39,280	43.56%	17,110
TOTAL MONGOLIA	186,669	0.02	42,697	43.56%	18,599
Trekkopje	114,100	0.01	12,682	100.00%	12,682
TOTAL NAMIBIA	114,100	0.01	12,682	100.00%	12,682
Arlit Concession	12,845	0.16	20,403	100.00%	20,403
Cominak	0	0.00	0	34.00%	0
Imouraren *	4,394	0.07	2,879	63.50%	1,828
Somaïr	16,258	0.14	23,200	63.40%	14,709
TOTAL NIGER	33,497	0.14	46,482	79.47%	36,940
Bakouma	17,974	0.20	36,475	100.00%	36,475
TOTAL CAR	17,974	0.20	36,475	100.00%	36,475
TOTAL	390,951	0.06	237,717	-	150,984

* Updating work on resources and reserves under standard NI 43-101 was launched in early 2021.

2.3.2 Front End

Nuclear fuel cycle front-end operations occur after extraction and processing of the natural uranium ore. They include uranium conversion and enrichment services, which are steps prior to manufacturing the fuel assemblies that will go in the nuclear reactors.

Conversion of natural uranium (U_3O_8) to uranium hexafluoride (UF_6)

Conversion is a key step that gives the uranium the purity required and the form of a gaseous chemical (uranium hexafluoride or UF_6) suited to enrichment processes. Orano provides the conversion service to its customers, which generally retain ownership of their material.

The uranium concentrate is converted in a two-stage process:

- the Malvési plant in Aude (France) purifies and transforms the uranium mine concentrate into uranium tetrafluoride (UF_4). The annual installed capacity is approximately 15,000 metric tons. The plant modernized its hydrofluorination building in 2020 following a six-month technical shutdown. It is also upgrading its intermediate products and is currently building a UO_2 powder production workshop for the needs of the group's recycling activities;
- the Philippe Coste plant in Tricastin (France) then transforms the UF_4 into uranium hexafluoride (UF_6) through the addition of two more fluorine atoms. The fluorine used in this process is produced through electrolysis of anhydrous hydrofluoric acid. The plant's main equipment was commissioned at the end

of 2018. The commissioning program continued in 2019 and 2020, in particular the programs to make its equipment more reliable. The ramp-up of the Philippe Coste plant continued in 2020, with a view to achieving a nominal production capacity of 15,000 metric tons by 2023, for a global market of approximately 64,000 tons.

Orano is the only converter in the West to have invested massively in upgrading its conversion capacity to the latest standards in terms of safety, technology and the environment. This investment strengthens Orano's competitive position by guaranteeing its customers competitively priced, reliable, long-term security of supply.

The new production plant includes such environmental innovations as the recycling of chemical reagents (up to 75% in the case of ammonia) and a 90% reduction in water consumption through the use of closed loops.

Enrichment of natural uranium into uranium-235

The enrichment activities carried out at the Georges Besse II plant (Tricastin – France), consist of increasing the U²³⁵ content of natural uranium (initially at a rate of 0.7% in uranium ore) up to the level specified by its utility customers, ranging from 3 to 5% depending on the reactor type and mode of operation. Molecules of gaseous uranium hexafluoride (UF₆) undergo isotopic separation to achieve the desired enrichment. Orano provides the enrichment service to its customers, which generally retain ownership of their material.

Located on the Tricastin site, the Georges Besse II plant is the largest enrichment complex in Europe. It uses the most effective and proven centrifuge uranium enrichment technology available to date. The plant, held indirectly at 95% by Orano through SET (Société d'Enrichissement du Tricastin), has an annual capacity of 7.5 million SWU, for a global market of around 50 million SWU. This nominal capacity was reached at the end of 2016, and the plant's production has matched expectations since then.

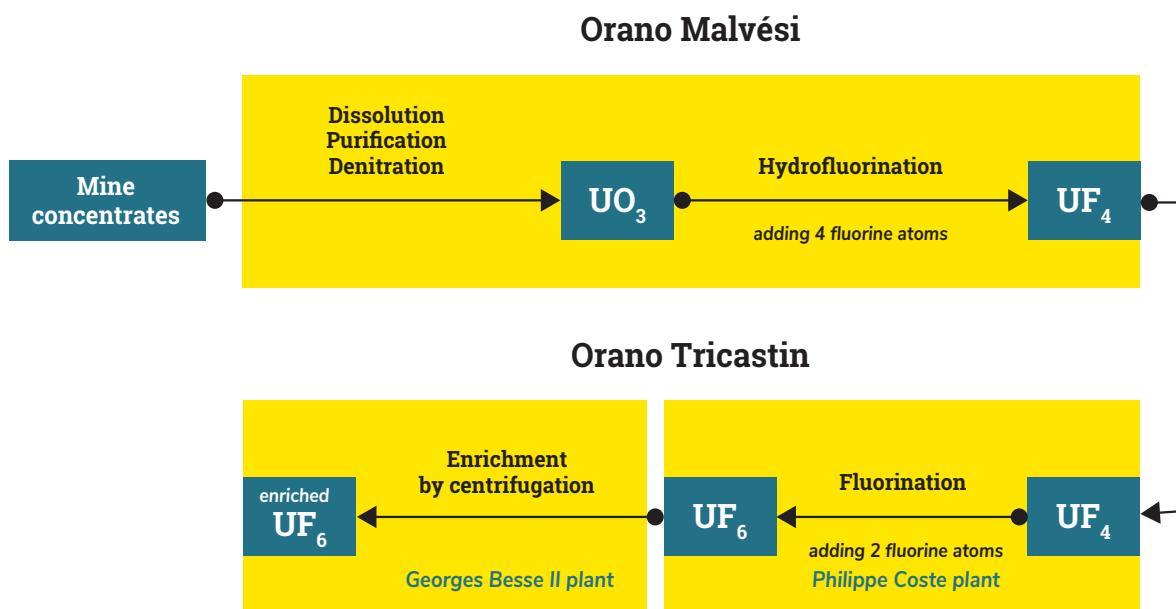
The centrifuge technology implemented since 2015 has further reduced the environmental footprint by reducing energy consumption by 98% and reducing water consumption by 100% compared to the previous gaseous diffusion enrichment technology.

Other operations related to uranium chemistry

Specializing in uranium chemistry, the Chemistry-Enrichment Business Unit also has defluorination facilities ("W" plant in Tricastin – France) for depleted uranium from the enrichment process and denitration facilities ("TU5" plant in Tricastin – France) for reprocessed uranium from the la Hague plant in Manche, France.

Backed by 60 years of expertise and know-how, the Malvési and Tricastin sites are a benchmark integrated industrial platform for the conversion and enrichment of uranium, with entirely renewed state-of-the-art production tool technology. The co-location of conversion and enrichment activities limits the transport of materials and associated operations. Orano is the only Western player to control the entire upstream value chain.

CONVERSION AND ENRICHMENT PROCESS OF NATUREL URANIUM



Source: Orano

2.3.3 Back End

The Back End operations of the fuel cycle consist of the Recycling, Nuclear Packages and Services, Dismantling and Services, and Engineering Business Units.

Recycling

The Recycling business uses processes allowing its customers to recycle used fuel into fresh fuel and to package final waste in standardized containers in a safe and stable manner.

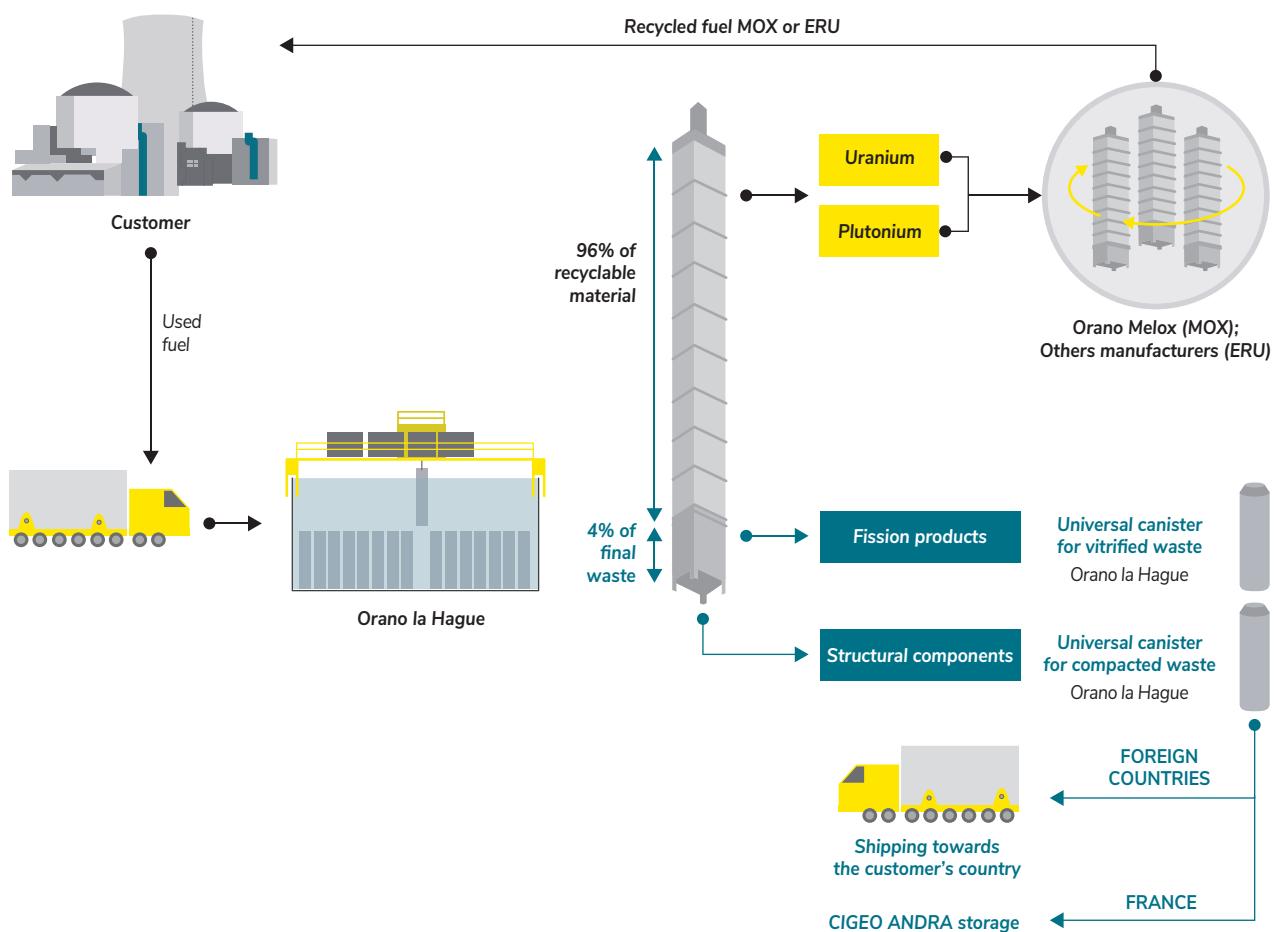
The Recycling business makes use worldwide of the technical and industrial expertise developed in its facilities at the sites of the group and of its French customers. In particular, it supports the development of new recycling plants in the framework of international partnerships with countries seeking to acquire their own production plants.

This activity's principal base consists of the industrial platforms of la Hague and Melox, respectively located in the Manche and Gard departments of France. These two sites had close to 6,000 employees and subcontractors in 2020.

The installed capacity at the la Hague and Melox plants, along with the group's cumulative experience, make the group number one worldwide in recycling:

- the la Hague site is responsible for the first stage of recycling operations: firstly, the separation of recyclable materials and waste from used fuel from French and foreign power plants, as well as from experimental research reactors; then the packaging of these recyclable materials and final waste in a safe and stable form. The plant has two production lines, UP2-800 and UP3, which have a combined licensed capacity of 1,700 metric tons of used fuel per year, corresponding to the generation of 600 TWh per year of electricity;
- Melox is the leading site worldwide for the fabrication of MOX recycled nuclear fuel, with a workload of 150 metric tons per year. Made from a mixture of uranium and plutonium oxides, MOX fuel makes it possible to recycle plutonium from the used fuel recycling process at la Hague. In France, 10% of nuclear power is produced from MOX.

RECYCLING PROCESS OF USED FUEL



Source: Orano

The Recycling business also draws on the skills of Orano Temis, which develops and offers a selection of technical skills and know-how for all high value-added industrial projects, mainly nuclear. In particular, the company provides automated systems, designs and manufactures mechanical equipment in specialty metals, and produces fiber-reinforced concrete containers.

Nuclear Packages and Services

Working in both the front and back ends of the nuclear cycle, for industry as well as reactors and research labs, Nuclear Packages and Services, whose commercial name is Orano NPS, has two main lines of business:

- designing and manufacturing storage containers for the transportation and/or dry storage of nuclear materials;
- organizing and carrying out the transportation of nuclear material. Orano NPS carries out 5,000 transportation operations each year. It is also tasked with the supervision of the transportation operations of the group and its customers, ensuring that they meet the highest safety levels.

Nuclear Packages and Services operates in the key markets of the nuclear industry:

- in Europe, Orano Nuclear Packages and Services is responsible for the design, approval and manufacture of packaging via a network of subcontractors as well as for transport commissioning. In this area, it works with LMC, its specialized nuclear transportation subsidiary, and approved subcontractors;
- in the United States, TN Americas and its production facility (TNF) design and manufacture dry storage containers for US

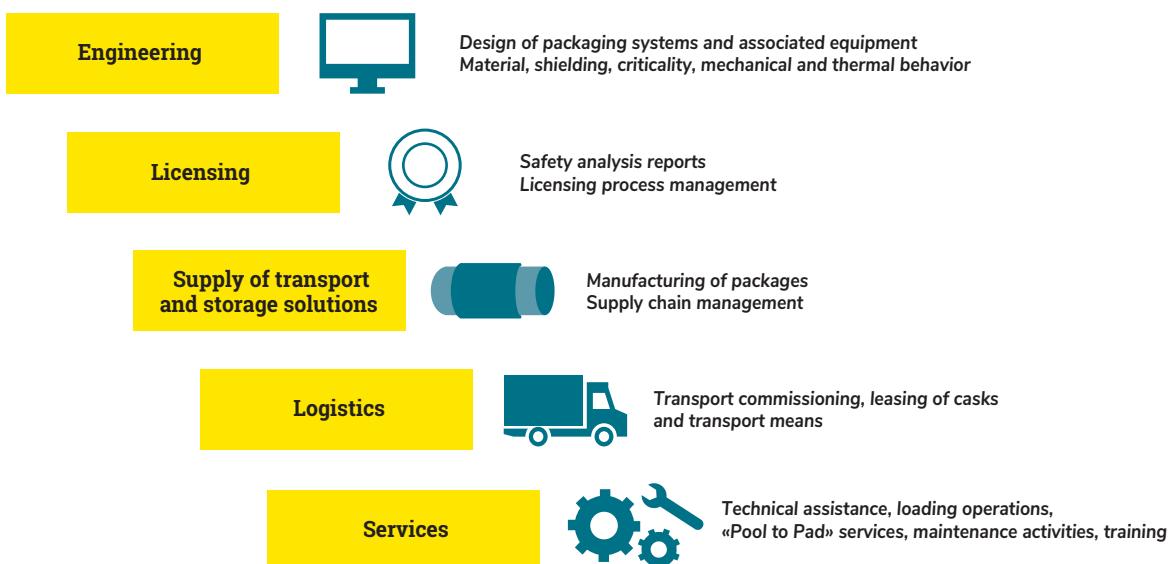
nuclear utilities. Orano NPS is one of the main players in the US market. The entity also operates transportation at the front end of the cycle;

- in Asia, Transnuclear Ltd carries out engineering studies and transportation, as well as cask maintenance work for the Japanese market. Orano NPS also has teams in China and South Korea;
- lastly, TN Niger operates in Niger, as part of Orano's mining activities.

Nuclear Packages and Services has a fleet of transportation equipment, including casks and road and rail resources, and it operates road, rail and sea terminals.

To accomplish its mission of supervising the group's transportation operations, the business has an organization that manages risks and sets up appropriate action plans to manage any emergency at any location, in liaison with the public authorities. Its real-time transportation tracking center gives it a continuous stream of information on transportation operations.

NUCLEAR PACKAGES AND SERVICES: A UNIQUE SET OF COMPETENCES



Source: Orano

Dismantling and Services (DS)

The Dismantling and Services business offers customers a broad range of services covering three main types of operations:

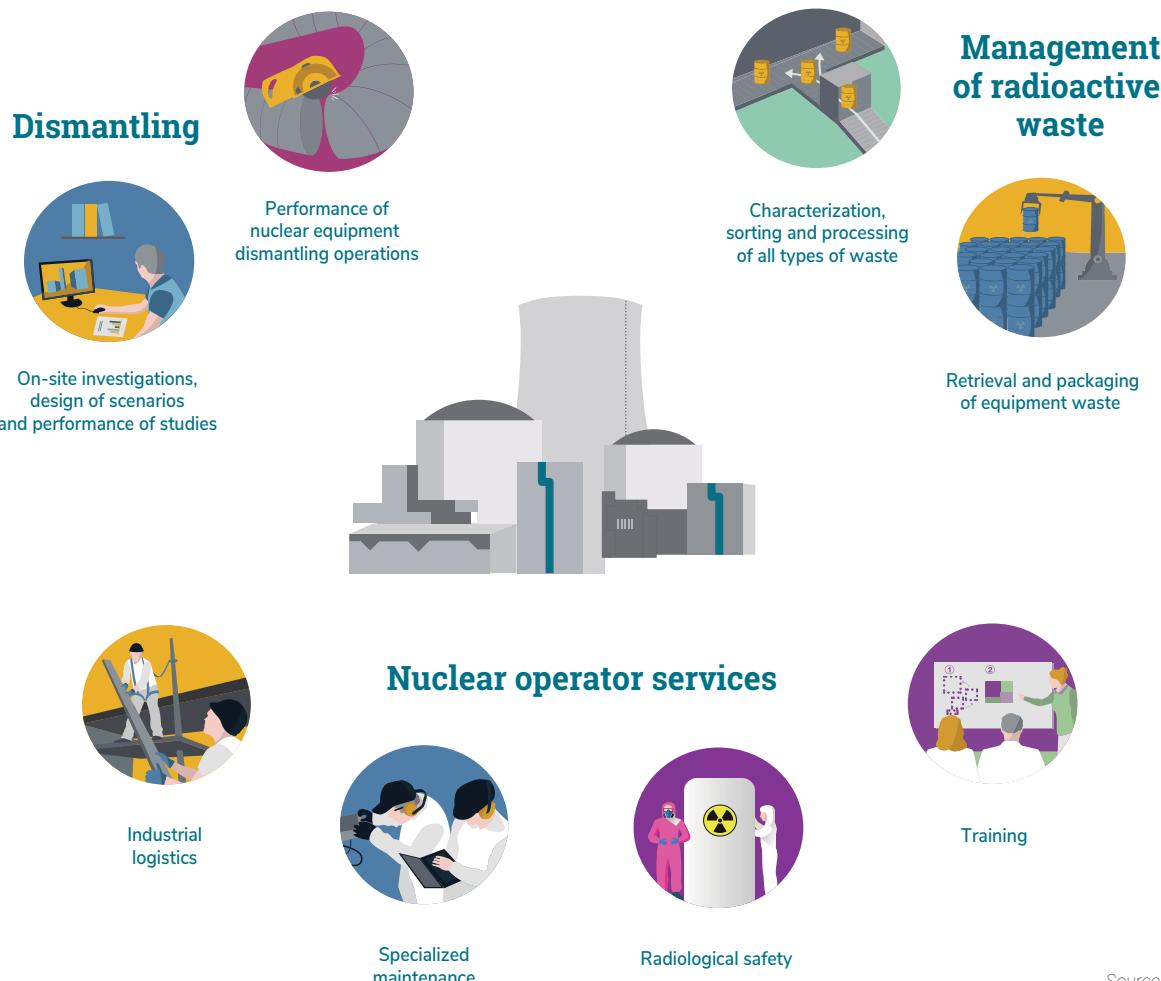
- nuclear facility decommissioning activities across the entire value chain, from the design of intervention scenarios to their implementation in the field: technical studies, radiological characterization of facilities to be dismantled, remediation, deconstruction of the nuclear plant process, operation of facilities being dismantled and of support facilities, valuation of land and buildings.

Numerous facilities built in the 1950s and 1960s are reaching the end of their operating period. Their dismantling and the rehabilitation of their host sites, in particular to allow new projects to be located there, represent a major industrial challenge. The Dismantling and Services business (DS) is a managing contractor for facilities that have been shut down, provides dismantling studies and project management, and carries out dismantling operations.

DS is also responsible for dismantling the former group facilities at the Tricastin, Malvési and la Hague sites, including the UP2 400 used fuel processing plant. The entity offers its skills and resources to its customers CEA and EDF;

- waste management operations, regardless if the waste comes from production and operation of nuclear facilities, dismantling operations or major maintenance operations. The Dismantling & Services business also contributes to major projects for the retrieval and packaging of legacy waste stored at the sites pending the availability of other storage channels;
- services to nuclear operators: nuclear logistics and project support, facility maintenance, radiological safety of workers and facility operations. These operations mostly involve nuclear facilities currently in production, which must ensure the best nuclear safety performance at all times, preserve assets, plan for the future and control costs. The Dismantling and Services business also has a subsidiary dedicated to training in nuclear professions and personal development (TRIHOME), a leading player in the sector in France, as well as an entity specializing in the diagnosis of asbestos by air sampling and measurements (Orano DA).

THE 3 TYPES OF OPERATIONS OF THE DISMANTLING AND SERVICES BUSINESS



Source: Orano

The Dismantling and Services business provides services to practically all of the French nuclear sites operated by Orano, CEA, EDF and ANDRA. It also has operational counterparts abroad through the group's subsidiaries (Orano GmbH and Orano DSR in Germany, Orano DS LLC in the United States) and partnerships forged with local entities.

Engineering

The engineering business provides nuclear fuel cycle engineering expertise for the group's facilities and for external customers. Services range from operator support engineering to full engineering, procurement, construction and management (EPCM) assignments.

Its areas of intervention cover all of the group's operations: mining, uranium chemistry, enrichment, nuclear fuel, recycling of used fuel, dismantling and waste management. Orano Projets also aims to contribute to the group's growth targets by gradually expanding in the fields of non-fuel nuclear and non-nuclear applications.

The engineering business draws on more than 40 years' experience of designing and building plants that are unique in the world (la Hague, Melox, etc.), but also from the flagship renovation projects for Orano's industrial facilities in France, i.e. the waste retrieval and packaging facilities at la Hague, the Georges Besse II enrichment plants, the Philippe Coste conversion plant, and the uranium chemistry facilities in Tricastin and Malvési.

It also has recognized expertise in the design, management and execution of international projects, particularly in Russia and Japan.



Source: Orano

2.3.4 Orano's other operations

Orano's other operations include the other cross-business functions, as well as Nuclear Medicine.

Nuclear Medicine

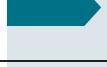
Orano's Nuclear Medicine business is carried out by Orano Med, its medical subsidiary. Orano Med has developed a unique process to extract lead-212 (^{212}Pb), which is a particularly rare radioactive isotope, at a very high degree of purity. Orano Med's ^{212}Pb is currently at the heart of promising nuclear medicine research projects for the development of new cancer treatments. This novel approach is called targeted alpha therapy or radioimmunotherapy when it implies using antibodies.

Orano Med's ambition is to develop effective and targeted anticancer therapies, with two prime objectives:

- develop innovative treatments using Orano Med's lead-212, in particular through scientific partnerships (Roche, RadioMedix, Nordic Nanovector, etc.);
- produce high-purity lead-212 at its two production sites based in Bessines-sur-Gartempe (France) and Plano (Texas - United States) to meet the needs of clinical development.

2

ORANO MED'S ONCOLOGY R&D PIPELINE

Partner	Indication / Target	Compound	Preclinical	Phase 1	Phase 2	Phase 3
	Intra-abdominal HER-2 expressing cancers	^{212}Pb -TCMC-Trastuzumab				
RadioMedix	Neuroendocrine tumors	^{212}Pb -labeled peptide targeting somatostatin receptors				
Roche	Undisclosed	^{212}Pb -PRIT				
Nordic Nanovector	Leukemia	^{212}Pb -labeled monoclonal antibody targeting CD37				
	Multiple indications	peptide				
Others	Solid tumors	^{212}Pb -labeled small molecules				

Source: Orano

2.4 Research and Development activities

The group's main Research and Development programs during the 2020 financial year focused on:

- continuing to improve mining techniques, in particular bio-hydrometallurgy;
- support for the start-up and optimization of the operation of conversion plants as well as studies for the laboratory for the enrichment of stable isotopes;
- for treatment-recycling, on the maintenance and improvement of the performances of the current plants, the study new processes in disruptive processing and manufacturing, in particular within the framework of multiple recycling in EPR. In association with other industrial partners, Orano has also initiated studies on a molten salt reactor to recycle plutonium and minor actinides;
- the development of new shipping casks for nuclear materials and waste;
- the development of methods and tools to support dismantling operations;

- the recycling of critical materials contained in automotive lithium batteries; and
- the development of radionuclides for alpha-therapy medical applications.

Key figures

Research and Development expenses are capitalized on the statement of financial position if they meet the capitalization criteria established by IAS 38 and are recognized as Research and Development expenses if they do not. In the statement of income, Research and Development expenses appear under gross margin and represent non-capitalizable expenses incurred exclusively by the group. Expenses relating to programs funded wholly or partially by customers, together with projects carried out in partnerships where Orano has commercial rights of use of the results, are recognized in the cost of sales. The total Research and Development expenditure consists of the total amounts spent on Research and Development, whether capitalized or expensed during the financial year.

	Financial year ended December 31, 2020	Financial year ended December 31, 2019
TOTAL	107	103
Number of registered patents	25	14

At December 31, 2020, Research and Development expenses amounted to 107 million euros, *i.e.* 2.90% of the financial year's revenue, up from 2019 (2.72% of revenue).

The group registered 25 patents in 2020 and 14 patents in 2019.

2.5 Financial situation of the Company and group during the past financial year

2.5.1 Summary of key figures and segment information

In 2020, the legal entity Orano Cycle was split into three different companies to better match operating activities to their legal holding entities. The restructuring resulted in the transfer of Orano Cycle's chemistry and uranium enrichment activities to Orano Chimie-Enrichissement and its recycling activity to Orano Recyclage. Orano Cycle was renamed Orano Démantèlement and hosts the Dismantling and Services activities for nuclear facilities.

At the same time as this organizational change, the group's operating segments (Mining, Front End and Back End) are also monitored in terms of operating income before end-of-lifecycle activity. The 2019 segment information was restated to reflect the impact of these changes over the comparable period.

2.5.1.1 Summary of key data at group level

(in millions of euros, except workforce)	December 31, 2020	December 31, 2019	Change 2020/2019
INCOME			
Revenue	3,684	3,787	-103
Gross margin	584	796	-212
Operating income	340	468	-128
Share in net income of joint ventures and associates	15	(19)	+34
Net financial income (expense)	(321)	40	-361
Adjusted net financial income	(342)	(514)	+172
Income tax	(54)	(36)	-18
Adjusted income tax	(54)	(36)	-18
Net income attributable to owners of the parent	(70)	408	-478
Adjusted net income attributable to owners of the parent	(91)	(145)	+54
Comprehensive income	(86)	470	-556
Comprehensive income attributable to owners of the parent	(120)	423	-543
CASH FLOWS			
EBITDA	931	900	+31
Change in operating working capital requirement	127	362	-235
Net operating Capex	(511)	(554)	+43
Operating cash flow	548	702	-154
Net cash flow from company operations	144	219	-75
MISCELLANEOUS			
Net cash (debt)	(2,146)	(2,191)	+45
Equity attributable to owners of the parent	1,164	1,282	-118
Workforce at year end	19,102	18,604	+2.7%

2.5.1.2 Summary data by business segment

2020 (in millions of euros)	Mining	Front End	Back End	Corporate and other operations *	Total
INCOME					
Contribution to consolidated revenue	1,079	999	1,592	13	3,684
Operating income	371	224	(209)	(47)	340
Percentage contribution to consolidated revenue	34.4%	22.4%	ns	ns	9.2%
CASH FLOWS					
EBITDA	502	317	146	(34)	931
Percentage contribution to consolidated revenue	46.5%	31.7%	9.2%	ns	25.3%
Change in operating WCR	(19)	97	138	(89)	127
Net operating Capex	(110)	(129)	(260)	(12)	(511)
Operating cash flow	373	286	24	(135)	548
MISCELLANEOUS					
Property, plant and equipment and intangible assets (including goodwill)	2,522	4,312	3,935	120	10,889
End-of-lifecycle assets and assets earmarked for end-of-lifecycle operations	-	118	66	7,498	7,683

* "Corporate and other operations" includes in particular Corporate and Orano Med activities.

ns: not significant.

2019 * (in millions of euros)	Mining	Front End	Back End	Corporate and other operations **	Total
INCOME					
Contribution to consolidated revenue	1,279	901	1,594	12	3,787
Operating income	446	191	(135)	(33)	468
Percentage contribution to consolidated revenue	34.9%	21.2%	ns	ns	12.4%
CASH FLOWS					
EBITDA	634	249	112	(94)	900
Percentage contribution to consolidated revenue	49.6%	27.7%	7.0%	ns	23.8%
Change in operating WCR	(74)	35	261	133	355
Net operating Capex	(71)	(139)	(319)	(25)	(554)
Operating cash flow	489	146	54	13	702
MISCELLANEOUS					
Property, plant and equipment and intangible assets (including goodwill)	2,750	4,282	3,808	110	10,950
End-of-lifecycle assets and assets earmarked for end-of-lifecycle operations	-	121	63	7,408	7,592

* The information on operating segments at December 31, 2019 was restated to reflect the changes in Orano Cycle's legal organization.

** "Corporate and other operations" includes in particular Corporate and Orano Med activities.

ns: not significant.

SITUATION AND ACTIVITIES OF THE COMPANY AND ITS SUBSIDIARIES DURING THE PAST FINANCIAL YEAR

Financial situation of the Company and group during the past financial year

SUMMARY OF REVENUE BY REGION AND BUSINESS

sheet value (in millions of euros)	2020	2019 *	Change 2020/2019
France	1,938	1,811	+7.0%
Mining	343	318	+7.9%
Front End	495	395	+25.3%
Back End	1,089	1,086	ns
Corporate and other operations	10	12	-16.7%
Europe (excluding France)	479	373	+28.4%
Mining	78	67	+16.4%
Front End	199	141	+21.3%
Back End	177	164	+7.9%
Corporate and other operations	2	0	ns.
Americas	482	576	-16.3%
Mining	129	223	-42.1%
Front End	171	157	+8.9%
Back End	182	195	-6.7%
Corporate and other operations	0	0	ns.
Asia-Pacific	753	969	-22.3%
Mining	503	629	-20.0%
Front End	134	196	-31.6%
Back End	116	145	-20.0%
Corporate and other operations	0	0	ns.
Africa and Middle East	32	58	-44.8%
Mining	26	42	-23.8%
Front End	0	12	100%
Back End	5	4	+25.0%
Corporate and other operations	0	0	ns.
TOTAL	3,684	3,787	-2.71%

* The information on operating segments at December 31, 2019 was restated to reflect the changes in Orano Cycle's legal organization.
ns: not significant.

2.5.2 Consolidated financial statements for the past financial year

The consolidated financial statements for the past financial year are shown in Section 6.1 of this report.

2.5.2.1 Backlog

(in millions of euros)	2020	2019	Change 2020/2019
Backlog	26,994	29,944	-2,950

The backlog was 27.0 billion euros at December 31, 2020, down compared to December 31, 2019 (29.9 billion euros) due to an unfavorable foreign exchange impact of -867 million euros and to the planned outflow. The backlog represents more than 7 years in revenue.

New orders remained in line with the targets set and amounted to a total of 1.9 billion euros despite the crisis. This amount replaces the backlog of short-cycle service activities. Conversely, the long-term backlog is subject to less regular renewal depending on market conditions.

2.5.2.2 Statement of income

Revenue

(in millions of euros)	2020	2019 *	Change 2020/2019
Consolidated revenue	3,684	3,787	-103
Mining	1,079	1,279	-200
Front End	999	901	+98
Back End	1,592	1,594	-2
Corporate and other operations	13	12	+1

* The information on operating segments at December 31, 2019 was restated to reflect the changes in Orano Cycle's legal organization.

The group's consolidated revenue amounted to 3,684 million euros at December 31, 2020, compared with 3,787 million euros at December 31, 2019.

Gross margin

(in millions of euros)	2020	2019	Change 2020/2019
Gross margin	584	796	-212
<i>Percentage of consolidated sales</i>	<i>15.9%</i>	<i>21.0%</i>	<i>-5.1 pts</i>

The group's gross margin amounted to 584 million euros at December 31, 2020, compared with 796 million euros at December 31, 2019.

Research and Development

The group's Research and Development investments in the 2020 financial year amounted to 107 million euros, i.e. 2.90% of the financial year's revenue, compared with 103 million euros in 2019 (2.72% of revenue).

Other operating income and expenses are described in Note 5 of the consolidated financial statements in Section 6.1.

Operating income

The group's operating income amounted to 340 million euros at December 31, 2020, compared with 468 million euros at December 31, 2019. The decline in the operating income is explained by the decrease in operating income for Mining (-75 million euros), Back End (-74 million euros) and Corporate and other operations (-14 million euros), offset by an increase of +33 million euros for Front End.

Share in net income of joint ventures and associates

The share in net income of joint ventures and associates was 15 million euros at December 31, 2020 (compared with -19 million euros at the end of 2019).

(in millions of euros)	2020	2019
Cominak	2	(31)
ETC	14	13
Si-nerGIE	(1)	(1)
TOTAL	15	(19)

SITUATION AND ACTIVITIES OF THE COMPANY AND ITS SUBSIDIARIES DURING THE PAST FINANCIAL YEAR

Financial situation of the Company and group during the past financial year

Net financial income (expense)

Net financial income (expense) amounted to -321 million euros at December 31, 2020, compared with 40 million euros at December 31, 2019. The decline in net financial income (expense)

is mainly due to the lower return on assets earmarked for end-of-lifecycle commitments in 2020 after a very positive performance by the financial markets in 2019.

(in millions of euros)	2020	2019
Net borrowing costs ([expense]/income)	(144)	(198)
Other financial income and expense	(177)	238
of which share related to end-of-lifecycle operations	10	541
of which share not related to end-of-lifecycle operations	(188)	(303)
NET FINANCIAL INCOME (EXPENSE)	(321)	40

Adjusted net financial income, which amounted to -342 million euros in 2020, compared with -514 million euros in 2019. This improvement is mainly due to the combined effect of a decrease in the cost of debt and a lesser impact over the year of the rate differential used to discount provisions for completion of long-term works (excluding end-of-lifecycle provisions) between the two periods.

Income tax

Tax expense was -54 million euros at December 31, 2020, compared with -36 million euros at December 31, 2019.

The net adjusted tax expense amounted to -54 million euros at the end of December 2020, compared with -36 million euros in 2019.

The following table reconciles reported net income attributable to owners of the parent with adjusted net income attributable to owners of the parent, accounting for the financial impacts of end-of-lifecycle commitments:

BREAKDOWN OF REPORTED NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT TO ADJUSTED NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

(in millions of euros)	2020	2019	Change 2020/2019
REPORTED NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT	(70)	408	-478
Unwinding expenses on end-of-lifecycle liabilities	283	299	-16
Impact of changes in discount and inflation rates on end-of-lifecycle obligations	(34)	8	-42
Return on earmarked assets	(270)	(860)	+590
Tax impact of adjustments	0	0	+0
ADJUSTED NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT *	(91)	(145)	+54

* The definition of adjusted net income attributable to owners of the parent can be found in Section 7.11 Financial glossary.

Adjusted net income attributable to owners of the parent amounted to -91 million euros at December 31, 2020, compared with -145 million euros in 2019. This change mainly reflects the change in net income attributable to owners of the parent described above and the impact of returns on earmarked assets in 2020.

Comprehensive income attributable to owners of the parent

By including recyclable and non-recyclable items in the statement of income, comprehensive income attributable to owners of the parent was -120 million euros at December 31, 2020, compared to

423 million euros at December 31, 2019. This trend is due mainly to the change in net income described above.

2

2.5.2.3 Cash flows

Change in net debt

Items contributing to the change in the group's net debt for the year are presented below. It was calculated according to the French Accounting Board definition (sum of "cash and cash equivalents" less "current and non-current financial liabilities").

(in millions of euros)	2020
Net debt at the beginning of the financial year (at December 31, 2019)	(2,191)
Operating cash flow	548
End-of-lifecycle cash flow	(58)
Cash flow from financing activities	(291)
Income tax paid	12
Dividends paid to minority interests	(75)
Other items	(91)
(NET DEBT)/NET CASH AT THE END OF THE FINANCIAL YEAR (AT DECEMBER 31, 2020)	(2,146)
CHANGE IN NET DEBT OVER THE FINANCIAL YEAR ENDED DECEMBER 31, 2020	+45

The group's net financial debt totaled 2.15 billion euros at December 31, 2020, compared with 2.19 billion euros at December 31, 2019. Over the period, Orano improved the average maturity of its financial liabilities by issuing a new 500 million

euro bond due in March 2028, redeeming a 500 million euro bond maturing in 2020 and the partial redemption of the 35 million euro bond maturing in 2021.

Comparative table of operating cash flows and consolidated cash flows

The group analyzes cash flows from operating activities separately from flows relating to end-of-lifecycle operations and other cash flows.

RECONCILIATION OF OPERATING CASH FLOWS AND CONSOLIDATED CASH FLOWS

The following table distinguishes operating cash flows from the other cash flows presented in the consolidated statement of cash flows for the financial year ended December 31, 2020.

(in millions of euros)	Operating	End-of-lifecycle operations ⁽¹⁾	Other ⁽²⁾	Total
EBITDA (i)	931	-	-	931
Income from the sale of non-current operating assets and other non-cash operating items (ii)	-	-	-	-
Cash flow after financial interest and taxes (i + ii)	931	(169)	(265)	497
Change in working capital requirement (iii)	127	-	58	185
Net cash flow from operating activities (i + ii + iii)	1,058	(169)	(207)	682
Cash from (used in) investing activities, net of disposals (iv)	(511)	111	(49)	(448)
Net cash from (used in) financing activities (v)	-	-	(137)	(137)
Impact of changes in scope, rates, trading securities (vi)	-	-	(33)	(33)
Net cash from operations sold or held for sale (vii)	-	-	-	-
CASH FLOW (I + II + III + IV + V + VI + VII)	548	(58)	(426)	64

(1) Includes expenses for end-of-lifecycle operations incurred on-site and for final waste disposal, flows relating to the asset portfolio earmarked for end-of-lifecycle operations, and flows resulting from the signature of agreements with third parties for the funding by such parties of a share of end-of-lifecycle operations.

(2) That is, non-operating cash flows unrelated to end-of-lifecycle operations and mainly corresponding to financial cash flows, including cash flows related to exceptional external growth operations, dividends paid, and cash flows of a tax nature.

Operating cash flow

EBITDA

EBITDA increased from 900 million euros at the end of 2019 to 931 million euros at the end of 2020, up +31 million euros compared to 2019. Despite the disruptions caused by the Covid-19 crisis, the

Mining, Front End and Back End sectors contributed positively to the group's EBITDA over the period.

SITUATION AND ACTIVITIES OF THE COMPANY AND ITS SUBSIDIARIES DURING THE PAST FINANCIAL YEAR

Financial situation of the Company and group during the past financial year

Change in operating working capital requirement (WCR)

The change in operating WCR was 127 million euros at the end of 2020, compared with 362 million euros at the end of 2019. This decrease of 229 million euros is mainly due to the reconstitution of receivables for the Research Tax Credit (CIR) and a less favorable contribution from contract pre-financing over the period in the Back End segment within the Recycling activities. The decrease in inventories in mining activities related to the shutdown of the Canadian facilities as well as in the Front End sector with the increase in sales, offset this decrease.

Net cash flow from company operations

(in millions of euros)	2020	2019	Change 2020/2019
Operating cash flow	548	702	-154
End-of-lifecycle cash flow	(58)	(144)	+86
Income tax	12	(110)	+122
Cost of borrowed capital	(194)	(270)	+76
Other items	(165)	41	-206
Non-operating cash flow	(404)	(483)	+79
NET CASH FLOW FROM COMPANY OPERATIONS	143	219	-75

Net cash flow from company operations stood at 143 million euros at December 31, 2020 (vs. 219 million euros the previous year), following a voluntary contribution of 35 million euros to the earmarked funds ensuring 100% coverage for the end-of-lifecycle obligations.

Cash flows related to end-of-lifecycle operations

In 2020, cash flows related to end-of-lifecycle operations amounted to - 58 million euros, compared with -144 million euros in 2019. They mainly included the voluntary contribution to end-of-lifecycle assets for 35 million euros.

Consolidated statement of cash flows

The group's condensed consolidated statement of cash flows is presented below.

(in millions of euros)	2020	2019	Change 2020/2019
Cash flow from operations before interest and taxes	682	766	-84
Interest expense and taxes paid *	(185)	(208)	+23
Cash flow from operations after interest and taxes	497	559	-62
Change in working capital requirement	185	290	-105
Cash from operating activities	682	849	-167
Cash used in investing activities	(448)	(637)	+189
Cash from (used in) financing activities	(137)	(290)	+153
<i>Effect of change in classification of non-monetary funds **</i>	-	(460)	+460
<i>Effect of exchange rate changes</i>	(33)	4	-37
INCREASE (DECREASE) IN NET CASH	64	(534)	+598
Net cash at the beginning of the financial year	1,420	1,953	-533
NET CASH AT THE END OF THE FINANCIAL YEAR	1,484	1,420	+64

* The comparable data at December 31, 2019 have been restated in order to present only the cash flow for tax paid.

** Following the entry into force on January 21, 2019 of the European regulation EU 2017/1131, funds classified as cash equivalents at December 31, 2018 were reclassified in 2019 for 460 million euros as cash management financial assets.

2.5.2.4 Statement of financial position

CONDENSED STATEMENT OF FINANCIAL POSITION

(in millions of euros)	December 31, 2020	December 31, 2019
Net goodwill	1,174	1,247
Property, plant and equipment (PP&E) and intangible assets	9,627	9,626
End-of-lifecycle assets	7,683	7,592
Operating working capital requirement – assets	2,895	2,742
Net cash	1,554	1,492
Deferred tax assets	92	109
Other assets	796	774
TOTAL ASSETS	23,822	23,582
Equity and minority interests	1,089	1,248
Employee benefits	1,066	1,111
Provisions for end-of-lifecycle operations	8,189	8,010
Other current and non-current provisions	2,476	2,319
Operating working capital requirement – liabilities	5,758	5,109
Financial liabilities	4,191	4,153
Other liabilities	1,053	1,631
TOTAL LIABILITIES	23,822	23,582

Non-current assets

Net goodwill

Net goodwill went from 1,247 million euros at December 31, 2019 to 1,174 million euros at December 31, 2020, a decrease of 73 million euros.

Net property, plant and equipment and intangible assets

Net property, plant and equipment and intangible assets increased from 9,626 million euros at December 31, 2019 to 9,627 million euros at December 31, 2020.

Operating working capital requirement

The group's operating working capital requirement (operating WCR) was negative (*i.e.* a surplus of funds) in the amount of -2,863 million euros at December 31, 2020, compared with -2,367 million euros at December 31, 2019.

Net cash and financial liabilities

At December 31, 2020, Orano held an amount of 1.6 billion euros of available cash, to which should be added 0.4 billion euros of current financial assets for cash management.

This cash position is strengthened by a confirmed, undrawn syndicated credit facility of 940 million euros, obtained with 11 banking partners in early 2019. The maturity of this facility was extended from July 2022 to July 2023 with the unanimous approval of the lenders.

The group's liquidity position enables it to meet its short and medium-term commitments, in particular the repayment of the balance of a bond issue for an amount of 715 million euros in March 2021.

The group's net financial debt totaled 2.15 billion euros at December 31, 2020, compared with 2.19 million euros at December 31, 2019.

RECONCILIATION BETWEEN NET CASH REPORTED IN THE STATEMENT OF CASH FLOWS AND NET CASH (DEBT) ON THE STATEMENT OF FINANCIAL POSITION

(in millions of euros)	2020	2019	Change 2020/2019
Net cash per statement of cash flows	1,484	1,420	+64
Short-term bank facilities and current accounts in credit	71	72	-1
Net cash from operations held for sale	-	-	-
Financial instruments, margin calls and collateral, cash management financial assets	490	470	+20
Financial liabilities	(4,191)	(4,153)	-38
NET CASH (DEBT)	(2,146)	(2,191)	+45

SITUATION AND ACTIVITIES OF THE COMPANY AND ITS SUBSIDIARIES DURING THE PAST FINANCIAL YEAR

Financial situation of the Company and group during the past financial year

Orano's equity

Group equity totaled 1,089 million euros at December 31, 2020, compared with 1,248 million euros at December 31, 2019.

Assets and provisions for end-of-lifecycle operations

The change in the financial position from December 31, 2019 to December 31, 2020 with regard to assets and liabilities for end-of-lifecycle operations is summarized in the table below.

(in millions of euros)	December 31, 2020	December 31, 2019
ASSETS		
End-of-lifecycle assets	717	700
of which regulated scope (to be amortized in future years)	595	579
of which non-regulated scope	122	121
Financial assets earmarked for end-of-lifecycle operations	7,561	7,471
LIABILITIES		
Provisions for end-of-lifecycle operations	8,189	8,010
of which provisions for end-of-lifecycle operations (regulated scope *)	7,821	7,689
of which provisions for end-of-lifecycle operations (non-regulated scope *)	368	322

* Scope of application of the Act of June 28, 2006.

The change in assets and provisions for end-of-lifecycle operations is described in Note 13 to the consolidated financial statements in Section 6.1.

2.5.2.5 Key figures by business segment

Orano consists largely of the nuclear fuel lifecycle operations housed in the Mining segment subsidiaries, Front End (Chemistry and Enrichment), Back End (Recycling, Nuclear Packages and Services, Dismantling and Services, Engineering) and the Corporate operations provided primarily by Orano Support.

The key figures of Orano for the financial year ended December 31, 2020 are presented by business segment below.

(in millions of euros)	2020	2019 *	Change 2020/2019
Revenue	3,684	3,787	-103
Mining	1,079	1,279	-200
Front End	999	901	+98
Back End	1,592	1,594	-2
Corporate and other operations **	13	12	+1
EBITDA	931	900	+31
Mining	502	634	-132
Front End	317	249	+68
Back End	146	112	+34
Corporate and other operations **	(34)	(94)	+60
Operating income	340	468	-128
Mining	371	446	-75
Front End	224	191	+33
Back End	(209)	(135)	-74
Corporate and other operations **	(47)	(33)	-14
Operating cash flow	548	702	-154
Mining	373	489	-115
Front End	286	146	+140
Back End	24	54	-30
Corporate and other operations **	(135)	13	+148

* The information on operating segments at December 31, 2019 was restated to reflect the changes in Orano Cycle's legal organization.

** "Corporate and other operations" notably includes Corporate and Orano Med activities.

2

2.5.3 Company financial statements for the past financial year

Please refer to Section 6.3 of this report.

2.5.4 Dividends

In accordance with Article 243 *bis* of the French General Tax Code, we hereby remind you that no dividend has been paid for the past three financial years.

2.5.5 Non-tax deductible expenses

In addition, we hereby inform you, in accordance with Article 223 *quater* of the French General Tax Code, that no sum has been recorded in the past financial year for expenses or charges which are not deductible for tax purposes, as referred to in Article 39-4 of the French General Tax Code.

2.6 Foreseeable developments and future prospects

2.6.1 Outlook

Against the background of a health crisis that has disrupted the personal lives and working methods of its employees, Orano was able to meet many human and industrial challenges. If 2020 brought the group's progress to a halt on certain indicators, it also highlighted the relevance and robustness of its strategic positioning and its ability to generate long-term positive net cash flows in a still sluggish market. It confirmed its commercial momentum.

In 2021, the group will have the opportunity to further deepen its strategic thinking in keeping with the five areas defined at the end of 2019. The consequences of the health crisis will be included in the new strategic plan. The impact on major ongoing projects will be reassessed. A specific update will be made on the group's development in the United States in a changing political and regulatory context.

For each of the strategic areas defined at the end of 2019, the group intends to continue and intensify its efforts.

Communities

Orano aims to make a positive contribution to the well-being of all communities (stakeholders, regions, etc.) associated with its activities. In 2020, the group showed solidarity and marked its societal and environmental commitment through concrete actions. It carried out a materiality analysis with its stakeholders and began to roll out ambitious action plans on several Sustainable Development Goals (SDGs) for which its activities are particularly relevant.

The purpose presented to the Board of Directors in December 2020 and the group's commitment roadmap have made it possible to define clear objectives for the year 2030 with achievable and measurable markers by 2025. The implementation of this roadmap in the group's processes and practices should continue in 2021: it will continue to produce concrete results, in particular reducing the group's environmental footprint, and sustaining the momentum initiated with its stakeholders.

Climate

After a difficult decade following the Fukushima disaster, 2020 was marked by impacting stands, in particular by the President of France on December 8, 2020 in Le Creusot, but also by many opinion leaders, promoting safe and competitive nuclear energy to address climate challenge. 2021 brings significant challenges in this area through the European taxonomy, changes in governance in the United States and intensifying debates on decarbonization.

In this context, Orano intends to continue to be an exemplary company in the fight against climate change by setting itself the objective of contributing to carbon neutrality, while affirming the

merits of nuclear power by educating the general public and raising awareness of climate issues. In 2020, Orano has included in its financial trajectory new projects to contribute to a reduction of its scopes 1 and 2 emissions. Other projects are subject to technical and economic analyses and the group's decarbonization trajectory will be updated in 2021, with a hike in its ambitions.

2

Competencies

Managerial transformation and skills development has long been a strategic priority for Orano. Orano intends to continue to promote access to professional training for its employees and to strengthen the commitment and pride of its teams. This priority appears to be ever more important in a changing world, where half of current jobs will be profoundly reconfigured within the next 10 years.

As part of the 2021 strategic plan, special attention will be paid to this area to develop the group's appeal in the short term and prepare its medium-long-term future. A five-year review of critical skills will be conducted, based on the annual skills review conducted in December 2020. The aim is to make Orano a learning company in which employees are involved in their professional development. The employer brand will be adjusted to expectations and priority values generated by the health crisis. The group will continue to adapt working methods and practices to new needs and working environments while preserving the quality of life at work and employee engagement.

Customer growth

Strengthening the group's growth potential is a long-term challenge against a global backdrop of massive deployment of carbon-free power generation (including nuclear) and mobility solutions. Orano is working to increase its revenue by 2025, in particular by implementing major commercial projects in Asia and the United States and by strengthening its innovation Research and Development momentum to develop new activities. By way of illustration, the group is assessing its positioning in the electric mobility battery recycling market and has stepped up its Research and Development program in this area. In 2021, consideration will also be given to expanding the Orano Med oncology portfolio.

Cash

In addition to the growth objectives, strengthening Orano's financial and industrial profile involves the net debt reduction and investments to maintain and renew its industrial resources. As such, achieving this objective will require the deployment of a new performance plan for the 2021-2023 period and the pursuit of ongoing operational excellence initiatives (including digital transformation and transformation plans for the group's industrial sites).

2.6.2 Orano's financial outlook

The financial outlook below does not include the planned Chinese used fuel processing and recycling plant.

The group intends to achieve the following in 2021:

- a recovery in revenue growth;
- consolidation of the EBITDA to revenue rate of between 23% and 26%;
- continuing positive net cash flow.

This outlook remains dependent on the evolution of the pandemic in France and in the countries where the group operates.

2.7 Significant post-closing events

2.7.1 Significant events between the closing date and the preparation date of the management report

On January 15, 2021, Orano NPS finalized the transaction to buy back the 2.5% stake in TN Tokyo (TNT) previously held by Sojitz, which had until then held a stake of 5%. At the same time, the partner KSL (Kobe Steel Limited) carried out the same transaction by acquiring the remaining 2.5% of the shares of TN Tokyo from Sojitz. In parallel with this acquisition, the Shareholders' Agreement with KSL was renegotiated and finalized, enabling Orano NPS to strengthen its control over the strategic operations and decisions of TN Tokyo. TN Tokyo is the joint venture created in 1984 by KSL and Orano NPS to develop dry storage projects in Japan, conduct engineering studies and safety analyses, and transport certain nuclear materials for the Japanese market.

CFMM (Compagnie française de mines et métaux), a company wholly-owned by Orano Mining SA, acquired 34% of AREVA Mongol in January 2021 from Mitsubishi Corporation, bringing its stake in this company to 100%.

On February 22, 2021, the French State acquired 10,566,111 shares, i.e. 4.0% of the share capital of Orano SA from AREVA SA. Since that date, the share capital of Orano has been held by the French State at 54%, the CEA holds one share, AREVA SA 16%, JNFL 5% and MHI 5%, as well as Caisse des Dépôts and Natixis which hold 10% each.

On February 24, 2021, Orano Mining SA acquired, 25% of Cominak, from OURD thus increasing its stake in this company to 59%.

On March 4, 2021, the Orano group and the Daher group signed an agreement for the acquisition by Orano Nuclear Packages and Services ("Orano NPS") of the nuclear operations of Daher in Germany (Daher Nuclear Technologies GmbH – "DNT") and its subsidiary in North America (TLI Inc. – "TLI"), which have recognized expertise in the transport of nuclear materials and packaging engineering.

2.7.2 Important events between the preparation date of the report and the date of the General Meeting

None.

3

RISKS AND SAFEGUARDS

3.1 Internal control system <small>NFPS</small>	58		
3.1.1 Commitments of the Orano group	58	3.3.5 Commercial and legal risks	70
3.1.2 Internal control objectives	58	3.3.6 Financial risks	72
3.1.3 Organization of the internal control system	59	3.3.7 Risks related to transformation and human resources	73
3.2 Risk mapping process and risk management <small>NFPS</small>	61	3.3.8 Risks of corruption and influence peddling	73
3.2.1 Risk management policy	61	3.3.9 Risks of tax evasion	74
3.2.2 Risk coverage and insurance	62		
3.3 Risk factors <small>NFPS</small>	64	3.4 Duty of care plan	75
3.3.1 Political and economic context	66	3.4.1 Background and methodology	75
3.3.2 Risks related to the group's business activities	66	3.4.2 Risks of serious breaches and mitigation action	76
3.3.3 Nuclear safety and environmental impacts	68	3.4.3 Implementation of the plan and control systems	81
3.3.4 Risks related to health and safety	70	3.4.4 Assessment and report on the implementation of the duty of care plan	82

In a constantly evolving environment, the diversity of Orano's business activities exposes the group to risks of varying kinds and sources which, if they were to materialize, could have an unfavorable impact on its operations, financial position or objectives. Establishing a strong risk culture within the group enables these risks, which are described below, to be identified, anticipated and managed within reason in accordance with the information available.

This chapter outlines the framework adopted for the group's internal control and for identifying and analyzing the risks that the group believes it is exposed to at the time of writing. These are then collated with their action plans in order of importance.

In turn, this risk management informs the group's internal control system, and together they form a crucial part of its second line of defense. The coherence and organization of the lines of defense are ensured via a single tool enabling risk analysis and monitoring, internal control, internal audits of the group, and the implementation and monitoring to completion of the associated action plans.

Finally, this risk management's methodology and action plans also meet the group's duty of care obligations (Section 3.4) and non-financial performance and thus allows consolidated reporting. The associated cross-reference table can be found in Section 4.8.3.

3.1 Internal control system

Internal control, described below, is the responsibility of group management. It concerns every employee in the group and applies to Orano as parent company and to all of the companies it controls, regardless of their legal form.

3.1.1 Commitments of the Orano group

The Code of Ethics, published on the group's intranet and its website, lists the commitments of the Orano group in terms of, *inter alia*, safety, security, compliance and quality risks: "As a responsible company, our actions are governed by two basic principles considered to be a matter of priority:

- compliance with the most demanding requirements as appropriate to accomplish our goals in matters of nuclear and occupational safety in the conduct of our activities, as well as for the protection of health and the environment;
- compliance with the strictest standards of integrity and a commitment to fighting against corruption, fraud and anti-competitive practices without compromise.

It is the responsibility of each and every one of us, both managers and employees, across all entities of the group, as well as those of our industrial and commercial partners, to ensure that these values are properly disseminated and that our principles are respected."

3.1.2 Internal control objectives

The Orano group's internal control system is consistent with the commitments made as to the conduct of its business, particularly those written into its Code of Ethics, the demanding requirements in terms of safety and security, and compliance with the regulations applicable to activities.

The internal control system helps to manage risks and operations. In particular, it aims to ensure:

- compliance with the applicable regulations;
- the implementation of instructions and directions set by management bodies;
- the proper functioning of the group's internal processes, particularly those helping to safeguard its assets; and

- the reliability and quality of the financial and operational information produced and communicated.

Nonetheless, however well designed and applied they may be, the internal control mechanisms can only provide a reasonable assurance that the aforementioned objectives will be attained.

In the "Internal Control Reference Framework" of the Autorité des marchés financiers (AMF, the French Financial Markets Authority), to which the group refers (guidelines based on the COSO), the internal control system is characterized by:

- an organization with a clear definition of responsibilities, sufficient resources and expertise, and appropriate information systems, procedures, tools and practices;
- the internal distribution of relevant and reliable information, enabling each person to carry out his or her duties;
- a risk identification, analysis and management system;
- control activities designed to reduce these risks; and
- continuous oversight of the internal control system.

The group has adopted a policy whereby all group entities conduct their own assessment of their level of internal control using a self-assessment questionnaire based on the group's internal control standards. This questionnaire, used by all entities, brings together 321 control points, broken down into 17 sets:

- 4 operational sets, including one on product quality;
- 1 compliance and ethics set;
- 1 set related to information systems;
- 3 sets on sales, purchasing, legal and intellectual property processes; and
- 8 sets on financial processes and human resources.

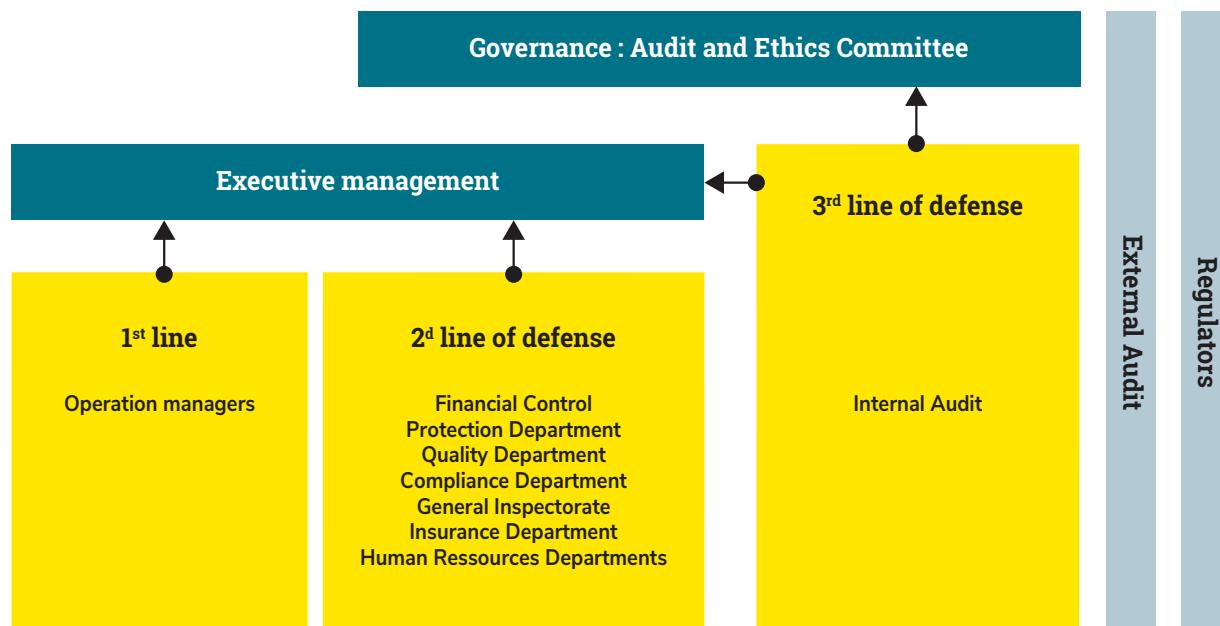
All of these cycles are covered every two years, in alternation. This system, which is reviewed by the joint Statutory Auditors, allows each group entity to compare its practices with best practices and with the group's expectations for controls identified as critical and improve its internal control. Management then commits to action plans to respond to the weaknesses identified.

The Risk and Internal Audit Department includes in its yearly audit plan a review of the self-assessments to ensure their accuracy. The main elements are summarized in the annual report by the Risk and Internal Audit Director on the review of the internal controls.

3.1.3 Organization of the internal control system

Orano's internal control system is modeled on three lines of defense.

THE THREE LINES OF ORANO'S INTERNAL CONTROL



Source: Orano

3

First line of defense

By definition, control is specific to each organization. It involves the mobilization of human, material and financial resources, the organization of these assets, the deployment of specific objectives within the organizations and the implementation of prevention or detection controls. These activities are carried out by the employees and managers of each group entity, representing the first line of defense of the risks facing the Company.

The preventive controls are carried out according to specific manual or automated procedures, involving, among other things, validations at appropriate levels of the organization. The controls for detection consist of ex-post checks carried out as part of specific oversight of performance, variances and anomalies (and facilitated by the existence of information systems, indicators, etc.).

Second line of defense

The internal control function, led by the Finance Department in collaboration with the Compliance Department within the Internal Control Committee (COCI), relies on a network of internal control coordinators appointed by each of the Business Units, and central department whose main objectives are to:

- foster a culture of internal control and to follow up on the action plans; and
- feed back specific points requiring attention from the entities to the Internal Control Committee.

The Corporate functions also act as a second line of control due to their governing role and the oversight they have over their

processes. These functions include the General Inspectorate for the Safety and Security of Nuclear Facilities, the Quality, Protection, Compliance and Insurance Departments, Financial Control and the Human Resources Department.

Third line of defense

Orano's Risk and Internal Audit Department is active group-wide and in each business sector. This department is responsible among other things for reporting to the management bodies on its assessment of compliance and the effectiveness of the internal control systems deployed throughout the group. In 2019, it conducted its activities completely independently in accordance with the Audit Charter and international professional standards. As such, this department reports to the Chief Executive Officer and maintains a direct relationship with the Chairman of the Audit and Ethics Committee, a body to which he reports on his activities.

Its activity is organized around an audit plan which takes into account the risks identified by all group systems (business risk mapping, internal control self-assessment tools, interviews carried out by the Audit Department with the General Inspectorate, the Compliance and Quality Departments, and all "top managers" within the group, as well as with the Statutory Auditors). The recommendations resulting from its work lead to progress plans, which are monitored in consultation with the managers concerned. In this way the Risk and Internal Audit Department helps with the continuous improvement of the internal control system.

The health crisis necessitated an adaptation of the audit plan without reducing the frequency of individual audits. While some audits had to be carried out partially remotely, travel nevertheless

continued, albeit sometimes for shorter periods, in order to maintain the on-site tests and observations.

Each year, the Risk and Internal Audit Director presents his internal controls review report and a summary of the department's activities to the Chief Executive Officer and to the Audit and Ethics Committee.

Anti-fraud system

In recent years, the risk of fraud has changed dramatically, with the surge in fraud by identity theft, heightened use of "social engineering" with attempts at intrusion and data theft. Aware of this risk, which is growing with the inventiveness of perpetrators and the increasing digitization of transactions, especially financial ones, for several years, Orano has deployed an anti-corruption compliance program within the group in accordance with the Sapin II law and its eight pillars, as well as international and regularly updated

standards, primarily by adjusting its internal procedures in light of these new identified risks and by repeating awareness campaigns on a regular basis. These procedures and alerts are the basis of the anti-fraud system.

Each unit is obliged to report all attempts at fraud or evidence of fraud to the Finance Department and the Protection Department, so that lessons can be learned from the situations encountered. The fraud scenarios suggested by these events or any others of which the group might become aware, especially through communications from government agencies and other stakeholders, are also taken into consideration.

When necessary, the existing procedures are amended to reflect the corrective measures identified in these analyses, which are then shared across the group, particularly with the employees most exposed to the risk.

3.2 Risk mapping process and risk management

3.2.1 Risk management policy

The group has created a risk management system consistent with the recommendations of the Autorité des marchés financiers (AMF), the professional standards of the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and the changes in law and regulations concerning the statement of non-financial performance and the duty of care.

A risk-assessment campaign is undertaken annually to take into account the potential impact of events on the achievement of the group's strategic and operational objectives. Its main objectives are:

- the formal identification of all types of risk;
- the characterization of these risks in order to prioritize them; and
- the definition and implementation of action plans to limit them.

The Risk and Internal Audit Department, reporting to group Executive Management, develops the methodological tools used in common throughout the group. Risks are identified using a Business Risk Model (BRM) drawn up for the use of the operating units. The BRM lists, in a set number of families of risks, all of the situations or foreseeable or unexpected events that may impact on the health and safety of the staff, the environment, operations, strategy or financial results of the group, its compliance with current regulations, as well as its reputation or image. The BRM is designed to evolve over time by incorporating best practices and feedback from users, and changes made to regulations. Since 2018, the group's business risk model has included the duty of care and the risks associated with corruption and influence peddling.

3

ORANO GROUP RISK MAPPING PROCESS IN 2020



Source: Orano

The Orano Risk and Internal Audit Department, in collaboration with the Risk Managers of the Business Units (each of which has a network of risk managers in their operating entities), coordinates the deployment of the business risk mapping process, and consolidates the risk assessment at group level. The risks identified are analyzed and ranked on three axes: impact, likelihood and degree of control. By producing this map, elements of proposals and decisions can be compiled on the implementation of action plans intended to reduce risks to an ALARP (As Low As Reasonably Practicable) level.

The operational units have the responsibility of identifying, analyzing and prioritizing their risks and then managing them by implementing action plans and allocating the appropriate resources.

The Risk Committee coordinates, for all operations and on a worldwide basis, the analysis of the group's key risks and the follow-up on the action plans necessary to limit those risks. As part of its mission, the Risk Committee makes use of all of the expertise of the group. Its composition brings together the key functional areas in the Company that can provide special expertise or knowledge, enabling it to assess the criticality of the risks and their potential consequences.

Together with the Risk Committee, the members of the Executive Committee⁽¹⁾ identify and formalize a list of the group's major risks and appoint, for each risk, a "designated" member. More specifically, the latter is responsible for ensuring that there are appropriate action plans and for reporting on its progress to the Risk Committee. The mapping is presented annually to the Audit and Ethics Committee of the Board of Directors.

Based on this work, the main risk factors identified are described in Section 3.3 below.

3.2.2 Risk coverage and insurance

To limit the consequences of certain potential events on its operations and financial position, the group uses risk transfer techniques with leading insurers and re-insurers on the international markets. Orano has accordingly taken out insurance coverage for its industrial risks, its civil liability and other risks related to its operations, both nuclear and non-nuclear. The amount of the respective guarantees varies according to the type of risk and the group's exposure.

Some risk factors, were they to materialize, could be covered by one or several of the insurance policies taken out by the group as part of its insurance programs.

The insurance program is led by the group's Insurance Department, which:

- proposes to the Executive Management of the group and its subsidiaries internal financing solutions or the transfer of these risks to the insurance market;
- negotiates, implements and manages the worldwide insurance programs for the entire group and reports to group Executive Management on the actions undertaken and costs incurred; and
- negotiates, in support of the subsidiaries concerned, the payment of claims.

3.2.2.1 Worldwide group insurance programs

Civil liability

The group is covered by a "worldwide" civil liability program appropriate to its size and operations. The program covers:

- operating liability, relating to operating activities and services rendered on customer premises;
- civil liability after delivery; and
- professional civil liability, which deals with the financial consequences of damage following the provision by a group company of an intellectual service.

It is also covered for civil liability for environmental damage, for damage to property held on behalf of third parties and for product recall expenses, among others.

The program covers the financial consequences of civil liability that may be incurred by the operational entities due to their operations, in respect of physical harm, material and immaterial damages caused to third parties, outside of the responsibility of the nuclear facilities operator and with the exception of certain losses traditionally excluded from the scope of the insurance, such as the collapse of land, damage related to asbestos, or damage resulting from computer viruses. The coverage levels for liability insurance are based on the amounts of coverage available on the insurance market, and the quantification of the risks reasonably foreseen by the group and identified by the operational units in particular when the business risk mapping is done.

(1) The composition of the Executive Committee (COMEX) at the date of this report is indicated in Chapter 1 Group presentation in Section 1.10 A responsible and fully committed governance.

Insurance specifically covering the activities of a nuclear facility operator

International nuclear liability law is distinct from general civil liability law in that the operator of the nuclear facility causing the damage has sole liability. Its liability is objective ("no fault"), for which there are few exemptions. The operator of a nuclear facility is therefore required to compensate the victims for any physical injury and property damage they have suffered and for this purpose must maintain a financial guarantee (generally, an insurance policy), in order to cover its liability, for a limited amount.

This arrangement is defined by international conventions, including the Paris Convention of July 29, 1960 as amended, supplemented by the Brussels Supplementary Convention of January 31, 1963. Orano's nuclear facilities are all located in France, where, since February 18, 2016, pursuant to law No. 2015-992 of August 17, 2015 on the Energy Transition for Green Growth in France, the TECV law, the operator's liability is capped at 700 million euros per nuclear accident in a nuclear facility, at 70 million euros in a reduced-risk facility (Article L. 597-28 of the French Environmental Code) and at 80 million euros per nuclear accident during transportation (Article L. 597-32 of the Environmental Code).

One group ICPE (Orano DS in Bollène) appears on the list of sites benefiting from reduced liability amounts, pursuant to decree No. 2016-333 of March 21, 2016 implementing Article L. 597-28 of the French Environmental Code related to liability in the field of nuclear energy.

For its regulated nuclear facilities (INB) in France and its other facilities abroad, as well as for its nuclear transportation operations, group companies are covered by the insurance program to which

Orano has subscribed. These insurance policies comply with the international conventions governing nuclear operator liability, as well as the aforementioned law No. 2015-992, including in terms of liability limits.

Property and business interruption insurance for nuclear operations

Due to the nature of the potential damage to the facilities, this type of insurance is available only through pools or through specialized mutual insurance companies capable of providing the necessary coverage. The limits of coverage for this type of insurance are based on the estimated replacement value or on an estimate of the maximum possible loss (MPL). Insurance coverage for some facilities can be up to 1 billion euros.

Mining operations are not covered by property and business interruption guarantees for the nuclear scope, but rather are covered by specific programs controlled by Orano's Insurance Department.

The risk that the coverage terms of the insurance policies are not met or that the ceilings for this coverage are met and that thus the policies are insufficient to fully cover the consequences of a disaster cannot be ruled out.

3

3.2.2.2 Outlook and trends in 2021

Insurance programs will be renewed out in April 2021 for the Orano group in the context of sharp price increases in the corporate risk insurance market.

3.3 Risk factors

The list of the group's risk factors is presented in this chapter. Their order of appearance and the materiality grid below reflect the degree of potential impact that the Orano group has assigned to its risks:

Risk families in the Orano manual/Risk presented	Non-financial performance statement ⁽¹⁾	Duty of care ⁽¹⁾	Sections of the 2020 Annual Activity Report
Political and economic context	√	-	3.3.1
Risks of plant obsolescence	√	-	3.3.2.2/4.4
Risks related to end-of-lifecycle operations	√	√	3.3.2.2/3.4/4.4.5
Risks related to the group's business activities			
Risk related to major projects	√	√	3.3.2.3/3.4/4.6/4.7
Risks related to subcontracting and suppliers	√	√	3.3.2.4/3.4/4.7.1
Risks related to cybersecurity			3.3.2.5
Risks related to transportation safety and security			3.3.2.6
Risks related to uranium resources and reserves			3.3.2.7
Nuclear safety and environmental impacts	√	√	3.3.3/3.4/4.2.1/4.4.4
Risks related to health and safety of people	√	√	3.3.4/3.4/4.3
Contractual and commercial risks	-	-	3.3.5.1
Commercial and legal risks	Risks and disputes affecting the group	-	3.3.5.2
Financial risks		-	3.3.6
Risks related to transformation and human resources	√	√	3.3.7/4.3
Compliance, integrity and ethics	Risks associated with corruption and influence peddling	√	3.3.8/3.4/4.2.3
	Risks of tax evasion	√	3.3.9/3.4/4.2.3

(1) The cross-reference table of the data required in the non-financial performance statement (Articles L. 225-102-1 and R. 225-104 to R. 225-105-2 of the French Commercial Code) and those required by the French Duty of Care law (Article L. 225-102-4 of the French Commercial Code) can be found in Section 4.8.3 of this Annual Activity Report and in the report of the independent third party on the non-financial performance statement, in Section 4.9.

The elements of the duty of care plan are also described in Section 3.4 of this chapter.

Measures combating food waste, food scarcity, or promoting animal welfare and responsible, fair and sustainable food policy are not relevant to Orano's operations. Consequently, they are not treated in this document.

On March 11, 2020, the World Health Organization declared that the Covid-19 coronavirus that appeared in China at the end of 2019 was a pandemic, in recognition of its rapid spread across the globe. This crisis has affected the functioning of our industrial platforms and completion of our projects as well as the group's financial position. However, it highlighted the group's resilience

with the rapid implementation of business continuity plans, and the financial impact on 2020 remains limited.

This health crisis was reflected in the following risks (the references correspond to those in the table above):

- Political and economic context (Section 3.3.1);
- Risks related to the group's business activities (Section 3.3.2);
- Risks related to subcontracting and suppliers (Section 3.3.2.4);
- Risks related to health and safety (Section 3.3.2.4); and
- Financial risks (Section 3.3.6), without creating a liquidity risk.

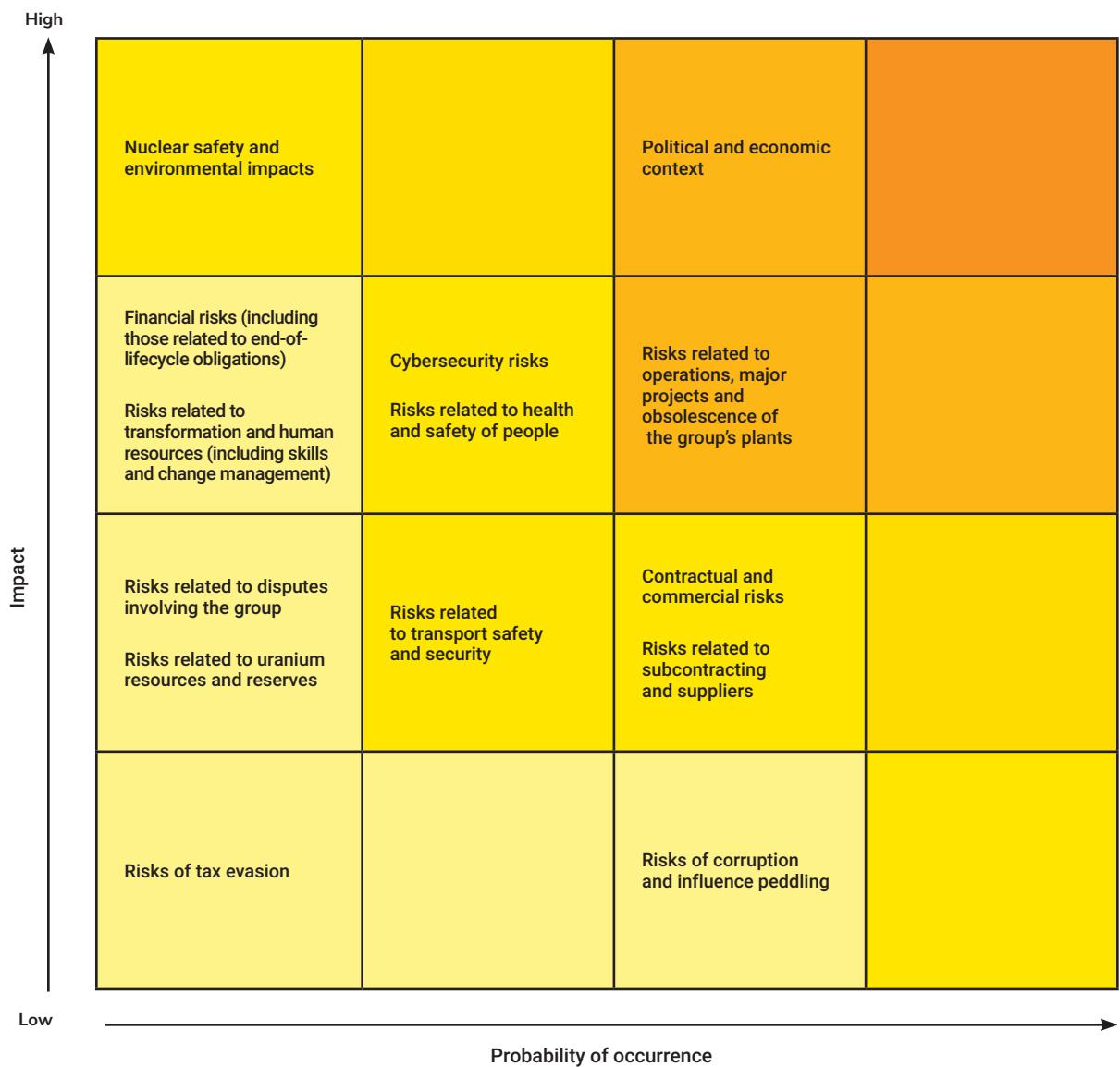
From the first lockdown, the group implemented crisis management, taking into account its national and international locations. In this context, the group has taken all the measures required to protect the health of its employees and keep its industrial facilities safe while ensuring the continuity of the activities required to supply its customers.

In France, this means ensuring in particular business continuity for its customer EDF and the group's strategic projects, with all

protection measures regarding health, safety and security. A heightened focus is in place for all other group locations where the Covid-19 epidemic is liable to spread, and particularly the remote areas with limited medical infrastructure, where most of its mines are located.

Given the uncertainties regarding the development of this crisis in 2021, the entire system put in place in 2020 remains in force at the publication date of this document.

MAPPING OF RISKS FOR THE ORANO GROUP IN 2020



Source: Orano

3.3.1 Political and economic context

3.3.1.1 Risks related to French energy policy

The Multi-Year Energy Program (PPE), in its version adopted by Parliament in September 2019 and incorporated into the energy-climate law, is the management tool provided for by the French law on the energy transition for green growth (LTECV). It has set a clear framework for the evolution of the share of nuclear energy, which is expected to drop to 50% of the French energy mix by 2035. It also reaffirmed the strategic nature of the recycling of used fuel.

After 2035, various elements concerning the future energy mix could impact Orano's business.

At the request of the government, the manager of the electricity transmission network (RTE) is working on a series of energy mix scenarios for 2050, including several "100% Renewable Energies" scenarios, which were the subject of a progress report in January 2021 dealing only with the technical feasibility, excluding the constraints of costs and impacts on purchasing power and acceptability expected to be addressed in a second step.

The PPE also leaves open the question of the construction of additional new-generation EPR nuclear reactors.

In conjunction with the French nuclear industry association (GIFEN), Orano continues to promote an energy mix that includes a significant share of nuclear energy, the only low-carbon energy source capable of ensuring continuous mass production of electricity and economically competitive in the long term, with a low regional footprint and which preserves French purchasing power.

3.3.1.2 Risks related to the energy policies of other countries and the European Union, to taxonomy and to the geopolitical environment in some countries

The group remains exposed to the risk that the energy policies of certain States may affect the prospects of the nuclear industry as a whole. At the European Union institutions, the political challenge is apparent in the risk that nuclear energy will be excluded from European energy policy instruments: the taxonomy of sustainable activities, the "green pact", and instruments for financing the energy transition.

Orano is committed, alongside other industrial players and non-governmental organisations, to advocating with the European Commission the rapid classification of nuclear energy as a transitional energy in view of its key contribution to decarbonization.

The group is also exposed to the risks of political instability or insufficient respect for the rule of law in some of its host countries, particularly in the context of its mining operations. These two risks

can lead to civil unrest, expropriation, nationalization, changes in legal or tax systems, monetary restrictions, and renegotiation or cancellation of currently valid contracts, leases, mining permits and other agreements. Moreover, acts of terrorism can generate socio-political turmoil and jeopardize the physical safety of the group's personnel and/or facilities.

Lastly, political pressure could lead some of our competitors, closely linked to foreign powers, to make decisions influenced by considerations other than profitability and to benefit from financing on advantageous and non-market terms.

3.3.1.3 Risks related to the possible requalification of certain recoverable nuclear materials

In the framework of the French national plan for the management of radioactive materials and waste (PNGMDR), certain nuclear materials, in particular depleted uranium stocks, could be reclassified as waste.

Orano defends a position that meets French strategic interests: in addition to its possible industrial uses, the stock of depleted uranium plays a role as a strategic uranium reserve for the supply of the nuclear fleet in the event of a supply disruption.

The treatment of contingent liabilities is indicated in Note 33 of the consolidated financial statements in Section 6.1 *Consolidated financial statements – financial year ended December 31, 2020*.

3.3.2 Risks related to the group's business activities

3.3.2.1 Risks of plant obsolescence

The obsolescence of production plants, and their ability to function in a nominal way and in compliance with the regulatory commitments, represents a major challenge for the Orano group. Industrial facilities are covered by maintenance programs designed to monitor and anticipate the aging of equipment. Regarding regulatory commitments, the group's "regulated nuclear facilities" undergo safety inspections every 10 years.

The French nuclear safety authority also conducts very regular independent audits to ensure the reliability of the facilities and the ability of the Orano group as a nuclear operator to operate them in compliance with safety and security standards. In addition, the various nuclear operators are part of WANO (World Association of Nuclear Operators) to share their know-how for greater safety.

The way in which the group maintains and renews its facilities, operates them efficiently by deploying operational excellence on a daily basis, while seeking to reduce their footprint, is described in Section 4.4 of Chapter 4.

3.3.2.2 Risks related to end-of-lifecycle operations

As operators of regulated nuclear facilities (*installations nucléaires de base, INB*) and industrial facilities covered by legislation on environmentally regulated sites (*installations classées pour la protection de l'environnement, ICPE*), the group's legal entities have an obligation to ensure the safety and dismantling of those facilities during their final shutdown, in whole or in part, and/or to restore the sites, and to manage the products resulting from these operations.

Future expenses associated with the end-of-lifecycle obligations of nuclear facilities and with the remediation of regulated industrial facilities have been identified, and specific provisions have been constituted by the legal entities which operate those facilities. The rules related to provisions for end-of-lifecycle operations are described, Note 12 to the consolidated financial statements, *End-of-lifecycle operations* in Section 6.1.

Apart from the financial aspects, the main risks likely to impact the cost of end-of-lifecycle operations relate in particular to:

- identification of discrepancies between the original condition of legacy facilities or legacy waste and their actual condition;
- changes in regulations, particularly with respect to dismantling, the target final condition of the facilities and soils after dismantling, the storage solutions used or the requalification as waste of radioactive materials currently still considered to be reusable (see also Section 3.3.1.3);
- technical and financial uncertainties in radioactive waste management processes that may lead to delays and a shift in project implementation costs (packaging, transport and storage costs), particularly for waste that does not yet have a definitive channel; and
- a decrease in the net discount rate that would increase the present value of end-of-lifecycle liabilities (see Section 3.3.6.1 *Financial risk on assets and liabilities related to end-of-lifecycle operations*).

End-of-lifecycle costs or liabilities are quantified in two principal ways, depending on the lifecycle phase of the nuclear facility. The first is to evaluate the future costs before the INB is put in service and the second is to draw up an operating estimate at the start of the project phase of the dismantling operations. These figures also include the evaluation of margins for risks and contingencies, which are included in Orano's provisions for end-of-lifecycle expenses.

Section 4.4.5 details the actions to reduce and recover radioactive waste.

3.3.2.3 Risk related to major projects

The group develops project management activities as part of the renewal or development of its own industrial or mining facilities, as part of its activities on behalf of third parties or as part of decommissioning projects.

In addition to exogenous factors (geopolitical, regulatory, or related to third parties), which may impact the completion costs of major

projects, the group may be faced with technical problems inherent to the complexity of the projects handled or related to the equipment supplied, the financial strength of suppliers/subcontractors or the loss of key skills.

Faced with strategic challenges such as the recent renewal of its industrial facilities upstream of the cycle, the sustainability of downstream facilities or the management of dismantling projects specific to the group or on behalf of third parties, the group is rolling out an excellence plan by 2022 focusing in particular on supplier quality, project governance, skills management, and "doing it right the first time".

Sections 4.6 and 4.7 of Chapter 4, below, describe the way in which the group innovates, designs and manages its major projects taking into account their environment in a committed and responsible manner.

3.3.2.4 Risks related to subcontracting and suppliers

Due to the nature of the Orano group's business, the main risks relating to the supply chain to which the group could be exposed are identified in the following areas:

- occupational health and safety;
- nuclear safety and the environment;
- delays or drift in the costs of industrial projects or commercial contracts; and
- human rights and fundamental freedoms.

The group's purchasing activities are governed by the group's purchasing and supply chain process. Orano's documentation framework for subcontracting and purchasing is described in Section 4.7.1.

The Corporate Supply Chain Department works closely with the group's Quality, Health, Safety and Environment, Legal, and Compliance Departments to ensure that suppliers meet benchmarks such as ISO 9001, ISO 14001, OHSAS 18001, and the regulations on regulated nuclear facilities (INB Decree) and the compliance requirements related in particular to the prevention of corruption and influence peddling.

In accordance with the Order on regulated nuclear facilities (*installations nucléaires de base*), Orano's various Business Units monitor their service providers, duly inspected by the authorities, as appropriate to meet the relevant requirements. In order to identify the suppliers and subcontractors that can potentially present risks, the group uses three basic criteria:

- the volume of annual purchases made with the supplier or subcontractors;
- the business segment; and
- the geographic location of the activity.

The regular review of third-party subcontractors and suppliers thus enables better prevention of compliance and non-financial risks and risks related to the duty of care, as well as the reporting of weak signals. The health crisis in 2020 also gave rise to a support plan for sensitive suppliers.

The assessment of third parties is an essential pillar in the prevention of corruption and influence peddling in accordance with Sapin II. These third-party subcontractors and suppliers are required to comply with the group's Code of Ethics and the group's general purchasing conditions, requiring in particular strict respect for human rights. The system and the actions carried out are detailed in Sections 4.2.3 and 4.7.1.

3.3.2.5 Risks related to cybersecurity

Faced with the emergence of cyber-attacks, their intensification and their constant evolution, concerns related to cyber risks have increased considerably and resulted in a structured action plan.

The Cybersecurity plan implemented within Orano aims to address the following six major risks:

- compromised confidentiality of business and technical data;
- compromised integrity of business and technical data;
- unavailability of business services;
- loss of ability to detect and/or investigate;
- massive, widespread compromise of the information system; and
- inability to meet legal and industry obligations.

The plan was devised along the lines of prevention and protection (identifying the risk and preventing its occurrence), detection and reaction (detecting the incident and eliminating and/or thwarting it), and resilience (reducing the impact and maintaining essential services).

The actions taken concerned in particular the strengthening of information systems security governance, improving the cybersecurity culture, the evolution of in-depth defense systems, improving the protection of data centers and industrial sites, as well as business continuity. Regular audits make it possible to measure the effectiveness.

3.3.2.6 Risks related to transportation safety and security

The international agreements concerning the various modes of transportation of hazardous materials define the categories of transportation and the types of models of packages, according to the safety issues involved. Each country writes these principles into its national regulations (for example in France: the TMD decree on hazardous materials transportation, issued by the Ministry of Ecological and Inclusive Transition). Every subsidiary of the Nuclear Packages and Services BU manages itself in a way that complies with these provisions.

The group is nonetheless exposed to the risk of accidents during the transport of "nuclear" or hazardous chemical substances by rail, sea or road. It remains dependent on government infrastructure through which transport may transit and on possible malicious acts or terrorism. This is particularly true for transport operations linked to the group's activities in Niger.

In order to manage the risks of its transport activities, the Nuclear Packages and Services business deploys a "transport supervision" process at group level, aiming to control operational risks, safety, physical, media and industrial protection of transport involving Orano.

Orano has a transportation monitoring organization that analyzes risks, establishes action plans, oversees shipping operations and manages emergencies around the globe. Its real-time transport monitoring center gives it permanent access to information on the transport operations it carries out, in conjunction with the State services for sensitive transportation. A crisis management unit can be mobilized in the event of an incident.

Faced with the risk of incidents during the transportation of radioactive and nuclear materials, these are subject, as are other nuclear operations, to the concept of "in-depth defense" in order to ensure their safety and protect people, goods and the environment on public land. This system of defense consists of setting up a series of barriers (packaging performance, observance of safety and security requirements and arrangements for crisis management) to prevent accidents and limit their consequences. The design of the shipping cask is the main component of this system. For the highest risk shipments, the design, manufacture and use of packaging for the transportation of nuclear and radioactive materials undergo an assessment process by the competent authorities (in France: the ASN, the French nuclear safety authority).

3.3.2.7 Risks related to uranium resources and reserves

Orano's uranium reserves and resources come from estimates made by the group in accordance with the best international standards, based on geological assumptions (developed in particular on the basis of geological surveys) and economic assumptions. The evaluation of uranium reserves and resources is subject to an annual review according to changes in geological assumptions, valuation methods and/or economic conditions. The purpose of the Reserves and Resources Committee, involving independent external experts, is to monitor the actions taken to improve and ensure the reliability of reserves and resources, and to validate the level of reserves and resources prior to the publication of the annual report.

Moreover, uranium price fluctuations, production cost increases and declining mining and milling recovery rates can affect the profitability of reserves and require their adjustment.

3.3.3 Nuclear safety and environmental impacts

The group manages the internal and external risks related to the safety and environment of the facilities across all the group's operations by relying on:

- the skills of the operational teams, trained in operating instructions;
- environmental safety departments present as close as possible to operations;
- a crisis management organization that is tested regularly; and
- coordination of the business lines of the sites or entities by the central HSE department, in particular to share information on achievements, best practices and events in order to prevent risks and promote improvement actions. The main indicators of prevention and outcomes are stable.

The compliance of the measures taken and their application are regularly checked by the competent authorities and, in particular in France, by inspectors from the French nuclear safety authority (ASN), the regional departments for the environment, planning and housing (DREAL) and the High Defense and Security Officer (HFDS) of the Ministry for the Ecological and Solidarity Transition (MTES).

The indicators and actions taken are detailed in Sections 4.2.1 and 4.4.4.

The group's Nuclear Safety – Environment policy, renewed for the 2017-2020 period, aims to continuously improve our safety culture and strengthen prevention actions in the face of risks related to the occurrence of a nuclear or industrial accident, classified as level 2 or higher on the INES or ARIA scales, and which could cause significant contamination of protected interests (e.g. significant contamination of the environment) or the consequences of natural phenomena (earthquakes, for example) or climate disruption that could generate extreme damage to the sites (tornado, flooding):

- the internal risks to which the Orano group is exposed may be of nuclear origin (criticality accident, thermal release, radiolysis, breach of containment), or of an origin related to any industrial activity (handling, fire, chemical substances or toxic raw materials such as hydrofluoride, pressure vessels or services such as water, industrial gases and electricity); and
- the risks of external origin mainly concern aircraft crashes, earthquakes, climatic hazards and other risks arising from potential external events such as the loss of energy or utilities (water, steam, compressed air, etc.);

Faced with the risk of malicious acts, special measures are taken to protect nuclear facilities and shipping from terrorism. These measures are strengthened under national security plans (such as the French "Vigipirate" plan). For security reasons, these measures may not be disclosed to the public.

These risks therefore concern all of the group's industrial facilities, whether they are regulated nuclear facilities or industrial facilities covered by the legislation on facilities classified for the protection of the environment (ICPE), or similar outside of France. The nuclear industry is one of the most regulated industries in the world. Anomalies and incidents are reported to the administrative authorities and the public is informed.

The prevention of risks of nuclear origin is based on:

- a systematic analysis of potential technical, human or organizational failures;
- the definition of methods for preventing events of concern, and for detecting and controlling incidents and accidents;
- the definition and implementation of successive and independent lines of defense to guard against the potential consequences of these failures;

- the implementation of these principles during the facility design phase, during the industrial production and maintenance phases, and during cleanup and dismantling after the end of production operations; and
- the sharing of information related to nuclear safety and security at the global level through active participation in WANO (World Association of Nuclear Operators), whose mission is to maximize the safety and reliability of nuclear facilities worldwide through reciprocal assessments, inter-comparison, mutual assistance and sharing of best practices among its members.

The various conventional industrial risks (fire, chemicals, etc.) are tailored, as in the case of nuclear-based risks, to the nature of the risk and in compliance with the regulatory requirements defined for each technical field: safety systems, fire containment, detection, ATEX rules for explosive atmospheres, separation of incompatible chemicals, etc. These technical measures are supplemented as necessary by compliance inspections, periodic verifications and maintenance, and operator training and/or certification.

In addition to the measures adopted to prevent the risks of an incident or accident and limit the consequences to the greatest possible extent, sites in possession of nuclear materials must take measures to prevent the loss, theft or diversion of the materials held in the facilities, or any act that might result in their dispersal in the environment. As with nuclear safety, the measures taken are based on the principle of "in-depth defense".

With regard to the prevention of risks of external origin, studies are carried out to assess each of the risks identified and to determine the means of limiting the consequences, including in the case of deliberate attacks. These risks are taken into account from the design stage of the facilities and incorporate local specificities. The competent authorities, including, for France, inspectors reporting to the Senior Defense and Security Official of the Ministry for Ecological and Solidarity Transition, regularly verify compliance with and proper application of these measures.

Although a serious event with major consequences around our sites cannot be completely ruled out, the extra measures taken to improve a culture of safety directly among our people on the ground make us confident in our ability to control any such occurrence. Furthermore, an additional factor in the overall improvement of the safety of our activities has been a reinforcement of our crisis organization and our procedures for limiting consequences and supporting a site in difficulty. Orano has a robust crisis management system to manage emergency situations relating to the safety of the facilities, as well as their security, the health of employees and of the public and the environment. This system is described in Section 4.2.1.

3.3.4 Risks related to health and safety

In the course of their activities, the group's employees are exposed to radiological, chemical and conventional risks (falling loads, cuts or stings). Exposure to a pandemic risk can also impact the business, as demonstrated by the Covid-19 health crisis.

In the context of this health crisis, the group identified very early on the need to set obligations and practical recommendations to be implemented by its employees and subcontractors: preventing contagion in establishments required that close attention be paid to obligations and that the recommendations validated by the Executive Committee be implemented. Doctors and the health professionals of the group remained available at all times to manage the cases of sick employees, or where contagion was suspected, to answer questions regardless of the employee's Orano entity.

Renewed for the 2017-2020 period, the group's Health, Safety and Radiation Protection Policy is implemented within each entity by incorporating the risks associated with its activities and identified in the Single Risk Assessment Document and taking into account feedback from accidents or events that have occurred within its scope. This policy aims to continuously and sustainably improve the group's results and strengthen prevention actions.

Orano undertakes to ensure appropriate monitoring of occupational health for all employees by:

- the roll-out of a multi-year health and safety prevention plan for the group's employees (following "sight", the theme of dermatology was initiated in 2020);
- defining and applying international medical standards for medical surveillance of occupational hazards;
- strengthening the governance of occupational health actions and by giving increased attention to the quality of working life, especially as concerns the prevention of occupational stress;
- continued internalization of employees in the group's occupational health service in France; and
- a health services business continuity plan implemented during the Covid-19 pandemic.

This commitment is based on the prevention and control of industrial risks for employees and external stakeholders by:

- implementing a rating of the severity of the potential consequences of security events (Orano HIPO standard) and the consolidation of security anchors;
- applying the ALARA approach (As Low As Reasonably Achievable) in order to have the lowest possible dosimetry absorbed by the workforce. Monitoring of facilities' radioactivity has helped limit the hazard of ionizing radiation, as well as maintain facilities' radiological cleanliness.

The group manages risks related to the health and safety of people by relying on Health, Safety and Radiation Protection Departments,

which are present as close as possible to operations. For each of the safety, radiation protection and health areas, a business network of sites or entities, in charge of local improvement actions and coordinated centrally by the HSE Department, makes it possible to share experiential feedback from accidents or events that have occurred.

The indicators and actions taken are detailed in Section 4.2.2 of Chapter 4, below.

3.3.5 Commercial and legal risks

3.3.5.1 Contractual and commercial risks

Risk associated with dependency on the group's customers

A significant portion of Orano's revenue is generated with the EDF group. This revenue depends on the extent of EDF's nuclear fleet, which could be impacted, in the medium term, by the Multi-Year Energy Program (PPE) presented on November 27, 2018 pursuant to the Law of August 17, 2015 on the energy transition. As part of maintaining the nuclear fuel recycling policy in France, Orano, in collaboration with EDF and the CEA, is studying the use of MOX fuel from recycling in the 1300 MW reactors and future EPRs. Apart from EDF, Orano's main customers do not represent a significant risk of dependency given their geographical distribution and their revenue with the group.

Breach of contractual commitments

The Orano group, like all other companies, is exposed to the risk of default by its customers for the payment of its products and services and/or by its suppliers for the performance of certain services or for the delivery of certain products. This risk marginally increased in 2020 for suppliers who may be weakened by the consequences of the health crisis despite the support plan for vulnerable suppliers implemented by Orano. (See Section 3.3.2.4, which details the risk management related to subcontracting and suppliers.)

Non-renewal or termination of concessions related to the group's mining operations

The group's mining operations involve concessions (or other legal arrangements to that effect) or partnerships, which despite the relatively long terms, expose it to the risk of non-renewal or termination, in particular in countries that suffer from a certain degree of political instability as mentioned in Section 3.3.1.2 Risks related to the energy policies of other countries and the European Union, to taxonomy and to the geopolitical environment in some countries.

Multi-year contracts

The Company has to sign long-term contracts with indexed prices. These contracts are an opportunity in terms of visibility over the coming years and a protection against significant declines in the prices of materials and services offered by Orano. They may also prevent the group from fully benefiting from increases in these same prices and may, however, also be an obstacle to the passing on of certain sharp increases in the cost of its supplies. Faced with these risks, the group implements contractual policies aimed at defining floor prices or economic disruption clauses.

3.3.5.2 Risks and disputes involving the group

The Company is exposed to the risk of disputes that could lead to civil and/or criminal penalties.

Uramin

In June 2018, Orano SA and Orano Mining entered into the "acquisition" part of the judicial investigation in the Uramin case. AREVA SA, the former holding company of the AREVA group, filed a civil suit as part of this investigation following a "notice to victim" received from the investigating magistrate in charge of the case in 2015. The Orano group intends to defend its interests through Orano SA and Orano Mining. The judicial investigation is still in progress and no date concerning a possible judgement has been put forward to date.

Investigations

The Company has been aware since November 28, 2017 of a preliminary investigation opened by the National Financial Prosecutor's Office at the end of July 2015 concerning a uranium trading transaction executed in 2011. It also learned, on November 23, 2020, of the opening of a judicial investigation in the same case. It is also aware, since August 27, 2018, of an investigation into the circumstances surrounding the granting of mining licenses in Mongolia. Orano is working with the legal authorities in connection with these legal proceedings, which are ongoing. If it turns out that there has been misappropriation or any other act that may have harmed the group, Orano will take the necessary legal action to defend its interests.

Appeals against certain administrative decisions concerning the activities of the Orano group

The activities of the Orano group require various authorizations or administrative decisions (such as prefectoral orders, building permits, etc.). These decisions are sometimes challenged, in France and on behalf of associations, which in certain cases can impact the timetable for carrying out the relevant activities.

Comuf

On January 30, 2019, an association of former workers summoned Comuf (Compagnie Minière d'Uranium de Franceville), a subsidiary of Orano Mining, before the Civil Court of Libreville (Gabon), alleging a breach of the safety of former workers, who were supposedly exposed to chemicals and radiation from uranium matter. By a judgment of May 14, 2019, the suit brought by this former workers' association was dropped due to a procedural irregularity in the summons. The association has not, to date, filed a new summons with the court. Orano has always made the protection of its employees a priority. The evidentiary items disclosed to date do not demonstrate the existence of damage attributable to Comuf, nor the admissibility of the action.

Release of the Arlit hostages

On October 6, 2016, the manager of a protection services company summoned AREVA SA and Orano Cycle SA before the Nanterre Tribunal de Grande Instance to obtain payment of a success fee that he claims to be due for services purportedly rendered to the Orano group in Niger between September 2010 and October 2013. AREVA SA and Orano Cycle SA believe that these allegations are unfounded. Concurrently with the procedure, the parties to the dispute have worked to find a resolution via court mediation, which has not been successful, despite the efforts made by AREVA and Orano to reach a compromise. The procedure on the merits therefore resumed in 2020. Even if the court should not accept the Orano group's position, the financial impact would be limited, though it could entail other, indirect consequences, such as in the media.

Katco

Katco is currently in litigation with the Ministry of Energy due to the latter's refusal to sign amendment 10 to the contract for the use of the subsoil concerning the changes made to the extraction program from 2020 to 2034. On December 24, 2020, Katco filed a claim with the Supreme Court of the Republic of Kazakhstan challenging the position and inaction of the Ministry of Energy with a view to signing this amendment.

Due to the uncertainty inherent in court decisions, the current position of the Ministry of Energy could affect Katco's ability to operate in the medium term at its contractual capacity. However, the management of Katco, supported by its shareholders, is taking action to resolve the situation.

Tax proceedings and disputes

The group, comprising entities located in different countries, undergoes regular audits by the tax and customs authorities. Several audits and tax-related proceedings or disputes have been initiated or are currently being conducted by those authorities or in the courts. However, none are expected to give rise to, or has given rise to, material tax expense that could have a significant impact on the financial statements. The group considers that it has sound means of defense and that it employs the legal procedures available to it to prevent any unfavorable outcome.

3.3.6 Financial risks

Orano has an organization dedicated to implementing financial risk management policies approved by Executive Management for centralized management of the exposure to foreign exchange, commodity, interest rate and liquidity risks.

In the Finance Department, the Financial Operations and Treasury Management Department (DOFT) engages in transactions on financial markets and acts as a central desk that provides services and manages the group's financial exposure. The organization of this department ensures the separation of functions and the necessary human, technical, and information system resources. Transactions handled by DOFT cover foreign exchange and commodities trading, interest rates, centralized cash management, internal and external financing and interest rate risk management, financial liabilities and investments, and asset management.

3.3.6.1 Financial risk for assets and liabilities related to end-of-lifecycle operations

The group holds a significant portfolio of listed assets (equities, bonds, mutual investment funds and third-party receivables) earmarked to fund its future end-of-lifecycle obligations. This exposes it to fluctuations in financial markets. The listed assets held by the group are thus subject to the volatility risk inherent in the financial markets.

Despite the group's prudent management strategy for assets related to end-of-lifecycle obligations, outside economic factors may have an unfavorable impact on the coverage ratio of end-of-lifecycle liabilities by earmarked assets, and thus the group's financial position. Such factors may involve:

- an unfavorable development in the financial markets that could pose a risk of lower performance of the assets versus the assumptions currently retained or any further change to the regulations on earmarked assets (see Section 3.3.2.2); and
- a reduction in the net discount rate that would increase the present value of end-of-lifecycle liabilities.

The group is thus exposed to changes in the value of the financial instruments in its portfolio of earmarked assets, in particular bonds and mutual investment funds. The equity risk on the shares held in the portfolio of assets earmarked for end-of-lifecycle operations is an integral component of asset management, which uses shares to increase long-term returns as part of its allocation between bonds and equities.

If the earmarked assets are insufficient liabilities, the group has a maximum of five years, to supplement the earmarked funds so as to restore the liability coverage ratio above 100%. The additional funding plan would result in an unfavorable impact on the group's cash flow and net financial debt.

In addition, the group is also exposed to a decrease in the net discount rate on its provisions for work to be carried out.

See also Section 6.1 *Notes to the consolidated financial statements*, Note 29 *Financial instruments*.

3.3.6.2 Management of counterparty risk related to the use of derivatives and to the investment of cash management

The group is exposed to the risk of counterparties linked to cash deposited with banking institutions and the use of financial derivatives to hedge its risks.

The group uses different types of financial derivatives to manage its exposure to foreign exchange and interest rate risks. It mainly uses forward currency purchases and sales, interest rate derivatives (swap contracts, futures or options) to hedge these types of risks. These transactions involve exposure to counterparty risk when the contracts are concluded over the counter.

In addition, almost all of the group's cash is centrally managed, in accordance with an internal policy which defines the authorized products and placements. The group's cash is exposed to counterparty risk, primarily banking risk.

To minimize these risks, the group's Treasury Management Department deals with diversified, top-quality counterparties, selected based on their investment grade ratings in the Standard & Poor's and Moody's rating systems. Moreover, a framework agreement, for example, is systematically put in place with counterparties likely to deal with derivatives.

The limits allowed for each counterparty are determined based on its rating and the type and maturity of the instruments traded. Assuming the rating of the counterparty is not downgraded earlier, the limits are reviewed at least once a year and approved by the group's Chief Financial Officer. The limits are verified in a specific report produced by the internal control team of the group Treasury Management Department. During periods of significant financial instability, which may entail an increased risk of bank default and which may be underestimated by ratings agencies, the group tries to monitor advanced indicators such as the value of the credit default swaps (CDS) of the eligible counterparties to determine if limits should be adjusted.

To limit the counterparty risk on the market value of its commitments, the group has set up a mechanism for margin calls with its most significant counterparties concerning interest rate transactions (including foreign exchange and interest terms and conditions).

3.3.6.3 Foreign exchange risk

In view of the geographic diversity of its locations and operations, the group is exposed to fluctuations in exchange rates, particularly the dollar/euro exchange rate. The volatility of exchange rates may impact the group's currency translation adjustments, equity and results.

The main Business Units with significant exposure to the risk of the US dollar's depreciation against the euro are Mining and Chemistry-Enrichment, due to their geographically diversified locations (local currencies: euro/FCFA, Canadian dollar, Kazakh tenge) and to their operations denominated primarily in US dollars, which is the reference currency for worldwide prices for natural uranium

and uranium conversion and enrichment services. The foreign exchange risk to be hedged is managed globally by Business Unit and is net (some requirements in opposite directions of the same currency are offset, providing a natural hedge). For medium- and long-term exposures, the amount of the hedge is set up according to a gradual scale for a duration based on the highly probable nature of the exposure, generally not exceeding five years.

As provided in the group's policies, operating entities responsible for identifying foreign exchange risk initiate hedges against their own currencies exclusively with the group's Treasury Department, except as otherwise required by specific circumstances or regulations. The Treasury Department, which centralizes the foreign exchange risk of the entities, then hedges its position directly with the banking counterparties. A system of limits, particularly concerning authorized foreign exchange positions and results calculated "mark to market", is monitored daily by specialized teams which are also in charge of the valuation of the transactions.

See also Section 6.1 Notes to the consolidated financial statements, Note 29 *Financial instruments*.

3.3.6.4 Interest rate risk

The group's exposure to fluctuations in interest rates encompasses two types of risk:

- a risk of change in the value of fixed-rate assets and liabilities; and
- a risk of change in cash flows related to floating-rate assets and liabilities.

The group uses several types of derivatives, depending on market conditions, to allocate its financial liabilities and investments between fixed rates and floating rates, with the goal being mainly to reduce its borrowing costs while optimizing the management of its cash surpluses.

See also Section 6.1 Notes to the consolidated financial statements, Note 29 *Financial instruments*.

3.3.7 Risks related to transformation and human resources

In the context of the health crisis and internal transformation, benefiting from a calm social climate and the skills necessary for its present and future activity are essential challenges for the group.

In order to anticipate these risks in 2017, the group set up an annual measurement of the social climate via the "Orano Vox" internal barometer. Local action plans, notably involving local management, are implemented to inform and support transformation projects, remote working, quality of life at work, disability and parenthood agreements have also been implemented within the group.

To meet the challenge of maintaining critical skills, attracting new talent, both starter and experienced, to adapt its workforce to its

needs and to identify the skills the group will need for its future development, the group has put in place a global approach based in particular on tight management of skills, an active, diverse and visible recruitment policy, the expansion and digitization of its training offer and the development and renewal of its expertise, in conjunction with other major players in the nuclear sector (EDF, CEA, etc.). In 2020, the group completed more than 1,000 permanent hires. It also continued to renew its pool of experts. In order to increase its appeal, it conducted an employer brand campaign and a campaign on social networks, specifically for the recruitment of 500 work-study students, who will enter its pool of future employees.

These actions are detailed in Sections 4.3.2 and 4.3.3 of Chapter 4.

3.3.8 Risks of corruption and influence peddling

Orano wishes to be an exemplary group in terms of ethics and compliance. Accountability, fairness and openness to dialogue characterize the group's conduct. The group's geographical footprint and the nature of its operations could expose it to the risk of violating applicable laws and regulations, including those related to corruption and influence peddling, as well as the risk of failing to comply with its internal rules.

Allegations of corruption or influence peddling can have an adverse impact on the reputation of the group, its managers and employees, as well as on its activities. In accordance with the regulatory framework including French law no. 2016-1691 of December 9, 2016 on transparency, the fight against corruption and the modernization of economic life, known as the Sapin II law, the US Foreign Corrupt Practices Act and the UK Bribery Act, the group, its directors and its employees could also be exposed to investigations and administrative and/or legal proceedings that could lead to fines or criminal convictions. Certain measures may be imposed by the supervisory authorities allowing the review and strengthening of the program to prevent corruption and influence peddling under the control of a third party or an authority. All of these criminal, civil and administrative sanctions can damage the group's financial position and reputation.

In order to prevent the occurrence of these risks, Orano deploys a comprehensive and regularly updated anti-corruption compliance program within the group, in compliance with the Sapin II law in particular, as well as international standards. With the support of Executive Management and the Executive Committee, the Compliance Department defines the program to prevent corruption and influence peddling and oversees its implementation by relying in particular on its network of compliance correspondents, as part of an approach of continuous improvement to the system. This program promotes a culture of business ethics and transparency through a robust prevention policy based on strict rules of conduct as well as training and awareness-raising actions. The organization, resources and methods related to the deployment of this program are detailed in Chapter 4 in Section 4.2.3 *Ethics and compliance*.

3.3.9 Risks of tax evasion

In every country and region where it does business, the group ensures that it complies with the applicable tax laws and that, in accordance with the applicable regulations, the right amount of tax is paid based on the taxable income it earns. It further ensures that the principles enunciated by the OECD, as written into national legislation, are observed whenever it undertakes cross-border transactions.

In this context, the group specifies that it holds all the capital of a holding company established in the British Virgin Islands, a country with a privileged tax system. This holding company now only holds shares in the group's Namibian subsidiaries, which it does not

finance or manage. The group owns these shares, after they were acquired by AREVA as part of the purchase of the Uramin group. The status of the British Virgin Islands led the group to tax the Company's results in France in previous years. For several years now, as the company no longer has any activities, the annual results have been negative or balanced, and not significant. In addition, since April 1, 2020, the British Virgin Islands have returned to the French list of non-cooperative countries or territories, although they do not appear on the European Union list. The liquidation planned for several years is impossible to date, given a dispute to which it is party before the Namibian courts.

3.4 Duty of care plan

The Orano group's duty of care plan is based on four areas. The legal framework and the procedure for establishing the duty of care plan (Section 3.4.1) introduce the risks of serious harm identified by the group and the mitigation measures (Section 3.4.2). In accordance with legal requirements, the Orano group also implements the prevention measures identified by the law on the duty of care (Section 3.4.3) and ensures its effective implementation (Section 3.4.4).

3.4.1 Background and methodology

3.4.1.1 Background

In all of the regions in which Orano operates, it applies increasing vigilance with regard to the prevention of serious breaches of human rights and the health and safety of people as well as the environment, for the activities of its parent company, directly and indirectly controlled subsidiaries within the meaning of Article L. 233-16 of the French Commercial Code, as well as the activities of its subcontractors and suppliers with whom it maintains an established commercial relationship where these activities pertain to this relationship, it being understood that all of these companies are also obliged to comply with applicable local laws, especially with regard to the prevention of the aforementioned risks.

Orano monitors – and ensures that each of its employees and subcontractors monitors – its compliance with internationally recognized human rights, notably those set out in the United Nations Global Compact, including the elimination of all forms of forced or compulsory labor, the effective abolition of child labor, respect for freedom of association, privacy, movement, the right to collective bargaining, non-discrimination and all other types of violation of fundamental freedoms.

In order to define its duty of care plan, the group relies on strong ethical principles that have long underpinned its policy in terms of compliance, societal and environmental responsibility and respect for fundamental rights.

The regulated nature of its activities mean, the group is subject to strict prior authorization processes and controls by the competent authorities, which take into account their possible impacts on both local populations and the environment. It is also bound by particularly high standards of ethics and corporate responsibility, set out in its Code of Ethics (available on the Orano website www.orano.group).

The group's approach is one of continuous improvement, based on the identification and management of risks affecting people and the business, taking into account the operational context of its activities in relation to the various countries and people concerned.

The group's duty of care plan has been prepared in accordance with the provisions of law No. 2017-399 of March 27, 2017 on the duty of care for parent companies and principal contractors, transposing into French law the duty of care as defined by international CSR guidelines (the UN Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises). It sets out numerous identification, alert and monitoring procedures that have been in place within the group for several years and contains reasonable duty of care measures.

3.4.1.2 Methodology

In compliance with the law on the duty of care, risks of violations of human rights, personal health and safety and the environment have been included in the risk mapping established by the group since 2018. They are, in the same way as all topics identified, assessed using the risk management processes and methodology presented in this mapping (see Section 3.2 above).

The Risk and Internal Audit Department, reporting to group Executive Management, develops the methodological tools used in common throughout the group.

Risks are identified using a Business Risk Model (BRM) prepared for the operating units to use. The BRM lists, in a set number of families of risks, all of the situations or foreseeable or unexpected events that may impact on the health and safety of the staff, the environment, operations, strategy or financial results of the group, its compliance with current regulations, as well as its reputation or image. The BRM is designed to evolve over time by incorporating best practices and feedback from users, and changes made to regulations. The Orano Risk and Internal Audit Department, in collaboration with the Risk Managers of the Business Units (each of which has a network of risk managers in their operating entities), coordinates the deployment of the risk mapping process, and consolidates the risk assessment at group level. The risks identified are analyzed and ranked on three axes: impact, likelihood and degree of control.

A campaign is launched annually to assess the risks of serious violations, notably with regard to individual rights, fundamental freedoms, security and safety and the environment, taking into account in particular the impact of potential events on the achievement of the group's strategic and operational targets. Its main objectives are:

- the formal identification of every type of risk;
- the classification and ranking of these risks; and
- the definition and implementation of action plans to limit them.

The duty of care plan, included in the group's annual risk mapping exercise, is updated annually and is specifically included in the group's activity report submitted for approval by the Board of Directors. The risk mapping is overseen by the Risk and Internal Audit Department, which supports the group's entities in carrying out the mapping for which they are responsible.

For more details on the methodology, refer to Section 3.2.1 of the report.

3.4.2 Risks of serious breaches and mitigation action

The risks can be broken down into the following three main categories (for more details on the risk mapping process, see Section 3.2 of this report):

- the risks of infringement of human rights and fundamental freedoms, whether they concern the group's employees (issues of discrimination and discriminatory behavior or moral and/or sexual harassment), the communities around the group's sites or whether they are caused by suppliers or tier-one subcontractors, are paid special attention (Section 3.4.2.1 below);
- risks to the health and safety of persons (Section 3.4.2.2 below); and
- risks in terms of safety and environmental damage, whether related to potential environmental impacts related to the activity or caused by a serious accident (Section 3.4.2.3 below).

3.4.2.1 Preventing risks of serious violation of human rights and fundamental freedoms

As part of the prevention of risks of infringement of the rights and fundamental freedoms of individuals, the group exercises vigilance with respect to local populations, its employees, suppliers and subcontractors, as well as to its business and that of the companies it controls within the meaning of Article L. 233-16 of the French Commercial Code.

3.4.2.1.1 Orano pays special attention to dialogue and to the situation of local populations in France and abroad.

In view of the operational context of each of the sites where it operates, the group is involved in dialogue with local populations and stakeholders.

In France, the group has long maintained a regular dialogue with local stakeholders, in particular through Local Information Commissions (LICs) and Site Monitoring Commissions (SMCs). The mission of the LICs is to monitor, inform and consult on nuclear safety, radiation protection and the impact of nuclear operations on people and the environment. They are made up of representatives of local authorities, local elected Members of Parliament, representatives of environmental associations, labor unions and qualified individuals. Representatives of ASN, the relevant French State services and operators participate *ex officio* in an advisory capacity in the work of the LICs.

For example, Orano is involved in informing the population about the risks and the actions to be taken in the event of an accident as provided for by the special response plans, alongside the authorities and other operators.

In 2019, the group was also involved in the public debates on the national radioactive materials and waste management plan (PNGMDR), the fifth edition of which took place between April and September 2019. This debate made it possible to contribute to public information through 22 public meetings that brought together a total of 3,400 participants throughout France, and through the distribution of 68,250 information documents.

The same approach of listening and dialogue is implemented for the group's industrial sites abroad. For example: In Niger, the Bilateral Orientation Council (BOC) brings together local elected representatives, the relevant administrations and civil society. It was set up to inform, invest and help local populations. The BOC therefore defines the local planning policy, determines the priority areas of intervention, issues an opinion on the projects and ensures their financing. In total, nearly FCFA 4 billion was granted to the BOC by Orano between 2006 and 2016 to enable projects related to health, access to water, education or infrastructure development (for more details, see the Orano Mining 2019 CSR report on page 30 and the group's commitment document to Niger from 2006 to 2016).

In addition, Orano Mining is involved in a three-year partnership agreement (2018/2020) with the NGO "Les Puits du Désert" to promote access to water and education for populations located in remote regions of Agadez (northern Niger). Five traditional wells have been built to provide the surrounding villages with sustainable access to drinking water and improved hygiene conditions.

A school was also built in the village of Intawagré to enable the children of the village to attend school. Teacher accommodation has also been provided.

Orano also provided financial support to the National Hospital of Lamordé in Niamey, which is facing a significant increase in chronic kidney disease, in order to increase the capacity of the hemodialysis units by an additional 15 places and enable the construction of a new building (hospital and offices) to free up the space needed to accommodate this new equipment.

In Mongolia, dialogue continued in 2019 in the framework of the "Local Cooperation Councils", which brought together representatives of local ethnic groups and representatives of Badrakh Energy on four occasions. These occasions to discuss made it possible to share information with local communities in the areas where Badrakh Energy is located and to answer their questions. Orano specialists present studies and provide progress reports on current programs: cultivation of saxauls, replenishment of livestock, wells under construction or to be repaired, etc.

Access to education was also supported by granting scholarships to 47 students from the Sainshand region where Orano is located, allowing them to study in Ulaanbaatar for periods of four to six years.

For more information on Orano's involvement with its stakeholders abroad, please refer to the CSR Mining report 2019, pages 27 to 30 (available on the Orano website www.orano.group).

3.4.2.1.2 Orano is committed to the fight against discrimination and promotes gender equality and social inclusion

As a socially committed corporate citizen, Orano places particular importance on fighting all forms of discrimination and developing an inclusive policy.

With regard to non-discrimination, a risk analysis is drawn up by cross-referencing the 24 factors of discrimination identified by the Defender of Rights with the four main areas of human resources, namely recruitment/integration, career development, job creation, training and compensation, in addition to the company's social climate. In line with the Code of Ethics, and in addition to the usual remedies (manager, human resources manager, occupational medicine, etc.), Orano set up a whistleblowing and complaints system (DAR) in France several years ago. It is open to all employees and includes special confidentiality measures. Since 2019, the DAR has found its place in Orano's more general internal ethics alert system.

Gender equality and social inclusion are also key components of the group's duty of care policy, and have been since 2012 when AREVA SA signed its first group agreement (see Section 4.3.4).

The group's concerns consist notably of promoting gender equality in hiring and employment, guaranteeing equivalent career paths to men and women, ensuring equal access to training, improving the work-life balance, increasing employee awareness, and communicating with employees, guaranteeing equivalent compensation and promotions (for more details, see Section 4.3.4). In terms of the Gender Equality Index, established by the law of September 5, 2018, "For the Freedom to Choose One's Professional Future", the results for the eight relevant companies ranged from 75 to 94 out of 100. The Orano group has an overall score of 89/100 for all businesses (for more information on the group's diversity policy, see Sections 4.3.4 and 5.1.2.3).

In 2020, Orano obtained the renewal of its Diversity label, a label promoted by the French Ministry of Labor, following a demanding Afnor audit conducted in 2019 covering around thirty areas of the standard and a hearing by the Diversity Label Commission, which was postponed to 2020 due to the health crisis.

In the United States, Orano is recognized as an Equal Opportunity Employer (EOE) by the US Equal Employment Opportunity Commission. It expresses its commitment to minorities, women, seniors, veterans and people with disabilities through various measures, such as partnerships with subcontractors committed to diversity, membership of Direct Employers (an employment agency dedicated to helping recruit minorities, women, veterans and people with disabilities), and participation in training and employment initiatives.

3.4.2.2 Protecting the health and safety of people

The group pays particular attention and care to the health and safety of people. In this regard, the main risks identified are as follows:

- serious or fatal accident of an employee of the group or of an outside company;
- contamination or irradiation of an employee of the group or of an outside company; and
- the risks to the security of neighboring populations.

The group's ambition in terms of health, safety and radiation protection is to continuously improve the group's results in this area, in particular by strengthening prevention actions. The constant goal is to strive for zero lost time injuries and zero impacts from Orano's operations on the health and safety of its employees, subcontractor personnel and the local communities near its sites. For more information, please see Section 4.2.2 of this report.

The Health, Safety and Radiation Protection Policy for 2017-2020 tackles three priorities:

- the development of primary prevention in health, safety and radiation protection;
- commitment and accountability in controlling our operations; and
- improving feedback and sharing experiences.

This policy has been approved by the Chief Executive Officer and distributed to the entire group. Each of the group's entities has adopted it and applied it by taking into account the risks associated with its own activities, taking into account feedback from accidents or events that have occurred within its scope, and the responses enacted.

In this respect, the group ensures the application of international medical standards for the medical monitoring of occupational risks. It introduces a multi-year grass-roots healthcare program for the group's employees: for example in 2019, health screening kiosks and campaigns were organized by eye care professionals. In 2020, information on dermatology and skin risks was made available to employees.

In addition, the group is implementing strengthened governance of health actions and increased vigilance on the quality of life at work, particularly in terms of prevention of psychosocial risks (see Section 4.2.2.1 of this report). It ensures both the continued deployment of the group's occupational health service in France, and takes into account specific issues associated with expatriation in the medical follow-up of employees.

Furthermore nearly 10 years ago, the group set up a health observatory in Niger (Health Observatory for the Agadez Region), an independent tripartite body (government, civil society and associations of former employees, operators) the aim of which is to offer regular medical check-ups to former employees of mining companies who have been exposed to radiation. A network of

prevention specialists (divided by sites or entities) is in charge of local coordination of workplace safety improvement actions and makes it possible to share feedback from accidents or events that have occurred. As part of its accident prevention policy, in 2020 the group continued to roll out its anchors and safety standards and to identify near-misses and weak signals.

For more information on the prevention policy for risks of serious health and safety violations, and the group's commitments, please see Sections 3.3.4 and 4.2.2.

3.4.2.3 Preventing risks of breaches of safety and/or risks to the environment

The group is subject to a large number of inspections by the administrative authorities (ASN, DREAL, etc.), which are responsible, on behalf of the French State, for the nuclear and industrial regulation and safety oversight at all times and in all places, to protect the public, workers and the environment. Various kinds of inspections are made. As far as environmental risks are concerned, these inspections are an opportunity for ASN to examine in depth the condition of the facilities to verify that they comply with the applicable safety standards and to improve, if necessary, the safety level of the facilities.

3.4.2.3.1 General environmental and nuclear safety policy

The preservation of the environment is at the heart of the group's vigilance as a responsible actor and contributor to the production of low-carbon energy, which is now recognized by the world's scientific community (in particular the IPCC) as necessary to achieve the objectives set by the Paris Agreement.

The 2017-2020 group Nuclear Safety and Environment Policy defines and formalizes priorities in terms of nuclear safety, industrial security and environmental protection. For more details, refer to Chapter 4, Section 4.2.1.

For INB – ICPE facilities and transport and service activities, its goal is compliance with regulatory requirements, mining operation controls in the broad sense, and the management performance of Orano's activities. It has been adopted by all entities in the form of action plans at various organizational levels in these entities (BU, sites, facilities, and entities). It sets the following objectives:

- to guarantee a sustainable high level of safety for our facilities, products and services;
- to ensure that operational rigor be continuously strengthened and is a daily concern of operational management and all stakeholders; and
- to ensure that the priority nature of risk prevention and environmental protection be taken into account by each of the processes implemented in the conduct of our activities.

This policy is monitored by the department in charge of nuclear safety, health, safety and the environment (HSE Department) on behalf of Executive Management. The HSE Department relies on specific organizations in the Business Units, operating entities and regions, forming a network of experts whose role is to lead and steer the group's Health, Safety and Radiation Protection Policy and, in particular, to participate actively in regulatory monitoring

and provide assistance to line managers for the implementation of their HSE performance plans.

On behalf of the Executive Management, a body of inspectors, which is independent of the chain of operational command, is tasked with verifying that responsibilities are correctly assumed, detecting any early signs of potential deterioration, and recommending the necessary improvements. It issues an annual report on the status of nuclear safety in the group's nuclear facilities and operations.

This policy, the cross-functional improvement actions initiated and the HSE Department's control procedures are detailed in Section 4.2.1 of this report.

To go further, the group, which already evaluated these direct and indirect CO₂ emissions (scopes 1 and 2), is launching an evaluation of the carbon impact of its value chain (scope 3). For more information on the different CO₂ emission scopes see Chapter 4, Section 4.5.1.

3.4.2.3.2 Preventing risks that could lead to a nuclear incident

Nuclear safety consists of all the technical, organizational and human measures relating to the design, construction, operation, shutdown and dismantling of regulated nuclear facilities, as well as the transportation of radioactive substances, taken to prevent accidents and limit their effects.

The measures are implemented at four levels:

- prevention, which consists of building in intrinsic resistance to its own shortcomings and to attacks defined *a priori* in the design stage, construction and operation;
- monitoring to detect incidents, then implementing actions to prevent them from leading to an accident, and finally, restoring normal and safe operation;
- limiting the consequences in order to control accidental situations that could not be avoided or, failing that, to limit their aggravation by restoring the installation and keeping it in a safe condition; and
- management of the most serious accidents to mitigate the consequences of accidents resulting from the failure of the third level of in-depth defense.

These four levels of risk prevention are supplemented by a fifth level that includes provisions relating to the organization and management of emergency situations and the protection of the public. Improvement actions targeting the five levels of prevention were carried out to take into account feedback from the Fukushima accident.

The safety studies carried out for each facility take into consideration internal risks of nuclear origin (criticality, radiolysis, etc.) and non-nuclear origin (handling, fire, etc.) from the design stage, as well as external risks (impact of an aircraft, earthquake, etc.).

The risks are reassessed every 10 years during the safety review of each nuclear facility, which enables a regular reassessment of a facility's safety level, taking into account the latest regulatory changes and the best available techniques. The purpose of this exercise is to obtain the necessary approvals from the competent safety authority to continue operating a facility for the next 10 years. This is a regulatory requirement for INBs. Subject to ASN approval, each file includes 12 documents and a summary report, also sent to the Minister for the Ecological and Inclusive Transition.

3.4.2.3.3 Preventing pollution risks

Orano devotes considerable resources to controlling chemical and radioactive discharges, while constantly monitoring the environment.

The amended "INB Order" of February 7, 2012 and ASN's "Environmental Decision" No. 2013-DC-360 of July 16, 2013, as amended, lay down general rules related to the reporting of releases from regulated nuclear facilities and for environmental monitoring.

Orano records and measures radioactivity in the environment by carrying out nearly 100,000 measurements and analyses from nearly 1,000 locations annually in order to check the levels of radioactivity near its sites.

Since February 2010, it has been possible for any member of the public to go to the website managed by IRSN (www.mesure-radioactivite.fr) to see all of the environmental radioactivity measurements carried out by the operators in the vicinity of their sites as part of the prescribed environmental monitoring. Each site is given the tools needed to manage and submit the data. The group's laboratories have been licensed by the ASN to carry out the necessary analyses. These licenses are periodically renewed as laboratory comparison tests organized by IRSN are carried out, based on a table of analyses defined by the French National Environmental Radioactivity Measurement Network (*Réseau national de mesure de la radioactivité de l'environnement – RNM*). ASN Decision No. 2008-DC-0099 of April 29, 2008 modified most recently by Decision No. 2018-DC-0648 of October 16, 2018 sets the terms for the organization of the RNM as well as the terms for bespoke laboratory licensing.

The Orano group participated in the work organized by France Chimie related to the Lubrizol accident of September 26, 2019. Certain topics identified on this occasion, such as improving chemical product inventories, will be rolled out across all group sites.

Preventing accidental spills is an issue for Orano because of the potential consequences that can be significant on employees, populations, fauna and flora and on the creation of environmental liabilities. In the group's internal requirements, accidental spills of radioactive or hazardous substances into the environment must be taken into account during all phases of the life of the facilities (design, construction, operation, shutdown and dismantling). In application of the ALARA principle, a risk reduction approach at source is implemented (limiting the hazardousness of the substances used, limiting the quantities stored, etc.) whenever possible. Active consequence mitigation systems must be implemented and incorporated into incident management systems.

Following several significant events, which did not impact our mining operations, an ambitious action plan for 2020-2022 was launched to provide mining sites with a system equivalent to the existing industrial safety management system for French SEVESO entities. With a view to improving HSE performance, it was decided to establish a new prevention indicator at group level from 2021 that will more specifically monitor environmental events (including those relating to technological risks) and will improve the sharing of experience in this area.

3.4.2.3.4 Working towards better waste management

Orano devotes a significant part of its vigilance to the treatment of waste generated mainly as part of the operation, decommissioning and remediation activities of nuclear facilities, the risks of which are categorized according to the level of their radiological activity (in accordance with the levels usually applied: very low, low, medium or high), as well as by the lifetime of the radioelements they contain (very short, short or long). Here again, Orano's strategy is monitored and controlled by ASN.

Orano establishes radioactive waste management methods in compliance with the principles of the French Environmental Code and from Directive No. 2011/70/Euratom of July 19, 2011. They consist of:

- protecting public health, safety and the environment;
- preventing and limiting the burden to be borne by future generations;
- reducing the quantity and toxicity of radioactive waste, in particular by using appropriate processing and packaging methods;
- organizing waste shipments and limiting their distance and volume; and
- providing information to the public on the effects on the environment and public health of waste production and management operations, subject to confidentiality rules provided in the law, and on the measures taken to prevent or offset harmful effects.

Each waste management method is thus defined as part of a graduated approach to the risks and impacts as regards the costs (human, financial, environmental, etc.) and the benefits expected from the use of a management solution. For more details on the implementation of waste management methods, please refer to Section 4.4.5.

A quality program including quality control is carried out throughout processing operations. Best available technologies (BAT) are used for processing and are chosen based on multicriteria analyses that factor in the industrial, environmental, health and radiological impacts.

The sustainable radioactive waste management solutions used by Orano follow the guidelines of the French National Radioactive Waste and Materials Management Plan (PNGMDR). Orano is heavily involved in developing the PNGMDR resulting from the implementation of the Program law of June 28, 2006 on the sustainable management of radioactive materials and waste. The principal purpose of this triennial plan developed under the aegis of the Ministry for Ecological and Solidarity Transition, together with the nuclear safety authority ASN, is to regularly assess the radioactive substances management policy in France, to evaluate new requirements and to determine the objectives to be achieved. Orano is represented through its Dismantling and Waste Contracting Department, which steers and coordinates cross-business programs and studies related to the development, implementation and follow-up of the plan.

For more information on the PNGMDR, please refer to Section 4.4.5.

3.4.2.3.5 Promoting sustainable use of resources

The group attaches particular importance to the responsible use of materials and consumables used in its activities and has set itself a goal of minimizing its environmental footprint.

Orano implements circular economy and eco-performance models

As for industrial facilities (plants), a nuclear facility's environmental impact study is updated at each stage of its lifecycle, i.e. upon its creation, significant modification, shutdown and dismantling. These studies seek to characterize the potential health effects and environmental impacts of stresses and releases from the facility in question, by accounting for the specific characteristics of the local environment (geology, hydrology, meteorology, natural and human environment, etc.) as well as the presence of any protected species or habitats. Impact studies are reviewed (and if necessary updated) during the 10-year review of the facility.

In order to minimize its environmental footprint, Orano also implements targeted actions at its facilities to reduce the abstraction from natural environments and the consumption of materials and energy, and by constantly seeking ways to recover waste. Thus for the renovation and commissioning of its new facilities on the Front End of the cycle, the best techniques available (MTD) are adopted, considerably reducing the abstractions, consumption, and emissions from these activities.

For example, innovations at the Philippe Coste plant enabled the consumption of chemical reagents to be reduced (-75% ammonia, -50% nitric acid, -60% potassium), cut water consumption by a factor of 10, and reduced greenhouse gas emissions, compared to the Comurhex plant. Furthermore, the uranium chemistry and enrichment phases on the Tricastin platform contribute to the principles of the circular economy, thereby economizing on raw materials, because every year, approximately:

- 5,000 metric tons of 70% hydrofluoric acid are produced by the defluorination of UF and then sold to the chemicals industry; and
- 1,000 metric tons of nitric acid are produced from uranyl nitrate and then shipped to the la Hague plant for reuse.

The investments in new technologies induced by these objectives and the eco-performance approach have helped Orano achieve significant results in terms of reducing its environmental footprint. Since 2004, the group has reduced its greenhouse gas emissions by 60%, its energy consumption by 91%, and its water consumption by 94%.

Orano actively contributes to the circular economy by recycling spent nuclear fuel in its la Hague and Melox plants. This solution reduces both volume and radioactivity for the most radioactive waste. Through the processes of extracting and separating recyclable materials (uranium and plutonium) in la Hague, chemicals that are used during the operations (in particular nitric acid and solvents) are recovered and reused.

Orano also uses expertise and knowledge to develop ways of recycling nuclear materials to benefit the medical and environmental field. Orano Med, established in France and the United States, develops effective therapies to fight cancer. These include targeted

alpha therapy, which is based on the use of powerful and localized alpha emitters. It can target and destroy cancer cells, limiting the impact on surrounding healthy cells.

Orano is involved in better water management

Orano is sensitive to smart and responsible management of water resources in the course of its mining activities. In accordance with the recommendations of the ICMM, in recent years, Orano Mining has launched a plan to improve the understanding and management of water resources at its sites. In 2019, this resulted in the establishment of the report on water consumption at the McClean Lake site, according to the criteria common to ICMM members.

The objective is to improve the understanding of water flows within a site (flows of great complexity) and to identify areas for improvement regarding water management performance. The exercise will be extended in the coming years to the other production sites of Orano Mining.

Since 2019, Orano Mining has been assessing the level of water stress at all of its 10 sites around the world using the "Aqueduct Water Risk Atlas" tool from the World Resources Institute (WRI). Orano Mining also assessed the overall water risk for each site, which combines three risks: physical quantity risk, physical quality risk and regulatory risk. This overall level of risk by country, as well as all the water sources and consumptions of its activities, are detailed in Orano Mining's CSR report.

For more information on water resource management, please see the Orano Mining 2019 CSR report and Section 4.4.4 *Reduce our footprint, by design, paragraph Water, the key issue of tomorrow.*

3.4.2.3.6 Preserving biodiversity

As regards biodiversity, Orano pays great attention to ensuring its preservation and includes it as a crucial issue for the compatibility of its activities with their environment. Overall, the protection of plant and animal life begins in the new project design phase, continuing throughout the facility operating period, and later into the site rehabilitation phase.

Owing to their location and size, the mining sites are particularly concerned with biodiversity protection and conservation, whether during the exploration, operating, or "post-mining" phases. Therefore, Orano makes every effort to take preventive and compensatory measures where necessary. In 2019 for example, a compensatory project targeting saxauls (a tree species endemic to the region) was launched in Mongolia involving both specialists and local farmers.

In France, all remediated sites are monitored by ecologists. In 2019, during the approval phase of a photovoltaic project on the Baconnière site in Maine-et-Loire (France), it was decided that the 16 hectares would be managed ecologically.

For example, in 2020, the Tricastin and la Hague sites began the overall update of the local ecological inventories around the sites, which will continue in 2021. These inventories will make it possible to update knowledge of local biodiversity in order to ensure better monitoring.

For more detailed information on the various Orano sites, see Section 4.4.4 *Reduce our footprint, from design*, paragraph *Anticipating impacts on biodiversity*.

3.4.3 Implementation of the plan and control systems

Orano complies with the provisions of the law on the duty of care and has deployed a training system for its employees within the group (Section 3.4.3.1), a mechanism for collecting alerts (Section 3.4.3.2) and a system for assessing its suppliers and subcontractors (Section 3.4.3.3).

3.4.3.1 Orano employees receive training

The Orano Code of Ethics is distributed to all employees to raise their awareness about the group's values. This Code is available on the group's website and intranet and can be downloaded in eight languages. All new employees must acknowledge it and may refer to it in the event of a situation that appears to be contrary to the principles set out in the Code, whether it is a matter of human rights or other values whose protection is promoted by the group.

Orano has also set up an e-learning module called "Our Code of Ethics" (30 minutes) dedicated to the proper application of the Code of Ethics and the Anti-Corruption Code of Conduct and the group's rules of conduct, including a knowledge validation test. During their annual review with their manager, employees formally confirm their commitment to respect the rules of the Code of Ethics, as well as the completion of the online training.

In addition, Orano trains its employees in safety rules through mandatory training specific to each site. In addition to these specific training courses, there are also mandatory modules to train employees in the implementation of a corporate culture in terms of protection and safety. These e-learning modules have been set up to raise employee awareness and enable them to adopt the appropriate behavior and avoid at-risk situations.

3.4.3.2 Whistleblowing and reporting

The multi-channel ethics whistleblowing system set up within the group was reinforced at the beginning of 2019 with the launch of an externalized, secure platform for receiving ethics reports, and a dedicated organization including group ethics contacts for each alert area. This system is accessible to all group employees and covers in particular the topics of the Sapin II law and the law on the duty of care. It also guarantees the confidentiality in information processing and protection of whistleblowers. Thus, any employee who directly witnesses a serious violation of Orano's Code of Ethics can report it to his or her manager, the manager responsible for the area, the Compliance Department, the network of Compliance Correspondents, or via the platform. The whistleblowing system is presented in Section 4.2.3 of this report.

In 2020, to strengthen the relationships of trust established with stakeholders and populations living near its sites, Orano Mining rolled out a new complaints handling system at all its sites, in accordance with ICMM requirements. It enables any person to express their fears, observations, comments or questions and to obtain a response within a given period. This mechanism, co-developed with the sites, demonstrates Orano's respect for the concerns of local stakeholders and the group's desire for transparency.

3.4.3.3 Control of suppliers and subcontractors

3.4.3.3.1 Orano selects its suppliers and subcontractors according to demanding criteria

In order to select the best suppliers and subcontractors, the Supply Chain Department takes into account:

- the risk analyses by Purchasing market ("Hazard Table") and by country (see Orano internal "Country Compliance Classification" procedure). These analyses will be reinforced by the deployment of a compliance questionnaire;
- the plan for mitigating the associated risks before awarding the contracts (through supplier selection criteria and qualification audits, and monitoring programs during contract fulfillment);
- the supplier performance metrics and the required improvement plans;
- ethics and compliance aspects, and commitment to sustainable development in contractual clauses, in accordance with the requirements of the Sapin II law and the law on the duty of care; and
- the studies systematically performed by the group's Economic Intelligence Division, for all SOC suppliers (Sourcing Opportunities Countries).

In accordance with the procedure for assessing third-party compliance, which was rolled out together with the Compliance Department, any new supplier or any material change in a supplier relationship must be subject to specific verifications and adapted according to the estimated level of risk with regard to reputation.

The third-party compliance assessment procedure provides for a certain number of systematic checks for all new tier-one suppliers and subcontractors. Depending on the results obtained during the assessment procedure a questionnaire, containing questions about relevant subsidiaries and existing capital ties, may be sent to the supplier, and if necessary, the Business Intelligence Unit may carry out an investigation covering the risks referred to in the duty of care plan. This study is systematically carried out for suppliers with a medium or high level of risk. This process ensures that potential compliance and reputational risks have been identified and that appropriate measures are implemented.

For more details on the third-party compliance assessment system see Section 4.7.1 as well as the Orano supplier portal: <https://www.orano.group/fr/groupe/relations-fournisseurs>.

3.4.3.3.2 Orano controls its suppliers and subcontractors

Suppliers are required to make a commitment to Orano regarding the respect for and the promotion of the protection of human rights, labor law (labor standards, child labor, discrimination, working hours, minimum wage) and the environment. They are also required to put in place safety and security mechanisms. Each supplier is committed to continuing improvement in these areas.

Included in all contracts with suppliers, Orano's general purchasing conditions (GPC) set out the obligations and provisions to be complied with in terms of:

- hygiene, safety and the protection of personal health;
- respect for the environment and sustainable development; and
- management of chemicals regulated by the European REACH regulation.

They include provisions such that Orano, where applicable, its customer, any third party commissioned by Orano or any duly empowered authority shall have access to the premises of the

supplier or subcontractors for the purpose of inspections or audits of all the requirements specified in the order.

In addition, the GPC stipulate the application of the principles of the Orano Code of Ethics to all orders. Orano therefore requires all its suppliers, subcontractors, financial partners, consultants and selling intermediaries to adhere to its Code of Ethics.

Orano is committed and imposes a clear commitment to its suppliers and subcontractors in the defense of the principles of the UN Global Compact, the OECD guidelines for multinational companies, the Transparency Initiative of the Extractive Industry (EITI). The code is updated regularly to include best practices in light of changes in the group's national and international environment.

In the same way as for its GPCs, Orano reserves the right to verify, at any time, the compliance of the practices of its suppliers and subcontractors with the Code of Ethics.

Where applicable, non-compliance with the provisions of the GPC or the Orano Code of Ethics may result in the termination of the contract or order.

3.4.4 Assessment and report on the implementation of the duty of care plan

The group has various monitoring systems in place to ensure the effective deployment of the measures set out in the duty of care plan, which cover all of its activities as well as those of the subsidiaries that it controls within the meaning of the Act of March 27, 2017.

The table below shows the group's main indicators in terms of health – safety, security – environment, human rights and fundamental freedoms and responsible purchasing. The data correspond to the group's reporting scope.

MAIN INDICATORS RELATED TO THE DUTY OF CARE PLAN

Subject	Indicators	2018	2019	2020	Comments
Results indicator					
Health – safety	Accident frequency rate with lost time (excluding commuting accidents)	1.5	1.8	1.3	-
	Number of fatal accidents among Orano employees	0	0	1	In 2020, Orano regrets the death of one employee who died in his sleep during a mission.
	Number of fatal accidents among external companies	0	1	1	The group regrets the death of a subcontractor employee while working on the Somaïr site.
	Average employee exposure to radiation over 12 consecutive months (mSv)	0.86	0.84	0.93	To be compared with the maximum additional exposure for the authorized of 1 mSv.
	Average exposure of subcontractors to radiation over 12 consecutive months (mSv)	0.47	0.50	0.78	To be compared with the maximum additional exposure for the authorized of 1 mSv.
Means indicator					
	ISO 45001 certifications - OHSAS 18001 *	Not available	Not available	10	-

* Indicator reported for the first time in 2020.

Subject	Indicators	2018	2019	2020	Comments
Results indicator					
Safety – environment	Level 2 or higher	0	0	1	One level 2 event at Melox in 2020.
	Event Prevention Rate (EPR)	0.07	0.05	0.06	-
	Scope 1 + 2 GHG emissions (tCO ₂ e)	486,457	471,433	462,729	-
	Quantity of energy consumed (MWh)	1,869,557	1,894,011	1,831,959	-
	Quantity of water tapped (m ³)	10,856,726	10,294,639	9,633,044	-
	Quantity of conventional waste (t) related to normal activity	13,450	12,053	11,212	-
	Means indicator				
	Internal inspections carried out by the General Inspectorate	44	59	58	-
Human rights and fundamental freedoms	Number of ISO 14001 certified sites *	Not available	Not available	13	-
	Results indicator				
	Percentage of employees covered by a collective agreement (France)	100%	100%	100%	-
	Rate of access to training (France)	84%	85%	85%	-
	Gender equality index (group estimate **)	89/100	84/100	89/100	Orano's Diversity Label was renewed in 2020.
	Means indicator				
	Number of compensation gaps addressed	141	177	184	-
	Amount dedicated to compensating unjustified compensation gaps (euros)	150,000	260,000	263,000	-
Responsible purchasing	Number of ethics alerts related to discrimination	4	6	8	-
	Number of reporting and support systems implemented	35	35	35	-
	Results indicator				
	Purchases by French entities from suppliers located in France ***	-	90%	91%	-
3 Human rights and fundamental freedoms	Purchases by foreign entities from suppliers located in the country of operations ***	-	73%	73%	-
	Means indicator				
	Contracts including sustainable development commitments ***	-	100%	100%	-

* Indicator reported for the first time in 2020.

** Estimate considering the group companies as a single entity.

*** Indicator monitored since 2019.

In addition, Orano has implemented a robust internal control system under the group's management. The purpose of this unique tool is to incorporate all risks identified in the mapping, including in particular the risks identified in this duty of care plan. The objectives and the internal control system are detailed in Section 3.1 of this report.

In addition, the ethics report also makes it possible to identify incidents and areas of vigilance by area. For example, health, safety and environmental issues are among the most frequently reported in the group's annual ethics report (15 significant incidents in 2019).

SOCIAL, ENVIRONMENTAL AND SOCIETAL COMMITMENTS

4

4.1 Societal and environmental challenges at the heart of the strategy <small>NFPS</small>	86	
4.1.1 A corporate purpose and a project that contribute to key global challenges	86	
4.1.2 A group connected to its ecosystem	90	
4.1.3 A roadmap that structures our commitment to 2030	96	
4.1.4 Integrated and cross-functional non-financial governance	100	
4.2 Aim for the highest standards <small>NFPS</small>	101	
4.2.1 Action priorities in nuclear safety, industrial security and environmental protection	101	
4.2.2 Health - Safety - Radiation Protection	105	
4.2.3 Ethics and compliance	109	
4.2.4 Transparency and information	113	
4.3 Mobilize proud and committed employees who embody our purpose <small>NFPS</small>	115	
4.3.1 Working conditions and wage policy	115	
4.3.2 Dialogue and labor relations	116	
4.3.3 The full potential of talents and skills	118	
4.3.4 Together for diversity and inclusion	121	
4.4 Operate efficiently and reduce our footprint <small>NFPS</small>	123	
4.4.1 Renewed, efficient and competitive facilities	123	
4.4.2 Quality and operational excellence on a daily basis	123	
4.4.3 Improve our energy performance	125	
4.4.4 Reduce our footprint, by design	126	
4.4.5 Reduce and recover radioactive waste	129	
4.5 Contribute to carbon neutrality <small>NFPS</small>	131	
4.5.1 A continuous and renewed effort on our carbon footprint	131	
4.5.2 Assessing the impact of climate change on our facilities	133	
4.5.3 Innovating to reduce our customers' footprint	133	
4.6 Innovate to preserve resources and protect health <small>NFPS</small>	134	
4.6.1 Innovation, Orano's priority	134	
4.6.2 New activities for the climate, the preservation of resources and health	136	
4.7 Be engaged and responsible locally in our environment <small>NFPS</small>	138	
4.7.1 Responsible purchasing and outsourcing	138	
4.7.2 Contribute to developing the regions around our operations	140	
4.7.3 Build a second life for sites	141	
4.7.4 Eco-designing our future projects	142	
4.8 Summary of indicators and cross-reference tables <small>NFPS</small>	143	
4.8.1 Reporting methodology for the non-financial performance statement	143	
4.8.2 Indicators	144	
4.8.3 Cross-reference table of data required in the non-financial performance statement and in duty of care	149	
4.9 Report by the independent third party, on the consolidated non financial performance statement	150	

4.1 Societal and environmental challenges at the heart of the strategy

Convinced that the preservation of the climate, resources and health are fundamental issues, Orano has placed them at the heart of its purpose and intends to use and develop all of its know-how in the transformation and control of nuclear materials today and tomorrow.

Against the backdrop of growing global demand for electricity and the need to tackle climate change while preserving natural resources, Orano has risen to the challenge by helping to boost the share of nuclear energy worldwide by providing its customers with services and products throughout the fuel cycle (supply of uranium, processing, recycling of nuclear materials, waste management, etc.) in order to generate low-carbon electricity. The group is also involved in the preservation of resources, health and research through its innovation and new activities, including Orano Med.

Orano's societal and environmental commitment, renewed in 2020 through an ambitious roadmap to 2030 for its stakeholders and society, is structured around five axes:

- for the community, being locally involved and responsible in our environment;
- for the climate, contributing to carbon neutrality;
- for skills, mobilizing proud and committed employees who embody our purpose;
- for customer growth, innovating for the preservation of resources and health; and
- for cash, operating efficiently by reducing our footprint.

4.1.1 A corporate purpose and a project that contribute to key global challenges

Orano mobilized to define its purpose and themes for action

The Corporate Engagement Department, reporting to the Health, Safety and Environment Director, a member of the Executive Committee, led a year of co-construction with the group's managers to define future societal and environmental commitments anchored in the strategy.

At the end of 2019, the Executive Committee and 200 managers from the group's entities were made aware of the new strategic, societal and environmental challenges that Orano faces between now and 2025. Co-construction continued in 2020 with 1,300

managers meeting in digital workshops. The internal "Change Masters" community was also mobilised. These workshops were an opportunity to affirm the group's willingness to contribute to the UN's 2030 Agenda for Sustainable Development.

At the same time, a materiality analysis was carried out in order to understand the external trends, the societal and environmental ambitions of the group, and to reflect on the group's purpose and actions for the coming years.

A priority contribution to the Sustainable Development Goals

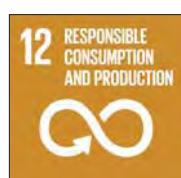
The Sustainable Development Goals (SDGs) are the markers defined by the United Nations for achieving a better future. They reflect the collective awareness of the need for a sustainable society. At the end of 2019, Orano managers prioritized the group's

contribution on six themes already at the heart of Orano's actions, associated with six objectives that will be reflected in the new roadmap in the coming years.



Climate and carbon neutrality

SDG 13 on "Climate action" calls for climate action and carbon neutrality. This objective is natural because of the contribution that nuclear power can make to low-carbon electricity needs.



Preservation of natural resources and waste reduction

SDG 12 on "Responsible consumption and production" calls for the preservation of natural resources, the reduction of waste and circularity. It is also natural due to Orano's commitment to recycling nuclear materials, saving resources and managing waste responsibly.



Reliable energy at an affordable cost

SDG 7 for "Affordable and clean energy" encourages the production of energy that is respectful of the planet while remaining affordable to avoid energy poverty. This objective reflects our concern to control our costs and our footprint so that nuclear energy is competitive and accessible to as many people as possible.



Industrialization and environmentally-friendly innovation

SDG 9 on "Industry, Innovation, Infrastructure" calls for the development of industry and innovation to build the infrastructure of tomorrow for all. Orano is a group driven by technology and innovation.



Skills development in the regions

SDG 8 for "Decent work and economic growth" calls for the development of the economic fabric and the creation of jobs and skills with decent working conditions. The development of professional skills, regions and their economic fabric, concern for working conditions at Orano, but also in its ecosystem, and the return to employment of people who were isolated from employment markets, are all themes that make sense internally.



Safety, security, health and contribution to medical research

Lastly, SDG 3 dedicated to the "Good health and well-being" of employees, subcontractors and local residents and for a healthy society is evident in both the group's operations and commitments. This objective is relevant today for our ecosystem but also for the future development of the group in the health sector.

Principles and vigilance that structure our action

Orano conducts its activities in compliance with the fundamental texts governing the preservation of human rights, in particular:

- the Universal Declaration of Human Rights adopted by the UN in 1948;
- the fundamental conventions of the International Labour Organization (ILO); and
- the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

The application of these reference texts by Orano reflects the group's commitment to the elimination of child labor and all forms of forced or compulsory labor, respect for free association, privacy and the right to collective bargaining.

In addition to these foundation texts, Orano Supports concrete initiatives to promote socially responsible attitudes, protect the environment and measure the performance of its actions by complying with:

- the principles of the UN Global Compact;
- the Extractive Industries Transparency Initiative (EITI); and
- the principles of the Global Reporting Initiative (GRI).

Orano is also committed to empowering its value chain and is particularly involved in the evaluation of its subcontractors and suppliers. They are required to agree to comply with Orano's Code of Ethics and the group's general purchasing terms and conditions requiring strict respect for human rights, under penalty of termination of the contractual relationship.

An approach conducted in parallel with the management of an exceptional situation

Faced with the global Covid-19 pandemic, the Orano group took full account of this health crisis very early on, primarily to protect the health of its employees and subcontractors. As of the end of January 2020, Orano communicated to its employees the precautions to be followed with respect to the epidemic in China. As it has developed, the group has structured itself around a health and business continuity doctrine in order to manage all aspects of this extraordinary situation, drawing on its experience of training for crisis situations. The group has regularly raised awareness about protective measures among staff, as well as service providers, and has implemented all the necessary measures, in continuous consultation with employee representatives.

Orano has also mobilized for its stakeholders. Donations of masks and equipment (food kits, health and first aid kits and equipment

such as ventilators, testing equipment, etc.) were made to hospitals in all of the countries where it operates. In addition, the group has set up payment facilities for its suppliers requesting them in order to guarantee the future.

Finally, the group's commitment approach continued in this sensitive context, and the various projects were carried out remotely.

Making a significant contribution to key global issues

Through its actions, Orano intends to contribute to the fight against global warming and the preservation of resources and health, major challenges of the century.

Developing access to competitive and low-carbon electricity for all in a world fighting against global warming

The IPCC scenarios confirm it: to contain global warming to 1.5° C and continue to evolve in a sustainable world, nuclear power is not the only solution, but it is essential. The Paris Agreement on the fight against climate change provides for a sharp reduction in CO₂ emissions and the European Union has set itself a target of carbon neutrality by 2050. Orano intends to contribute to this collective mobilization.

Electricity is a basic commodity whose cost must remain affordable. It is a major societal issue for all countries and supports the electrification of the economy. For Orano, nuclear energy is a competitive energy source that has its place in the ecological transition.

Conserving resources through recycling

Natural resources are not infinite. Orano is convinced that the recycling of nuclear materials is a responsible and sustainable path as part of, in a circular economy approach. The French nuclear industry was one of the first to introduce recycling by processing used fuel in order to reduce the volume of waste and save materials. This know-how acquired in the transformation and control of nuclear materials could contribute to the development of other strategic recycling methods.

Contributing to the fight against cancer through nuclear medicine for a healthy society

Orano's know-how goes beyond protecting the health of our employees, our external companies and the communities around our operations. Controlled nuclear materials can help save lives, through their use in cancer treatments or in medical research in the form of isotopes.

A purpose and values that guide each employee

In 2020, Orano adopted a purpose co-developed with the teams and more than 130 stakeholders. With this purpose approved by the Board of Directors on December 17, 2020, the group is committed:

**To develop know-how in the transformation and control of nuclear materials
for the climate, for a healthy and resource-efficient world,
now and tomorrow**

- “**To develop know-how**” refers to the importance of human and technological skills and the commitment to their development, with a view to continuous progress;
- “**Transformation and control**” refers to the group’s skills and the importance given to the safety of facilities and materials. This formulation also makes it possible not to limit the strategic scope to nuclear materials alone, but to all activities where the know-how acquired from nuclear materials makes it possible to make a difference;
- “**Nuclear materials**” affirms the group’s core business;
- “**For the climate, for a healthy and a resource-efficient world**” affirms a triple commitment to society: commitment to the climate through low-carbon and competitive energy, commitment to the preservation of resources and commitment to health;
- “**Now and tomorrow**” refers to current and future positioning for future generations.

All of the business lines of the cycle (extraction, transformation and enrichment of uranium, recycling of nuclear materials, manufacturing of packaging and transportation, dismantling and related services, engineering) as well as Orano’s activities in the nuclear medicine industry contribute to this purpose.

This purpose is embodied in our values and strategic priorities.

4

ORANO VALUES



Safety,
security



Customer
satisfaction



Continuous
improvement



Respect
and people
development



Cohesion
and team
spirit



Ethics,
transparency
and dialogue

Societal and environmental commitments integrated in our five strategic priorities

Through its strategic axes, the group intends to structure its contribution and its actions, with a societal and environmental ambition that meets the challenges and expectations, without forgoing the fundamentals of performance and development.



Communities

"Be engaged and responsible locally in our environment"



Climate

"Contribute to carbon neutrality"



Competencies

"Mobilize proud and committed employees, who embody our purpose"



Customer growth

"Innovate to preserve resources and protect health"



Cash

"Operate efficiently and reduce our footprint"

Source: Orano



4.1.2 A group connected to its ecosystem

Orano is committed to sharing with its stakeholders and its ecosystem, which benefit from its activities and through which its activities are possible.

Constant dialogue with our stakeholders

Discussing our challenges with our stakeholders is one of our commitments as a responsible industrialist. Orano takes advantage of the various opportunities created to listen and learn from the dialogue. The table below presents the main opportunities for interaction with stakeholders, including in societal and environmental areas. It is not exhaustive.

Stakeholder categories	Stakeholder expectations (from the materiality analysis)	Dialogue and interaction methods	Examples of achievements in 2020
Clients & Partners	<ul style="list-style-type: none"> Safety & security of operations, including transportation Occupational health and safety, radiation protection Business continuity Ethics in business and behaviour Risk management 	<ul style="list-style-type: none"> Regular business interactions (technical sales) Visits to the group's industrial sites during trade fairs and forums Meetings at trade fairs and forums Specific customer seminars "Voice of customer" interview campaign Member of professional associations Investments in international institutions 	<ul style="list-style-type: none"> Organization of a specific seminar with our American clients, entitled "TN User group" (United States) Participation in the seminar on nuclear technologies with MonAtom and NEC (Mongolia) Participation in the working groups and bi-annual meetings of the organization (ICMM) WANO peer review of the Orano la Hague site (France)
Employees & Representatives	<ul style="list-style-type: none"> Safety & security of operations, including transportation Reduction and recycling of waste Social dialogue Ethics in business and behaviour 	<ul style="list-style-type: none"> Managerial actions and communication Annual performance and development reviews Orano Vox annual survey, Internal opinion surveys, field meetings Social dialogue, employee representative bodies Code of Ethics and Ethics alert system 	<ul style="list-style-type: none"> Orano Vox results up by +7 points Negotiation of the remote working agreement (France) 142 projects presented at the Orano Awards #2020
Administrations & Authorities	<ul style="list-style-type: none"> Site end-of-lifecycle management Reduction and recycling of waste Safety & security of operations, including transportation Occupational health and safety, radiation protection Dialogue and consultation 	<ul style="list-style-type: none"> Case investigation Working groups and bilateral meetings Inspections Regulatory bodies Reports and publications Current events 	<ul style="list-style-type: none"> Successful operator transfers as part of the group's legal reorganization Coordination with the ARS to support caregivers (Covid-19 crisis) Investigation of the new "TN Eagle" parcel model. Continuation of half-yearly meetings with ASN, IRSN and MSNR (Nuclear safety and radiation protection mission)
Shareholders & Investors	<ul style="list-style-type: none"> Transparency Development of territorial economic activity 	<ul style="list-style-type: none"> Board of Directors and General Meeting Financial and non-financial publications Investor road show 	<ul style="list-style-type: none"> Appointment of Claude Imauvan as Chairman of the Board of Directors
Subcontractors & Suppliers	<ul style="list-style-type: none"> Responsible purchasing Occupational health and safety, radiation protection Employee well-being Operational performance Development of territorial economic activity 	<ul style="list-style-type: none"> Calls for proposals General purchasing conditions, Sustainable development commitment applicable to suppliers Assessments, audits and inspections Participation in supplier associations Supplier days and support actions 	<ul style="list-style-type: none"> Support for subcontractors and suppliers during the Covid-19 crisis, in particular by reducing the length of payment terms (Canada) Participation in the GIFEN nuclear day on October 1, 2020 (France)

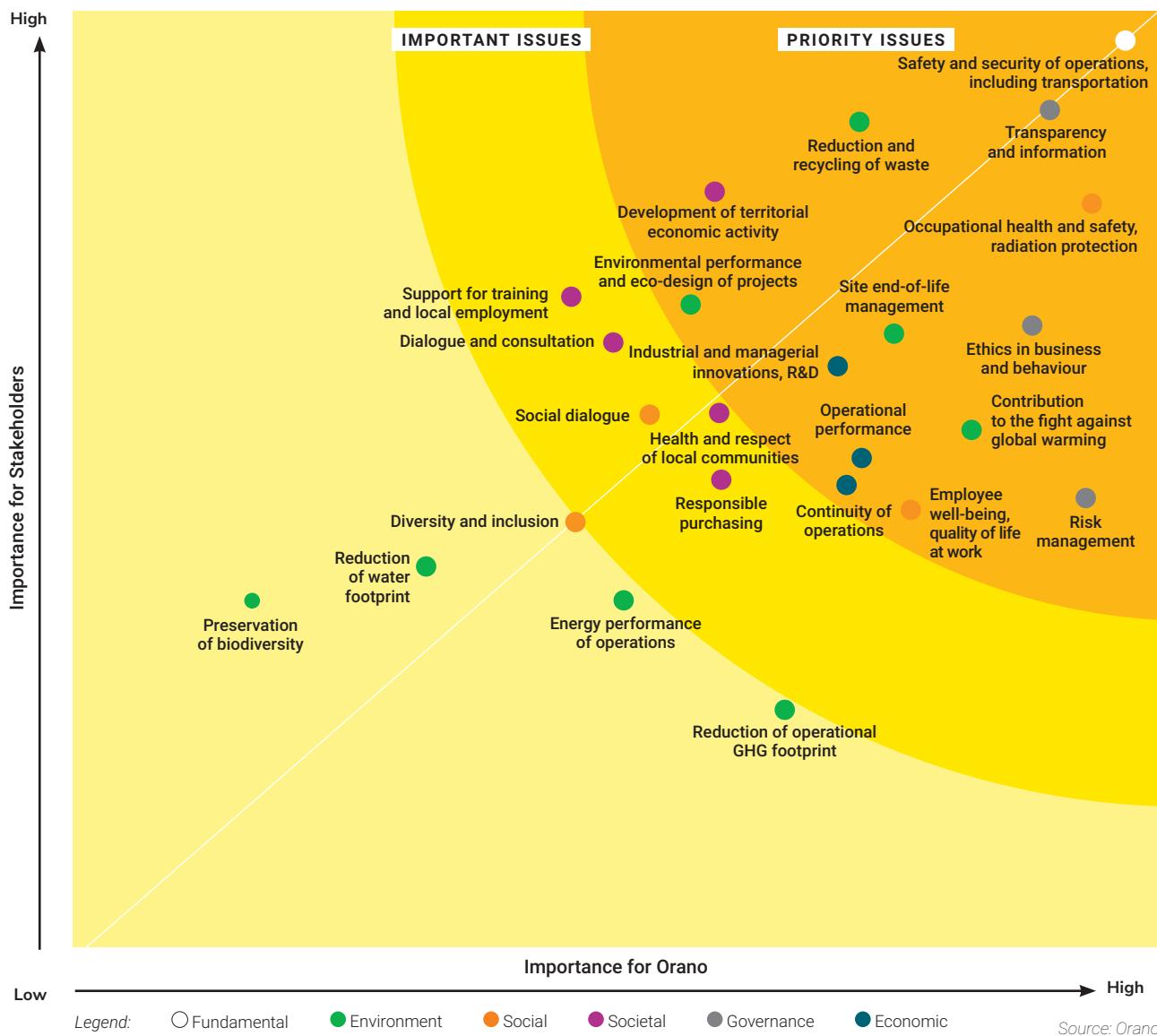
Stakeholder categories	Stakeholder expectations (from the materiality analysis)	Dialogue and interaction methods	Examples of achievements in 2020
Elected officials & State representatives	<ul style="list-style-type: none"> Safety & security of operations, including transportation Development of territorial economic activity Support for training and local employment Reduction and recycling of waste Transparency 	<ul style="list-style-type: none"> Bilateral meetings Group compliance program Site visits Local Information Commissions (LIC) and Site Monitoring Commissions (SMC) Events in the economy, employment, training, and innovation Reports and publications 	<ul style="list-style-type: none"> France: Coordination of economic recovery with parliamentarians and local elected representatives Information meetings on the redevelopment project for the Cominak site (Niger)
Public & Territories	<ul style="list-style-type: none"> See details below 	<ul style="list-style-type: none"> Website, social networks Reports and publications Press releases on nuclear events International transportation press releases Organization of site visits Public consultations and inquiries 	<ul style="list-style-type: none"> 3 communication campaigns 13 national press releases issued 4 new websites 120,000 followers on LinkedIn 18,800 Twitter followers Creation of the "Orano Solidaires" non-profit
Local & communities	<ul style="list-style-type: none"> Health and well-being of local communities Development of territorial economic activity Environmental performance and project eco-design Support for training and local employment Dialogue and consultation 	<ul style="list-style-type: none"> Participation in meetings (LIC, SMC, High committee for transparency and information on nuclear safety, Stakeholder panel, etc.) Local sessions of national debates (PNGMDR, PPE, etc.) Sponsorship, solidarity actions and participation in non-profits Collaboration agreements with countries Orano Mining complaints system 	<ul style="list-style-type: none"> Promotion campaign for the Cartomines tool in France Information meetings with civil society representatives for the Cominak site redevelopment project (Niger) Emergency aid for floods in Niger
Actors in employment and local development	<ul style="list-style-type: none"> Industrial and managerial innovations Development of territorial economic activity Support for training and local employment Ethics in business and behaviour Dialogue and consultation 	<ul style="list-style-type: none"> Member of economic development structures Synergies with public and private employment participants. e.g. the "1 young person, 1 solution" program for apprenticeships Participation in innovation programs 	<ul style="list-style-type: none"> Development of the Cotentin welding center of excellence (France) GIEQ Industrie Gard (France) Campus des métiers et qualifications in Occitanie (France) Participation in non-profits: Atout Tricastin, Cyclium, Nuclear Valley, etc. (France) Launch of the "Mineral Industry and Territories" chair, of which Orano Mining is a member (France, Mines).
Schools relations and younger generations	<ul style="list-style-type: none"> Reduction and recycling of waste Contribution to the fight against global warming Environmental performance and project eco-design Industrial and managerial innovations Development of territorial economic activity 	<ul style="list-style-type: none"> School ambassador network Meetings, forums and fairs Employer brand campaign Innovation and co-design program 	<ul style="list-style-type: none"> 3 programs launched in collaboration with CPI Schoolab with students from ESSEC, Centrale Supelec and Strate Design Agreement renewed with the University of Nîmes TechTheFutur (hackathon) with IMT Mines d'Alès Support for the program "Let's talk about science" which promotes science to young people in northern Saskatchewan (Canada) Youth "higher education" scholarship programs in Dornogobi province (Mongolia)
Media relations and associations	<ul style="list-style-type: none"> Transparency Safety & security of operations, including transportation Industrial and managerial innovations Ethics in business and behaviour 	<ul style="list-style-type: none"> Bilateral meetings Interviews Educational actions 	<ul style="list-style-type: none"> YouTubers' site visit plans (pending due to Covid-19) Expert Voices podcasts

Active participation in peer-to-peer discussion forums

Orano is a committed member of professional associations in its field:

- the World Nuclear Association (WNA); Philippe KNOCHE, Chief Executive Officer of Orano, has been its Chairman since May 2020;
- the French Nuclear Energy Industry Group (GIFEN); Orano is involved in the Bureau and the committees, notably through the Chairmanship of the Digital Commission;
- FORATOM;
- the French Nuclear Energy Company (SFEN); Orano is involved in office;
- World Association Of Nuclear Operators (WANO); Orano has been a member since 2012 for its recycling activities in Orano la Hague;
- France Chimie;
- France Industrie;

MATERIALITY MATRIX FOR ORANO'S STAKEHOLDER ISSUES



- Alliance des Minéraux, Minéraux et Métaux (A3M) via its subsidiary Orano Mining; Orano Mining is a member of the Board of Directors;
- the International Council on Mining and Metals (ICMM) via its subsidiary Orano Mining. Orano Mining has been a member for more than 10 years.

Listening to our stakeholders

In early 2020, the group decided to carry out its first materiality analysis. Nearly 160 managers and 130 external stakeholders were interviewed in order to identify expectations, risks and opportunities. The lessons learned from this exercise were taken into account when considering the group's future commitments, anchored in the strategy.

This analysis was completed at the end of 2020 by a question in the Orano Vox employee engagement survey, in which more than 9,000 respondents took part and which confirmed the perceived trends.

Our materiality matrix shows that:

- the "safety and security of operations and transportation" is a priority shared by the organization and external stakeholders and its control is perceived as positive;
- "transparency, information" and "ethics" are also shared priorities. Transparency is deemed to be perfectible, particularly with regard to the ease of finding information in the reports published by the group;
- in the environmental field:
 - the major internal challenge is "contributing to the fight against global warming",
 - even though our external stakeholders recognize the contribution of nuclear power to the fight against global warming, they prioritize "reduction and recycling of waste", "site end-of-life management" and "environmental performance and project eco-design" thus expressing their desire to see the issue of ultimate waste addressed, responsible behavior in the closure of sites, as well as global concern for saving resources and limiting impact during operations and the launch of new projects. These themes are thus mentioned as perfectible when they are taken into account by Orano;
- in the social field:
 - proper management of "health, safety and radiation protection" is a priority shared by external stakeholders and by Orano. It applies to our employees, but also to our subcontractors, suppliers and local residents,
 - the "well-being of employees and quality of life at work" is cited as an important internal issue;

- in the societal field:

- the "economic development of regions in which we have operations", "support for training and local employment" and "dialogue and consultation" are cited as important issues by our stakeholders and as areas for improvement, thus expressing a desire to see Orano play a greater role in the regions in terms of skills development and employment support;

- in the economic field:

- economic issues appear to be a higher priority internally than externally,
- "technological and managerial innovations" are the issue most often mentioned externally, particularly as a factor contributing to the sustainability of the activity;

- in the area of governance:

- governance issues (excluding transparency) appear to be a higher priority internally than externally. Although the quality of relations was emphasized, the interviews revealed a demand for proximity and greater frequency of meetings between stakeholders and governance structures.

A few additional issues are mentioned by specific stakeholders and can enhance the next materiality exercise: economic sovereignty, relocation, appeal of the group, management of waste and soil pollution, and control of subcontractors. The results of the materiality analysis were shared with the group's Executive Committee and managers in order to be fully integrated into the new societal and environmental commitment roadmap. This includes environmental performance aspects from design to the end of life of the sites and waste reduction. Local anchoring through the development of skills and employment is strengthened alongside innovation and inclusion already at the heart of our action.

4

From materiality to the main ESG issues

Following the materiality analysis, Orano presents in detail its non-financial material challenges, in line with the risks detailed in Chapter 3.

Material challenges	Associated families of risks and impacts	Policies	Actions and results	Opportunities
Safety & security of operations, including transportation Nuclear safety refers to all the measures taken for nuclear safety, radiation protection, the prevention and fight against malicious acts, as well as civil safety actions planned in the event of an accident. Nuclear safety consists of all the technical provisions and organizational measures relating to the design, construction, operation, shutdown and dismantling of regulated nuclear facilities, as well as the transport of radioactive substances, taken to prevent accidents and limit their effects.	<ul style="list-style-type: none"> ● Nuclear safety and environmental impacts (See Section 3.3.3) ● Risks related to the group's business activities (See Section 3.3.2) ● Risks related to transportation safety and security 	"Safety and security" are part of the group's values. Environmental Safety Policy	See Sections 3.3.3, 3.3.2 and 3.4.2.3	Develop new activities through our know-how in nuclear materials safety and control

Material challenges	Associated families of risks and impacts	Policies	Actions and results	Opportunities
GOVERNANCE				
Transparency and information Put in place policies and tools to voluntarily share clear and reliable information with internal and external stakeholders	<ul style="list-style-type: none"> Political and economic context (See Section 3.3.1) Risks related to the energy policies of other countries and the European Union, to taxonomy and the geopolitical environment in some countries Nuclear safety and environmental impacts (See Section 3.3.3) 	<p>"Ethics, transparency and dialogue" are part of the group's values</p> <p>Code of Ethics</p> <p>Environmental Safety Policy</p>	See Sections 3.3.1, 3.4.2.1 and 3.4.3	Argue the role of nuclear energy as an energy of the future for the climate
Ethics of business and behaviour Ensure compliance with laws and regulations, integrity and compliance in the conduct of business, the fight against corruption, respect and promotion of human rights and fundamental freedoms throughout the Company value chain	<ul style="list-style-type: none"> Risks of corruption and influence peddling (See Section 3.3.8) Risk of tax evasion (See Section 3.3.9) 	<p>"Ethics, transparency and dialogue" are part of the group's values</p> <p>Code of Ethics</p> <p>Anti-Corruption</p>	See Sections 3.3.8, 3.3.9 and 3.4.3	Strengthen our long-term relationships with our employees, customers and partners
Risk management Ensure the proper identification of risks for the Company and the implementation of prevention and mitigating actions		Business risk mapping system	See Chapter 3	Maintain our culture of nuclear materials control
ENVIRONMENT				
Reduction and recycling of waste Limit the production of conventional and radioactive waste and final waste, and find a way to recover them.	<ul style="list-style-type: none"> Political and economic context (See Section 3.3.1) Risks related to the energy policies of other countries and the European Union, to taxonomy and the geopolitical environment in some countries Risks related to the possible requalification of certain nuclear materials Risks related to end-of-lifecycle operations (See Section 3.3.2.2) 	<p>Environmental Safety Policy</p> <p>Dismantling strategy</p> <p>Innovation strategy in three areas: services, the circular economy and deep tech</p>	See Sections 3.3.1, 3.3.2, 3.3.2.2 and 3.4.2.3	Generate new opportunities through the recovery of nuclear materials and waste, while reducing the use of natural resources
Environmental performance and eco-design of projects Monitor and reduce the wider environmental impacts of operations throughout their lifecycle and integrate them into the design of future projects and activities	<ul style="list-style-type: none"> Nuclear safety and environmental impacts (See Section 3.3.3) Risks related to the group's business activities (See Section 3.3.2) Risk related to major projects 	Environmental Safety Policy	See Sections 3.3.2 and 3.3.3	Generate new service opportunities around environmental performance
Site end-of-lifecycle management Responsible management of the shutdown of operations so as not to create any risk for the population and the environment, and to allow the site to be reused for other uses if possible.	<ul style="list-style-type: none"> Risks related to the group's operations (See Section 3.3.2.2) Risks related to end-of-lifecycle operations Nuclear safety and environmental impacts (See Section 3.3.3) 	<p>Environmental Safety Policy</p> <p>Dismantling strategy</p>	See Sections 3.3.2.2, 3.3.2, and 3.4.2.3	Develop new activities on vacated land and ensure continuity of economic activities for the regions

Material challenges	Associated families of risks and impacts	Policies	Actions and results	Opportunities
SOCIAL				
Occupational health and safety, radiation protection Protecting the physical and mental health and safety of the Company's employees and external personnel working on the sites (subcontractors), including with regard to radiation, and providing medical evacuations for local staff and expatriates	• Risks related to health and safety of people (Section 3.3.4)	Health, Safety and Radiation Protection Policy	See Sections 3.3.4 and 3.4.2.2	Develop new activities through our know-how in health and the medical field
Employee well-being, quality of life at work, work-life balance Emphasize working conditions that enable employees to develop their professional and personal lives	• Risks related to transformation and Human Resources (See Section 3.3.7)	Quality of life at work guidelines and agreements	See Sections 3.3.7 and 3.4.2.1	Attract and retain the talents who will invent solutions to the challenges of today and tomorrow.
SOCIETAL				
Development of territorial economic activity Develop investments, the economic fabric and job creation in the regions in order to increase wealth and shared value	• Risk of corruption and influence peddling (See Section 3.3.8) • Risks related to transformation Human Resources (See Section 3.3.7) • Risks related to the group's operations (See Section 3.3.2.4) • Risks related to subcontracting and suppliers	Purchasing Policy	See Sections 3.3.7, 3.3.8 and 3.3.2.4	Develop skills and employment around our operations Contribute to the appeal of the regions, the relocation of activity and the reduction of the carbon footprint
ECONOMIC				
Industrial and managerial innovations, R&D Identify and implement innovation and development paths, if necessary through associated Research and Development, to strengthen the Company's technological, commercial and managerial positioning.	• Political and economic context (See Section 3.3.1) • Risk related to the French energy policy • Risks related to the group's operations (See Section 3.3.2.1) • Risks of plant obsolescence • Risks related to transformation and Human Resources (See Section 3.3.7)	R&D strategy Innovation strategy in three areas: services, the circular economy and deep tech	See Sections 3.3.2 and 3.3.7	Contribute through our future activities to climate, health and a resource-efficient world
Operational performance Ensure the fair use of means and resources to ensure competitive operations	• Risks related to the group's business activities (See Section 3.3.2) • Risks of plant obsolescence • Risk related to major projects • Risks related to subcontracting and suppliers	Quality policy Operational excellence and performance program	See Section 3.3.2	Contribute to competitive electricity costs
Business continuity Anticipate an event that seriously disrupts the normal organization of the Company in general and implement a strategy that allows continued activities and ensures delivery to customers	• Risks related to the group's business activities (See Section 3.3.2) • Risks of plant obsolescence • Risks related to cybersecurity • Risks related to uranium resources and reserves • Risks related to subcontracting and suppliers	Protection policy and cybersecurity plan Deployment of a business continuity approach	See Section 3.3.2	Develop the plants and nuclear industry of the future by investing in technologies and skills to guarantee the continuity of operations

4.1.3 A roadmap that structures our commitment to 2030

In 2020, Orano renewed its corporate plan by incorporating societal and environmental commitments built with the group's managers and thanks to feedback from stakeholders. Structured around its purpose, values and strategic axes, its 13 objectives reflect the way in which Orano wishes to embody its purpose and contribute to the Sustainable Development Goals.

A roadmap co-built with the teams

Initiated in 2019, the internal co-construction work on the group's new Commitment roadmap continued in 2020, with methods adapted to the health crisis, through workshops involving nearly 1,300 managers and employees in all of the group's operations. This work, built around the six themes of the six Sustainable Development Goals selected (see Section 4.1.1 *A corporate purpose and a project that contribute to key global challenges*), has made it possible to raise employee awareness of current issues, particularly climate, environmental and societal issues, and to inform discussions on the roadmap with more than 6,000 contributions.

ORANO'S COMMITMENT ROADMAP

Focuses and commitments	Objectives 2030 vs. 2019	Markers in 2025	Markers in 2030	Expected impact
Our values Aim for the highest standards	Aim for the highest standards in terms of nuclear safety, environment, health and occupational safety	0 INES level 2 events Accident frequency rate (Orano employees) less than 1		Operational safety and security Good health of employees, external companies and local communities
	Make information and dialogue more accessible to our stakeholders and more explicit regarding sensitive perceptions	80% of our stakeholders satisfied with the "transparency" and "dialogue" topics		Acceptability of the nuclear industry Group appeal
COMMUNITIES Be engaged and responsible locally in our environment	Strengthen local roots, particularly in the area of skills development and employment	80% of local residents have a positive view of Orano's activity in their area		Regional development Acceptability of the nuclear industry
	Build the second life of the sites	100% of site planning includes management of long-term liabilities		Acceptability of the nuclear industry Support for employment
CLIMATE Contribute to carbon neutrality	Eco-design all our major projects	50% of projects are eco-designed	100% of major projects are eco-designed	Resource saving Extension to our customers
	Reduce the "equivalent" carbon footprint of our business in line with the Paris Agreement	-15% of tCO ₂ e scopes 1 and 2 (vs. 2019), i.e. -40% vs. 2015 (reference year of the French SNBC *)	-20% of tCO ₂ e scopes 1, 2 and 3 (vs. 2019)	Contribution to the fight against global warming Alignment with the Paris Agreement
	Innovate to reduce the footprint of our customers and increase the acceptability of nuclear power and nuclear materials	Laboratory validation of a solution for decommissioning hulls	Study of an industrial solution to reduce the lifespan of final waste	Contribution to the fight against global warming Acceptability of the nuclear industry

* SNBC: Stratégie nationale bas carbone (French National Low-Carbon Strategy) 2020 version.

SOCIAL, ENVIRONMENTAL AND SOCIETAL COMMITMENTS

Societal and environmental challenges at the heart of the strategy

Focuses and commitments

Objectives 2030 vs. 2019

Markers in 2025

Markers in 2030

Expected impact

SKILLS

Mobilize proud and committed employees who embody our purpose



Offer professional and personal development within an attractive work environment

75% engagement rates for employees

Engage employees in development paths through an innovative, resource-efficient organization and working environment

Employee commitment
Group appeal
Waste reduction
Resource saving

Be a benchmark, inclusive employer, promoting diversity

1,000 group managers involved in mentoring/tutoring

Continue to promote gender equality
Strengthen partnerships with schools and universities
Look for potential in the unemployed

Group appeal
Support for employment

Develop our innovation ecosystem

Revenue from innovative business models, products and services (see customer growth below)

Boost our partnership approach
Develop access to knowledge, the internal entrepreneurial spirit and access to external financing

Group appeal
Societal impact of innovations

CUSTOMER GROWTH

Innovate to preserve resources and protect health



Broaden our recycling offer

Electrical transition

Develop anti-cancer treatments using nuclear medicine

Group revenue close to 4.5 billion euros

People treated

Become a player in the medical, industrial and research isotopes markets

Technological development

CASH

Operate efficiently and reduce our footprint



Improve the efficiency of the extended enterprise by 25%

10% improvement in the use of raw materials (water, energy, etc.) vs. 2019

25% overall improvement in performance (vs. 2019)

Resource saving
Competitiveness of the nuclear industry

Reduce our production of non-recycled waste by 25%

-10% of non-recycled waste produced (vs. 2019)

-25% non-recycled waste produced (vs. 2019)

Waste reduction

* SNBC: Stratégie nationale bas carbone (French National Low-Carbon Strategy) 2020 version.

Specific policies underpinning the roadmap

In addition to the Code of Ethics, Orano is implementing specific policies, the next iterations of which will incorporate the group's societal and environmental commitments in the following areas:

- a Nuclear Safety and Environment policy;
- a Health, Safety and Radiation Protection Policy;
- a Purchasing Policy;
 - agreements and guidelines in the areas of diversity and inclusion, skills and quality of life at work and social dialogue,
 - an Anti-Corruption Code of Conduct.

All of these policies are approved by the Executive Committee and the Board of Directors. Their appropriation and application is verified by the group's Internal Control Department, in particular by internal audit or the General Inspectorate. They cover the areas of duty of care. Other policies (quality, protection, etc.) complement the group's actions.

Aligned compensation processes and criteria

This roadmap and the policies are reflected in all processes. Some actions, such as the inclusion of non-financial aspects in the evaluation of the group's investments, were able to take place in 2020. An analysis grid is being finalized and will be rolled out to all of the group's major investments in 2021. All of the group's processes will be aligned in 2021.

In addition in 2021, the implementation of certain actions and the achievement of the roadmap objectives will be included in the variable compensation criteria at a rate of 10% for some 2,500 eligible managers.

Transparent communication on results

For Orano, information, transparency and education are fundamental to the acceptance of our activities. The group is working to provide the clearest possible information.

Support thanks to Orano Solidaires

In the context of the global health crisis in 2020, the group undertook initiatives to assist others and meet this human and economic challenge by creating Orano Solidaires. The purpose of this non-profit is to provide support in the medical field (including healthcare and research) and assistance, as well as for underprivileged populations, particularly in all emergency situations, both nationally and internationally.

The non-profit's work is in the general interest, by opening up to all audiences, especially the most vulnerable, by guaranteeing that its activities are non-profit and philanthropic in nature. In all circumstances, it guarantees a democratic and transparent operation and preserves the unbiased nature of its management.

At the beginning of April 2020, in the context of a global health crisis, the group announced the launch of Orano Solidaires internally with the aim of embodying the fundamental values of our group but also and above all the meaning that we give to our activities: to be women and men resolutely committed to serving the world around us and others, for the development of society. Orano launched a "Useful and committed donations" fundraising campaign based on the principle of "1 euro donated by the employee = 1 euro matched by Orano". This fundraising enabled donations to be made to three associations.

2020 IN ACTION: A boost to the "Coup de pouce" non-profit

The Coup de pouce non-profit is one of three organizations or associations identified in France by Orano Solidaires that have received donations collected within the group.

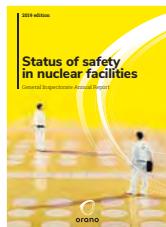
Alongside schools and in support of parents, Coup de pouce helps children acquire basic knowledge throughout France. It acts and innovates to promote success in education for all, with a particular focus on equal opportunities. To achieve this, it designs and distributes tested and evaluated extracurricular programs that are offered to municipalities and educational stakeholders.

FIND ALL OF OUR PUBLICATIONS

To follow our news, start or continue a dialog,
find us on: www.orano.group

**Orano 2019 - 2020 brochure**

Analysis of used fuel recycling
Guided tour of Tricastin
Focus on Orano Med

**2019 Annual report
of the General Inspectorate**

State of safety of nuclear facilities

**2019 - 2020
Commitment Report****Information reports
from French nuclear sites**
(French only)

Orano la Hague 2019
Orano Melox 2019
Orano Tricastin 2019
Orano Malvési 2019

**Orano Mining 2019 CSR Report**

CSR approach
Commitments and indicators

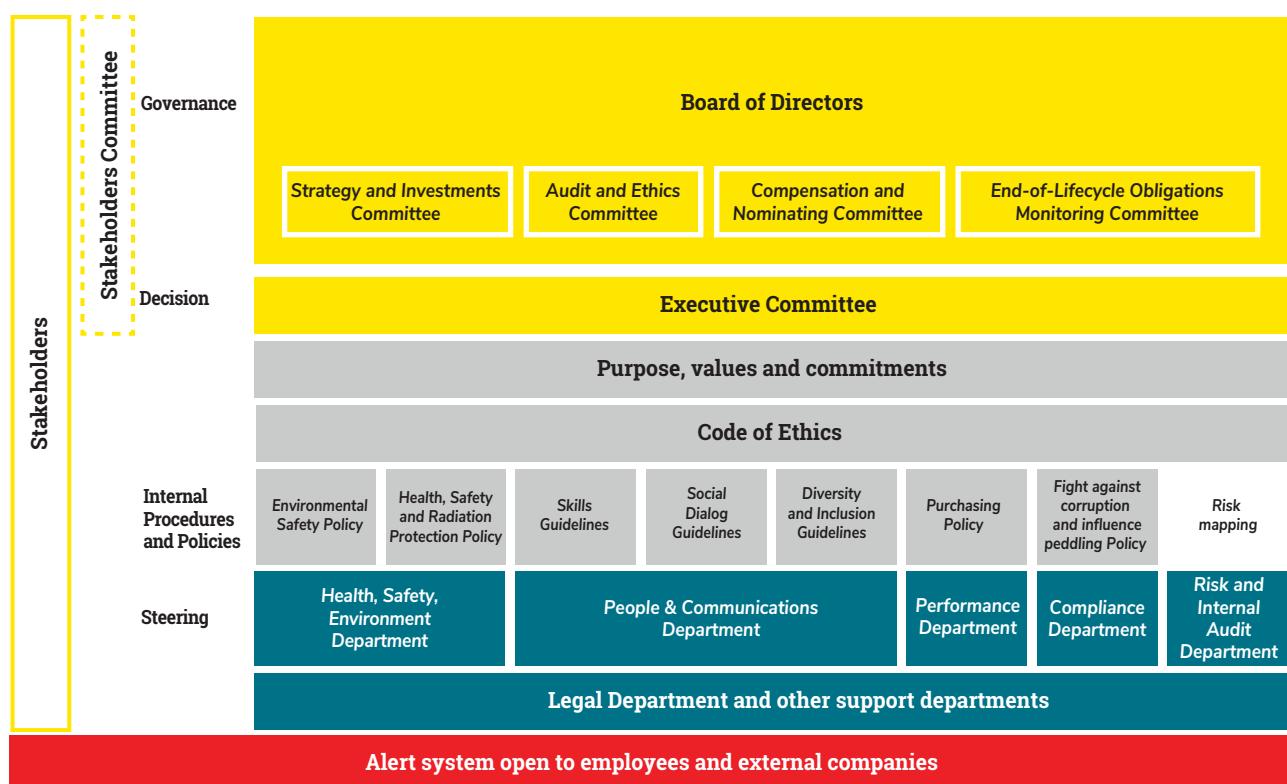
**Policies**

2018 Nuclear Safety Charter
2021 - 2023 Nuclear Safety and Environment Policy
2017 - 2020 Health, Safety and Radiation Protection Policy
2018 - 2020 Disability agreement
Professional gender equality agreement
Report on payments to foreign governments
Code of Ethics
ISO 9001 - ISO 14001 - OHSAS 18001 certifications

4.1.4 Integrated and cross-functional non-financial governance

The Environment, Societal and Governance (ESG) themes are integrated into the processes at each level of the organization.

ORANO'S NON-FINANCIAL GOVERNANCE



Source: Orano

The Board of Directors guides and monitors the group's actions and results, including in non-financial matters. ESG topics are managed by each specialized committee of the Board of Directors depending on the subject. An overall progress report on the roadmap is carried out by the Board of Directors at least once a year.

The Executive Committee ensures the consistency of the roadmap and steers the proper implementation of actions. It will carry out an overall progress report on the roadmap at least once a year.

Each Director defines the policies and programs in his/her area of expertise to achieve the objectives set:

- the Health, Safety and Environment Director, a member of the Executive Committee, manages the Nuclear Safety and Environment policy, the Health, Safety, and Radiation Protection Policy and the group's engagement approach, in particular with regard to dialogue with stakeholders;
- the People and Communications Director, a member of the Executive Committee, steers the orientations of all Human Resources issues, including Skills, Social Dialogue, Diversity and Inclusion;
- the Performance Director, a member of the Executive Committee, manages the Purchasing policy, including Responsible Purchasing;
- the Compliance Director, reporting to the Chief Executive Officer, manages the ethics and anti-corruption and influence peddling program and oversees the ethics alert system;

- the Risk and Internal Audit Director, who reports to the Chief Executive Officer, steers the business risk mapping and management process, including non-financial risks.

Various operational committees bring together the necessary skills for reflection and monitoring of actions and make proposals for changes to the Executive Committee. All of these committees ensure compliance with the guiding principles that the group intends to comply with, as stated in its Code of Ethics. Each department coordinates an operational network within the Business Units and central departments. Permanent support is provided by the Legal Department.

This governance is supplemented by other committees and networks: Quality, Operational Excellence, Protection, Innovation, R&D and Strategy, which steer or contribute to societal and environmental actions.

A Stakeholder Committee, composed of external members, is being set up. This committee will be composed of around 15 people who will meet twice a year with the Chief Executive Officer and a number of Orano directors in order to advise, challenge and relay the vision of the various stakeholders, in particular to assist the group with how to include societal and environmental issues in its strategy. It will be chaired by the Chairman of the Board of Directors.

4.2 Aim for the highest standards

4.2.1 Action priorities in nuclear safety, industrial security and environmental protection

4.2.1.1 Achieve the highest standards in nuclear safety

Orano's priority is the safety and security of its operations and transportation, based in particular on the principle of in-depth defense, which is notably reflected in a series of risk management measures ("lines of defense") aimed at mitigating technical and human failures.

Nuclear safety consists of all the technical, organizational and human measures relating to the design, construction, operation, shutdown and dismantling of regulated nuclear facilities, as well as the transportation of radioactive substances, taken to prevent accidents and limit their effects.

Measures are implemented at four levels:

- prevention, which consists of building in intrinsic resistance to its own shortcomings and to attacks defined *a priori* in the design stage, construction and operation;
- monitoring to detect incidents, then implementing actions to prevent them from leading to an accident, and finally, restoring normal and safe operation;
- limiting the consequences in order to control accidental situations that could not be avoided or, failing that, to limit their aggravation by restoring the installation and keeping it in a safe condition;
- management of the most serious accidents to mitigate the consequences of accidents resulting from the failure of the third level of in-depth defense.

These four levels of defense, taken into account from the design stage of the facilities, are supplemented by a fifth level comprising the organizational arrangements and the means implemented to manage emergency situations and protect the public. Improvement actions targeting the five levels of in-depth defense were carried out to take into account feedback from the Fukushima accident.

A robust nuclear safety and environment organization

The corporate Health, Safety and Environment Department (HSE Department) spearheads a number of areas on behalf of Executive Management:

- the safety of the group's nuclear facilities and of related activities (design, operation, dismantling, transportation, services) carried out for the group or for its customers;
- the radiation protection in the group's facilities and for all the group's service operations;

- the occupational health and safety of all of the employees of the group and its subcontractors;
- industrial and environmental risk prevention in the group's facilities (INB, INBS, ICPE, Mines, IOTA), and more generally, the management of sustainable development actions; and
- the management of critical events, emergencies and crisis situations.

The HSE Department draws on specific organizations within the Business Units, the operating entities and other corporate functions in France and abroad, forming a network of experts whose role is to participate actively in regulatory monitoring, and to provide assistance to line managers for the implementation of their HSE performance plans.

On behalf of the Executive Management, a body of inspectors, which is independent of the chain of command, is tasked with verifying that responsibilities are correctly assumed, detecting any early signs of potential deterioration, and recommending the necessary improvements. It issues an annual report on the status of safety of the group's nuclear facilities and operations.

Through its specialists and their networks, the department disseminates information related to accomplishments, best practices and events in order to prevent risk and promote performance improvement.

Nuclear Safety Charter and Policy 2017-2020

The Nuclear Safety Charter sets out the commitment of Executive Management to prioritize risk management and establishes organizational and action principles. It calls for the implementation of a continuous improvement approach based on feedback.

The Environmental Safety Policy 2017-2020, approved by the Executive Committee, formalizes the priorities for action in terms of nuclear safety, industrial safety and environmental protection.

As part of the group's transformation, based on operational excellence, the objectives of this policy are:

- to guarantee a sustainable high level of safety for our facilities, products and services;
- ensure that operational rigor is strengthened and is a daily concern of operational management and all stakeholders;
- ensure that the priority nature of risk prevention and environmental protection is taken into account by each of the processes implemented in the conduct of our activities.

This policy is implemented by all operational entities in the form of annual implementation plans, which are monitored at group level. It is applicable to external parties and is attached to the corresponding contracts.

In addition, the application of the Policy is controlled internally by the General Inspectorate Department, which reports to Executive Management on the compliance status of operations.

Safety results and events

The nuclear industry is one of the most highly regulated industries in the world. Anomalies and incidents are reported to the administrative authorities and the public is informed. As part of the continuous improvement of the performance of nuclear and industrial risk management, Orano systematically analyzes the technical, human and organizational causes of all these events and implements actions to avoid their recurrence.

As a service provider, Orano also voluntarily proceeds in the same way for anomalies and incidents reported by other operators and for which Orano may be at the origin of one of the causes.

In 2020, Orano experienced one radiation protection event classified at level 2 on the INES scale (international scale of nuclear and radiological events, graduated from 0 to 7 in increasing order of severity). It involved the exposure of a worker to an equivalent dose greater than the annual regulatory limit at the Melox facility (see the paragraph below).

The six events classified and declared to the French nuclear safety authority at INES level 1 in 2020 involved:

- two personal exposures exceeding one quarter of the regulatory annual individual dose limit, one at the la Hague facility and the other during a service provision;
- the deterioration of a containment barrier, without dissemination, during work on the silo roof at the la Hague plant, as part of

the recovery and packaging of sludge containing radiological material;

- a delay in carrying out periodic checks on several facilities at the la Hague plant;
- failure to characterize two waste drums at the Tricastin plant;
- failure to monitor the mass of uranium, with the number of jars authorized for storage on the Tricastin site being exceeded.

A radiation protection event at the Cominak site (Niger) in October 2020 was classified as level 1 internally at Orano using the IAEA scale.

In order to encourage the reporting of "weak signals" and experience sharing, the Orano group introduced an indicator at the end of 2011 calculated on the basis of a ratio between the number of level 0 events and the total number of significant events. The detection of weak signals and the reporting and processing of significant events is a major objective at Orano.

Reports are presented regularly to the Orano Executive Committee (COMEX) and the Board of Directors. The main safety and environment indicators are:

- the number of significant safety events (SSE) of Level 2 or higher; and
- the event prevention rate (EPR) (where EPR = SSE > N1/SSE NO).

In 2020, the Orano event prevention rate (EPR) met its target of not exceeding a ratio of 0.1 by reaching just 0.06.

Objective 2025	Indicators	2018	2019	2020	Progress
Aim for the highest standards in safety and the environment with Zero INES 2 EPR < 0.1	Level 2 or higher	0	0	1	
	Level 1	8	7	7	
	Level 0	121	132	138	
	Event Prevention Rate (EPR)	0.07	0.05	0.06	
	Internal inspections carried out by the General Inspectorate	44	59	58	

An INES level 2 event at Melox

The Melox regulated nuclear facility (INB), located in Marcoule (Gard), includes a pelletizing plant to compact mixtures of plutonium oxide and uranium powders into cylindrical pellets. These operations are carried out in "glove boxes" ⁽¹⁾, which provide protection against the risk of release of radioactive materials.

On February 11, 2020, during the cleaning of a "glove box" containing a compaction press, the piercing of a glove caused atmospheric contamination of the work area. This contamination was detected by the room's surveillance beacons and the room was evacuated in accordance with the procedures in force. Among the three people present in the room, one person was contaminated.

⁽¹⁾ Sealed enclosure with portholes and openings fitted with gloves hermetically attached to the walls. It isolates the radioactive material and protects the operator.

On the basis of the results of the radiotoxicological analyzes, the committed dose⁽¹⁾ was assessed by the occupational physician at a value close to, but higher than the annual regulatory limit of 20 mSv.

As this was an event in which the exposure of a worker's whole body was assessed at a dose greater than the annual regulatory limit, ASN classified it as level 2 on the INES scale (International Nuclear and Radiological Event Scale, graduated from 0 to 7 in increasing order of severity).

This event had no impact on the facilities or the environment. Orano cleaned the room and assessed the equipment used.

Orano is working on continuous radiological monitoring according to the configuration of the workstations and on improving the mechanical resistance of the facility's gloves.

Management of degraded situations

Orano is also equipped with a robust crisis management system to manage emergency situations relating to the security of facilities and the safety and health of employees and of the public and the environment. Almost 100 exercises are organized each year, including some with public and local authorities. The nuclear sites have response teams available on-site 24 hours a day. The teams are trained and practise for all types of emergency and safety situations. Some members are also volunteer firefighters stationed at various emergency centers around our operations.

Since 2015, Orano has also had an Orano National Intervention Force (FINA) made up of nearly 500 volunteers from all entities, trained and ready to provide assistance in their area of expertise in the event of a major incident on a group site.

Orano is constantly adapting its crisis management system to new threats. A cybersecurity exercise is therefore organized annually. In 2020, it brought together 120 participants in a configuration adapted to the health crisis.

Orano is a constant target of attempted attacks on its information systems. The group has defined an information systems security policy and associated governance to protect its information systems and, ultimately, its operational challenges. The protection strategy is based on three pillars:

- defining and implementing operational means to detect and counter attacks;
- internal and external reviews, controls and inspections to verify that risks are under control and that the effective level of security remains in line with operational, contractual and regulatory expectations;
- resilience and global protection including prevention, detection, alert and reaction to resist cyber-attacks and defend information systems. This includes user training and regular awareness-raising campaigns.

Cybersecurity actions are detailed in Section 3.3.2.5 Risks related to cyber-attacks.

An ambitious industrial safety action plan

Following several significant events, which had no impact on our mining operations, relating to industrial safety (fire, uncontrolled gas emissions), an ambitious action plan for 2020-2022 was launched to provide mining sites with a system equivalent to the existing industrial safety management system for French SEVESO establishments. With a view to improving HSE performance, it was decided to establish a new prevention indicator at group level from 2021 that will more specifically monitor environmental events (including those relating to technological risks) and will improve the sharing of experience in this area.

The Orano group participated in the work organized by France Chimie related to the Lubrizol accident of September 26, 2019. Some topics, such as improving inventories, will be rolled out in proportion to the challenges at each group site.

4.2.1.2 Environmental protection

Principles of environmental monitoring

Orano devotes considerable resources to reducing and monitoring chemical and radioactive releases. At the same time, it ensures that the environment is continuously monitored. Orano performs over 100,000 measurements and analyses annually on samples taken at some 1,000 locations to monitor environmental radioactivity around its sites.

On the former mining sites, in addition to rigorous monitoring of water quality, regular studies prove that the quantity and quality of aquatic ecosystems have not been affected by mining activities.

Liquid and gaseous discharges are monitored throughout the year, in order to enable rapid corrective action if necessary. In addition, in order to verify the absence of a real impact due to the facility, deferred monitoring (based on sampling) is carried out in the various ecosystems and throughout the radionuclide transfer chains up to man.

Non-GHG emissions (NOx, SOx, etc.) are monitored during the environmental monitoring of industrial sites. They are reported in the specific publications of the entities, available on the Orano website in the reference publications. They are not consolidated and reported at group level.

Participatory environmental monitoring programs have been implemented at several international mining sites and involve stakeholders beyond the existing Local Information Commissions.

⁽¹⁾ The committed dose is the assessed dose resulting from the incorporation of radioactive substances by inhalation, ingestion, transcutaneous penetration or injury. It estimates the overall dose that will be suffered by the body as a whole over the long term. The calculation of the committed dose covers 50 years for adults, so as to take into account the gradual elimination of radioactive substances or their non-elimination by some.

Limiting impacts on the environment and the population

Based on the activity released in the liquid and gaseous effluents and its dispersion in the environment, the radioactivity in the environment (seawater, groundwater, rivers, fauna, flora, air, soil, etc.) is assessed, then the dosimetric impact is calculated, considering all the routes by which the radioactivity can reach man. This assessment focuses on population groups identified as being the most exposed locally to the impact of discharges.

The prevention of accidental spills is an issue for Orano because of the potential consequences that can be very significant on employees, populations, fauna and flora and on the creation of environmental liabilities. In the group's internal requirements, accidental spills of radioactive or hazardous substances into the environment must be taken into account during all phases of the life of the facilities (design, construction, operation, shutdown and dismantling). In application of the ALARA principle, a risk reduction approach at source is implemented (limiting the harmfulness of the substances used, limiting the quantities stored, etc.) whenever possible. Active consequence mitigation systems must be implemented and integrated into incident management systems.

As in the case of security incidents, environmental incidents are analyzed and feedback is provided with the identification of actions and a ranking on the internal scale of the severity assessment group ASSESS (Advanced Severity Scale for Events and Soft Signals). This scale was created in 2014 to strengthen the common culture of industrial risks and improve the prevention of environmental risks.

In July 2020, during a preventive maintenance intervention on a pyrometric rod of the anhydrous ammonia storage system at the McClean Lake site, approximately 35 m³ of anhydrous ammonia in gaseous form was released into the atmosphere. No personnel present on the site were injured during this incident. Most of the anhydrous ammonia released was mixed with water and sent to the tailings storage. Subsequent sampling did not reveal any impact on the freshwater aquifers. Following this incident, an in-depth investigation was carried out to determine the root causes of the event as well as a risk analysis of the entire anhydrous ammonia storage system to identify any other potential vulnerabilities. This survey made it possible to develop an action plan to improve industrial safety and further reduce the likelihood of such events occurring in the future.

Addressing impacts overall and over time

Limiting impacts also includes all of the following fields (bacteriological, visual, biodiversity, noise pollution, pollution from road and rail traffic, odor impacts, vibrations, dust, light emissions, electromagnetic fields, etc.).

Orano's Environmental Safety Policy also aims to reduce and manage all of our environmental liabilities in an approach proportionate to the stakes involved. This strategy is part of the desire to give new life to the sites where we are located.

2020 IN ACTION: End of the mine tailings treatment plan at the former French sites

In accordance with its commitment to the French State, Orano manages almost all of the former French uranium mining sites (235 out of a total of 248), in addition to the sites operated for almost 60 years by the group and its subsidiaries. In 2009, the French State entrusted Orano with the public service mission of carrying out an inventory and then a treatment plan for mine tailings in France in the public domain, and from former mining sites operated by Orano and others. All the situations for which Orano had undertaken to take action were addressed, with the last work being completed in 2020.

4.2.1.3 Review of the 2017-2020 Nuclear Safety and Environment policy and priorities of the new 2021-2023 policy

For 2020, more than 150 actions, broken down according to the policy's 12 action priorities, were defined by the four Orano France sites that operate INBs, as well as by the Mining, Dismantling and Services and Projects Business Units. Priority was given to the following subjects or themes:

- the maintenance of design and production programs for the industrial facilities to a high level of safety;
- operational deployment of INB regulations and compliance of facilities with the regulatory framework;
- improving standards (handling, monitoring, etc.) and operational documentation;
- the professionalization of the monitoring of security-related activities entrusted to external companies;
- the performance of the feedback process and the identification and analysis of weak signals; and
- strengthening of the safety culture of the group's employees.

In practice, more than 75% of the actions were completed in full during 2020 and a majority of the actions still in progress are expected to be completed in the first quarter of 2021. In addition to meeting several key project milestones or major Environmental Safety commitments, the notable achievements in the implementation of the policy in 2020 are:

- the choice and deployment of a new group regulatory monitoring tool;
- submission to the French nuclear safety authority of periodic (10-year) review files for several INBs;
- the definition of monitoring standards for external parties; and
- the deployment of an e-learning module on safety culture, which was followed by 7,000 group employees.

In addition, the future Environmental Safety Policy was co-developed by all the operational entities concerned under the leadership of the HSE Department, for the next three years.

For the period 2021-2023, the group selected eight action priorities and defined a set of indicators to closely monitor the performance of actions carried out in line with these priorities:

- define with the authorities commitments commensurate with the challenges;
- operate our facilities safely;
- develop our leadership in nuclear safety and our expertise in industrial safety;

- strengthen the performance of security management;
- control our emissions and guarantee the absence of significant impact from our activities;
- reduce our environmental footprint;
- combat global warming and anticipate its impact on our activities; and
- support the group to industrially diversify and promote a circular economy.

4.2.2 Health - Safety - Radiation Protection

The health of employees is a daily concern. The 2017-2020 Health, Safety and Radiation Protection Policy applies to all entities of the Orano group. Its aims are threefold:

- the development of primary prevention in health, safety and radiation protection;
- commitment and accountability in controlling our operations; and
- improving feedback and sharing experiences.

4.2.2.1 Risk assessment and medical monitoring

Prevention based on risk assessment

As a general principle, risk assessment is a key element of the prevention approach. This assessment is one of the main levers for progress in the group's occupational risk prevention approach.

Risk assessment is a structured approach based on the identification of hazards and the assessment of risks depending on the professional situation. This analysis makes it possible to map the risks present in the establishment by work unit (transcribed in the Single Risk Assessment Document - DUER) on the basis of which action plans for staff are drawn up and monitored: training, career path, protection, awareness, monitoring, ergonomics, etc.

Anyone working in the facilities, whether an employee of the group or a subcontractor, is informed of the risks inherent in their activity and of the measures taken to prevent them.

In accordance with a group methodology, Orano entities update the workplace risks assessment annually or as soon as working conditions change, leading to an update and reassessment of the risk inventory.

An individual occupational risk sheet (FRP in french) is drawn up on the basis of the workplace risk assessment. This provision applied to Orano employees makes it possible to identify the risks present in normal working conditions. On the basis of the information provided in the FRP, the occupational physician of the Orano employee is able to determine the frequency of medical visits and the nature of the examinations to be carried out in order to ensure suitable medical supervision, where appropriate. They inform the employee of the risks to his or her health and the prevention measures to be implemented, gives an opinion on the classification

of the worker and issues the medical fitness certificate for the workstation. They may, if necessary, record observations useful for prevention (results of measurements, additional requests, etc.).

In 2020, the Orano entities continued to draft the new individual occupational risk sheet for employees prior to their medical check-up.

In January 2019, the HSE Department launched the multi-year prevention program called "Santé Attitude" with unprecedented prevention actions in the group on this scale. Following themed prevention days on sight in 2019, a new campaign was held in 2020 focusing on dermatology.

As part of its occupational stress risk prevention policy (RPS), Orano has set up drop-in and support centers open to all employees in France. A specific program has been set up in coordination with the Insurance Department for expatriate personnel and their families.

4

2020 IN ACTION: Survey on the psychosocial impact of remote working during lockdown

Following government announcements to implement a lockdown for the entire country, remote working was generalized for the group's French sites for people whose presence on site was not necessary for safe production, projects and the supervision of these activities. As a result, around 40% of our French workforce is now working remotely. In mid-April 2020, the group launched a survey on the psychosocial impact of Covid-19 on people working remotely during lockdown in France. The purpose of this survey, which was sent to 5,541 group employees in France during lockdown, was to assess the impact of this exceptional situation on employees based on five psychosocial parameters: anxiety, depression, stress, the appearance of possible relationship tensions, and the use of psychoactive substances. The aim was both to identify situations of concern in order to deal with them on an ongoing basis, and to prepare an assessment necessary for any adjustment of the psychosocial risk prevention strategy. The listening system has been strengthened to take into account the situations thus highlighted. In parallel, webinars were held every day to accompany and support everyone through the change, to help them cope better with the lockdown, to be comfortable with working remotely over the long term as well as to prepare for the exit from lockdown.

Medical surveillance

Workplace health in France is coordinated by a group Health Department, which, to be more effective, has national responsibilities and international activities. The operation of the group's occupational health service has reached maturity, and feedback is used to develop employee monitoring schedules drawn up by the service's health professionals on a scientific and regulatory basis. These updates are made within the framework of the governance of the Health Department (National Commission for Monitoring and Control and Standing National Committee on Occupational Health), which includes social partners.

2020 continued the internalization from 2019 of employees in the group's occupational health service in France. This Orano medical surveillance enables the detection and prevention of occupational diseases. It delivers prevention information to individual employees. It is also at the origin of the traceability of occupational exposures throughout the professional career. It is supported by a very extensive technical platform of complementary biological and radiotoxicological examinations.

Health monitoring provisions also exist for employees working abroad or on long-term assignments. They cover medical follow-up before, during, and on return from expatriation. In case of injury or illness, a global insurance policy through Europ-Assistance provides French employees with assistance and/or repatriation.

Management of the Covid-19 situation to equal the challenges

The Orano Health-Safety-Radiation Protection Department quickly identified the need to set obligations and practical recommendations to be implemented at the group's facilities by its employees and subcontractors in the context of the Covid-19 epidemic: preventing contagion at the facilities required paying close attention to the obligations and adapting insofar as possible the recommendations defined by the HSE Department and validated by the Executive Committee.

Accordingly, all employees received recommendations for their workplace and their personal sphere, depending on the evolution of the epidemic, based on the HSE obligations and recommendations

issued by the group. Protective masks were made available from mid-March and rolled out more widely in early April.

The health professionals and prevention officers of the Health – Safety - Radiation Protection Department intervened to provide their support during the Management Committee meetings of the group entities and specific meetings bringing together managers and members of labor unions: explanations of the situation (how to handle an employee returning from a mission, etc.), orientations and technical choices (provisions for temperature control, waste management, ordering of serological tests, etc.), harmonization within the group (wearing a mask, washing hands, etc.).

Doctors and the health professionals of the group remained available at all times to manage the cases of sick employees, or where contagion was suspected, to answer questions regardless of the employee's Orano entity. In this respect, they were helped by the deployment of telemedicine on all group health service sites.

4.2.2.2 Occupational safety and radiation protection

Working safely

Aimed at reducing the number of occupational injuries and their severity for employees and external workers, a proactive approach to developing a workplace safety culture continued in 2020. It is illustrated by the implementation of a rating of the potential consequences of safety events (including near misses and weak signals) which, depending on the context, could have become fatal accidents, or cause irreversible consequences. Actions are then taken to prevent these events from happening again.

In 2020, work was carried out to ensure that every employee fully understood the five safety anchors and instructions (obligations and prohibitions), so that everyone would comply with the rules associated with anchors while being aware that violating them could expose them and their colleagues to a serious risk. Tutorials in the form of skits were developed and provided to employees as a challenge (safety passport with five anchors).

Anchors and safety standards

As part of its occupational injury prevention policy, Orano has defined, based on accidentology, the required anchors and safety standards applicable on the group's platforms and by all employees of Orano and external companies.

Strict compliance with an anchor prevents employees from exposing themselves to serious or fatal risks.

The standards are simple, common sense rules that must become reflexes for everyone and at all levels to ensure their personal safety and that of others.



Orano is vigilant in training its employees and those of external companies on safety and radiation protection aspects. Any employee from an external company working at an Orano facility is trained in the facility's risks and safety rules. If they work in a demarcated zone for ionizing radiation, they must have completed the appropriate training.

The 2020 accidentology results were partly achieved. Results from the end of the year show a frequency rate (FR1) of 1.3, below the annual target. The fatal accident of an Orano subcontractor at the Somaïr site (see paragraph below), and the death of an

Orano employee during the night at his accommodation for an assignment in France are much regretted.

More than half of occupational injuries are related to industrial facilities, and most of them are related to the preparation of operations and the working environment, which is why to achieve the target of a FR1 of less than one, the focus will be on the implementation of the risk analysis process prior to operations and the identification of events with potentially fatal or serious consequences as well as those related to an anchoring.

Objective 2025	Indicators	2018	2019	2020	Progress
Aim for the highest standards in health, safety and radiation protection with an accident frequency rate < 1	Accident frequency rate with lost time (excluding commuting accidents)	1.5	1.8	1.3	
	Accident severity rate (accidents reported during the year, excluding commuting accidents)	0.03	0.08	0.05	
	Number of fatal accidents among Orano employees	0	0	1	
	Number of fatal accidents at outside companies	0	1	1	
	ISO 45001 - OHSAS 18001 certifications *	-	-	10	

* Indicator reported for the first time in 2020.

A fatal accident in Somaïr

On June 2, 2020, an unloading operator at the Somaïr mine, employed as a subcontractor, was struck by a block ejected from the truck load during a ground guidance operation. Immediately taken care of by the site's firefighters, he was transported to Somaïr hospital where he succumbed to his injuries despite the treatment provided.

Following this dramatic accident, several actions were taken, such as the suspension of direct tipping in the deposits and the creation of a benchmark with other mining players. The guidance standard reinforcing the safety of operations was also reviewed. In addition to these corrective actions, other large-scale actions were also launched to change operational practices. They will lead to the elimination of the guide function and the deployment of an ambitious plan to combat the risk of pedestrian-vehicle collisions.

Intervention in a radiological environment

To carry out these activities in the group's facilities and those of its customers, in France and abroad, Orano employees and employees of external companies are protected from ionizing radiation and undergo dosimetry monitoring adapted to the mode of exposure.

Operations in a radiological environment follow the fundamental principles of radiation protection:

- justifying practices: the use of ionizing radiation is justified when the benefit it can provide is greater than the disadvantages it can cause;
- optimizing protection: equipment, processes and work organization are designed in such a way that individual and collective exposures are kept as low as is reasonably possible taking into account the state of technology and economic and societal factors (ALARA principle); and
- limiting individual doses: dose limits not to be exceeded are set to ensure that no deterministic effects occur and that

the probability of stochastic effects appearing remains at a tolerable level given the economic and societal context.

In Orano facilities, reducing exposure to ionizing radiation is built into the design of the facilities. The measures taken in nuclear areas aim to maintain the most "radiologically clean" working environment possible and to protect workers from the ionizing radiation emitted in the facilities.

The radiological protection provisions and the level of personnel monitoring are the same for all exposed workers in accordance with the application of the principle of fairness, which consists of ensuring an equitable distribution of individual doses in order to minimize dosimetric differences between workers.

In order to reduce as far as possible the dose received by workers in controlled areas, an in-depth study of the conditions of intervention and assessment of the dose forecasts before operation is carried out with, for example, an adaptation of the duration of exposure, protective screens, integration of physiological constraints related to the wearing of personal protective equipment (PPE) and the working environment.

Orano remains attentive to doses that exceed the internal alert criterion of 14 millisieverts (mSv) in order to ensure the implementation of actions compatible with the activities of the facilities by applying the principle of optimization of radiation protection. In this way, the dosimetry is at the lowest possible level, taking into account the state of technology, economic factors and the nature of the operation to be carried out, as required by French regulations (ALARA approach).

The results of the individual and collective dosimetric assessments show a slight increase but remain of the same order as in previous years. In fact, the average levels for employees and external workers are 0.93 mSv and 0.78 mSv respectively, while the annual dose limit for personnel exposed to ionizing radiation over a rolling 12 month period defined by French regulations is 20 mSv.

Notable changes in 2020 relate specifically to mining activities and are attributable to certain associated operational conditions such as activities generating a working environment with dust,

extraction activities for a higher-grade or airflow adjustment tests (e.g. blowing ventilation tests) leading to an increase in radon.

Objective 2025	Indicators	2018	2019	2020
Aim for the highest standards in health, safety and radiation protection	Average employee exposure to radiation over 12 consecutive months (mSv)*	0.86	0.84	0.93
	Total individual external doses for Orano employees over 12 consecutive months (H.mSv) *	8,360	8,300	8,523
	Total individual internal doses for Orano employees over 12 consecutive months (H.mSv) *	3,374	2,934	3,595
	Average exposure of subcontractors to radiation over 12 consecutive months (mSv) *	0.47	0.50	0.78
	Orano employees over 14 mSv (internal Orano threshold) *	46	40	72
	Subcontractors over 14 mSv (internal Orano threshold) *	3	3	22
	Maximum dose for Orano employees (mSv)	16.6	15.9	19.9**

* Due to the time needed to get the results of passive dosimetry analyses (also called benchmark dosimetry) and the annual schedule for reporting these data in the group's reporting software, the annual results are always expressed from July 1 of year n-1 to June 30 of year n.

** Apart from the internal contamination event at the Melox site, which was recorded (see box "An INES level 2 event at Melox" in Section 4.2.1.1 Achieving the highest standards in nuclear safety) and for which the individual dose cannot be communicated. Indeed, an internal dose declared following the results of radiotoxicological analyzes cannot be disclosed because it is personal medical data. The inclusion of this internal dose (level of around 20 mSv) has no impact on the calculation of the average annual dose for Orano employees. The dose mentioned in the table is the maximum dose for a group of employees (72 employees > 14 mSv) with no possibility to identify employees.

Outside the period for reporting dosimeter results and following losses of the power supply leading to the disruption of ventilation in the Cominak mine, an increase in radon working environments led to a one-off increase in the dose for 11 employees, whose total amount exceeded 20 mSv over a rolling 12 month period. This event led to a strengthening of the material provisions (ventilators, markers) and organizational arrangements.

4.2.2.3 Review of the 2017-2020 Health, Safety and Radiation Protection Policy and priorities of the new 2021-2023 Policy

The Health, Safety and Radiation Protection Policy for 2021-2023 is prepared as an extension to the previous policy for the 2017-2020 period just ended, which provided for the implementation of actions such as the methodology for the drafting of individual occupational risk sheets, the detection of addictive behaviors to drugs in proportion to the occupational risk, the deployment of "Santé Attitude" to preserve the physical and mental health of employees by providing safe and healthy working conditions prevent of occupational injuries and pathologies.

It is based on the nine general prevention principles aimed at eliminating hazards and reducing risks in four areas:

- guaranteeing a standardized level of primary prevention for all group employees and stakeholders;
- strengthening and making operational control more reliable;
- improving performance by sharing experiences; and
- evolving with innovative practices for the health and safety of employees.

In addition, it meets requirements for the certification of occupational health and safety management systems (ISO standards) and radiation protection management systems (regulations).

4.2.3 Ethics and compliance

The Code of Ethics and the Compliance Charter as a guide

Orano wishes to be an exemplary group in terms of Ethics and Compliance. As a responsible Company, Orano acts according to two principles considered as priorities:

- compliance with the most demanding requirements as appropriate to accomplish our goals in matters of nuclear and occupational safety in the conduct of our activities, as well as for the protection of health and the environment; and
- compliance with the strictest standards of integrity and a commitment to fighting against corruption, fraud and anti-competitive practices without compromise.

The group's Code of Ethics sets out these principles and the rules of conduct that go with them, ensuring that the group's priorities, values and reputation are respected. It extends to subcontractors and suppliers through the signing of a sustainable development commitment applicable to suppliers.

Compliance is the system designed to ensure that the Company controls the risks of:

- non-compliance with laws and regulations;
- non-compliance with industry standards; and
- non-compliance with the Orano Code of Ethics, compliance policies and procedures.

The risks of non-compliance may impact the safety of employees, working conditions, the financial position or the reputation of the group or an entity. They may result in legal, administrative or disciplinary sanctions. The compliance system is based on the governance, processes and internal control environment set up in the organization in each area.

A comprehensive anti-corruption and prevention of influence peddling program

Orano implements and deploys a robust and regularly updated anti-corruption compliance program within the group. The program promotes a culture of business ethics and transparency through a robust prevention policy based on strict rules of conduct as well as training and awareness-raising actions. Transparency, sincerity

and openness to dialogue accompany this program throughout its implementation.

Based on its risk map of corruption and influence peddling, which is updated each year, and in compliance with the Sapin II law, Orano has established a corruption and influence peddling prevention program. The program is coordinated and implemented by the Compliance Department, assisted by a network of compliance correspondents. This program is intended for all group employees, managers and executives and is based on the appropriation and application of rules of conduct, internal policies and procedures, and external laws and regulations.

A strong commitment, set out in the Code of Ethics, is made directly by the Chairman of the Board and the Chief Executive Officer and relayed by all departments and managers to the teams. The Compliance Department, which reports to Executive Management, defines and oversees the implementation of the corruption and influence peddling prevention program. In addition, the Executive Committee and the Board of Directors, through the Audit and Ethics Committee, ensure that Orano implements this program. In this context, the Audit and Ethics Committee conducted two reviews in 2020.

The corruption prevention and detection program is organized around eight pillars:

- the Anti-Corruption Code of Conduct, and documentation of related policies and procedures;
- the risk map of corruption and influence peddling, updated annually;
- awareness-raising among staff in general and targeted training for those exposed;
- the assessment of the compliance of third parties in direct contact with the group;
- the accounting controls and the internal control environment;
- the whistleblowing system, which makes it possible to report suspected acts of corruption or influence peddling;
- the disciplinary regime, with a principle of zero tolerance in the event of proven acts of corruption by the group's employees; and
- the evaluation and control plan for the entire program, aimed at identifying discrepancies and carrying out corrective actions.



Source: Orano

4

This program is part of a continuous improvement approach with regard to the assessment of identified risks, changes in indicators and the results of controls. It relies in particular on a network of around 30 compliance officers covering all the group's activities, and on regular communication with operational staff.

Appropriate governance

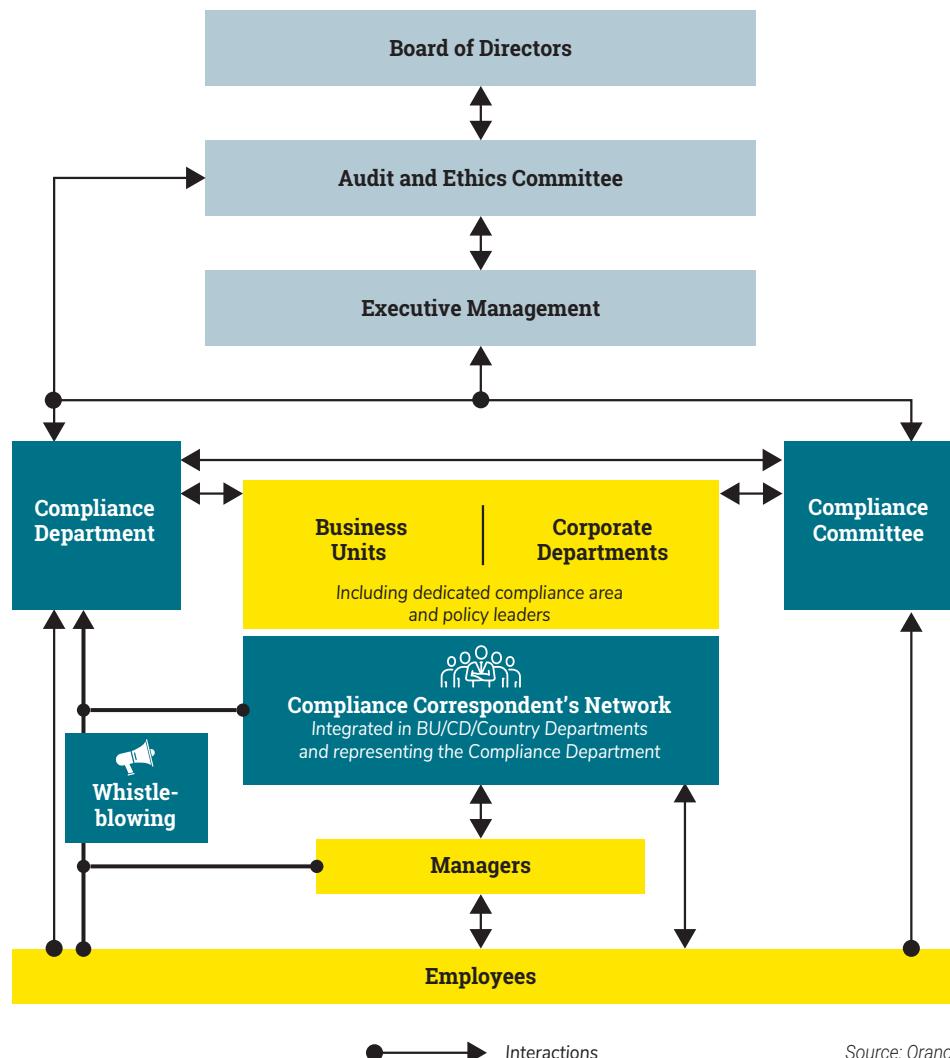
The Compliance Committee, chaired by the Chief Compliance Officer, is responsible for supervising the implementation of the compliance system and for issuing opinions and recommendations on third-party compliance assessments (under the Sapin II law). It is composed of permanent members from the corporate departments. Depending on the topics, the compliance

correspondent and operational staff concerned are invited to Compliance Committee meetings. This committee met 12 times in 2020.

The compliance correspondents, appointed by their management, relay and deploy internal ethics and compliance policies and rules and information. They participate in the development of systems to control the risks identified and the operational implementation of action plans. In order to continue its improvement and proximity approach with operational staff, new compliance correspondents were appointed, bringing the number of members of the compliance network to 26. This network met eight times in 2020.

Finally, the group's managers play a key role in the teams' commitment to implementing the program and to its day-to-day deployment.

GOVERNANCE OF ORANO COMPLIANCE



Systematic risk mapping

A risk assessment campaign is launched annually to take into account the impact of potential events on the achievement of the group's strategic and operational objectives (more details in Chapter 3). Its main objectives are:

- the formal identification of all types of risk;
- the characterization of these risks in order to prioritize them; and
- the definition and implementation of action plans to limit them.

The risks associated with corruption and influence peddling are included in a specific risk mapping as part of the group's overall risk analysis according to three criteria: severity, occurrence, and level of control. The purpose of this map is to identify and prioritize risks according to the activity, geographical region and processes concerned. It allows the compliance program to be adapted to the risks to which the group is exposed. The action plans and their prioritization are defined on the basis of this mapping.

The update is managed by the Compliance Department in coordination with the Risk and Internal Audit Department. The results are presented to the Executive Committee and to the Audit and Risk Committee. In 2020, 37 mappings were carried out by the entities on the basis of a methodology common to the entire group. Tools have been made available to the entities to cover all of the group's activities by sector of activity and/or region. On the basis of these maps, which are reviewed by the Compliance Department, a summary highlighting the exposure areas and action plans is presented to the Executive Committee and the Audit and Ethics Committee. This document is validated by the Executive Committee and is presented to the Board of Directors' Audit and Ethics Committee.

Reference documentation available to employees

The group endeavors to provide accurate and relevant information enabling objective assessment of its performance in terms of environmental, economic, social and societal responsibility. Its compliance program is aimed at developing this culture of business ethics based on:

- the Code of Ethics including the Anti-Corruption Code of Conduct, updated in July 2018. It is available on the intranet and on the group's website, handed to every new employee, the group's employees are reminded of it during their annual appraisal interview, and it is shared with all Orano's third-parties when contracting. It is the foundation of the group's compliance policy and includes Executive Management's commitment to leading an initiative to prevent and detect corruption and influence peddling. It defines the prohibited behaviors that may characterize corruption and influence peddling, based on the risks identified in the risk map, and summarizes the disciplinary measures and consequences in the event that these rules are not followed; In addition, the Compliance Department has published a guide entitled "Ethics and Compliance: How to Act?" which illustrates, with concrete examples, the rules of conduct of the Code of Ethics and the Anti-Corruption Code of Conduct. It identifies the reflexes to adopt in the various situations with

which employees are likely to be confronted, particularly in terms of corruption;

- the Compliance Charter, which specifies the compliance system within the Orano group, and which ensures the implementation of the Code of Ethics at all levels, in all activities and in all countries, in compliance with laws and regulations;
- a set of internal policies and procedures dedicated to the prevention of corruption and influence peddling on subjects identified as being at risk (*i.e.* gifts and invitations, evaluation of third parties, conflicts of interest, facilitation payments, etc.), communicated and regularly updated for all employees via the documentation system.

In addition, each central department in charge of a compliance area deploys within the organization a body of procedures specific to its area.

2020 IN ACTION: Publication of the practical guide "ethics and compliance: how to act?" for employees

In 2020, the Compliance Department published a practical guide entitled "Ethics and Compliance: How to Act?" for employees. This educational guide is prefaced by the Chief Executive Officer and the Chief Compliance Officer. It takes up the themes of the Code of Ethics and presents the principles to be followed and the reflexes to be adopted through illustrations of situations with which employees are likely to be confronted in all areas related to ethics and compliance, particularly in matters of corruption. The guide is available in French, English and German.

4

Employee training as a lever for an ethical culture

Employee training is a strong lever for spreading a culture of integrity and transparency throughout the group. Orano is committed to ensuring that all of its employees receive regular training on these topics. In order to ensure a good understanding of the ethics rules, the Compliance Department defines and manages the deployment of an annual awareness-raising and training plan concerning the prevention of corruption and influence peddling, in coordination with the Compliance Network and Human Resources. The program includes:

- e-learning modules dedicated to ethics and corruption prevention, for all employees of the group; and
- face-to-face and virtual classroom training (general training on understanding the rules of the Code of Conduct, accounting controls for financial staff, and specific modules on request).

Compliance officers also provide training for personnel exposed in their organization with the support of the Compliance Department, which provides a training pack enabling correspondents to take ownership and deploy the training. Focus sessions are also organized as needed. The members of the Executive Committee and the Audit and Ethics Committee are regularly made aware of compliance issues. In 2020, they were provided with a file detailing all the measures deployed on each pillar relating to the Sapin II law.

Objective 2025	Indicators	2018	2019	2020	Progress
Aim for the highest standards in ethics, transparency and dialogue with 100% of employees trained in compliance	Employees in an exposed position trained in compliance face-to-face or remotely	273	843	673	
	Employees trained in compliance via e-learning	306	4,248	5,608	

A risk assessment process for business relationships with third parties

Business relationships with third parties (clients, intermediaries, suppliers, service providers, consultants, etc.) may incur risks of corruption and influence peddling. In order to prevent these risks, and in keeping with changes in the French Sapin II law (prevention of corruption and influence peddling) and the Duty of Care law, the group carries out appropriate checks on the integrity of third parties with a view to establishing ethical and long-lasting partnerships. Depending on the level of risk assessed according to the criteria resulting from the mapping, additional checks may be carried out, both internally and with the third party concerned, or via external sources.

The Compliance Committee ensures that, for all business relationships with potentially at-risk third parties, the risks of non-compliance with the group's standards, particularly with the regulations on corruption, or with international rules and sanctions, are identified and managed as much as possible, in order to ensure informed operational decision-making. It issues opinions and recommendations on the planned or current relationship with the partner in question.

2020 IN ACTION: Changes in the third-party assessment system

The assessment of third parties with which the group does business is an essential pillar in the prevention of corruption and influence peddling. In an approach of continuous improvement and in order to better assess the risks related to business relations with third parties in order to take proportionate measures, the internal assessment criteria were reviewed on the basis of the business risk mapping, and the external criteria were enriched with additional external indicators.

Resources, Legal, the Compliance Officer or the group Compliance Department; and

- a platform for collecting alerts, set up in April 2019, for all group entities except the United States, which have their own system. Through this system, employees are able to report any breaches of applicable regulations or of the group's internal rules and procedures, in particular breaches related to the Code of Ethics and the Anti-Corruption Code of Conduct. This system is constantly communicated via the intranet and/or by posters at the sites.

Orano pays particular attention to the confidentiality of whistleblowers and to the protection of whistleblowers in accordance with legal requirements. Alerts may be submitted anonymously when permitted by local law and are processed under the group procedure.

The Compliance Department analyzes the admissibility of alerts filed on the platform. This admissibility is independent of the reality of the alleged facts, which can only be ascertained when processed. When the alerts issued are proven, appropriate measures are taken.

It is planned to open this platform to commercial partners in 2021. They already have a point of contact to which they can report alerts.

An annual ethics report approved by Executive Management

Every year, Executive Management asks the managers of units or subsidiaries in France and abroad to prepare an ethics report listing, *a posteriori* and anonymously, non-ethical events and areas of vigilance which, to their knowledge, occurred during the past year. The trend in recent years shows that the topic with the most incidents is "discrimination and harassment". An annual summary of alerts and is presented to the Executive Committee and the Audit and Ethics Committee.

The whistleblowing system guarantees the confidentiality and protection of bona fide whistleblowers

The group's internal whistleblowing system consists of two alert reporting channels:

- a managerial channel which consists of contacting the line manager, a manager from a competent department, Human

Objective 2025	Indicators	2018	2019	2020
Aim for the highest standards in ethics, transparency and dialogue	Ethics incidents reported via the ethics report process *	114	107	Not available
	Points of vigilance reported via the ethics report process *	67	66	Not available

* Data not available at the date of the annual report.

Evaluate measures to prevent and detect corruption and influence peddling

To ensure the adequacy and effectiveness of measures to prevent and detect acts of corruption or influence peddling, the group has developed an internal control and evaluation system for the prevention of corruption risks program at three levels involving operational staff or the direct line reporting, the Compliance Department and the Risk Management and Internal Audit Department. The evaluations enable improvement actions to be identified to implement depending on the entity.

A framework for the representation of interests

The representation of interests to public authorities, commonly referred to as lobbying, is governed by laws and regulations which are specific to different countries and international organizations. In France, it is necessary to comply with the law relating to the

representation of interests and the procedure in force applicable to any employee or corporate officer who contacts a person in authority in order to attempt to influence a decision.

In France, the representation of interests is now governed by the Sapin II law (law on transparency, the fight against corruption and the modernization of economic life), which requires full transparency of actions carried out under certain conditions. Orano lists the actions carried out with the relevant public officials and declares them annually in the register of the High Authority for Transparency in Public Life. Orano representatives falling within the scope of the regulations are regularly reminded of the rules and made aware of regulatory changes.

Regarding the funding of political parties, no group company funds or provides services to a political party, a public servant or candidate to such a post. Notwithstanding the previous paragraph, in OECD member countries where such corporate contributions are legal, contributions to election campaigns may be made in accordance with current legislation in the State concerned. Such contributions are subject to the written consent of the corporate officer of the subsidiary concerned, who will make a point of minimizing them.

4

4.2.4 Transparency and information

Transparency, i.e. public access to reliable information, is inseparable from nuclear, industrial and mining operations. This is a strong commitment from Orano.

Reliable and regular reporting on our activities

Orano publishes all information about its activities on its website, including:

- each regulated nuclear facility publishes an annual information report required by Article L 125-15 of the French Environmental Code. This report presents, in particular, the events that have occurred, environmental management, waste management as well as transparency and information actions;
- the Orano General Inspectorate also publishes a report on the state of safety of the facilities;
- Orano Mining, as well as its production subsidiaries, publish a corporate social responsibility report; and
- Every year, the French nuclear safety authority also publishes an opinion on the state of safety of the Orano facilities.

Since 2017, the Orano Mining CSR report has included a report on payments to foreign governments and, more recently, the list

and information concerning the storage facilities for uranium ore processing tailings (Orano Mining).

Orano has initiated a process to obtain a non-financial rating.

Orano also continued its active communication policy by issuing press releases, particularly concerning the activities of its sites but also on international transportation.

To complete the information available on its website (www.orano.group, which has more than 500,000 visitors per year), Orano launched four new websites (CIME, OXILIO, LEA, Orano USA). Orano is continuing its communication policy on social networks, and in particular on Twitter (18,000 followers), LinkedIn (120,000 followers), Facebook (19,000 subscribers), and Instagram (1,200 subscribers). In addition, Orano has Twitter accounts for its sites (la Hague, Melox, Malvési, Tricastin) and internationally (United States, Canada, United Kingdom, Kazakhstan).

In addition, the Orano group has mobilized in an RGAA 4.0 (General Accessibility Improvement Framework) digital accessibility approach to enable the greatest number of Internet users to access the information offered on its digital interfaces. In this context, its website orano.group offers a first level of accessibility which will evolve during 2021.

Transparency about events

Any anomaly or incident at a nuclear site is reported to the authorities on the international scale of events (the INES scale) graduated from one to seven. As soon as a simple anomaly is declared (level 1 on the INES scale), Orano issues a press release, which is also available on its website. This information is widely shared with the external stakeholders of the site concerned.

Openness and education about our activities

The group has been committed for many years, at all its sites, to an approach of openness, dialogue and transparency. The aim is to publicize the activities and their challenges and to answer questions from the general public and stakeholders. The main illustration of this approach are site visits for customers, industrial partners, local and national elected officials, journalists, etc.

In line with the actions taken in 2019 following the study conducted with the BVA institute on the perception of nuclear energy in France, Orano continued its communication campaigns aimed at various audiences in 2019 and in 2020. A campaign was conducted with young people to recruit 500 work-study students. A series of podcasts was produced to present to the general public, with experts from outside the group, information on the topics of climate, recycling, employment and safety. These podcasts were made available to the public via platforms such as Spotify. A specific campaign to promote the employer brand was also carried out, both on social networks (LinkedIn, Twitter, Instagram, etc.) and in national daily newspapers.

2020 IN ACTION: "Expert voices" to inform

In 2020, Orano launched a new communication tool, a podcast called "Expert Voices". These are knowledge-sharing tools for a very wide audience. The goal is to hear from experts on the topics well. The guests provide the opportunity to supplement the comments of an Orano spokesperson, in a spirit of transparency and openness.

Philippe KNOCHE, Chief Executive Officer and François-Marie BRÉON, climatologist, opened the first season of these audio productions broadcast on dedicated platforms and other more traditional digital tools, such as the Internet and social networks. New podcasts will be released in 2021.

Transparency and dialogue with our stakeholders in France

Orano participates in dialogue bodies and committees with its stakeholders. In France, for example, the group is a member of the High Committee for Transparency and Information on Nuclear

safety (HCTISN) and actively contributes to its work. It also took part in consultation meetings as part of the National Plan for the Management of Radioactive Materials and Waste (PNGMDR). Through its sites, the group is also a stakeholder in local information committees (LICs). These bodies are responsible for relaying information to the populations located near nuclear sites.

The LICs, which meet several times a year, are an important information structure for the site's activities. During these meetings, numerous presentations are made in the presence of the media (press, radio, etc.). The LICs are also involved in public surveys to issue an opinion on the projects presented.

The equivalent exists for all industrial chemical plants known as "high threshold SEVESO". Replacing the Local Information and Consultation Committee (CLIC), the purpose of the Site Monitoring Commission (SMC) is to provide information to the public regarding the activities of the facility. Some sites also participate in site monitoring committees. This is particularly the case for the Malvési site in the Aude department.

An equivalent system around our mining sites

In all its countries of operation, Orano Mining systematically creates and coordinates organizations for information, dialogue and consensus-building near its sites. They take the form of Local Information Commissions (LIC), Site Monitoring Commissions (SMC), visits, or web applications providing the public with information on the monitoring of reclaimed former mining sites in France (CartOmines).

The frequency of dialogue depends on the results of the stakeholder maps, which are regularly updated: in 2019, two mappings were conducted, one in Kazakhstan and one in Niger, near the operating sites.

Orano Mining is also pursuing its proactive and progressive approach to responsible mining activities by drawing on the best international corporate social responsibility (CSR) practices implemented, in particular, through the ICMM (International Council of Mines and Metals).

2020 IN ACTION: Implementation of a complaints management system at Orano Mining

In 2020, to strengthen the relationships of trust established with stakeholders and populations living near its sites, Orano Mining rolled out a new complaints management system at all its sites, in line with the ICMM commitment to. It enables any person to express their fears, observations, comments or questions and to obtain a response within a given period. This mechanism, co-constructed with the sites, is an additional demonstration of respect for the concerns of local stakeholders and of the desire for transparency to which Orano is committed.

4.3 Mobilize proud and committed employees who embody our purpose

Despite the exceptional health conditions, 2020 was marked by three major advances:

- another increase in overall employee satisfaction worldwide (Orano Vox survey): average growth of 7 points, following the 5 points gained in 2019;

- a group agreement on remote working in France, establishing a common set of provisions to be implemented subsequently within the entities; and
- the granting of the Diversity label by the Ministry of Labor for all Orano France, after the audit carried out by AFNOR.

4.3.1 Working conditions and wage policy

Our salary policy is based on three pillars: Orano's appeal, performance-based compensation and internal fairness, while taking into consideration the Company's economic situation.

In France, total compensation is broken down into:

- fixed compensation (base salary, seniority benefits, etc.);
- variable compensation, which may be linked to the position (hardship allowances, on-call pay, etc.);
- variable compensation, which may be linked to individual or collective performance, in particular for engineers and managers;

- incentives and profit-sharing based on criteria for rewarding collective performance and involving the employees in the financial performance of the Company; and
- employee benefits: healthcare and personal risk coverage (identical for all companies).

Changes in fixed and variable compensation, governed by branch and collective agreements, are negotiated each year with the labor unions. In 2020, the budget for wage measures amounted to 2.5% of payroll, despite the context of the Covid-19 pandemic, which was significantly above market trends.

4

Objective 2025	Indicators	2018	2019	2020
Provide career and personal development in an appealing work environment	Budget for salary measures as a % of total payroll in the main countries of operation			
	France *	2%	2.2%	2.5%
	Kazakhstan *	-	6%	6.8%
	Niger *	-	2%	2.2%
	USA *	-	3.5%	3.5%
	Canada *	-	2.5%	3%

* Indicator reported since 2019.

2020 IN ACTION: An individual social report to understand compensation

In mid-2020, all Orano employees on open-ended contracts (with the exception of Sovagie and Trihom employees) received an individual social report for 2019 (BSI) at home. The BSI is a single document that presents, individually and in detail, all of the elements that made up total compensation in 2019:

- fixed and variable compensation;
- employee savings plans;
- social protection (health costs/insurance and pensions); and
- other benefits related to transportation, catering and long-service awards.

Internationally, the group's wage policy is also implemented in the various countries where the group operates, in compliance with local regulations and practices. Similarly, the rules for allocating and calculating variable portions are gradually being harmonized between our various global entities, while being indexed to local market practices (structure, percentage, etc.).

This is particularly the case in the main countries where the Mining Business Unit is located (Canada, Kazakhstan, Mongolia, Namibia and Niger).

In the United States, the variable component takes several forms:

- Short-Term Incentives, equivalent to the French variable portion;
- Long-Term Incentives, Executive Talent Retention Program; and
- the All Employee Incentive Plan, which applies to all employees not covered by the two previous points.

Savings and retirement schemes

In France, the Orano group savings plan (PEG) succeeded the 2005 AREVA PEG in 2019. It is made up of seven mutual funds with different investment horizons.

Group employees also have access to a collective retirement savings plan (PERCO) in which there are the 7 freely managed mutual funds of the group savings plan (PEG) and 3 managed investment grids. The funds invested in the PERCO are available at retirement as annuities or lump-sum payments.

The PERCO was transformed into a PERCOL (collective retirement savings plan) on December 1, 2020, in accordance with the PACTE

law. It now allows tax-free voluntary payments among other things. At the end of December 2020, the assets of the Orano PEG/PERCOL amounted to nearly 406 million euros.

Employees in Canada, Niger and Kazakhstan benefit from a retirement savings system consisting of national basic plans and supplementary defined-contribution pension plans.

In the United States, under the 401 (k) retirement savings plan, Orano contributes up to 3% of each employee's salary, and matches up to 100% of the payments made for the first 5% of employee contributions.

Objective 2025	Indicators	2018	2019	2020
Provide career and personal development in an appealing work environment	Amounts allocated for incentives (in millions of euros)	10.3	14.3	16
	Amounts distributed for profit sharing and return to better fortune (in millions of euros)	34.8	40	17.2
	Share of employees investing their incentives and profit sharing in PEGs	70%	70%	70%
	PEG/PERCO assets (in millions of euros)	319	423	406

4.3.2 Dialogue and labor relations

Orano is committed to dialogue between management and staff and conducts it in a fair and upright manner. The group is convinced that social dialogue must be conducted in a climate of trust and mutual respect in order to be of high quality.

The organization of social dialogue, in particular the procedures for the information and consultation of personnel

The group's labor relations are founded on mutual respect and dialogue. They take into account the requirement for competitiveness, performance improvement and the well-being of employees. In that spirit, management and the labor partners met on a regular basis throughout 2020, in various bodies:

- at bilateral or plenary meetings held by the various bodies (Group Works Council, Group Committee for Hygiene, Safety and Working Conditions, Social and Economic Committee, Central Social and Economic Committee, Site Social Economic Committee, etc.);
- during the various negotiations undertaken with the labor unions: jobs-skills and implementation of the new law of September 5, 2018, remote working, negotiations on quality of life at work (QVT), mandatory annual negotiations (NAO), profit-sharing, etc.; and
- very regularly during the health lockdown period in order to share the assessment of the situation and the evolution of the protective measures.

The year 2020 was marked by four main achievements in France:

- the conclusion of the agreement on the management of skills and career paths, aimed in particular at ensuring that employees, on the basis of their development wishes, can be at the heart of their individual development and career path;
- the conclusion of a basic group agreement on remote working, setting out a remote working organization for all group employees and the possibility of negotiating additional agreements to enrich this agreement according to local issues;
- the sustainability of quality of life at work commitments for all group employees; and
- the project to change the legal organization of Orano Cycle, which aims to continue and complete the alignment of operational activities and the legal entities that support them, thereby improving the collective performance of the group.

Objective 2025	Indicators (France)	2018	2019	2020
Provide career and personal development in an appealing work environment	Percentage of employees covered by a collective agreement	100%	100%	100%
	Number of agreements signed during the year *	-	49	64
	Number of agreements signed unanimously *	-	4	42

* Indicator reported since 2019.

2020 IN ACTION: Social dialogue and remote working agreement

2020 was marked by the adaptation of social dialogue to the Covid crisis. The social partners have shown agility during this period, notably by digitizing the meetings of representative bodies and negotiating bodies, and by implementing a continuous and constructive social dialogue at all levels of the group.

The Orano group, thanks to feedback on working remotely by a large number of employees during the first lockdown, initiated negotiations on remote working within the group in order to have an autonomous agreement applicable to the entire group. The agreement, signed by a majority, makes it possible to modernize and develop remote working within the group. It also provides for negotiations at the level of the entities to enhance this agreement according to the specificities of each entity.

Update on the Orano Malvési social movement

Negotiations conducted at the level of Orano Cycle on the improvement of the existing provisions concerning the improvement of the projection of the retirement age for employees with an early retirement account resulted in a strike at the end of the year at the Malvési site, at the initiative of a single union. This union had signed the previous agreements in the past. This "in-house" scheme enables employees who benefit from it (mainly employees working on production shifts) to retire several years before their scheduled retirement while maintaining 100% of their compensation.

Ten percent of the site's workforce took part in the strike. The Malvési site was the only site on strike with a production stoppage. The dispute was suspended on December 11. It was agreed to develop a social alert and collective dispute prevention system in the group, for which the Malvési site would be the pilot site, so that strikes would only be considered as a last resort.

Employee satisfaction

In 2017, Orano established an annual commitment barometer called Orano Vox, distributed to 15,000 employees in 13 countries, i.e. virtually the entire group. The survey conducted in 2020 shows an increase in overall satisfaction of seven points on average compared to 2019.

As in previous years, the scores increased and remained significantly high on the recommendation to work for Orano (+11 points compared to 2019) and on involvement in the Company (92% of employees state that they are committed to supporting Orano in achieving its objectives).

Recognition, a point of vigilance noted in the 2019 survey, and which must continue to be strengthened, is up by seven points, now slightly above industry standards, as is work-life balance, which increased by eight points.

Two "open" questions allowed employees to express their views on the group's Covid-19 management. More than 7,500 comments were submitted. They reflect a very high level of satisfaction and support for the way in which the group has reacted to and handled the Covid-19 health crisis.

Objective 2025	Indicators	2018	2019	2020	Progress
Achieve a 75% employee engagement rate	Employee engagement rate	45%	55%	66%	

Appeal and working environment

Orano is a company recognized for its highly technical expertise, its culture of innovation, its international presence and the diversity of its business lines. Joining the group means joining a sector of excellence recognized throughout the world and involved in the energy transition and global warming via its contribution to the production of low-carbon and secure energy for the future.

Development of the group's new head office, the Le Prism building, in Châtillon (Hauts-de-Seine, France) has strengthened the use of new ways of working. The site promotes the

decompartmentalization of spaces, the digitization of tools, and working in flex mode for more cross-functionality, interaction and responsiveness. Everything has been designed to create conviviality and fluidity in interactions. Orano also promotes remote working, thus meeting the expectations of many employees.

The same principles will apply next year with the Convergence project in la Hague and the new building in Saint-Quentin-en-Yvelines.

Objective 2025	Indicators (France)	2018	2019	2020
Provide career and personal development in an appealing work environment	Number of employees benefiting from the implementation of remote work.	671	931	NR *
	Percentage of employees benefiting from the implementation of remote work compared to the eligible population	12%	14%	NR *

* NR: non-representative as the Covid-19 health crisis led to the massive and exceptional use of remote working.

4.3.3 The full potential of talents and skills

For the last two years, the group has entered a new transformation phase, development, with the goal of working on Orano's appeal, the development of skills and career paths, the commitment of each individual and new ways of working.

The "Skills" component is one of the group's five strategic areas, which must ensure the sustainability and development of the Orano group's activities. It is divided into four clear lines of action:

- the skills steering process;
- training, digitization, and skills transfer;
- development of the "expertise" network; and
- the hiring policy.

The last few years have been marked by three main achievements:

- more than 1,000 permanent hires per year as well as more than 500 work-study students, with a strong acceleration in the digitization of the recruitment process;
- streamlining and putting training online in France; and
- the first stages of implementation of the "Avenir" law of September 5, 2018 for the freedom to choose one's professional future, and the preparation of the deployment of the employment skills agreement, based on three areas:
 - the implementation in 2021 of the enhanced professional assessment,
 - the creation of the "O carrière" digital career platform, opened at the end of 2020, offering all group employees better visibility on career paths and development mechanisms, and
 - the implementation of the co-financed personnel training account (CPF).

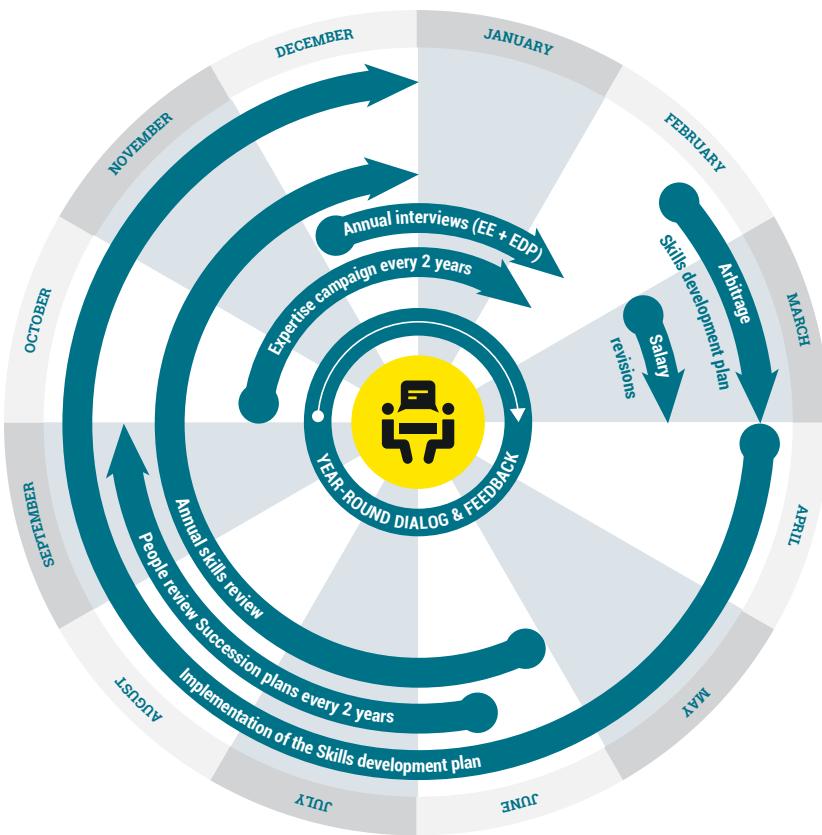
After a first work-study recruitment campaign rolled out on social networks during the first lockdown period, a new campaign to promote the employer brand among current and future employees was rolled out at the end of 2020 on digital media, social networks and via opinion leaders.

Tighter steering of skills

Enhanced monitoring of current and future skills has been implemented. This action plan is monitored by the Executive Committee and includes the following actions:

- the coordination of an organized network of cross-functional advisors;
- an annual skills review (RAC), part of the annual managerial cycle;
- a diagnostic and cross-functional action plans by business line, within France, in order to:
 - relieve headcount issues,
 - manage the match between experience and skill levels in relation to needs,
 - anticipate demographic risks and the age pyramid,
 - enhance the appeal of the business lines,
 - integrate technological developments;
- a biannual talent review and identification of possible career paths within the organization. Thus, in 2020, a complete People Review was held, in particular to update the succession plans for key positions in the organization; and
- an annual process of professional development interviews (PDE), complementary to the evaluation interviews (EE), aiming to put in perspective the wishes for evolution, the skills acquired and those still to be acquired.

In 2020, 98% of the eligible population benefited from individual interviews with their line manager. Over 16,000 training requests were received.

HUMAN RESSOURCES MANAGEMENT CYCLE

Source: Orano

4

A proactive policy for developing and digitizing the training offer

Orano runs four training schools: Vocational Training School (*École des Métiers*), Management School (*École du Management*), Mining College and Trihom, a leader in external nuclear training.

The portfolio of more than 3,800 training sessions, gradually being digitized, is continuously enhanced according to changing needs.

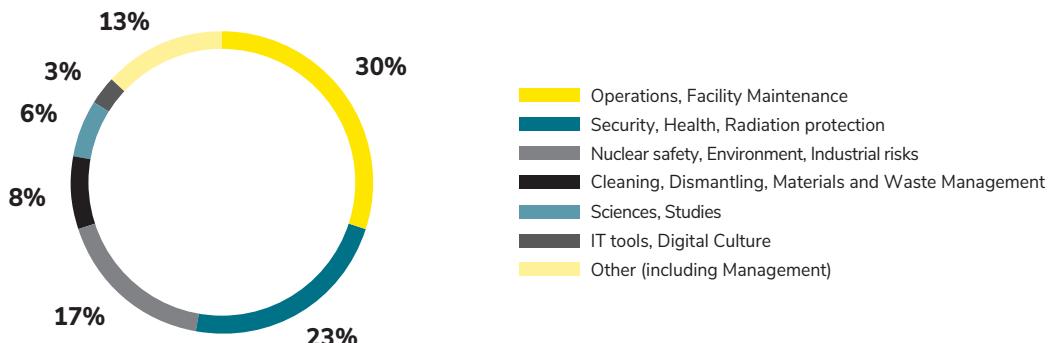
In 2020, all of the Management School's programs, as well as a large part of the Vocational Training School's offering, were reviewed so that they can be delivered remotely. Thus, despite the health situation, more than 370,000 hours of training, of which approximately 61% non-mandatory, were provided in France covering 85% of employees, i.e. an average of nearly 29 hours per person.

2020 IN ACTION: Acceleration of the digitization of the training offer

In the midst of the health crisis, the group accelerated the move towards more digital training in order to adapt to the context.

During the lockdown, the School of Management developed two specific programs to help employees work and manage remotely. Among these programs, Orano Link is a support program dedicated to Orano managers, which aims to support them, equip them and provide them with deciphering and understanding keys in a changing and uncertain environment. Managers share their practices and exchange views on a collaborative digital platform and have access to a weekly offering of activities such as webinars, online conferences, co-development, philosophy cafes, publications, etc.

BREAKDOWN OF TRAINING CATALOGUE BY THEME



Source: Orano

Objective 2025	Indicators (France)	2018	2019	2020
Offer professional and personal development in an attractive working environment	Rate of access to training	84%	85%	85%
	Estimate of the volume of training (h)	482,000	482,727	372,124
	Share of mandatory training (%)	42%	34%	39%
	Share of non-mandatory training (%)	58%	66%	61%
	Estimate of the average number of hours of training per employee (h/employee)	35.4	37	29
	Number of work-study trainees in the workforce (% of active permanent contracts)	5.6%	5.8%	6.3%

A sustained and local recruitment dynamic

In 2020 Orano hired 1,210 new employees on permanent contracts worldwide, excluding acquisitions, including 981 in France to meet its needs in all Business Units. For the group, this represents a sharp increase in its workforce.

Almost a third are engineers and managers, of which 40% are starters or have some initial professional experience. Orano also hosts 822 work-study students including 494 who joined the group in 2019. These are the results of close cooperation with 26 target

schools and universities, co-led by a network of more than 80 ambassadors, and participation in around 30 forums.

The continuation of digital communication actions contributes to increasing the brand's name recognition.

In all the countries in which Orano and its subsidiaries have at least 100 employees, the vast majority (around 98%) of employees are recruited locally.

Objective 2025	Indicators	2018	2019	2020
Global recruiting and turnover				
Provide career and personal development in an appealing work environment	Permanent contract recruits	1,174	1,264	1,210
	Of which, engineers and management staff	41%	34%	34%
	Turnover (departures, incl. retirements/initial workforce)	6.4%	7.3%	6.0%
	Of which, individual dismissals	64	72	68
	Recruiting and turnover France			
	Permanent contract recruits	951	1,082	981
	Of which, engineers and management staff	41%	32%	32%
	Turnover			5.5%
	Of which, individual dismissals	37	46	45
	Job turnover rate (average of hires and departures/initial workforce)	7.3%	8.3%	8.5%

2020 IN ACTION: Staying on course in terms of recruitment and work-study programs

The global health crisis of recent months has not altered the group's desire to maintain its recruitment targets, particularly for work-study students and interns. The group's Human Resources teams have maintained their actions throughout this period despite the lockdown, demonstrating agility and adapting their recruitment methods.

Due to the cancellation of recruitment forums and the closure or unavailability of schools and apprentice training centers, the

group's recruitment and communication teams designed a social media campaign to recruit 500 young people in three months. Targeted at the referenced schools, the campaign was distributed in the three employment pools in France in April and May via the Instagram and LinkedIn social networks. More than 8,500 young people approached the group and nearly 75% of openings were filled at the end of 2020.

4.3.4 Together for diversity and inclusion

The Orano group is convinced that a company must reflect the diversity of its employees and that of the society in which it operates. As a civic-minded and committed group, Orano's ambition is to establish a sustainable policy of inclusion, diversity, cultural and professional diversity in all its business lines and at all levels of responsibility. These agreements were negotiated at group level in order to promote a global and uniform policy throughout the group.

An active inclusive policy in favor of diversity

At the highest level, the Board of Directors and the Compensation and Nominating Committee promote increasing action in favor of diversity.

A first group agreement was signed with the labor unions in 2012 (AREVA scope). The last one on gender equality was signed unanimously by the labor unions and by the Chief Executive Officer, Philippe KNOCHE.

By the end of 2020, 26% of the group's Management Committees' members were female (23% for BU committees, 36% for support function committees and 25% for the Executive Committee), with an objective (included in the professional equality agreement) of 30% by the end of 2030. For more information on the gender equality and diversity policy applied to the members of the Board of Directors, see Section 5.1.2.3.

22% of the Orano workforce worldwide are women, and 28% are managers. The goal is to increase the rate of female recruitment in France by one point per year. It was already at 24% at the end of 2020 and 33% among managers. Women also account for 33% of "talents" and 18% of "experts".

The group systematically highlights the female profiles of the technical sectors in its communication actions.

Orano is involved in the promotion of the technical fields among high school and college students, through a network of nearly 100 engineer ambassadors, of which 40% are women. The percentage of women on work-study contracts is 38% with a target of 40% at the end of 2022, particularly in the technical sectors.

The gender equality agreement of April 19, 2019

Orano's goal is to establish long-term conditions for genuine professional gender equality in all its business lines and at all levels of responsibility. Concluded for a period of four years, from 2019 to 2022, this agreement aims to strengthen gender equality and professional equality policies through concrete measures.

On the basis of the proactive objectives set by the agreement, and to better take into account local specificities, action plans have been defined at the level of the establishments, in conjunction with employee representatives. The implementation of the agreement is subject to annual monitoring at both the national and facility levels and aims to:

- develop professional gender equality;
- guarantee equal pay for women and men;
- promote access by women to positions of responsibility;
- integrate parenthood into daily professional life;
- improve working conditions and seek a better balance between professional and personal life; and
- implement actions to prevent and combat sexual harassment and sexist behavior.

In accordance with the law "For the freedom to choose your professional future" of September 5, 2018, Orano established an index in 2019 that assesses the performance in terms of gender pay equality for each of the group's companies, with a rating out of 100. At group level, the index is 89/100, which reflects the reality of equality initiatives. All of the group's companies obtained a score above 75/100.

In the United States, Orano is registered as an Equal Opportunity Employer (EOE) with the Federal Equal Employment Opportunity Commission. Orano is also a member of DirectEmployer (a recruitment organization dedicated to minorities, women, veterans and the disabled).

Objective 2025	Indicators	2018	2019	2020
Be a leading employer, inclusive and promoting diversity	Recruitment of women on permanent contracts	27%	24%	24%
	Of which engineers & management personnel	35%	35%	33%
	Percentage of female Management Committee members	25%	25%	26%
	Percentage of female talent	-	31%	33%
	Percentage of female experts	-	18%	18%
	Percentage of female work-study students	36%	38%	36%
	Gender Equality Index (group estimate *)	89/100	84/100	89/100
	Number of compensation gaps addressed	141	177	184
	Amount dedicated to compensating unjustified compensation gaps (euros)	150,000	260,000	263,000

* Estimate considering the group companies as a single entity.

2020 IN ACTION: renewal of the Diversity label

In 2020, Orano obtained the Diversity label, a label promoted by the French Ministry of Labor, following a demanding Afnor audit conducted in 2019 covering around 30 areas of the standard and a hearing by the Diversity Label Commission, which was postponed to 2020 due to the health crisis. This label, dear to the group since 2010, is the first to be awarded to Orano since its rebranding. Only around a hundred French private and public organizations, currently have this label, which recognizes socially responsible initiatives.

**Acting for disability integration**

Orano wants to be an inclusive employer and promotes diversity of profiles, by integrating people with disabilities at the heart of its business lines. Orano's disability policy dates back to 2006. It is led by a network of Diversity and Disability officers in each establishment. At the end of 2020, nearly 700 employees with disabilities were integrated into the teams in France.

2020 IN ACTION: GIEQ (employer group for integration and qualification) work-study placements

Since 2009, 218 work-study students have been welcomed at the Tricastin and Melox sites as part of the GIEQ (employers' association for integration and qualification) of which Orano is a founding member. This group promotes the integration of people who are currently unemployed through work-study programs: people with disabilities, seniors, people from priority neighborhoods, beneficiaries of minimum social benefits. Over the period, 60% of work-study graduates were recruited on permanent contracts by Orano.

Disability agreement

The Orano group, which has been committed to employing people with disabilities since 2007, signed its fifth agreement in 2018, proof of its strong and long-term commitment, which enabled it to double its employment rate over the period from 2.7% to 5.41%.

The main actions of the agreement are:

- raising the awareness of the working group on the subject of disability in the workplace;
- supporting local managers;
- informing employees affected by the group's disability policy and, more specifically, the measures to which this agreement entitles them;
- providing support for professional transitions and job retention by using digital tools wherever possible; and
- strengthening the role of the disability advisor and improving the local relationship.

Negotiation of a sixth agreement began in December 2020.

Objective 2025	Indicators	2018	2019	2020
Be a leading employer, inclusive and promoting diversity	Percentage of employees with disabilities	5.58%	5.41%	Not available
	Number of employees with a disability in France	625	645	697

Fight against discrimination

As a socially committed corporate citizen, Orano places particular importance on fighting all forms of discrimination and developing an inclusive policy.

To this end, Orano carried out a business risk mapping by cross-referencing the 24 discrimination factors established by French law with the four main areas of Human Resources, namely recruitment and integration, career development, training and compensation, in addition to the Company's social climate.

In line with the Code of Ethics, and in addition to the usual remedies (manager, Human Resources manager, occupational medicine, etc.), Orano set up a whistleblowing and complaints system (DAR) in France several years ago. It is open to all employees and includes special confidentiality measures. Since 2019, the DAR has naturally been included in Orano's more general internal ethics alert system.

In 2020, these mechanisms made it possible to report 8 alerts, 6 of which were deemed to be founded.

Objective 2025	Indicators	2018	2019	2020
Be a leading employer, inclusive and promoting diversity	Number of ethics alerts related to discrimination	4	6	8
	Number of reporting and support systems implemented	35	35	35

4.4 Operate efficiently and reduce our footprint

4.4.1 Renewed, efficient and competitive facilities

Affordable electricity is a challenge for society. Orano is committed to creating value for its customers by offering them competitive products, technologies and services that meet their current and future needs.

Orano promotes a culture of performance as an essential value. This acculturation is based on a comprehensive and structured approach based on several pillars: ambitious long-term industrial and supply chain policies and an operational excellence program deployed as close as possible to the field, supported by coherent digital transformation and innovation plans.

In recent years, Orano has renewed part of its production capacity and now operates the world's most modern plants in their category. These renewals have also led to spectacular improvements in terms of safety and the environment thanks to the choice of the best available technologies.

2020 IN ACTION: end of the ramp-up of the Philippe Coste plant

Orano chose to renew its industrial conversion capabilities with the new Philippe Coste plant, whose first equipment was commissioned in 2018 at the Orano site in Tricastin. The highest level of safety and the reduction of the environmental footprint were major priorities in the design of this ICPE SEVESO High Threshold plant. The ramp-up of production since 2019 has made it possible to reach an installed capacity of 15,000 metric tons thanks to the commissioning of the second fluorine production building built in the second half of 2020.

4.4.2 Quality and operational excellence on a daily basis

One of the group's priorities is to make operational excellence an integral part of its day-to-day management. This priority is managed by the Performance Department, whose objectives are to define and implement the frameworks and standards aimed at continuously improving the performance of existing and future activities. This includes:

- improving the quality of products and services as perceived by customers and regulatory bodies;
- improving supplier quality;
- anchoring the fundamentals of operational excellence in the field and eliminating waste and irritants; and
- identifying strategic areas of operational excellence in order to commit to an ever more global system.

An industrial quality policy for safe products

The quality of products and services is a key factor for safety and success. With its sights set on being a major player in the nuclear

industry, Orano refuses to compromise on quality. As part of its Quality policy, Orano therefore undertakes to:

- establish a robust and sustainable quality culture;
- build trust among its customers and other stakeholders by improving their satisfaction; and
- drive continuous improvement on a daily basis.

The Quality Department manages, among other things, the promotion of a quality culture, the coordination of the quality management system and the coordination of certification procedures. Improving quality also involves the implementation of indicators to measure non-quality costs and the analysis of the major and/or recurring elements constituting them, with the aim of reducing the number of these events as well as reducing their processing time.

A process for managing quality incidents and feedback is also in place as part of the prevention and fight against quality fraud. It complements an employee training program on quality issues at the service of our customers.

Objective 2025	Indicators	2018	2019	2020
Operate efficiently by reducing our footprint	Number of ISO 9001 certified sites *	-	-	12

* Indicator reported for the first time in 2020.

2020 IN ACTION: e-learning “Quality fraud” and “Quality culture”

All group employees, regardless of their position and their missions, must have a strong quality culture in order to contribute on a daily basis to the respect of the group's commitments to its internal or external customers, authorities and suppliers to deliver quality products and services. It is not possible to provide safety without quality. At the end of 2020, Orano rolled out a “Quality Culture” e-learning module in order to put industrial quality into perspective in its activities and make it operational on a daily basis through scenarios illustrating Orano's challenges and commitments.

A structured system and network at the service of operational excellence

For several years now, Orano has deployed a structured system of operational excellence in charge of coordinating the group's transformation projects and increasing the skills of its teams. This system relies on a network of operational excellence coordinators in all entities.

Internal and external sharing is one of the action levers implemented to accelerate the transformation. Thus, Orano organizes two “Plant Managers Networking” sessions per year bringing together the top global operational management (60 people) on a site to share best practices and find synergies. The group also manages 10 industrial and business networks to exchange cross-functional expertise and ideas between peers (energy, maintenance, operations, operational excellence, laboratories, etc.).

Orano is involved in various business clubs (RNC, ESSEC, etc.) in order to actively monitor new tools and effective methods used in other industries. Several “Learning Expedition” immersion programs are planned with targeted populations of managers at external sites to create motivation and leave the beaten track.

2020 IN ACTION: Lean engineering deployment

At the end of 2020, Orano structured its Project Excellence plan around five areas: skills, governance, standardization, supply chain and “right the first time” construction. It aims to better control project costs and deadlines with the various stakeholders. Several notable advances were recorded in the field of lean engineering in 2020 with the deployment of maturity grids for the achievement of milestones, the implementation of visual performance management to visualize the schedule and the hunt for elements to be repeated.

A digital transformation underway

The group has launched SHIFT, a digital transformation plan that aims to support the safety of its facilities, the performance and the development of the group's activities by designing and deploying secure digital solutions (cybersecurity), adapted to the business lines (user or UX experience), developed according to the Agile methodology and based on data with fluid access and management. As part of SHIFT, digital standards (infrastructures, tools, methods, applications) will be implemented in order to maximize operational synergies between group entities. Support for the digital cultural transformation is driven by the organization of an Orano digital community and the dissemination of best practices related to digital applications and data manipulation.

Over the period 2020 to 2023, the SHIFT programs will take concrete action on the modernization of infrastructures (network, data center), the deployment of Microsoft 365, the development of a digital twin program for fuel cycle plants, and industrial performance projects based on the use of data, as well as the digitization of the work tools of on-site operators.

2020 IN ACTION: a week dedicated to data

Within the SHIFT digital transformation program, a program is dedicated to data around three themes: governance, operations for the business lines and acculturation. As part of this scheme, a data event was organized to highlight data. During a “Data Week”, 16 web conferences led by 30 Orano operational staff and six meetings with Chief Digital Officers from other groups brought together 550 managers around this performance lever for our operations and our customers.

4.4.3 Improve our energy performance

Energy performance issues are an essential driver of the group's performance plan and decarbonization ambitions. In 2019, Orano launched a systemic cross-functional action on the subject of energy, notably by reactivating the network of energy officers.

Energy consumption is a major item of expenditure for the group, in addition to being one of the vectors of greenhouse gas emissions. Since 2019, an "Energy performance" working group has brought together all Orano entities around this theme. On the basis of energy audits and the measurement of the direct and indirect carbon footprint in place since 2004, an action plan has been defined to reduce the energy and carbon bill in the coming years.

These actions concern the replacement of fuel-powered equipment with electrical equipment, the deployment of LED lighting, the optimization of fluid production tools and the possible deployment of renewable production resources. Work is currently underway on the energy mix, with the electrification of certain equipment or the development of renewable energy production resources, in line with decarbonization goals.

Several projects were studied with specialized partners:

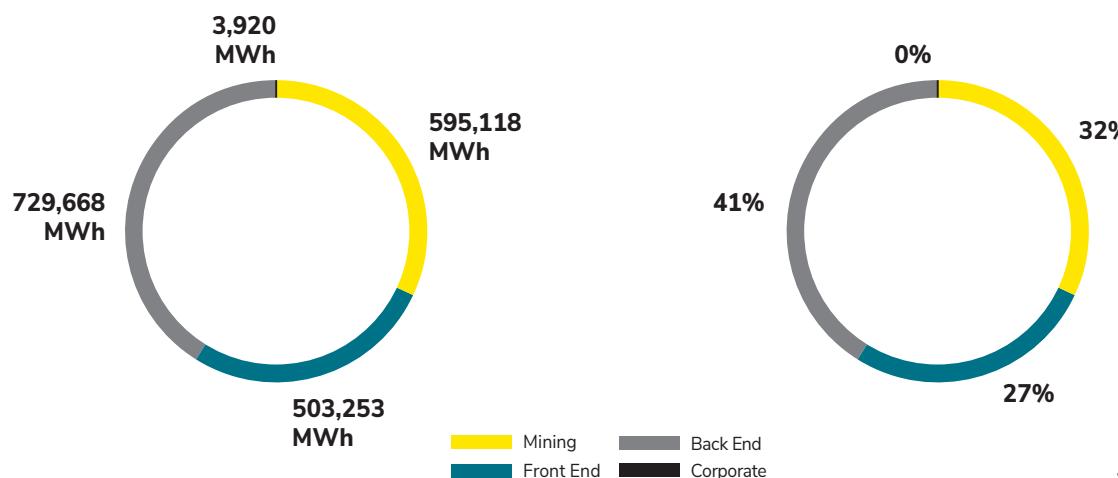
- the switch to LED lighting at Orano Melox;
- the deployment of a photovoltaic park at Orano Tricastin;
- energy transfer by pumping at Orano la Hague;
- the feasibility study for deploying flexibility techniques (including demand response) at several of our sites; and
- a study of the installation of heat pumps in Katco.

A CEE agreement (Energy Savings Certificates) was signed with an energy efficiency services company, acting as an agent of an obligor within the meaning of French regulations. This agreement aims to promote energy savings through financial participation in the investment related to the performance of works. Operational entities can launch energy performance actions by benefiting from this support.

The energy performance actions aim for a 10% reduction by 2025 (compared to 2019) and resulted in a decrease of 3% of the group's energy consumption in 2020. The value for 2019 was revised downwards compared to the figure published previously following the discovery of double counting of gas consumption at certain entities.

Objective 2025	Indicators	2018	2019	2020	Progress
Operate efficiently by reducing our energy footprint by 10% (vs. 2019)	Quantity of energy consumed (MWh)	1,869,557	1,894,011	1,831,959	
	Reduction in energy consumption since 2004	Not available	- 91%	- 91%	
	Reduction in energy consumption since 2019	Not applicable	Not applicable	3%	
	Energy consumption by revenue unit (MWh/millions of euros)	516	503	497	

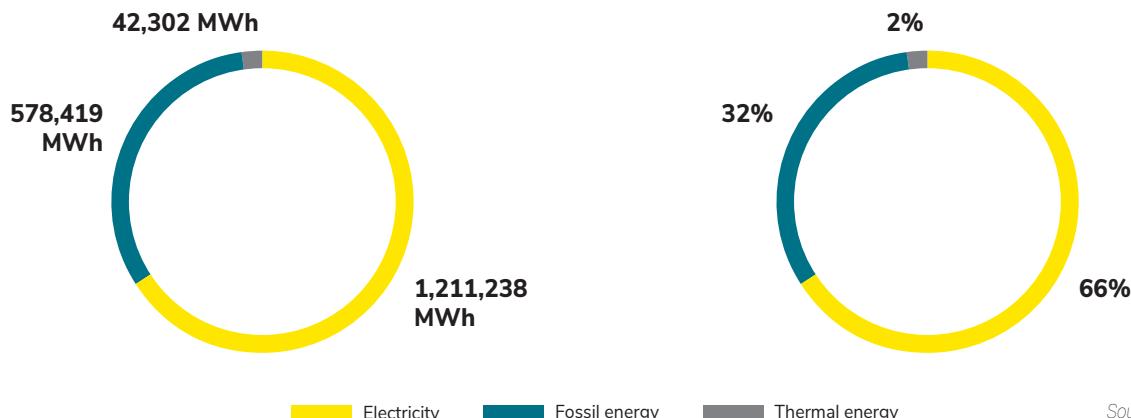
DISTRIBUTION OF ENERGY CONSUMPTION BY ACTIVITY



Source: Orano

4

DISTRIBUTION OF ENERGY CONSUMPTION BY ENERGY SOURCE

**2020 IN ACTION: A solar park under study at Orano Tricastin**

As part of the group's approach to improving the energy efficiency of its industrial sites, a technical and economic analysis was carried out on the value of recovering available surface areas on the Tricastin site for the production of photovoltaic electricity with a specialized design firm in 2020: 22 implementation solutions were studied according to three implementation methods (sale

of electricity, self-consumption or leasing of available land). This study enabled increased control and, at the end of the year, the selection of three priority areas to be covered with photovoltaic panels for a production of at least 10,000 MWh. The consultation of companies to study and complete this first tranche will be implemented in 2021.

4.4.4 Reduce our footprint, by design

Monitoring and controlling the quality of air, water, soil and the food chain and optimizing the consumption of resources (water, energy, etc.), raw materials (reagents, etc.) and waste production, are the objectives set by the group.

A comprehensive environmental approach

With monitoring of our industrial platforms, the objective of minimizing the environmental footprint is based on a structure and organizations at all levels based on the following axes:

- comply with regulatory provisions while preparing for the integration of new requirements;
- prevent and manage risks;
- continuously reduce impact factors (consumption of natural resources, waste, etc.);
- identify and measure the impact of the activity on the environment; and
- research and develop new solutions to limit impacts.

This approach applies to the entire lifecycle of the facilities: from new projects to the dismantling of facilities, including operations.

The environmental approach takes the form of targeted actions to reduce the amount taken from natural environments and the consumption of materials and energy, and a constant search for waste recovery possibilities.

As for industrial facilities (plants), a nuclear, mining or chemical facility's environmental impact study is updated at each stage of its lifecycle, *i.e.* upon its creation, significant modification, shutdown and dismantling. It is also reviewed (and if necessary updated) at each 10-year review for nuclear facilities. Such studies seek to characterize the potential health effects and environmental impacts of stresses and releases from the facility in question, by accounting for the particularities of the local environment (geology, hydrology, meteorology, natural and human environment, etc.) as well as the presence of any protected species or habitats. Accordingly, the impact study considers the presence of these remarkable zones.

To minimize its environmental footprint, including monitoring of its industrial platforms, the group acts to reduce what it takes from the natural environment and its consumption of materials and energy, and continually searches for opportunities to recycle waste. Thus for the renovation and commissioning of its new facilities on the front end of the cycle, the best available technology is

adopted, considerably reducing the withdrawals, consumption, and emissions of these activities. Compared to the Comurhex plant, the innovations of the Philippe Coste plant reduce the consumption of chemical reagents (-75% ammonia, -50% nitric acid, -60% potassium), cut water consumption by a factor of 10, and reduce greenhouse gas emissions.

Objective 2025	Indicators	2018	2019	2020
Operate efficiently by reducing our footprint	Number of ISO 14001 certified sites *	-	-	13

* Indicator reported for the first time in 2020.

Water, the key issue of tomorrow

A precious natural resource, water management is at the heart of Orano's environmental and societal concerns. The group's main water users are mining and chemical enrichment activities. The latter carried out a renewal of the production plants, thereby reducing the group's water footprint by 94% since 2004.

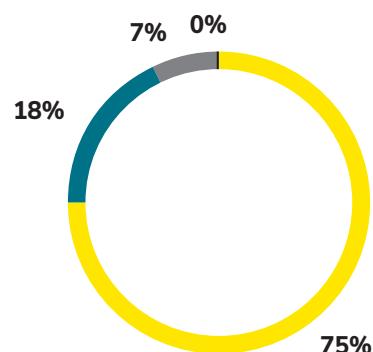
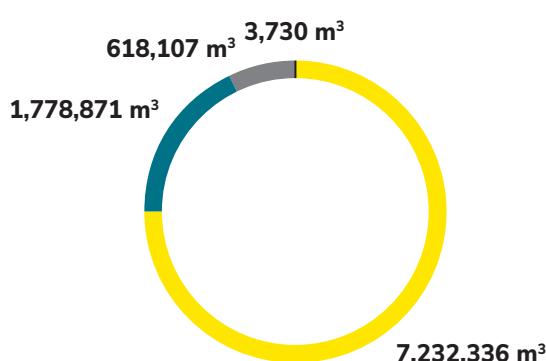
Since 2019, Orano Mining has been assessing the level of water stress at all of its ten sites around the world using the "Aquaduct Water Risk Atlas" tool from the World Resources Institute (WRI). Orano Mining also assessed the overall water risk for each site,

which combines three risks: physical quantity risk, physical quality risk and regulatory risk. This overall level of risk by country, as well as all the water sources and consumption by its activities, are detailed in Orano Mining's CSR report.

In 2020, water consumption within the group decreased by 7% due to the shutdown of facilities in Canada for several months but also thanks to the actions of entities on water leaks in the networks. The group intends to continue its efforts to manage water resources responsibly.

Objective 2025	Indicators	2018	2019	2020	Progress
Operate efficiently by reducing our water consumption by 10% (vs. 2019)	Quantity of water consumption (m³)	10,856,726	10,294,639	9,633,044	
	Reduction in water consumption since 2004	Not available	-93%	-94%	
	Reduction in water consumption since 2019	Not applicable	Not applicable	-7%	
	Water consumption per unit of revenue (m³/millions of euros)	2,997	2,718	2,615	

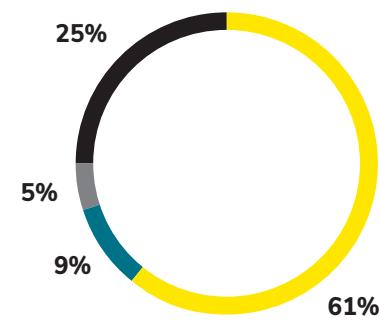
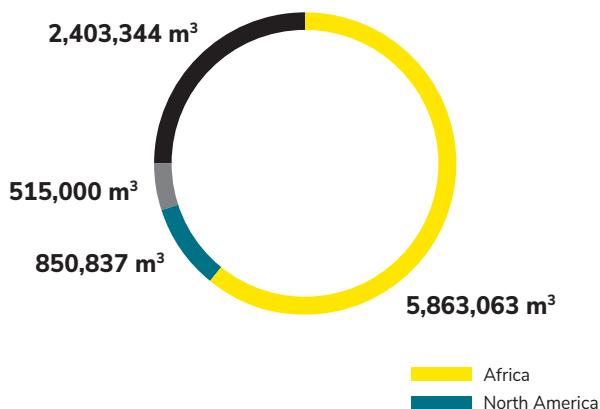
BREAKDOWN OF WATER CONSUMPTION BY ACTIVITY



Source: Orano

4

BREAKDOWN OF WATER CONSUMPTION BY REGION



Source: Orano

Anticipating impacts on biodiversity

As regards biodiversity, Orano pays great attention to ensuring its preservation and includes it as a crucial issue for the compatibility of its activities with their environment. Overall, the protection of plant and animal life begins in the new project design phase, continuing throughout the facility operating period, and later into the site rehabilitation phase.

An environmental impact study (EIA) is carried out for each new project or whenever a major modification to industrial facilities is expected. It includes an avoid-reduce-offset (ERC) analysis on biodiversity.

Owing to their location and size, the mining sites are particularly concerned with biodiversity protection and conservation, whether during the exploration, operating, or "post-mining" phases. This is why Orano is committed to taking preventive measures.

For example, in 2020, as part of the offset project for a forest of saxauls (a species endemic to the region) launched in Mongolia, research work was carried out and a nursery was built with the help of specialists and scientists from Mongolian and French public institutes. This work should lead to the definition of protocols that will ensure the successful planting of new saplings.

In France, all remediated sites are monitored by an ecologist.

2020 IN ACTION: Ecological inventories around Orano Tricastin and Orano la Hague

The monitoring of the environment around our sites is based on sampling and analysis systems, but also on ecological inventories intended to assess the diversity and quality of biodiversity present in local ecosystems. These inventories are regularly reviewed and updated. For example, in 2020, the Tricastin and la Hague sites began the global update of the local ecological inventories around the sites, which will continue in 2021. These inventories will make it possible to update knowledge of local biodiversity in order to ensure better monitoring.

Optimizing hazardous waste management channels

Conventional waste is classified into two categories: non-hazardous waste (DND) and hazardous waste (DD).

Orano has undertaken actions to optimize the management of hazardous waste, a large part of which was previously stored at the sites, or routed to nuclear waste channels. These various actions aim in particular to limit the quantities of waste sent to nuclear waste streams to a minimum, and thus to optimize the capacity of ANDRA's storage centers.

In 2020, the tonnages of conventional waste were down by 18% compared to 2019, related to a decrease of 7% on normal activity and a decrease in exceptional activities related to the renewal of facilities.

Objective 2025	Indicators	2018	2019	Progress
Operate efficiently by reducing our non-recycled waste production by 10% (vs. 2019)	Total tonnage of conventional waste (t) (normal and exceptional operations)	19,909	21,704	17,344
	Total quantity of conventional waste (t) from normal operations	13,450	12,053	11,212
	Quantity of hazardous waste (t) from normal operations	6,690	5,267	5,288
	Quantity of non-hazardous waste (t) from normal operations	6,760	6,786	5,924
	Reduction in conventional waste from normal operations since 2019	Not applicable	Not applicable	-7%

4.4.5 Reduce and recover radioactive waste

Orano establishes methods for managing radioactive waste in accordance with the following fundamental principles:

- protecting public health, safety and the environment;
- preventing and limiting the burden to be borne by future generations;
- reducing the quantity and toxicity of radioactive waste, in particular by using appropriate processing and packaging methods;
- organizing waste shipments and limiting them in distance and volume; and
- providing information to the public on the environmental and public health effects of waste production and management operations, subject to confidentiality rules provided in the law, and on the measures taken to prevent or offset harmful effects.

For implementation of waste management methods, Orano draws on:

- the operating entities of the different production sites likely to generate radioactive waste; and
- the Dismantling and Waste Contracting Department (DM2D), which is tasked with steering Orano's overall performance plan and defining the strategies to be deployed by the operating entities.

The principles guiding the use of management methods at Orano's different sites, in compliance with safety, cost, schedule and quality objectives and commitments, are:

- waste reduction at source, with the goal of "zero waste" in design and operation; waste likely to be radioactive is separated from conventional waste based in particular on a facility "zoning" policy. This policy is continually optimized to minimize the quantities of radioactive waste;
- radiological characterization and assessment of activity to define the optimum packaging;

- volume reduction using cutting, assembling and compaction processes; and
- with packaging, waste is immobilized in a container suited to its radioactivity level and half-life, in some cases using material to hold it in place (such as cement) or after processing. When processing is necessary, the goal is to convert the initial waste into a waste form with characteristics more appropriate for final disposal, in particular by rendering the waste inert and maximizing containment performance. Drying, incineration, vitrification and melting are examples of processing. Furthermore, processing can reduce waste volumes.

A quality program including quality control is carried out throughout processing operations. Best available technologies (BAT) are used for processing and are chosen based on multicriteria analyses that factor in the industrial, environmental, health and radiological impacts.

Understanding radioactive waste

There are two categories of waste: conventional waste and radioactive waste. Radioactive waste is defined as "radioactive substances for which no use is planned or contemplated or which have been reclassified as such by the administrative authority (Article L.542-1-1 of the French Environmental Code)."

They are managed according to two parameters, their activity and their period. We can distinguish between:

- VLLW (very low-level waste);
- LILW-SL (low and intermediate level short-lived waste);
- FA-VL (long-lived low-level waste);
- IL-VL (intermediate level long-lived waste); and
- HLW (high-level waste).

4

	Very short-lived waste (< 100 days)	Short-lived waste (≤ 31 years)	Long-lived waste (> 31 years)
Very low-level waste (VLLW)	Management through radioactive decay at the production site	Near-surface disposal facility for VLLW (Aube)	
Low-level waste (LLW)		Near-surface disposal facility for LLW and MLW (Aube)	Research carried out under the French law of June 28, 2006 (near-surface disposal at 15 to 200 m)
Medium-level waste (MLW)	followed by conventional disposal		Research carried out under the French law of June 28, 2006 (deep disposal, 500 m)
High-level waste (HLW)			Research carried out under the French law of June 28, 2006 (deep geological repository, 500 m)

The principles guiding the use of waste management methods at Orano's different sites, in compliance with safety, cost, schedule and quality objectives and commitments, are:

- waste reduction at source, with the goal of "zero waste" in design and operation; waste likely to be radioactive is separated from conventional waste based in particular on a facility "zoning" policy. This policy is continually optimized to minimize the quantities of radioactive waste;
- radiological characterization and assessment of activity to define the optimum packaging;

- volume reduction using cuttings, assembling and compaction processes; and
- with packaging, waste is immobilized in a container suited to its radioactivity level and half-life, in some cases using material to hold it in place (such as cement) or after processing.

Volumes shipped to ANDRA were lower in 2020 than in previous years because some operations (construction sites or waste shipments) were suspended during the first French lockdown (March and April 2020). Shipments then gradually resumed.

Objective 2025	Indicators	2018	2019	2020
Operate efficiently by reducing our footprint	Solid radioactive Very Low-Level Waste (VLLW) removed to ANDRA (m ³)	6,099	6,809	5,188
	Solid radioactive Low-Level (LLW) and Medium-Level Waste (MLW) removed to ANDRA (m ³)	1,434	1,237	972

2020 IN ACTION: Disposal of slag from Orano Malvési to ANDRA's VLLW repository

The Orano Malvési plant in the Aude department incinerates some of this low-level radioactive waste, which generates slag (ash). These ashes were packaged in barrels and stored on the site pending the opening of a process since 2012. After three years of coordinated work between Orano, ANDRA and the DREALs, an innovative solution called a "swimming pool" was

proposed and approved by all stakeholders. This solution, which has been accepted by the competent authorities (DREAL), allows for the safe handling of legacy waste, without re-packaging, at the Malvési site and at ANDRA. All the drums were removed to ANDRA's VLLW storage in 2020.

As a result of the national radioactive materials and waste management plan (PNGMDR)

The French policy concerning radioactive materials and waste aims to ensure their sustainable management, while respecting the protection of health, safety and the environment. This policy is based in particular on the establishment of a national radioactive materials and waste management plan (PNGMDR), transparency measures, public information and democracy, and securing the financing for the decommissioning of nuclear facilities and radioactive waste management.

The PNGMDR takes stock of the existing management methods for radioactive materials and waste, identifies the foreseeable needs for storage or disposal facilities, and specifies the necessary capacities for these facilities and the storage periods.

Between April and September 2019, a public debate was held on the next edition of the PNGMDR, which will be updated every five years (instead of every three years) from the fifth plan on.

The conclusions of this debate were delivered on November 25, 2019, and were followed by a decision of the French Ministry for the Ecological and Inclusive Transition and the French nuclear safety authority, published on February 21, 2020, setting the guidelines for the next plan. These guidelines cover the following topics:

- broadening governance and strengthening the link between the PNGMDR and energy policy, in particular by aligning the PNGMDR with the Multi-Year Energy Program (PPE);
- strengthening control over the recoverability of radioactive materials;
- assessing the prospects for saturation of used fuel storage facilities and identifying long-term storage needs;
- continuing the search for additional storage capacity for very low-level waste (VLLW); at the same time, changing the regulatory framework applicable to the management of this waste in order

to introduce the possibility of targeted exemptions allowing, after melting and decontamination, a case-by-case recovery of metal waste;

- continuing work to define a strategy for managing long-lived low-level waste;
- specifying the conditions for implementing the reversibility of long-lived high-level waste (HLW) disposal, as well as the associated governance; defining the objectives and conditions for the success of the industrial pilot phase of the Cigeo project;
- defining the management principles for specific categories of waste (legacy uranium conversion residues, legacy storage, mining waste); and
- strengthening the assessment of the environmental, health and economic impacts of radioactive materials and waste management choices.

A public consultation mission was organized from September 2020 to March 2021, with a view to defining these guidelines in greater detail and enabling them to be translated into the next PNGMDR.

Information on the flows and volumes of waste stored at Orano's nuclear facilities (especially volumes) is communicated to the competent authorities in the form of annual reports. In addition, Orano is a major participant in updates to the National Inventory published every year by ANDRA.

The inventory also presents storage capacities, in particular for long-lived medium-and high-level waste, along with their fill percentage.

This information is available on the website of ANDRA's national inventory of radioactive waste and materials: <https://inventaire.andra.fr/inventaire>.

4.5 Contribute to carbon neutrality

In addition to being convinced of the role that nuclear power can play in the energy transition towards low-carbon electricity, Orano has been involved in a program to reduce its own emissions since 2004 in order to contribute to the collective effort.

4.5.1 A continuous and renewed effort on our carbon footprint

GHG emissions already down by 60% since 2004

The group made a commitment to reduce its greenhouse gas (GHG) emissions by 50% between 2004 and 2020. This target was exceeded with a 60% reduction thanks to the efforts of all activities:

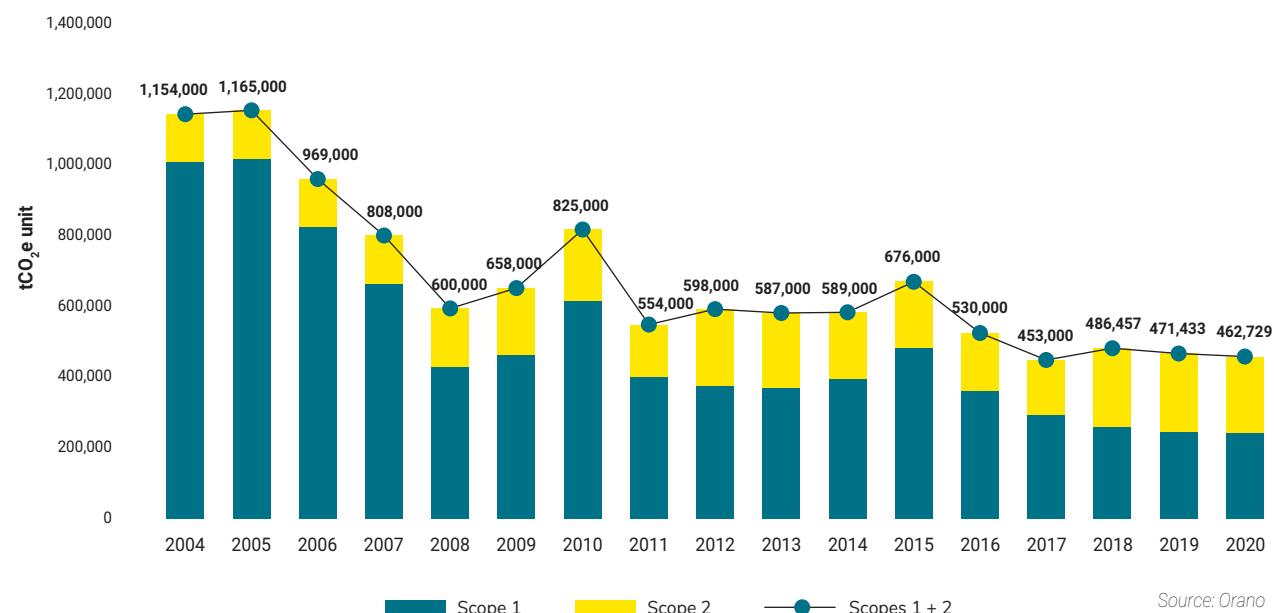
- at the Malvési plant dedicated to the conversion of uranium, a decrease of more than 90% of its greenhouse gas emissions linked to the renewal of its industrial conversion facility, the most modern in the world, with new production facilities with a reduced environmental footprint;
- at the Tricastin plants dedicated to the conversion and enrichment of uranium: beyond the reduction in its electricity

consumption by 98% due to new enrichment technology, reduction of 85% in greenhouse gas emissions thanks in particular to the modification of the fluorine production facilities and the commissioning of the new Philippe Coste conversion plant. In total, between 2004 and 2018, energy consumption was reduced by 96%;

- at the la Hague plant dedicated to the recycling of used fuel, a reduction of 42% in CO₂ emissions thanks in particular to the preferred use of electricity over heavy fuel oil and domestic fuel oil in the production of steam for the site's needs. The use of heavy fuel oil was stopped definitively in October 2020; and
- for mining activities, a 43% reduction in greenhouse gas emissions per metric ton of uranium produced thanks to the implementation of new industrial processes.

4

EVOLUTION OF ORANO SCOPES 1 AND 2 GREENHOUSE GAS EMISSIONS



Greenhouse gas emissions scopes (GHG protocol definition)

Scope 1: direct emissions resulting from the combustion of fossil fuels (gas, oil, coal), direct emissions of refrigerant gases, direct emissions of CO₂ not resulting from combustion.

Scope 2: indirect emissions related to the consumption of electricity, heat or steam required for the activity.

Scope 3: other emissions not resulting from the items described above.

Objective 2025	Indicators	2018	2019	2020	Progress
Reduce direct and indirect GHG emissions by 15% (scopes 1 and 2 vs. 2019)	Scope 1 direct GHG emissions (tCO ₂ e) ✓	260,687	247,652	243,280	
	Scope 2 indirect GHG emissions (tCO ₂ e) ✓	225,770	223,781	219,450	
	Scopes 1 and 2 GHG emissions (tCO ₂ e) ✓	486,457	471,433	462,729	
	GHG emissions (scopes 1 and 2) per revenue unit (tCO ₂ e/millions of euros)	134	124	125	
	GHG reduction (scopes 1 and 2) since 2004	-58%	-59%	-60%	
	GHG reduction (scopes 1 and 2) since 2019	Not applicable	Not applicable	-2%	

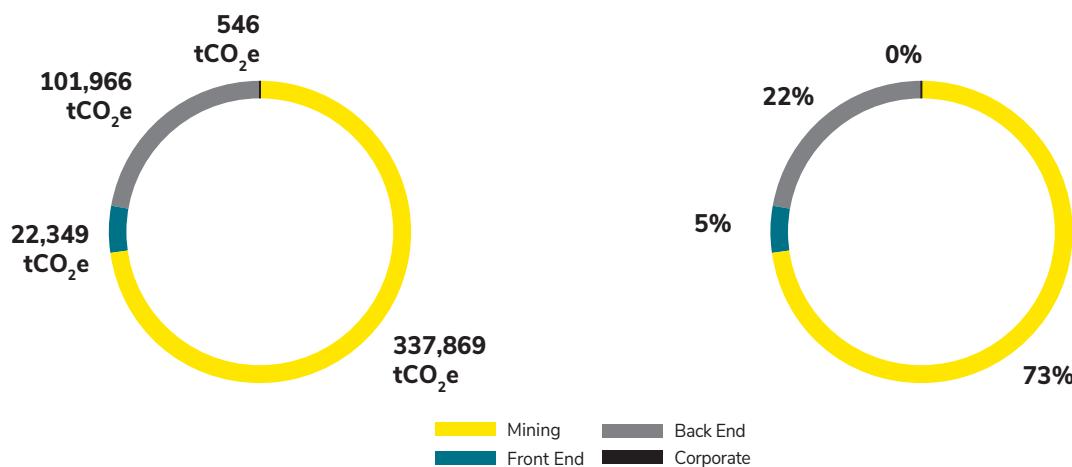
✓ Indicator has been subject to reasonable assurance verification.

The 2019 emissions were recalculated to:

- correct double accounting in the reporting of entities' gas consumption;
- update, *a posteriori*, emission factors related to electricity in order to keep in scope 2 only the portion related to combustion

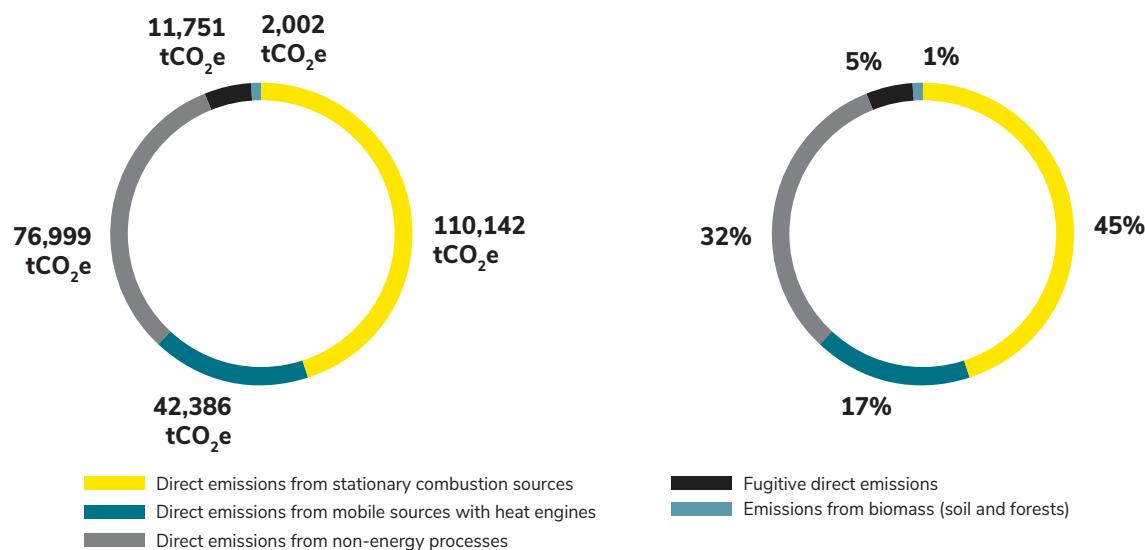
for France (the Front End and Back End portion will be included in the calculation of scope 3 emissions) and update emission factors in some of Orano Mining's countries of operation (notably Canada, Kazakhstan and Mongolia). Scope 2 emissions for 2018 were also recalculated according to the same principle.

DISTRIBUTION OF SCOPES 1 AND 2 GREENHOUSE GAS EMISSIONS (tCO₂E) BY ACTIVITY



Source: Orano

DISTRIBUTION OF GREENHOUSE GAS EMISSIONS BY ENERGY SOURCE



Source: Orano

The sector regularly carries out lifecycle analysis studies. Emissions associated with the fuel cycle are the largest carbon impact item. Decarbonizing cycle activities is therefore a major challenge, and sets an example. In 2020, Orano worked to consolidate the assessment of its scope 3 footprint and in 2021 will embark on a study of the reduction areas.

2020 IN ACTION: An initial “Scope 3” assessment for Orano

At the end of 2019, Orano finalized a first estimate of its scope 3 footprint for the year 2018. The teams are seeking to master this new exercise in order to obtain a reliable measure of our carbon footprint across the value chain and to identify the levers for its reduction. The assessment has identified 1,300,000 metric tons of CO₂e to date. The largest items are:

- 74% concern the item “purchases of goods and services” valued on the basis of monetary amounts; and
- 11% concern the “fixed assets” item.

Contribute to carbon neutrality by 2050

Based on these results, Orano wants to go further in its contribution to carbon neutrality with a new target to reduce its direct and indirect GHG emissions (scopes 1 and 2) by 2025. The group is studying 14 internal decarbonization projects at different stages of maturity for a potential reduction of 140 ktCO₂e by 2030. Some of these projects are already under way.

2020 IN ACTION: Replacement of an oil-fired boiler in Orano la Hague

Orano la Hague has decided to reduce its carbon footprint by replacing a heavy fuel oil boiler with a third electric boiler. Since October 2020, the supply of heavy fuel oil has been discontinued and the boiler is supplied with domestic fuel oil pending the installation and commissioning of the new electric boiler by 2023, resulting in savings over time of more than 40,000 metric tons of CO₂ equivalent for the site and the group.

4.5.2 Assessing the impact of climate change on our facilities

Concerning the vulnerability of facilities, climatic events and other events such as earthquakes are included in the sizing of the facilities, in addition to the measures taken to manage serious accidents. However, climate change is not only synonymous with extreme events that could affect the safety of facilities. These changes are accompanied by a multitude of disruptions, slow and gradual, at different speeds, which can affect the group's ability to operate its sites in compliance with the current operating guidelines. In order to assess the regional trends for the coming decades, the group conducted an internal study on expected future

precipitation and temperatures based on available climate models. The meteorological data of the sites was also analyzed, in order to assess the trend observed over the last 20 years.

Orano has begun to reflect on the integration of these changes into future periodic reviews of its facilities and how they will be taken into account in the design of future facilities. The group will have to strengthen its analyses in the coming years in order to incorporate all the physical and transition risks as recommended in the international guidelines.

4

4.5.3 Innovating to reduce our customers' footprint

Orano is convinced that nuclear materials and the production of low-carbon, safe and competitive nuclear electricity can play an essential role in the service of the climate and carbon neutrality. The group is mobilizing alongside its customers to reach this goal.

Through its targets for reducing its footprint, Orano will contribute to further reducing the nuclear energy footprint. The group is also certain that the acceptability of nuclear energy will require significant

progress in the management of final waste. For example, in 2020 Orano initiated innovative Research and Development aimed at decategorizing hull waste from used fuel processing.

Orano, in partnership with other manufacturers, is also exploring the path of fast molten salt reactors to recycle plutonium and reduce the amount of minor actinides.

4.6 Innovate to preserve resources and protect health

Orano is deploying an innovation strategy to continue to improve the group's performance and also to reinvent its activities, explore new growth opportunities and deliver new services and innovative solutions to its customers, in the service of society, the preservation of resources and health.

4.6.1 Innovation, Orano's priority

Orano has made innovation one of its three priorities, along with operational excellence and value creation for its customers. The innovation strategy is based on three pillars:

- industrial innovation;
- business innovation; and
- innovation at the heart of the men and women of Orano (because it is only with the involvement of the group's employees that this transformation is possible).

Adopting new I4.0 technologies for performance and security

Industrial technological innovation harnesses the new industry 4.0 technologies to enhance plant productivity, service competitiveness and operator safety. Orano has already entered the era of industry 4.0, with plants operating with very different profiles in terms of activity and age.

In a context where technologies are evolving rapidly and becoming affordable to all, there is a real challenge to accelerate innovation cycles by calling on collaboration and collective intelligence. The group has also built a resolutely open innovation strategy and has drawn closer to the particularly innovative ecosystem of start-ups and SMEs by launching the "Orano Innovation PME" initiative, a win-win approach promoting collaborative innovation: the start-ups develop certain technological bricks that the group needs, and in return, the group contributes to their growth by offering them direct and effective access to industrial-scale use cases, unique skills and new markets. The group is already working effectively with nearly a hundred of them.

2020 IN ACTION: a connected stick to enhance geologists' safety

Thanks to a newly developed and currently tested connected tool, prospecting geologists can accurately measure ore grade and compare it in real time with a digital model. This modernization allows for greater homogeneity of the ore loaded into the trucks and also contributes to an improvement in working conditions by reducing painful postures and the risk of accidents, and by reducing exposure to gamma radiation thanks to the distance between operator and ore.

Business innovation to accelerate the group's growth: inventing the value creation models of tomorrow

The group continues to improve its performance and, since the creation of Orano, actions to diversify its activities and explore new growth opportunities, by further enhancing its unique skills, its world-renowned expertise, its cutting-edge technologies and its materials, are accelerating.

A portfolio of potential new activities is being developed with a view to:

- services, instead of selling products;
- the circular economy, in line with its strategy of recycling, eco-design and rehabilitation of ecosystems, including mining; and
- deep tech, with projects with strong societal stakes.

2020 IN ACTION: Oxilio, a new nuclear materials management service

Orano has just launched the new "Oxilio" service dedicated to the management of nuclear materials for non-electro nuclear players, such as used radioactive sources from hospitals. This new service, when rolled out, will make it possible to identify other services to be developed in the health sector.

One of the group's major challenges is to accelerate its innovation cycles. Orano has been able to deploy a resolutely open innovation strategy by surrounding itself with new skills (such as design), the best partners of an ultra-innovative and dynamic ecosystem such as that of I4.0 start-ups and recognized Business Innovation partners in services and in connection with the circular economy (BMILab, Univ St Gallen, AKTAN, Strategyzer). Three programs were launched in 2020 in collaboration with CPI Schoolab, with students from ESSEC, Centrale Supelec and Strate Design.

In terms of deep tech, we can also cite the recovery of certain isotopes, such as lead-212, to develop new therapies against cancer, as Orano Med is already doing. To give impetus to this trend, in late 2019 Orano launched a competition with deep tech start-ups, in collaboration with Hello Tomorrow, to explore and co-develop new activities around health, space, the energy transition,

the circular economy and a positive impact on the environment. We are thinking about the group's future today, in order to achieve it tomorrow, based on a sustainable economic development strategy.

2020 IN ACTION: "Let's reinvent nuclear together", a deep tech competition in collaboration with Hello Tomorrow

Five challenges were proposed as part of the competition organized in collaboration with Hello Tomorrow for start-ups in deep tech to develop new growth opportunities: Enhancing remote expertise, Using any isotope, Using uranium properties, Environmental monitoring and industrial site upcycling and Using nuclear expertise and technology.

The competition attracted 57 international applications, of which 14 caught the attention of Orano. Five finalists had the opportunity to present their innovative solution to an Orano jury. The winner of this competition, Nano Diamond Battery, is developing a recycled carbon 14 battery.

Innovating at the heart of women and men

This transformation of the group, integrating 4.0 technologies at the heart of its plants and services, inventing and exploring new models of value creation, necessarily involves the transformation of the group's men and women. These are different ways of working that involve more openness to innovative ecosystems, collective intelligence, and a mindset that puts the customer at the center of thinking. These are ways of managing teams based on sharing, trust, the meaning of assignments and promoting freedom of action and a fresh outlook on the outside.

Orano makes innovation a human adventure above all. This mindset, which promotes innovation, was evidenced during the second edition of the Orano Awards. 142 innovative projects were divided into six categories: business growth, operational performance, managerial and organizational transformation, digital transformation, Initiatives in 2020 (projects born out of mutual aid during the Covid-19 period) and Best Failed Idea (rewarding projects that were quickly stopped when the expected results were not achieved and whose lessons were capitalized).

2020 IN ACTION: "A bacterium supports Lixi": an employee favorite at the Orano 2020 Awards

The Orano Awards illustrate Orano's ability to innovate and adapt. Despite the health crisis, 142 teams competed in the 2020 edition. The "favorite" project elected by the employees was "A bacterium supports Lixi" from Orano Mining.

The project team, in collaboration with the BRGM, has developed an innovative bioprocess based on bacterial activity, grown and industrialized to improve the rate of uranium recovery in low-grade ores. This process will also reduce operating costs and optimize the life of the Somaïr mine.

4

R&D dedicated to the preservation of resources and health

All of the group's developments are supported by a Research and Development policy to support its long-term commercial and technological positioning, guaranteeing its sustainable development, in full compliance with applicable regulations, directives and processes, in the areas with the highest development potential.

Objective 2025	Indicators	2018	2019	2020
Develop our innovation ecosystem	Number of patents filed over the year	18	14	25
	R&D budget (<i>in millions of euros</i>)	101	103	107
	R&D budget (<i>as % of revenue</i>)	2.79%	2.72%	2.90%
	Experts within the group	470	-	526

2020 IN ACTION: 526 experts identified for the 2020 campaign

The campaign to appoint Orano experts made it possible to confirm, promote or bring into the sector 526 experts: 17 expert fellows (including 7 newly appointed) who embody the Company's technical excellence, 167 level 2 experts, 342 level 1 experts and 282 specialists.

The expertise pathway is one of the career paths recognized in the group, similar to the management and project pathways.

The Orano expertise sector is attracting growing interest from employees, which has resulted in a reappointment or promotion for 50% of experts this year.

The strengthening of this sector is inseparable from Orano's corporate project, cultivated excellence and added value to customers.

4.6.2 New activities for the climate, the preservation of resources and health

50 years of expertise in resource saving

As the world leader in processing and recycling, Orano relies on its recognized expertise to provide its customers with efficient, safe and responsible management of used nuclear fuel. Orano recovers recoverable materials (uranium and plutonium) from used fuel to recycle them and manufacture new fuels, such as MOX, for nuclear reactors.

Orano actively contributes to the circular economy by recycling spent nuclear fuel in its la Hague and Melox plants. This solution reduces waste volume and radioactivity. Recycling also saves raw materials.

Recycling uranium and used MOX fuel can mean 25-30% savings on raw materials. Within this same recycling process, the group places special importance on the responsible use of materials and consumables used in operations. Through the processes of extracting and separating recyclable materials (uranium and plutonium) in la Hague, chemicals that are used during the operations (in particular nitric acid and solvents) are recovered and reused.

Recycling can recover up to 96% of recoverable material from used fuel: 1% plutonium, and 95% uranium. The 4% remaining are fission products, *i.e.* non-recoverable final waste. This first stage is carried out in the Orano la Hague plant.

In a second stage, Orano produces a recycled fuel, *i.e.* MOX. MOX fuel is used to supply nuclear power plants (France, Japan, the Netherlands). Depending on customer requirements, the assembly which combines plutonium and depleted uranium, contains between 3% and 12% plutonium. In France, 10% of nuclear electricity is currently produced using MOX fuel, *i.e.* almost 8% of electricity (all sources combined).

Develop and export this know-how

The proportion of nuclear electricity generated from recycled materials could increase by up to 25% with the recycling of uranium contained in used fuel (MOX). This figure could technically increase to reach 30% thanks to MOX 2, a new type of fuel that will enable the multi-recycling of nuclear fuels.

The safe recycling of used fuel is a know-how mastered by Orano and recognized internationally. At the end of 2019, 44 commercial reactors worldwide had been loaded with MOX fuel since the beginning of the seventies: 38 in Europe (22 in France, 10 in Germany, 3 in Switzerland, 2 in Belgium and 1 in the Netherlands), 5 in Japan and 1 in the United States. This recognition is also reflected in Orano's assistance to countries that are developing their recycling channels: Japan, the United Kingdom and China.

Use our expertise to expand our recycling offer

Orano has always been a player in the circular economy throughout the nuclear fuel cycle by:

- designing its units to limit waste and pollution;
- optimizing the use of its products and their recycling in order to limit the use of raw materials and preserve the work and energy that went into producing them; and
- rehabilitating mining sites and improving the environmental footprint of its industrial sites.

On the strength of this experience, Orano not only reinforces this conduct for its current activities but also studies services, processes and solutions to extend this strategy to other fields of activity in which Orano has a legitimate claim.

Orano is therefore exploring the recovery of certain materials available in the nuclear fuel cycle, such as:

- depleted uranium, which can be used to support the energy transition (energy storage, catalyst for carbonaceous material conversion processes);
- xenon for the propulsion of small satellites; and
- strategic metals, critical raw materials that can be used to produce hydrogen or synthetic fuels.

Orano, a player in nuclear medicine

Although oncology research has made tremendous progress in recent years, the medical needs of a wide variety of cancers remain unmet. The Orano approach, better known as targeted alpha-therapy, has the potential to bring significant benefits to patients not cured by existing treatments.

Orano Med, the medical subsidiary of Orano, has developed a unique process for extracting and purifying lead-212 that is very promising in targeted alpha-therapy, an innovative form of radiotherapy against cancer and which limits the impact on healthy cells. Orano Med's goal is to develop a new generation of targeted therapies against cancer thanks to the unique properties of lead-212 (^{212}Pb), a very rare alpha-emitting radioisotope.

Orano Med's strategy is based on two simple axes: developing a solid portfolio of ^{212}Pb therapeutics and ensuring a reliable supply of the isotope. Orano Med's expertise covers lead-212 chemistry, and technologies for the conjugation (including site-specific conjugation for antibodies) and lead-212 radiolabeling of numerous biological molecules (antibodies, peptides, etc.) capable of recognizing molecular targets expressed in various forms of cancer. Other isotopes are being studied to continue this trend in the medical sector.

Orano Med has a Scientific Committee made up of professionals covering a wide range of expertise to support the development of the entity and support it in compliance with the best practices in the field.

From an environmental point of view, Orano Med's activities generate radioactive waste that is managed responsibly and integrated into the group's waste management system. Orano Med also supports partner hospitals in the proper management of radioactive materials. The entity is currently working on the design of a new plant, which is scheduled to start production in 2025 and whose process is being studied to minimize its environmental impacts.

A new positioning in the stable isotope market

Orano is a world leader in uranium conversion and enrichment. With more than 50 years of expertise in these fields, Orano wishes to offer its know-how and cutting-edge technologies to new sectors. On these solid and recognized bases, in 2018 Orano launched the

study of a business plan for a new activity for the production of stable isotopes (non-radioactive elements on a human scale) by centrifugation. These isotopes have a broad spectrum of uses, ranging from nuclear medicine (a basic material for many radiopharmaceuticals for the diagnosis and treatment of cancer) to industry (improvement of laser performance, improvements in the resolution of magnetic resonance imaging, reduction of radioactive waste in the cooling circuits of nuclear power plants, etc.), including basic research (quantum computers, biomedical research in many fields, research on materials such as neutrinos, etc.). Demand continues to grow and heavy stable isotopes that can be put into gaseous form are currently only produced industrially by Urenco and Rosatom. Orano aims to become a new partner and a credible alternative for its future customers. The Board of Directors validated the project in 2020. The development of this new activity accelerated and the preparatory work for the construction of the Laboratoire Isotopes Stables (LIS) began on the Tricastin site. This modular laboratory will make it possible to develop new elements (new stable isotopes) in-house and to ensure quality production that will adapt to customer needs. Orano is already working with future customers in various fields and the first commercial productions are planned for 2023.

4.7 Be engaged and responsible locally in our environment

4.7.1 Responsible purchasing and outsourcing

The group's purchasing activities are governed by the group's purchasing and supply chain process. Suppliers are assessed and monitored as regards their reliability, quality, compliance, financial strength, competitiveness, health, safety, environmental performance, and their ability to provide products and/or services that are compliant with the specified needs and requirements.

Purchasing policy and integration of social and environmental criteria

The group formalized a purchasing policy, which was revised in 2018. The Orano documentary framework for subcontracting and purchasing includes the following documents:

- an industrial policy;
- a purchasing policy and an intragroup purchasing policy;
- a supply chain manual covering all purchasing processes and procedures; and
- group procedures that formalize the integration of safety and security (HSE) criteria in the purchasing process; and
- general purchasing terms and conditions (GTC).

Orano markets are divided into three classes according to the level of risk. Class 1 includes high HSE risk markets; class 2, significant HSE risk markets; and, class 3, markets with a low, or no particular risk. The classification is based on a risk analysis prior to the expression of need, which takes the form of a risk grid covering around 20 points of interest (safety, the environment, etc.).

The purchasing manager and the specifier must take into account the economic and ethics aspects and fair competition practices, and value the suppliers and offers that are the best in terms of the organization. When identifying needs, they must factor in the local situation, the impact on jobs and the local economy.

A rigorous purchasing and supplier assessment process

The group's purchasing activities are governed by the group's purchasing and supply chain process.

Suppliers are assessed and monitored as regards their reliability, quality, compliance, financial strength, competitiveness, health, safety, security, environmental performance, Legal, and ability to provide products and/or services that are compliant with the specified needs and requirements.

The Corporate Supply Chain Department works closely with the group's Quality, HSE, Legal, and Compliance Departments to ensure that suppliers comply with benchmarks such as ISO 9001, ISO 14001, OHSAS 18001, and the regulations on regulated nuclear

facilities (INB Decree) or the compliance requirements related in particular to the prevention of corruption and influence peddling.

To adapt the responses to the risk levels, Orano has divided the markets into three categories using a "hazard analysis". Suitable risk criteria have also been defined as regards compliance and anti-corruption.

The level of the activity's risk determines the list of suppliers invited to bid and the measures to be taken for contract follow-up and operational supervision to ensure the control of subcontractor safety, health, security and environment and sustainable development requirements.

Moreover, the Purchasing Manager and the specifier must factor in the economic and ethics aspects, as well as fair competition practices, specifically by:

- promoting competition, plurality of responses, and the emergence of alternative offers;
- allowing all companies matching the bid requirements to respond without discrimination;
- applying the reciprocity principle, *i.e.* requiring of suppliers what the organization requires of itself; and
- valuing the suppliers and bids that are the best fit with the organization's activities. When identifying needs, they must factor in the local situation, the impact on jobs and the local economy.

Orano has decided to strengthen the societal and environmental criteria in the supplier selection process during 2021. A Business Unit has been selected and will serve as a pilot. The roll-out to the entire group will take place in 2022.

Involve the value chain: the commitment to sustainable development included in the general purchasing terms and conditions (GTC)

Orano wishes to engage its suppliers in its efforts toward sustainable development. For several years, Orano has included provisions concerning suppliers' observance of this commitment in 100% of its contracts and general terms and conditions of purchase.

Under the terms of this commitment, suppliers agree to promote respect for human rights, labor law (work standards, child labor, discrimination, working hours and minimum wage) and the environment, along with a nuclear safety and security system.

Each supplier also agrees to make ongoing efforts toward progress in these areas, including corruption prevention, efforts which are taken into account when being listed as an Orano supplier.

An integral part of all contracts signed with suppliers, the general terms and conditions of purchase (GTC) set forth the obligations on suppliers as to hygiene, safety and health protection, as well as respect of the environment. They include provisions concerning the obligations the provider must respect in terms of:

- hygiene, safety and protection of health;
- regulated substances (REACH regulation); and
- sustainable development relating to human rights, health, safety, labor law and the environment.

Non-compliance with these provisions may result in the termination of the contract or order.

The GTC include provisions such that Orano where applicable, its customer, any third party commissioned by Orano or any duly empowered authority shall have access to the premises of the supplier, its subcontractors and suppliers for the purpose of inspections or audits of all the requirements specified in the order.

Specific measures relating to subcontracting

The Supply Chain Unit helps the group's Safety, Health, Security and Environment Department issue a report on the state of outsourcing in France, which is sent to the French Ministry with oversight. This report is also transmitted to the French nuclear safety authority (ASN) and the French Institute of Radiation Protection and Nuclear Safety (IRSN). It reports on the inclusion of safety-security-environment requirements in the purchasing process, as well as on the monitoring of authorizations, training and awareness programs for outside companies operating on Orano sites.

For activities in isolated regions and sites (Kazakhstan, Mongolia, Canada), the Mining BU reviews the health organization of subcontracting companies (occupational medicine, vaccination obligations, first aid training, healthcare, infirmary, equipment, health evacuation procedures). In addition, in order to guarantee the same quality of monitoring as that of its employees, a dosimetric monitoring of categorized subcontractors can be carried out by the Orano subsidiaries themselves.

Sapin II law and duty of care: measures in place and 2020 action plan

The Orano group's Supply Chain Management System integrates the duty of care prevention plan into these processes (RFI/RFQ and Supplier evaluation and monitoring). The various documents and processes making up the Supply Chain Management System (Code of Ethics, GTC, Purchasing policy, sustainable development commitment, etc.) take into account:

- the risk analyses by Purchasing market ("Hazard Table") and by country (see Orano internal "Country Compliance Classification" procedure). These analyses will be reinforced by the deployment of a compliance questionnaire;
- the plan for mitigating the associated risks before awarding the contracts (through supplier selection criteria and qualification audits, and monitoring programs during contract fulfillment);
- the supplier performance metrics and the required improvement plans;

- the ethics and sustainable development commitment aspects in contract clauses, in compliance with the French Sapin II and corporate Duty of Care laws; and
- the studies performed by the group's Economic Intelligence Division, specifically for all SOC suppliers, systematically.

In accordance with the procedure for assessing third-party compliance, which was rolled out together with the Compliance Department, any new supplier or any material change in a supplier relationship must be specifically verified and adapted according to the estimated level of risk with regard to reputation.

100% of new suppliers added in 2020 were assessed according to the process. A campaign to check pre-existing suppliers in the supplier database before 2019 was conducted by the Compliance Department.

Being vigilant about economic difficulties for suppliers and subcontractors

To mitigate the risk of impoverishment of the industrial fabric caused by the drop in project volumes (among other things) leading to loss of skills and refocusing on other activities, and the deterioration of supplier performance, the Orano supply chain undertook an assessment and recommendation pilot project on the operational performance of suppliers.

The Supply Chain Department and the Quality Department also launched a working group on supplier qualification and support to make this process more robust. In addition, it took part in the Gifen Perspectives France Day on October 1, 2020 to give suppliers visibility on the Orano strategy and the group's needs over the next three, six and nine years.

In the current context of the economic crisis resulting from the Covid-19 pandemic, the supply chain identified sensitive third parties at the beginning of March 2020. It set up regular reporting points for risks and weak signals identified for rapid processing (i.e. advanced payments, payments of deposits, etc.) in conjunction with the Finance Department.

An action plan to organize the monitoring and support of sensitive suppliers in 2021 has been defined and approved. It also helped to strengthen the payment deadline process and internal control to anticipate any delays that could impact the supplier.

4

Committed to the development of the local industrial fabric

Orano is extremely vigilant about the sustainability of the network of suppliers in the nuclear sector in France and about the development of skills.

In line with its commitment approach, Orano ensures that most of its purchases are made at the national or local level. 90% of purchases by entities located in France are made in France, with a very high proportion of local purchases in regions close to its major industrial sites (e.g. the la Hague facility with 70% of purchases made in North Cotentin).

Objective 2025	Indicators	2018	2019	2020
Strengthen local roots, particularly in the area of skills development and employment, through partnerships with local subcontractors and suppliers	Contracts including sustainable development commitments *	-	100%	100%
	Purchases by French entities from suppliers located in France *	-	90%	91%
	Purchases by foreign entities from suppliers located in the country of operations *	-	73%	73%

* Indicator monitored since 2019.

4.7.2 Contribute to developing the regions around our operations

Orano continues to be committed to local involvement through programs aimed at contributing to the appeal and economic development of the communities in which its sites are based.

Getting involved in local structures and societal projects

Orano's main industrial sites are fully mobilized for their territory and the associated industrial fabric. Their management is involved in the economic or administrative structures of the territory (by sitting or being represented on the bureaux of these structures).

These are real forums for discussion with local economic players and enable issues and news to be shared throughout the year. Orano is involved in the local life around its operations in France and abroad, in many ways.

The management of **Orano Tricastin** is involved in the economic or administrative structures of the region (by sitting or being represented on the bureaux of these structures):

- the Chambers of Commerce and Industry (CCI) of Drôme and Vaucluse;
- the "Atout Tricastin" and CENOV (Entrepreneurs du Nord Vaucluse) business clubs;
- business creation aid structures: the Réseau "Entreprendre Drôme-Ardèche", the "Initiative Seuil de Provence Ardèche Méridionale" (ISPAM) platform for local initiatives, and the ALIZE Vaucluse scheme. In 2021, the site's financial teams will support the ISPAM committees for project analysis;
- professional organizations such as the Union of Metallurgy Industries (UIMM); and
- the PTAME Tricastin-Marcoule MUT'ÉCO.

To meet the expectations of stakeholders and address the operational challenges faced by **Orano Mining**, a total of 4.3 million euros was invested in 2020 by the different entities in community investment projects.

Among these actions, Badrakh Energy, a subsidiary of Orano Mining in Mongolia, has operated a scholarship program since 2010 to train the workforce, support education and provide access to university studies for young people in the region. It covers the total term of bachelor's degree studies, i.e. three years.

In 2020, four students from Ulaanbadrakh and Sainshand in the province of Dornogobi were able to benefit from a scholarship, bringing to 85 the total number of beneficiaries since its creation.

Orano la Hague is a founding member of Nucleopolis, the nuclear division of Normandie Energies, which contributes to the development of the nuclear industry in Normandy through, for example, the Exc'op label which helps companies to develop in terms of operational excellence but also sets up numerous BtoB events in which the establishment actively participates.

In addition, for the past seven years, Orano la Hague has made employees available part-time to this division to help it implement certain actions.

Since its creation, the site has also been a member of the Alizé Manche committee, which provides skills support to developing companies. It is currently the vice-chair of the committee. It is also a member of the selection committee of Normandie Incubation, the Normandy incubator.

Orano Melox is a founding member of Cleantech Vallée, operator of the Gard Rhône ecological transition contract. In 2020, Cleantech Vallée launched the second session of its accelerator for innovative start-ups and SMEs. Waste reduction, smart grids, low-carbon energy, circular economy, renovation and energy efficiency, pollution control, carbon efficiency: the 10 winners of the Cleantech Booster class of 2020 were selected by a jury composed of the accelerator's founding members. They now benefit from a 10-month individual and collective program to establish their project, develop it and boost their growth.

2020 IN ACTION: Orano provides support during the Covid-19 crisis

For example, 60,000 protective equipment items were distributed to caregivers by the Orano establishments in la Hague and Melox. The group mobilized the laboratories of its sites to manufacture hydroalcoholic gel. In the Gard, start-ups from Cleantech Vallée created a disinfection robot with the group's support.

The group's fablabs are particularly involved in the 3D printing of protective visors, based on plans and data shared by all additive manufacturing communities in France.

In the context of the Covid crisis, the Fablab Tricastin team worked with manufacturers and companies in Drôme to respond to the Montilian association "Convergences 26*", which brought together all the additive manufacturing resources of its hundred or so partners to meet the need for protective visors for healthcare professionals in the region (hospitals, medical practices, EPHADs, private nurses, etc.). Overall, the Tricastin Fablab has produced more than 1,000 face protection visors thanks to the 3D printing of the visor support headbands.

In the countries where the mines operated by Orano Mining are located, support operations for medical personnel (supplies of equipment, donations, etc.) are also organized in conjunction with

the authorities. Particularly in Niger, in addition to the provision of medical equipment and consumables, the mining companies have also managed, in partnership with the authorities, actions to raise awareness among the populations and the training of medical teams within the communities. Actions to receive patients were also deployed, such as the provision, preparation and equipping of buildings to ensure their isolation.

To effectively combat the pandemic, in addition to equipping employees and subcontractors with surgical masks for professional use, the Orano Mining companies have also provided 100,000 masks for the people of Arlit by working with local suppliers. In total, more than 1.3 million euros was committed by Orano in Niger to help fight the spread of the pandemic in 2020.

In the other countries where it operates, solidarity actions have been deployed with local communities such as: the purchase of food for the communities of the North of Canada, and the economic support of subcontractors in the form of payment facilities; in Mongolia, donations to institutions in charge of the crisis; in Kazakhstan, aid for the purchase of medical equipment and the donation of computers to schools for children forced into distance learning.

The development of skills and employment at the heart of our action in the regions

In accordance with the Company's values, Orano draws on its knowledge of the communities and local economic development agents to carry out actions suited to the priorities and specific needs of each employment area. The group supports labor sectors experiencing shortages and projects led by small- and medium-sized businesses in the manufacturing and industrial services sector, particularly in the nuclear industry, and attaches particular importance to the sustainability of the activities generated by those projects. Local economic development actions also concern the funding of projects in the fields of training, employment support and the social and solidarity-based economy. With a budget of

around 3 million euros between 2016 and 2019, Orano's economic revitalization mission supported the creation of more than 1,100 jobs in the regions where the group operates, with SMEs but also with social economy associations. The momentum already underway is having an impact in certain regions, such as the Gard and Manche regions, where jobs continue to be created as a result of this aid. Thus, the Orano la Hague site took part in the inauguration of the Valognes machining production school (the first production school in La Manche) in October 2020, which is implementing new learning methods for young people with academic difficulties.

4.7.3 Build a second life for sites

With its experience, the group assumes its responsibilities up to the proportionate restructuring of liabilities, a fair societal transition and providing a new life to its assets when the site allows it.

Anticipating a new life for our sites and those of our customers

Business is changing, as are the facilities and some are shutting down. Orano favors decommissioning as activities are discontinued so as not to defer the management of liabilities and to allow a new use of the space. Orano also performs clean-up and dismantling operations for other operators. Its comprehensive know-how

makes it possible to propose an integrated or tailor-made offer to its customers, from studies to completion.

The objectives of Orano's Safety and Environment Policy are to reduce and manage all of our environmental liabilities in an approach proportionate to the challenges. On February 6, 2014, Orano Cycle (formerly AREVA NC) filed a license application with the French Ministry in charge of Nuclear Safety for the dismantling of INB 105 at the Tricastin site, as prescribed by the decree dated December 16, 2019. At the same time, a similar application was filed for INB 93 (Eurodif gaseous diffusion uranium enrichment plant), also to proceed with its dismantling. The partial dismantling operations of INB 93 were prescribed by a ruling on February 5, 2020.

2020 IN ACTION: Two Orano nuclear facilities officially decommissioned

Orano announced the administrative decommissioning by the French nuclear safety authority (ASN) of the two regulated nuclear facilities (INBs) at the Veurey-Voroize site in Isère, formerly operated by the Société Industrielle de Combustible Nucléaire (SICN), a subsidiary of the group.

Decommissioning is the final step in the dismantling of a former nuclear site. It consists of a series of regulatory operations aimed at removing it from the list of INBs and removing the legal and administrative regime specific to these facilities. It is only issued once proof has been provided by the nuclear operator of the achievement of the end state previously set by ASN.

At the same time, Orano is engaged in a process of upgrading former industrial operations. The land, still owned by the group, is now home to other industrial operations in the public works sector and the manufacturing of advanced equipment for the aerospace and defense sectors.

History of the Veurey-Voroize SICN site

- 1960-2002: SICN carries out metallurgical studies and fuel fabrication at the Veurey-Voroize site for the first French nuclear reactors (Natural Uranium Graphite Gas and Fast Neutrons) before redirecting its production towards the machining of uranium metal and the manufacture of special machines;
- 2002: final shutdown of industrial operations at the Veurey-Voroize site;
- 2006-2012: decommissioning and remediation of nuclear facilities;
- 2013-2019: procedures for the administrative downgrading of the site and the redevelopment of the land.

Converted mining sites

Orano has developed expertise in post-mining site redevelopment and management, which are an integral part of the mining cycle. The main objectives of a redevelopment plan are to:

- ensure long-term stability in terms of public safety and health and reduce the residual impact of former activities;
- limit the area of land subject to use restrictions and ensure landscape integration aimed at preserving local biodiversity and allow potential reuse of the site according to the level of easement; and
- enable good post-operation social and societal management and promote site redevelopment.

More than 63% of the former French mining sites are now home to an industrial site, agricultural activities or photovoltaic plants. Four solar power plants were installed, i.e. the equivalent of 12,000 households supplied, and 11 projects are under review.

2020 IN ACTION: Cominak mine redevelopment project

The Cominak uranium mine located in northern Niger produced 80,000 metric tons of uranium over 40 years of operation. Following the exhaustion of its resources, the Board of Directors of Cominak voted in October 2019 to stop production, planned for March 31, 2021.

In consultation with the Nigerien authorities and its shareholders, Cominak is responsible for the responsible redevelopment of its industrial site and communicates continuously and transparently with its stakeholders.

As part of its redevelopment, Cominak undertakes to make the site safe and non-polluting, in compliance with national standards and international recommendations, as well as to minimize the social impact of the closure of the mine, which previously employed more than 1,400 people, employees and subcontractors, and spent more than 100 million euros per year in tax revenues and other local impacts (payroll, local expenses for electricity, hospitals, etc.).

Supporting its employees and subcontractors in the retraining and development plan for eligible and viable entrepreneurship projects as well as taking action for a lasting, sustainable and useful societal transition for the populations, are strong commitments made by the mining company and its shareholders.

4.7.4 Eco-designing our future projects

Better consideration of environmental issues in the Company's activities is one of the pillars of our societal and environmental commitment for 2030.

In addition to reducing our greenhouse gas emissions or the like, whether direct or indirect, the aim is to anticipate the environmental impacts of our activities as early as possible, meaning that, from the design stage of a new product or a new installation and for its entire lifecycle, it is necessary to take into account a certain number of criteria that must be identified and quantified in order to deliver a new product or a new installation with better environmental performance.

Concretely, and although it is common sense, it is a question of:

- minimizing the amount of materials used, or increasing the proportion of recycled materials;
- minimizing the use of hazardous substances (regulated by REACH since June 2007);
- minimizing energy and water consumption;
- minimizing emissions, particularly greenhouse gases and water pollutants;
- minimizing the amount of (final) waste produced; and
- optimizing the end of life of products and infrastructure.

This eco-design approach, initiated a few years ago, will be updated in 2021 and rolled out to all future major projects.

4.8 Summary of indicators and cross-reference tables

4.8.1 Reporting methodology for the non-financial performance statement

The indicators published in Chapter 4 of this report measure the main social, environmental, and societal impacts and issues connected with Orano's operations.

Developed by a group of experts representing the group's various functions and business lines, they were built according to the regulatory framework of Articles R. 225-105, R. 225-105-1 and L. 225-102-1 of the French Commercial Code, and applicable international standards such as the Global Reporting Initiative (GRI) and the GHG Protocol.

Scope and consolidation

Reporting period: the reporting period used is the calendar year (from January 1 to December 31) except for specific items presented in the methodology (dosimetry indicators).

Scope: the reporting scope covers all of the group's operations around the world. When the scope covered concerns only one country, this is mentioned. The term "group" means Orano, its subsidiaries, and all its operational and functional entities present at December 31, 2020 and in which Orano's interest is 50% or greater. Certain minority-owned subsidiaries are, by exception, consolidated in the same way as majority-owned subsidiaries because of the group's operational involvement (e.g. Cominak in Niger, for environmental indicators). Certain activities ancillary to the group's core business (such as the desalination plant in Namibia) are excluded from the scope.

Units whose irreversible disposal was pending in 2020 were excluded from the scope. Newly-acquired entities are not consolidated the same year they are acquired, so that data collection, entry and reliability can be assured.

Tertiary establishments with an overall surface area of less than 1,000 m² are included for indicators in the areas of safety, health, employment and dosimetry (if applicable) and not for the environment unless the issue is major.

Consolidation rule: regarding "environment, health, and safety" data, the consolidation method applied is full consolidation (data on majority-owned subsidiaries are fully consolidated) except for the registered workforce, calculated according to financial consolidation rules. With regard to projects performed on the customer's premises, social data (safety, health, workforce, and dosimetry) are consolidated at group level. For the Orano investment projects, all environmental, health, safety and social data is consolidated at group level.

Changes in scope: in 2020, Orano also gradually set up the Company Nurlikum Mining LLC in Uzbekistan, which had 26 employees at

the end of the year. The Company was added to the environmental reporting scope for the 2020 financial year. The SOVAGIC entity is included in the Orano la Hague scope for environmental aspects. The services activities of the Dismantling and Services Business Unit were merged.

At July 1, 2020, Orano acquired the following three companies:

- Orano Cotumer (formerly KSB Service Cotumer) representing 108 employees at the time of the acquisition;
- Orano KSE (KS Service Energie), 82 employees; and
- Orano STII (KS STII), 85 employees.

In accordance with the consolidation rules, these three entities have not been included in the "Environment, Health and Safety" reporting for the 2020 financial year.

Change in indicators: on the environmental front, indicators concerning radioactive waste have been added. A level of detail has been added for the GHG, Energy and Water indicators.

4

Methodology

Standards: the methods for calculating environmental, health and safety indicators, as well as the associated reporting procedures, are formalized in a HSE data measurement and reporting protocol. This protocol, which is updated each year, is distributed to everyone involved, at every level of data development and reporting. All conversion and emission factors have been updated. When a figure is not available, an estimate is made based on the change in the entity's activity.

Software used: the various indicators presented in Chapter 4 are reported by the use of dedicated software (dedicated SharePoint for environmental and dosimetry indicators, AHEAD for safety, POLYPHEME for social data, and OPUS for France training).

Internal control: data reported by the establishments are checked for consistency by site managers and HSE or HR managers of the Business Units.

External audit: the group had its non-financial performance statement audited for compliance and accuracy by an independent third-party body, pursuant to Article L. 225-102-1 of the French Commercial Code. Verification work focused on the consolidated social, environmental and societal information presented in Chapter 4 of this Annual Activity Report. The report of the independent third-party body is presented in Section 4.9 below.

Reporting: This report incorporates GRI (Global Reporting Initiative) references.

Clarification of certain indicators

Occupational injuries with lost time: in the event of occupational injuries with lost time, the number of days lost is counted for the year in which the injury is sustained, regardless of which month it was sustained in or the number of days. An occupational injury with lost time refused by the Occupational Injury Management Administrative Authority impacts the data for the year in which the accident occurs, if it is refused during the year, or the following year, if it refused during the following year.

Dosimetry: the dosimetry indicators are collected annually and cover a reference period of 12 consecutive months, with a six-month delay due to the time it takes to obtain results (for example, for the annual campaign carried out in January 2021, the data cover the period from July 2019 to June 2020).

Calculation of the average dose (internal and external) for the group's employees and subcontractors includes all persons being monitored, including those whose radiation dose is zero or undetectable. The subcontractors taken into account are those at Orano facilities and not those of our activities carried out on the premises of our customers.

Consumption of energy and water: water and energy consumption taken into account in the reporting includes that of subcontractors that are independent from Orano but whose business is directly and wholly dedicated to Orano.

Direct greenhouse gas emissions: the following gases are taken into account: CO₂, CH₄, N₂O, and halogen compounds (CFC, HCFC, HFC, PFC, SF₆ and NF₃).

The sources of the emissions factors used in calculating greenhouse gas emissions are as follows:

Scope 1: fuels: OMINA national inventory report (16th edition May 2019 - CITEPA); Decree of October 31, 2012 on the verification and quantification of emissions reported under the greenhouse gas emissions trading scheme for its third period (2013-2020); GWP by gas type: 5th IPCC report; coolants: 5th IPCC report; waste: OMINA national inventory report (16th edition May 2019 - CITEPA);

Scope 2: ADEME database (France), Electricity review Japan - the federation of electricity power companies of Japan (2018), IEA data for 2019, Sonichar data, National Inventory Report. Greenhouse Gas Sources and Sinks in Canada: 1990-2017. Environment Canada. Online: <https://unfccc.int/documents/194925>)

Scope 3: ADEME base (France), Ecoinvent base.

Radioactive waste: Solid radioactive waste of Very Low Level (VLLW) and Low (LLW) and Medium (MLW) Level of Activity correspond to the waste produced by Orano and evacuated to ANDRA (m³) during the current year. Shipments of radioactive waste are consolidated at group level by the Dismantling and Waste Management Department (DM2D) which provides the interface with ANDRA.

Purchases: Purchases taken into account are based on order volumes in euros, excluding the group (interco) and nuclear materials. The location of the supplier considered is that of its facility's geographic location.

4.8.2 Indicators

Indicators	GRI	2018	2019	2020	Objective 2025
FUNDAMENTALS	GRI 416-1	-	-	-	-
SAFETY - ENVIRONMENT	GRI 416-1	-	-	-	-
Level 2 or higher	GRI 416-1	0	0	1	0
Level 1	GRI 416-1	8	7	7	-
Level 0	GRI 416-1	121	132	138	-
Event Prevention Rate (EPR)	GRI 416-1		0.05	0.06	<0.1
Internal inspections carried out by the General Inspectorate	GRI 416-1	44	59	58	-
HEALTH, SAFETY AND RADIATION PROTECTION					
Accident frequency rate with lost time (excluding commuting accidents)	GRI 403-9	1.5	1.8	1.3	<1
Accident severity rate (accidents reported during the year, excluding commuting accidents)	GRI 403-9	0.03	0.08	0.05	-
Number of fatal accidents among Orano employees	GRI 403-9	0	0	1	0
Number of fatal accidents at outside companies	GRI 403-9	0	1	1	-
ISO 45001 - OHSAS 18001 certifications	GRI 403-1	Not available	Not available	10	-
Average employee exposure to radiation over 12 consecutive months (mSv)	GRI 403-7	0.86	0.84	0.93	-
Total individual external doses for Orano employees over 12 consecutive months (H.mSv)	GRI 403-7	8,360	8,300	8,523	-
Total individual internal dose for Orano employees over 12 consecutive months (H.mSv)	GRI 403-7	3,374	2,934	3,595	-

SOCIAL, ENVIRONMENTAL AND SOCIETAL COMMITMENTS

Summary of indicators and cross-reference tables

Indicators	GRI	2018	2019	2020	Objective 2025
Average exposure of subcontractors to radiation over 12 consecutive months (<i>mSv</i>)	GRI 403-7	0.47	0.50	0.78	-
Orano employees over 14 mSv (internal Orano threshold)	GRI 403-7	46	40	72	-
Subcontractors over 14 mSv (internal Orano threshold)	GRI 403-7	3	3	22	-
Maximum dose (<i>mSv</i>)	GRI 403-7	16.6	15.9	19.9	-
ETHICS AND COMPLIANCE					
Employees in an exposed position trained in compliance face-to-face or remotely	GRI 205-2	273	843	673	100%
Employees trained in compliance via e-learning	GRI 205-2	306	4,248	5,608	100%
Ethics incidents reported via the ethics report process	GRI 205-3	114	107	Not available	-
Points of vigilance reported via the ethics report process	GRI 205-3	67	66	Not available	-
CONTRIBUTE TO CARBON NEUTRALITY					
Direct scope 1 GHG (<i>tCO₂e</i>) ✓	GRI 305-1	260,687	247,652	243,280	-
Indirect scope 2 GHG (<i>tCO₂e</i>) ✓	GRI 305-2	225,770	223,781	219,450	-
Scopes 1 and 2 GHG emissions (<i>tCO₂e</i>) ✓		486,457	471,433	462,729	400,000
Scope 3 GHG estimate (<i>tCO₂e</i>)	GRI 305-3	1,300,000	Not available	Not available	-
GHG emissions (scopes 1 and 2) per unit of revenue (<i>tCO₂e/millions of euros</i>)	GRI 305-3	134	124	125	-
GHG reduction (scopes 1 and 2) since 2004	GRI 305-4	-58%	-59%	-60%	-
GHG reduction (scopes 1 and 2) since 2019	GRI 305-5	-	-	-2%	-15%
OPERATE EFFICIENTLY AND REDUCE OUR FOOTPRINT					
Number of ISO 9001 certified sites	GRI 416-1	Not available	Not available	12	-
Number of ISO 14001 certified sites	GRI 416-1	Not available	Not available	13	-
ENERGY					
Quantity of energy consumed (<i>MWh</i>)	GRI 302-1	1,869,557	1,894,011	1,831,959	1,705,000
Reduction in energy consumption since 2004	GRI 302-4	Not available	-91%	-91%	-
Reduction in energy consumption since 2019	GRI 302-4	-	-	-3%	-10%
Energy consumption per unit of revenue (<i>MWh/millions of euros</i>)	GRI 302-3	516	503	497	-
WATER					
Quantity of water tapped (<i>m³</i>)	GRI 306-2	10,856,726	10,294,639	9,633,044	9,265,000
Quantity of water withdrawn (<i>m³</i>)	GRI 306-2	23,005,096	22,866,802	22,191,867	-
Quantity of water discharged (<i>m³</i>)	GRI 306-2	10,720,393	12,572,163	12,558,823	-
Reduction in water consumption since 2004	GRI 303-1	Not available	-93%	-94%	-
Reduction in water consumption since 2019	GRI 303-1	-	-	-7%	-10%
Water consumption per unit of revenue (<i>m³/millions of euros</i>)	GRI 303-1	2,997	2,718	2,615	-
CONVENTIONAL WASTE					
Total tonnage of conventional waste (t) (normal and exceptional operations)	GRI 306-2	19,909	21,704	17,344	-
Total tonnage of conventional waste (t) from normal operations	GRI 306-2	13,450	12,053	11,212	10,900
Tonnage of hazardous waste (t) from normal operations	GRI 306-2	6,690	5,267	5,288	-
Tonnage of non-hazardous waste (t) from normal operations	GRI 306-2	6,760	6,786	5,924	-
Reduction in conventional waste from normal operations since 2019	GRI 306-2	-	-	-7%	-10%
RADIOACTIVE WASTE					
Solid radioactive Very Low-Level Waste (VLLW) evacuated to ANDRA (<i>m³</i>)	GRI 306-2	6,099	6,809	5,188	-
Solid radioactive Low-Level (LLW) and Medium-Level Waste (MLW) evacuated to ANDRA (<i>m³</i>)	GRI 306-2	1,434	1,237	972	-

✓ Indicator has been subject to reasonable assurance verification.

4

Indicators	GRI	2018	2019	2020	Objective 2025
MOBILIZE PROUD AND COMMITTED EMPLOYEES WHO EMBODY OUR PURPOSE					
Employee engagement rate		45%	55%	66%	75%
WORKING CONDITIONS AND WAGE POLICY					
Budget for salary measures as % of total payroll	GRI 402-1				-
France	GRI 402-1	2%	2.2%	2.5%	-
Kazakhstan	GRI 402-1	Not available	6%	6.8%	-
Niger	GRI 402-1	Not available	2%	2.2%	-
United States	GRI 402-1	Not available	3.5%	3.5%	-
Canada	GRI 402-1	Not available	2.5%	3%	-
Amounts allocated for incentives <i>(in millions of euros)</i>	GRI 402-1	10.3	14.3	16	-
Amounts distributed for profit sharing and return to better fortune <i>(in millions of euros)</i>	GRI 402-1	34.8	40	17.2	-
Share of employees investing their incentives and profit sharing in PEGs	GRI 402-1	70%	70%	70.4%	-
PEG/PERCO assets <i>(in millions of euros)</i>	GRI 402-1	319	423	406	-
 DIALOGUE AND LABOR RELATIONS					
Percentage of employees covered by a collective agreement (France)	GRI 102-41	100%	100%	100%	-
Number of agreements signed during the year (France)		Not available	49	64	-
Number of agreements signed unanimously (France)		Not available	4	42	-
Number of employees benefiting from the implementation of remote work.		671	931	Not representative	-
Percentage of employees benefiting from the implementation of remote work compared to the eligible population		12%	14%	Not representative	-
THE FULL POTENTIAL OF TALENTS AND SKILLS					
Training indicators France					
Rate of access to training (France)	GRI 404-2	84%	85%	85%	-
Estimate of the volume of training (h) (France)	GRI 404-2	482,000	482,727	372,124	-
Share of mandatory training (%) (France)	GRI 404-2	42%	34%	39%	-
Share of non-mandatory training (%) (France)	GRI 404-2	58%	66%	61%	-
Estimate of the average number of hours of training per employee <i>(h/employee)</i> (France)	GRI 404-1	35.4	37	29	-
Number of work-study trainees in the workforce (% of active permanent contracts)		5.6%	5.8%	6.3%	-
Global recruiting and turnover					
Permanent contract recruits	GRI 401-1	1,174	1,264	1,210	-
Of which, engineers and management staff	GRI 401-1	41%	34%	34%	-
Turnover (departures, incl retirements/initial workforce)	GRI 401-1	6.4%	7.3%	6.0%	-
Of which individual dismissals	GRI 401-1	64	72	68	-
Recruiting and turnover France					
Permanent contract recruits (France)	GRI 401-1	951	1,082	981	-
Of which, engineers and management staff (France)	GRI 401-1	41%	32%	32%	-
Turnover (France)	GRI 401-1	5.0%	6.0%	5.5%	-
Of which individual dismissals (France)	GRI 401-1	37	46	45	-
Job turnover rate (average hires and hires/initial workforce) (France)	GRI 401-1	7.3%	8.3%	8.5%	-
Occupational disease	GRI 403-10	16	23	20	-

SOCIAL, ENVIRONMENTAL AND SOCIETAL COMMITMENTS

Summary of indicators and cross-reference tables

Indicators	GRI	2018	2019	2020	Objective 2025
DIVERSITY AND INCLUSION					
Recruitment of women on permanent contracts		27%	24%	24%	-
of which engineers & management personnel		35%	35%	33%	-
Percentage of female Management Committee members	GRI 405-1	25%	25%	26%	-
Percentage of female talent	GRI 405-1		31%	33%	-
Percentage of female experts	GRI 405-1	-	18%	18%	-
Percentage of female work-study students	GRI 405-1	36%	38%	36%	-
Gender Equality Index (group estimate *) (France)	GRI 405-2	89/100	84/100	89/100	-
Number of compensation gaps addressed	GRI 405-2	141	177	184	-
Amount dedicated to compensating unjustified compensation gaps (<i>euros</i>)	GRI 405-2	150,000	260,000	263,000	-
Percentage of employees with disabilities (France)		5.58%	5.41%	Not available	-
Number of employees with a disability (France)		625	645	697	-
Number of ethics alerts related to non-discrimination	GRI 406-1	4	6	8	-
Number of reporting and support systems implemented	GRI 406-1	35	35	35	-
BE ENGAGED AND RESPONSIBLE LOCALLY IN OUR ENVIRONMENT					
Contracts including sustainable development commitments	GRI 308-1 GRI 414-1	Not available	100%	100%	-
Purchases by French entities from suppliers located in France	GRI 204-1	Not available	90%	91%	-
Purchases by foreign entities from suppliers located in the country of operations	GRI 204-1	Not available	73%	73%	-
Innovate to preserve resources and protect health					
Number of patents filed over the year		18	14	25	-
R&D budget (<i>in millions of euros</i>)		101	103	107	-
R&D budget (<i>as % of revenue</i>)		2.79%	2.72%	2.90%	-
Experts within the group		470	-	526	-

* Estimate considering the group companies as the single entity.

4

GRI 402-1: Collective agreements and notice periods in the event of organizational change	France	Kazakhstan	Niger	United States	Canada
Collective bargaining agreements	Yes	Yes	Yes	No	Yes
Of which consultation and negotiation deadlines	Yes	Yes	No	Not applicable	No
Effective notice period in the event of significant organizational changes	1 to 3 months 4 months if use of the right to expert opinion by labor unions	1 month	No	60 days (WARN act)	No limit

GRI 401-2: Summary of benefits reserved for permanent employees *	France	Kazakhstan	Niger	United States	Canada
Provident fund	X	X	X	X	X
Health insurance	X	X	X	X	X
Disability and disability pension	X	X	X	X	X
Parental leave	X	X	-	-	X
Retirement savings	X	X	X	X	X
Employee shareholding	n/a	n/a	n/a	n/a	n/a

* Significant countries: in which Orano and its subsidiaries have at least 100 employees.

n/a: not applicable.

Indicators	GRI	2018	2019	2020	Objective 2025
BREAKDOWN OF THE WORKFORCE BY TYPE OF CONTRACT *					
Active permanent contracts	GRI 102-8	15,921	15,913	16,344	-
Fixed-term contracts	GRI 102-8	404	389	425	-
Work study students	GRI 102-8	694	733	825	-
Non-active permanent contracts (early retirees, parental leave, disabled persons, etc.)	GRI 102-8	1,802	1,595	1,522	-
Total	GRI 102-8	18,821	18,630	19,116	-
BREAKDOWN OF THE WORKFORCE BY ACTIVITY **					
Mining	GRI 102-8	2,819	2,754	2,772	-
Front End (Chemistry - Enrichment)	GRI 102-8	2,550	2,371	2,393	-
Back End (Recycling, Dismantling and Services, Logistics, Projects)	GRI 102-8	12,388	12,490	13,142	-
Corporate and other operations (incl. Medical)	GRI 102-8	1,036	989	795	-
Total	GRI 102-8	18,793	18,604	19,102	-
BREAKDOWN OF THE WORKFORCE BY GEOGRAPHICAL AREA ***					
France	GRI 102-8	79.8%	81.4%	82.0%	-
Asia-Pacific	GRI 102-8	7.9%	7.6%	7.3%	-
Americas	GRI 102-8	6.5%	5.2%	4.8%	-
Africa and Middle East	GRI 102-8	4.9%	4.9%	4.8%	-
Europe (excluding France)	GRI 102-8	0.9%	0.9%	0.9%	-
BREAKDOWN OF THE WORKFORCE BY SOCIO-PROFESSIONAL CATEGORY ***					
Engineers and management staff	GRI 102-8	30.0%	30.1%	30.6%	-
Technical and administrative personnel	GRI 102-8	51.9%	52.0%	51.3%	-
Skilled workers	GRI 102-8	18.2%	17.9%	18.1%	-
BREAKDOWN OF EMPLOYEES BY GENDER ***					
Women (global)	GRI 102-8	21.5%	21.7%	21.6%	-
Men (global)	GRI 102-8	78.5%	78.3%	78.4%	-
Women in management positions	GRI 102-8	27.7%	28.3%	28.3%	-
Women in non-management positions	GRI 102-8	18.9%	18.9%	18.7%	-
BREAKDOWN OF EMPLOYEES BY AGE GROUP ***					
Less than 21 years old	GRI 102-8	0.1%	0.1%	0.1%	-
21 to 30 years old	GRI 102-8	13.8%	13.6%	11.1%	-
31 to 40 years	GRI 102-8	29.6%	30.2%	29.8%	-
41 to 50 years	GRI 102-8	26.1%	25.4%	26.3%	-
51 to 60 years	GRI 102-8	28.8%	28.7%	28.9%	-
More than 60 years old	GRI 102-8	1.9%	2.0%	3.8%	-

* Rates calculated on the active permanent contracts of the majority-owned mining subsidiaries and joint ventures, fully consolidated.

** Including proportional integration of mining joint ventures.

*** % calculated based on active employees working under open-ended employment contracts.

4.8.3 Cross-reference table of data required in the non-financial performance statement (Articles L. 225-102-1 and R. 225-104 to R. 225-105-2 of the French Commercial Code) and in duty of care (Article L. 225-102-4 of the French Commercial Code)

	Non-financial performance statement Article L. 225-102-1 of the French Commercial Code	Duty of care Article L. 225-102-4 of the French Commercial Code	Sections of the 2020 Annual Activity Report
Business model			Chapter 1 and Chapter 2
and			
Situation and activities of the Company and its subsidiaries	✓	✓	Chapter 2
System of internal controls	✓	✓	3.1
Risk mapping process and risk management	✓	✓	3.2
Main CSR risks linked to the Company's business	✓	✓	3.3
Labor information			4.3
Employment	✓	✓	4.3.1
Work organization	✓	✓	4.3.1
Labor relations	✓	✓	4.3.2
Health and safety	✓	✓	4.2.2
Training	✓	✓	4.3.3
Equal treatment	✓	✓	4.3.4
Environmental information			
General environmental policy	✓	✓	4.1, 4.2.1
Pollution	✓	✓	4.2.2
Circular economy: waste prevention and management, sustainable use of resources	✓	✓	3.4.3.4, 4.4.4, 4.4.5, 4.5, 4.6, 4.7.3, 4.7.4
Climate change	✓	✓	3.3.3.2, 4.5.2
Biodiversity	✓	✓	3.4.2.4.6, 4.2.1.2, 4.4.4
Societal information			
System for the prevention of corruption and influence peddling	✓		4.2.3
Supplier relations and responsible purchasing		✓	4.7.1
Local, economic and labor impacts of the Company	✓		4.7.2

The duty of care plan is described in Section 3.4.

4.9 Report by the independent third party, on the consolidated non-financial performance statement

This is a free English translation of the Statutory Auditor's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Annual General Meeting of Orano SA,

ORANO SA

125 avenue de Paris
92320 Châtillon

In our capacity as Statutory Auditor of your group (hereinafter the "entity") appointed as independent third party, and accredited by the French Accreditation Committee (Comité Français d'Accréditation or COFRAC) under number 3-1049 ⁽¹⁾, we hereby report to you on the consolidated non-financial performance statement for the year ended December 31, 2020 (hereinafter the "Statement"), included in the entity's Management Report pursuant to the requirements of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

Responsibility of the entity

The Board of Directors is responsible for preparing the Statement, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators.

The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement and available upon request at the entity's head office.

Independence and quality control

Our independence is defined by the requirements of Article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethics requirements and French professional guidance.

Responsibility of the Statutory Auditor appointed as independent third party

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

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with Article R. 225-105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

Our responsibility is also to provide a report expressing, at the request of the entity and outside of the scope of accreditation, a reasonable assurance conclusion that information selected by the entity, presented in Appendix and identified with the symbol ✓ in Chapter 4 *Social, environmental and societal commitments* has been prepared, in all material respects, in accordance with the Guidelines.

However, it is not our responsibility to comment on the entity's compliance with other applicable legal and regulatory requirements, in particular the French duty of care law and anti-corruption and tax avoidance legislation, nor on the compliance of products and services with the applicable regulations.

Nature and scope of our work

The work described below was performed in accordance with the provisions of Article A. 225-1 et seq. of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes or CNCC) applicable to such engagements and with ISAE 3000 ⁽²⁾:

- we obtained an understanding of all the consolidated entities' activities, and the description of the principal risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of social and environmental information set out in Article L. 225-102-1 III as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation set out in Article L. 22-10-36, paragraph 2;
- we verified that the Statement provides the information required under Article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under Article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- we verified that the Statement presents the business model and a description of principal risks associated with all the

(1) Accreditation Cofrac Inspection, number 3-1049, scope available at www.cofrac.fr

(2) ISAE 3000: international standard on assurance engagements other than audits or reviews of historical financial information.

consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;

- we referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented,
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix. Concerning certain risk⁽¹⁾, our work was carried out on the consolidating entity, for the other risks, our work was carried out on the consolidating entity and on a selection of entities⁽²⁾,
- we verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with Article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;
- we obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix, we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
 - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities⁽²⁾ and covers between 23% and 100% of the consolidated data selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgment, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Means and resources

Our work was carried out by a team of five people between October 2020 and March 2021 and took a total of six weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted some ten interviews with the people responsible for preparing the Statement.

Paris-La Défense, on March 11, 2021

KPMG S.A.

Anne GARANS

Partner

Sustainability Services

Laurent GENIN

Partner

(1) Risks related to subcontracting and suppliers; Risks associated with corruption and influence peddling; Risks of tax evasion.

(2) Head office of Orano SA; Orano Cycle la Hague, Orano Cycle Melox and Orano Cycle Tricastin (France); Katco (Kazakhstan); Orano Canada Inc. (Canada).

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the non-financial performance statement is not presented in accordance with the applicable regulatory requirements and that the information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Comment

Without modifying our conclusion and in accordance with Article A. 225-3 of the French Commercial Code, we have the following comment:

- as indicated in the Reporting Methodology, information regarding radiation protection published in the Statement has been calculated for the period from July 1, 2019 to June 30, 2020 due to the time needed to obtain analysis results.

Reasonable assurance report on a selection of non-financial information

4

Nature and scope of our work

With regard to the information selected by the entity presented in Appendix and identified with the symbol √ in Chapter 4 Social, environmental and societal commitments, we conducted the same procedures as those described in the paragraph "Nature and scope of our work" (for the most important non-financial information). However, these procedures were more in-depth, particularly regarding the number of tests.

Consequently, the selected sample represents between 50% and 60% of the information identified with the symbol √.

We believe that these procedures enable us to express reasonable assurance regarding the information selected by the entity and identified with the symbol √.

Conclusion

In our opinion, the information selected by the entity and identified with the symbol √ in Chapter 4 Social, environmental and societal commitments has been prepared, in all material respects, in accordance with the Guidelines.

Appendix

Qualitative information (actions and results) considered most important

Mitigation measures implemented for facilities safety and critical events
Actions to assess and reduce environmental impact
Monitoring systems for innovation
Systems implemented for sustainable purchasing
Skills management and employee development systems
Employee well-being evaluation systems
Policies and actions implemented to promote diversity and equal opportunity
Organization of social dialogue and collective agreements
Incentives, profit-sharing and salary savings measures
Ethics and anti-corruption policy and systems implemented
Policy and measures implemented in the fight against tax evasion

Key performance indicators and other quantitative results considered most important

Level of assurance

Total workforce as at December 31, recruits and departures (permanent contracts)	Limited
Employee engagement rate	
Accident frequency rate with lost time (excluding commuting accidents)	
Accident severity rate (accidents reported during the year, excluding commuting accidents)	
Number of fatal accidents (among employees and at outside companies)	
Average employee exposure to radiation over 12 consecutive months	
Total individual internal and external dose for Orano employees over 12 consecutive months	
Average exposure of subcontractors to radiation over 12 consecutive months	Limited
Water consumption per unit of revenue	
Total tonnage of conventional waste (normal and exceptional operations)	
Solid radioactive Very Low-Level Waste (VLLW) removed to ANDRA	
Solid radioactive Low-Level (LLW) and Medium-Level Waste (MLW) removed to ANDRA	
Purchases by French entities from suppliers located in France	
Purchases from foreign entities from suppliers located in the country of operations	
Energy consumption by revenue unit	
Greenhouse gas emissions (scope 1) per revenue unit	Reasonable
Greenhouse gas emissions (scope 2) per revenue unit	

5

CORPORATE GOVERNANCE AND SHARE CAPITAL

5.1 Report of the Board of Directors on corporate governance	154
5.1.1 Preparation and organization of the Board of Directors' work	154
5.1.2 Committees of the Board of Directors	172
5.1.3 Other committees	177
5.1.4 Executive corporate officers	177
5.1.5 Compensation of corporate officers	178
5.1.6 Corporate Governance Reference Code	185
5.1.7 General Meetings	186
5.1.8 Agreements referred to in Article L. 225-37-4 of the French Commercial Code	187
5.1.9 Elements liable to have an impact in the event of a public offer	187
5.2 Information on the share capital	188
5.2.1 Structure and evolution of the Company's share capital	188
5.2.2 Shareholding structure and voting rights	188

In accordance with the provisions of Article L. 225-37 of the French Commercial Code, this report covers the composition of the Board of Directors of Orano SA (the Company) and the way in which it prepares and organizes its work.

It was approved by the Board of Directors at its meeting of February 25, 2021.

Work and diligence carried out to prepare this report were also submitted to the Statutory Auditors.

Note that, as an issuer of debt instruments admitted for trading on a regulated market, the Board of Directors decided on July 27, 2017 to refer voluntarily to the Afep-Medef Code of Corporate Governance. In accordance with the "apply or explain" principle set out in Article L. 22-10-10, 4 of the French Commercial Code, the Company will explain hereunder the reasons for which it currently derogates from certain recommendations of the Afep-Medef Code.

5.1 Report of the Board of Directors on corporate governance

5.1.1 Preparation and organization of the Board of Directors' work

5.1.1.1 Composition and functioning of the Board of Directors

5.1.1.1.1 General rules relating to the composition of the Board of directors

The Company operates under a "monist" or unitary organization, with a Board of Directors.

In accordance with Article 14 of the Articles of Association:

- the Company is run by a Board of Directors composed of at least three and at most eighteen members including, where applicable, one representative of the French State and several directors appointed by the General Meeting upon a proposal by the French State, as provided under Order and Decree No. 2014-949 of August 20, 2014, subject to statutory dispensations; and
- the Board of Directors also includes two directors representing employees, appointed by the two labor unions with the highest number of votes in the first round of the elections preceding the date of appointment of the members of the Social and Economic Committee or Works Committee or the sole Employee Delegation for the Company and its (direct and indirect) subsidiaries with their registered offices in France. These are not taken into account when determining the minimum and maximum number of directors.

On February 25, 2021, the Board of Directors was composed of thirteen members:

- eleven members appointed by the General Meeting (including the representative of the French State and five directors upon proposal of the French State); and
- two members representing employees, appointed by the labor unions.

Members of the Board of Directors are appointed for a period of four years, it being specified that in accordance with the provisions of the Afep-Medef Code which recommend a staggered renewal of the directors' terms of office, the terms of office of some of the members of the Board of Directors of the Company were staggered by decision taken by written consultation of the shareholders on May 14, 2020. To date, the terms of office of the Board are due to expire partly at the close of the General Meeting called to approve the financial statements for the financial year ended on December 31, 2021 and partly at the close of the General Meeting called to approve the financial statements for the year ended December 31, 2023.

Pursuant to Article 14 of the Company's Articles of Association and the legal provisions and regulations in effect, the terms of office of the members of the Board of Directors representing employees will end either (i) upon expiry of their four-year terms of office, due at the close of the Ordinary General Meeting convened

to rule upon the financial statements for the financial year ended and held during the year of expiry of said terms of office, or (ii) in the event of a breach in the employment contract, or (iii) on the date of their resignation from their mandate, or (iv) on the date of their revocation in accordance with the conditions set out in the Articles of Association and the statutory and regulatory provisions in force on the date of revocation, or (iv) in the event of a conflict as described in Article L. 225-30 of the French Commercial Code. Furthermore, if the Company is no longer subject to the obligation set out in Article L. 22-10-7 of the French Commercial Code, the terms of office of the directors representing employees will end, by virtue of this article, at the close of the meeting during which the Board of Directors notes the removal of this obligation.

Pursuant to Decree No. 83-1116 of December 21, 1983, as amended, and Decree No. 55-733 of May 26, 1955, the following persons may also attend meetings of the Board of Directors in an advisory capacity: the Government Commissioner, in the person of the Director General of the French Directorate General for Energy and Climate, DGEC, and the representative of the General Economic and Financial Control's mission to the French Alternative Energies and Atomic Energy Commission, EDF, and other structures in the energy sector (control mission for Atomic Energy). They may also attend meetings of Board committees (see paragraph 5.1.1.1.5 below).

Pursuant to Article 14 of the Articles of Association, the Board of Directors may also be assisted by one or more observers who may attend meetings in an advisory capacity (see paragraph 5.1.1.1.5 below).

The Statutory Auditors are invited to attend meetings of the Board of Directors held to review the annual and half-year financial statements, and any other meetings at which their presence is deemed appropriate.

5.1.1.1.2 Diversity policy of the Board of directors

Due to its limited number of employees, the Company is not subject to the provisions of Article L. 225-18-1 of the French Commercial Code on balanced gender representation on Boards of directors and Supervisory Boards.

However, and as provided under Article L. 225-17 of the French Commercial Code and Article 6.2 of the Afep-Medef Code, the Board of Directors periodically reviews its composition and that of its committees, notably in terms of gender representation, nationalities, age, qualifications, and professional experience.

After reviewing the composition of the Board and, on the recommendation of the Compensation and Nominating Committee on October 8, 2020, the Board of Directors defined and approved its diversity policy on October 29, 2020. This policy was established with due consideration to the group's shareholding structure, and the strategy and environment in which it operates.

The Board's composition was established in partnership with its shareholders during the review of its Articles of Association in July 2017. When its members are reappointed, the Board of Directors strives to ensure a balanced gender representation, the presence of independent members and employee representation, all the while reflecting its shareholding structure.

The Board also ensures the diversity and complementarity of the skills and expertise present within it. With this in mind, the Compensation and Nominating Committee meeting of December 13, 2019 considered the following areas of expertise essential to the proper functioning of the Board: knowledge of the industry and of nuclear in particular, management of major projects, strategy, including its CSR, governance and management aspects,

At its meeting of October 29, 2020, the Board of Directors reasserted its intent to increase the presence of women and people with international backgrounds within it in the future.

The current expertise on the Board of Directors is described in the following table:

Expertise	Description	Number of directors concerned
Business line knowledge	Knowledge of the Orano group and its employees, knowledge of industry business lines, and of the energy and nuclear sector in particular.	10
Finance	Expertise in finance and risk management, knowledge of the financial markets, in-depth understanding of financial reporting processes, corporate finance, and financial communication.	7
International	In-depth knowledge of the international environment, experience abroad.	7
Strategy and CSR	Experience in defining the strategy and overall vision of major groups, including social, societal, and environmental aspects.	6
Executive Management and Governance	Experience as a manager or Director of a large company.	9
Major project management	Experience in managing large-scale projects requiring cross-functional skills.	10
Other	The six skills listed above are the main skills that the Board considers essential, to varying and multiple degrees among its members. Nonetheless, the Board endeavors to combine other skills as well which are more specific but no less critical to the group's good governance, including communications, crisis management, social dialogue, legal, cybersecurity, and digital transformation.	13

5

5.1.1.3 Composition of the Board of Directors

As of the date of this report, the members of the Board of Directors are:

- Claude IMAUVEN (Chairman and Independent Director);
- Philippe KNOCHE (Chief Executive Officer, Director);
- Bernard BASTIDE (Director representing employees);
- Philippe BRAIDY (Director appointed on the proposal of the French State);
- François DELATTRE (Director appointed on the proposal of the French State);
- Alexia DRAVET (Director representing employees);
- François JACQ (Director appointed on the proposal of the French State);

- Anne-Sophie LE LAY (Independent Director);
- Patrick PELATA (Independent Director);
- Marie-Hélène SARTORIUS (Independent Director) ;
- Cécile SELLIER (Director appointed on the proposal of the French State);
- Marie-Solange TISSIER (Director appointed on the proposal of the French State); and
- The French State, represented by Bruno VINCENT (Director appointed by decree of the French Economy and Finance Minister dated July 27, 2017).

Overview of the Board of Directors at December 31, 2020

	Personal information					Position on the Board			
	Year of birth	Gender	Nationality	Number of mandates in listed companies ⁽¹⁾	Independence	Initial appointment	Expiration of term of office	Length of service on the Board	Board committees
Claude IMAUVEN Chairman of the Board	1957	M	FR	n/a	Yes	2017	2022	3.5 years	SIC *
Philippe KNOCHE Chief Executive Officer and Director	1969	M	FR/GER	1	No	2017	2022	3.5 years	n/a
Bernard BASTIDE Director representing employees	1960	M	FR	n/a	No	2020	2022	8 months	SIC CNC
Philippe BRAUDY Director appointed on the proposal of the French State	1960	M	FR	n/a	No	2020	2022	2 months	n/a
François DELATTRE Director appointed on the proposal of the French State	1963	M	FR	1	No	2019	2022	1.5 years	SIC
Alexia DRAVET Director representing employees	1987	F	FR	n/a	No	2017	2022	3.5 years	AEC EoLOMC
François JACQ Director appointed on the proposal of the French State	1965	M	FR	n/a	No	2018	2024	2 years and 8 months	SIC
Anne-Sophie LE LAY Director	1971	F	FR	1	Yes	2020	2022	6 months	AEC
Patrick PELATA Director	1955	M	FR	1	Yes	2018	2022	2.5 years	n/a
Marie-Hélène SARTORIUS Director	1957	F	FR	n/a	Yes	2017	2024	3.5 years	AEC * CNC EoLOMC
Cécile SELLIER Director appointed on the proposal of the French State	1967	F	FR	n/a	No	2020	2024	7 months	n/a
Marie-Solange TISSIER Director appointed on the proposal of the French State	1955	F	FR	n/a	No	2017	2024	3.5 years	AEC CNC * EoLOMC *
French State (Bruno VINCENT) Director	1982	M	FR	1	No	2017	2022	3.5 years	AEC SIC CNC EoLOMC

(1) Number of offices held by the Director in listed companies outside his/her group, including foreign ones, assessed in accordance with the recommendations of the Afep-Medef Code, point 19.

* Chairman of the Committee;

Key n/a: not applicable; AEC: Audit and Ethics Committee; SIC: Strategy and Investments Committee; CNC: Compensation and Nominating Committee; EoLOMC: End-of-Lifecycle Obligations Monitoring Committee.

Note: None of the directors hold shares in the Company.

Philippe VARIN resigned from his duties as Director and Chairman on May 14, 2020. Anne-Sophie LE LAY was co-opted as an independent Director to replace Philippe VARIN by decision of the Board of Directors of June 30, 2020. This appointment will be submitted for ratification at the next Annual General Meeting.

In addition, Claude IMAUVEN was elected Chairman by the Board of Directors on May 14, 2020, replacing Philippe VARIN as Chairman of the Board of Directors.

Catherine DEIANA resigned from her duties as Director representing employees on April 29, 2020. Bernard BASTIDE was appointed by his labor union as her replacement and began to sit on the Board as director representing employees on April 30, 2020.

François MESTRE resigned from his duties as Director on May 13, 2020.

Cécile SELLIER was appointed Director on May 14, 2020 during the written consultation of shareholders.

Biographies and terms of office of the members of the Board of Directors

The number of offices held by directors is compliant with the law, the applicable regulations, and the Afep-Medef Corporate Governance Code limiting the number of offices any individual may hold.

**CLAUDE IMAUVEN****CHAIRMAN SINCE MAY 14, 2020 AND INDEPENDENT DIRECTOR****AGE:** 63**NATIONALITY:** French**DATE OF ENTRY TO THE BOARD:**
07/27/2017**DATE OF RATIFICATION
OR APPOINTMENT
AT THE GENERAL MEETING:**
07/27/2017**RENEWAL DATE:** n/a**END DATE
OF THE MANDATE:** 2022 GM**YEARS PRESENT:** 3.5 years**ATTENDANCE AT BOARD****MEETINGS:** 100%

Born on September 6, 1957 in Marseille (France), a French national, Claude IMAUVEN is a graduate of École polytechnique and an Engineer in the French Corps des mines.

He began his career in 1983 at the French Ministry for Industry, where he held various positions of responsibility in public administration, notably in ministerial offices (Foreign Trade and Industry).

His career at Saint-Gobain began in 1993 with the Flat Glass Division, where he was Vice President of Industrial Policy and subsequently Vice President of Industry and Finance. In 1996, he was appointed Delegate General for Spain, Portugal and Morocco. Returning to France in 1999, he joined the Pipe branch as Chief Operating Officer of Pont-à-Mousson SA, and then in 2001 he became CEO and Director of the Pipe branch.

Between April 2004 and the end of 2015, Claude IMAUVEN was Chief Operating Officer of Saint-Gobain, leading the Construction Products Division.

From January 2016 until the end of 2018, Claude IMAUVEN was Chief Executive Officer of Saint-Gobain.

He has been a member of the Board of Directors of the Company since July 27, 2017. He has chaired the Board of Directors since May 14, 2020. As such, he is responsible for relations between the Board and the Company's shareholders.

OTHER OFFICES HELD

- Chairman of the Board of Directors of Artelia Global SAS (Director since 06/22/2010 and Chairman since 10/01/2019);
- Chairman of the Fondation Mines-Télécom (since 06/23/2020).

OFFICES EXPIRED DURING THE PAST FIVE YEARS

- Director of AREVA SA (expired 07/27/2017).
- Director of Banque CIC Est SA (expired on 05/19/2016);
- Chairman of the Board of Directors of Institut Mines-Télécom EPST (expired on 02/14/2020);
- Director of the Institut polytechnique de Paris ECPA (expired on 08/28/2020).



PHILIPPE KNOCHE

CHIEF EXECUTIVE OFFICER, DIRECTOR

AGE: 51

NATIONALITY: French and German

DATE OF ENTRY TO THE BOARD:
07/27/2017

**DATE OF RATIFICATION
OR APPOINTMENT
AT THE GENERAL MEETING:**
07/27/2017

RENEWAL DATE: n/a

**END DATE
OF THE MANDATE:** 2022 GM

YEARS PRESENT: 3.5 years

**ATTENDANCE AT BOARD
MEETINGS:** 100%

Born on February 14, 1969 in Strasbourg (France), with dual French and German nationality, Philippe KNOCHE is a graduate of École polytechnique (class of 1989) and École des mines de Paris.

He began his career in 1995 in Brussels as a Case Handler for the European Commission's anti-dumping department.

In 1998, he joined the Consortium de Réalisation as Assistant to the Chairman of the Supervisory Board.

He joined AREVA in 2000 as Director of Strategy. In 2004, he was appointed Executive Vice President of the Recycling Business Unit and, in 2006, Director of the Olkiluoto 3 project. In 2010, he took over the Reactors and Services Business Group and became a member of AREVA's Executive Committee.

In July 2011, Philippe KNOCHE was appointed member of the Executive Board and Deputy CEO in charge of nuclear operations at AREVA.

In January 2015, he became a member of the Board of Directors and Chief Executive Officer of AREVA.

He has been the Company's Chief Executive Officer since July 27, 2017.

OTHER OFFICES HELD

- Director of Thales SA listed (since 05/06/2020)
- Permanent member of the Strategic Committee of SET Holding SAS (since 10/17/2011);
- Chairman and Chief Executive Officer of Orano Démantèlement SA (formerly Orano Cycle, since 01/22/2015);
- Chairman of the Board of Directors of Orano Mining SA (since 02/18/2016).
- Chairman of the Board of the World Nuclear Association (WNA, since 05/25/2020);
- Chairman of Orano Recyclage SAS (since 05/26/2020);
- Chairman of Orano Chimie-Enrichissement SAS (since 05/26/2020).

OFFICES EXPIRED DURING THE PAST FIVE YEARS

- Chief Executive Officer and Director of AREVA SA (expired 07/26/2017);
- Chairman of the Supervisory Board of AREVA GmbH (expired 11/08/2016);
- Chairman of the Board of Canberra Industries Inc. (expired 07/01/2016);
- Chairman of AREVA NP SAS (expired 06/30/2016);
- Permanent representative of AREVA SA on the Board of directors of AREVA TA (expired 02/10/2016).



BERNARD BASTIDE

DIRECTOR REPRESENTING EMPLOYEES

AGE: 60

NATIONALITY: French

DATE OF ENTRY TO THE BOARD:
04/30/2020

RENEWAL DATE: n/a

**END DATE
OF THE MANDATE:** 2022 GM

YEARS PRESENT: 8 months

**ATTENDANCE AT BOARD
MEETINGS:** 100%

Born March 23, 1960 in Montpellier (France), a French national, Bernard BASTIDE holds a doctorate in Materials Science from the University of Orleans (1988) and is a winner of the National Research Award (1988).

He joined Cogema in 1994 as a Safety and Operations Engineer at the Melox plant. After having held various positions within the group, he was seconded to a client of the group in Japan from 2002 to 2003 as a technical advisor to support a technology transfer. From 2003 to 2006, he was Head of the Planning Department of the group's Recycling BU. From 2006 to 2011, he returned to Japan as Commercial Director for Back-End activities and managed the "Fukushima" project. In 2012, he was seconded to Brazil to supervise all of the AREVA Group's activities in South America. Since 2016, he has held the position of Director of the South-East France branch of International Projects within the group's Recycling BU. He has been a member of the Board of Directors of the Company since April 30, 2020.

OTHER OFFICES HELD

- None.

OFFICES EXPIRED DURING THE PAST FIVE YEARS

- None.

**PHILIPPE BRAIDY**

DIRECTOR SINCE OCTOBER 29, 2020

AGE: 60**NATIONALITY:** French**DATE OF ENTRY TO THE BOARD:**
10/29/2020**RENEWAL DATE:** n/a**END DATE
OF THE MANDATE:** 2022 GM**YEARS PRESENT:** 2 months**ATTENDANCE AT BOARD
MEETINGS:** 100%

Born on March 1, 1960 in Algiers (Algeria), of French nationality, Philippe Braidy is a graduate of the École polytechnique (1982) and the École nationale des ponts et chaussées (1985).

An engineer by training, he began his career in 1985 at the Regional Directorate for Industry and Research (DRIRE) in Alsace as Head of the Classified Installations Department and the Control Department. After several years at the Ministry of the Budget where he held various positions (1988–1993), he joined the Cabinet of the Budget Minister for two years, then the Prime Minister's office as a technical advisor. From 1995 to 2002, he was the Chief Financial Officer of the French Atomic Energy Commission (CEA), where he was appointed Director of Cogema and then of AREVA SA. In 2003, he became Deputy Director for Financial Affairs of the Centre National d'Etudes Spatiales (CNES). From 2004 to 2005, he was jointly Deputy Director of the Cabinet of the Minister of the Economy and Director of the Cabinet of the Minister for Industry. From 2005 to 2014, he joined the Caisse des Dépôts et Consignations (CDC) as Head of internal audit, then Head of Regional Development and the Network. From 2014 to 2016, he was Vice-Chairman of the investment company GPD Vendôme. In 2016, he joined the Framatome group and held the position of Chief Executive Officer for four years. Since June 15, 2020, he has led the General Management of AREVA SA.

He has been a member of the Board of Directors of the Company since October 29, 2020.

OTHER OFFICES HELD

- Chief Executive Officer of AREVA SA (since 07/01/2020);
- Chairman of AREVA NP SAS (since 07/08/2020);
- Chairman of AREVA Energies Renouvelables SAS (since 07/07/2020);
- Chairman of AREVA Project 2 SAS (since 07/08/2020);
- General Manager of AREVA Renewables GmbH (since 09/23/2020);
- Director of CILAS SA (since 10/22/2020)

OFFICES EXPIRED DURING THE PAST FIVE YEARS

- Chief Executive Officer of Framatome (expired in June 2020);
- Member of the Supervisory Committee of AREVA H2Gen SAS (expired on 10/19/2020).



FRANÇOIS DELATTRE

DIRECTOR (SINCE JULY 4, 2019)

AGE: 57

NATIONALITY: French

DATE OF ENTRY TO THE BOARD:
07/04/2019

**DATE OF RATIFICATION
OR APPOINTMENT
AT THE GENERAL MEETING:**
05/14/2020

RENEWAL DATE: n/a

**END DATE
OF THE MANDATE:** 2022 GM

YEARS PRESENT: 18 months

**ATTENDANCE AT BOARD
MEETINGS:** 100%

Born on November 15, 1963 in Saint-Marcellin (France), a French national, François DELATTRE is a graduate of the Institut d'études politiques (IEP) in Paris and the École nationale d'administration.

He was appointed Secretary General of the Ministry of Europe and Foreign Affairs on July 1, 2019.

François DELATTRE was the Ambassador, Permanent Representative of France to the United Nations Organization from September 2014 to July 2019. He previously served for nearly four years as Ambassador of France to the United States (2011-2014), after being Ambassador of France to Canada (2008-2011), French Consul General in New York City (2004-2008), and Press and Communications Director at the French Embassy in Washington, D.C. (1998-2002).

A devoted practitioner of economic diplomacy, he is also an expert in European and transatlantic defense and security. He was in charge of these issues on the diplomatic team (1995-1998) of the French President, Jacques Chirac, where he was also responsible for monitoring the crisis in Bosnia. He furthermore served as an advisor on these issues (1993-1995) in the Office of French Foreign Minister, Alain Juppé, after two years with the Department of Strategic Affairs and Disarmament in the French Foreign Minister's Office (1991-1993).

François DELATTRE also held the office of Deputy Chief of Staff (2002-2004) to the French Foreign Minister, Dominique de Villepin. Lastly, he was posted to the French Embassy in Bonn, Germany (1989-1991), where he was responsible for environmental affairs and the economic integration of Germany after the reunification.

OTHER OFFICES HELD

- Director of EDF SA listed (since 07/01/2019);
- Director of Agence nationale des titres sécurisés (since 07/01/2019);
- Director of the Commission de récolelement des dépôts d'œuvres d'art (since 07/01/2019);
- Director of the École nationale d'administration (since 07/01/2019);
- Director of France Médias Monde (since 07/01/2019);
- Director of Institut français (since 07/01/2019);
- Director of the Office français de protection des réfugiés et apatrides (since 07/01/2019);
- Director of Institut du Monde Arabe (since 07/01/2019);
- Director of Sorbonne Abu Dhabi (since 07/01/2019).

OFFICES EXPIRED DURING THE PAST FIVE YEARS

- Director of Institut national des langues et civilisations orientales [French national institute of oriental languages and civilizations] (since 06/30/2020).



ALEXIA DRAVET

DIRECTOR REPRESENTING EMPLOYEES

AGE: 33

NATIONALITY: French

DATE OF ENTRY TO THE BOARD:
07/27/2017

**DATE OF RATIFICATION
OR APPOINTMENT
AT THE GENERAL MEETING:**
07/27/2017

RENEWAL DATE: n/a

**END DATE
OF THE MANDATE:** 2022 GM

YEARS PRESENT: 3.5 years

**ATTENDANCE AT BOARD
MEETINGS:** 100%

Born on April 13, 1987 in Amiens (France), a French national, Alexia DRAVET has a Master's degree in Science, Technology, and Health (with a specialization in Quality, Safety, Environment, and Industrial Risks) from the Université de droit et de science politique de Montpellier (School of Law and Political Science at the University of Montpellier).

She joined the AREVA Group (later Orano) in 2008 and worked as a Safety, Environment, Security Engineer and Quality Manager in a variety of areas (FBFC in Romans-sur-Isère and all facilities on the Tricastin site).

Currently in charge of chemical product management (Environment, REACH, SEVESO, etc.) within the Safety, Health, Security and Environment Department at the Tricastin site, Alexia DRAVET was appointed by her labor union as a Director representing employees.

She has been a member of the Board of Directors of the Company since July 27, 2017.

OTHER OFFICES HELD

- None.

OFFICES EXPIRED DURING THE PAST FIVE YEARS

- Director representing employees of AREVA NC (expired 05/24/2017).



FRANÇOIS JACQ

DIRECTOR

AGE: 55

NATIONALITY: French

DATE OF ENTRY TO THE BOARD:
05/03/2018

**DATE OF RATIFICATION
OR APPOINTMENT
AT THE GENERAL MEETING:**
05/25/2018

RENEWAL DATE: 05/14/2020
**END DATE
OF THE MANDATE:** 2024 GM

YEARS PRESENT:
2 years and 8 months

**ATTENDANCE AT BOARD
MEETINGS:** 88%

Born on October 28, 1965 in Harfleur (France), a French national, François JACQ is a graduate of École polytechnique, and an Engineer General of the French Corps des mines. He holds a PhD from Mines Paris Tech.

After starting out in research, he went on to hold various posts within the French Ministry of Education. From 2000 to 2005, he was Chief Executive Officer of the French National Agency for Radioactive Waste Management (ANDRA).

From 2005 to 2007, he was the Head of Energy Markets and Demand at the French Ministry of Industry, before becoming an adviser to the French Prime Minister. From 2009 to 2013, he was Chairman and Chief Executive Officer of Météo France, before serving as Chairman and Chief Executive Officer of IFREMER from 2013 to 2018. He then became Chief Executive of the French Alternative Energies and Atomic Energy Commission (CEA).

He has been a member of the Board of Directors of the Company since May 3, 2018.

OTHER OFFICES HELD

- Chairman of the CEA Board of Directors EPIC (since 06/28/2020);
- Member of the Supervisory Board of Framatome SA (since 05/04/2018).

OFFICES EXPIRED DURING THE PAST FIVE YEARS

- Director of CNES (expired in April 2018);
- Director of STORENGY (expired in May 2018).



ANNE-SOPHIE LE LAY

INDEPENDENT DIRECTOR SINCE JUNE 30, 2020

AGE: 49

NATIONALITY: French

DATE OF ENTRY TO THE BOARD:
06/30/2020

RENEWAL DATE: n/a
**END DATE
OF THE MANDATE:** 2022 GM
YEARS PRESENT: 6 months
**ATTENDANCE AT BOARD
MEETINGS:** 50%

Born on May 8, 1971 in Paris (France), a French national, Anne-Sophie LE LAY holds a Master's degree in Business and Real Estate Law (1994) and holds the certificate of aptitude for the legal profession (1995).

She began her career as a lawyer at the Paris Bar, specializing in business law and real estate law before moving to Toronto (Canada). In 2001, she joined Renault Group's Legal Department, initially responsible for the legal arrangement for the sale of land from the former Billancourt plant. In 2007, she became head of the Environmental and Real Estate Law Department. One year later, she represented the Legal Department for the Euromed region in the Tangier industrial project. At the same time, she managed cross-functional issues related to the international development of Renault Group under the Renault-Nissan agreement. From July 2011 to February 2018, she was General Counsel for Renault Group.

She joined the Air France group on February 20, 2018 as General Secretary of Air France-KLM and Air France.

She has been a member of the Board of Directors of the Company since June 30, 2020.

OTHER OFFICES HELD

- Director of Séché Environnement SA listed (since April 2018).

OFFICES EXPIRED DURING THE PAST FIVE YEARS

- Director and Chairwoman of Big Blank SAS (between November 2018 and July 2020).



PATRICK PELATA

INDEPENDENT DIRECTOR

AGE: 65

NATIONALITY: French

DATE OF ENTRY

TO THE BOARD: 02/26/2018

DATE OF RATIFICATION

OR APPOINTMENT

AT THE GENERAL MEETING:

02/26/2018

RENEWAL DATE: n/a

END DATE

OF THE MANDATE: 2022 GM

YEARS PRESENT: 2.5 years

ATTENDANCE

AT BOARD MEETINGS: 88%

Born on August 24, 1955 in Pujols (France), a French national, Patrick PELATA is a graduate of École polytechnique and École nationale des ponts et chaussées. He also has a PhD in socioeconomics from École des hautes études en sciences sociales.

He joined the Renault Group in 1984, holding various positions in manufacturing and engineering before being named Senior Vice-President of Vehicle Engineering in 1998, then Chief Operating Officer for Nissan in 1999 (Japan), followed by Chief Operating Officer in charge of Corporate and Product Planning, Design and Programs for Renault in 2005, and subsequently Deputy CEO for Renault in 2008.

In 2012, he was appointed Executive Vice-Chairman and Chief Automotive Officer of Salesforce in San Francisco.

In 2015, Patrick PELATA founded the company Meta Consulting LLC, of which he is Chairman. It was renamed Meta Strategy Consulting in early 2018.

Patrick PELATA served as a non-voting Board member of the Company from July 27, 2017, before being appointed to the Board of Directors on February 26, 2018, when Japan Nuclear Fuel Ltd and Mitsubishi Heavy Industries Ltd became shareholders of the Company.

OTHER OFFICES HELD

- Director of Mobivia SA (since 07/01/2020);
- Chairman of Meta Strategy Consulting (France) (since January 2018);
- Director of the listed company Safran SA (since 06/15/2017);
- Director of Vulog SA (since 10/01/2018).

OFFICES EXPIRED DURING THE PAST FIVE YEARS

- None.



MARIE-HÉLÈNE SARTORIUS

INDEPENDENT DIRECTOR

AGE: 63

NATIONALITY: French

DATE OF ENTRY TO THE BOARD:
07/27/2017

DATE OF RATIFICATION
OR APPOINTMENT
AT THE GENERAL MEETING:
07/27/2017

DATE OF LAST RENEWAL:
05/14/2020

END DATE
OF THE MANDATE: 2024 GM
YEARS PRESENT: 3.5 years

ATTENDANCE AT BOARD
MEETINGS: 100%

Born on January 23, 1957 in Lyon (France), a French national, Marie-Hélène SARTORIUS is a graduate of École polytechnique and École nationale des ponts et chaussées.

She began her career at Banque Paribas, now BNP Paribas, where she held a number of positions in management control and corporate banking before being appointed Head of Specialized Financing for Europe (LBOs, project finance).

In 1995, she joined the Market Activities Department of the Paribas Group in London as Head of Risk. In 1999, she launched a new credit derivatives trading business for the group.

In 2001, Marie-Hélène SARTORIUS joined PricewaterhouseCoopers (PwC) as a Partner in charge of consulting services in France and provided advice to large international groups until 2016. She works primarily with large, listed investment banks, and energy companies, where she specializes in risk management, performance optimization and major transformation programs.

On an international level, Marie-Hélène SARTORIUS has been a member of PwC's EMEA Financial Services Leadership Team (EMEA FSLT) and Global Financial Services Advisory Leadership Team (GFSALT).

She has been a member of the Board of Directors of the Company since July 27, 2017.

OTHER OFFICES HELD

- Director of Bank of America Securities Europe SA (since 10/16/2020);
- Director of BNP Paribas Cardif SA (since 05/12/2016);
- Director of Milleis Banque SA (since 08/31/2017);
- Director of Gemalto NV SA (since 04/02/2019);
- Director of Bank of America Securities Europe (since 10/16/2020).

OFFICES EXPIRED DURING THE PAST FIVE YEARS

- Member of the Supervisory Board of ANF Immobilier (expired 10/23/2017);
- Director of AREVA SA (expired 07/27/2017).



CECILE SELLIER

DIRECTOR SINCE MAY 14, 2020

AGE: 53

NATIONALITY: French

DATE OF ENTRY TO THE BOARD:

05/14/2020

RENEWAL DATE: n/a

END DATE MANDATE: 2024 GM

YEARS PRESENT: 7 months

ATTENDANCE AT BOARD

MEETINGS: 100%

Born on May 12, 1967 in Paris (France), of French nationality, Cécile SELLIER is a graduate of École polytechnique (1987), École nationale supérieure des techniques avancées (1992), the Higher Nuclear Armament School (1992) and École normale supérieure (1995).

She began her career at the French Atomic Energy Commission (CEA) in 1992 as an engineer in the field of nuclear weapons in the military applications division.

She then joined the French Defense Department (DGA) in 1996 as an engineer in charge of materials research. After holding various positions in the field of nuclear deterrence within the DGA, in 2008 she was promoted to Director of Surface-Air Defense Systems for the French Air Force and Navy and French National Coordinator of these European cooperation programs, then head of the entire tactical missile management segment. From 2011 to 2014, she managed various programs related to nuclear deterrence and headed the airborne deterrent department of the operational division. From 2014 to 2016, she managed the DGA's missile test center. From 2016 to 2018, she was in charge of the Dissuasion mission for the General Delegate for Armaments. She was subsequently appointed Deputy Director of Operations of the DGA from 2018 to 2020. She has been Technical Director at the DGA since February 1, 2020. She also represents the French Ministry of the Armed Forces on the CEA Board of Directors.

She has been a member of the Board of Directors of the Company since May 14, 2020.

OTHER OFFICES HELD

- CEA Director (since 03/19/2019).

OFFICES EXPIRED DURING THE PAST FIVE YEARS

- None.



MARIE-SOLANGE TISSIER

DIRECTOR

AGE: 65

NATIONALITY: French

DATE OF ENTRY TO THE BOARD:

07/27/2017

**DATE OF RATIFICATION
OR APPOINTMENT
AT THE GENERAL MEETING:**
07/27/2017

RENEWAL DATE: 05/14/2020

**END DATE
OF THE MANDATE:** 2024 GM

YEARS PRESENT: 3.5 years

ATTENDANCE AT BOARD

MEETINGS: 100%

Born on April 6, 1955 in Paris (France), a French national, Marie-Solange TISSIER is a graduate of École polytechnique and École des mines de Paris.

She was Head of the Environment Division within the Interdepartmental Directorate for Lorraine Industry from 1979 to 1982. In 1982, she moved to the General Council of Mines as Deputy Head of Service, and in 1984 she joined the office of the Secretary of State for Energy as a Technical Adviser. In 1986, Marie-Solange TISSIER was appointed Head of the Nuclear Department at the French Directorate General for Energy and Raw Materials. In 1988, she joined the Ministry for Industry and Regional Development as a Technical Adviser.

From 1989 to 2017, Marie-Solange TISSIER was Department Head at the General Council of Mines, which in 2009 became the General Council of Economy, Industry, Energy and Technology within the French Ministry for the Economy and Finance. During this period, she also was Deputy Director of École des mines de Paris.

In May 2017, she became Chairwoman of the Regulation and Resources Department of the General Council of Economy, Industry, Energy and Technology within the French Ministry for the Economy and Finance.

She has been a member of the Board of Directors of the Company since July 27, 2017.

OTHER OFFICES HELD

- Director of AREVA SA (since 2017);
- Director of IFP Energies Nouvelles (since 2013).

OFFICES EXPIRED DURING THE PAST FIVE YEARS

- Member of the Supervisory Board of RTE (expired 04/01/2017).



THE FRENCH STATE, REPRESENTED BY BRUNO VINCENT DIRECTOR

AGE: 38

NATIONALITY: French

DATE OF ENTRY

TO THE BOARD: 07/27/2017

APPOINTMENT: 07/27/2017

RENEWAL DATE: n/a

END DATE

OF THE MANDATE: 2022 GM

YEARS PRESENT: 3.5 years

ATTENDANCE AT BOARD

MEETINGS: 100%

Born on March 6, 1982, a French national, Bruno VINCENT is a graduate of École polytechnique and École nationale des ponts et chaussées.

Between 2005 and 2008, he worked at the French Embassy in the United States and later at the World Bank in Washington D.C., where he was initially a Research Assistant before becoming Consultant for the Economic Policy and Debt Department.

After heading the administrative supervision of the French Development Agency at the French Treasury from 2008 to 2010, Bruno VINCENT joined the French State Shareholding Agency (Agence des participations de l'État – APE) in 2010 as a Chargé d'Affaires overseeing the RATP and the ports sector.

In 2012, he worked at the Treasury Department where he was involved in negotiating the arrangements for an instrument to recapitalize Eurozone banks.

In 2013, he was tasked with managing the Services & Finance sector at the French State Shareholding Agency (APE).

In 2014, he was appointed Assistant Head of Equity Investments for the transport sector at APE. In this role, he was responsible for managing a portfolio of companies in the transport sector (SNCF, RATP, Air France KLM, ADP, regional airports, ports, SNCM). He was also project manager for the privatization of the Nice and Lyon airport companies.

Since 2017, he has been Head of Equity Investments for the energy sector at APE.

He has represented the French State on the Board of Directors of the Company since July 27, 2017.

OTHER OFFICES HELD

- Director of AREVA SA (representing the French State since 06/27/2017);
- Director of ERAMET SA (listed) (representing the French State since 06/27/2017).

OFFICES EXPIRED DURING THE PAST FIVE YEARS

- Director of the large seaport of Marseille (expired in 2017);
- Director of SNCF Réseau (expired in 2017);
- Director of Aéroports de la Côte d'Azur (expired in 2016);
- Director of Aéroports de Lyon (expired in 2017).

Directors who left office in 2020**PHILIPPE VARIN****CHAIRMAN OF THE BOARD OF DIRECTORS UNTIL MAY 14, 2020****AGE:** 67**NATIONALITY:** French**DATE OF ENTRY****TO THE BOARD:** 07/27/2017**DATE OF RATIFICATION****OR APPOINTMENT****AT THE GENERAL MEETING:**

07/27/2017

RENEWAL DATE: n/a**END DATE****OF THE MANDATE:** 2022 GM**YEARS PRESENT:** 3 years**ATTENDANCE AT BOARD****MEETINGS:** 100%

Born on August 8, 1952 in Reims (France), a French national, Philippe VARIN is an alumnus of École polytechnique and École des mines de Paris.

He joined the Péchiney Group in 1978 as a researcher and subsequently held a number of management positions within the group (management control, strategy, project direction) before being appointed in 1995 as Director of the Rhenalu Division then Chief Executive Officer of the aluminum segment and member of the group's Executive Committee in 1999. In 2003, he joined the Anglo-Dutch steel group Corus as Chief Executive Officer. He was Chairman of the European Confederation of Iron and Steel Industries (Eurofer) from 2006 to 2008.

Appointed Chairman of the Executive Board of PSA Peugeot Citroën in June 2009, he left the group in June 2014. In 2015, he joined the AREVA Group as Chairman of the Board of Directors.

OTHER OFFICES HELD

- Director of Saint-Gobain;
- Director of Positive Planet;
- Chairman of France Industrie;
- Vice-Chairman of Conseil National de l'Industrie;
- Chairman of SASU PRM3C;
- Chairman of Fondation Georges Besse;
- Chairman of the French Committee of the International Chamber of Commerce (ICC);
- Director of the Saint Joseph Hospital Group.

OFFICES EXPIRED DURING THE PAST FIVE YEARS

- Director of EDF;
- Chairman of the Executive Board of Peugeot SA;
- Chairman of the Board of Directors of Peugeot Citroën Automobiles SA;
- Director of Banque PSA Finance SA;
- Director of Faurecia SA;
- Director of PCMA Holding BV.
- Director and Chairman of the Board of Directors of AREVA SA (expired 11/13/2019).

**CATHERINE DEIANA****DIRECTOR REPRESENTING EMPLOYEES UNTIL APRIL 29, 2020****AGE:** 52**NATIONALITY:** French**DATE OF ENTRY****TO THE BOARD:** 07/27/2017**DATE OF RATIFICATION****OR APPOINTMENT****AT THE GENERAL MEETING:**

07/27/2017

RENEWAL DATE: n/a**END DATE****OF THE MANDATE:** 2022 GM**YEARS PRESENT:** 3 years**ATTENDANCE AT BOARD****MEETINGS:** 100%**OTHER OFFICES HELD**

- None.

OFFICES EXPIRED DURING THE PAST FIVE YEARS

- Member of the Orano Cycle Tricastin Social and Economic Committee (CSE), elected during the professional elections held on 10/15-19/2018, expired (resigned to continue as employee Director) on 10/23/2018;
- Labor union representative on the AREVA NC Tricastin Health, Safety and Working Conditions Committee (CHSCT) (expired 07/26/2017).



FRANÇOIS MESTRE

DIRECTOR UNTIL MAY 13, 2020

AGE: 55

NATIONALITY: French

DATE OF ENTRY

TO THE BOARD: 10/25/2018

DATE OF RATIFICATION

OR APPOINTMENT

AT THE GENERAL

MEETING:

05/23/2019

RENEWAL DATE: n/a

END DATE

OF THE MANDATE: 2022 GM

YEARS PRESENT:

1 year and 8 months

ATTENDANCE AT BOARD

MEETINGS: 100%

Born on September 14, 1965 in Clermont-Ferrand (France), a French national, François MESTRE is a graduate of École polytechnique (1985) and École nationale supérieure des techniques avancées (1990).

An Engineer General in the French Corps de l'armement, François MESTRE was appointed as Head of the Industrial Affairs and Economic Intelligence Unit (S2IE) by the Decree of June 18, 2018. With a background in the chemicals industry, he has several years of experience in the management of arms programs. He has also held various posts in the office of the French Defense Minister.

Since 2018, François MESTRE has overseen the monitoring of defense companies and their expertise. He led a joint review of the government's shareholding strategy with the French State Shareholding Agency (Agence des participations de l'État – APE). He has also examined proposals for foreign investment in France for the Armed Forces Ministry, and security and economic intelligence initiatives for armaments and defense, and makes industrial policy proposals for the Ministry.

From 2013 to 2018, he worked on preparations for the future of arms programs within the French Directorate General of Armaments. In this position, he developed guidance on technology maturity for the Director General for Armaments. He thus contributed within the Ministry of Defense to the overall capacity coherence of defense in association with the joint chiefs of staff.

OTHER OFFICES HELD

- Member of the Supervisory Board of KNDS;
- Director of Ariane group.

OFFICES EXPIRED DURING THE PAST FIVE YEARS

- None.



PHILIPPE SOULIÉ

DIRECTOR UNTIL JUNE 29, 2020.

AGE: 64

NATIONALITY: French

DATE OF ENTRY

TO THE BOARD: 12/18/2018

DATE OF RATIFICATION

OR APPOINTMENT

AT THE GENERAL

MEETING: 05/23/2019

RENEWAL DATE: n/a

END DATE

OF THE MANDATE: 2022 GM

YEARS PRESENT:

1 year and 8 months

ATTENDANCE AT BOARD

MEETINGS: 100%

Born on July 1, 1956 in Paris (France), a French national, Philippe SOULIÉ is a graduate of École polytechnique and holds an MBA from INSEAD.

He joined the AREVA Group in 2016 as Deputy CEO during the restructuring of AREVA SA. On July 27, 2017 he was appointed Chief Executive Officer of AREVA SA. He was co-opted on the same day by the Board of Directors as a Director of AREVA SA to replace Philippe KNOCHE, who had resigned. His term as a Director of AREVA SA will expire at the end of the Annual General Meeting convened in 2023 to approve the financial statements for the financial year ending December 31, 2022.

OTHER OFFICES HELD

- Chief Executive Officer of AREVA SA;
- Chairman of AREVA NP;
- Chairman of AREVA Energies Renouvelables;
- Chairman of the Supervisory Board of AREVA H2Gen;
- Chairman of AREVA Project 2;
- Chairman of AVELEOS SA.

OFFICES EXPIRED DURING THE PAST FIVE YEARS

- None.

5.1.1.4 Changes in the composition of the Board and its committees in 2020

	Departure	Appointment	Renewal
Board of Directors	Philippe VARIN (resigned on May 14, 2020)	Anne-Sophie LE LAY (co-opted on June 30, 2020)	n/a
	Catherine DEIANA (resigned on April 29, 2020)	Bernard BASTIDE (April 30, 2020)	n/a
	François MESTRE (resigned on May 13, 2020)	Cécile SELLIER (appointed on May 14, 2020)	n/a
	Philippe SOULIÉ (resigned on June 29, 2020)	Philippe BRAIDY (co-opted on October 29, 2020)	n/a
Audit and Ethics Committee	Claude IMAUVEN (June 30, 2020)	Anne-Sophie LE LAY (June 30, 2020)	n/a
Compensation and Nominating Committee	Catherine DEIANA (resigned on April 29, 2020)	Bernard BASTIDE (April 30, 2020)	n/a
Strategy and Investments Committee	Philippe VARIN (resigned on May 14, 2020)	Claude IMAUVEN (May 14, 2020)	
	Catherine DEIANA (resigned on April 29, 2020)	Bernard BASTIDE (April 30, 2020)	n/a
End-of-Lifecycle Obligations Monitoring Committee	Claude IMAUVEN (June 30, 2020)	Marie-Solange TISSIER (June 30, 2020)	n/a

n/a: not applicable.

5.1.1.5 Other attendees at meetings of the Board of Directors

Economic and Financial Controller General

Vincent BERJOT, appointed Head of the Control Mission of the General Economic and Financial Control Department by a decision dated September 20, 2018 of the Ministry for the Economy and Finance, is responsible for the Company's general economic and financial control, in accordance with Decree No. 83-1116 of December 21, 1983, as amended.

Government Commissioner

Laurent MICHEL, Director General for Energy and Climate (DGEC) by a decree dated December 19, 2012, holds the position of Government Commissioner for the Company, in application of Decree No. 83-1116 of December 21, 1983 as amended by a decree dated July 25, 2017. To this end, he attends the meetings of the Board of Directors and of its specialized committees.

Pursuant to Article 3 of Decree No. 83-1116 of December 21, 1983 as amended and relative to the Company, the deliberations of the Board of Directors will become fully enforceable unless the Government Commissioner or other authority responsible for economic and financial control opposes them within five days of either the meeting of the Board of Directors if they were present thereat, or following receipt of the minutes of the meeting.

This opposition, of which the Minister of the Economy and the Minister of Energy must be immediately informed by the party presenting the opposition, will cease to have effect if, within fifteen days, it has not been upheld by one of these Ministers.

Non-voting Board members

Article 14.6 of the Company's Articles of Association stipulates that the Board of Directors may appoint one or more non-voting Board members to assist it in the performance of its duties.

On the recommendation of the Compensation and Nominating Committee, the Board of Directors' meeting of October 29, 2019, decided not to renew this position at the end of the term of office of its last non-voting member on May 23, 2019. This decision follows the wish expressed by the Board, following the evaluation carried out in 2019 of its organization and functioning (see Section 5.1.1.2.7 below), to reduce the number of people present at each Board meeting.

Secretary of the Board

Anne-Sophie BODIN served as Secretary of the Board of Directors. Christelle LE CALVEZ was appointed Secretary of the Board by the Board of Directors on February 25, 2021.

5

5.1.1.2 Responsibilities and functioning of the Board of Directors

5.1.1.2.1 Responsibilities

The responsibilities of the Board of Directors and the organization of its work are defined by the legislative and regulatory provisions governing limited liability companies, as well as the Company's Articles of Association and in the rules of procedure of the Board of Directors.

The Board of Directors determines the overall direction of the Company's activities and ensures that such activities are properly implemented. Except for those powers expressly assigned to the General Meeting, and within the limits of the Company's scope of activities, it may take up any matter concerning the Company's operations and, through its resolutions, rule on matters concerning it. As such, it reviews all of the group's major projects. It may perform inspections and checks at any time of the year, as it sees fit, and demand the communication of any documents it may consider as useful for accomplishing its mission. It is to be kept updated by the Audit and Ethics Committee on the Company's financial position, cash-flow situation and commitments. It must also be kept informed in good time of the Company's liquidity position and take, where appropriate, decisions relating to its financing and borrowing.

Mission of the Board of Directors in terms of corporate social responsibility (CSR)

The Board of Directors determines the Company's business guidelines and ensures their implementation, in accordance with its corporate interests, taking into consideration the social and environmental challenges of its activity.

On the recommendation of the Compensation and Nominating Committee, the Board of Directors meeting of December 17, 2020 decided to deal with issues relating to the group's CSR within its specialized committees so that each Board Committee, within the scope of its mission, integrates CSR considerations into its work (See Section 5.1.2).

The Board of Directors meeting of December 17, 2020 decided on the purpose of the Orano group, which was defined as "To develop know-how in the transformation and control of nuclear materials for the climate, for health and for a resource-efficient world, today and tomorrow". This purpose is presented in detail in Chapter 4 Section 4.1.1 *A corporate purpose and a project that contributes to key global challenges*.

In addition, to support it in its reflection on CSR issues and the way in which they must be taken into account and integrated into its strategy, the group has decided to set up a Stakeholder Committee composed of independent external figures from civil society. This Committee will be chaired by the Chairman of the Board of Directors, who will report to the Board on its concerns, expectations and suggestions.

An overall update on the implementation of the group's CSR roadmap will be placed on the Board of Directors' agenda at least once a year.

Within the group, the CSR approach is supported by the group's Engagement Department, which defines and deploys the group's CSR policy on the basis of the expectations of the Stakeholder Committee. CSR issues are also included in the work of the Executive Committee. The group's internal governance in terms of CSR is explained further in Chapter 4, Section 4.1.4 *Integrated and cross-functional non-financial governance* on the group's non-financial performance.

Activity of the Board of Directors in 2020

The Board of Directors has in particular, amongst others:

- elected a new Chairman of the Board of Directors in the person of Claude Imauvén, maintaining the separation of the functions of Chairman of the Board and Chief Executive Officer;
- proposed the implementation of staggered terms of office for some of its directors;
- reviewed the balance of its composition, undertaken an annual evaluation of its performance and of its functioning, and implemented an action plan to improve its organization and functioning;
- deliberated on the composition of its specialized committees;
- reviewed its financial trajectory and its strategic plan to incorporate the impacts of the health crisis;
- determined the strategic direction of the Company and of the group, after taking advice from the Strategy and Investments Committee;
- renewed its third strategy seminar to provide directors with insight into the group's strategic issues;
- determined the purpose of the Orano group;
- set the principles for CSR governance; and
- reviewed the stock market Code of Ethics of the Orano group.

The Board of Directors also monitored the implementation of the changes to the legal organization of Orano Cycle. In February 2021, it noted the commitment made by the Orano group in 2020 as part of this project, that the Chief Executive Officer of Orano SA should also be the President (corporate officer) of the subsidiaries Orano Recyclage, Orano Chimie-Enrichissement and Orano Démantèlement; that this commitment is to enable the responsibilities of a nuclear operator to be carried out by a person with the necessary powers in terms of strategic prioritization and allocation of resources and that this must continue.

Number of meetings	Attendance rate
8	96%

The Board of Directors meets as often as the interests of the Company require and at least four times per year. The Board of Directors met eight times in 2020, with a 96% attendance rate. Directors may choose to be represented by another Director at meetings of the Board of Directors. Each Director may represent only one of his or her colleagues during the same meeting of the Board of Directors.

The following table shows the attendance rate of directors and committee members as at December 31, 2020:

	Board of Directors	Audit and Ethics Committee	Compensation and Nominating Committee	Strategy and Investments Committee	End-of-Lifecycle Obligations Monitoring Committee
Philippe VARIN ⁽¹⁾	100%	n/a	n/a	100%	n/a
Claude IMAUVEN ⁽²⁾	100%	100%	n/a	100%	100%
Philippe KNOCHE	100%	n/a	n/a	n/a	n/a
Philippe BRAIDY ⁽³⁾	100%	n/a	n/a	n/a	n/a
Bernard BASTIDE ⁽⁴⁾	100%	n/a	100%	80%	n/a
Catherine DEIANA ⁽⁵⁾	100%	n/a	100%	100%	n/a
François DELATTRE	100%	n/a	n/a	75%	n/a
Alexia DRAVET	100%	75%	n/a	n/a	100%
François JACQ	88%	n/a	n/a	100%	n/a
Anne-Sophie LE LAY ⁽⁶⁾	50%	100%	n/a	n/a	n/a
François MESTRE ⁽⁷⁾	100%	n/a	n/a	n/a	n/a
Patrick PELATA	88%	n/a	n/a	n/a	n/a
Marie-Hélène SARTORIUS	100%	100%	100%	n/a	100%
Cécile SELLIER ⁽⁸⁾	100%	n/a	n/a	n/a	n/a
Philippe SOULIÉ ⁽⁹⁾	100%	n/a	n/a	n/a	n/a
Marie-Solange TISSIER ⁽¹⁰⁾	100%	100%	100%	n/a	100%
Bruno VINCENT - the French State	100%	100%	100%	100%	100%

n/a: not applicable.

(1) Director and member of the SIC until May 14, 2020.

(2) Member of the EoLOMC until June 30, 2020 and of the SIC since May 14, 2020.

(3) Director since October 29, 2020.

(4) Director and member of the SIC and the CNC since April 30, 2020.

(5) Director until April 29, 2020.

(6) Director and member of the AEC since June 30, 2020. Note that the attendance rates have been established based on a six-month period only, increasing the weight of an absence at any given governance meeting.

(7) Director until May 13, 2020.

(8) Director since May 14, 2020.

(9) Director until June 29, 2020.

(10) Member of the EoLOMC since June 30, 2020.

The meetings of the Board of Directors are chaired by the Chairman, who leads the discussions, or, in his absence, by a member of the Board of Directors designated at the beginning of the meeting by a simple majority of the members present.

Directors who participate in a meeting of the Board of Directors via videoconferencing or other methods of telecommunication that allow their identity to be known and assure the effective participation thereof, will be deemed present for the calculation of quorum and majority. In accordance with the Board's rules of procedure, the Secretary of the Board of Directors signs the register in place of these directors.

This process may not be used for the preparation of the annual financial statements, the consolidated financial statements and related reports. As an exception, in accordance with Order No. 2020-1497 of December 2, 2020 extending and amending Order No. 2020-321 of March 25, 2020 adapting the meeting and deliberation rules of general meetings and of governing bodies of legal entities and entities without legal personality under private law due to the Covid-19 epidemic, participation by videoconferencing means is authorized for these decisions until April 1, 2021, unless all or part of its provisions are extended until a date set by decree of the Council of State, which may not be after July 31, 2021.

Furthermore, the use of videoconferencing or other methods of telecommunication may be excluded by the Chairman of the Board of Directors if one or more topics on the agenda are sensitive in nature.

The group's employees may also be invited based on their contribution to the items on the meeting's agenda. The presence of external third parties must be authorized by the Chairman of the Board of Directors.

5.1.1.2.2 Terms of office of directors and staggering of the mandates of Board directors

Article 14.2 of the Company's Articles of Association provides that the term of office of the members of the Board of Directors is four years.

In accordance with the action plan adopted by the Board in 2019 relating to its operation and the organization of its work, and to ensure better continuity of the work of the Board and its Committees in application of the recommendations of the Afep-Medef Code (Article 14.2), the Board of Directors proposed to the shareholders that a portion of its members be reappointed

every two years (excluding the directors representing employees, the representative of the French State and the Chief Executive Officer). As a result, at the General Meeting of May 14, 2020, the shareholders replaced and/or appointed one of the four offices of independent directors and three of the six offices of government-related directors (including directors appointed on the proposal of the State).

5.1.1.2.3 Independence of the members of the Board of Directors

The Afep-Medef Code (Article 9.3) recommends that in controlled companies, within the meaning of Article L. 233-3 of the French Commercial Code, at least one-third of all Board members should be independent and specifies that those directors representing employees not be counted in establishing this proportion.

As of the date of this report, the Board of Directors has four independent directors. The proportion of at least one-third independent members recommended by the Afep-Medef Code is thus met, it being noted that the directors representing employees are not counted in establishing this proportion.

Based on a recommendation made by the Compensation and Nominating Committee on February 17, 2021, the Board of Directors, at its meeting of February 25, 2021, considered the following Board members to be independent as per the criteria of the Afep-Medef Code:

- Claude IMAUVEN;
- Anne-Sophie LE LAY;
- Patrick PELATA; and
- Marie-Hélène SARTORIUS;

The Board of Directors examined the business relationships that may exist between the Company and the companies in which these directors hold terms of office. The Board of Directors noted that none of the independent members have a significant business relationship with the Company. The primary basis for this assessment was the insignificant share of revenue generated by existing business relationships, if any, compared to the respective revenue of the Company and the companies in which the members concerned hold a position.

The table below shows the situation of each Director with regard to the independence criteria set out in Article 9.5. of the Afep-Medef Code.

INDEPENDENCE CRITERIA

Criterion 1	Not to be and not to have been within the previous five years: <ul style="list-style-type: none"> ● an employee or executive corporate officer of the Company; ● an employee, executive corporate officer or Director of a company consolidated within the Company; or ● an employee, executive corporate officer or Director of the Company's parent company or a company consolidated within this parent company.
Criterion 2	Not to be an executive corporate officer of a company in which the Company holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive corporate officer of the Company (currently in office or having held such office within the last 5 years) holds a directorship.
Criterion 3	Not to be a customer, supplier, commercial banker, investment banker or consultant: <ul style="list-style-type: none"> ● that is significant to the Company or its group; or ● for which the Company or its group represents a significant portion of its activities.
Criterion 4	Not to be related by close family ties to a corporate officer.
Criterion 5	Not to have been a Statutory Auditor of the Company within the previous 5 years.
Criterion 6	Not to have been a Director of the Company for more than 12 years. Loss of the status as independent Director occurs on the date that this 12-year limit is reached.
Criterion 7	A non-executive corporate officer cannot be considered independent if he or she receives variable compensation in cash or in the form of shares or any compensation linked to the performance of the Company or the group.
Criterion 8⁽¹⁾	Directors representing major shareholders of the Company or its parent company may be considered independent, provided these shareholders do not take part in the control of the Company. Nevertheless, beyond a 10% threshold in capital or voting rights, the Board, upon a report from the Compensation and Nominating Committee, must systematically review the qualification of a Director as independent in light of the Company's capital structure and the existence of a potential conflict of interest.

(1) For the purposes of this analysis, and considering the structure of the Company's shareholding, directors representing, or appointed on the proposal of, the French State are not deemed to meet this criteria.

OVERVIEW TABLE⁽¹⁾

	Criterion 1	Criterion 2	Criterion 3	Criterion 4	Criterion 5	Criterion 6	Criterion 7	Criterion 8	Independent/ Not independent
Claude IMAUVEN	✓	✓	✓	✓	✓	✓	✓	✓	Independent
Philippe KNOCHE	X	X	✓	✓	✓	✓	✓	✓	Not independent
French State (Bruno VINCENT)	✓	✓	✓	✓	✓	✓	✓	X	Not independent
Bernard BASTIDE	X	✓	✓	✓	✓	✓	✓	✓	Not independent
Philippe BRAIDY	X	✓	✓	✓	✓	✓	✓	X	Not independent
Alexia DRAVET	X	✓	✓	✓	✓	✓	✓	✓	Not independent
François DELATTRE	✓	✓	✓	✓	✓	✓	✓	X	Not independent
François JACQ	✓	✓	X	✓	✓	✓	✓	X	Not independent
Anne-Sophie LE LAY	✓	✓	✓	✓	✓	✓	✓	✓	Independent
Patrick PELATA	✓	✓	✓	✓	✓	✓	✓	✓	Independent
Marie-Hélène SARTORIUS	✓	✓	✓	✓	✓	✓	✓	✓	Independent
Cécile SELLIER	✓	✓	✓	✓	✓	✓	✓	X	Not independent
Marie-Solange TISSIER	✓	✓	✓	✓	✓	✓	✓	X	Not independent

(1) In this table, ✓ means that an independence criterion is met, and X means that an independence criterion is not met.

5.1.1.2.4 Information and training of directors

Directors shall receive, at least five calendar days prior to the meeting, the agenda of the meeting of the Board of Directors and any information to be discussed, except in cases of emergency or exceptional circumstance. They are kept informed at all times between meetings of the Board of Directors and, where necessary, must be able, if they so wish, to meet with the key executives of the Company after giving prior notice thereof to the Chairman of the Board of Directors and the Chief Executive Officer.

Each Director may benefit, if he or she deems it necessary, from training on specific issues relating to the Company, its businesses and sectors of activity, as well as on their role as Director.

5.1.1.2.5 Business ethics of directors

The Director shall perform his or her duties with independence, integrity, uprightness and professionalism.

The rules of procedure of the Board of Directors of the Company set out directors' duties, which include, without limitation:

- compliance with applicable legislation, the Articles of Association and the Company's corporate interest;
- professionalism and duty of expression;
- strict confidentiality of the work of the Board of Directors and of its committees;
- compliance with rules relating to holding multiple offices;
- prevention of conflicts of interest; and
- compliance with obligations related to the holding of financial instruments issued by the Company and the holding of inside information.

The Company refers and adheres to the principles of the Orano Codes of Ethics and Anticorruption.

5.1.1.2.6 Rules applicable to conflicts of interest

The rules applicable to the members of the Board of Directors with regard to preventing conflicts of interest are set out under Article 4.6 of the rules of procedure of the Board of Directors, which notably states that:

- the Director shall at all times preserve their independence of judgment, decision-making and action;
- the Director will strive to avoid any conflict that may exist between his or her moral and material interests and those of the Company;
- the Director will inform the Board of any conflict of interest in which he or she may be directly or indirectly involved;
- in the event that a situation or risk of conflict of interest should arise, the Director concerned must, upon receipt of the agenda, inform the Chairman of the Board of Directors and, where applicable, the Chairman of the committee concerned, and must abstain from taking part in any discussions or voting on the corresponding deliberation;
- the Director, or the permanent representative if the Director is a legal entity, may not participate personally in companies or activities in competition with the group without first informing the Board of Directors and receiving its approval; and
- Directors who no longer consider themselves capable of fulfilling their role on the Board of Directors, or in any committee of which they are members, must resign.

The Secretary of the Board, upon delegation of the Chairman of the Board, is responsible for ensuring that these provisions are properly complied with, and that the Director concerned does not participate in the discussions and deliberations of the Board, which they record in the minutes.

5.1.1.2.7 Rules applicable to evaluations

Pursuant to the recommendations of the Afep-Medef Code, Article 1.2 of the rules of procedure of the Board of Directors provides that, at least once a year, the Board of Directors will dedicate one agenda item to the assessment of its composition, its functioning and its organization, as well as those of its committees, to make sure that important issues are properly addressed and discussed. Furthermore, at least once every three years, it shall carry out or have carried out a formal assessment of its activities. It shall inform the shareholders annually of the assessments performed and, where applicable, the action taken as a result of such assessment.

In accordance with the recommendations of the Afep-Medef Code, the Board of Directors, at its meeting of October 29, 2020, on the recommendation of the Compensation and Nominating Committee meeting of October 8, 2020, decided to carry out its annual assessment.

The results of this annual assessment were reviewed by the Board on December 17, 2020.

Based on this annual assessment, the Board concluded that it is very satisfactorily organized, is constantly improving and that its directors are committed and involved. Therefore, there are no grounds to substantially alter its functioning.

However, some points could be improved, such as the need to maintain the quality of discussions in meetings held by

teleconference due to the health crisis, continuing to expand the number of women on the Board of Directors, and increasing the number of independent directors. In 2021, the Board of Directors stressed the need to strengthen the procedure for welcoming new directors in the context of a health crisis where many meetings are held remotely (by means of conference calls).

Individual review of the contribution of each Director

In accordance with the recommendations of the Afep-Medef Code (Article 10.2), each year, the Chairman of the Board reviews each Director's individual contribution, in order to continuously improve the functioning of the Board.

The Chairman of the Board conducted these interviews individually in 2020, so that each Director could be informed of the other directors' perception of his or her involvement in the Board's work.

Executive session

Lastly, in accordance with its rules of procedure and the recommendations of the Afep-Medef Code, the Board of Directors met in the absence of the Chief Executive Officer on October 29, 2020 in an executive session which was chaired by the Chairman of the Compensation and Nominating Committee. This meeting enabled the directors to discuss, in particular, the consideration of social and environmental issues by the Board and the concept of conflict of interest.

5.1.2 Committees of the Board of Directors

The Board of Directors may establish Board Committees, whose composition and powers it shall define.

The role of these Committees is to gather and present to the Board of Directors any relevant information and to facilitate the Board's decision-making process. To this effect, it may, where appropriate, make any relevant suggestions to the Board. Committees do not have any powers of their own and carry out their duties under the responsibility of the Board of Directors.

The composition and functioning of the Committees are defined by those statutory and regulatory provisions applicable to limited liability companies, the Company's Articles of Association and the rules of procedure of the Board of Directors.

The Board of Directors created four permanent committees on July 27, 2017, namely:

- an Audit and Ethics Committee;
- a Strategy and Investments Committee;
- a Compensation and Nominating Committee; and
- an End-of-Lifecycle Obligations Monitoring Committee.

Committee members may not claim compensation in this capacity, except when compensation is allocated to them by the Board of Directors.

The Chairman of each Committee may ask the Chief Executive Officer and, where applicable, any Deputy Chief Executive Officer(s) to attend Committee meetings. This also applies to the Chairman of the Board of Directors, where he or she is not a member of the Committee in question.

Subject to the approval of the Chairman of the committee, group employees may also be invited to attend Committee meetings, in order to contribute to the meeting's agenda items.

The Committees may seek external technical advice on topics that fall within their remit, subject to approval from the Chairman of the Board of Directors and with the understanding that it will share this information with the Board of Directors. The Committee must verify the skills and independence of the external experts that it calls upon.

The duration of the terms of office of Committee members shall coincide with their terms of office as members of the Board of Directors. These may be renewed at the same time as the latter. As an exception, the Board of Directors may at any time dismiss a member of a Committee or its Chairman.

The Chairman of each Committee is appointed by the Board of Directors upon a proposal from the Compensation and Nominating Committee. In the absence of the Chairman, the other members of the committee shall appoint a chairperson for the meeting.

The Chairman of each Committee shall appoint a secretary. Minutes of the Committee meetings are the responsibility of the Chairman of each Committee, who shall send a copy thereof to the Board of Directors.

The members of the Committee may be convened by any means (mail, fax, email, etc.), or even verbally. Other than in the case of an emergency or exceptional circumstances, the relevant documentation shall be sent to the members of the Committee at least five calendar days prior to the date of the meeting.

Committee members cannot appoint their own representatives.

5.1.2.1 Audit and Ethics Committee

Number of meetings	Attendance rate
9	96%

As at the date hereof, the Audit and Ethics Committee includes five members:

- Marie-Hélène SARTORIUS (Chairwoman and Independent Director);
- Alexia DRAVET (Director representing employees);
- Anne-Sophie LE LAY (Independent Director);
- Marie-Solange TISSIER; and
- Bruno VINCENT (representing the French State, Director).

Anne-Sophie LE LAY was appointed to the Audit and Ethics Committee on July 30, 2020 by the Board of Directors in view of her past experience in compliance and social and environmental responsibility. She replaces Claude IMAUVEN, who took over as Chairman of the Board and of the Strategy and Investments Committee on May 14, 2020.

In accordance with Article L. 823-19 of the French Commercial Code, it is specified that the Chairman of that Committee, Marie-Hélène SARTORIUS, has special expertise in financial, accounting and auditing matters. On the recommendation of the Compensation and Nominating Committee, the independence of Marie-Hélène SARTORIUS was confirmed by the Board of Directors at its meeting of February 27, 2020, for the 2020 financial year and at its meeting of February 25, 2021 for the 2021 financial year.

The Audit and Ethics Committee is responsible for issues relating to the preparation and control of accounting and financial information, in particular the process for the preparation of financial information, the effectiveness of the internal control and risk management systems, the statutory audit of annual and consolidated financial statements by the Statutory Auditors and the consistency of accounting methods, the procedure for the selection of the Statutory Auditors and their independence, the approval of additional services provided by the Statutory Auditors, the independence of the Statutory Auditor, the proper assessment of mining resources and reserves, the monitoring of the execution of major projects and business risk mapping.

To perform its duties, the Committee must work together with the Head of Internal Control and give its opinion on the organization of this department. The Committee shall be sent internal audit reports or a periodic summary of these reports. The Committee shall also work together with the Statutory Auditors and the Financial, Accounting and Treasury directors.

The Committee examines the list of consolidated companies and, if appropriate, the reasons for which companies are or are not included on it.

The Audit and Ethics Committee shall prepare an annual work agenda to ensure the proper planning of its work. Financial statements must be provided to the committee for review sufficiently in advance (at least three calendar days before their review by the committee). The review of the financial statements by the Audit and Ethics Committee must be accompanied by a presentation from the Statutory Auditors highlighting the key points of the findings of the statutory audit (in particular any audit adjustments and any significant internal control weaknesses identified), and of the accounting options selected. It must also be accompanied by a presentation from the Chief Financial Officer describing the Company's exposure to risk and any significant off-balance-sheet commitments.

The Audit and Ethics Committee must, at least twice per year, address the ethics aspects that concern the Company, in accordance with the following recommendations:

- ensure that the Company and its relations with third parties are compliant with ethics standards and that the group complies with international best practices in relation to ethics; and
- examine the standards and procedures put in place by the group both for the Company and its (directly or indirectly controlled) subsidiaries in France and abroad, and in particular those governing the use of economic intelligence studies and the group's Charter of Values and any updates thereto, ensuring the correct distribution and application thereof.

With regard to foreign subsidiaries, the Committee shall take into consideration the legal and regulatory framework of the countries in which they operate.

The Audit and Ethics Committee met nine times during the 2020 financial year, with an average attendance rate of 96%.

It examined matters that specifically fall within its remit, including the half-year and annual financial statements, press releases, the business risk mapping, the review of the conclusions of the Internal Audit Department and Statutory Auditors on internal controls, the review of major customer investment projects, the summary of internal audits, and cybersecurity.

In addition, the Committee examined the following topics in 2020, amongst others:

- Internal audit activities in 2020 and the audit plan for 2021;
- the Orano cybersecurity plan;
- the internal dividend distribution policy;
- the review of the corruption prevention system;
- the review of the business risk mapping for 2020;
- the ethics report;
- the 2021-2029 financial trajectory;
- ongoing legal proceedings;
- payment terms for "P2P" suppliers;
- the monitoring of the group's ESG indicators, particularly those included in its non-financial performance statement; and
- the monitoring of major projects implemented by the group as part of its CSR policy.

5.1.2.2 Strategy and Investments Committee

Number of meetings	Attendance rate
9	94%

As of the date of this report, the Strategy and Investments Committee includes six members:

- Claude IMAUVEN (Chairman and Independent Director);
- Bernard BASTIDE (Director representing employees);
- François DELATTRE;
- François JACQ; and
- Bruno VINCENT (representing the French State, Director).

Bernard BASTIDE was appointed to the Strategy and Investments Committee by the Board of Directors on July 30, 2020 to replace Catherine DEIANA who resigned on April 29, 2020. Following the resignation of Philippe VARIN on May 14, 2020 and in accordance with the provisions of Article 3.4 of the rules of procedure, the Strategy and Investments Committee has been chaired by the Chairman of the Board, Claude IMAUVEN, since May 14, 2020.

The Strategy and Investments Committee is responsible for analyzing the main strategic directions in terms of the group's development and for making any major strategic decisions proposed by the Chief Executive Officer. It examines the implementation of the Company's strategy both at company level and within its subsidiaries.

The Committee is tasked with examining proposed transactions subject to the prior approval of the Board of Directors ⁽¹⁾.

The Committee may also meet as a Restricted Committee at the initiative of its Chairman to examine major commercial proposals to be submitted to the Board of Directors for approval. No Restricted Committee meetings were held in 2020.

During the 2020 financial year, the Strategy and Investments Committee met nine times, with an average attendance rate of 94%.

In 2020, the Committee examined the following topics, amongst others:

- the progress made on the negotiations for the Treatment and Recycling plant in China;
- the 2020 strategic action plan and its worldwide implementation;
- various commercial proposals, particularly in France, Russia and the United States;
- various investment projects, notably in Tricastin and la Hague;
- plans to acquire external activities, particularly in the field of nuclear logistics; and
- the group's commercial policies in Mining and Front End of the fuel cycle.

5.1.2.3 Compensation and Nominating Committee

Number of meetings	Attendance rate
6	100%

As of the date of this report, the Compensation and Nominating Committee includes four members:

- Marie-Solange TISSIER (Chairwoman);
- Bernard BASTIDE (Director representing employees);
- Marie-Hélène SARTORIUS (Independent Director); and
- Bruno VINCENT (representing the French State, Director).

Bernard BASTIDE was appointed to the Compensation and Nominating Committee on July 30, 2020 by the Board of Directors to replace Catherine DEIANA who resigned on April 29, 2020.

The main role of the Compensation and Nominating Committee is to recommend to the Board of Directors candidates to be appointed as corporate officers, to discuss the independent status of each Director, to propose to the Board of Directors recommendations and proposals concerning compensation, pension and insurance schemes, supplemental pensions, benefits in kind, the various pecuniary rights of the Company's executive corporate officers and in particular, where applicable, severance payments and retirement benefits, to review the allocation procedure for attendance fees payable to the members of the Board of Directors, to review the compensation policy for key executives who are not corporate officers, to review the objectives, conditions and results of its policy on gender representation, nationalities and diversity of skills with regard to its members and to prepare and monitor the implementation of the corporate governance rules applicable to the Company.

Where possible, the executive corporate officers will attend the Committee meeting at which the compensation policy for key executives who are not corporate officers is reviewed.

During the 2020 financial year, the Compensation and Nominating Committee met six times with an attendance rate of 100%.

It examined the following topics in particular:

- setting of the targets for the Chief Executive Officer;
- the integration of ESG criteria in the compensation structure of the Executive Director;
- the group's governance in terms of CSR policy;
- candidates called on to replace the directors who have resigned;
- the annual assessment of the Board's work;
- the gender balance policy within the group's management bodies;
- the Company's policy in terms of equal opportunity, equal pay and gender equality;
- the monitoring of the group's skills development plan;
- the monitoring of Orano Vox (for details see Section 4.3.2 *Dialogue and labor relations*); and
- the monitoring of the management and impact of health crises on the group's employees.

(1) See Section 5.1.4.2.2 below.

Succession plan for executive corporate officers

The review of the succession plan for Orano's executive corporate officers was included in the 2019 action plan prepared by Orano's Chairman of the Board of Directors to improve the organization and functioning of the work of the Board of Directors and its Committees. It was updated in 2020.

This succession plan is in line with the provisions of Order No. 2014-948 of August 20, 2014, pertaining to the governance of State-owned companies and transactions on their capital, in particular Article 19, which states that the Chief Executive Officer of Orano is appointed by decree of the French President on the proposal of the Board of Directors, and Article 21, which sets out the terms and conditions for the appointment by the French State of an interim Chief Executive Officer.

The Compensation and Nominating Committee, in coordination with the Chairman of the Board of Directors, the Chief Executive Officer and the group's Human Resources Department, made sure that the Company had put in place the necessary mechanisms to allow for the immediate replacement, on an acting basis, of the Chief Executive Officer should the latter suddenly prove incapacitated or unavailable to run the Company's operations. The Compensation Committee has also established a standard profile for the of Orano Chief Executive Officer position so that the Chief Executive Officer can be replaced at the end of his or her term of office and to allow an open search procedure to be launched, which could include, where appropriate, candidates from within the Company.

Group diversity policy - Gender diversity results in the group's governing bodies and in the top 10% of positions with higher responsibility

At the highest level, the Board of Directors and the Compensation and Nominating Committee promote Respect and the development of people to ensure that Orano is a benchmark and an inclusive employer and promotes diversity.

Pursuant to Article L. 225-37-1 of the French Commercial Code, the Board of Directors discusses its equal opportunity and equal pay policy and its gender diversity policy annually.

At its meeting of October 29, 2020, following the recommendation of the Compensation and Nominating Committee meeting of October 8, 2020, the Board of Directors observed that the implementation of the group's diversity policy for all Human Resources processes was overall satisfactory.

In accordance with the provisions of Article L. 22-10-10, 2 ° of the French Commercial Code and Article 7 of the Afep-Medef Code, this Board of Directors also confirmed, on the recommendation of the Compensation and Nominating Committee meeting of October 8, 2020, the gender balance policy within the group's governing bodies and more specifically at the level of the group Executive Committee (COMEX), the Management Committees of its various Business Units and the Boards of directors of its subsidiaries.

The Board of Directors' meeting of October 29, 2020 also examined the way in which the Company seeks balanced representation of women and men in the 10% of positions with greatest responsibility within the group. Concerning the group, the scope of the members of the Executive Committee and the Management Committees represents the panel of managers with responsibility that best reflects the Company's human potential, and reports on the state of gender diversity covering 10% of this population. It represents 300 people in France with 26.6% women in 2020, compared to 25% in 2019.

At Executive Committee level: the first female Executive Committee member was appointed in 2019. The number of women in this executive management body continued to grow in 2020 with the appointment of two other women, bringing the percentage of women to 25%, compared to 9% in 2019. The objective over the coming years is to maintain a minimum female participation rate of 25% and to appoint a female Business Unit Director.

At the level of the Management Committees: the percentage of women on the group's Management Committees was 26.6% in 2020 (compared to 25% in 2019), including 36.5% in support functions and 23% in Business Units. The objective is to achieve 29% of women on Management Committees by 2022, especially in technical professions.

To do this, in 2017 the group launched a career development program for certain employees identified as potential ("Women Talents"). This program has been continued since then for the benefit of women "potential executives" and "confirmed talents". In 2020, two sessions were held and trained 17 women, for a total of 11 sessions for 102 women since its launch. A similar program was launched in 2019 for women Talent starters, with five sessions concerning 50 employees

At the level of the Boards of directors of its subsidiaries: in accordance with the provisions of Article L. 225-18-1 of the French Commercial Code, the proportion of directors of each gender may not be less than 40% in companies with more than 250 employees and net revenue or a statement of financial position total of at least 50 million euros. Since 2017, the Boards of directors of the group's subsidiaries covered by these provisions have had a percentage of women in excess of 40%. Thus, at the end of 2020, the percentage of women on the Boards of directors of the group covered by this legal provision was 50% for Orano Mining, Orano Démantèlement (formerly Orano Cycle), and Orano DS.

For 2021, the group aims to maintain, if not increase, the diversity of all its governing bodies.

In addition to the management bodies, the group is pursuing its efforts to guarantee equal treatment for women and men, throughout their careers, and thus empower more women to hold senior positions all along the management line. This implementation is structured around five major axes: more women in recruitment pools and work-study programs, recruitment, career development, the compensation policy and governance bodies. For more details on the diversity policy, see Section 4.3.4.

5.1.2.4 End-of-Lifecycle Obligations Monitoring Committee

Number of meetings	Attendance rate
5	100%

As of the date of this report, the End-of-Lifecycle Obligations Monitoring Committee included four members:

- Marie-Solange TISSIER (Chairwoman);
- Alexia DRAVET (Director representing employees);
- Marie-Hélène SARTORIUS (Independent Director); and
- Bruno VINCENT (representing the French State, Director).

Marie-Solange TISSIER was appointed Chair of the End-of-Lifecycle Obligations Monitoring Committee on July 30, 2020 by the Board of Directors in replacement of Claude IMAUVEN, who became Chairman of the Board and of the Strategy and Investments Committee on May 14, 2020.

The role of this Committee is to assist in the monitoring of the portfolio of earmarked assets created by Company subsidiaries to cover their future cleanup and dismantling expenses.

To this end, the Committee, upon presentation by the Company of relevant documents including a Management Charter, shall assess, in accordance with a multi-year schedule, the future cleanup and dismantling expenses of the group companies concerned, review the terms and conditions for the constitution, functioning and control of funds earmarked to cover said expenses within these companies and the management policy applicable to the corresponding assets. These points form the basis of opinions and recommendations made by the committee to the Board of Directors, summarized in an annual document provided thereto with a view to preparing its report to the General Meeting.

The Committee may work together with the financial advice institutions chosen by the companies responsible for the management of the funds, subject to committee approval.

During the 2020 financial year, the End-of-Lifecycle Obligations Monitoring Committee met five times with an average attendance rate of 100%.

It examined the following topics in particular:

- changes in estimates and end-of-lifecycle liabilities and their financing at the half-year close and end of the 2020 financial year;
- the performance, the investment strategy of dedicated assets, the investments to be made during the financial market crisis linked to Covid-19 and the coverage ratio of liabilities by earmarked assets throughout the year and at the end of 2020;
- the update of Orano's earmarked asset management policy and its governance;
- revision of the 2020-2029 financial trajectory for end-of-lifecycle operations (liabilities, end-of-lifecycle operating risks, financial assumptions and scenarios);
- the report on internal control and the update on the assessment of the long-term expenses of regulated nuclear facilities and on the management of assets at December 31, 2019;
- the new decree and the new order published on July 1, 2020 relating to securing the financing of nuclear expenses;
- the progress of the changes to Orano Cycle's legal structure and its impact on the organization and management of EOLs;
- the follow-up letters received from the administrative authority, and the draft replies from Orano;
- the analysis of the report of the Court of Auditors published in February 2020 on the shutdown and dismantling of nuclear facilities;
- the review of the dashboard of end-of-lifecycle projects in progress at each of the Committee's meetings;
- the status of the EOL performance plan; and
- the status of two projects in progress at each Committee meeting.

5.1.2.5 Composition of the committees

A summary table of the committees of the Company's Board of Directors and their composition as of the date of this report is provided below.

First and last names	Audit and Ethics Committee	Compensation and Nominating Committee	Strategy and Investments Committee	Commercial Proposals Committee (restricted SIC)	End-of-Lifecycle Obligations Monitoring Committee
Claude IMAUVEN	PG	n/a	X Chair	X Chair	n/a
Philippe KNOCHE	PG	n/a	n/a	n/a	n/a
Bernard BASTIDE	n/a	X	X	n/a	n/a
Philippe BRAIDY	n/a	n/a	n/a	n/a	n/a
François DELATTRE	n/a	n/a	X	X	n/a
Alexia DRAVET	X	n/a	n/a	n/a	X
François JACQ	n/a	n/a	X	X	n/a
Anne-Sophie LE LAY	X	n/a	n/a	n/a	n/a
Patrick PELATA	n/a	n/a	n/a	n/a	n/a
Marie-Hélène SARTORIUS	X Chair	X	n/a	n/a	X
Cécile SELLIER	n/a	n/a	n/a	n/a	X
Marie-Solange TISSIER	X	X Chair	n/a	n/a	X Chair
Bruno VINCENT	X	X	X	X	X

n/a: not applicable; PG: permanent guest.

5.1.3 Other committees

In accordance with the provisions of the Shareholders' Agreement, an Advisory Committee was created on July 27, 2017. This committee, which plays an advisory and consultative role, may submit proposals concerning the group's strategy, particularly in relation to its international development policy.

The Advisory Committee met four times during the 2020 financial year.

In accordance with the recommendations of the Afep-Medef Code (Article 4.4), the Chairman of the Board is responsible for the relations between shareholders and the Board of Directors. At meetings of the Advisory Committee (instituted by the Shareholders' Agreement), the Chairman of the Board regularly holds a special dialogue with the Company's key shareholders and reports on the missions of the Board.

Presentations made regularly to the Advisory Committee include, but are not limited to, the following topics:

- business highlights;
- on-going strategic and commercial projects;
- the budget;
- the strategic action plan; and
- the annual and half-year results.

The group's draft purpose was also presented to the Advisory Committee in 2020.

5.1.4 Executive corporate officers

5.1.4.1 Executive Management arrangements

On July 27, 2017, at the end of the General Meeting that reshuffled the group's governance, the Board of Directors acknowledged the appointment by decree of Philippe KNOCHE as Chief Executive Officer.

Following the resignation of Philippe VARIN on May 14, 2020, following the written consultation of the shareholders, the Board of Directors elected Claude IMAUVEN as Chairman of the Board of Directors.

The separation of the functions of Chairman of the Board and Chief Executive Officer was reaffirmed by the Board of Directors on May 14, 2020. The aim of this separation of functions is to create a clear distinction between the strategic, decision-making and control duties of the Chairman of the Board of Directors and the operational and executive duties of the Chief Executive Officer. It is also designed to improve the functioning of the Board of Directors through the presence of one person dedicated to chairing the Board and the balanced distribution of powers to limit the isolation of the group leader and to encourage dialogue between peers.

Furthermore, as a member of the Board of Directors, the Chief Executive Officer participates in the determination of the Company's and the group's strategic directions.

The powers of the Chairman of the Board of Directors and the Chief Executive Officer are described in Section 5.1.4.2 below.

5.1.4.2 Powers of the executive corporate officers

5.1.4.2.1 Chairman of the Board of Directors

The Chairman represents the Board of Directors and, other than in exceptional circumstances, is the sole person authorized to act and speak on behalf of the Board of Directors.

In coordination with the Company's Executive Management, the Chairman may take part in defining the group's strategic directions and may represent the group in France and abroad in its relations with public officials and the group's partners.

The Chairman organizes and manages the work of the Board of Directors and ensures the smooth functioning of the Company's bodies in compliance with the principles of good governance. He coordinates the work of the Board of Directors with that of the Board's committees.

He ensures that the directors, the Head of the Control Mission, and the Government Commissioner and, where applicable, the non-voting member(s), have, in good time and in a clear and appropriate format, the information they require to carry out their responsibilities.

The Chairman provides liaison between the Board of Directors and the Company's Shareholders, in concert with Executive Management.

The meetings of the Board of Directors are chaired by the Chairman, who leads the discussions, or, in his absence, by a member of the Board of Directors designated at the beginning of the meeting by a simple majority of the members present.

5.1.4.2.2 Chief Executive Officer

The Chief Executive Officer is responsible for the Company's Executive Management and represents the Company in its relations with third parties.

The broadest powers are vested in him to act in all circumstances on behalf of the Company, subject to the powers which the law assigns to the Board of Directors and to the General Meeting, as well as the corporate governance rules applicable to the Company.

Under the terms of Article 16-2 of the Company's Articles of Association, the following transactions of the Company and its subsidiaries are subject to the prior approval of the Board of Directors:

- (a) transactions likely to impact the group's strategy and modify its financial structure or scope of activity;
- (b) insofar as they relate to an amount of more than 80 million euros:
 - (i) issues of securities by direct subsidiaries, of any nature,
 - (ii) exchanges, with or without monetary consideration, of assets, shares or securities, loans, financial liabilities, credits and advances; acquisitions or disposals, by any means, of receivables, excluding day-to-day cash transactions,
 - (iii) settlements, agreements or transactions relating to disputes;
- (c) insofar as they relate to an amount of more than 20 million euros:
 - (i) investment projects relating to the creation of a site or the extension of an existing site,

- (ii) acquisitions, extensions or disposals of equity interests in any existing or future companies,
- (iii) decisions to set up new, or close down, existing locations in France or abroad,
- (iv) acquisitions of buildings.

Exceptionally, and unless the Chairman of the Board of Directors requests otherwise, the transactions referred to under (a), (b) and (c) above are not subject to the prior approval of the Board of Directors when they are carried out between companies of the group.

On December 17, 2020, the Board of Directors delegated its authority to the Chief Executive Officer to issue sureties, endorsements and guarantees.

5.1.5 Compensation of corporate officers

5.1.5.1 Principles and criteria for determining, distributing and allocating the compensation attributable to corporate officers

The general principles and criteria for determining, distributing and allocating the fixed, variable and exceptional elements of compensation that make up the total compensation and benefits of any kind attributable to the Chairman of the Board of Directors and to the Chief Executive Officer of the Company, on the one hand, and to the members of the Board of Directors, on the other, were approved by the Company's General Meeting on July 27, 2017, during which the Company's overall governance was reviewed, before being rolled out by the Board of Directors at its meeting held on the same day.

This policy is established in accordance with Article 3 of Decree No. 53-707 of August 9, 1953, pertaining to State control over national public companies and certain organizations with an economic or social purpose, as amended by Decree No. 2012-915 of July 26, 2012, subjecting to ministerial authorization the amount of compensation paid out to corporate officers and capping the compensation of senior executives at 450,000 euros gross.

No element of compensation of any nature whatsoever may be determined, allocated, or paid by the Company if it does not comply with this policy.

The Company's compensation policy and the manner in which it is implemented by the Board is reviewed each year by the Compensation and Nominating Committee, which verifies that such policy complies with and remains in the corporate interest of the Company and its employees, and contributes to the sustainability, business strategy and long-term performance of the Company. If necessary, the Compensation and Nominating Committee may submit recommendations to the Board, for approval, where appropriate, by the General Meeting.

Under the terms of Order No. 2019-1234 of November 27, 2019 on the compensation of corporate officers of listed companies and for the purposes of transparency and good governance, the Board of Directors of February 27, 2020 decided for the first time, in accordance with this order, to adopt a global compensation policy for the Company's corporate officers. The Board of Directors meeting of February 25, 2021 confirmed this practice for financial year 2021.

Although the elements of this policy are no longer subject to the prior approval of the General Meeting pursuant to Article L. 22-10-10 of the French Commercial Code, Orano has chosen to submit them to the approval of the General Meeting to be held on May 27, 2021⁽¹⁾. The terms and elements of this policy appears in Chapter 7, Section 7.10 of this group Annual Activity Report.

In December 2020, the Compensation and Nominating Committee reviewed the compensation policy for corporate officers, including the components of compensation allocated to members of the Board of Directors and the components of compensation for executive corporate officers. On the recommendation of the Compensation and Nominating Committee, on December 17, 2020, the Board of Directors decided to renew the 2020 compensation policy for corporate officers for the financial year 2021 while adding the possibility of awarding the Chief Executive Officer exceptional compensation in the event of a significant development of the Orano group's activities that would not already be taken into account as part of his annual objectives (this compensation may not exceed 10,000 euros gross and is paid within the legal ceiling).

5.1.5.2 Compensation allocated to the members of the Board of directors

The general principles setting out the compensation allocated to the members of the Company's Board of Directors were defined by the Company's General Meeting of July 27, 2017, and were implemented by the Board of Directors the same day (upon the recommendation of the Compensation and Nominating Committee of AREVA SA on July 26, 2017, since there was no such committee in the Company at that time). The resulting policy, which is compliant with the French Commercial Code and the Afep-Medef Code, remains applicable until the Board decides otherwise.

It is reviewed each year by the Compensation and Nominating Committee. This policy has not been amended since its adoption.

In accordance with the current regulations, the following summary tables present the compensation and benefits of any kind received by each of the corporate officers over the course of the financial year from controlled companies within the meaning of Article L. 233-16 or from the controlling company, within the meaning of the same article, the Company in which the term of office is held.

(1) See Section 5.1.5.5 below.

5.1.5.2.1 Principles of the compensation allocated to the directors

The General Meeting of July 27, 2017 set the total amount of compensation allocated to the members of the Board of Directors for the calendar year at 600,000 euros, including the amounts paid to the independent directors for their attendance at meetings of the Advisory Committee.

The members of the Board of Directors are entitled to fixed compensation in consideration of their duties as Director and variable compensation according to their effective attendance at Board meetings and, where applicable, meetings of Committees (or meetings of the Restricted Committee) of which they are a member. The distribution of the compensation allocated has been designed so that the variable part of the Board members' overall compensation shall be dominant, particularly for those participating in a Board of Directors' committee. Moreover, the Board may allocate additional compensation to those directors residing outside of France to take account of the travel constraints involved.

Amounts for meetings of the Board:

- a)** a flat annual fee intended to reflect the responsibility attached to the appointment, which fee may be withheld in the event of repeated absences. This fee was set at 10,000 euros for the 2020 financial year (the same amount as for subsequent years);
- b)** the amount of 1,500 euros per meeting;

Amounts for meetings of the committees of the Board (including the Restricted Committee and non-permanent committees):

- a)** the amount of 3,000 euros per meeting for the Chairman of the Audit and Ethics Committee;
- b)** the amount of 2,500 euros per meeting for each Committee Chairman (including the Restricted Committee and non-permanent Committees);
- c)** the amount of 1,500 euros per meeting for each Committee member, other than the Committee Chairman (including the Restricted Committee and non-permanent Committees).

With regard to members residing outside of France, the amounts indicated in points 1 b) and 2 are doubled when they attend meetings physically.

Payment will be made within 45 days of the end of the financial year.

Directors attending a meeting of the Board of Directors or of a Committee via teleconferencing or videoconferencing shall receive compensation equivalent to half of the compensation paid to a Director resident in France and physically attending the meeting.

As an exception, if the Board of Directors meets on the same date as the General Meeting, either before or after said meeting, the total compensation equivalent to a single session will be paid in respect of the two sessions.

Moreover, each Director is entitled to reimbursement, on presentation of receipts, of reasonable travel expenses incurred in carrying out his or her duties.

It is not stipulated that the non-voting member(s) be compensated for their duties.

In accordance with Article 3 of Decree No. 53-707 of August 9, 1953, these compensation components were approved by a ministerial decision dated September 7, 2017.

5.1.5.2.2 Exceptions

In accordance with their request to the Board, the Board of Directors decided that:

- Claude IMAUVEN (in respect of his term of office as Chairman of the Board and from May 14, 2020), Philippe KNOCHE, François JACQ and Philippe SOULIÉ (Directors until June 29, 2020) and Philippe BRAIDY (Director since October 29, 2020) will not receive any compensation as directors for the year 2020;
- the compensation received by Alexia DRAVET and Bernard BASTIDE, as directors representing employees, shall be paid to their labor unions;
- the compensation paid to the representative of the French State and/or members of the Board nominated pursuant to a proposal of the French State and having the status of public officials, shall be paid directly to the French State as provided for under Articles 5 and 6 of Order No. 2014-948 of August 20, 2014.

SUMMARY OF THE COMPENSATION ALLOCATED TO THE DIRECTORS FOR THE 2020 FINANCIAL YEAR

Members of the Board of Directors ⁽¹⁾	Fixed component (in euros)	Variable component (in euros)	Variable component (in %)	2020 Total (in euros)
Claude IMAUVEN ⁽²⁾	3,750	16,500	81%	20,250
Philippe BRAIDY (since October 29, 2020) ⁽³⁾	-	-	-	-
François DELATTRE	10,000	15,750	61%	25,750 ⁽⁶⁾
Anne-Sophie LE LAY ⁽⁴⁾ (since June 30, 2020)	5,000	7,500	60%	12,500
François MESTRE (until May 13, 2020)	3,750	3,000	44%	6,750 ⁽⁶⁾
Patrick PELATA	10,000	7,500	43%	17,500
Marie-Hélène SARTORIUS	10,000	44,250	82%	54,250
Cécile SELLIER ⁽⁵⁾	6,250	6,000	49%	12,250
Marie-Solange TISSIER	10,000	36,500	78%	46,500 ⁽⁶⁾
French State represented by Bruno VINCENT	10,000	42,750	81%	52,750 ⁽⁶⁾
Catherine DEIANA	3,333.33	6,750	67%	10,083.33 ⁽⁷⁾
Bernard BASTIDE	6,666.67	18,000	73%	24,666.67
Alexia DRAVET	10,000	20,250	67%	30,250 ⁽⁷⁾
TOTAL	88,750	224,750	72%	313,500

(1) List of the members of the Board of Directors who received compensation allocated for the 2020 financial year Philippe VARIN, Philippe KNOCHE, François JACQ, Philippe SOULIÉ and Philippe BRAIDY were not paid compensation for the 2020 financial year as members of the Board of Directors. Since May 14, 2020, at the request of the Board of Directors, Claude IMAUVEN, Chairman of the Board, no longer receives compensation as Director.

(2) Compensation received by Claude IMAUVEN in respect of his office as Director from January 1, 2020 to May 13, 2020.

(3) Philippe BRAIDY was co-opted by the Board of Directors as a Director, replacing Philippe SOULIE. Philippe Braidy did not wish to receive compensation for his contribution to the work and meetings of the Board and its committees and attendance at their meetings as Director.

(4) Anne-Sophie LE LAY was co-opted by the Board of Directors as an independent Director, replacing Philippe VARIN.

(5) Cécile SELLIER was appointed by the shareholders of the Company in a written consultation on May 14, 2020.

(6) The compensations allocated to François MESTRE, François DELATTRE, Bruno VINCENT, Marie-Solange TISSIER, and Cécile SELLIER for their roles as representatives of the French State and/or members of the Board of Directors nominated upon proposal of the French State and as public officials, are paid by Orano directly to the French State's general budget.

(7) The compensations allocated to Catherine DEIANA, Alexia DRAVET and Bernard BASTIDE (appointed to replace Catherine DEIANA following her resignation), directors representing employees, are paid by Orano to their labor unions.

The compensation policy for directors provides that a Director attending a meeting by teleconference or videoconference receives compensation equivalent to half of the compensation paid to a Director residing in France who attended in person. Given the number of meetings held remotely in 2020 due to the health crisis, the variable component allocated to directors for the 2020 financial year was reduced, thus making the variable component as a percentage of the directors' compensation artificially low.

The directors representing employees hold an employment contract with Orano Recyclage in the case of Bernard BASTIDE and Orano Chimie-Enrichissement in the case of Alexia DRAVET and receive compensation that is not related to the performance of their office. Accordingly, this compensation is not published.

5.1.5.3 Compensation of the executive corporate officers

5.1.5.3.1 Compensation of the CEO

On July 27, 2017, the Board of Directors decided, based on a recommendation from the Compensation and Nominating Committee, that Philippe KNOCHE would receive the following compensation in respect of his position as Chief Executive Officer, and this for his entire term of office:

- a gross annual fixed compensation of 420,000 euros;
- an annual variable portion based on the achievement of objectives approved for each financial year by the Board of Directors. This variable compensation may not exceed the gross amount of 30,000 euros; and
- an annual benefit in kind in the form of a company car, with a value as at July 27, 2017 of 4,416 euros ⁽¹⁾.

(1) The value of this company car is adjusted annually. It was 4,488 euros in 2019 and is estimated at 4,500 euros for 2020.

It should also be noted that the Company does not offer any performance share plans, stock option plans or share option plans, either for directors or for Company employees.

These components of compensation are compliant with Decree No. 53-707 of August 9, 1953, as amended by Decree No. 2012-915 of July 26, 2012 on the French State's control over the compensation of directors of public companies. They have not been changed since they were set on July 27, 2017.

This recommendation was renewed for 2021 by the Compensation and Nominating Committee and confirmed by the Board of Directors of the Company on February 25, 2021.

On the recommendation of the Compensation and Nominating Committee, the Board of Directors meeting of February 25, 2021 set the objectives for 2021 to determine the variable portion for Philippe KNOCHE and, where applicable, his severance payments. The quantitative targets have been strengthened for 2021, at 62.5% (compared to 60% in 2020). The qualitative objectives were consequently reduced to 37.5% for 2021 (compared to 40% for 2020). The objectives of the Chief Executive Officer have also been restructured on the basis of the collective and individual objectives of the members of the Executive Committee. Thus, among the qualitative objectives are the development of new activities, the development of the skills of the group's employees, the continuation of actions for the acceptability of nuclear energy with

the internal and external public (these objectives are of an individual nature) and, finally, an objective related to the deployment of the group's CSR approach (this objective is collective in nature). The quantitative objectives include safety and security, net cash flow, operating income, production results and commercial objectives (these objectives are all collective in nature).

On the recommendation of the Compensation and Nominating Committee, the Board of Directors meeting of February 25, 2021 also determined the variable portion for Philippe KNOCHE related to his Chief Executive Officer mandate for 2020. The Board of Directors decided not to amend the objectives that were set before the Covid-19 sanitary crisis. The Board thus acknowledged, with regret, that the variable portion attributed to Philippe KNOCHE is not related to his excellent achievements as Chief Executive Officer during the crisis and has reminded him of its full support.

The variable part of Philippe KNOCHE's compensation is subject to the approval of the Minister of the Economy, in accordance with the provisions of Article 3 of Decree No. 53-707 of August 9, 1953 as amended concerning the control of the French State over domestic public sector companies and certain organizations with an economic or social purpose. As such, the variable compensation was approved for 2019 by a ministerial decision dated May 15, 2020.

Philippe KNOCHE does not have an employment contract.

The table below presents the gross compensation components owed to or received by Philippe KNOCHE in respect of his duties as Chief Executive Officer of the Company for the financial year and financial year N-1:

(in euros)	Summary of the compensation and benefits (gross) for Philippe KNOCHE			
	Financial year ended December 31, 2019		Financial year ended December 31, 2020	
	Amounts awarded ⁽¹⁾	Amounts paid ⁽²⁾	Amounts awarded ⁽¹⁾	Amounts paid ⁽²⁾
Orano corporate officer				
Fixed compensation	420,000	420,000	420,000	420,000
Variable compensation	24,000	26,400 ⁽³⁾	20,730	24,000 ⁽⁴⁾
Exceptional compensation	n/a	n/a	n/a	n/a
Compensation allocated for the term of office as Director	n/a	n/a	n/a	n/a
Benefits in kind (Company vehicle)	4,488	4,488	4,500	4,500
TOTAL	448,488	450,888	445,230	458,500

(1) Compensation awarded for the financial year, regardless of the payment date. The annual variable compensation for the 2020 financial year will be paid in 2021, subject to the approval of the shareholders at the Annual General Meeting of May 27, 2021 and the approval of the Minister of the Economy.

(2) Total compensation paid during the financial year.

(3) Variable compensation paid by Orano in 2019 for 2018.

(4) Variable compensation paid by Orano in 2020 for 2019 after shareholders' approval by written consultation on May 14, 2020 and ministerial decision on May 15, 2020.

SEVERANCE AND NON-COMPETITION PAYMENTS

	Employment contract	Supplemental retirement benefits	Compensation or benefits due or likely to be owed due to the cessation or change in duties, including payments relative to a non-competition clause
Executive corporate officer	Yes	No	Yes
Name: Philippe KNOCHE		X	
Position: Chief Executive Officer			X
Start of term of office: July 26, 2017			X ⁽¹⁾
End of term of office: 2022 GM			

(1) With the exceptions below.

Severance payments

The Board of Directors, at its meeting on July 27, 2017, following a proposal from the Compensation and Nominating Committee, decided to put an end to the commitments made by the Company regarding payments or benefits due or liable to be due to Philippe KNOCHE, Chief Executive Officer, as a result of his duties being terminated or changed during his term of office, under the following conditions:

Philippe KNOCHE may be granted a severance payment capped at twice the total amount of his annual compensation on the date of cessation of his duties.

If Philippe KNOCHE (i) wishes to exercise his right to retire shortly after the end of his term, regardless of the reason, even if constrained to do so, or (ii) occupies another position within the group, he shall not be entitled to a severance payment.

The aforementioned severance payment shall only be paid in the event of the dismissal of Philippe KNOCHE due to a change in control or strategy, it being understood that this shall not be paid in the event of dismissal for just cause.

This payment shall also be subject to performance conditions, in accordance with the following criteria:

- if the rate of fulfillment of the quantitative and qualitative objectives set for the last two full financial years averages out to at least 60%, the severance payment shall automatically be paid;
- if the rate of fulfillment of the quantitative and qualitative objectives set for the last two full financial years averages out to less than 60%, the Board of Directors shall appraise the performance of the person in question in view of the circumstances that affected the operation of the Company during the financial year ended.

The performance objectives shall be approved every year by the Board of Directors of the Company.

Non-competition compensation

The Board of Directors may decide to grant Philippe KNOCHE compensation in return for a non-competition clause. The amount of this compensation shall be deducted from the amount of the severance payment granted, where applicable, to Philippe KNOCHE in accordance with the above conditions. In the absence

of any severance payment, the amount of the non-competition compensation shall be set by the Board of Directors in accordance with usual practices.

Any severance payment and/or non-competition compensation must be approved in advance by the Minister for the Economy pursuant to the aforementioned Article 3 of Decree No. 53-707 of August 9, 1953.

Pensions and retirement benefits

No defined-benefit supplemental retirement plans have been subscribed by the Company on behalf of Philippe KNOCHE. He is eligible for the supplemental retirement plans applicable to the Company's management personnel.

Unemployment insurance

A Medef unemployment insurance policy has been taken out with the GSC (Garantie sociale des chefs et dirigeants d'entreprise) in favor of Philippe KNOCHE. 70% of the contributions to this policy are paid by the Company and 30% by the beneficiary.

5.1.5.3.2 Compensation of the Chairman of the Board of Directors

Philippe VARIN was appointed Chairman of the Board of Directors of the Company by decision of the Board of Directors on July 27, 2017 and his term of office ended following his resignation on May 14, 2020.

Claude IMAUVEN was appointed Chairman of the Board of Directors of the Company by decision of the Board of Directors on May 14, 2020.

Based on a recommendation from the Compensation and Nominating Committee, the Board of Directors, at its meeting of July 27, 2017, decided to set Philippe VARIN's gross fixed compensation at 120,000 euros per year for the duration of his term of office.

This recommendation was renewed for 2021 by the Compensation and Nominating Committee and confirmed by the Board of Directors of the Company on February 25, 2021.

Philippe VARIN does not receive any variable compensation. Claude IMAUVEN has not received variable compensation for his office since his election as Chairman of the Board.

The table below presents the gross compensation owed to or received by Philippe VARIN in respect of his duties as Chairman of the Board of Directors of the Company for the financial year and financial year N-1:

(in euros)	Summary of the compensation and benefits (gross) of Philippe VARIN through May 14, 2020			
	Financial year ended December 31, 2019 ⁽¹⁾		Financial year ended December 31, 2020 ⁽¹⁾	
Orano corporate officer	Amounts due ⁽¹⁾	Amounts paid ⁽²⁾	Amounts due ⁽¹⁾	Amounts paid ⁽²⁾
Fixed compensation	120,000	120,000	44,762	44,762
Variable compensation	n/a	n/a	n/a	n/a
Exceptional compensation	n/a	n/a	n/a	n/a
Compensation allocated for the term of office as Director	n/a	n/a	n/a	n/a
Benefits in kind	n/a	n/a	n/a	n/a
TOTAL	120,000	120,000	44,762	44,762

(1) Compensation due for the financial year, regardless of the payment date.

(2) Total compensation paid during the financial year.

SEVERANCE PAYMENTS AND NON-COMPETITION COMPENSATION

Philippe VARIN did not receive a severance payment or non-competition compensation when he resigned on May 14, 2020.

	Employment contract	Supplemental retirement benefits		Compensation or benefits due or likely to be owed due to the cessation of or change in duties, including payments relative to a non-competition clause		
		Yes	No	Yes	No	Yes
Executive corporate officer						
Name: Philippe VARIN		X		X		X
Title: Chairman of the Board of Directors						
Start of term of office: July 27, 2017						
End of term of office: May 14, 2020						

The table below shows the gross compensation due or received by Claude IMAUVEN for his duties as Chairman of the Board of Directors of the Company during the financial year from May 14, 2020 *:

(in euros)	Summary of the compensation and benefits (gross) of Claude IMAUVEN since May 14, 2020			
	Financial year ended December 31, 2019 ⁽¹⁾		Financial year ended December 31, 2020 ⁽¹⁾	
Orano corporate officer	Amounts due ⁽¹⁾	Amounts paid ⁽²⁾	Amounts due ⁽¹⁾	Amounts paid ⁽²⁾
Fixed compensation	n/a	n/a	75,238	75,238
Variable compensation	n/a	n/a	n/a	n/a
Exceptional compensation	n/a	n/a	n/a	n/a
Compensation allocated for the term of office as Director	n/a	n/a	n/a	n/a
Benefits in kind	n/a	n/a	n/a	n/a
TOTAL	N/A	N/A	75,238	75,238

* The compensation of Claude IMAUVEN as Director from January 1, 2020 to May 13, 2020 is discussed in paragraph 5.1.5.2.2 of this chapter.

(1) Compensation due for the financial year, regardless of the payment date.

(2) Total compensation paid during the financial year.

SEVERANCE AND NON-COMPETITION PAYMENTS

Claude IMAUVEN does not receive any severance payment or non-competition payment.

	Employment contract		Supplemental retirement benefits		Compensation or benefits due or likely to be owed due to the cessation of or change in duties, including payments relative to a non-competition clause	
	Yes	No	Yes	No	Yes	No
Executive corporate officer						
Name: Claude IMAUVEN		X		X		X
Title: Chairman of the Board of directors						
Date of start of Director's term:						
July 27, 2017						
End of term of office: 2022 GM						

5.1.5.4 Compensation ratios

Article L. 22-10-9, 6° and 7° of the French Commercial Code requires that companies whose shares are admitted to trading on a regulated market to present in the corporate governance report the ratios between the level of compensation of the Chairman of the Board and the Chief Executive Officer and the average and median compensation of employees, as well as the annual change in compensation, the Company's performance, the average compensation of the Company's employees and ratios over the last five financial years.

Although Orano SA is not subject to these legal provisions, for the purposes of transparency and good governance and in accordance with the provisions of Article 26.2 of the Afep-Medef Code, the Company (given the very small number of employees at the parent company) decided to publish these equity ratios from 2020 by consolidating the data of its French subsidiaries ("relevant scope") within the meaning of Article L. 233-16 II of the French Commercial Code. In view of the fact that the Orano group was created during 2017, for the sake of clarity, the ratios are presented by full calendar year for the last three financial years of the Company (2018, 2019 and 2020).

The ratios of the Orano group for the France scope (*i.e.* the difference between the compensation of the Chairman of the Board of Directors/Chief Executive Officer of Orano SA and the average and median salary of the employees of the French subsidiaries) were calculated, on the basis of the recommendations of the Afep-Medef Code (Article 26.2) and the Guidelines on compensation multiples published on January 28, 2020 by Afep, as follows:

- for the calculation of the numerator of these ratios, the compensation taken into account for the Chairman of the Board of Directors and the Chief Executive Officer for each financial year consists of the compensation and benefits of any kind paid or granted during financial year N, on a gross basis. For Orano

SA, this remuneration includes: the fixed portion; the variable part paid during year N for year N-1 (only for the Chief Executive Officer of Orano SA); exceptional compensation paid during year N (the Chairman and Chief Executive Officer do not receive this type of compensation); compensation (former attendance fees) as soon as it was received by the executive officer, paid during year N in respect of N-1 (the Chairman of the Board and the Chief Executive Officer waived their compensation in respect of their term of office as Director); benefits in kind, valued for year N (in this case the Company car allocated to the Chief Executive Officer). (*It should be noted that signing bonuses, severance payments and non-competition compensation, insofar as they were paid during the financial year in question, are not taken into account.*);

- for the calculation of the denominator of these ratios, the population taken into account is that of employees under permanent employment contracts, on a full-time equivalent basis, present throughout the financial year in question within the consolidated France scope. The compensation of the population defined above, taken into account for each financial year, consists of remuneration and benefits of any kind paid or granted during year N, on a gross basis. For the sake of consistency, the items included in the compensation of employees correspond to those included in the numerator for the executive corporate officers of Orano SA, namely: the fixed portion; the variable portion paid during year N in respect of year N-1; where applicable, the exceptional compensation paid during year N; profit-sharing, incentives, etc.; benefits in kind (valued). (*As for executive corporate officers, severance payments and non-competition compensation, insofar as they were paid during the financial year in question, are not taken into account.*)

The elements taken into account for this calculation are identical to those taken for the calculation of group profit-sharing.

Chairman of the Board of Directors ⁽¹⁾	2018	2019	2020
Ratio compared to the average compensation of employees	2.31	2.26	2.28
<i>Change compared to the previous financial year</i>	-	-4.60%	+1.01%
Ratio compared to the median compensation of employees	8.63	8.48	8.52
<i>Change compared to the previous financial year</i>	-	-4.47%	+1.48%

(1) Philippe VARIN was Chairman of the Board of Directors until May 14, 2020 and Claude Imauen as from that date. This change of Chairman of the Board of Directors did not result in a change to the amount of annual compensation allocated to this position.

Chief Executive Officer	2018	2019	2020
Ratio compared to the average compensation of employees	2.58	2.51	2.55
<i>Change compared to the previous financial year</i>	-	-3.88%	+0.47%
Ratio compared to the median compensation of employees	9.62	9.43	9.52
<i>Change compared to the previous financial year</i>	-	-3.75%	+0.94%

	2019/2018	2020/2019
Change in the gross compensation of the Chairman of the Board	0	0
Change in the gross compensation of the Chief Executive Officer	+0.75%	+0.53%
Change in operating income	-9.48%	-8.76%
Change in net cash flow	+38.6%	+8.68%
Change in the average compensation of employees present over two consecutive financial years	+4.83%	-1%

5.1.5.5 Shareholder consultation on the compensation of the executive corporate officers

Although Orano is no longer subject to the obligation to approve the principles and criteria for determining, distributing and allocating the fixed, variable and exceptional components of the total compensation and benefits of any kind attributable to the Chairman of the Board of Directors and the Chief Executive Officer of the Company since the adoption of Order no. 2019-1234 of November 27, 2019 and the revised Afep-Medef Code of January 30, 2020, Orano decided, for the purposes of transparency and good governance, to voluntarily continue this *ex ante* and *ex post* approval practice for the compensation policy and the components of the compensation of its executive corporate officers, and to include those of its other corporate officers, members of the Board of Directors, in line with the principles applicable to listed companies.

Thus, the General Meeting, ruling under the quorum and majority required for Ordinary General Meetings, after having reviewed the Board of Directors' report, approves each year the principles and criteria for determining, distributing and allocating the fixed, variable and exceptional components of the total compensation and benefits of any kind, attributable to the Chairman of the Board of Directors and the Chief Executive Officer of the Company, in respect of their respective offices, as presented in the report included in the corporate governance report included in Section 5.1.5.3.

In application of this practice, the shareholders of Orano approved by written consultation on May 14, 2020, according to the principles of *ex ante* and *ex post* voting principles, the compensation policy for corporate officers for 2020, as well as the elements of the variable compensation of Philippe KNOCHE for 2019. The resolutions concerning these votes were adopted unanimously.

All these elements will also be submitted for approval to the General Meeting scheduled to be held on May 27, 2021.

5

5.1.6 Corporate Governance Reference Code

Following a decision of the Board of Directors on July 27, 2017, the Company voluntarily refers to the "Code of Corporate Governance for Publicly Traded Companies" developed jointly by Afep and Medef in December 2008 and last revised in January 2020 (Afep-Medef Code).

Pursuant to the "apply or explain" principle laid down in Article L. 22-10-10, 4° of the French Commercial Code, the Company explains below the reasons why it deviated from the following recommendations of the Afep-Medef Code:

Relevant Afep-Medef recommendation	Exception	Explanation or corrective action taken
The Afep-Medef Code recommends that: <ul style="list-style-type: none">• the proportion of independent directors on the Audit Committee be at least equal to two-thirds;• the committee in charge of compensation and nominations consist of a majority of independent directors and that the committee be chaired by an independent director (Articles 16, 17 and 18 of the Code).	<ul style="list-style-type: none">• The Audit and Ethics Committee is not two-thirds composed of independent directors.• The Compensation and Nominating Committee is composed of a majority of directors nominated by the French State and includes one salaried Director. It is not chaired by an independent Director.	These recommendations are not suited to the Company, considering the structure of its share ownership and the resulting composition of the Board of Directors.
The Afep-Medef Code recommends that the members of the Board of Directors hold a relatively significant number of shares and that the executive corporate officers hold a "minimum number of shares" (Articles 20 and 23 of the Code).	The Company's Articles of Association and the rules of procedure of the Board of directors do not require Board members to hold a relatively significant number of shares. In addition, the Board of Directors has not set the number of shares that must be held by the executive corporate officers until the end of their term of office.	These recommendations are not suited to the Company, considering the structure of its share ownership and the resulting composition of the Board of Directors. Moreover, because the Company's shares are not listed, the need for alignment of interests in terms of share performance (which is the reason for this recommendation) does not apply. Likewise, since no stock options or free shares are allocated to the executive corporate officers, the recommendation to retain some of the shares thus obtained is not relevant.

5.1.7 General Meetings

5.1.7.1 Shareholder attendance at General Meetings

In accordance with Chapter V of the Company's Articles of Association, General Meetings are convened and vote in accordance with the conditions provided by law.

A duly convened General Meeting shall be deemed to represent all shareholders.

Resolutions of the General Meeting adopted in compliance with the law and with the Articles of Association are binding on all shareholders, including absent, dissenting or incapable shareholders.

Any shareholder may attend General Meetings in person or by proxy under the conditions prescribed by law upon presenting proof of his or her identity and evidence of the registration of his or her shares on the day of the General Meeting in the registered share account maintained by the Company.

In the event of a subdivision of share ownership, only the voting right holder may attend or be represented at the General Meeting.

Joint owners of undivided shares are represented at the General Meeting by one of them or by a single proxy who shall be designated, in the event of disagreement, by order of the President of the Commercial Court in an urgent ruling at the request of any of the joint owners.

Any shareholder may be represented by another shareholder, by his or her spouse, or by the partner with which he or she has signed a civil solidarity pact.

The General Meeting is chaired by the Chairman of the Board of Directors. In the absence of the latter, the meeting elects its own Chairman.

In the event that the General Meeting is convened by the Statutory Auditor(s), by a court-appointed receiver or by the liquidators, the meeting is chaired by the person or by one of the persons who convened it.

The two members of the General Meeting who hold the largest number of votes fulfill, if they so accept, the duties of vote teller.

The meeting committee thus constituted appoints a Meeting Secretary, who may come from outside the members of the General Meeting.

An attendance sheet maintained in accordance with the regulatory conditions is signed by the shareholders present or their representatives and certified to be accurate by the members of the committee.

The meeting committee ensures the functioning of the General Meeting, but its decisions may, at the request of any member of the General Meeting, be subject to the sovereign vote of the General Meeting itself.

Resolutions of General Meetings are recorded in minutes signed by the members of the meeting committee and prepared in a special register kept at the registered office, with a serial mark and initialed per the conditions stipulated in the applicable regulations.

5.1.7.2 Delegations granted to the Board of Directors by the General Meeting of Shareholders pursuant to Article L. 225-37-4 of the French Commercial Code

As of the date of this report, the General Meeting has granted no delegation for capital increases to the Board of Directors pursuant to Articles L. 225-129-1 and L. 225-129-2 of the French Commercial Code.

5.1.8 Agreements referred to in Article L. 225-37-4 of the French Commercial Code

No agreement was signed during the 2020 financial year, directly or through a third party, between the Chairman and Chief Executive Officer, one of the directors or one of the shareholders holding a share of more than 10% of the Company's voting rights, and another company of which the Company owns, directly or indirectly, more than half of the share capital.

5.1.9 Elements liable to have an impact in the event of a public offer

Since the Company's shares are not admitted for trading on a regulated market, they cannot be subject to a public tender offer or public exchange offer. Furthermore, the redemption of the Company's publicly traded bonds cannot lead to a change of control of Orano. Consequently, the provisions of Article L. 22-10-11 of the French Commercial Code requiring the description of elements liable to have an impact in the event of a public offer are not applicable. Moreover, the items listed in sub-sections 1 to 10 of Article L. 22-10-11 of the French Commercial Code have already been described and included in the Annual Activity Report or are not applicable to the Company.

5.2 Information on the share capital

5.2.1 Structure and evolution of the Company's share capital

5.2.1.1 Amount of subscribed capital

At December 31, 2020, the share capital of the Company amounted to 132,076,389 euros divided into 264,152,778 shares with a par value of 0.50 euros per share, with a double voting right.

5.2.1.2 Treasury shares and interlocking investments

None.

5.2.1.3 Share buyback programs

None.

5.2.1.4 Liens, guarantees and sureties

None.

5.2.1.5 Transactions during the financial year referred to in Article L. 621-18-2 of the French Monetary and Financial Code

None.

5.2.2 Shareholding structure and voting rights

5.2.2.1 Shareholding composition

At December 31, 2020, the Company's share capital and voting rights broke down as follows:

Shareholder	Number of shares outstanding	% of share capital and voting rights
AREVA SA	52,830,555	19.999 999 8%
French State	132,076,390	50.000 000 4%
CEA	1	0.000 000 4%
Japan Nuclear Fuel Limited	13,207,639	5.000 000 0%
Mitsubishi Heavy Industries, Ltd	13,207,639	5.000 000 0%
Natixis	26,415,277	9.999 999 7%
Caisse des Dépôts	26,415,277	9.999 999 7%
TOTAL	264,152,778	100%

As of the date of publication of this report, the breakdown of the Company's share capital and voting rights is as follows:

Shareholder	Number of shares outstanding	% of share capital	Number of voting rights	% of voting rights
AREVA SA	42,264,444	15.999 999 8%	84,528,888	16.410 256 1%
French State	142,642,501	54.000 000 3%	274,718,891	53.333 333 3%
CEA	1	0.000 000 4%	2	0.000 000 4%
Japan Nuclear Fuel Limited	13,207,639	5.000 000 0%	26,415,278	5.128 205 1%
Mitsubishi Heavy Industries, Ltd	13,207,639	5.000 000 0%	26,415,278	5.128 205 1%
Natixis	26,415,277	9.999 999 7%	51,509,792	10%
Caisse des Dépôts	26,415,277	9.999 999 7%	51,509,792	10%
TOTAL	264,152,778	100%	515,097,921	100%

5.2.2.2 Employee share ownership

In accordance with Article L. 225-102 of the French Commercial Code, we hereby inform you that neither the personnel of the Company nor that of the companies which are related to it under the meaning of Article L. 225-180 of the French Commercial Code held any interests in the share capital of the Company on the last day of the financial year.

At December 31, 2020, the Company had 2 employees.

6

FINANCIAL STATEMENTS

6.1	Consolidated financial statements – financial year ended December 31, 2020	192	6.3	Company financial statements – financial year ended December 31, 2020	265
6.2	Statutory Auditors' report on the consolidated financial statements for the financial year ended December 31, 2020	259	6.4	Statutory Auditors' report on the Company financial statements for the financial year ended December 31, 2020	290

6.1 Consolidated financial statements – financial year ended December 31, 2020

Consolidated statement of income

(in millions of euros)	Notes	December 31, 2020	December 31, 2019
REVENUE		3,684	3,787
Cost of sales		(3,100)	(2,991)
GROSS MARGIN		584	796
Research and development expense		(104)	(101)
Marketing and sales expense		(36)	(39)
General expense		(112)	(112)
Other operating income	5	235	107
Other operating expense	5	(227)	(183)
OPERATING INCOME		340	468
Share in net income of joint ventures and associates	14	15	(19)
OPERATING INCOME AFTER SHARE IN NET INCOME OF JOINT VENTURES AND ASSOCIATES		355	449
Financial income from cash and cash equivalents		19	24
Financial interest on debt	7	(163)	(222)
Cost of net debt		(144)	(198)
Other financial income		310	865
Other financial expense		(487)	(627)
Other financial income and expense	7	(177)	238
NET FINANCIAL INCOME (EXPENSE)		(321)	40
Income tax	8	(54)	(36)
NET INCOME FOR THE PERIOD		(20)	452
NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT		(70)	408
NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		50	44

Comprehensive income

(in millions of euros)	Notes	December 31, 2020	December 31, 2019
NET INCOME		(20)	452
Other items not recyclable to the statement of income		(50)	(57)
Actuarial gains and losses on employee benefits		(50)	(54)
Income tax related to non-recyclable items		0	1
Share in other non-recyclable items from joint ventures and associates, net of tax		0	(4)
Other items recyclable to the statement of income		(17)	75
Currency translation adjustments		(185)	73
Change in value of cash flow hedges		175	7
Income tax related to recyclable items		(6)	(4)
Share in other recyclable items from joint ventures and associates, net of tax		0	-
TOTAL OTHER ITEMS OF COMPREHENSIVE INCOME (NET OF INCOME TAX)	8	(66)	18
COMPREHENSIVE INCOME		(86)	470
• Attributable to owners of the parent		(120)	423
• Attributable to non-controlling interests		33	47

Consolidated statement of financial position

ASSETS

(in millions of euros)	Notes	December 31, 2020	December 31, 2019
NON-CURRENT ASSETS		18,825	18,761
Goodwill	9	1,174	1,247
Intangible assets	10	1,175	1,247
Property, plant and equipment	11	8,452	8,380
Right of use – leases	12	89	77
End-of-lifecycle assets (third party share)	13	122	121
Financial assets earmarked for end-of-lifecycle operations	13	7,561	7,471
Investments in joint ventures and associates	14	6	4
Other non-current assets	15	154	106
Deferred tax assets	8	92	109
CURRENT ASSETS		4,997	4,820
Inventories and work-in-process	16	1,388	1,511
Trade accounts receivable and related accounts	17	681	617
Contract assets	18	104	95
Other operating receivables	19	728	518
Other non-operating receivables		42	45
Current tax assets	8	40	93
Other current financial assets	15	460	448
Cash and cash equivalents	20	1,554	1,492
TOTAL ASSETS		23,822	23,582

SHAREHOLDERS' EQUITY AND LIABILITIES

(in millions of euros)	Notes	December 31, 2020	December 31, 2019
Capital		132	132
Consolidated premiums and reserves		1,301	1,370
Actuarial gains and losses on employee benefits		(244)	(195)
Unrealized gains and losses on financial instruments		160	(7)
Currency translation reserves		(186)	(18)
Equity attributable to owners of the parent		1,164	1,282
Non-controlling interests	23	(75)	(34)
EQUITY	22	1,089	1,248
NON-CURRENT LIABILITIES		12,875	12,974
Employee benefits	24	1,066	1,111
Provisions for end-of-lifecycle operations	13	8,189	8,010
Other non-current provisions	25	288	316
Share in negative net equity of joint ventures and associates	14	57	69
Non-current financial liabilities	26	3,206	3,407
Non-current lease liabilities	12	69	62
Deferred tax liabilities	8	0	0
CURRENT LIABILITIES		9,858	9,359
Current provisions	25	2,188	2,003
Current financial liabilities	26	985	746
Current lease liabilities	12	27	20
Trade accounts payable and related accounts		914	842
Contract liabilities	18	4,930	4,781
Other operating liabilities	27	784	940
Other non-operating liabilities		4	6
Current tax liabilities	8	26	20
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		23,822	23,582

Consolidated statement of cash flows

(in millions of euros)	Notes	December 31, 2020	December 31, 2019
Net income		(20)	452
Net amortization, depreciation and impairment of PP&E and intangible assets and marketable securities maturing in more than 3 months		482	531
Net increase in (reversal of) provisions	13, 24, 25	(109)	(312)
Net effect of accretion of assets and provisions		325	471
Income tax expense (current and deferred)		54	36
Net accrued interest included in cost of debt		140	197
Loss (gain) on disposal of fixed assets and change in fair value of financial assets	5, 7	(216)	(663)
Share in net income of joint ventures and associates	14	(15)	19
Dividends received from joint ventures and associates and share of income from consortiums		4	0
Other non-cash items		37	35
Cash flow from operations before interest and taxes		682	766
Net interest received (paid)		(132)	(158)
Net interest paid on lease liabilities		(3)	(2)
Income tax paid *		(50)	(48)
Cash flow from operations after interest and tax		497	559
Change in working capital requirement *	21	185	290
NET CASH FLOW FROM OPERATING ACTIVITIES		682	849
Investment in property, plant and equipment and intangible assets		(532)	(564)
Proceeds from disposals of property, plant and equipment and intangible assets		11	8
Acquisitions of shares of consolidated companies, net of acquired cash		5	(3)
Acquisitions of financial assets earmarked for end-of-lifecycle operations		(2,304)	(3,744)
Disposals of financial assets earmarked for end-of-lifecycle operations		2,418	3,625
Change in cash management financial assets	15	(5)	21
Loans granted to joint ventures and associates		(12)	0
Repayment of loans from joint ventures and associates		0	25
Acquisitions of other financial assets		(30)	(4)
Disposals of other financial assets		0	0
NET CASH FLOW FROM INVESTING ACTIVITIES		(448)	(637)
Capital increases subscribed by non-controlling interests		-	47
Transactions with non-controlling interests		-	-
Dividends paid to non-controlling interests		(75)	(3)
Repayment of lease liabilities		(20)	(15)
Increase in financial liabilities	26	492	745
Decrease in financial liabilities	26	(534)	(1,068)
Change in other financial liabilities	26	0	5
NET CASH FLOW FROM FINANCING ACTIVITIES		(137)	(290)
Effect of change in classification of non-monetary funds **			(460)
Effect of exchange rate changes		(33)	4
CHANGE IN NET CASH		64	(534)
NET CASH AT THE BEGINNING OF THE PERIOD		1,420	1,953
Net cash at the end of the period	20	1,554	1,492
(-) short-term bank facilities and non-trade current accounts in credit	26	(71)	(72)
NET CASH AT THE END OF THE PERIOD		1,484	1,420

* The comparative data as at December 31, 2019 have been restated in order to present only the cash flows for tax paid.

** Following the entry into force on January 21, 2019 of European regulation EU 2017/1131, funds classified as cash equivalents as of December 31, 2018 were reclassified in 2019 for an amount of 460 million euros in cash management financial assets.

Consolidated statement of changes in equity

(in millions of euros)	Notes	Number of shares	Capital	Consolidated premiums and reserves	Actuarial gains and losses on employee benefits	Unrealized gains and losses on financial instruments	Currency translation reserves	Total equity attributable to owners of the parent	Non-controlling interests	Total shareholders' equity
JANUARY 1, 2019		264,152,778	132	1,007	(138)	(10)	(64)	927	(204)	723
Net income for the period				408				408	44	452
Other items of comprehensive income	8				(56)	2	68	14	3	18
Comprehensive income			408	(56)	2	68	423	47	470	
Dividends paid									(3)	(3)
Other changes *				(46)		(22)	(68)	126		59
DECEMBER 31, 2019		264,152,778	132	1,370	(195)	(7)	(18)	1,282	(34)	1,248
Net income for the period				(70)				(70)	50	(20)
Other items of comprehensive income	8				(48)	167	(168)	(50)	(17)	(66)
Comprehensive income			(70)	(48)	167	(168)	(120)	33	(86)	
Dividends paid									(75)	(75)
Other adjustment				1				1		
DECEMBER 31, 2020		264,152,778	132	1,301	(244)	160	(186)	1,164	(75)	1,089

* The other changes are mainly due to the capital increase of Orano Expansion, which was unevenly subscribed by its shareholders, with a dilutive effect of KIUI, and to the creation of the company Nurlikum Mining LLC.

Notes to the consolidated financial statements for the year ended December 31, 2020

Summary of notes

NOTE 1	Significant events, estimates and judgments and accounting principles	199	NOTE 18	Contract assets and liabilities	236
1.1	Significant events of the period	199	NOTE 19	Other operating receivables	236
1.2	Estimates and judgements	200	NOTE 20	Cash and cash equivalents	237
1.3	Accounting principles	201	NOTE 21	Cash flow from operating activities	237
NOTE 2	Scope	212	NOTE 22	Equity	237
NOTE 3	Operating segments	215	NOTE 23	Non-controlling interests	238
NOTE 4	Additional information by type	218	NOTE 24	Employee benefits	239
NOTE 5	Other operating income and expenses	218	NOTE 25	Other provisions	243
NOTE 6	Breakdown of operating income/EBITDA	219	NOTE 26	Financial liabilities	244
NOTE 7	Net financial income (expense)	219	NOTE 27	Other operating liabilities	247
NOTE 8	Income tax	220	NOTE 28	Related-party transactions	247
NOTE 9	Goodwill	223	NOTE 29	Financial instruments	249
NOTE 10	Intangible assets	225	NOTE 30	Additional information on financial instruments	252
NOTE 11	Property, plant and equipment	226	NOTE 31	Off-balance sheet commitments	256
NOTE 12	Leases	227	NOTE 32	Backlog	256
NOTE 13	End-of-lifecycle operations	227	NOTE 33	Disputes and contingent liabilities	256
NOTE 14	Information on joint ventures and associates	233	NOTE 34	Statutory Auditors' fees	257
NOTE 15	Other current and non-current assets	235	NOTE 35	Events subsequent to the closing of the financial statements at December 31, 2020	258
NOTE 16	Inventories and work-in-progress	235			
NOTE 17	Trade and related accounts	236			

All amounts are presented in millions of euros unless otherwise indicated. Certain totals may have rounding differences.

Introduction

Orano is a French public limited company (*société anonyme*) with a Board of Directors domiciled in France and governed by the French Commercial Code.

The group offers products and services with high added value throughout the entire nuclear fuel cycle, from raw materials to waste treatment. Its activities, from mining to dismantling, as well as in conversion, enrichment, recycling, logistics and engineering, contribute to the production of low-carbon electricity.

Orano SA has issued debt securities admitted to trading on the Euronext Paris regulated market; in accordance with Article L. 233-16 of the French Commercial Code, it is therefore required to publish consolidated financial statements.

The consolidated financial statements of the Orano group as of December 31, 2020 have been prepared in accordance with IFRS. They were approved by the Board of Directors of Orano SA on February 25, 2021.

NOTE 1 SIGNIFICANT EVENTS, ESTIMATES AND JUDGMENTS AND ACCOUNTING PRINCIPLES

1.1 Significant events of the period

Impacts of the Covid-19 health crisis

Since the outbreak of the Covid-19 health crisis, Orano has implemented a set of measures to ensure both the health of its employees and the continuity of its customers' strategic businesses, in compliance with the directives of national and international health authorities.

The effects of the crisis are reflected in a reduction or temporary suspension of activities at certain of the group's industrial and mining sites, the temporary shutdown or significant disruption of Back End service activities, by postponement of deliveries in the Mining segment and additional costs related to pandemic protection and prevention measures (safety-related facility costs, purchase of masks for employees at all of the group's sites).

At the closing date of the consolidated financial statements, the only significant disruptions related to Covid-19 concern the group's mining activities. The Cigar Lake mine operated by Cameco and the McClean Lake mineral processing plant in Canada, which were stopped for the first time at the end of March with a resumption of production in September, were again phased out at the end of December in view of the development of the local health situation, in order to protect the northern communities living in this region. In Kazakhstan, in accordance with the health recommendations of the Turkestan region, personnel at the Katco mine sites were quarantined at the end of January 2021.

Unforeseen events related to the pandemic did not give rise to any contract terminations, penalties for late performance and no significant disputes with customers or suppliers. One-off agreements have nevertheless been negotiated with certain customers in order to rearrange certain contractual obligations without prejudice to the parties.

The various financial consequences of the pandemic have been set out:

- the shutdown of certain mining sites resulted in sub-activity costs impacting the gross margin, to which must be added the difference in revenue in connection with concerted delivery deferrals with customers;
- deliveries deferred for the customers concerned in the Front end segment affected revenue and gross margin;
- the shutdown of certain Back End facilities resulted in production losses impacting revenue and gross margin;
- compensation related to furlough measures in France (representing approximately 6 million euros in the first half) has been presented as a reduction to payroll expenses;
- the cost of implementing prevention and protection measures (including the purchase of masks for an amount of 13 million euros) was recognized in gross margin.

Impairment tests were conducted on goodwill and certain industrial and mining assets, and only an impairment loss of 7 million euros of an industrial asset, unrelated to the pandemic, was recognized at the balance sheet date (see notes 9, 10 and 11).

The group's exposure to credit risk on its operating activities has not been significantly reassessed and the impact on expected credit losses on customers at December 31, 2020 is marginal.

Lastly, with regard to the liquidity situation, the group has available cash of 1.49 billion euros at December 31, 2020 enabling it to meet its commitments over the next twelve months and in particular to repay the balance of the bond for an amount of 715 million euros in March. In addition, the group has an undrawn Revolving Credit Facility in the amount of 940 million euros subscribed to with all its banking partners and valid until July 2023.

Acquisition of three specialist industrial maintenance companies

Orano DS, a subsidiary of Orano's Dismantling and Services business, acquired three companies specializing in industrial maintenance (valve systems, rotating machinery, boilermaking) from the German group KSB, on June 29, 2020: KSB Service Energie (KSE), KSB Service Cotumer (KSC) and Société de Travaux d'Ingénierie Industrielle (STII). Recognized for the role they play in providing services to the French nuclear fleet and to the nuclear services industry, these companies enhance Orano's service offer with specialized resources which complement the nuclear maintenance businesses in which the group is already present.

This acquisition is part of Orano's development strategy in the services business, particularly in terms of industrial maintenance. Revenue in 2020 amounted to 22 million euros, including 13 million euros since the acquisition date. The allocation of acquisition price did not give rise to the recognition of significant amounts across the Group.

Cominak

On October 15, 2020, the Minister of Mines of Niger signed the Decree to stop the operation of the Cominak mine on March 31, 2021. Employee representatives and the Labor Administration of Niger signed the agreement on the Social Plan on November 25, 2020.

On November 5, 2020, the Board of Directors of Cominak approved the conditions for the exit of OURD from Cominak's share capital. The effective takeover by Orano Mining of OURD's stake in Cominak (25%) is expected to take place in early 2021 (see Note 35).

Acquisition of complementary interests by Orano in McClean Lake and Midwest

In December 2020, Orano Canada Inc. acquired complementary interests held by its Japanese partner OURD in the McClean Lake plant (7.5%) and the Midwest field (5.67%) in Canada. As a result, Orano's interest is increased to 77.5% for McClean Lake and 74.8% for Midwest, alongside Denison Mines, which holds the remaining interest. This transaction was recognized as an acquisition of a group of assets (see Note 1.3.1).

These operations are part of the end-of-life of the Cominak mine in Niger, the main asset of OURD (which holds 25% of the mine).

ADP activity in the United States

In the United States, the electrician Duke Energy has entrusted the complete dismantling and management of used fuel from its Crystal River 3 plant (Florida) to ADP (Accelerated Decommissioning Partners). ADP is a joint venture between Orano and Northstar, a key player in industrial deconstruction and asbestos removal. It is consolidated using the equity method. This global contract of nearly 540 million US dollars, finalized on September 30, 2020, includes the cutting and packaging of the reactor core, which will be carried out by the American Dismantling and Services teams (Orano Decommissioning Services LLC) and is expected to take seven years.

Change of legal organization of Orano Cycle

In 2020, the legal entity Orano Cycle was split into three separate business companies so the operational activities are consistent with the leading legal entities that host them. The operation in particular consisted in transferring from Orano Cycle, the chemistry and uranium enrichment activities to Orano Chimie-Enrichissement and the recycling activities to Orano Recyclage. Orano Cycle has been renamed Orano Démantèlement and hosts the Dismantling and Services activities for nuclear facilities.

At the same time as this organizational change, the group's operating segments (Mining, Front End and Back End) are also monitored in terms of operating income before end-of-lifecycle activity. The income statement and segment information statement of financial position for the financial year 2019 have been restated to reflect the impact of these changes over the comparative period.

Funding

In March 2020, Orano launched a partial buyback offer on the 2020 and 2021 bonds issued by AREVA and contributed to Orano in 2016 (see Note 26).

As part of its EMTN program, on September 1, 2020, Orano launched and set the terms of a bond issue of 500 million euros with a maturity of 7.5 years (maturing in March 2028) and an annual coupon of 2.75% (yield of 2.877% on issue). At the close of the order book, demand amounted to approximately 2.4 billion euros.

With these transactions, Orano was able to strengthen the group's liquidity position, renew its long-term funding and as such optimize its borrowing profile.

1.2 Estimates and judgements

In preparing its consolidated financial statements, Orano must make estimates, assumptions and judgments impacting the carrying amount of certain assets and liabilities, income and expense items, or information disclosed in certain notes to the financial statements. Orano updates its estimates and judgments on a regular basis to reflect past experience and other factors deemed pertinent, based on economic conditions. As a function of changes in these assumptions or in circumstances, the amounts appearing in its future financial statements may differ from current estimates, particularly in the following areas:

- operating margins on contracts recognized according to the percentage of completion method (see Notes 1.3.6 and 25), which are estimated by the project teams and reviewed by management following the group's procedures;
- cash flow forecasts and the discount and growth rates used for impairment tests for goodwill and other property, plant and equipment and intangible assets (see Notes 1.3.7.5, 9, 10 and 11);
- all assumptions used to assess the value of pension commitments and other employee benefits, particularly future payroll increases and discount rates, retirement age and employee turnover (see Notes 1.3.10 and 24);

- all assumptions used to measure provisions for end-of-lifecycle operations (see Notes 1.3.12 and 13) and, where appropriate, the assets corresponding to the third-party share, in particular:
 - estimated costs of those operations,
 - inflation and discount rates,
 - schedule of future disbursements,
 - operating life of the facilities,
 - scenario chosen with regard to knowledge of the initial condition of the facilities, the target final condition, and waste treatment and removal methods and their availability,
 - procedures for final shutdown,
 - safety requirements and regulatory developments;
- assumptions used to measure the existence of provisions or possible liabilities for nuclear materials belonging to the group: the estimated costs of those operations, the provisional payment schedule, the inflation rate and the discount rate (see Notes 1.3.11 and 25);
- estimates and judgments regarding the outcome of disputes in progress and, more generally, estimates regarding all of the provisions and contingent liabilities of Orano (see Notes 1.3.11 and 25);
- estimates and judgments relative to the recoverability of accounts receivable from the group's customers and other financial assets (see Notes 1.3.6 and 1.3.9.5);
- estimates of future taxable income allowing the recognition of deferred tax assets (see Notes 1.3.13 and 8).

1.3 Accounting principles

1.3.1 Basis of preparation

Pursuant to European Regulation 1606/2002 of July 19, 2002 on international accounting standards, the consolidated financial statements of Orano for the year ended December 31, 2020 were prepared in accordance with international accounting standards as published by the International Accounting Standard Board (IASB) and approved by the European Union as of December 31, 2020. They include IAS (International Accounting Standards), IFRS (International Financial Reporting Standards) and the interpretations issued by the IFRS Interpretations Committee (IFRS-IC) and by the former Standing Interpretation Committee (SIC).

IFRS standards and interpretations as adopted in the European Union are available on the website: http://ec.europa.eu/finance/company-reporting/standards-interpretations/index_en.htm.

The group has not adopted in advance any standards, amendments or interpretations published by the IASB whose implementation was not mandatory in 2020.

The consolidated financial statements have been prepared on a historical cost basis, with the exception of derivative instruments and certain financial assets, which have been measured at fair value. Financial liabilities (excluding derivatives) are measured on the amortized cost principle.

Standards, amendments and interpretations applicable from January 1, 2020

- the amendment to IFRS 3 "Definition of a business";
- amendments to IAS 1 and IAS 8 relating to the "Definition of material";

- the amendment to IFRS 16 "Rent reductions linked to Covid-19";
- the amendment "Amendments to references to the conceptual framework in IFRS standards".

The group had applied early, at January 1, 2019, the amendments to IFRS 9, IAS 39, and IFRS 7 "Interest rate benchmark reform (Phase I)", published on September 26, 2019. The application of these amendments removes the threat of consequences from interest rate benchmark reform on the classification of the group's hedging relationships.

To account for the acquisition of complementary interests in the joint operations of Orano Canada Inc. the group has applied the amendment to IFRS 3 "Definition of a business" as from January 1, 2020 in order to determine whether a transaction corresponds to the acquisition of a business or a group of assets.

With the exception of IFRS 3, these amendments had no significant impact on the group's consolidated financial statements.

New standards and interpretations adopted by the European Union that do not yet have a mandatory effective date

- the amendments to IFRS 9, IAS 39, and IFRS 7 "Interest rate benchmark reform (Phase II)";
- the amendment to IAS 1 "Presentation of financial statements – classification of liabilities as current or non-current";
- the amendment to IAS 37 "Onerous contracts – Cost of fulfilling a contract"; and
- the annual improvements 2018-2020 relating to IFRS 9 and IFRS 16.

These amendments and improvements were not applied early at January 1, 2020. The group is currently analyzing the potential impacts of these amendments.

1.3.2 Rules governing the presentation of the financial statements

Current and non-current assets and liabilities

The assets and liabilities constituting working capital requirement in the normal business cycle are classified as current in the consolidated statement of financial position. Other assets and liabilities are classified as current or non-current depending on whether their maturity is greater or lesser than one year from the closing date.

Other operating income and expenses

Income and expenses that, by nature, are unusual, abnormal or infrequent are included in other operating income and expenses. This heading includes:

- impairment and reversals of impairment for loss of value;
- gains or losses on disposals of non-financial assets;
- changes in provisions for end-of-lifecycle operations on discontinued facilities caused by changes in cost estimates;
- dismantling and waste treatment costs, as well as changes in the corresponding provisions;
- the effects of restructuring plans; and
- the effects of amendments to pension plans and other post-employment benefits.

1.3.3 Consolidation method

Subsidiaries

Entities over which the group exercises exclusive control are fully consolidated. Control by the group over its subsidiaries is based on its exposure or entitlements to variable income resulting from its investment in these entities, as well as its ability to exercise power over the entity in such a way as to influence the amount of the returns it receives.

In the event of a change in the percentage of the group's interest in a subsidiary without loss of control, the change is recognized as a transaction between shareholders.

Intra-group balances and transactions are eliminated.

The acquisition date from which the group consolidates the financial statements of the acquiree is the date of its effective takeover.

Non-controlling interests in the net assets of consolidated subsidiaries are presented on a separate line of equity under "non-controlling interests." Non-controlling interests include the amount of minority interests as of the acquisition date and the amount represented by minority interests in the change in equity since that date. In the absence of a binding agreement, the negative results of subsidiaries are systematically allocated to equity attributable to the owners of the parent company and to non-controlling interests based on their respective interests, even if they become negative.

Transactions with non-controlling interests, without impact on control, are treated as transactions with group shareholders and are recorded in equity.

Joint ventures and associates

An associate is an entity over which the group exercises significant influence. Significant influence is the power to influence the making of key financial and operational decisions within the entity, without this demonstrating control or joint control of the group.

A joint venture is a joint arrangement in which the parties, who exercise joint control, are entitled to a share of the net assets of the joint venture. Joint control is demonstrated when, on the basis of the rights granted by the agreement, decisions on the relevant activities of the entity require the unanimous agreement of the parties.

The factors taken into account to demonstrate significant influence or joint control are similar to those used for analyzing the group's control over its subsidiaries. Joint ventures and associates are accounted for using the equity method.

Interests in joint operations

A joint operation is a partnership in which the partners (joint owners), who exercise joint control over the entity, have direct rights over the assets of the entity, and obligations in respect of its liabilities. As a co-investor, the group recognizes the relevant assets and liabilities line by line, as well as the income and expenses related to its interests in the joint operations.

1.3.4 Consideration of the effect of foreign currencies

The group's consolidated financial statements are denominated in euros, which is also the functional currency of the group's parent company. The group has determined the functional currency of each of its subsidiaries based on the economic environment in which it conducts the major part of its operations. In most cases, the functional currency is the local currency.

Transactions denominated in foreign currencies

Foreign currency-denominated transactions are translated by group companies into their functional currency at the exchange rate prevailing at the transaction date.

Monetary assets and liabilities denominated in foreign currencies are revalued at the exchange rate prevailing on the last day of the period. Foreign exchange gains and losses are then recognized:

- in operating income when related to commercial transactions: trade accounts receivable, trade accounts payable, etc.;
- in financial income when they relate to financial transactions (loans or borrowings).

Translation of the financial statements of consolidated companies whose functional currency is different from that of the group

As part of the consolidation process, assets and liabilities denominated in foreign currencies are translated into euros at the closing rate, and expenses and income are converted at the rate prevailing on the date of the transaction. Foreign exchange differences are recognized in translation differences in other items of comprehensive income. In the event of the disposal of a foreign entity, the share of accumulated foreign currency translation adjustments relating to this entity is recycled in the statement of income.

1.3.5 Operating segments

The operating segments selected for the purposes of segment information have been identified on the basis of the internal reporting used by the chief operating decision-maker to allocate resources to the various segments and assess their performance.

The group's chief operating decision-maker is the Executive Management, assisted by the Executive Committee.

The analysis of internal reporting and the specific features of the group's businesses have led Orano to present the following three operating segments: Mining, Front End and Back End. Information relating to Orano Med is presented under "Corporate and other activities".

Mining activities cover exploration (search for new deposits), mining projects (studies and construction of mines), operation (extraction of natural uranium, then chemical concentration into U₃O₈) and the redevelopment of sites after their operation.

Front End activities primarily include the conversion of uranium concentrate (U₃O₈) to uranium hexafluoride (UF₆), followed by the enrichment of UF₆ by centrifugation.

Lastly, Back End activities include used fuel recycling, nuclear logistics (cask design and manufacturing, and transportation of nuclear materials and waste), dismantling and services (dismantling of nuclear facilities, waste management and services to nuclear operators), as well as engineering activities (design and implementation of complex projects).

The methods used to measure the key indicators of each sector when preparing the internal reporting are identical to those used for the preparation of the consolidated financial statements. As a result, the segment information provided in the tables is presented in accordance with the same accounting principles as those used for the group's consolidated financial statements.

In addition, transactions between operating segments are carried out on an arm's length basis.

EBITDA is equal to operating income restated for net depreciation, amortization and operating provisions (excluding net impairment of current assets) as well as net gain on disposal of property, plant and equipment and intangible assets, gains and losses on asset leases and effects of takeovers and losses of control. EBITDA is restated to exclude the cost of end-of-lifecycle operations performed in group nuclear facilities during the financial year (dismantling, waste retrieval and packaging facility). It should be noted that the cash flows linked to end-of-lifecycle operations are presented separately.

Segment assets include "Inventories and work-in-progress", receivables (excluding tax) and non-current assets, with the exception of "deferred tax assets" and "investments in joint ventures and associates." Orano has adopted centralized management of its tax system and cash management. Therefore, the corresponding statement of financial position and statement of income items are not assigned to business operations.

Moreover, information on segment assets and liabilities is not regularly provided to the chief operating decision-maker; the group has nevertheless elected to present the assets allocatable by operating segment on a voluntary basis.

Orano also publishes information by region: Orano's consolidated revenue is broken down between the following five regions by destination of sales: France, Europe excluding France, Americas (North and South), Asia-Pacific, Africa and Middle East.

1.3.6 Revenue

The group operates in the various stages of the fuel cycle, offering the following products and services:

- supply of uranium concentrates (U_3O_8);
- supply of conversion and enrichment services or UF_6 and enriched UF_6 ;
- treatment-recycling services;
- engineering support to the operator and dismantling of nuclear facilities; and
- transportation and warehousing logistics services and solutions, including cask design and manufacturing.

Customer contracts and performance obligations

Contracts with customers are analyzed to determine the performance requirements that constitute the unit of account for revenue recognition.

Contract price

The contract price is the amount of the consideration that Orano expects to receive in exchange for the goods and services transferred. It includes firm fixed items, as well as variable items in the proportion considered highly likely to be received. Variable items include price revisions potentially resulting from indexation clauses or riders, the potential effects of penalties or discounts, etc.

The contract price is adjusted in the event that one of the parties to the contract receives a significant financing advantage from the other party, *i.e.* when the combination of (i) the time lag between receipt and transfer of control of the goods and services covered by the contract (*i.e.* revenue recognition) and (ii) the interest rate applicable to an equivalent credit facility has a significant impact on the contract price negotiated by the parties. This adjustment is equivalent to recognizing revenue on the basis of a transaction price reflecting the price that the customer would have paid for a spot transaction, *i.e.* net of any items related to the financing terms. The adjustment determined in this manner on the contract price is recognized at the same time as revenue, while the expense or financial income is recognized in proportion to the performance and amortization of the implied credit facility resulting from the terms of payment. The interest rate applied is the marginal financing rate that the party receiving the financing would have obtained from a financial institution by negotiating, on the day of the signature of the contract, a loan whose characteristics are similar to the implied financing granted.

Allocation of the contract price to performance obligations

The contract price is allocated to each performance obligation based on the proportions of the separate sale prices, generally in line with the contractual terms.

Recognition of revenue associated with each performance obligation

Revenue is recognized when the company transfers control of the goods or services to the customer. In application of this principle, revenue is recognized:

- for concentrate supply contracts: on delivery of uranium concentrates to conversion sites designated by customers; the delivery can be materialized by a physical delivery or by a transfer from the material account held by Orano with the converter to the material account held by the customer with the same converter ("book transfer");
- for conversion and enrichment contracts: upon delivery of UF_6 . The delivery can be materialized by a physical delivery or by a transfer from the material account held by Orano to the material account held by the customer with the fuel enricher or assembler;
- for treatment-recycling, transportation and storage services: by the percentage-of-completion method; when the contract requires the customer to participate in the financing of the construction of an asset necessary for the performance of the services covered by the contract, the revenue relating to the financing received is recognized on the basis of the percentage of completion of the underlying services over the useful life of the asset, except if the customer takes control of the asset upon completion (in which case the revenue is recognized as the asset is constructed); and
- for design and equipment manufacturing contracts that meet the customer's technical specifications: by the percentage-of-completion method, except if the group does not have a sufficient right to payments for the services performed to date in the event of interruption of the contract for a reason other than the group's default.

When revenue recognition is made using the percentage-of-completion method in the cases described above, the percentage of completion is determined by the ratio of costs incurred to costs at termination. Revenue is recognized insofar as it is highly likely that it will not be subject to any subsequent reversal.

Assets and liabilities on contracts

Contract assets are the rights held by the group in respect of work performed, but which does not yet constitute an unconditional right to payment.

Contract liabilities are the amounts recognized in the event of payments received in excess of the amount recognized as revenue in satisfaction of a performance obligation. They include:

- the amounts received from customers and used to finance capital expenditure for the performance of long-term contracts to which they are party; and
- other advances and down payments received from customers reversed as and when the services covered by the contract are realized.

In accordance with the provisions of the standard, the group offsets each contract between assets and liabilities.

Trade receivables represent the unconditional right of the group to receive a payment depending solely on the passage of time.

Costs of obtaining contracts

Costs incurred to obtain a contract are only capitalized if:

- they are marginal costs that the group would not have incurred if it had not obtained the contract; and
- the group expects to recover them.

1.3.7 Valuation of property, plant and equipment and intangible assets

1.3.7.1 Intangible assets

An intangible asset is recognized when it is probable that future economic benefits therefrom will accrue to the company and if the cost of this asset can be reliably estimated based on reasonable and documented assumptions.

Intangible assets are recorded at their acquisition or production cost.

Goodwill

In accordance with IFRS 3 "Business combinations", goodwill relating to a business combination is the difference between:

- the sum of the following items:
 - the purchase price for the takeover at fair value at the acquisition date,
 - the amount of non-controlling interests in the acquired entity, and
 - for step acquisitions, the fair value, at the acquisition date, of the group's interest in the acquired entity before the acquisition of control;
- the net amount of assets acquired and liabilities assumed, measured at their fair value at the acquisition date.

When the resulting difference is negative, it is immediately recognized in profit or loss.

The amount of goodwill is definitively set within 12 months of the date of acquisition.

Goodwill is allocated to the cash-generating units (CGUs) or group of CGUs in which it is monitored.

Goodwill from the acquisition of subsidiaries is presented separately in the statement of financial position. Goodwill is not amortized, but is subject to impairment testing whenever indications of loss of value are identified, and at least once a year, as described in 1.3.7.5.

After initial recognition, goodwill is recorded at cost less any impairment recognized. In the statement of income, impairment losses related to goodwill are presented under "Other operating expenses."

Goodwill arising on the acquisition of associates and joint ventures is included in the carrying amount of the interest recorded in the group's statement of financial position. In the statement of income, impairment losses related to this goodwill are recorded under "Share of net income of associates and joint ventures."

When a CGU or part of a CGU is sold, the share of goodwill corresponding to the transferred entity is taken into account in the carrying amount of its net assets used to determine the gain or loss realized. The share of goodwill is measured based on the relative value of the scope transferred within the CGU or group of CGUs.

Research and Development expenses

Research expenses incurred by the group on its own account are expensed as incurred.

Research and Development expenses funded by customers under contracts are included in the production cost of these contracts and recorded under "cost of sales."

Expenses relating to development projects are recognized as intangible assets if the project meets the following criteria:

- the project is clearly defined and its costs are identified separately and measured reliably;
- the project's technical feasibility has been demonstrated;
- it is the group's intention to complete the project with a view to its use or sale;
- adequate technical and financial resources are available for the completion of the project; and
- it is likely that the future economic benefits associated with the project will accrue to the group.

Development costs capitalized on that basis are then amortized over the probable useful life of the intangible asset, as from the commissioning date. They are depreciated on a straight-line basis over a minimum period of time.

Mineral exploration and pre-mining development

Mineral exploration and pre-mining development work are valued on the basis of the following rules:

- exploration expenses whose purpose is to identify new mineral resources, and expenses related to assessments and pre-development of identified deposits are incurred before project profitability is determined and are recognized as "Research and Development expenses" for the financial year;

- pre-mining development expenses that concern a project which, as of the date of the financial statements, has a strong chance of technical success and commercial profitability, are capitalized. Indirect costs, excluding overhead expenses, are included in the valuation of these costs. Capitalized pre-mining expenses are amortized in proportion to the number of metric tons mined from the reserves they helped identify.

Other intangible assets

Other intangible assets, including mining rights and acquired technology, are measured at acquisition cost or production cost. They are amortized using the most appropriate method in view of their use (straight-line or by units of production), starting on the date they were placed in service and over the shorter of their probable period of use or, when applicable, the length of their legal protection.

1.3.7.2 Property, plant and equipment

Property, plant and equipment are recognized at acquisition or production cost, including startup expenses, less cumulative depreciation and impairment.

In the event of the acquisition of a group of assets, the group has chosen, for the allocation of the acquisition cost, to measure the assets and liabilities that are not measured at cost according to the IFRS standards applicable to them, then allocate the residual acquisition cost to the assets and liabilities measured at cost price in proportion to their respective values (IFRIC Update 11/17).

The cost of in-house facilities includes all labor costs, parts and all other production costs involved in the construction of the asset.

The cost of nuclear facilities includes the group's share of provisions for end-of-lifecycle operations, estimated at the date they are placed in service, termed "Dismantling assets (own share)" (see Note 1.3.12). In accordance with IFRIC 1, changes in provisions for end-of-lifecycle operations coming from changes in estimates or calculation assumptions and relating to nuclear facilities in operation are offset by a change in the same amount of the assets to which these provisions relate.

Property, plant and equipment are depreciated based on the approach deemed most representative of the economic impairment of the assets (straight-line depreciation or as a function of the production units); each component is depreciated over its specific useful life.

Mining land is depreciated over the operating period of the deposit; site layout and preparation expenses are depreciated over 10 years; buildings over 10 to 45 years; production facilities, equipment and tooling other than nuclear facilities over 5 to 10 years; general facilities and miscellaneous fixtures over 10 to 20 years; industrial containers over 10 to 20 years, and other transportation equipment, office equipment, computer equipment and furniture over 3 to 10 years. Nuclear facilities are depreciated on a straight-line basis over their estimated useful lives.

Depreciation periods are revised if there is a significant change in their estimated useful lives.

Changes in the value of dismantling assets (own share) are amortized on a prospective basis over the remaining useful lives of the facilities.

1.3.7.3 Leases

Leases are recognized in the statement of financial position as soon as they come into effect, by the recognition of right-of-use assets under "Right-of-use assets – Leases" and a liability recorded under "Lease liabilities." A contract contains a lease if it gives the group the right to control the use of an identified asset for a specified period in exchange for the payment of a consideration.

On the effective date of the contract, the lease liability is the present value of future payments.

Lease payments are discounted at the incremental borrowing rate. The rate used, determined by currency and by maturity, is the rate that the lessee would have had to pay to borrow, over a similar period and with a similar guarantee, the funds necessary to obtain a good of similar value to the right to use the leased asset in a similar economic environment.

The value of the right of use is determined on the effective date of the lease from the initial amount of the lease liability, plus, where applicable:

- advance payments made to the lessor, net of advantages received from the lessor;
- initial direct costs: these are the incremental costs incurred by the lessee for the conclusion of the contract;
- the estimated costs of repairing the leased property; this amount is discounted and recorded against a provision for remediation.

In the statement of income, rental expense is replaced by an amortization charge for the right of use and an interest charge. This restatement results in the recognition of deferred taxes. In the statement of cash flows, only the interest expense impacts the cash flows generated by the activity; the repayment of the principal of the lease liability affects the cash flows linked to financing operations.

Leases on contracts for assets with a low unit value or for short terms are expensed directly.

The right of use and the lease liability are amortized over the term of the lease, which is the firm period of the commitment taking into account optional periods that are reasonably certain to be exercised. The probability of exercising a renewal option or not exercising a termination option is determined by type of contract or on a case-by-case basis based on contractual and regulatory provisions, the nature of the underlying asset, its specific features and its location, as appropriate.

For impairment testing, right-of-use assets are allocated to the CGU or group of CGUs to which they belong. To this end, the value of the right-of-use asset is integrated into the carrying amount of the CGU or group of CGUs and the lease payments used to calculate the lease liability are excluded from the future cash flows used for the determination of the value in use of the CGU or group of CGUs tested. These procedures for carrying out impairment testing in connection with the application of IFRS 16 did not have a material impact on the results of testing in view of the amount of right-of-use assets.

1.3.7.4 Inclusion of borrowing costs

In accordance with IAS 23 revised, effective since January 1, 2009, the borrowing costs related to tangible and intangible investments for projects initiated after that date and for which the construction or development period is greater than one year are included in the costs of these assets.

Borrowing costs are not included in the measurement of property, plant and equipment and intangible assets when:

- they came into service before January 1, 2009; or
- they came into service after this date, but the expenses were incurred and recognized as fixed assets in progress at December 31, 2008.

1.3.7.5 Impairment of property, plant and equipment, intangible assets and goodwill

Assets that do not generate cash flows that are largely independent of each other are grouped together in cash-generating units (CGUs). CGUs are uniform sets of assets whose ongoing use generates cash inflows that are largely independent of the cash inflows generated by other groups of assets. They reflect the way in which activities are managed within the group.

Impairment tests are performed on property, plant and equipment and intangible assets with finite useful lives whenever there is an indication of impairment. Impairment losses on property, plant and equipment or intangible assets may be reversed later if there has been a change in the estimates used to determine the recoverable value of the asset and if that amount again comes to be greater than the net carrying amount. The value of the asset after reversal of the impairment loss is capped at the carrying amount net of amortization, as if no impairment loss had been recognized in prior years.

The recoverable value of unexploited deposits of the Mining activity is assessed on the basis of multiples of deposits in the ground. Reversals of impairment losses, when possible, are assessed in the light of changes in these multiples and future operating prospects.

In addition, impairment tests are systematically performed at least once a year for goodwill and intangible assets with indefinite lives, and whenever there is an indication of loss of value. Such tests are performed at the level of the cash-generating units (CGU) or groups of CGUs to which the goodwill and intangible assets belong.

Impairment is recognized when the recoverable amount of the CGU is less than the net carrying amount of the assets belonging to it. Impairment losses recognized on goodwill cannot subsequently be reversed.

The group performs impairment tests on its assets on the basis of its best estimate of their recoverable value, which is the greater of:

- its fair value less costs to sell, corresponding to the net realizable value based on observable data when available (recent transactions, offers received from potential acquirers, reported ratios for comparable publicly traded companies, multiples of uranium resources in the ground obtained by comparing the market capitalizations of comparable companies with the stated deposit reserves or resources); and

- and its value in use, which is equal to the present value of its projected future cash flows, as it results from the strategic plan validated by the governance bodies and its underlying assumptions, plus its "terminal value", corresponding to the present value, discounted to infinity, of cash flows for the "normative" year estimated at the end of the period covered by future cash flow projections. However, some CGUs or groups of CGUs have finite lives (depending on the volume of ore resources in Mining or the duration of operating permits in the nuclear operations); in such cases, the cash flows taken into account to assess their value in use are not discounted to infinity but within the limit of their expected useful lives.

The discount rates used are based on the weighted average cost of capital of each of the assets or groups of assets concerned. They are calculated after tax.

Impairment tests are sensitive to the macroeconomic (including the US dollar exchange rate) and sector-based assumptions used, particularly in terms of changes in ore prices or those of conversion and enrichment services, as well as the useful lives of the underlying assets. In view of this sensitivity, the group revises its underlying estimates and assumptions at least once a year, or more often as required by changes in market conditions.

1.3.8 Inventories and work-in-process

Inventories are carried at the lesser of their historical cost and their net realizable value, which is the estimated selling price in the ordinary course of business, less anticipated completion costs or costs to sell.

Inventory consumption is generally measured using the weighted average unit cost method.

The entry cost of inventory includes all direct material costs, labor costs and the allocation of indirect production costs.

In the case of material loans with transfer of ownership, the group recognizes in inventory the borrowed material at the weighted average unit cost, which corresponds to the estimated fair value of the consideration transferred on the transaction date. A liability corresponding to the obligation to return the material is recognized at the same value in the "trade payables" account.

A provision for onerous contracts is made when the expected weighted average unit cost of the return comes to be greater than that of the liability initially recorded.

1.3.9 Financial assets and liabilities

Financial assets

Financial assets consist of:

- financial assets earmarked for end-of-lifecycle operations;
- equity interests in unconsolidated companies;
- loans, advances and deposits;
- trade accounts receivable and related accounts;
- certain other operating receivables;
- pledged bank accounts;
- cash and cash equivalents; and
- the positive fair value of derivative financial instruments.

Financial liabilities

Financial liabilities include:

- financial debts;
- trade accounts payable and related accounts;
- certain other operating liabilities;
- bank overdrafts; and
- the negative fair value of derivative financial instruments.

1.3.9.1 Classification and measurement of financial assets and liabilities

IFRS 9 requires financial assets to be classified in one of three categories (amortized cost, fair value through profit or loss, or fair value through other comprehensive income), depending on the business model defined by the entity and the characteristics of its contractual cash flows (the so-called "solely payments of principal and interest" criterion, SPPI).

Assets meeting the definition of debt instruments (contractual cash flows associated with interest payments and repayments of capital) are recognized:

- at amortized cost when the group holds them in order to collect all contractual cash flows;
- at fair value through profit or loss when the group holds them in order to sell them and realize a capital gain;
- at fair value through other comprehensive income where the group holds them for the mixed purpose of collecting contractual cash flows and selling them (with the gain or loss recycled in profit or loss on the date of transfer).

Assets meeting the definition of equity instruments (equities or equity mutual funds) are recognized at fair value through profit or loss unless the group opts irrevocably to recognize them at fair value through other items of comprehensive income (without recycling gains or losses in profit or loss).

As an exception to these principles, certain instruments may be recognized at fair value through profit or loss when this treatment makes it possible to offset a matching position affecting the statement of income.

1.3.9.2 Methods used to measure financial assets and liabilities

With the exception of financial assets and liabilities measured at amortized cost, the group measures its financial assets and liabilities at fair value at the balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in a normal transaction between market participants on the measurement date.

All assets and liabilities measured at fair value are valued using techniques that seek to maximize the use of observable market data. These techniques are hierarchical, and have three levels:

- level 1 (unadjusted quoted prices): price at which the group may access identical assets or liabilities in active markets;
- level 2 (observable inputs): valuation techniques based on inputs that are observable, either directly or indirectly, in an active market for similar instruments; and
- level 3 (unobservable inputs): valuation techniques primarily using unobservable inputs, including observable inputs with significant adjustments.

1.3.9.3 Financial assets earmarked for end-of-lifecycle operations

This heading brings together all the investments that Orano earmarks for the funding of its future end-of-lifecycle operations in the nuclear business, including facility dismantling and waste retrieval and packaging. It includes directly-held publicly traded shares and bonds, dedicated share investment funds, dedicated bond and money-market investment funds, and cash. It also includes receivables resulting from agreements with third parties for the funding of end-of-lifecycle operations. These receivables are recognized using the method described in Note 1.3.9.5.

Orano does not consolidate the assets of its earmarked investment funds line by line, insofar as it does not control them within the meaning of IFRS 10:

- Orano is not involved in the management of the earmarked investment funds, which are managed by front-ranking independent management companies;
- Orano does not hold voting rights in the investment funds;
- the investment funds do not trade directly or indirectly in financial instruments issued by Orano;
- none of the financial investments made by the funds are strategic to Orano;
- Orano receives no benefit and bears no risk other than that normally associated with investments in mutual funds and in proportion to its holding; and
- Orano may only terminate the management agreements in specific cases (gross negligence, fraud, etc.). This means that Orano cannot replace a fund's management company at will.

Accordingly, the earmarked mutual funds are recorded on a single line in the statement of financial position in an amount corresponding to Orano's share of their net asset value as of the end of the financial year.

Other than government bonds and the claim on the EDF and CEA, resulting from the overfinancing of ANDRA, which are recognized at amortized cost, the entire portfolio of assets earmarked for end-of-lifecycle operations is recorded as financial assets at fair value through profit or loss.

1.3.9.4 Loans, advances and deposits

This heading mainly includes loans related to unconsolidated interests, advances for acquisitions of interests, and security deposits.

These assets are valued at amortized cost. Impairment is recognized when the recoverable amount is less than the net carrying amount.

1.3.9.5 Trade accounts receivable

Trade accounts receivable are recognized using the amortized cost method.

Impairment is calculated on the basis of the expected credit loss model. Under this model, 12-month expected credit losses are recorded on purchased or originated instruments (resulting from the risk of defaults in the next 12 months) at their initiation. Full lifetime expected credit losses (resulting from the risk of defaults over the remaining life of the instrument) are recognized when a significant increase in credit risk is recorded after initial recognition or in the case of short-term trade receivables. The group determines the expected loss based on (a) the amount of exposure at default, (b) the associated loss-given-default rate and (c) the probability of default.

1.3.9.6 Other current financial assets

Cash management financial assets include negotiable debt securities with a maturity of more than three months and shares of non-monetary UCITS with a short-term management horizon that can be easily mobilized and do not strictly meet the criteria for classification as cash equivalents laid down by IAS 7. Debt securities are measured using the amortized cost method, and UCITS at fair value through profit or loss.

1.3.9.7 Cash and cash equivalents

Cash includes bank balances and non-trade current accounts with unconsolidated entities.

Cash equivalents include risk-free marketable securities with an initial maturity of three months or less, or which may be converted almost immediately into a known amount of cash and which are subject to negligible risk of change as per the criteria set out in IAS 7. These assets include negotiable debt securities and shares of euro-denominated money market UCITS; debt securities are measured using the amortized cost method, and UCITS at fair value through profit or loss.

1.3.9.8 Financial liabilities

Financial liabilities include:

- certain interest-bearing advances received from customers: interest-bearing advances received from customers are classified as financial liabilities when they are settled in cash, and as contract liabilities in other cases;
- loans from financial institutions;
- bond debts issued by Orano;
- bank overdrafts; and
- liabilities under finance leases.

Financial debts are measured at amortized cost based on the effective interest rate method.

Bond debts hedged with a rate swap (fixed-rate/floating-rate swap) qualified as a fair value hedge are revalued in the same amount as the hedging derivative.

1.3.9.9 Derivatives and hedge accounting

The group elected to continue applying the hedge accounting provisions of IAS 39.

1.3.9.9.1 Risks hedged and financial instruments

Orano uses derivative instruments to hedge its foreign exchange and interest rate risks. The derivatives used are mainly forward currency contracts, currency and interest rate swaps, inflation swaps and currency options.

The hedged risks relate to receivables, liabilities and firm or projected obligations in foreign currencies.

1.3.9.9.2 Recognition of derivatives

Derivatives are measured at fair value on initial recognition and subsequently remeasured at the end of each accounting period until settled.

Accounting methods for derivatives vary, depending on whether the derivatives are designated as fair value hedging items, cash flow hedges, hedges of net investments in foreign operations, or do not qualify as hedging items.

Fair value hedges

This designation concerns hedges of firm commitments in foreign currencies: purchases, sales, receivables and debt. The hedged item and the derivative are revalued simultaneously and any changes in value are recorded in the statement of income.

Cash flow hedges

This designation refers to hedges of probable future cash flows: projected purchases and sales in foreign currencies.

The highly probable hedged items are not valued in the statement of financial position. Only the derivative hedges are revalued at the end of each accounting period. The portion of the gain or loss that is considered effective is recognized under "Other items of comprehensive income" and presented directly in equity under the statement of financial position heading "Deferred unrealized gains and losses on financial instruments", on an after-tax basis. Only the ineffective portion of the hedge impacts income for the period.

The amounts recognized under "Deferred unrealized gains and losses on financial instruments" are released to income when the hedged item impacts the statement of income, i.e. when the hedged transaction is recognized in the financial statements.

Hedges of net investments in foreign operations

This designation relates to borrowings in a foreign currency and to borrowings in euros when the euro has been swapped against a foreign currency, to finance the acquisition of a subsidiary using the same functional currency for instance. Currency translation adjustments on these borrowings are recognized under "Other items of comprehensive income" and presented on the statement of financial position under "Currency translation reserves" in their net amount after tax; only the ineffective portion is recognized through profit and loss.

The amount accumulated in currency translation reserves is released to profit and loss when the subsidiary in question is sold.

Derivatives not qualifying as hedges

When derivatives do not qualify as hedging instruments, fair value gains and losses are recognized immediately in the statement of income.

1.3.9.9.3 Presentation of derivatives in the statement of financial position and statement of income

Presentation in the statement of financial position

Derivatives used to hedge risks related to commercial transactions are reported under operating receivables and liabilities in the statement of financial position. Derivatives used to hedge risks related to loans, borrowings and current accounts are reported under financial assets or financial liabilities.

Presentation in the statement of income

The revaluation of derivatives and hedged items relating to commercial transactions affecting the statement of income is recognized under "Other operating income and expenses", except

for the component corresponding to the discount/premium, which is recognized in net financial income.

For loans and borrowings denominated in foreign currencies, fair value gains and losses on financial instruments and hedged items are recognized in financial income.

1.3.9.10 Derecognition of financial assets and liabilities

The group derecognizes a financial asset when:

- the contractual rights to the cash flows generated by the asset expire; or
- the group has transferred the rights to receive the contractual cash flows related to the financial asset as a result of the transfer of substantially all the risks and rewards of ownership of the said asset.

The group derecognizes a financial liability when its contractual obligations are extinguished, when they are canceled or when they expire.

1.3.10 Employee benefits

Pension, early retirement, severance pay, medical insurance, long-service awards, accident and disability insurance, and other related commitments, whether for active personnel and for retired personnel, are recognized pursuant to IAS 19 as amended.

The benefits provided under post-employment benefits can be distinguished according to whether the level of benefits depends on (i) contributions made by the employee ("defined-contribution" plans) or (ii) a level of benefit defined by the company ("defined-benefit" plans).

In the case of defined-contribution plans, the group's payments are recognized as expenses for the period to which they relate.

For defined-benefit plans, benefit costs are estimated using the projected credit unit method: under this method, accrued pension benefits are allocated among service periods based on the plan vesting formula.

The amount of future benefit payments to employees is determined on the basis of actuarial assumptions (change in wages, retirement age, probability of payment, turnover rate and mortality rate). These future payments are reduced to their present value using a discount rate determined according to the rates of investment-grade corporate bonds of a maturity equivalent to that of the company's corporate liabilities.

The amount of the provision results from the measurement of commitments less the fair value of the assets intended to cover them.

Actuarial gains and losses relating to post-employment benefits (change in the valuation of commitments and financial assets due to changes in assumptions and experience differences) are recognized under "Other items of comprehensive income"; they are not recyclable to the statement of income.

In contrast, actuarial gains and losses relating to benefits for currently employed employees (e.g. long-service awards) are recognized in the statement of income under "Other operating income and expenses."

The costs relating to employee benefits (pensions and other similar benefits) are split into two categories:

- the discounting reversal expense for the provision, net of the expected yield on assets earmarked for retirement plans, are charged to net financial income; the expected yield of the assets is calculated using the same interest rate used to discount the provision;
- the expense corresponding to the cost of the services rendered is divided between the different operating expense items by purpose: the costs of products and services sold, research and development expenses, sales and marketing expenses, administrative expenses.

Past service costs, including the expense or income related to plan amendments/settlements or the introduction of new plans, are recognized in the statement of income under "Other operating income and expenses."

1.3.11 Provisions relating to operating activities

In accordance with IAS 37, a provision is recognized when there is a current legal obligation, contractual or constructive, resulting from a past event, the termination of which is likely to result in an outflow of resources without consideration expected after the closing date. A reasonably reliable estimate of net outflow must be determined in order to recognize a provision.

When the outflow of resources is expected to occur in more than two years, provisions are discounted to net present value if the impact of discounting is material.

Provisions for contract completion

Provisions for contract completion cover a series of future expenses to be incurred on the la Hague and Melox sites (Back End segment), Tricastin and Malvési (Front End segment) for waste treatment and other operations resulting from the operating cycle. For the Back End segment, the work mainly covers the warehousing, treatment, packaging, transport and storage of technological and process waste, and, for the Front End segment, nitrate effluent and dust treatment and packaging.

Furthermore, the group holds nuclear materials in various physical or chemical forms that may require specific treatments to make them marketable. The group assesses the need to establish a provision on a case-by-case basis based on (i) existing obligations at year-end, (ii) the existence and availability of treatment facilities or the feasibility of development projects for new processes, (iii) the estimated costs of recovering these materials and (iv) the commercial prospects or economic benefits expected from these materials once recovered. A provision is recognized when the business outlook or economic benefits are insufficient in relation to the costs of treating or developing the valuation channels and that the provision may be reliably estimated.

The discount rate is determined on the basis of the yield curve for French government securities (OAT rates) at the closing date, extended for non-liquid maturities using a long-term equilibrium rate, plus a spread applicable to investment grade corporate bonds as well as an illiquidity premium. Based on expected disbursements, a single equivalent rate is deducted from the rate curve constructed in this manner.

The inflation rate is set in accordance with the long-term inflation projections for the Eurozone and taking into account the European Central Bank's target rate.

Changes in assumptions relating to changes in cost estimates, discount and inflation rates, and payment schedules are recognized in profit or loss.

Onerous contracts

An onerous contract is one in which the costs to fulfill the terms of the contract exceed the economic benefits expected from it. Costs to fulfill the terms of the contract reflect the net cost of exit from the contract, which is the lesser of the cost of performing the contract or any compensation or penalty arising from the failure to perform it.

When the group records an onerous contract, the present value of the resulting obligation is subject to a provision (after taking into account any impairment of the assets earmarked for its performance).

Provisions for restructuring

A provision for restructuring is recognized by the group when it has a constructive obligation, which is materialized when: (i) there is a formalized and detailed plan specifying the activity or part of the activity concerned, the location and number of people affected, the estimate of the expenses to be incurred and the date on which the plan will be implemented; and (ii) the people affected have been properly informed of the plan's main features.

Provisions for mining site reclamation

These provisions correspond to foreseeable expenses stemming from the cost of rehabilitating mining sites borne by the group. The provision is constituted as and when the site is operated, in accordance with the principle of progressive deterioration.

The provision for mining site reclamation is equal to the proportion of tonnages processed since the commissioning of the site compared to the total tonnage of the site (quantities already processed and yet to be processed).

1.3.12 Provisions for end-of-lifecycle operations

Provisions for end-of-lifecycle operations cover:

- the costs of dismantling to bring the facility to the final state of decommissioning, including the costs of treatment and packaging of the waste resulting from the dismantling operations;
- the costs of storage, retrieval, treatment and packaging of certain legacy waste from older used fuel treatment contracts that could not be processed on site (WRP);
- costs related to the long-term management of radioactive waste (warehousing, transport and storage);
- costs relating to the monitoring of storage sites after their closure.

At the closing date, these costs are adjusted in view of the prevailing economic conditions, and are positioned by payment date so as to be discounted using the inflation rate and the discount rate corresponding to the schedule of forecast expenditure.

Provisions for end-of-lifecycle operations performed by the group and relating to the dismantling of facilities are an integral part of the cost of facilities.

They are therefore measured and recognized in full as of the date of active commissioning of the corresponding nuclear facility, against an end-of-lifecycle asset set out in property, plant and equipment (see Note 1.3.7.2).

Treatment of amortization

Dismantling assets are amortized on a straight-line basis over the same period as the relevant facilities.

The corresponding amortization expense does not contribute to the progress of the contracts and is not taken into account in the cost of inventories. It is however included in the profit and loss account under "cost of sales", deducted from gross profit.

Treatment of expenses from discounting reversals

The discounting of the provision is reversed at the end of each financial year: the discounting reversal corresponds to the increase in the provision due to the passage of time. This increase is recorded as a financial expense.

Inflation and discount rates used to discount end-of-lifecycle operations

The inflation and discount rates used to measure present value of provisions for end-of-lifecycle operations are determined on the basis of the principles described below.

The inflation rate is set in accordance with the long-term inflation projections for the Eurozone and taking into account the European Central Bank's target rate.

The discount rate is set pursuant to IAS 37, i.e. based on year-end market conditions and the specific characteristics of the liability. It is accordingly determined on basis of a risk-free yield curve for France at the closing date, extended for non-liquid maturities using a long-term equilibrium rate (Source: EIOPA), plus a spread applicable to investment grade corporate bonds as well as an illiquidity premium. Based on expected disbursements, a single equivalent rate is deducted from the rate curve constructed in this manner.

The revision of the discount rate is accordingly a function of market rates and structural changes in the economy resulting in sustainable medium- and long-term changes.

According to articles D. 594-1 et seq. of the French Environmental Code and the decree of March 21, 2007 on securing the financing of nuclear expenses, as amended on July 1, 2020, a deficit or surplus in coverage (ratio of dedicated assets at fair value to end-of-lifecycle provisions) is calculated on the basis of the discount rate thus determined net of inflation, when this real discount rate remains below:

- the projected rate of return on hedging assets, prudently estimated taking into account the disbursement horizon; and
- to the actual value of the ceiling set by order of the ministers in charge of the economy and energy, which is equal to the unrounded value representative of the real long-term interest rate expectations, used for the calculation reported by the French Ministry of Finance, the European Insurance and Occupational Pensions Authority of the ultimate forward rate applicable on the date in question, increased by one hundred and fifty basis points. This cap is applicable from the year 2024. Until this year, the cap equalled the weighted average of 2.3% and this new cap. The weighting allocated to the amount of 2.3% is set at 50% for the year 2020, 25% for the year 2021, 12.5% for the year 2022 and 6.25% for the year 2023.

In the event that the real discount rate is higher than the regulatory rate, the latter rate is used to determine the deficit or surplus of coverage.

Treatment of changes in assumptions

Changes in assumptions relate to changes in cost estimates, discount and inflation rates, and payment schedules.

In application of the prospective method:

- if the facility is in operation, end-of-lifecycle assets are adjusted in the same amount as the provision; end-of-lifecycle assets are amortized over the remaining life of the facilities;
- if the facility is no longer in operation, or if the operations cover historical waste retrieval and packaging (WRP), the impact is expensed in the year of the change for the remaining share of the cost to the group. The impact of changes in cost estimates is recognized under operating income in "Other operating income and expenses"; the impact of changes in discount and inflation rates related to changes in market conditions and changes in the payment schedules is reflected in net financial income.

End-of-lifecycle assets (third party share)

The group may be required to carry out dismantling operations, funded in part by third parties. Provisions for end-of-lifecycle operations cover all operations. They are recognized against "Dismantling assets (own share)" for the group's share and, in return, and against "End-of-lifecycle assets (third party share)" in the amount of the funding expected from the third party.

End-of-lifecycle assets (third party share) are not amortized.

They are discounted symmetrically with the corresponding provisions. Accretion effects increasing the value of the asset are recorded in a financial income account.

They are reduced as the contractual work is performed.

1.3.13 Income tax

Income taxes include current tax expense (income) and the deferred tax expense (income), calculated in accordance with the tax laws of the countries where the income is taxable.

Current tax

Current tax assets and liabilities are measured based on the expected amount that will be received or paid to the tax authorities.

Current tax relating to items recognized in equity is also recognized in equity, and not in the statement of income. When the positions it has taken in its tax returns are subject to interpretation, Management periodically reviews them, and records provisions accordingly when it deems necessary.

Deferred taxes

As provided for in IAS 12, deferred taxes are determined for all temporary differences between net carrying amounts and the tax basis of assets and liabilities, to which is applied the anticipated tax rate at the time of reversal of these temporary differences,

and which has been adopted as of the closing date. They are not discounted.

Temporary taxable differences generate a deferred tax liability.

Temporary deductible differences, tax loss carry-forwards, and unused tax credits generate a deferred tax asset equal to the probable amounts recoverable in the future. Deferred tax assets are analyzed case by case for recoverability, taking into account the income projections from the group's strategic action plan.

Deferred tax liabilities are recorded for all taxable temporary differences of subsidiaries, associates and partnerships, unless the group is in a position to control the timing of reversal of the temporary differences and it is probable that such reversal will not take place in the foreseeable future. Tax accounts are reviewed at the end of each financial year, in particular to take into account changes in tax laws and the likelihood that amounts recognized will be recovered.

Deferred taxes are recognized in the statement of income, with the exception of those relating to "Other items of comprehensive income", which are also recorded under "Other items of comprehensive income."

Orano has elected to recognize the value added business tax (*contribution sur la valeur ajoutée des entreprises, CVAE*) as an income tax. Since 2010, its French subsidiaries have been subject to this tax (including the Chamber of Commerce and Industry tax) at the rate of 1.6%. As of 2021, this rate will be reduced to 0.75%. As provided in IAS 12, this election requires recognition of deferred taxes at the rate of 0.75% on the corresponding temporary differences.

Recoverability of deferred tax assets

The amount of deferred tax assets is reviewed at each reporting date, and is reduced where necessary if it is no longer probable that future taxable profits will permit the use of all or part of the amount. Similarly, unrecognized deferred tax assets are remeasured at each reporting date and recognized in the amount of the estimated future taxable profits against which they may be charged.

The recoverable share of the group's deferred tax assets is that for which the probability of recovery is higher than 50%. To establish this probability, the group performs a three-step analysis: (a) demonstration of the non-recurring nature of the losses (b) analysis of future earnings prospects, and (c) analysis of tax management opportunities.

Regarding the outlook for future income, the probability of future taxable profits to offset losses carried forward is assessed based on income projections from the strategic plan validated by the governance bodies.

The estimation of recoverable losses also takes into account the annual regulation on maximum recoverable amounts (50% for France).

Offsetting of deferred taxes

Deferred tax assets and liabilities are netted for each taxable entity if the entity is allowed to offset its current tax receivables against its current tax liabilities.

NOTE 2 SCOPE**Breakdown of consolidated companies in France and internationally**

(number of companies)	December 31, 2020		December 31, 2019	
	French	Foreign	French	Foreign
Full consolidation	27	43	22	41
Joint operations	-	6	-	6
Equity method	1	5	1	4
SUB-TOTAL	28	54	23	51
TOTAL		82		74

Main operations in 2020

See Note 1.1.

Main operations in 2019**Creation of the company Nurlikum Mining LLC in Uzbekistan**

In December 2019, Orano Mining established a partnership with the State Committee for Geology and Mineral Resources of the Republic of Uzbekistan through the creation of the Nurlikum Mining LLC joint venture, controlled by Orano. The agreement formalizes the desire of both parties to work together on uranium mining projects in Uzbekistan, particularly in the Navoiy region in a

desert area at the heart of the uranium-rich province of Kyzylkum. Once exploration permits have been granted, Nurlikum Mining LLC will carry out surveys to improve the classification level of the resources already identified by the Uzbek partner and to identify new uranium reserves.

Scope of consolidated companies

Name of unit or controlling entity: Company name, legal form	Country	December 31, 2020		December 31, 2019	
		Method	Percentage interest	Method	Percentage interest
FRANCE					
Orano		FC	100	FC	100
Orano Support		FC	100	FC	100
Orano Démantèlement (formerly Orano Cycle) *		FC	100	FC	100
Orano Chimie Enrichment*		FC	100	-	-
Orano Recyclage*		FC	100	-	-
Orano Mining		FC	100	FC	100
CFMM		FC	100	FC	100
Orano Expansion		FC	95.28	FC	95.28
Eurodif SA ⁽²⁾		FC	100	FC	100
Sofidif ⁽²⁾		FC	60	FC	60
SET Holding		FC	95	FC	95
SET		FC	95	FC	95
Laboratoire d'étalons d'activité		FC	100	FC	100

Name of unit or controlling entity: Company name, legal form	Country	December 31, 2020		December 31, 2019	
		Method	Percentage interest	Method	Percentage interest
Orano Temis		FC	100	FC	100
Lemaréchal		FC	100	FC	100
Orano NPS (formerly TN International)		FC	100	FC	100
Orano DS – Démantèlement et Services		FC	73.86	FC	73.86
Orano KSE		FC	73.86	-	-
Orano Cotumer		FC	73.86	-	-
Orano STII		FC	73.86	-	-
CNS		FC	51	FC	51
Trihom ⁽¹⁾		FC	48.75	FC	48.75
SICN		FC	100	FC	100
Orano DA – Diagnostic Amiante		FC	74	FC	74
Orano Projets		FC	100	FC	100
Orano Med		FC	100	FC	100
Orano Assurance et Réassurance		FC	100	FC	100
SI-nerGIE		EM	50	EM	50
EUROPE (excluding France)					
Urangesellschaft – Frankfurt	Germany	FC	100	FC	100
Orano GmbH	Germany	FC	100	FC	100
Dekontaminierung Sanierung Rekultivierung	Germany	FC	100	FC	100
Enrichment Technology Company Ltd (ETC)	United Kingdom	EM	50	EM	50
Orano Projects Ltd	United Kingdom	FC	100	FC	100
Orano UK Ltd	United Kingdom	FC	100	FC	100
AMERICAS					
Orano USA LLC	United States	FC	100	FC	100
UG USA	United States	FC	100	FC	100
TN Americas LLC	United States	FC	100	FC	100
Orano CIS LLC	United States	FC	100	FC	100
Interim Storage Partners LLC	United States	EM	51	EM	51
Orano Decommissioning Services LLC	United States	FC	100	FC	100
Orano Decommissioning Holdings LLC ⁽³⁾	United States	FC	100	-	-
Accelerated Decommissioning Partners LLC ⁽³⁾	United States	EM	25	-	-
Orano Med LLC	United States	FC	100	FC	100
PIC	United States	FC	100	FC	100
Orano Federal Services LLC	United States	FC	100	FC	100
Orano Canada Inc.	Canada	FC	100	FC	100
Cigar Lake	Canada	JO	37.10	JO	37.10
Key Lake	Canada	JO	16.67	JO	16.67
Kiggavik	Canada	JO	66.09	JO	66.09
McArthur River	Canada	JO	30.20	JO	30.20
McClean Lake	Canada	JO	77.5	JO	70
Midwest	Canada	JO	74.83	JO	69.16
Orano Est Canada	Canada	FC	100	FC	100
Urangesellschaft Canada Limited	Canada	FC	100	FC	100
Uranor Inc.	Canada	FC	100	FC	100
Orano Quebec Inc.	Canada	FC	100	FC	100
Orano Resources Southern Africa	Virgin Islands	FC	100	FC	100

Name of unit or controlling entity: Company name, legal form	Country	December 31, 2020		December 31, 2019	
		Method	Percentage interest	Method	Percentage interest
ASIA/PACIFIC					
Orano Japan	Japan	FC	100	FC	100
Orano Cycle Japan Projects	Japan	FC	100	FC	100
ANADEC-Orano ATOX D&D Solutions Co. Ltd	Japan	EM	50	EM	50
Orano Beijing Technology Co. Ltd	China	FC	100	FC	100
UG Asia Limited	China	FC	100	FC	100
AREVA Mongol LLC	Mongolia	FC	66	FC	66
Cogegobi	Mongolia	FC	66	FC	66
Badrakh Energy LLC ⁽¹⁾	Mongolia	FC	43.56	FC	43.56
Orano Korea	Rep. of Korea	FC	100	FC	100
AREVA India Private Ltd	India	FC	100	FC	100
Katco	Kazakhstan	FC	51	FC	51
Nurlikum Mining LLC	Uzbekistan	FC	51	FC	51
Orano Holdings Australia Pty Ltd	Australia	FC	100	FC	100
Orano Australia Pty Ltd	Australia	FC	100	FC	100
AFRICA/MIDDLE EAST					
Somaïr	Niger	FC	63.40	FC	63.40
Imouraren SA	Niger	FC	63.50	FC	63.50
Cominak	Niger	EM	34	EM	34
TN Niger	Niger	FC	100	-	-
Orano Mining (Namibia) Pty Ltd	Namibia	FC	100	FC	100
Orano Processing Namibia	Namibia	FC	100	FC	100
Erongo Desalination Company (Pty) Ltd	Namibia	FC	100	FC	100
Uramin Centrafrique	Central African Rep.	FC	100	FC	100
Orano Gabon	Gabon	FC	100	FC	100
Comuf	Gabon	FC	68.42	FC	68.42
Jordan AREVA Ressources	Jordan	FC	50	FC	50

FC: Full consolidation; EM: equity method; JO: Joint operation.

* Legal reorganization (see Note 1.1).

(1) The percentage control over these entities is greater than 50%.

(2) Following the recapitalization of Eurodif SA, Sofidif no longer holds a stake in any group companies.

(3) Entities not consolidated in 2019 as not significant and activity started in 2020.

Unconsolidated companies

At December 31, 2020, the net carrying amount of securities held in the 10 unconsolidated companies in which Orano holds interests of more than 50% amounted to 4 million euros in the statement of financial position. The company believes there is no risk associated with these holdings and considers them non-material.

NOTE 3 OPERATING SEGMENTS

By business segment

2020 RESULTS

(in millions of euros)	Mining	Front End	Back End	Corporate, other operations and eliminations	Total
Gross revenue	1,088	1,045	1,730	(179)	3,684
Inter-segment sales	(9)	(45)	(138)	192	-
CONTRIBUTION TO CONSOLIDATED REVENUE	1,079	999	1,592	13	3,684
OPERATING INCOME BEFORE END-OF-LIFECYCLE ACTIVITY	371	234	(98)	(48)	459
Income from end-of-lifecycle activities	-	(10)	(110)	1	(119)
OPERATING INCOME	371	224	(209)	(47)	340
Share in net income of joint ventures and associates	-	-	-	-	15
Net financial income (expense)	-	-	-	-	(321)
Income tax	-	-	-	-	(54)
NET INCOME	-	-	-	-	(20)
EBITDA *	502	317	146	(34)	931
% of gross revenue	46.1%	30.4%	8.4%	n/a	25.3%

* See Notes 1.3.5 and 6.

In the year ended December 31, 2020, the group generated approximately 46% of its revenue with EDF.

Revenue is recognized when the control of the material is transferred for the Mining and Front End divisions, and predominantly on the basis of the percentage-of-completion method for the Back End segment.

2020 STATEMENT OF FINANCIAL POSITION

(in millions of euros)	Mining	Front End	Back End	Corporate, other operations and eliminations	Total
Property, plant and equipment and intangible assets (including goodwill and right-of-use assets on leases)	2,522	4,312	3,935	120	10,889
Financial assets earmarked for end-of-lifecycle operations	-	1,718	5,965	-	7,683
Other non-current assets	82	1	4	165	253
SUBTOTAL: NON-CURRENT ASSETS	2,605	6,031	9,904	284	18,825
Inventories and receivables (excluding tax receivables)	581	1,260	761	341	2,943
Other current assets	1	-	-	2,053	2,054
SUBTOTAL: CURRENT ASSETS	582	1,260	761	2,395	4,997
TOTAL ASSETS	3,186	7,292	10,665	2,679	23,822

2019 RESULT

(in millions of euros)	Mining	Front End	Back End *	Corporate, other operations and eliminations *	Total
Gross revenue	1,285	930	1,698	(127)	3,787
Inter-segment sales	(6)	(29)	(104)	139	-
CONTRIBUTION TO CONSOLIDATED REVENUE	1,279	901	1,594	12	3,787
OPERATING INCOME BEFORE END-OF-LIFECYCLE ACTIVITY *	446	188	(116)	(33)	484
Income from end-of-lifecycle activities *	-	3	(19)	-	(16)
OPERATING INCOME	446	191	(135)	(33)	468
Share in net income of joint ventures and associates	-	-	-	-	(19)
Net financial income (expense)	-	-	-	-	40
Income tax	-	-	-	-	(36)
NET INCOME	-	-	-	-	452
EBITDA **	634	249	112	(94)	900
% of gross revenue	49.3%	26.8%	6.6%	n/a	23.8%

* The comparative figures as of December 31, 2019 have been restated to take into account the change in the legal organization of Orano Cycle (see Note 1.1).
** The comparative data at December 31, 2019 have been restated to take into account the new definition of EBITDA (see Note 6).

In the year ended December 31, 2019, the group generated approximately 41% of its revenue with EDF.

2019 STATEMENT OF FINANCIAL POSITION *

(in millions of euros)	Mining	Front End	Back End	Corporate, other operations and eliminations	Total
Property, plant and equipment and intangible assets (including goodwill)	2,750	4,282	3,808	110	10,950
Financial assets earmarked for end-of-lifecycle operations	-	1,685	5,907	-	7,592
Other non-current assets	53	1	2	162	219
SUBTOTAL: NON-CURRENT ASSETS	2,803	5,968	9,718	272	18,761
Inventories and receivables (excluding tax receivables)	619	1,329	724	115	2,787
Other current assets	1	-	-	2,032	2,033
SUBTOTAL: CURRENT ASSETS	619	1,329	724	2,147	4,820
TOTAL ASSETS	3,422	7,297	10,442	2,420	23,582

* Comparative data at December 31, 2019 have been restated to reflect the change Orano Cycle's legal organization (see Note 1.1).

By region

2020 FINANCIAL YEAR

CONTRIBUTION TO CONSOLIDATED REVENUE BY BUSINESS SEGMENT AND CUSTOMER LOCATION

(in millions of euros)	Mining	Front End	Back End	Corporate and other operations	Total
France	343	495	1,089	10	1,938
Europe (excluding France)	78	199	199	2	479
Americas	129	171	182	0	482
Asia-Pacific	503	134	116	0	753
Africa and Middle East	26	0	5	0	32
TOTAL	1,079	999	1,592	13	3,684

ACQUISITIONS OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS (EXCLUDING GOODWILL) BY BUSINESS SEGMENT AND REGION OF ORIGIN OF THE UNITS

(in millions of euros)	Mining	Front End	Back End	Corporate and other operations	Total
France	21	129	299	13	463
Europe (excluding France)	23	-	5	-	29
Americas	24	-	8	2	34
Asia-Pacific	0	-	0	0	0
Africa and Middle East	24	-	-	-	24
TOTAL *	92	129	312	16	550

* See Notes 10 and 11.

2019 FINANCIAL YEAR

CONTRIBUTION TO CONSOLIDATED REVENUE BY BUSINESS SEGMENT AND CUSTOMER LOCATION

(in millions of euros)	Mining	Front End	Back End	Corporate and other operations	Total
France	318	395	1,086	12	1,811
Europe (excluding France)	67	141	164	0	373
Americas	223	157	195	-	576
Asia-Pacific	629	196	145	0	969
Africa and Middle East	42	12	4	-	58
TOTAL	1,279	901	1,594	12	3,787

ACQUISITIONS OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS (EXCLUDING GOODWILL) BY BUSINESS SEGMENT AND REGION OF ORIGIN OF THE UNITS

(in millions of euros)	Mining	Front End	Back End	Corporate and other operations	Total
France	7	160	311	20	498
Europe (excluding France)	26	-	3	0	29
Americas	24	0	21	5	50
Asia-Pacific	0	-	-	0	0
Africa and Middle East	28	-	-	-	28
TOTAL	84	160	335	26	605

NOTE 4 ADDITIONAL INFORMATION BY TYPE

(in millions of euros)	December 31, 2020	December 31, 2019
Payroll expenses *	(1,243)	(1,345)
Average full-time equivalent workforce	17,946	17,609

* Excluding pension commitments.

NOTE 5 OTHER OPERATING INCOME AND EXPENSES**OTHER OPERATING INCOME**

(in millions of euros)	December 31, 2020	December 31, 2019
Gain on disposals of non-financial assets	15	6
Reversal of impairment on assets	70	63
Other income	149	38
TOTAL OTHER OPERATING INCOME	235	107

In 2020 and 2019, the reversal of impairment relates mainly to the Philippe Coste plant.

In 2020, other operating income includes:

- a reversal of a provision linked to the renegotiation of the framework contract for health and personal protection for an amount of 95 million euros (see Note 24);
- an insurance indemnity for the repair of material damage to the crystallizers at the Philippe Coste plant for 18 million euros.

OTHER OPERATING EXPENSE

(in millions of euros)	December 31, 2020	December 31, 2019
Restructuring and early retirement plan costs	0	(13)
Reversal of impairment on assets (excluding goodwill)	(26)	(61)
Loss on disposals of non-financial assets	(5)	(1)
Dismantling costs net of provisions/reversals of provisions for end-of-lifecycle operations	(119)	(16)
Other expenses	(76)	(92)
TOTAL OTHER OPERATING EXPENSE	(227)	(183)

Asset impairment is described in Notes 10 and 11.

Decommissioning costs net of provisions/reversals are described in Note 13.

In the year ended December 31, 2020, other expenses include mainly costs related to the postponement of the start of mining operations on the Imouraren and Trekkopje sites, as well as infrastructure maintenance, in the amount of 17 million euros (compared with 24 million euros at December 31, 2019).

NOTE 6 BREAKDOWN OF OPERATING INCOME/EBITDA

(in millions of euros)	December 31, 2020	December 31, 2019 **
Operating income	340	468
Net increase in depreciation and impairment of intangible assets, net of reversals	79	157
Net increase in depreciation and impairment of property, plant and equipment, net of reversals	380	355
Net increase in depreciation and impairment of right of use – asset leases, net of reversals	24	18
Net gain on disposal of property, plant and equipment and intangible assets	(10)	(4)
Effects of takeovers and losses of control	(3)	-
Gains and losses on asset leases	0	0
Provisions, net of reversals *	(109)	(313)
Costs of end-of-lifecycle operations performed	230	219
EBITDA	931	900

* Except provisions and reversals of provisions on net current assets.

** Comparative data as of December 31, 2019 have been restated to take into account the new definition of EBITDA (see Note 1.3.5).

NOTE 7 NET FINANCIAL INCOME (EXPENSE)

Financial interest on debt

Financial interest on debt as of December 31, 2020 includes interest expense on bonds in the amount of 134 million euros (162 million euros as of December 31, 2019 plus the 32 million euro cash payment to partially redeem the 2024 bond in April 2019).

The interest expense related to IFRS 16 incurred in the financial year 2020 was 3 million euros (identical to December 31, 2019).

Other financial income and expense

(in millions of euros)	December 31, 2020	December 31, 2019
Change in fair value through profit or loss of earmarked assets	206	659
Dividends received	59	191
Income from receivables and accretion gains on earmarked assets	5	10
Accretion expenses on end-of-lifecycle operations	(295)	(311)
Impact of changes in discount rates and inflation rates	34	(8)
Impact of revisions of payment schedules	1	-
Share related to end-of-lifecycle operations	10	541
Foreign exchange gain (loss)	(0)	2
Change in fair value through profit or loss of non-earmarked assets	0	(1)
Impairment of financial assets, net of reversals	(0)	(0)
Interest on advances	(71)	(54)
Financial income from pensions and other employee benefits	(7)	(18)
Accretion expenses on debt and other provisions and effects of changes in discount rates and inflation	(62)	(140)
Other financial income	4	2
Other financial expense	(53)	(95)
Share not related to end-of-lifecycle operations	(188)	(303)
OTHER FINANCIAL INCOME AND EXPENSE	(177)	238

Other financial expense consists chiefly of premiums/discounts on currency hedging instruments.

NOTE 8 INCOME TAX**ANALYSIS OF INCOME TAX EXPENSE**

(in millions of euros)	December 31, 2020	December 31, 2019
Current taxes (France)	(31)	(37)
Current taxes (other countries)	(16)	(20)
Total current taxes	(48)	(57)
Deferred taxes	(6)	21
TOTAL TAXES	(54)	(36)

The main French subsidiaries in the scope of consolidation, which are at least 95% owned, established a tax consolidation group effective September 1, 2017.

No deferred tax assets were recognized in respect of the tax loss carryforwards of the French entities included in the tax consolidation group at December 31, 2020.

In view of the implementation of the tax consolidation group formed around the Company as of September 1, 2017, future relationships between the subsidiaries and Orano SA are governed

by a tax consolidation agreement for the period covered by the tax consolidation, based on a principle of neutrality.

The group benefited from certain tax measures introduced by the CARES Act in the United States, within the framework of the specific decisions made in order to deal with the economic fallout of the Covid crisis. It was therefore able to make use of the favorable provisions regarding carryback, which had been eliminated by the tax reform provisions that became effective on January 1, 2018.

RECONCILIATION OF INCOME TAX EXPENSE AND INCOME BEFORE TAXES

(in millions of euros)	December 31, 2020	December 31, 2019
Net income for the period	(20)	452
Less		
Share in net income of joint ventures and associates	(15)	19
Tax expense (income)	54	36
Income before tax	19	508
Theoretical tax gain (expense) at 32.02% in 2020 and at 34.43% in 2019	(6)	(175)
IMPACT OF TAX CONSOLIDATION		
Operations taxed at a rate other than the full statutory rate	5	7
Unrecognized deferred taxes	(42)	183
Other change in permanent differences	(11)	(52)
EFFECTIVE TAX INCOME (EXPENSE)	(54)	(36)
EFFECTIVE TAX RATE	n/a	8%

BREAKDOWN OF OTHER CHANGE IN PERMANENT DIFFERENCES

(in millions of euros)	December 31, 2020	December 31, 2019
Parent/subsidiary tax treatment and inter-company dividends	(1)	(3)
Impact of permanent differences for tax purposes	(21)	11
Differences between the French tax rate and tax rates applicable abroad	10	12
CVAE business tax	(25)	(19)
Impact of change in tax rate	31	(48)
Other	(5)	(4)
TOTAL OTHER CHANGE IN PERMANENT DIFFERENCES	(11)	(52)

DEFERRED TAX ASSETS AND LIABILITIES

(in millions of euros)	December 31, 2020	December 31, 2019
Deferred tax assets	92	109
Deferred tax liabilities	0	-
TOTAL DEFERRED TAX ASSETS AND (LIABILITIES)	92	109

For all French companies, the expected tax rates depending on the year in which temporary differences will be reversed are as follows:

	2021	> 2022
	28.41%	25.83%

MAIN CATEGORIES OF DEFERRED TAX ASSETS AND LIABILITIES

(in millions of euros)	December 31, 2020	December 31, 2019
TAX IMPACT OF TEMPORARY DIFFERENCES RELATED TO:		
Property, plant and equipment, intangible assets and non-current assets	86	77
Working capital assets	3	12
Employee benefits	9	8
Provisions for restructuring	0	0
Tax-driven provisions	(160)	(154)
Provisions for end-of-lifecycle operations	28	34
Impact of loss carry-forwards and deferred taxes	101	101
Other temporary differences	24	31
TOTAL NET DEFERRED TAX ASSETS AND (LIABILITIES)	92	109

CHANGE IN CONSOLIDATED DEFERRED TAX ASSETS AND LIABILITIES

(in millions of euros)	December 31, 2020	December 31, 2019
At January 1	109	91
Tax recognized in profit or loss	(6)	21
Tax expense recognized directly in other items of comprehensive income	(6)	(4)
Change in consolidated group	1	-
Currency translation adjustments	(6)	0
TOTAL DEFERRED TAX ASSETS AND (LIABILITIES)	92	109

DEFERRED TAX INCOME AND EXPENSES BY CATEGORY OF TEMPORARY DIFFERENCE

(in millions of euros)	December 31, 2020	December 31, 2019
Property, plant and equipment, intangible assets and non-current assets	(23)	(187)
Working capital assets	1	15
Employee benefits	(6)	(40)
Provisions for restructuring	0	(15)
Tax-driven provisions	1	(15)
Provisions for end-of-lifecycle operations	(5)	-
Net loss carry-forwards and deferred taxes	48	35
Impairment of deferred taxes	(42)	183
Other temporary differences	20	44
TOTAL DEFERRED TAX INCOME (EXPENSES)	(6)	21

BREAKDOWN OF DEFERRED TAX RECOGNIZED IN OTHER ITEMS OF COMPREHENSIVE INCOME

(in millions of euros)	December 31, 2020			December 31, 2019		
	Before tax	Income tax	After tax	Before tax	Income tax	After tax
Actuarial gains and losses on employee benefits	(50)	-	(50)	(54)	1	(53)
Currency translation adjustments	(185)	-	(185)	73	-	73
Change in value of cash flow hedges	175	(6)	168	7	(4)	2
Share in comprehensive income of associates (net of income tax)	-	-	-	(4)	-	(4)
TOTAL GAINS AND (LOSSES) IN OTHER COMPREHENSIVE INCOME AFTER TAX	(60)	(6)	(66)	21	(4)	18

UNRECOGNIZED DEFERRED TAX ASSETS

(in millions of euros)	December 31, 2020	December 31, 2019
Tax credits	-	-
Tax losses	647	613
Other temporary differences	921	1,028
TOTAL UNRECOGNIZED DEFERRED TAXES	1,568	1,641

NOTE 9 GOODWILL

(in millions of euros)	December 31, 2019	Increases	Disposal	Impairment	Currency translation adjustments and other	December 31, 2020
Mining	858				(72)	786
Front End	161					161
Back End	228				(1)	227
TOTAL	1,247	-	-	-	(73)	1,174

Goodwill impairment tests

As indicated in Notes 1.2. "Estimates and judgments" and 1.3.7.5 "Impairment of property, plant and equipment, intangible assets and goodwill", the group performs impairment tests at least once a year and whenever there is an indication of impairment. These tests consist of comparing the net carrying amount of the assets of cash-generating units (CGUs) or groups of CGUs to which goodwill has been allocated (after inclusion of impairment of property, plant and equipment and intangible assets listed in Notes 10 and 11) with their recoverable amount.

The following assumptions were used to determine the net present value of the estimated future cash flows of the CGUs or groups of CGUs:

December 31, 2020	Discount rate after tax	Growth rate for standard year	Standard year
Mining	7.00%-12.00%	n/a	n/a
Front End	6.50%	n/a	n/a
Back End	6.5%-7.5%	1.50%	2040

December 31, 2019	Discount rate after tax	Growth rate for standard year	Standard year
Mining	7.55%-12.00%	n/a	n/a
Front End	6.60%	n/a	n/a
Back End	6.65%-7.75%	1.50%	2040

These impairment tests were calculated using exchange rates in effect on the balance sheet date or the hedged rate when cash flows are hedged.

Mining

The recoverable amount of the Mining group of CGUs is determined based on its value in use. The value in use of mining operations is calculated based on forecast data for the entire period, up to the planned end of mining operations at existing mines (Canada, Kazakhstan and Niger) and the marketing of the corresponding products (i.e. no later than 2043), rather than on a standard year. The value in use is determined by discounting estimated future cash flows per mine at rates between 7.00% and 12.00% (between 7.55% and 12.00% at December 31, 2019) and based on exchange rates at December 31, 2020.

Future cash flows are determined using the contractually set prices for the fixed component of the backlog and, for the variable component, the market prices based on the forecast price curve prepared by Orano. The forecast price curve is also used for the

The discount rates used for impairment testing are based on the average cost of capital, and reflect current assumptions as regards the time value of money and the specific risk represented by the asset, the CGU or the group of CGUs; they are determined on the basis of observed market data and evaluations prepared by specialized firms (market risk-free rate, equity market risk premium, volatility indices, credit spreads and debt ratios of comparable companies in each sector).

portion of sales not yet covered by a contract. The price curve is based among other things on Orano's vision of changes in supply (uranium mines and secondary resources) and demand (reflecting the consumption of the global fleet of nuclear power plants over the length of the curve and the purchasing policy of the relevant utilities).

The value in use determined in this manner is greater than the net carrying amount, and therefore does not result in any impairment of goodwill.

The test remains sensitive to discount rates, to foreign exchange parity and to the anticipated future prices of uranium. The value in use of the assets of the Mining group of CGUs would fall by the amounts below if any of the following assumptions were used:

- a discount rate of 50 basis points higher: 93 million euros;
- a euro/US dollar exchange rate 5 eurocents higher (i.e. 1.28 instead of 1.23): 193 million euros; and
- sales price assumption 5 US dollars per pound of uranium below Orano's projected price curves over the entire period of the business plans: 347 million euros.

On this point, the sensitivity analysis was carried out without taking into account a revision of economically mineable uranium quantities or production schedules resulting from this price change.

Taken individually, these impairments would not result in an impairment of goodwill allocated to the group of CGUs of the Mining BU but, taken together, would result in the impairment of part of the goodwill.

Front End

In the Front End segment, goodwill is carried by the Enrichment CGU. The recoverable amount of the CGU is determined from the value in use, calculated using forecast data for the entire period up to the planned end of the operation of industrial assets, without using a normative year. The value in use is determined by discounting estimated future cash flows at 6.50% (6.60% at December 31, 2019) and on the basis of a euro-US dollar exchange rate of 1.23, in line with the closing rate as of December 31, 2020 (1.12 at December 31, 2019).

Future cash flows are determined using the contractually set prices for the fixed component of the backlog and, for the variable component, the market prices based on the forecast price curve prepared and updated by Orano. The forecast price curve is also used for the portion of sales not yet covered by a contract. The price curve is based among other things on Orano's vision of changes in supply (enrichment capacities, secondary stocks and resources) and demand for enriched uranium (reflecting the consumption of the global fleet of nuclear power plants over the length of the curve and the purchasing policy of the relevant utilities).

Impairment testing performed at December 31, 2020 did not result in the recognition of any impairment of goodwill.

The test is sensitive to the discount rate, as well as to the euro/US dollar parity. The value in use of the assets of the Enrichment CGU would fall by the amounts below if any of the following assumptions were used:

- a discount rate of 50 basis points higher: 293 million euros;
- a euro/US dollar exchange rate 5 eurocents higher (i.e. 1.28 instead of 1.23): 32 million euros;
- sales price assumptions 1 euro per SWU below Orano's projected price curves: 41 million euros.

Individually, these sensitivities do not result in goodwill impairment, whereas cumulatively, an impairment would have to be recognized.

Back End

In the Back End segment, goodwill was carried by the Recycling BU in the amount of 171 million euros, the Logistics BU in the amount of 41 million euros and the DS BU in the amount of 15 million euros.

The impairment tests performed on the CGUs relating to the activities of the Downstream BUs did not result in the recognition of any goodwill impairment.

The value in use is determined by discounting estimated future cash flows at rates of 7.5% (compared to 6.80% as of December 31, 2019) for the Recycling BU and between 6.5%-7% (compared to 6.95%-7.75% as of December 31, 2019) for the NPS BU and between 6.50%-7.50% (compared to 6.05%-7.75% as of December 31, 2019) for the DS BU.

Sensitivity analyses show that the use of a discount rate 50 basis points higher and/or a growth rate for the standard year 1 percentage point lower than the above-mentioned rates would not have led to the recognition of impairment on goodwill.

NOTE 10 INTANGIBLE ASSETS

(in millions of euros)	Pre-mining expenses	R&D expenses	Mineral rights	Concessions & patents	Software	Intangible assets in progress	Other	Total
Gross amount at December 31, 2019	2,054	56	1,155	408	342	65	186	4,267
CAPEX	23	-	-	-	-	25	0	48
Disposal	0	-	-	(3)	(4)	-	(1)	(8)
Currency translation adjustments	(144)	-	(68)	(2)	(1)	(8)	(3)	(225)
Change in consolidated group	6	-	-	-	-	-	-	6
Other adjustment	13	-	-	-	15	(21)	1	9
GROSS AMOUNT AT DECEMBER 31, 2020	1,953	56	1,088	404	353	61	182	4,097
Amortization and provisions at December 31, 2019	(1,268)	(56)	(1,155)	(98)	(309)	(4)	(130)	(3,020)
Net charges to amortization/impairment ⁽¹⁾	(47)	-	-	(9)	(7)	-	(16)	(79)
Disposal	0	-	-	3	4	-	1	8
Currency translation adjustments	93	-	68	2	1	-	3	166
Change in consolidated group	0	-	-	-	-	-	-	-
Other adjustment	(1)	-	-	-	4	-	(1)	3
AMORTIZATION AND PROVISIONS AT DECEMBER 31, 2020	(1,223)	(56)	(1,087)	(102)	(307)	(4)	(142)	(2,922)
Net carrying amount at December 31, 2019	786	-	-	311	34	61	55	1,247
NET CARRYING AMOUNT AT DECEMBER 31, 2020	729	-	-	302	46	57	40	1,175

(1) No impairment loss was recognized in financial year 2020.

NOTE 11 PROPERTY, PLANT AND EQUIPMENT

(in millions of euros)	Land	Buildings	Plant, equipment and tooling	End-of-lifecycle assets – attributable to owners of the parent	Other	In progress	Total
Gross amount at December 31, 2019	155	2,009	20,492	1,202	1,476	1,954	27,287
CAPEX	1	9	15	-	18	459	502
Disposal	(3)	(26)	(150)	(1)	(43)	-	(223)
Currency translation adjustments	(3)	(27)	(83)	-	(68)	(6)	(186)
Change in consolidated group	-	0	1	-	0	-	2
Other adjustment	0	(5)	440	43 ⁽²⁾	51	(489)	41
GROSS AMOUNT AT DECEMBER 31, 2020	150	1,960	20,715	1,244	1,435	1,918	27,422
Depreciation and provisions at December 31, 2019	(82)	(1,094)	(15,208)	(623)	(1,185)	(715)	(18,908)
Net charges to depreciation/impairment ⁽¹⁾	(1)	(43)	(347)	(26)	(26)	62	(380)
Disposal	2	23	144	-	43	-	213
Currency translation adjustments	-	15	35	-	60	1	111
Change in consolidated group	-	-	(1)	-	-	-	(1)
Other adjustment	-	(19)	36	-	(50)	27	(6)
DEPRECIATION AND PROVISIONS AT DECEMBER 31, 2020	(81)	(1,119)	(15,340)	(649)	(1,158)	(624)	(18,970)
Net carrying amount at December 31, 2019	73	914	5,284	579	291	1,239	8,380
NET CARRYING AMOUNT AT DECEMBER 31, 2020	69	841	5,376	595	277	1,294	8,452

(1) Including 44 million euros in reversals of impairment losses.

(2) Including 22 million euros related to the revisions of estimates and 16 million euros related to the change in the actual discount rate of the end-of-lifecycle provisions (see Note 13).

Mining assets

The tangible and intangible assets of mining and industrial sites (constituting Mining segment CGUs) are subject to an impairment test at each year-end (in accordance with the principles set out in Note 1.3.7.5) taking into account the deteriorating conditions in the uranium market.

Mining assets in Namibia – Trekkopje

The carrying amount of property, plant and equipment and intangible net assets in Namibia includes the infrastructure both mining and desalination plant producing industrial water.

The value in use of the desalination plant is tested separately from that of the mining infrastructure. It is determined on the basis of its business plan discounted at a rate of 8.50% (7.55% at December 31, 2019). An impairment of 7 million euros was recognized at December 31, 2020. After recognition of that impairment, the net carrying amount was 117 million euros at December 31, 2020 (compared with 140 million euros at December 31, 2019).

The net book value of the property, plant and equipment and intangible assets of the Trekkopje mine is justified on the basis of their fair value measured at December 31, 2020 based on a multiple of uranium resources in the ground. An impairment loss of 1 million euros had been recognized at December 31, 2019.

Mining assets in Canada – Midwest

Impairment in the amount of 8 million euros was recorded on the net carrying amount of the intangible assets and property, plant and equipment of the Midwest deposit at December 31, 2019, based on their fair value, determined based on a multiple of uranium resources in the ground. The net carrying amount of Midwest's assets was 46 million euros as at December 31, 2019. No additional impairment losses were recognized in 2020.

Industrial assets of the conversion CGU

The Conversion CGU includes the industrial assets of Malvési and Philippe Coste.

The value in use of property, plant and equipment was estimated as of June 30, 2020, using a discount rate of 7.1% (identical to December 31, 2019), a euro-US dollar exchange rate of 1.12 corresponding to the rate as of June 30, 2020 (unchanged from December 31, 2019) and sales price assumptions for the conversion units resulting from Orano's analysis of expected medium- and long-term supply and demand trends. This value testing resulted in the recognition of a reversal of impairment of 70 million euros.

At December 31, 2020, no impairment test had been carried out due to the absence of any indication of loss or reversal of value having a significant impact on the value in use of the Conversion CGU.

NOTE 12 LEASES

Right-of-use assets

(in millions of euros)	December 31, 2019	New leases/ Increase	Lease withdrawals/ Reductions	Net increase in depreciation	Other adjustment	Currency translation adjustments	December 31, 2020
Property assets	63	18	0	(14)	0	(2)	64
Other assets	15	21	0	(10)	0	(0)	25
TOTAL	77	38	(1)	(24)	0	(2)	89

Lease liabilities

The following table presents the provisional disbursement schedule:

(in millions of euros)	December 31, 2020
Maturing in one year or less	27
Maturing in 1-2 years	19
Maturing in 2-3 years	15
Maturing in 3-4 years	10
Maturing in 4-5 years	9
Maturing in more than 5 years	30
TOTAL	110

The amounts represent future disbursements expressed before discounting.

NOTE 13 END-OF-LIFECYCLE OPERATIONS

Provisions for end-of-lifecycle operations

(in millions of euros)	Net carrying amount at December 31, 2019	Reversal (when risk has materialized)	Accretion	Third-party expenses	Revisions to estimates	Other adjustment	Net carrying amount at December 31, 2020
Provisions for dismantling	5,069	(130)	185	(20)	78	(12)	5,173
Provisions for waste retrieval and packaging	1,182	(70)	46	-	48	(3)	1,202
Provisions for long-term waste management and site monitoring	1,438	(17)	52	-	(4)	(22)	1,447
Provisions for end-of-lifecycle operations (regulated *)	7,689	(217)	283	(20)	122	(37)	7,821
Provisions for end-of-lifecycle operations (non-regulated *)	322	(11)	12	-	28	18	368
PROVISIONS FOR END- OF-LIFECYCLE OPERATIONS	8,010	(228)	295	(20)	150	(19)	8,189

* Scope of application of the law of June 28, 2006.

At December 31, 2020, used provisions in the amount of 228 million euros correspond to the expenses relating to the end-of-lifecycle operations incurred by the group.

Rewvisions to estimates for 150 million euros include allocations relating to:

- cross-functional contingencies for +87 million euros offset by operating income;
- dismantling of discontinued facilities and RCD operations for +30 million euros offset by operating income;
- dismantling of facilities in operation for net amount of +22 million euros, offset by dismantling assets (own portion) for +30 million euros (see Note 11) and the underlying asset for (9) million euros;
- dismantling of facilities offset by third-party assets for +11 million euros.

Other changes for (19) million euros include:

- the impact of the change in the actual discount rate for (16) million euros which, on the one hand come from +58 million euros due to the decrease in the actual discount rate from 2.30% to 2.27% and, on the other hand, for (74) million euros due to the decrease in the inflation rate used, from 1.40% to 0.50% for the current year. The offset is recorded in the assets (own share) for +16 million euros (see Note 11), the assets owed by third parties for +2 million euros and financial income for 34 million euros (see Note 7);
- changes in payment schedules in the amount of (3) million euros.

Nature of the commitments

As a nuclear facility operator, the group has a legal obligation to secure and dismantle its production facilities when they are shut down in whole or in part on a permanent basis. It must also retrieve and package in accordance with prevailing standards certain legacy waste as well as the waste resulting from operating and dismantling activities. The group must also assume financial obligations to monitor storage sites after their closure.

In December 2004, the CEA, EDF and Orano Démantèlement signed an agreement concerning the Marcoule site, which transfers the responsibilities of site owner-operator to the CEA, which will be responsible for funding the dismantling of the site facilities. This agreement does not cover shipping and final disposal costs for high and medium-level long-lived waste (HL-LLW/ML-LLW). Accordingly, provisions for the Marcoule site only cover Orano's share of waste shipping and final waste disposal costs.

For all the facilities within the regulated scope and those outside the scope, Orano uses the same methods to assess both the cost of end-of-lifecycle operations and expenses related to disposal and storage of radioactive waste.

In accordance with Article 20 of French planning law No. 2006-739 of June 28, 2006 on the sustainable management of radioactive materials and waste, codified in Articles L. 594-1 et seq. of the French Environmental Code, Orano submits a report on INBs to the administrative authority every three years setting out cost estimates and calculation methods for end-of-lifecycle provisions, as well as an annual update of this report.

Measuring of provisions for dismantling and for waste retrieval and packaging operations (WRP)

The costing of facility dismantling and WRP operations is based on methodologies and scenarios describing the nature and timing of the planned operations. The estimate is based on a parametric approach for facilities in operation (costing resulting from the inventory of the facility: volume of materials, equipment, etc.) and an analytical approach for shutdowns and RCD operations (quantification resulting from the estimated cost of each planned operation: volume and cost of work units required, collection of estimates from subcontractors, etc.).

The dismantling scenarios adopted by Orano are compliant with the French Environmental Code, which imposes the shortest possible time between the final shutdown of the facility and its dismantling under economically acceptable conditions and in compliance with the principles set out in the French Code of Public Health.

The group measures its provisions on the basis of a reference scenario, which notably defines the final state of the site. When Orano considers that the industrial reuse of buildings after the decommissioning of facilities is compatible with possible industrial use, the provisions exclude the cost of their deconstruction. In some situations, however, Orano provides for the deconstruction of the buildings and so sets aside the associated costs. Orano also provides for the cost of treating radiologically marked soils when characterization studies of these soils make such operations likely.

Main opportunities and uncertainties

In view of the duration of the end-of-lifecycle operations, the main opportunities and uncertainties cited as examples below are taken into account as they occur:

- opportunities:
 - gains generated by the learning curve and industrial standardization of operating procedures;
 - in-depth investigations on the condition of the facilities using new technologies in order to reduce the uncertainty related to initial facility conditions;
 - receipt of an exemption or a release threshold allowing the recycling of very low activity metallic materials resulting from the dismantling of facilities in the Front End segment;
- uncertainties:
 - revision of scenarios of certain WRP projects at la Hague during the qualification of waste retrieval processes;
 - differences between the expected initial conditions of the legacy facilities and the actual initial conditions;
 - change in regulations, particularly in terms of safety, security and respect for the environment; and
 - change in financial parameters (discount and inflation rates).

Consideration of identified risks and unforeseen events

The technical cost of end-of-lifecycle operations is backed up by consideration of:

- a baseline scenario that takes operating experience into account;
- amounts for risks identified through risk analyses conducted in accordance with the Orano standard and updated regularly as the projects advance; and
- amounts to cover unidentified risks.

Measurement of provisions for long-term waste management and monitoring of storage sites after their closure

Orano sets aside a provision for expenses related to radioactive waste in its possession.

These expenses include:

- disposal and surface storage of very low-level waste (VLLW) and low-level and medium-level short-lived waste (LL-SLW and ML-SLW) from facilities dismantling;
- the warehousing, disposal and underground storage of long-lived low-level waste (LL-LLW);
- the warehousing, disposal and storage of high- and medium-level long-lived waste (HL-LLW and ML-LLW) in deep geological storage; and
- the share of post-closure monitoring of the various ANDRA storage sites.

The volumes of waste giving rise to provisions include packages relating to legacy waste, all waste coming from the dismantling of facilities, and HL-LLW and ML-LLW technological waste from the operation of facilities. These volumes are periodically reviewed in line with the data declared within the framework of the national waste inventory.

The measurement of the provision related to the long-term management of HL-LLW and ML-LLW is based on the assumption that a deep geological repository (subsequently referred to as

CIGEO) will be built. It draws on the cost at completion of 25 billion euros set in the Ministerial Order of January 15, 2016 (gross value not discounted, under the economic conditions prevailing at December 31, 2011). This order takes notably into account the cost estimate of the project established by ANDRA, the ASN opinion and the observations made by nuclear operators. In application of this order, it is expected that the cost of the CIGEO project may be updated as the key stages in its development are completed (authorization of creation, commissioning, end of the "pilot industrial phase", safety reviews), in accordance with the ASN opinion. On January 15, 2018, the ASN also issued its opinion on the CIGEO safety options file, finding that the project had reached satisfactory overall technological maturity at the safety options file stage and requesting additional elements of demonstration regarding the bituminous waste safety options.

This cost at completion, after adjustment to the economic conditions prevailing at December 31, 2020 and discounting, have been covered by a provision for the amount of the estimated share of financing that will ultimately be borne by the group and the proportion of waste existing at the closure, and waste coming from dismantling operations. The breakdown of funding between nuclear operators depends on many factors, including the volume and nature of the waste sent by each operator, the timing of the shipment of waste and the design of the underground facility.

For sensitivity analysis purposes, an increase of 1 billion euros in the amount of the CIGEO project estimate by value before discounting would result in an additional expense at present value of approximately 31 million euros for Orano, based on the methodology used to establish the existing provision.

Discount and inflation rates (see principles laid out in Note 1.3.12)

At December 31, 2020, Orano applied a long-term inflation assumption of 1.15% and a discount rate of 3.42% (1.40% and 3.70% respectively at December 31, 2019).

At December 31, 2020, the use of a discount rate 10 basis points higher or lower than that used would have the effect of changing the closing balance of provisions for end-of-lifecycle operations by 162 million euros with a rate of 2.37% or 168 million euros with a rate of 2.17%.

Provisional schedule of provision disbursements

The following table shows the provisional schedule of provision disbursements both within and outside the regulated scope, excluding monitoring costs of ANDRA'S storage sites:

(in millions of euros)	December 31, 2020
2021	410
2022-2024	1,207
2025-2029	1,610
2030-2039	2,220
2040 and beyond	8,720
TOTAL PROVISIONS BEFORE DISCOUNTING	14,167

The amounts represent the future disbursements of provisions expressed in the economic conditions of the year 2020 and before accretion.

End-of-lifecycle assets

End-of-lifecycle assets include two items:

- the group's share of end-of-lifecycle assets, classified under property, plant and equipment in the statement of financial position (see Note 11);
- third-parties' share of end-of-lifecycle assets (see Note 1.3.12 and described in this Note) corresponds to the financing expected from third parties contributing to the dismantling of certain facilities or equipment which Orano is legally or contractually obliged to dismantle.

(in millions of euros)	Net carrying amount at December 31, 2019	Decrease from period expense	Accretion	Change in assumptions, revised budgets, etc.	Net carrying amount at December 31, 2020
End-of-lifecycle assets – third party share (regulated *)	120	(20)	4	12	117
End-of-lifecycle assets – third-party share (non-regulated *)	1	-	-	4	5
TOTAL THIRD-PARTY SHARE	121	(20)	4	16	122

* Scope of application of the law of June 28, 2006.

Financial assets earmarked for end-of-lifecycle operations

(in millions of euros)	December 31, 2020		December 31, 2019	
	Net carrying amount	Market value	Net carrying amount	Market value
Portfolio of earmarked securities	7,498	7,707	7,408	7,582
Receivables related to end-of-lifecycle operations	63	63	63	63
TOTAL FINANCIAL ASSETS EARMARKED FOR END-OF-LIFECYCLE OPERATIONS	7,561	7,770	7,471	7,645
of which earmarked assets (regulated scope *)	7,498	7,707	7,408	7,582
of which earmarked assets (outside the regulated scope *)	63	63	63	63

* Scope of application of the law of June 28, 2006.

Objective of earmarked assets, portfolio of earmarked securities and end-of-lifecycle receivables

To secure the funding of end-of-lifecycle obligations, the group has built up a special portfolio earmarked for the payment of its future facility dismantling and waste management expenses. This obligation has applied to all nuclear operators in France since law No. 2006-739 of June 28, 2006 and implementing decree No. 2007-243 of February 23, 2007 came into force. This portfolio was composed based on a schedule of disbursements over more than a century and is therefore managed with long-term objectives. The portfolio is comprised of financial assets intended to cover all of the group's commitments, whether related to obligations imposed by the law of June 28, 2006 for regulated nuclear facilities located in France, or related to other end-of-lifecycle commitments for facilities located in France.

The group relies on independent consultants to study strategic target asset allocations to optimize the risk/return of the portfolio over the long term and to advise it on the choice of asset classes and portfolio managers. These recommendations are submitted to the End-of-Lifecycle Obligations Monitoring Committee of the Board of Directors. Long-term asset allocations indicate the target percentage of assets to cover liabilities (bonds and money market assets, including receivables from third parties) and diversification assets (shares, etc.), subject to limits imposed by decree No. 2007-243 of February 23, 2007 and its amendment by decree No. 2013-678 of July 24, 2013, both in terms of the control and spread of risks and in terms of the type of investments.

On December 31, 2020, Orano made a voluntary contribution of 35 million euros to the dismantling funds. Following this contribution, at December 31, 2020 for the end-of-lifecycle obligations falling within the scope of Articles L. 594-1 et seq. of the French Environmental Code, the legal entities comprising Orano had earmarked assets representing 100.0% of end-of-lifecycle liabilities (compared with 100.2% at December 31, 2019). This coverage ratio is determined as follows:

(in millions of euros)	December 31, 2020	December 31, 2019
Provisions for end-of-lifecycle operations (regulated *)	7,821	7,689
Third-party assets (regulated *)	117	120
Earmarked financial assets at market value (regulated *)	7,707	7,582
Earmarked for end-of-lifecycle operations (regulated*)	7,824	7,702
(Deficit)/Surplus of earmarked assets (regulated*)	3	14
Coverage ratio (regulated*)	100.0%	100.2%

* Scope of application of the law of June 28, 2006.

The regulatory ceiling for discounting end-of-lifecycle liabilities is now expressed in real terms (net of long-term inflation) and stood at 2.66% at December 31, 2020. Insofar as the discount rate used is below the regulatory discount rate, the coverage ratio is calculated using the discount rate determined by Orano for discounting provisions for end-of-lifecycle operations within the regulated scope.

Portfolio of earmarked assets

Orano has ensured that all funds are kept, deposited and valued by a service provider in such a way as to be able to perform the necessary controls and valuations required by the implementing decree.

The portfolio of assets earmarked to fund end-of-lifecycle expenses includes the following:

(in millions of euros)	December 31, 2020	December 31, 2019
IN MARKET VALUE OR NET ASSET VALUE		
Equity mutual funds and listed equities	3,361	2,924
Bond and money market mutual funds	3,135	3,522
Unlisted mutual funds	547	505
AT AMORTIZED COST		
Bonds and bond funds	456	457
Portfolio of securities earmarked for end-of-lifecycle operations	7,498	7,408
Receivables related to end-of-lifecycle operations	63	63
TOTAL FINANCIAL ASSETS EARMARKED FOR END-OF-LIFECYCLE OPERATIONS	7,561	7,471

(in millions of euros)	December 31, 2020	December 31, 2019
BY REGION		
Eurozone	6,141	5,969
Other	1,419	1,502
TOTAL FINANCIAL ASSETS EARMARKED FOR END-OF-LIFECYCLE OPERATIONS		
	7,561	7,471

Financial assets held as securities or mutual funds represent 99% of all earmarked assets at December 31, 2020. They break down as follows: 52% equities and other non-redeemable equity securities, 47% bonds and money market securities, and 1% receivables.

Performance of financial assets earmarked for end-of-lifecycle operations by asset class

Asset class	December 31, 2020	December 31, 2019
Shares	+4.99%	+26.2%
Fixed income products (including receivables related to end-of-lifecycle operations)	+2.89%	+5.1%
TOTAL FINANCIAL ASSETS EARMARKED FOR END-OF-LIFECYCLE OPERATIONS	+4.52%	+13.9%

Receivables related to end-of-lifecycle operations

Receivables related to end-of-lifecycle operations are mainly receivables on EDF and the CEA, resulting from the over-funding of ANDRA assumed by Orano between 1983 and 1999 (payment by Orano of contributions divided between nuclear operators above its share).

Risk description and assessment

Equity investments in the portfolio of earmarked securities include mainly:

- a mandate of publicly traded shares, which includes about 50 companies based in the European Union. The securities are held in order to generate gains over the long term. Although it is not a management guideline, the mandate will be assessed over the long term compared to an external MSCI EMU benchmark, net dividends reinvested; and
- dedicated equity funds with diversified management strategies centered on European securities. Depending on the investment objective, the managers are required to comply with specific rules in terms of exposure: investment limits in absolute terms and relative to net assets, limited exposure in non-euro currencies, indication of a relative risk compared to a target benchmark index (tracking error) and limited investments on certain instruments. Together, these limits are designed to comply with investment rules established in the implementing decree of the law of June 28, 2006.

Fixed income products in the portfolio of earmarked securities mainly include:

- directly held securities consisting of government bonds from the Eurozone, which will be held to maturity and their redemption. They are recognized using the amortized cost method; and
- dedicated bond funds, listed bonds and open-ended money market funds. The sensitivity to interest rates of bond funds is limited in both directions, including the portfolio's overall consistency with preset long-term sensitivity objectives and the sensitivity of the liabilities to the discount rate used. The issuers' ratings (Moody's or Standard & Poor's) are used to manage the credit risk exposure of money market and bond funds and listed bonds.

Derivatives may be used for hedging or to acquire a limited exposure. They are subject to specific investment guidelines prohibiting leverage. Total nominal commitments may not exceed the fund's net assets. Sales of puts and calls must be fully covered by underlying assets (and are prohibited on assets not included in the portfolio).

Risk assessment and management of the earmarked portfolio

The risks underlying the portfolios and funds holding assets under the management mandate for end-of-lifecycle operations are assessed on a regular basis. For each fund or earmarked asset, this assessment allows the maximum total loss to be estimated with a 95% level of confidence for different portfolio maturities using the VaR (Value at Risk) method and volatility estimates. It provides a second estimate using deterministic scenarios: yield curve shock and/or equity market decline.

The impacts of changes in equity markets and rates on the valuation of earmarked financial assets are summarized in the following table:

(in millions of euros)	December 31, 2020
ASSUMPTION: DECLINING EQUITY MARKETS AND RISING INTEREST RATES	
-10% on equities	(391)
+100 basis points on fixed income	(105)
TOTAL	(496)
ASSUMPTION: RISING EQUITY MARKETS AND DECLINING INTEREST RATES	
+10% on equities	391
-100 basis points on fixed income	105
TOTAL	496

NOTE 14 INFORMATION ON JOINT VENTURES AND ASSOCIATES

2020

(in millions of euros)	Share in net income of joint ventures and associates	Investments in joint ventures and associates	Share in negative net equity of joint ventures and associates
Cominak	2	-	42
ETC	14	-	14
SI-nerGIE	(1)	-	1
ANADEC	0	-	-
Interim Storage Partners	0	5	-
ADP	0	1	-
TOTAL	15	6	57

The share of net deficit position of Cominak is mainly attributable to the costs associated with the decision to close the mine (see Note 1.1).

Orano considers that it has a constructive obligation to finance the residual operations to complete operations and rehabilitate the Cominak site in proportion with its interest; and in accordance with the provisions of IAS 28, Orano recognizes the share of negative equity as a liability in its consolidated statement of financial position, and its share of negative net income in its consolidated statement of income and statement of comprehensive income.

Orano considers that it has a constructive obligation to ensure the continuity of operations of ETC (joint venture equally owned by Orano and URENCO) and SI-nerGIE (GIE equally owned by Orano and Framatome, see Note 28); and in accordance with the provisions of IAS 28, Orano recognizes the share of negative equity as a liability in its consolidated statement of financial position and its share of negative net income in its consolidated statement of income and statement of comprehensive income.

The relationship with ADP is described in the highlights (see Note 1.1).

The relationship with ISP is described in note 28.

2019

(in millions of euros)	Share in net income of joint ventures and associates	Investments in joint ventures and associates	Share in negative net equity of joint ventures and associates
Cominak	(31)	-	45
ETC	13	-	23
SI-nerGIE	(1)	-	1
ANADEC	0	0	-
Interim Storage Partners	0	4	-
TOTAL	(19)	4	69

Significant joint ventures

A joint venture is deemed to be significant if its revenue or statement of financial position total is more than 150 million euros. An associate is deemed to be significant when its statement of financial position total is more than 150 million euros.

Financial information required under IFRS 12 is presented before eliminations of intercompany transactions and restatements, and is based on 100% ownership.

(in millions of euros)	December 31, 2020		December 31, 2019	
	ETC	Si-nerGIE	ETC	Si-nerGIE
	Front End	Corporate	Front End	Corporate
Country	UK	France	UK	France
% held	50%	50%	50%	50%
Revenue	105	147	126	161
EBITDA	22	4	37	5
Net income	28	(2)	18	(1)
including increases to amortization and depreciation	(6)	(6)	(6)	(9)
including interest income/expense	-	-	-	-
including tax income/expense	-	-	-	-
Other items of comprehensive income	1	-	(8)	0
COMPREHENSIVE INCOME	29	(2)	10	(1)

(in millions of euros)	December 31, 2020		December 31, 2019	
	ETC	Si-nerGIE	ETC	Si-nerGIE
	Front End	Corporate	Front End	Corporate
Country	UK	France	UK	France
% held	50%	50%	50%	50%
Current assets	167	40	172	59
including cash and cash equivalents	14	7	17	19
Non-current assets	61	35	46	32
Current liabilities	103	76	108	76
including current financial liabilities	-	-	-	-
Non-current liabilities	9	1	14	16
including non-current financial liabilities	-	-	-	14
NET ASSETS	115	(2)	96	(2)

(in millions of euros)	December 31, 2020		December 31, 2019	
	ETC	Si-nerGIE	ETC	Si-nerGIE
	Front End	Corporate	Front End	Corporate
Country	UK	France	UK	France
% held	50%	50%	50%	50%
Share of net equity before eliminations at the beginning of the year	48	(1)	43	0
Share of comprehensive income	15	(1)	5	(1)
Share of dividend distributions	-	-	-	-
Share of income paid by consortiums	-	-	-	-
Other adjustment	-	-	-	-
Share of net equity before eliminations at the end of the year	57	(1)	48	(1)
Consolidation adjustments	(71)	-	(71)	-
Investments in joint ventures at the end of the year	-	-	-	-
SHARE OF NEGATIVE NET EQUITY	(14)	(1)	(23)	(1)

Non-significant joint ventures

(in millions of euros)	December 31, 2020	December 31, 2019
Securities of non-significant joint ventures in assets	6	4
Securities of non-significant joint ventures in liabilities	42	45
Share of net income	3	(31)
Share of other items of comprehensive income	(1)	0
Share of comprehensive income	2	(31)

The non-significant joint ventures are Cominak, ANADEC, Interim Storage Partners and ADP.

NOTE 15 OTHER CURRENT AND NON-CURRENT ASSETS

Other non-current assets

(in millions of euros)	December 31, 2020	December 31, 2019
Derivatives on financing activities	41	29
Other assets	113	77
TOTAL OTHER NON-CURRENT ASSETS	154	106

Other assets include inventories of uranium and deposits to finance future expenditure for the redevelopment of mining sites internationally in the amount of 81 million euros as of December 31, 2020 (52 million euros as of December 31, 2019).

Other current financial assets

(in millions of euros)	December 31, 2020	December 31, 2019
Derivatives on financing activities	5	2
Cash management financial assets	444	439
Other financial assets	10	7
TOTAL OTHER CURRENT FINANCIAL ASSETS	460	448

NOTE 16 INVENTORIES AND WORK-IN-PROGRESS

(in millions of euros)	December 31, 2020	December 31, 2019
Raw materials and other supplies	453	444
In progress	737	814
Finished goods	321	411
Total gross amount	1,511	1,669
Provisions for impairment	(123)	(158)
TOTAL NET CARRYING AMOUNT	1,388	1,511
Inventories and work-in-process:		
at cost	667	822
at fair value net of disposal expenses	721	689
	1,388	1,511

NOTE 17 TRADE AND RELATED ACCOUNTS

(in millions of euros)	December 31, 2020	December 31, 2019
Gross amount	691	623
Impairment	(10)	(6)
NET CARRYING AMOUNT	681	617

BREAKDOWN OF TRADE ACCOUNTS RECEIVABLE AND RELATED ACCOUNTS

(in millions of euros)	Net amount	Not yet due	of which due					
			Less than 1 month	1 to 2 months	2 to 3 months	3 to 6 months	Between 6 months and one year	More than a year
December 31, 2020	681	527	106	18	2	8	14	6
December 31, 2019	617	508	71	22	3	2	4	8

NOTE 18 CONTRACT ASSETS AND LIABILITIES

(in millions of euros)	December 31, 2020	December 31, 2019
Contract assets	104	95

At December 31, 2020, contract assets include 45 million euros due in more than one year.

(in millions of euros)	December 31, 2020	December 31, 2019
Contract liabilities	4,930	4,781

Contract liabilities comprise prepaid income, and operating and investment advances and prepayments by customers. They are deducted from the revenue generated under the contracts in question and mainly concern investment financing for the treatment and recycling of used fuels and uranium sales.

At December 31, 2020, contract liabilities include 4,651 million euros due in more than one year.

NOTE 19 OTHER OPERATING RECEIVABLES

(in millions of euros)	December 31, 2020	December 31, 2019
French State receivables	284	218
Advances and down payments to suppliers	85	103
Miscellaneous accounts receivable	185	174
Financial instruments	173	23
Other	1	1
OTHER OPERATING RECEIVABLES	728	518

Government receivables mainly include VAT receivables and tax credits.

"Miscellaneous accounts receivable" includes prepaid expenses, receivables from suppliers and receivables from employees and benefit management bodies.

"Financial instruments" include the fair value of derivatives hedging market transactions and the fair value of the firm commitments hedged.

Other operating receivables include 20 million euros due in more than one year.

NOTE 20 CASH AND CASH EQUIVALENTS

(in millions of euros)	December 31, 2020	December 31, 2019
Cash	784	941
Cash equivalents	770	551
TOTAL	1,554	1,492

At December 31, 2020, cash and cash equivalents included cash and cash equivalents not immediately available to the group in the amount of 221 million euros (compared with 273 million euros at

December 31, 2019), chiefly reflecting regulatory restrictions in the amount of 73 million euros and legal restrictions in international markets in the amount of 148 million euros.

NOTE 21 CASH FLOW FROM OPERATING ACTIVITIES

Change in working capital requirement

(in millions of euros)	December 31, 2020	December 31, 2019
Net change in inventories and work-in-progress	125	(206)
Net change in trade and other receivables	(111)	104
Change in contract assets	(30)	2
Change in accounts payable and other liabilities	(27)	191
Change in contract liabilities	234	246
Change in advances and prepayments made	10	(21)
Change in Forex hedge of WCR	(10)	(21)
Change in other non-current non-financial assets	(5)	(5)
TOTAL	185	290

NOTE 22 EQUITY

Capital

Orano's share capital broke down as follows:

	December 31, 2020	December 31, 2019
French State	50% + 1 share	50% + 1 share
AREVA SA	20%	20%
Natixis*	10%	10%
Caisse des Dépôts*	10%	10%
CEA	1 share	1 share
MHI	5%	5%
JNFL	5%	5%
TOTAL	100%	100%

* Under a trust agreement and as security on behalf of certain AREVA SA lenders, AREVA SA transferred 10% of the capital of Orano SA to Caisse des Dépôts and 10% of the capital of Orano SA to Natixis. Pursuant to the shareholders' agreement, it was nevertheless agreed that the voting rights held by Caisse des Dépôts and Natixis will be exercised exclusively in accordance with the instructions given by AREVA SA, pursuant to the provisions of the agreement.

Stock option plan

There is no stock option plan.

NOTE 23 NON-CONTROLLING INTERESTS

Non-controlling interests consist of the share of net equity of interests held by third parties in a subsidiary controlled by the group.

(in millions of euros)	December 31, 2020	December 31, 2019
Orano Expansion and Imouraren	(307)	(306)
Somaïr	46	42
Katco	106	150
SET and SET Holding	102	93
Orano DS	3	5
Other	(25)	(17)
TOTAL	(75)	(34)

A subsidiary is considered significant if its revenue is greater than 200 million euros, if its total statement of financial position is greater than 200 million euros or if its net assets exceed 200 million euros in absolute value.

Financial information on significant subsidiaries, required under IFRS 12, is presented before elimination of intercompany transactions.

DECEMBER 31, 2020

(in millions of euros)	Imouraren	Somaïr	Katco	SET	Orano DS
	Mining	Mining	Mining	Front End	D&S
Country	Niger	Niger	Kazakhstan	France	France
Percentage stake in non-controlling interests	*	36.60%	49.00%	5.00%**	26.14%
Revenue	-	122	199	713	295
EBITDA	(1)	29	149	435	10
Net income	(2)	(2)	111	142	(4)
of which attributable to non-controlling interests	(1)	(1)	55	7	(1)
Current assets	13	93	142	676	149
Non-current assets	69	153	142	3,938	42
Current liabilities	(5)	(41)	(15)	(877)	(137)
Non-current liabilities	0	(72)	(17)	(1,678)	(29)
Net assets	77	133	252	2,059	26
of which attributable to non-controlling interests	25	49	123	103	7
Cash flow from operating activities	(3)	28	153	386	16
Cash flow from investing activities	2	(25)	(53)	27	(3)
Cash flow from financing activities	0	0	(147)	(253)	(6)
Change in net cash	(1)	3	(59)	159	6
Dividends paid to non-controlling interests	-	-	(72)	(1)	(1)

* Imouraren is held directly by Orano Expansion, whose purpose is to finance its subsidiary. The data presented for Imouraren and Orano Expansion are aggregated. The share attributable to non-controlling interests in Imouraren is 36.50%, for Orano Expansion, it is 4.72%.

** SET is held directly by SET Holding, whose purpose is to finance its subsidiary. The data presented for SET and SET Holding are aggregated.

DECEMBER 31, 2019

(in millions of euros)	Imouraren	Somaïr	Katco	SET	Orano DS
	Mining	Mining	Mining	Front End	D&S
Country	Niger	Niger	Kazakhstan	France	France
Percentage stake in non-controlling interests	*	36.60%	49.00%	5.00%**	26.14%
Revenue	-	120	181	568	292
EBITDA	(3)	22	126	368	12
Net income	(38)	(15)	78	105	2
of which attributable to non-controlling interests	(2)	(6)	38	5	1
Current assets	15	138	225	597	151
Non-current assets	69	153	149	4,076	36
Current liabilities	(5)	(85)	(18)	(871)	(127)
Non-current liabilities	0	(69)	(26)	(1,892)	(26)
Net assets	79	138	329	1,909	35
of which attributable to non-controlling interests	25	50	161	95	9
Cash flow from operating activities	(41)	31	109	293	(4)
Cash flow from investing activities	2	(22)	(27)	(22)	(3)
Cash flow from financing activities	48	(9)	(0)	(272)	(6)
Change in net cash	10	(1)	85	(1)	(13)
Dividends paid to non-controlling interests	-	-	-	(1)	(1)

* Imouraren is held directly by Orano Expansion, whose purpose is to finance its subsidiary. The data presented for Imouraren and Orano Expansion are aggregated. The share attributable to non-controlling interests in Imouraren is 36.50%, for Orano Expansion, it is 4.72%.

** SET is held directly by SET Holding, whose purpose is to finance its subsidiary. The data presented for SET and SET Holding are aggregated.

NOTE 24 EMPLOYEE BENEFITS

Depending on the prevailing laws and practices of each country, the group's companies make end-of-career payments to their retiring employees. Long-service awards and early retirement pensions are also paid, while supplementary pensions contractually guarantee a given level of income to certain employees.

The group calls on an independent actuary to evaluate its commitments each year.

In some companies, these commitments are covered in whole or in part by contracts with insurance companies or pension funds. In such cases, the obligations and the covering assets are valued independently.

The difference between the commitment and the fair value of the covering assets is either a funding surplus or a deficit. In the event of a shortfall, a provision is recorded. In the event of a surplus, an asset is recognized (subject to special conditions).

The group's key benefits

The "CAFC plan" (*congés anticipation fin de carrières*) is an early retirement plan consisting of a working time account with matching contributions from the employer for personnel who work at night or in certain jobs identified in the agreement. The system is partially covered by an insurance policy.

In 2019, the Orano group decided to stop the lifetime funding of the pension fund for former employees of Eurodif Production. Following negotiations, this decision led Orano to terminate the corresponding agreement and consequently a halt to the employer's funding on March 31, 2021. The corresponding commitment of 95 million euros at December 31, 2020 was the subject of a provision reversal in 2020.

PROVISIONS RECOGNIZED ON THE STATEMENT OF FINANCIAL POSITION

(in millions of euros)	December 31, 2020	December 31, 2019
TOTAL PROVISIONS FOR PENSION OBLIGATIONS AND OTHER EMPLOYEE BENEFITS	1,066	1,111
Medical expenses and accident/disability insurance	4	101
Retirement benefits	366	349
Long-service awards	8	8
Early retirement benefits	674	647
Supplemental retirement benefits	15	6

By region (in millions of euros)	Eurozone	Other	December 31, 2020
Medical expenses and accident/disability insurance	2	2	4
Retirement benefits	366	-	366
Long-service awards	8	-	8
Early retirement benefits	662	12	674
Supplemental retirement benefits	12	2	14
TOTAL	1,050	16	1,066

ACTUARIAL ASSUMPTIONS

	December 31, 2020	December 31, 2019
Long-term inflation		
• Eurozone	1.3%	1.3%
Discount rate		
• Eurozone	0.45%	0.6%
• US zone	1.9%	2.6%
Pension benefit increases		
• Eurozone	1.3%	1.3%
Social security ceiling increase (net of inflation)	+0.5%	+0.5%

Mortality tables

	December 31, 2020	December 31, 2019
France		
• Annuities	Generation table	Generation table
• Lump sum payments	INSEE Men/Women 2000-2002	INSEE Men/Women 2000-2002

Retirement age in France

	December 31, 2020	December 31, 2019
Management personnel	65	65
Non-management personnel	62	62

The assumptions for average attrition reflect the natural rate of departure for employees prior to retirement age. These assumptions, set for each group company, are broken down by age

bracket, with employees nearing retirement assumed to be less mobile than those early in their careers.

The rates in brackets indicate estimated maximum and minimum values in the group.

	Management personnel		Non-management personnel	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
France	[3.0%-0.0%]	[3.0%-0.0%]	[0.36%-0.0%]	[0.36%-0.0%]

Assumed rate of salary increase for the calculation of provisions includes inflation.

The rates in square brackets show average revaluations at the beginning of the career, which are assumed to be higher, and those at the end of the career.

	Management personnel		Non-management personnel	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
France	[2.3%-1.3%]	[2.3%-0.8%]	[2.3%-1.3%]	[2.3%-0.8%]

FINANCIAL ASSETS

As of December 31, 2020, the financial assets consisted of bonds for 98% and other monetary instruments for 2% (breakdown unchanged from December 31, 2019).

Effective return on plan assets

	December 31, 2020	December 31, 2019
Europe	0.8%	-0.7%

NET AMOUNT RECOGNIZED

(in millions of euros)	Medical expenses and accident/disability insurance	Retirement benefits	Long-service awards	Early retirement benefits	Supplemental retirement benefits	December 31, 2020	December 31, 2019
Defined benefit obligation	4	367	8	700	43	1,121	1,224
Fair value of plan assets	-	1	-	26	29	55	113
TOTAL DEFINED-BENEFIT OBLIGATION	4	366	8	674	14	1,066	1,111

Sensitivity of the defined-benefit obligation to changes in discount rate

An across-the-board decrease in the discount rate of 0.50% would increase the defined-benefit obligation by 26 million euros.

(in millions of euros)	Medical expenses and accident/ disability insurance	Retirement benefits	Long- service awards	Early retirement benefits	Supplemental retirement benefits	TOTAL
Defined-benefit obligation as of December 31, 2019	101	349	8	719	46	1,224
Current service cost	2	17	1	18	-	38
Past service costs (including plan changes and reductions)	(94)	(1)	-	-	-	(95)
Disposals/Liquidation/Plan reductions	-	-	-	-	-	-
Accretion expense	1	2	-	3	-	6
Employee contributions	-	-	-	-	-	-
Mergers, acquisitions, transfers	-	2	-	-	-	2
Plan transfer	-	-	-	-	-	-
EXPENSE WITH IMPACT ON THE STATEMENT OF INCOME	(92)	20	-	20	-	(51)
Experience differences	(9)	(2)	-	(12)	-	(23)
Demographic assumption differences	-	-	-	-	-	-
Financial assumption differences (adjustment of discount rate)	3	19	-	36	-	58
TOTAL EXPENSE WITH IMPACT ON OTHER COMPREHENSIVE INCOME ITEMS	(6)	17	-	28	10	49
Benefits paid during the year	-	(20)	-	(65)	(4)	(89)
Currency translation adjustments	-	-	-	-	-	-
DEFINED-BENEFIT OBLIGATION AS OF DECEMBER 31, 2020	4	367	8	700	43	1,121
Fair value of hedging assets at December 31, 2019	-	1	-	72	40	113
Interest income on assets	-	-	-	-	-	-
INCOME WITH IMPACT ON THE STATEMENT OF INCOME	-	-	-	-	-	-
Actual yield on assets net of expected yield	-	-	-	(3)	(10)	(13)
TOTAL EXPENSE WITH IMPACT ON OTHER COMPREHENSIVE INCOME ITEMS	-	-	-	(3)	(10)	(13)
Benefits paid during the year	-	-	-	(43)	(1)	(44)
FAIR VALUE OF HEDGING ASSETS AT DECEMBER 31, 2020	-	1	-	26	29	55
Net amount recognized at December 31, 2019	101	348	8	647	6	1,111
NET AMOUNT RECOGNIZED AT DECEMBER 31, 2020	4	366	8	674	14	1,066

In 2020, Orano received 43 million euros from the BNP Paribas CARDIF insurance policy to reimburse pre-retirement pensions.

CHANGE IN PROVISION MEASURED

(in millions of euros)

December 31, 2019	1,111
Total expense	(2)
Contributions collected/benefits paid	(45)
Disposals/Liquidation/Plan reductions	-
Method change	-
Change in consolidated group	2
Currency translation adjustment	-
DECEMBER 31, 2020	1,066

PROVISIONAL SCHEDULE OF PROVISION DISBURSEMENTS

(in millions of euros)

2021–2023	262
2024–2028	422
2029 and beyond	382
DECEMBER 31, 2020	1,066

Amounts represent future disbursements of provisions after discounting.

NOTE 25 OTHER PROVISIONS

(in millions of euros)	December 31, 2019	Allocations	Reversal (when risk has materialized)	Reversal (when risk has not materialized)	Other changes*	December 31, 2020
Mining site redevelopment and decommissioning of treatment facilities	313	4	(11)	(3)	(19)	285
Other non-current provisions	3	-	-	-	-	3
Non-current provisions	316	4	(11)	(3)	(19)	288
Restructuring and layoff plans	3	-	(0)	(0)	(2)	(0)
Provisions for onerous contracts	150	88	(16)	(2)	(0)	220
Provisions for contract completion	1,520	137	(99)	(6)	56	1,608
Other current provisions	330	54	(32)	(6)	15	360
Current provisions	2,003	278	(147)	(15)	68	2,188
TOTAL PROVISIONS	2,319	283	(157)	(18)	50	2,476

* Including 62 million euros in accretion and change in discount and inflation rates.

Provisions for onerous contracts

Provisions for onerous contracts mainly concern the Front End segment. For the conversion business, the backlog of orders over the year resulted in reversals of provisions in the amount of 8 million euros. In addition, the updating of the indices and production cost assumptions for the conversion business resulted in an allowance of 57 million euros.

Provisions for contract completion

The main provisions for the financial year relate to future costs of treatment and storage services for waste and scrap generated by operations.

The main reversals during the financial year relate to the expenses incurred for the treatment and storage of previously provisioned waste and scrap.

Main uncertainties

Uncertainties relating to provisions for contract completion bear notably on the definition of treatment channels for each category of waste and operating discharges, which are not all firmly established, the estimate of the cost of completion of the required facilities and the operational costs of future treatment, and on expenditure schedules. The measurement of provisions takes contingencies for risks into account.

Discount rate

For the year ended December 31, 2020, Orano adopted a long-term inflation assumption of 1.15% and discount rates of between 2.89% and 3.05% (see Note 1.3.11).

At December 31, 2020, the use of a discount rate 10 basis points higher or lower than that used would have the effect of changing the closing balance of provisions for work yet to be carried out by negative 25 million euros or positive 26 million euros.

Other current and non-current provisions

As of December 31, 2020, other current provisions include:

- provisions for disputes;
- provisions for customer guarantees;
- provisions for ongoing cleanup;
- provisions for the restoration of leased assets;
- provisions for contingencies; and
- provisions for charges.

NOTE 26 FINANCIAL LIABILITIES

(in millions of euros)	Non-current liabilities	Current liabilities	December 31, 2020	December 31, 2019
Bond debts *	2,967	716	3,682	3,743
Accrued interest not yet due on bond debts	-	71	71	72
Bank borrowings	5	-	5	5
Interest-bearing advances	227	35	262	157
Short-term bank facilities and current accounts in credit **	-	71	71	72
Miscellaneous debt	1	33	34	36
Financial derivatives	6	60	65	68
TOTAL	3,206	985	4,191	4,153

* After interest rate risk management.

** Including a financial current account credit balance for the ETC joint venture in the amount of 58 million euros.

CHANGE IN FINANCIAL LIABILITIES

(in millions of euros)

Financial liabilities at December 31, 2019	4,153
Cash flows	(86)
Non-cash flows:	
Accrued interest not yet due on borrowings	71
Currency translation adjustments	(53)
Reclassification	89
Other adjustments	17
FINANCIAL LIABILITIES AT DECEMBER 31, 2020	4,191

The reclassification as financial liabilities is due to the portion of a prepayment received from a customer that was initially expected to be repaid in the form of the delivery of materials but which will instead be completed in cash pursuant to an agreement signed during the first half of 2020.

RECONCILIATION OF CASH FLOWS BETWEEN THE NOTE ON FINANCIAL LIABILITIES AND CASH FLOWS FROM FINANCING ACTIVITIES:

(in millions of euros)

Cash flows on financial liabilities	(86)
Interest paid	72
Financial instruments	(54)
Short-term bank facilities and current accounts in credit	26
CASH FLOWS OF FINANCIAL LIABILITIES INCLUDED IN CASH FLOWS FROM FINANCING ACTIVITIES	(42)

The cash flows of financial liabilities included in cash flows from financing activities mainly include the redemption of the bond maturing in 2020 for 500 million euros, and the partial redemption of the bond maturing in 2021 for 35 million euros as well as the new bond issue for 493 million euros.

FINANCIAL LIABILITIES BY MATURITY *

(in millions of euros)	December 31, 2020
Maturing in one year or less	985
Maturing in 1-2 years	200
Maturing in 2-3 years	774
Maturing in 3-4 years	767
Maturing in 4-5 years	2
Maturing in more than 5 years	1,464
TOTAL	4,191

* In present value.

FINANCIAL LIABILITIES BY CURRENCY

(in millions of euros)	December 31, 2020	December 31, 2019
Euro	3,993	4,090
US dollar	187	42
Other	11	21
TOTAL	4,191	4,153

FINANCIAL LIABILITIES BY TYPE OF INTEREST RATE

(in millions of euros)	December 31, 2020	December 31, 2019
Fixed rate	2,449	3,171
Floating rate	1,606	843
Total	4,055	4,014
Other non-interest-bearing debt	71	72
Financial derivatives	65	68
TOTAL	4,191	4,153

The maturities of the group's financial assets and liabilities at December 31, 2020 are presented in Note 29.

BOND ISSUES

Issue date	Statement of financial position value (in millions of euros)	Currency	Nominal amount (in millions of currency units)	Nominal rate	Maturity
September 23, 2009	765	EUR	750	4.875%	September 2024
September 22, 2010	716	EUR	715	3.5%	March 2021
April 4, 2012	200	EUR	200	TEC 10 +2.125%	March 2022
March 20, 2014	767	EUR	750	3.125%	March 2023
April 23, 2019	742	EUR	750	3.375%	April 2026
September 8, 2020	493	EUR	500	2.75%	March 2028
TOTAL	3,682				

The fair value of these bond debts was 3,925 million euros at December 31, 2020.

Payment flows**AT DECEMBER 31, 2020**

(in millions of euros)	Statement of financial position value	Total payment flows	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
Bond issues	3,682	3,682	716	200	767	765	-	1,235
Accrued interest not yet due on bond debts	71	71	71	-	-	-	-	-
Bank borrowings	5	5	-	1	1	2	2	-
Interest-bearing advances	262	262	35	-	-	-	-	227
Short-term bank facilities and current accounts in credit	71	71	71	-	-	-	-	-
Miscellaneous debt	34	34	33	-	-	-	-	2
Future interest on financial liabilities	-	613	121	100	99	76	39	178
Total financial liabilities (excluding derivatives)	4,126	4,739	1,046	300	867	842	41	1,642
Derivatives – assets	(37)	(37)						
Derivatives – liabilities	65	65						
Total net derivatives	29	29	24	18	(16)	2	0	-
TOTAL	4,154	4,768	1,070	319	851	844	41	1,642

AT DECEMBER 31, 2019

(in millions of euros)	Statement of financial position value	Total payment flows	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
Bond issues	3,743	3,743	506	756	199	773	769	740
Accrued interest not yet due on bond debts	72	72	72					
Bank borrowings	5	5	-	-	-	-	-	5
Interest-bearing advances	157	157	-	-	-	-	-	157
Short-term bank facilities and current accounts in credit	72	72	72	-	-	-	-	-
Miscellaneous debt	36	36	34	-	-	-	-	2
Future interest on financial liabilities	-	642	133	117	87	85	62	159
Total financial liabilities (excluding derivatives)	4,085	4,727	816	872	286	858	831	1,063
Derivatives – assets	(31)	(31)						
Derivatives – liabilities	68	68						
Total net derivatives	37	37	34	11	6	(14)	-	-
TOTAL	4,122	4,764	850	883	292	844	831	1,063

NOTE 27 OTHER OPERATING LIABILITIES

(in millions of euros)	December 31, 2020	December 31, 2019
Tax debt (excluding corporate income tax)	151	247
Social security liabilities	436	455
Financial instruments	4	39
Other	193	199
OTHER OPERATING LIABILITIES	784	940

As of December 31, 2020, other operating liabilities included 86 million euros maturing in more than one year.

NOTE 28 RELATED-PARTY TRANSACTIONS

Transactions between the parent company Orano SA and its subsidiaries, as well as those between the group's subsidiaries and joint activities are eliminated on consolidation, and are therefore not presented in the tables below.

Related-party transactions presented below include:

- current transactions with non-consolidated companies, associates, joint ventures and companies controlled by the French State;
- the gross compensation and benefits granted to directors and the members of the Executive Committee.

DECEMBER 31, 2020

(in millions of euros)	Interests held by the French State	Associates and joint ventures	Total
Operating income	1,911	16	1,927
Operating expenses	72	127	199
Trade accounts receivable and other	195	103	298
Trade accounts payable and other	2,689	16	2,705

DECEMBER 31, 2019

(in millions of euros)	Interests held by the French State	Associates and joint ventures	Total
Operating income	1,746	16	1,762
Operating expenses	88	124	212
Trade accounts receivable and other	236	123	359
Trade accounts payable and other	2,471	22	2,493

Relations with the French State and state-owned companies

The French State was the majority shareholder, directly and indirectly, via AREVA SA, in the capital of Orano at December 31, 2020. The French State accordingly has the faculty, like any shareholder, to control the decisions requiring the approval of the shareholders. In accordance with the laws applicable to all companies in which the French State is a shareholder, Orano is subject to certain control procedures, in particular the economic and financial control of the French State, the control procedures of the Court of Auditors and the Parliament, and audits of the General Inspectorate of Finance.

The group has close relationships with companies controlled by the French State, including:

- transactions with the CEA concern the dismantling of the CEA's nuclear facilities, services associated with the operation of certain workshops and R&D contracts;
- transactions with AREVA relate in particular to tax and IT services;
- transactions with EDF concern the front end of the nuclear fuel cycle (uranium sales, conversion and enrichment services) and the back end of the cycle (used fuel shipping, storage, treatment and recycling services). The group has a master treatment/recycling agreement known as the "ATR Contract" with EDF, which specifies the terms of the industrial cooperation between them in the field of treatment/recycling until 2040. As part of

this agreement, in February 2016, Orano and EDF signed a new implementation contract defining the technical and financial conditions for this master agreement for the 2016-2023 period; and

- transactions with ANDRA (National Agency for the Management of Radioactive Waste) cover the management, operation and monitoring of low- and medium-level radioactive waste disposal facilities at the ANDRA centers in the Manche and Aube departments, as well as the funding of CIGEO via the additional tax and the special contribution.

Associates and joint ventures

The group's significant joint ventures are ETC and SI-nerGIE (see Note 14).

ETC's main activity is to build, assemble and install centrifuges and associated piping systems enabling its customers to enrich uranium. ETC is also involved in the design of ultracentrifugation enrichment plants to meet its customers' needs and in project management for the construction of these facilities. Orano buys from ETC the centrifuge and associated engineering services for its Georges Besse 2 enrichment plant and its stable isotope laboratory.

SI-nerGIE is a consortium (*groupement d'intérêt économique – GIE*) created at the time of the restructuring of AREVA; it is owned by Orano and Framatome (owned by EDF). Its purpose is to share the infrastructure and certain applications of a joint information system, and as such to avoid the additional costs and operational risks relating to information systems.

The relationship with the ADP joint venture is described in the highlights (see Note 1.1).

Orano CIS LLC, owned by Orano USA and Waste Control Specialists (WCS) have created a joint venture named Interim Storage Partners (ISP), held at 51% and 49% respectively, to operate a centralized used fuel storage facility on the WCS site in Texas. Orano NPS is providing its unique expertise in cask design, transportation and used fuel storage. WCS brings its experience of operating a single facility serving both the nuclear industry and the US Department of Energy (DOE).

Compensation paid to key executives

(in thousands of euros)

	December 31, 2020	December 31, 2019
Short-term benefits	5,035	5,068
Termination benefits	773	680
Post-employment benefits	57	212
TOTAL	5,865	5,960

Key executives are:

- the Chairman of the Board of Directors and the Chief Executive Officer appointed by the Board of Directors;
- members of the Executive Committee.

Joint operations

Orano Canada Inc. holds interests in uranium deposits and ore processing plants. These investments are classified as joint operations. They are thus consolidated for the share held by Orano Canada Inc. The most significant investments are as follows:

Cigar Lake

Cigar Lake is owned by Cameco Corporation (50.025%), Orano (37.1%), Idemitsu Uranium Exploration Canada Ltd (7.875%) and TEPCO Resources Inc. (5%). The deposit is operated by Cameco and the ore is processed at the JEB – McClean Lake mill, operated by Orano. This deposit is an underground mine. Mining uses land freezing techniques combined with high-pressure water-jet boring (jet bore mining).

McClean Lake

McClean Lake is owned and operated by Orano (77.5%) with Denison Mines Ltd (22.5%). This joint activity operates the JEB mill, which processes the ore from Cigar Lake using the dynamic leaching method.

McArthur River

McArthur River is owned by Cameco Corporation (69.8%) and Orano (30.2%). The mined ore is processed at the Key Lake mill. This deposit is mined underground using ground freezing techniques combined with mechanical extraction (raise boring) or explosives (long hole stopping).

Key Lake

This plant is owned by Cameco Corporation (83.33%) and Orano (16.67%). It processes the ore from Mc Arthur River. A decision was taken in 2018 to temporary stop work on the McArthur River mine and its Key Lake mill.

NOTE 29 FINANCIAL INSTRUMENTS

Orano uses financial derivatives to manage its exposure to foreign exchange and interest rate risk. These instruments are generally qualified as hedges of assets, liabilities or specific commitments.

Orano manages all risks associated with these instruments by centralizing the commitment and implementing procedures setting out the limits and characteristics of the counterparties.

Foreign exchange risk

The change in the exchange rate of the US dollar against the euro may affect the group's income in the medium term.

In view of the geographic diversity of its locations and operations, the group is exposed to fluctuations in exchange rates, particularly the US dollar/euro dollar exchange rate. The volatility of exchange rates may impact the group's currency translation adjustments, equity and income.

Translation risk

The group does not hedge the currency translation risk into euros of consolidated financial statements of subsidiaries that use a currency other than the euro, to the extent that this risk does not result in a flow. Only dividends expected from subsidiaries for the following year are hedged as soon as the amount is known.

Financing risk

The group finances its subsidiaries in their functional currencies to minimize the foreign exchange risk from financial assets and liabilities issued in foreign currencies. Loans and advances granted to subsidiaries by the department of Treasury Management, which centralizes financing, are then systematically converted into euros through foreign exchange swaps or cross currency swaps.

To limit the currency risk for long-term investments generating future cash flows in foreign currencies, the group uses a liability in the same currency to offset the asset whenever possible.

Transactional risk

The principal foreign exchange exposure concerns fluctuations in the euro/US dollar exchange rate. The group's policy, which was approved by the Executive Committee, is to systematically hedge foreign exchange risk generated by sales transactions, whether certain or potential (in the event of hedging during the proposal phase), so as to minimize the impact of exchange rate fluctuations on net income.

To hedge transactional foreign exchange risk, including trade receivables and payables, firm off-balance sheet commitments (customer and supplier orders), highly probable future flows (sales or purchasing budgets, projected margins on contracts) and calls for proposals in foreign currencies, Orano purchases financial derivatives (mainly currency futures) or specific insurance contracts issued by Coface. Hedging transactions are accordingly backed by underlying transactions in identical amounts and maturities, and are generally documented and eligible for hedge accounting (excluding possible hedges of tenders submitted in foreign currencies).

FINANCIAL DERIVATIVES SET UP TO HEDGE FOREIGN EXCHANGE RISK AT DECEMBER 31, 2020

(in millions of euros)	Notional amounts by maturity date						Total	Market value
	< 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years		
Forward exchange transactions and currency swaps	1,612	641	397	179	3	-	2,832	104
Currency options	-	-	-	-	-	-	-	-
Cross-currency swaps	-	-	-	311	-	-	311	23
TOTAL	1,612	641	397	489	3	-	3,143	127

FINANCIAL DERIVATIVES SET UP TO HEDGE FOREIGN EXCHANGE RISK AT DECEMBER 31, 2019

(in millions of euros)	Notional amounts by maturity date						Total	Market value
	< 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years		
Forward exchange transactions and currency swaps	1,967	737	482	208	0	-	3,395	(83)
Currency options	-	-	-	-	-	-	-	-
Cross-currency swaps	-	-	-	-	-	-	-	-
TOTAL	1,967	737	482	208	0	-	3,395	(83)

The breakdown by type of hedging strategy of foreign exchange derivative financial instruments can be analyzed as follows:

(in millions of euros)	December 31, 2020		December 31, 2019	
	Notional amounts in absolute value	Market value	Notional amounts in absolute value	Market value
Cash flow hedges	2,293	96	2,517	(74)
Forward exchange transactions and currency swaps	2,293	96	2,517	(74)
Fair value hedges	751	30	754	(9)
Forward exchange transactions and currency swaps	463	8	754	(9)
Cross-currency swaps	311	23	-	-
Derivatives not qualifying as hedges	76	1	124	0
Forward exchange transactions and currency swaps	76	1	124	0
TOTAL	3,143	127	3,395	(83)

Liquidity risk

Liquidity risk is managed by the Financing and Treasury Operations Department ("DOFT"), which provides the appropriate short- and long-term financing resources.

Cash management optimization is based on a centralized system to provide liquidity and manage cash surpluses. Management is provided by DOFT chiefly through cash-pooling agreements and intragroup loans, subject to local regulations. Cash is managed to optimize financial returns while ensuring that the financial instruments used are liquid.

The next significant maturity is March 22, 2021. It relates to a bond issued in a nominal amount of 715 million euros.

Orano had a gross cash position of 1,554 million euros as of December 31, 2020 to meet these commitments and ensure longer-term operating continuity (see Note 20) and cash management financial assets of 444 million euros (see Note 15). The group also has a syndicated line of credit with a pool of 11 international banks in the amount of 940 million euros maturing in July 2023.

FINANCIAL DERIVATIVES SET UP TO HEDGE INTEREST RATE RISK AT DECEMBER 31, 2020

(in millions of euros)	Total	Notional amounts by maturity date						Market value ⁽¹⁾
		< 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years	
INTEREST RATE SWAPS – EUR VARIABLE LENDER								
EUR fixed borrower	400	-	200	200	-	-	-	(4)
EUR variable borrower	100	-	100	-	-	-	-	(1)
CAD variable borrower	311	-	-	311	-	-	-	10
INTEREST RATE SWAPS – EUR FIXED LENDER								
EUR variable borrower	350	150	-	200	-	-	-	10
INFLATION RATE SWAPS								
Variable lender – USD fixed borrower	-	-	-	-	-	-	-	-
TOTAL	1,161	150	300	711	-	-	-	4

(1) Foreign exchange portion.

At December 31, 2020, financial derivatives used to hedge interest rate exposure broke down by type of hedging strategy as follows:

(in millions of euros)	Market value of contracts ⁽¹⁾				Total
	Nominal amount of contract	Cash flow hedges (CFH)	Fair value hedges (FVH)	Not formally documented (Trading)	
INTEREST RATE SWAPS – EUR VARIABLE LENDER					
EUR fixed borrower	400	-	-	(4)	(4)
EUR variable borrower	100	-	-	(1)	(1)
CAD variable borrower	311	-	-	(0)	(0)
INTEREST RATE SWAPS – EUR FIXED LENDER					
EUR variable borrower	350	-	10	-	10
INFLATION RATE SWAPS – USD VARIABLE LENDER					
USD fixed borrower	-	-	-	-	-
TOTAL	1,161	-	10	(6)	(4)

(1) Interest rate portion.

The following tables summarize the group's net exposure to interest rate risk, before and after management transactions:

MATURITIES OF THE GROUP'S FINANCIAL ASSETS AND LIABILITIES AT DECEMBER 31, 2020

(in millions of euros)	Less than 1 year	1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 years	More than 5 years	Total
Financial assets	1,611	-	-	-	-	-	1,611
including fixed-rate assets	-	-	-	-	-	-	-
including floating-rate assets	1,605	-	-	-	-	-	1,605
including non-interest-bearing assets	5	-	-	-	-	-	5
Financial liabilities	(985)	(200)	(774)	(767)	(2)	(1,464)	(4,191)
including fixed-rate financial liabilities	(759)	(200)	(768)	(767)	(2)	(1,464)	(3,958)
including floating-rate financial liabilities	(96)	-	-	-	-	-	(96)
including non-interest-bearing financial liabilities	(130)	-	(6)	-	-	-	(136)
Net exposure before hedging	626	(200)	(774)	(767)	(2)	(1,464)	(2,579)
share exposed to fixed rates	(759)	(200)	(768)	(767)	(2)	(1,464)	(3,958)
share exposed to floating rates	1,509	-	-	-	-	-	1,509
non-interest-bearing share	(125)	-	(6)	-	-	-	(131)
Off-balance sheet hedging							
On financial liabilities: fixed-rate swaps	150	(200)	-	-	-	-	(50)
On financial liabilities: floating-rate swaps	(150)	200	-	-	-	-	50
Net exposure after hedging	626	(200)	(774)	(767)	(2)	(1,464)	(2,579)
share exposed to fixed rates	(609)	(400)	(768)	(767)	(2)	(1,464)	(4,009)
share exposed to floating rates	1,359	200	-	-	-	-	1,559
non-interest-bearing share	(125)	-	(6)	-	-	-	(131)

On the basis of exposure at the end of December 2020, a 1% increase in interest rates over a full year would have an adverse impact of 16 million euros on net financial debt, and as such on the group's consolidated pre-tax income.

MATURITIES OF THE GROUP'S FINANCIAL ASSETS AND LIABILITIES AT DECEMBER 31, 2019

(in millions of euros)	Less than 1 year	1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 years	More than 5 years	Total
Financial assets	1,529	-	-	-	-	-	1,529
including fixed-rate assets	-	-	-	-	-	-	-
including floating-rate assets	1,527	-	-	-	-	-	1,527
including non-interest-bearing assets	2	-	-	-	-	-	2
Financial liabilities	(746)	(755)	(205)	(773)	(769)	(904)	(4,153)
including fixed-rate financial liabilities	(511)	(755)	(199)	(773)	(769)	(904)	(3,912)
including floating-rate financial liabilities	(103)	-	-	-	-	-	(103)
including non-interest-bearing financial liabilities	(133)	-	(6)	-	-	-	(138)
Net exposure before hedging	783	(755)	(205)	(773)	(769)	(904)	(2,624)
share exposed to fixed rates	(511)	(755)	(199)	(773)	(769)	(904)	(3,912)
share exposed to floating rates	1,424	-	-	-	-	-	1,424
non-interest-bearing share	(130)	-	(6)	-	-	-	(136)
Off-balance sheet hedging							
on financial liabilities: fixed-rate swaps	150	150	(200)	200	-	-	300
on financial liabilities: floating-rate swaps	(150)	(150)	200	(200)	-	-	(300)
Net exposure after hedging	783	(755)	(205)	(773)	(769)	(904)	(2,624)
share exposed to fixed rates	(361)	(605)	(399)	(573)	(769)	(904)	(3,612)
share exposed to floating rates	1,274	(150)	200	(200)	-	-	1,124
non-interest-bearing share	(130)	-	(6)	-	-	-	(136)

Equity risk

The group holds a significant amount of publicly traded shares and is exposed to fluctuations in the financial markets. Those traded shares are subject to a risk of volatility inherent in the financial markets. They are presented in the investment portfolio earmarked for end-of-lifecycle operations (see Note 13).

NOTE 30 ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS**Financial assets and liabilities by category****DECEMBER 31, 2020****ASSETS**

(in millions of euros)	Statement of financial position value	Non-financial assets	Financial assets at amortized cost	Financial assets at fair value through profit or loss	Fair value of financial assets
Non-current assets	7,715	42	622	7,051	7,881
Financial assets earmarked for end-of-lifecycle operations	7,561	-	558*	7,004	7,770
Other non-current assets	154	42	64	47	111
Current assets	3,465	546	1,853	1,067	2,919
Trade accounts receivable and related accounts	681	-	681	-	681
Other operating receivables	728	505	51	172	223
Other non-operating receivables	42	41	1	-	1
Other current financial assets	460	-	10	449	460
Cash and cash equivalents	1,554	-	1,109	446	1,554
TOTAL ASSETS	11,180	588	2,474	8,118	10,801

* Including bond mutual funds for 456 million euros.

(in millions of euros)	TOTAL
Hedging financial assets measured at amortized cost	558
Hedging financial assets of operations measured at fair value through profit or loss	7,004
Hedging financial assets (carrying amount)	7,561
Change in fair value of the assets at amortized cost (bond mutual funds)	209
Fair value of hedging financial assets	7,770
Other financial assets measured at fair value through profit or loss	1,114
Fair value of financial assets analyzed by valuation technique	8,884
Other financial assets measured at amortized cost	1,917
Fair value of financial assets	10,801

BREAKDOWN OF ASSETS RECOGNIZED AT FAIR VALUE BY VALUATION TECHNIQUE

(in millions of euros)	Level 1 Listed prices, unadjusted	Level 2 Observable inputs	Level 3 Non-observable inputs	TOTAL
Non-current assets	6,936	875	6	7,817
Financial assets earmarked for end-of-lifecycle operations	6,936	835	-	7,770
Other non-current financial assets	-	41	6	47
Current assets	890	177	-	1,067
Other operating receivables	-	172	-	172
Other current financial assets	444	5	-	449
Cash and cash equivalents	446	-	-	446
TOTAL ASSETS	7,825	1,052	6	8,884

LIABILITIES AND EQUITY

(in millions of euros)	Statement of financial position value	Non-financial liabilities	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss *	Fair value of financial liabilities
Non-current liabilities	3,275	-	3,269	6	3,504
Non-current financial liabilities	3,206	-	3,200	6	3,435
Non-current lease liabilities	69	-	69	-	69
Current liabilities	2,714	154	2,489	72	2,560
Current financial liabilities	985	-	916	69	985
Current lease liabilities	27	-	27	-	27
Trade accounts payable and related accounts	914	-	914	-	914
Other operating liabilities	784	153	628	3	631
Other non-operating liabilities	4	1	3	-	3
TOTAL LIABILITIES	5,989	154	5,758	77	6,065

* Level 2.

DECEMBER 31, 2019

ASSETS

(in millions of euros)	Statement of financial position value	Non-financial assets	Financial assets at amortized cost	Financial assets at fair value through profit or loss	Fair value of financial assets
Non-current assets	7,577	37	690	6,850	7,714
Financial assets earmarked for end-of-lifecycle operations	7,471	-	657*	6,815	7,646
Other non-current assets	106	37	33	35	68
Current assets	3,120	490	2,092	538	2,630
Trade accounts receivable and related accounts	617	-	617	-	617
Other operating receivables	518	446	51	21	72
Other non-operating receivables	45	44	1	-	1
Other current financial assets	448	-	7	441	448
Cash and cash equivalents	1,492	-	1,416	76	1,492
TOTAL ASSETS	10,697	527	2,782	7,388	10,345

* Including bond mutual funds for 457 million euros.

(in millions of euros)	TOTAL
Hedging financial assets measured at amortized cost	657
Hedging financial assets measured at fair value through profit or loss	6,815
Hedging financial assets (carrying amount)	7,471
Change in fair value of the assets at amortized cost (bond mutual funds)	174
Fair value of hedging financial assets	7,646
Other financial assets measured at fair value through profit or loss	574
Fair value of financial assets analyzed by valuation technique	8,219
Other financial assets measured at amortized cost	2,125
Fair value of financial assets	10,345

BREAKDOWN OF ASSETS RECOGNIZED AT FAIR VALUE BY VALUATION TECHNIQUE

(in millions of euros)	Level 1 Listed prices, unadjusted	Level 2 Observable inputs	Level 3 Non-observable inputs	TOTAL
Non-current assets	6,669	1,006	7	7,681
Financial assets earmarked for end-of-lifecycle operations	6,669	977	-	7,646
Other non-current financial assets	-	29	7	35
Current assets	515	23	-	538
Other operating receivables	-	21	-	21
Other current financial assets	439	2	-	441
Cash and cash equivalents	76	-	-	76
TOTAL ASSETS	7,184	1,029	7	8,219

LIABILITIES AND EQUITY

(in millions of euros)	Statement of financial position value	Non-financial liabilities	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss*	Fair value of financial liabilities
Non-current liabilities	3,468	-	3,462	6	3,694
Non-current financial liabilities	3,407	-	3,401	6	3,633
Non-current lease liabilities	62	-	62	-	62
Current liabilities	2,555	248	2,203	104	2,307
Current financial liabilities	746	-	675	71	746
Current lease liabilities	20	-	20	-	20
Trade accounts payable and related accounts	842	-	842	-	842
Other operating liabilities	940	247	660	33	693
Other non-operating liabilities	6	1	5	-	5
TOTAL LIABILITIES	6,023	248	5,665	110	6,001

* Level 2.

Net gains and losses on financial instruments**SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS**

(in millions of euros)	December 31, 2020	December 31, 2019
Interest income and dividends	62	191
Other income and expenses	-	-
Change in fair value	206	659

LOANS AND RECEIVABLES

(in millions of euros)	December 31, 2020	December 31, 2019
Interest	1	3
Impairment	(2)	(4)
Forgiveness of debt	(2)	0

FINANCIAL ASSETS AND LIABILITIES AT AMORTIZED COST

(in millions of euros)	December 31, 2020	December 31, 2019
Interest income and expense and commissions	(140)	(200)
Other income and expenses	-	-
Gain (loss) from disposal	-	(0)
Impairment	-	-

CASH FLOW HEDGES

(in millions of euros)	Value before tax at December 31, 2019	New transactions	Change in value	Recognized in profit or loss	Value before tax at December 31, 2020
Cash flow hedging instruments	(6)	90	79	4	168

NOTE 31 OFF-BALANCE SHEET COMMITMENTS

(in millions of euros)	December 31, 2020	Less than 1 year	From 1 to 5 years	More than 5 years	December 31, 2019
Commitments given	580	116	154	310	491
Operating commitments given	542	114	138	290	429
• Contract guarantees given	485	110	85	290	376
• Other guarantees and guarantees related to operating activities	57	4	53	-	53
Commitments given on financing	25	-	14	11	49
Other commitments given	13	2	2	9	13
Commitments received	100	81	17	1	97
Operating commitments received	95	81	13	1	97
Commitments received on collateral	2	0	2	-	-
Other commitments received	3	0	3	0	-
Reciprocal commitments	1,242	61	1,146	35	1,378

Reciprocal commitments bear chiefly on unused lines of credit and investment orders.

NOTE 32 BACKLOG

At December 31, 2020, Orano's backlog amounted to 27.0 billion euros, and its breakdown by maturity is as follows:

(in billions of euros)	Total	Less than 1 year	From 1 to 5 years	From 6 to 10 years	More than 10 years
December 31, 2020	27.0	3.3	10.5	6.7	6.5

NOTE 33 DISPUTES AND CONTINGENT LIABILITIES

Orano may be party to certain regulatory, judicial or arbitration proceedings in the normal course of business. The group is also the subject of certain claims, lawsuits or regulatory proceedings outside the ordinary course of business, the most significant of which are summarized below.

Uramin case

In June 2018, Orano SA and Orano Mining entered into the "acquisition" part of the judicial investigation in the Uramin case. AREVA SA, the former holding company of the AREVA group, filed a civil suit as part of this investigation following a "notice to victim" received from the investigating magistrate in charge of the case in 2015. The Orano group intends to defend its interests through Orano SA and Orano Mining. The judicial investigation is still in progress and no date concerning a possible judgment has been put forward to date.

Investigations

The company has been aware, since November 28, 2017, of a preliminary investigation opened by the National Financial

Prosecutor's Office at the end of July 2015 concerning a uranium trading operation carried out in 2011. It also learned, on November 23, 2020, that a judicial investigation in the same case had been opened. It is also aware, since August 27, 2018, of an investigation into the circumstances surrounding the granting of mining licenses in Mongolia. Orano is working with the legal authorities in connection with these legal proceedings, which are ongoing. Orano is cooperating fully with the courts. If it were found that there had been misappropriation or any other act that could have harmed the group, Orano would take the necessary legal action to defend its interests.

Comuf

On January 30, 2019, an association of former workers assigned Comuf (Compagnie Minière d'Uranium de Franceville), a subsidiary of Orano Mining, before the Civil Court of Libreville (Gabon), alleging a breach of the safety of former workers, who were supposedly exposed to chemicals and radiation from uranium matter. By a judgment of May 14, 2019, the suit brought by this association of former workers was dropped due to a procedural irregularity in the summons. Although the action is not extinguished, the association has not to date reintroduced the case so a judgment

may be made on its case. Orano has always made the protection of its employees a priority. The evidentiary items disclosed to date do not demonstrate the existence of damage attributable to Comuf, nor the admissibility of the action. However, given the partial nature of the evidence it has seen in the first writ of summons, Orano cannot exclude the possibility that it may have cause to reconsider its position in the event of another appeal.

Release of the Arlit hostages

On October 6, 2016, the manager of a protection services company sued AREVA SA and Orano Cycle SA before the Nanterre Tribunal de Grande Instance to obtain payment of a success fee that he claims to be due for services purportedly rendered to the AREVA group in Niger between September 2010 and October 2013. AREVA SA and Orano Cycle SA consider these claims to be unfounded. Along with that proceeding, the parties to the suit tried to settle under court-appointed mediation. Despite the efforts of AREVA and Orano to find a compromise, this was unsuccessful. The procedure on the merits therefore resumed in 2020. Even if the court should not accept the Orano group's position, the financial impact would be limited, though it could entail other, indirect consequences, such as in the media.

Katco

Katco is currently in litigation with the Ministry of Energy due to the latter's refusal to sign amendment 10 to the contract for the use of the subsoil concerning the changes made to the extraction program from 2020 to 2034. On December 24, 2020, Katco filed a claim with the Supreme Court of the Republic of Kazakhstan challenging the position and inaction of the Ministry of Energy with a view to signing this amendment.

Due to the uncertainty inherent in court decisions, the current position of the Ministry of Energy could affect the ability of Katco to operate in the medium term to its contractual capacity. However,

the management of Katco, supported by its shareholders, is implementing actions to resolve the situation.

Appeals against certain administrative decisions concerning the activities of the Orano group

The activities of the Orano group require the receipt of various authorizations or administrative decisions (such as prefectoral orders, building permits, etc.). These decisions are sometimes challenged, in France and on behalf of NGOs, which in certain cases can have an impact on the timetable for carrying out the relevant activities.

Contingent liabilities

The group owns uranium and thorium materials that are currently not fully recovered. After processing, these materials should bring economic benefits to the group in the future. However, in the event of a change in regulations or the finding of unfeasible economic assumptions, the group may be required to set aside provisions for the processing and storage of these materials.

Tax proceedings and disputes

The group, comprising entities located in different countries, regularly faces audits by the tax and customs authorities. Several audits and tax-related proceedings or disputes have been initiated or are currently being conducted by those authorities or in the courts, but none are expected to give rise to or has given rise to material tax expense that could have a significant impact on the financial statements. The group considers that it has sound means of defense and that it employs the legal procedures available to it to prevent any unfavorable outcome.

NOTE 34 STATUTORY AUDITORS' FEES

DECEMBER 31, 2020

(in thousands of euros)

INDEPENDENT AUDIT, CERTIFICATION & EXAMINATION OF THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

	PwC Audit	KPMG Audit
	Amount excl. tax	Amount excl. tax
Orano SA	343	320
Consolidated French subsidiaries	793	787
SUB-TOTAL	1,136	1,107

SERVICES OTHER THAN AUDITING THE FINANCIAL STATEMENTS

Orano SA	23	27
Consolidated French subsidiaries	120	429
SUB-TOTAL	143	456
TOTAL	1,279	1,564

Services other than auditing the financial statements mainly concern:

- the review of environmental, social and societal information;
- declarations required by law;
- other services.

DECEMBER 31, 2019

	PwC Audit	KPMG Audit
(in thousands of euros)	Amount excl. tax	Amount excl. tax
INDEPENDENT AUDIT, CERTIFICATION & EXAMINATION OF THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS		
Orano SA	516	371
Consolidated French subsidiaries	782	712
SUB-TOTAL	1,298	1,083
SERVICES OTHER THAN AUDITING THE FINANCIAL STATEMENTS		
Orano SA	38	36
Consolidated French subsidiaries	21	169
SUB-TOTAL	58	204
TOTAL	1,356	1,287

NOTE 35 EVENTS SUBSEQUENT TO THE CLOSING OF THE FINANCIAL STATEMENTS AT DECEMBER 31, 2020

On January 15, 2021, Orano NPS finalized the transaction to buy back the 2.5% stake in TN Tokyo (TNT) previously held by Sojitz, which had until then held a stake of 5%. At the same time, the partner KSL (Kobe Steel Limited) carried out the same operation by acquiring the remaining 2.5% of the shares of TN Tokyo from Sojitz. In parallel with this acquisition, a renegotiation of the shareholders' agreement with KSL was carried out and finalized, enabling Orano NPS to strengthen its control over the strategic aspects of operation and decisions of TN Tokyo. TN Tokyo is the joint venture created in 1984 by KSL and Orano NPS to develop dry storage projects in Japan, conduct engineering studies and safety analyses, and transport certain nuclear materials for the Japanese market.

CFMM (Compagnie Française de Mines et Métaux), a company wholly-owned by Orano Mining SA, acquired 34% of AREVA Mongol from Mitsubishi Corporation in January 2021, bringing its stake in this company to 100%.

On February 22, 2021, the French State acquired 10,566,111 shares, i.e. 4.0% of the share capital of Orano SA from AREVA SA. Since that date, the share capital of Orano has been held by the French State at 54%, the CEA holds one share, AREVA SA 16%, JNFL 5% and MHI 5%, as well as by Caisse des Dépôts and Natixis which hold 10% each.

Orano Mining SA acquired 25% of Cominak from OURD on February 24, 2021, bringing its stake in this company to 59%.

6.2 Statutory Auditors' report on the consolidated financial statements for the financial year ended December 31, 2020

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

Orano SA
125 avenue de Paris
92320 Châtillon, France

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Orano SA for the year ended December 31, 2020.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the group at December 31, 2020 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit and Ethics Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from January 1, 2020 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

Justification of assessments – Key audit matters

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgment, were the most significant in our audit of the consolidated financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the consolidated financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

Measurement of the goodwill, property, plant and equipment and intangible assets of the group's Mining and Front End activities

Description of risk

At December 31, 2020, the carrying amount of goodwill, intangible assets and property, plant and equipment relating to the group's Mining and Front End activities amounted to €6,834 million. Impairment losses were recorded on certain assets in the years prior to 2020.

As stated in Note 1.3.7.5 *Impairment of property, plant and equipment, intangible assets and goodwill* to the consolidated financial statements, the group performs impairment tests on goodwill and intangible assets with indefinite useful lives at least once a year and whenever there is an indication that they may be impaired. The group also performs impairment tests on property, plant and equipment and intangible assets with a definite useful life when there are indications of a loss or increase in value.

For the group's Mining and Front End activities, these tests are implemented in the following manner, as described in Notes 9 *Goodwill*, 10 *Intangible assets* and 11 *Property, plant and equipment* to the consolidated financial statements:

- with respect to the Mining Business Unit:
 - the cash-generating units (CGUs) of the Mining BU correspond to the mining sites operated by the group, solely or in partnership. The impairment test on goodwill – which amounts to €786 million – is performed at the level of the Mining BU's group of CGUs;
 - the property, plant and equipment and intangible assets of the mining sites making up the CGUs of the Mining segment are tested for impairment at each year-end, taking into account the continually deteriorating conditions of the uranium market;
- with respect to Front End activities, a distinction should be made between:
 - the Enrichment activity corresponding to a single CGU and including goodwill in the amount of €161 million and intangible assets and property, plant and equipment,
 - the other activities to which no goodwill is allocated. The property, plant and equipment and intangible assets related to these activities are tested at the level of each CGU and are tested for impairment whenever there is an indication of a loss or increase in value. The impairment test on the Conversion CGU, performed in the first half of the year following the identification of an indication of an increase in value, resulted in the recognition of an impairment reversal in the amount of €70 million. The Conversion CGU was not tested for impairment in the second half of the year, since there was no indication of a loss or increase in value.

The impairment tests are based on the estimate of the recoverable amount corresponding to the higher of:

- fair value less costs to sell; this fair value is based on observable data (recent transactions, offers received from potential buyers, reported ratios for comparable companies, multiples of uranium resources in the ground); and
- value in use, which is equal to the present value of projected future cash flows.

The future cash flow projections established for these tests are based on fundamental assumptions and estimates such as:

- assumptions as to the price of uranium, conversion and enrichment based on the prices in the order book and derived from projected curves based on the group's view of the trends in supply and demand for uranium and for conversion and enrichment services;
- forecast production and cost data;
- discount rates applied to future cash flows.

We deemed the measurement of goodwill, intangible assets and property, plant and equipment related to the Mining and Front End activities to be a key audit matter due to:

- the potentially significant impact of impairment tests on the income statement;
- uncertainties surrounding certain assumptions, particularly those that could be impacted by exogenous factors (uranium prices, conversion and enrichment prices, exchange rates and market environments, especially multiples of uranium resources in the ground);
- the high sensitivity of measurements to operating, macro-economic, sectoral and financial assumptions;
- the high degree of judgment required by management with respect to these estimates and assessments.

How our audit addressed this risk

We verified the methodology's compliance with the applicable accounting standards and gained an understanding of the methods used to carry out impairment tests.

In particular, we gained an understanding of the methods used to determine the groups of CGUs as well as the level at which goodwill is tested.

For all impairment tests we:

- gained an understanding of the procedures implemented by management to identify indications of a loss or increase in value;
- assessed the consistency of the forecast data used in the impairment tests with the budget and medium-term plan ("financial projections") prepared by management and approved by the Board of Directors;
- assessed, with the help of our experts, the consistency of the cash flow projections with the information sources available to us (order books, mining plans, operational life of assets, market comparisons, etc.) and with past outcomes;
- with regard to assumptions of uranium, conversion and enrichment prices:
 - confirmed, using sampling techniques, the consistency of current prices, used as a benchmark, with contractual data derived from the fixed component of the backlog,
 - gained an understanding of the analyses prepared by the group or external experts to construct projected price curves,
 - compared the assumptions used to construct these projected curves with the available market data,
 - analyzed the changes in the prices used compared to those of the previous year;
- studied, with the help of our experts, the impairment tests' calculation methodology and assessed the reasonableness of the measurement inputs used (discount rate and long-term inflation rate);
- reconciled the carrying amount of the net economic assets tested with the underlying accounting items;
- critically examined the sensitivity tests carried out by management, particularly assumptions regarding selling prices, exchange rates (especially the euro/dollar exchange rate) and the discount rate.

In relation to the Mining BU, we assessed the consistency of the projected data used in the impairment tests with the mining plans prepared for each mine. In addition, for mineral deposits that have not yet been mined, we studied the resale value assumptions measured on the basis of observable data (recent transactions, offers received from buyers, reported ratios for comparable companies in relation to the levels of reserves and stated deposit resources).

In relation to the Conversion activity, we assessed how future cash flows of circumstantial items related to the context of industrial stabilization and the production ramp-up at the Philippe Coste plant were taken into account.

Lastly, we assessed the appropriateness of the disclosures provided in Notes 1.3.7.5 *Impairment of property, plant and equipment, intangible assets and goodwill*, 9 *Goodwill*, 10 *Intangible Assets* and 11 *Property, plant and equipment* to the consolidated financial statements.

Recognition of revenue and margin on treatment-recycling contracts

Description of risk

As indicated in Note 1.3.6 to the consolidated financial statements, the group operates in the different stages of the fuel cycle, by offering treatment-recycling services in respect of which revenue is recognized according to the degree of completion of the services provided.

The group is committed by a master agreement with the French utility group EDF (the "ATR Contract") which specifies the terms of industrial cooperation with regard to treatment-recycling up to 2040. As part of this agreement, Orano and EDF signed an implementation contract in February 2016 defining the technical and financial conditions for the transportation and treatment-recycling of EDF's spent fuel for the period 2016-2023.

The measurement of the percentage of completion of the services provided under the treatment-recycling contracts is determined by the ratio of costs incurred in relation to costs at completion. The amount of revenue and, by extension, margin to be recognized for the year from treatment-recycling service contracts therefore depends on the entity's ability to:

- measure the costs incurred under the contract and to reliably estimate the remaining future costs required to complete the contract. These future costs result from budgetary projections and the analytical structure developed by the group which is used to allocate costs from the different industrial facilities to a given contract;
- measure the selling price at the completion of the contract, which may depend on indexation or variability clauses included in the contracts or commercial negotiations with the customer.

In certain cases, the revenue recognized in relation to these contracts may include several additional components:

- the customer may participate in the financing of the construction of an asset that is necessary in order to provide the treatment-recycling services covered by the contract. The revenue relating to the financing received is then recognized according to the degree of completion of the underlying services over the useful life of the asset, except if the customer takes control of the asset upon completion;

- the payment terms of the contract price may result in significant timing differences between revenue collected and the gradual completion of the services marking the recognition of revenue. These situations may require revenue to be adjusted due to the potentially significant fair value of the financing advantage benefiting one of the two parties (the contract's "financial component").

The analysis of the contracts' terms therefore requires special attention in order to decide on the procedures for measuring and recognizing the revenue associated with each contract. Determining the financial component is a source of complexity because it requires reconstituting, at the effective date of the contract, the implied credit facility (corresponding to the difference between the collection inflows and the revenue flows) and determining the applicable interest rate while taking into account the credit risk and maturity of the credit facility, which can be very long.

We deemed the translation of the contractual provisions of the treatment-recycling contracts into the recognition of revenue (analysis and determination of the contract's different components) and the high degree of judgment required by management in implementing revenue and margin recognition (estimating the price and the costs on completion, allocating costs among contracts, percentage of completion) to be a key audit matter.

How our audit addressed this risk

With regard to the treatment-recycling contracts, and in particular the ATR Contract, we performed a critical review of the correct recognition of revenue and the margin on completion through the following procedures:

- gaining an understanding of the analytical structure in place at the sites concerned for these contracts and the policies for allocating costs incurred to date and estimated future costs to the contracts;
- reconciling the analytical income statement broken down by contract with the financial accounting data;
- gaining an understanding of the procedures and performing a critical review of the key controls in relation to the measurement of the margin on completion (revenue and costs) and the measurement of the percentage of completion of contracts;
- for a selection of contracts, gaining an understanding of the contract and management's analysis describing the methods of recognizing revenue (identifying the contract's various components, defining revenue on completion and determining the model for recognizing revenue);
- recalculating the revenue on completion on the basis of the contractual items, letters of agreement and items supporting negotiations periodically carried out with the customers;
- assessing the key assumptions used by management, particularly the risks and opportunities and variable items of revenue on completion, through business reviews with project managers;
- assessing the reasonableness of the main assumptions on which the estimates of future costs are based by comparing, using sampling techniques, historical forecast data to actual data and analyzing the consequences of discrepancies on future costs and performance plans in progress;
- assessing the consistency of the contract management data (revenue and costs on completion, costs incurred) with the analytical income statement;
- assessing, where applicable, the measurement of the financial components;

- recalculating, where applicable, the gradual recognition of the financial component within revenue and in financial income (expense).

Measurement of provisions for end-of-lifecycle obligations and provisions for contract completion

Description of risk

As a nuclear operator, the group has a legal obligation to:

- following the final shut-down of its industrial facilities which are classified as regulated nuclear facilities, dismantle these facilities;
- manage the recovery and packaging of radioactive waste; and
- ensure the maintenance and monitoring of all facilities storing radioactive waste.

The group must therefore set aside provisions to cover the future costs related to the dismantling of its facilities as well as the intermediate storage, recovery, packaging, transportation and storage of waste and monitoring of the sites (called "Provisions for end-of-lifecycle operations – within the scope of the law"). Under the law on securing the funding of nuclear expenses, the group is also required to allocate, exclusively for this purpose, the necessary financial assets to cover these different costs.

The group also owns other industrial facilities that are considered, according to the regulations, as facilities classified for environmental protection and therefore also subject, upon their final shutdown, to safety, rehabilitation and waste management obligations, which require provisions (called "Provisions for end-of-lifecycle operations – outside the scope of the law") to be set aside. The law on securing the funding of nuclear expenses does not apply to this category of facilities.

In addition, the future costs of intermediate storage, treatment, packaging, transportation and storage of waste derived from operating activities and of certain materials also result in the setting aside of provisions (called "Provisions for contract completion").

At December 31, 2020, provisions for end-of-lifecycle operations amounted to €8,189 million (of which €7,821 million in provisions for end-of-lifecycle operations – within the scope of the law and €368 million in provisions for end-of-lifecycle operations – outside the scope of the law). Provisions for contract completion amounted to €1,608 million. The market value of the assets dedicated to the coverage of the provisions for end-of-lifecycle operations – within the scope of the law is €7,824 million.

The accounting policies and treatments applied, the methods for measuring these provisions, the assumptions used and the related uncertainties are described in Notes 1.2, 1.3.11, 1.3.12, 13 and 25 to the consolidated financial statements.

We deemed the measurement of provisions for end-of-lifecycle operations and provisions for contract completion to be a key audit matter given:

- the material amount of these provisions in the financial statements;
- the complexity of the models for estimating costs related in particular to the long-term horizon and limited past experience

of such operations as well as the complexity of the scenarios and technical solutions considered;

- the potentially material impact on the amount of the provisions of uncertainties related to changes in the regulations or requirements of safety authorities, the scenarios and technical procedures considered, waste removal and storage methods and their availability, knowledge of the initial condition of the facilities and their intended final condition, the facilities' operating life, future disbursement schedules, procedures for final shut-down and changes in inflation and discount rates; and
- the negative effects on the group's financial position in the event of an increase in provisions for end-of-lifecycle operations – within the scope of the law (mobilization of additional funds to increase the amount of assets dedicated to the coverage of these provisions in order to satisfy the regulatory coverage rate within the required deadline).

How our audit addressed this risk

We verified the compliance of the methodology for measuring these different provisions with the accounting, legal and regulatory provisions and examined the methods for measuring them.

In particular, we:

- gained an understanding of the legal and regulatory context as well as the exchanges with the administrative authority (particularly follow-up letters from the French Department of Energy and Climate) in relation to these provisions;
- took into consideration the classification of the different types of waste (provisions for end-of-lifecycle operations – within the scope of the law, provisions for end-of-lifecycle operations – outside the scope of the law, and provisions for contract completion) in relation to the group's interpretation of the current regulations;
- gained an understanding of the processes for measuring provisions, the existing controls and the associated governance principles and in particular assessed the implementation of certain key controls (such as the existence of a robust and relevant body of documentation, summary and risk analysis notes made by management, and the validation of the provisions by management through dedicated committees: the Cleanup and Dismantling Fund Monitoring Committee and the Committee for Monitoring End-of-Lifecycle Obligations);
- gained an understanding, with the help of our experts, of the IT general controls relating to the application used by the group to calculate the provisions in relation to facilities in operation and assessed the arithmetical functioning of the computational model developed in this application based on the certification report issued by an independent expert;
- assessed the consistency over time of the models used for estimating provisions;
- assessed the type of costs and assumptions used in determining these provisions;
- assessed, for a selection of operations and on the basis of analytical documents and interviews with the managers concerned, the validity of the assumptions used in determining costs on completion and disbursement schedules, the percentage of completion of ongoing work, modifications of estimates and the level of risk used;

- assessed the processes for measuring and validating the quantities of waste and scrap resulting from operations;
- assessed, with the help of our experts, the methodologies applied to determine the discount and inflation rates used as well as their compliance with accounting standards and the applicable regulatory provisions;
- confirmed, with the support of our experts, the methodology applied to calculate the effects of inflation, discounting and reverse discounting;
- verified the compliance of the accounting treatment of the effects related to changes in estimates, inflation and discount rates and reverse discounting with the applicable accounting principles;
- assessed the consistency of the data provided by the systems for reporting provisions with the accounting data;
- performed a critical review of management's sensitivity tests.

Lastly, we assessed the appropriateness of the disclosures provided in the notes to the consolidated financial statements concerning the end-of-lifecycle provisions and the provisions for contract completion, particularly in terms of the uncertainties concerning certain assumptions and the sensitivity of the measurement of these provisions to certain financial inputs.

Specific verifications

As required by legal and regulatory provisions and in accordance with professional standards applicable in France, we have also verified the information pertaining to the group presented in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the information pertaining to the group presented in the management report includes the consolidated non-financial information statement required under Article L. 225-102-1 of the French Commercial Code. However, in accordance with Article L. 823-10 of the French Commercial Code, we have not verified the fair presentation and consistency with the consolidated financial statements of the information given in that statement, which will be the subject of a report by an independent third party.

Report on other legal and regulatory requirements

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Orano SA by the Annual General Meeting of May 24, 2018.

At December 31, 2020, PricewaterhouseCoopers Audit and KPMG SA were in the third consecutive year of their engagement.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for preparing consolidated financial statements giving a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and for implementing the internal control procedures it deems necessary for the preparation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit and Ethics Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements

Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these consolidated financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgment throughout the audit.

They also:

- identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the consolidated financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the consolidated financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. The Statutory Auditors are responsible for the management, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed thereon.

Report to the Audit and Ethics Committee

We submit a report to the Audit and Ethics Committee which includes, in particular, a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit and Ethics Committee includes the risks of material misstatement that, in our professional judgment, were the most significant for the audit of the consolidated financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit and Ethics Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit and Ethics Committee.

Neuilly-sur-Seine and Paris-La Défense, March 11, 2021

The Statutory Auditors

PricewaterhouseCoopers Audit

Séverine SCHEER

Laurent DANIEL

KPMG SA

Laurent GENIN

Jean-Paul THILL

6.3 Company financial statements – financial year ended December 31, 2020

Note: Tables are generally expressed in thousands of euros. Rounding may in some cases lead to differences in totals or in changes.

Contents

Statement of financial position	266	NOTE 5 Notes to the statement of financial position	273
Statement of income	268	5.1 Gross values of property, plant and equipment and intangible assets	273
Notes to the annual financial statements	270	5.2 Amortization, depreciation and impairment of property, plant and equipment and intangible assets	274
NOTE 1 Context of the statements and significant events of the period	270	5.3 Long-term investments	275
1.1. Impacts of the Covid-19 health crisis	270	5.4 Write-downs of long-term investments	276
1.2. Change of legal organization of Orano Cycle	270	5.5 Statement of receivables	277
1.3. Acquisition of Orano Nuclear Packages and Services SAS	270	5.6 Accrued income	278
1.4. Funding	270	5.7 Net cash	278
1.5. Liquidity position	270	5.8 Share structure	279
1.6. Impairment of investments in associates and loans to associates	271	5.9 Equity	279
NOTE 2 Accounting policies and principles	271	5.10 Provisions for contingencies and charges	280
2.1 Valuation of property, plant and equipment and intangible assets	271	5.11 Statement of liabilities	281
2.2 Long-term investments	271	5.12 Accrued expenses	282
2.3 Receivables and borrowings	272	NOTE 6 Notes to the statement of income	283
2.4 Financial instruments	272	6.1 Current operating income	283
2.5 Non-trade current accounts	272	6.2 Net financial income (expense)	283
2.6 Marketable securities	272	6.3 Exceptional items	283
2.7 Bond issues	272	6.4 Income tax	283
2.8 Provisions for contingencies and charges	272	NOTE 7 Additional information	283
2.9 Exceptional items	272	7.1 Workforce	283
2.10 Tax information	272	7.2 Company exposure to market risk	284
NOTE 3 Changes in accounting methods	273	7.3 Related parties	286
NOTE 4 Events subsequent to the end of the financial year	273	7.4 Off-balance-sheet commitments	286
		7.5 Compensation of corporate officers	287
		7.6 Disputes and potential liabilities	287
		7.7 Subsidiaries and associates	288

Statement of financial position

ASSETS (in thousands of euros)	Note	2020		2019
		Gross	Amortization, depreciation & Write-downs	Net
Uncalled share capital				
NON-CURRENT ASSETS				
Research and development expenses				
Concessions, patents, licenses, software and similar rights		458	72	387
Leasehold				212
Other intangible assets				
Intangible assets in progress				
Advances and prepayments				
Total intangible assets		458	72	387
Land				212
Buildings				
Property, plant and tooling				
Other property, plant and equipment		15,880	2,067	13,813
Plant, property and equipment in progress		147		147
Advances and prepayments on PPE				
Total property, plant and equipment	5.1/5.2	16,027	2,067	13,960
Associates		7,273,419	595,653	6,677,766
Loans to associates		2,555,566	113,371	2,442,195
Investment portfolio				
Other long-term securities				
Loans				
Other long-term investments		7,061		7,061
Total long-term investments	5.3/5.4	9,836,046	709,024	9,127,022
TOTAL NON-CURRENT ASSETS		9,852,532	711,163	9,141,369
CURRENT ASSETS				
Raw materials and supplies				
Goods in process				
Intermediate and finished products				
Goods				
Total inventories and work-in-process				
Advances and prepayments on orders				630
Accounts receivable and related accounts		3,199		3,199
Other accounts receivable		1,196,470		1,196,470
Subscribed capital called for, unpaid				7,867
Total receivables	5.5	1,199,668		1,199,668
Marketable securities		1,142,264	320	1,141,944
Cash instruments		27,341		27,341
Cash		603,859		603,859
Total cash and marketable securities	5.7	1,773,464	320	1,773,144
Prepaid expenses		81		81
TOTAL CURRENT ASSETS		2,973,213	320	2,972,893
Deferred charges		11,122		11,122
Bond redemption premiums		11,609		11,609
Unrealized foreign exchange losses				10,412
TOTAL ASSETS		12,848,476	711,483	12,136,993
				10,623,140

FINANCIAL STATEMENTS

Company financial statements – financial year ended December 31, 2020

LIABILITIES

(in thousands of euros)	Note	2020	2019
SHARE CAPITAL	5.8	132,076	132,076
Additional paid-in capital, merger premiums, share premiums		3,550,601	3,550,601
Legal reserve		13,208	13,208
Statutory or contractual reserves			
Other reserves		4,041	4,041
Retained earnings		56,596	333,207
Net income for the financial year (profit or loss)		272,519	-276,611
Government grants			
Tax-driven provisions			
TOTAL SHAREHOLDERS' EQUITY	5.9	4,029,041	3,756,522
OTHER SHAREHOLDERS' EQUITY			
Proceeds from issues of equity securities			
Advances subject to covenants			
TOTAL OTHER SHAREHOLDERS' EQUITY			
PROVISIONS FOR CONTINGENCIES AND CHARGES			
Provisions for contingencies		6,511	6,566
Provisions for charges		66	1,428
TOTAL PROVISIONS FOR CONTINGENCIES AND CHARGES	5.10	6,577	7,994
LIABILITIES			
Convertible bond debt			
Other bond debt		3,749,767	3,771,447
Bank borrowings		1	1
Miscellaneous loans and borrowings		1,320	1,206
Advances and prepayments on orders			
Trade accounts payable and related accounts		36,789	43,111
Taxes and employee-related liabilities		1,939	2,119
Accounts payable on non-current assets and related accounts			
Other liabilities		4,280,267	2,993,208
Financial instruments		1,084	4,058
Deferred income		30,207	43,475
TOTAL LIABILITIES	5.11	8,101,375	6,858,625
Unrealized foreign exchange gains			
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		12,136,993	10,623,140

Statement of income

(in thousands of euros)	Note	2020	2019
OPERATING INCOME			
Sales of goods			
Sales of products			
Services performed		115,993	122,317
Revenue⁽¹⁾		115,993	122,317
Production in inventory			
Capitalized production			
Operating subsidies			
Reversals of provisions, amortization and depreciation		1,372	1,826
Transferred expenses		4,354	6,561
Other income		20	
TOTAL OPERATING INCOME		121,739	130,705
OPERATING EXPENSES			
Purchase of goods			
Change in inventory (goods)			
Purchases of raw materials and other supplies			
Change in inventory (raw materials and supplies)			
Other purchases and expenses		155,531	172,308
Taxes and related expenses		514	655
Salaries and other compensation		1,067	1,136
Social security charges		1,350	707
Amortization, depreciation and provisions		5,131	3,448
Other expenses		318	384
TOTAL OPERATING EXPENSES		163,913	178,639
CURRENT OPERATING INCOME	6.1	-42,174	-47,934
SHARE OF NET INCOME FROM JOINT OPERATIONS			
Profit allocated or loss transferred			42
Loss allocated or profit transferred		737	
FINANCIAL INCOME			
From equity interests		183,503	271,410
From other marketable securities and capitalized receivables			
Other interest and related income		122,559	145,908
Reversals of provisions, amortization and depreciation		101,354	22,034
Transferred expenses			
Foreign exchange gains		331,659	136,320
Net income from disposals of marketable securities			
TOTAL FINANCIAL INCOME		739,076	575,673
FINANCIAL EXPENSES			
Amortization, depreciation and provisions		22,901	488,405
Interest and related expenses		241,208	291,405
Foreign exchange losses		331,229	136,722
Net loss on disposals of marketable securities		223	883
TOTAL FINANCIAL EXPENSES		595,560	917,415
NET FINANCIAL INCOME	6.2	143,515	-341,742
INCOME BEFORE TAX			
(1) Including direct exports.		5,814	7,583

Statement of income (continued)

(in thousands of euros)	Note	2020	2019
EXCEPTIONAL INCOME			
On financial management transactions		561	
On capital or non-current asset transactions		1,367	
Reversals of provisions, amortization and depreciation			
Transferred expenses			
TOTAL EXCEPTIONAL INCOME		1,367	561
EXCEPTIONAL EXPENSES			
On financial management transactions		406	132
On capital or non-current asset transactions		95	31,537
Amortization, depreciation and provisions			
TOTAL EXCEPTIONAL EXPENSES		501	31,669
EXCEPTIONAL ITEMS			
Employee profit-sharing	6.3	865	-31,107
Income tax	6.4	-2	-9
NET INCOME		272,519	-276,611

Notes to the annual financial statements

The notes hereunder supplement the statement of financial position for the financial year ended December 31, 2020 showing total assets of 12,136,993 thousand euros, and the statement of income, showing a net profit of 272,519 thousand euros. These statements are for the 12-month financial year beginning January 1 and ending December 31, 2020.

These notes to the financial statements include:

- highlights of the financial year;

- accounting policies and principles;
- changes in accounting methods;
- notes to the statement of financial position;
- notes to the statement of income;
- additional information.

These notes and tables form an integral part of the annual financial statements to December 31, 2020 approved by the Board of Directors on February 25, 2021.

NOTE 1 CONTEXT OF THE STATEMENTS AND SIGNIFICANT EVENTS OF THE PERIOD

1.1. Impacts of the Covid-19 health crisis

Since the outbreak of the Covid-19 health crisis, Orano has implemented a set of measures to ensure both the health of its employees and the continuity of its customers' strategic businesses, in compliance with the directives of national and international health authorities.

The effects of the crisis are reflected by a reduction or temporary suspension of activities at certain of the Group's industrial sites, the temporary shutdown or significant disruption of Back End service activities, by postponement of deliveries in the Mining and additional costs related to pandemic protection and prevention measures (safety-related facility costs, purchase of masks for employees at all of the group's sites).

Unforeseen events related to the pandemic did not give rise to any additional impairment of the investments or receivables related to investments, as the value in use of the latter has not been impacted by these items.

decided to allocate to Orano the shares of Orano Recyclage and Orano Chimie-Enrichissement received in consideration for the contributions of activities. On the same date, Orano Démantèlement sold the remaining shares to Orano so that Orano directly holds 100% of the capital of Orano Recyclage and Orano Chimie-Enrichissement.

1.3. Acquisition of Orano Nuclear Packages and Services SAS

Orano acquired 100% of the shares composing the share capital of Orano Nuclear Packages and Services SAS (formerly TN INTERNATIONAL SA) previously owned by its wholly-owned subsidiary, Orano Démantèlement SA (previously Orano Cycle SA) for 744,000 thousand euros (see Note 5.3).

1.4. Funding

In March 2020, Orano launched a partial buyback offer on the 2020 and 2021 bonds issued by AREVA and contributed to Orano in 2016 (see Note 5.11).

As part of its EMTN program, on September 1, 2020, Orano launched and fixed the terms of a bond issue of 500 million euros at 7.5 years (due March 2028) with an annual coupon of 2.75% (yield of 2.877% on issue). At the close of the order book, demand amounted to approximately 2.4 billion euros.

With these transactions, Orano was able to strengthen the group's liquidity position, renew its long-term funding and as such optimize its borrowing profile.

1.5. Liquidity position

The liquidity position is assessed for the entire Orano group insofar as Orano SA, as the group's centralizing cash-pooling company, must ensure the financing of its subsidiaries' requirements.

Orano's short-term borrowings amounted to 800 million euros as of December 31, 2020, including:

- the maturity of a 730 million euro bond on March 22, 2021 of which 15 million euros in respect of Orano Assurance and Réassurance;
 - accrued interest not yet due in the amount of 70 million euros.
- Beyond a 12-month period, the first significant debt maturity is a 200 million euro bond due on March 21, 2022.

Orano had a gross cash position of 1,773 million euros as of December 31, 2020 to meet these commitments and to ensure the continuity of its operations over the longer term. Additionally, the Group has an undrawn revolving credit facility of 940 million euros subscribed with all its banking partners and valid until July 2023.

1.6. Impairment of investments in associates and loans to associates

As described in Note 2.2 at the end of each financial year, each Group activity is valued according to its projected profitability.

The recoverable amounts are translated into the financial statements by an adjustment of the write-down of certain investments in associates, of non-trade current accounts, of loans to associates held by Orano SA (see Note 5.4), and of provisions for financial risks (see Note 5.10). The main reversal of the impairment of the securities recorded during the financial year concerns Orano Mining for an amount of 94,486 thousand euros, which is the result of the increase in the value in use of Orano Mining, mainly due to an upward revaluation of land resources and the use of the exchange rates used in the financial trajectory.

NOTE 2 ACCOUNTING POLICIES AND PRINCIPLES

The annual financial statements of Orano SA for the year ended December 31, 2020 were prepared in accordance with French accounting standards as defined in Articles 121-1 and 121-5 et seq. of the French GAAP (*plan comptable général*). The accounting policies were applied in compliance with the French Commercial Code, the Accounting Decree of November 29, 1983, ANC Regulation No. 2014-03 and ANC Regulation No. 2018-07 related to the redrafting of the French GAAP applicable to year-end closing.

2.1 Valuation of property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are valued at their acquisition or production cost, including start-up expenses.

They are depreciated based on the approach deemed most representative of the loss of economic value of each component, with each component depreciated based on its own useful life. Depreciation is calculated using the straight-line method and rates normally applicable to these categories of assets.

The maximum depreciation periods are as follows:

- five years for off-the-shelf software;
- ten years for building improvements and office furniture; and
- five years for office equipment and IT hardware.

Depreciation may be supplemented for certain assets when the value in use falls below its net carrying amount. The resulting net carrying amount may be considered to be economically justified.

2.2 Long-term investments

Long-term investments appear on the assets side of the statement of financial position at their transfer value or acquisition cost. The acquisition cost means the purchase price plus costs directly related to the purchase, in particular commissions paid to acquire the investment.

At each year-end, investments in associates are measured at their value in use. An impairment loss is recognized when their value in use, assessed individually for each interest, falls below their historical cost.

The value in use is determined:

- based on the percentage share of the subsidiary's net assets at the end of the financial year;
- the present value of the projected future cash flows, based on the strategic plan approved by the governance bodies and its underlying assumptions, plus its terminal value, which corresponds to the present value, discounted to infinity, of the cash flows for the "standard year" estimated at the end of the period covered by the future cash flow projections. However, certain activities have a finite useful life (for example due to the finite mineral resources in the mines or the limited duration of the operating permits in nuclear activities); in this case, the cash flows taken into account to measure their value in use are not discounted to infinity, but rather to the end of their expected useful life.

The impairment is calculated based on the share of net assets held at the end of the financial year.

Loans to associates are recorded at face value. A provision for impairment is recognized if necessary to reflect the actual value at year end.

2.3 Receivables and borrowings

Receivables and borrowings are valued at face value. Receivables may be written down by a provision to reflect potential collection difficulties based on information available at closing.

Receivables and borrowings in foreign currencies are translated and recorded in euros based on exchange rates in effect at the end of the financial year. Unrealized gains and losses are recorded on the statement of financial position as currency translation differences. Receivables and borrowings in foreign currencies whose exchange rates have been hedged are recorded in euros based on the hedged rate. Unrealized foreign exchange losses are recognized through a contingency provision.

2.4 Financial instruments

Orano SA uses derivatives to hedge foreign exchange risks and interest rate risks both for its own transactions and those carried out by its subsidiaries. The derivatives used are mainly forward currency contracts: currency and interest rate swaps, inflation swaps and currency options. The company has applied ANC Regulation No. 2015-05 since January 1, 2017. This change had no material impact at the time it was applied.

The risks hedged relate to receivables, borrowings and firm commitments in foreign currencies. The derivatives traded to hedge subsidiaries' exposure are systematically backed by symmetrical instruments with banking counterparties to hedge the exposure of Orano SA.

Accounting principles:

- gains and losses on derivatives traded to hedge the subsidiaries' exposure are recognized through profit and loss at maturity, thus matching the gains and losses recognized on the derivatives negotiated by Orano SA with banks;
- the interest rate derivatives negotiated by Orano SA are qualified as hedging instruments, or included in an isolated open position in the separate financial statements. Accrued interest not yet due is recognized in the statement of financial position with an offsetting entry to the statement of income.

2.5 Non-trade current accounts

Non-trade current accounts are reported under "Other accounts receivable" when they appear on the assets side of the statement of financial position. Otherwise, they appear on the liabilities side under "Other liabilities".

2.6 Marketable securities

Marketable securities are valued at the lower of their acquisition cost or their net carrying amount. A provision for impairment is recorded when the valuation at the end of the period shows an overall capital loss by class of securities. The net carrying amount is equal to the average closing market price of the securities for the last month of the period.

2.7 Bond issues

Bond debt is recognized as borrowings, as provided in generally accepted accounting principles in the French GAAP (*plan comptable général*).

Redemption premiums and deferred charges related to bond debt are amortized in a straight line over the term of the issue.

2.8 Provisions for contingencies and charges

Provisions for contingencies and charges are established whenever there is a probable outflow of resources resulting from a past event, in accordance with the French accounting board rules on liabilities dated December 7, 2000 (CRC 2000-06).

Provisions are recorded for contingencies and charges, for instance to cover restructuring or litigation expenses.

Contingent liabilities represent obligations that are neither probable nor certain at the date of closing, or obligations that are probable but where no resource is likely to be expended. Contingent liabilities are not recognized in provisions, but rather disclosed in the notes (see Note 5.10).

2.9 Exceptional items

Items related to the company's ordinary operations are recognized in operating income even if they are exceptional in terms of frequency or amount. Only items that are not related to the company's ordinary operations are recognized as exceptional items in the statement of income, in addition to transactions specifically qualified as exceptional items under the French GAAP (regulated provisions, reversals of investment subsidies, gains on disposals of certain assets, etc.).

2.10 Tax information

From September 1, 2017, Orano SA opted to be solely responsible for income tax due on the combined income of the group consisting of Orano SA and the subsidiaries in which it holds at least 95% of the share capital, as provided for in Article 223A of the French General Tax Code. This regime remains in effect for the financial year ended December 31, 2020.

Under the tax consolidation, Orano SA signed an agreement with each of its subsidiaries to manage their relationship in terms of recognizing income tax expense, paying any taxes, and identifying and transferring tax credits. This agreement observes neutrality, in that it stipulates that each consolidated company determines its tax liability as if it had been taxed separately. It lays out the rules that will apply should a subsidiary leave the tax consolidation, and that will continue to uphold neutrality, and refers to the future creation of a withdrawal agreement if that should happen.

NOTE 3 CHANGES IN ACCOUNTING METHODS

The valuation methods applied are identical to those used in the previous year.

NOTE 4 EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On February 22, 2021, the French State acquired 10,566,111 shares, i.e. 4.0% of the share capital of Orano SA from AREVA SA.

Since that date, the share capital of Orano has been held by the French State at 54%, the CEA holds one share, AREVA SA 16%, JNFL 5%, MHI 5%, as well as Caisse des Dépôts and Natixis, which each hold 10%.

NOTE 5 NOTES TO THE STATEMENT OF FINANCIAL POSITION

5.1 Gross values of property, plant and equipment and intangible assets

GROSS AMOUNT

(in thousands of euros)	Note	2019	Merger Contribution Spin-off	Increase	Decrease	Change from one line to another	2020
Intangible assets							
Research and development expense							
Concessions, patents, licenses, software and similar rights	216			242			458
Leasehold							
Other intangible assets							
Intangible assets in progress							
Advances and prepayments							
TOTAL INTANGIBLE ASSETS	5.1.1	216	-	242	-	-	458
Property, plant and equipment							
Land							
Buildings							
• Buildings erected on owned land							
• Buildings erected on third-party land							
• Buildings, facilities, fixtures							
Plant, equipment and tooling:							
• Plant, equipment and tooling:							
• End-of-lifecycle assets							
Other property, plant and equipment							
• Miscellaneous facilities, fixtures and improvements		9,447		1,902			11,349
• Transportation equipment							
• Office equipment, IT equipment and furniture		4,531					4,531
• Other property, plant and equipment							
Property, plant and equipment in progress				2,291	2,144		147
Advances and prepayments on property, plant and equipment							
TOTAL PROPERTY, PLANT AND EQUIPMENT	5.1.1	13,978	-	4,193	2,144	-	16,027

5.1.1. Acquisitions of intangible assets and property, plant and equipment in connection with the new registered office in Châtillon.

5.2 Amortization, depreciation and impairment of property, plant and equipment and intangible assets

AMORTIZATION, DEPRECIATION AND IMPAIRMENT

(in thousands of euros)	Note	2019	Merger Contribution Spin-off	Increase	Decrease	Change from one line to another	2020
Intangible assets							
Research and development expense							
Concessions, patents, licenses, software and similar rights	3			68			72
Leasehold							
Other intangible assets							
Intangible assets in progress							
TOTAL INTANGIBLE ASSETS	3	-	68	-	-	-	72
Property, plant and equipment							
Land and improvements							
Buildings							
• Buildings erected on owned land							
• Buildings erected on third-party land							
• Buildings, facilities, fixtures							
Plant, equipment and tooling:							
• Plant, equipment and tooling:							
• End-of-lifecycle assets							
Other property, plant and equipment							
• Miscellaneous facilities, fixtures and improvements		146		1,139			1,285
• Transportation equipment							
• Office equipment, IT equipment and furniture		76		707			782
• Other property, plant and equipment							
Property, plant and equipment in progress							
TOTAL PROPERTY, PLANT AND EQUIPMENT	221	-	1,846	-	-	-	2,067

5.3 Long-term investments

GROSS AMOUNT

(in thousands of euros)	Note	2019	Increase	Decrease	2020
Associates	5.3.1	6,514,526	758,989	95	7,273,419
Loans to associates	5.3.2	3,001,009	13,001	458,445	2,555,566
Investment portfolio					
Other long-term securities					
Loans					
Other long-term investments:					
● Receivables related to end-of-lifecycle operations					
● End-of-lifecycle assets – Third-party share					
● Miscellaneous long-term investments	5.3.3	7,061			7,061
TOTAL LONG-TERM INVESTMENTS		9,522,596	771,990	458,540	9,836,046

5.3.1 The “Associates” item amounts to 7,273,419 thousand euros. It consists mainly of the following equity investments:

- Orano Mining: 2,356,194 thousand euros;
- Orano Recyclage: 1,798,236 thousand euros;
- Orano Chimie-Enrichissement: 1,471,390 thousand euros;
- Orano Nuclear Packages and Services: 744,000 thousand euros;
- Orano USA LLC: 358,391 thousand euros;
- Orano Démantèlement: 200,302 thousand euros;
- Orano Support: 122,069 thousand euros;
- Orano Med: 108,782 thousand euros;
- Orano Projets: 63,844 thousand euros.

The change essentially corresponds to the acquisition of Orano Nuclear Packages and Services securities from Orano Démantèlement in October 2020 for 744,000 thousand euros and to the subscription to the capital increase of Orano UK for 13,353 thousand euros in June 2020.

In addition, as part of the spin-off of Orano Cycle, the historical value of the Orano Cycle shares was split between the shares of Orano Chimie-Enrichissement, Orano Recyclage and Orano Démantèlement.

5.3.2 The “Loans to associates” item in the amount of 2,555,566 thousand euros concerns medium-term loans granted to companies of the group, including accrued interest (see Note 5.6.1). The companies concerned at December 31, 2020 were mainly:

- Société Enrichissement Tricastin: 1,530,149 thousand euros;
- Orano Canada Inc: 529,292 thousand euros (827,442 KCAD);
- Orano Mining: 335,353 thousand euros;
- Orano Ressources Centrafrique: 113,371 thousand euros;
- Orano USA LLC: 22,427 thousand euros (27,521 KUSD);
- Orano Temis: 10,001 thousand euros;
- TN Americas LLC: 9,858 thousand euros (12,097 KUSD);
- Orano GmbH: 5,000 thousand euros.

The increases for the financial year mainly concern loans granted during the financial year 2020 to the company Orano Temis for

10,000 thousand euros, as well as to Orano GmbH for the amount of 3,000 thousand euros.

The decreases over the period concern foreign exchange movements and the repayments made during the 2020 financial year for the following companies:

- Société Enrichissement Tricastin: 210,020 thousand euros;
- CFMM: 100,000 thousand euros;
- TN Americas LLC: 43,562 thousand euros;
- Orano Canada Inc: 40,955 thousand euros;
- Eurodif SA: 30,001 thousand euros.

5.3.3 The “Other long-term investments” item includes Orano SA’s equity interest in mutual insurance company European Liability Insurance for Nuclear Industry (ELINI), representing 6,741 thousand euros at December 31, 2020, and in the mutual insurance company BlueRE in the amount of 320 thousand euros.

5.4 Write-downs of long-term investments

WRITE-DOWNS

(in thousands of euros)	Note	2019	Increase	Decrease	2020
Associates	5.4.1	677,090	13,236	94,674	595,653
Loans to associates	5.4.2	113,371			113,371
Investment portfolio					
Other long-term securities					
Loans					
Other long-term investments:					
● Receivables related to end-of-lifecycle operations					
● End-of-lifecycle assets – Third-party share					
● Miscellaneous long-term investments					
TOTAL LONG-TERM INVESTMENTS		790,461	13,236	94,674	709,024

5.4.1 Based on the principles given in Note 2.2

- Impairment charges mainly correspond to provisions on the following securities:
 - Orano UK: 13,151 thousand euros;
 - Orano Support: 74 thousand euros.
- The reversals of impairment mainly correspond to provisions on the following securities: Orano Mining: 94,486 thousand euros.

This reversal of impairment of Orano Mining shares results from the increase in the value in use of certain mining assets, mainly due to an upward revaluation of land resources and the use of the exchange rates used in the financial trajectory.

5.4.2 The write-downs of receivables for loans to associates concern only Orano Ressources Centrafricaine.

5.5 Statement of receivables

(in thousands of euros)	Note	Gross amount	Term due within 1 year	Term due past 1 year
NON-CURRENT ASSETS				
Loans to associates	5.3.2	2,555,566	238,248	2,317,318
Loans				
Other long-term investments:				
● Receivables related to end-of-lifecycle operations				
● End-of-lifecycle assets – Third-party share				
● Miscellaneous long-term investments		7,061		7,061
TOTAL CAPITALIZED RECEIVABLES		2,562,627	238,248	2,324,379
CURRENT ASSETS				
Suppliers: advances and prepayments made				
Working capital: receivables				
Doubtful accounts				
Other trade accounts receivable		3,199	3,199	
Accounts payable to employees and related accounts		1	1	
Social security administration and other social institutions				
French State and local governments				
● Income tax	5.5.1	107,748	33,116	74,632
● Value added tax		6,971	6,971	
● Other taxes and related expenses		3	3	
● Miscellaneous French State				
Group and associates	5.5.2	890,971	890,971	
Trade accounts and other receivables		190,776	106,302	84,474
TOTAL GROSS RECEIVABLES – WORKING CAPITAL		1,199,668	1,040,563	159,106
Prepaid expenses		81	81	
TOTAL GROSS RECEIVABLES		3,762,377	1,278,892	2,483,484

5.5.1 Income tax receivables refer to the tax installments for the 2020 financial year paid by the group to the Treasury in the amount of 981 thousand euros and to tax credits of 106,767 thousand euros.

Against that, as the parent company of the tax consolidation group, Orano SA recognizes liabilities to the consolidation subsidiaries for their share of payments made and their entitlement to tax credits (see Note 5.11.3).

5.5.2 Group and associates includes receivables related to the tax consolidation for 22,058 thousand euros and the non-trade current accounts amounted to 868,913 thousand euros. The companies concerned at December 31, 2020 were mainly:

- Orano Chimie-Enrichissement: 756,346 thousand euros;
- Orano Canada Inc: 63,843 thousand euros;
- Orano Mining: 13,795 thousand euros;
- SI-nerGIE: 9,770 thousand euros;
- Orano Med LLC: 6,502 thousand euros;
- Orano Med: 5,833 thousand euros;
- OranoDelfi: 5,231 thousand euros;
- Orano GmbH: 3,110 thousand euros.

5.6 Accrued income

(French Decree No. 83-1020 of November 29, 1983 – Article 23)

(in thousands of euros)	Note	2020	2019
LONG-TERM INVESTMENTS			
Loans to associates	5.6.1	5,282	7,863
Other long-term investments			
TOTAL LONG-TERM INVESTMENTS		5,282	7,863
WORKING CAPITAL: RECEIVABLES			
Trade accounts receivable and related accounts		1,204	4,319
Accounts payable to employees and related accounts			
Social security administration and other social institutions			
French State and local governments			
Trade accounts and other receivables	5.6.2	183,378	70,247
TOTAL RECEIVABLES – WORKING CAPITAL		184,582	74,566
Marketable securities		240	108
Cash and cash equivalents			
TOTAL ACCRUED INCOME		190,104	82,537

5.6.1 This item concerns accrued interest on loans to associates and in particular:

- Orano Canada Inc: 3,481 thousand euros;
- Orano USA LLC: 1,217 thousand euros.

5.6.2 The change in trade accounts and other receivables is essentially due to the revaluation of financial hedging instruments at the closing rate.

5.7 Net cash

(in thousands of euros)	Note	2020	2019
Other marketable securities		1,142,264	914,165
Write-downs		-320	-115
	5.7.1	1,141,944	914,050
Cash instruments	5.7.2	27,341	-
Cash and cash equivalents		603,859	718,935
TOTAL CASH AND MARKETABLE SECURITIES		1,773,144	1,632,985

5.7.1 At December 31, 2020, other marketable securities consisted primarily of money market funds and treasury bonds in the amount of 1,142,264 thousand euros.

5.7.2 Cash instruments mainly concern cross-currency swaps at the end of the financial year.

5.8 Share structure

(French Decree No. 83-1020 of November 29, 1983 – Article 24-12)

Category of shares	par value	Number of shares			At end of the financial year
		At the beginning of the financial year	Increase	Decrease	
Ordinary shares	0.50 euros	264,152,778	-	-	264,152,778

The authorized share capital presented above of Orano SA at December 31, 2020 breaks down as follows:

	2020	2019
French state	50% +1 share	50% +1 share
AREVA SA	20%	20%
Natixis *	10%	10%
Caisse des Dépôts *	10%	10%
CEA	1 share	1 share
MHI	5%	5%
JNFL	5%	5%
TOTAL	100%	100%

* Under a trust agreement and as security on behalf of certain AREVA SA lenders, AREVA SA transferred 10% of the capital of Orano SA to Caisse des Dépôts and 10% of the capital of Orano SA to Natixis. Pursuant to the shareholders' agreement, it was nevertheless agreed that the voting rights held by Caisse des Dépôts and Natixis will be exercised exclusively in accordance with the instructions given by AREVA SA, pursuant to the provisions of the agreement.

5.9 Equity

(in thousands of euros)	Note	2019	Allocation Net income	Net income for the period	Increase	Decrease	2020
Subscribed capital		132,076					132,076
Additional paid-in capital, share premiums		3,550,601					3,550,601
Revaluation surplus							
Legal reserve		13,208					13,208
Restricted reserves							
Regulated reserves							
Other reserves		4,041					4,041
Retained earnings		333,207	-276,611	272,519			56,596
Unallocated income		-					-
Net income for the period		-276,611	276,611	272,519			272,519
Net investment subsidies							
Tax-driven provisions							
TOTAL SHAREHOLDERS' EQUITY		3,756,522	-	272,519	-	-	4,029,041

5.10 Provisions for contingencies and charges

(in thousands of euros)	Note	2019	Increase	Decrease	Reclassifications	2020
PROVISIONS FOR CONTINGENCIES						
Provisions for litigation						
Provisions for customer guarantees						
Provisions for taxes						
Provisions for foreign exchange losses						
Other provisions for contingencies	5.10.1	6,566	6,511	6,566		6,511
TOTAL PROVISIONS FOR CONTINGENCIES		6,566	6,511	6,566	-	6,511
PROVISIONS FOR CHARGES						
Provisions for retirement and similar benefits		56	10			66
Provisions for taxes						
Provisions for work completion						
Provisions for accrued expenses						
Provisions for mining site reclamation						
End-of-lifecycle provisions						
Provisions for decontamination of tooling						
Other provisions for charges	5.10.2	1,372		1,372		
TOTAL PROVISIONS FOR CHARGES		1,428	10	1,372	-	66
TOTAL PROVISIONS FOR CONTINGENCIES AND CHARGES		7,994	6,521	7,938	-	6,577
Including allocations and reversals						
• operating			9	1,372		
• financial			6,512	6,566		
• exceptional						

5.10.1 Other provisions for contingencies reflect:

- underlying losses on rate swaps in the amount of 5,645 thousand euros;
- the share in the deficit of the Si-nerGIE consortium in the amount of 866 thousand euros.

Reversals in the period consisted of:

- the provision for underlying (unrealized) losses on rate swaps in the amount of 5,829 thousand euros;
- the share in the deficit of the Si-nerGIE consortium in the amount of 737 thousand euros.

5.10.2 Other provisions for expenses mainly involve the impacts of the expiring sublease on the Courbevoie premises.

5.11 Statement of liabilities

(in thousands of euros)	Note	Gross amount	Term due within 1 year	Term from 1 to 5 years	Term more than 5 years
BORROWINGS					
Convertible bond debt					
Other bond debt	5.11.1	3,749,767	800,017	1,699,750	1,250,000
Bank borrowings		1	1		
Miscellaneous loans and borrowings:	5.11.2	1,320	1,320		
TOTAL BORROWINGS		3,751,088	801,338	1,699,750	1,250,000
ADVANCES AND PREPAYMENTS ON ORDERS					
OTHER LIABILITIES					
Trade accounts payable and related accounts		36,789	36,789		
Taxes and employee-related liabilities:					
• Accounts payable to employees and related accounts		614	614		
• Social security administration and other social institutions		307	307		
• State and other public authorities:					
• Value added tax		422	422		
• Other taxes		596	596		
• Income tax					
Accounts payable on non-current assets and related accounts					
Group and associates	5.11.3	4,103,684	4,053,948	49,736	
Other liabilities		176,582	92,093	84,489	
Cash instruments		1,084	1,084		
TOTAL OTHER LIABILITIES		4,320,080	4,185,854	134,226	
Unearned income	5.11.4	30,207	9,765	19,396	1,047
TOTAL UNEARNED INCOME		30,207	9,765	19,396	1,047
TOTAL GROSS LIABILITIES		8,101,375	4,996,957	1,853,371	1,251,047

5.11.1 Bond debt

The balance of bond debt consists of the 3,679,450 thousand euros nominal value of the bond issues plus accrued interest not yet due of 70,317 thousand euros (see Note 5.12.1). An outstanding of 850 million euros in interest rate swaps was backed by these bonds.

Issue date (in millions of currency units)	Nominal	Currency	Nominal rate	Term/Expiration
September 23, 2009	749,750	EUR	4.875%	09/2024
September 22, 2010	729,700	EUR	3.500%	03/2021
April 04, 2012	200,000	EUR TEC 10 +2.125%		03/2022
March 20, 2014	750,000	EUR	3.125%	03/2023
April 23, 2019	750,000	EUR	3.375%	04/2026
September 8, 2020	500,000	EUR	2.750%	03/2028
TOTAL	3,679,450	EUR		

As indicated in Note 1.4, the partial buyback for the bond maturing in 2021 was carried out for 20,300 thousand euros.

On September 8, 2020, Orano successfully issued a bond for an amount of 500 million euros with a maturity of 7.5 years (due March 2028) and an annual coupon of 2.75% (yield of 2.877% on issue).

Bond issues with a nominal value of 500 million euros were redeemed as planned upon maturity on September 4, 2020.

5.11.2 Miscellaneous loans and borrowings

At December 31, 2020, this item amounted to 1,320 thousand euros, consisting of liabilities associated with investment in the associate Orano Japan.

5.11.3 Group and associates

This item consists of:

- tax credit debts to consolidated French subsidiaries in the amount of 77,194 thousand euros;
- non-trade current liabilities in the amount of 4,026,490 thousand euros. The companies concerned at December 31, 2020 were mainly:
 - Orano Recyclage: 2,615,355 thousand euros,

- Orano Démantèlement: 351,963 thousand euros,
- Orano Nuclear Packages and Services: 323,299 thousand euros,
- Société Enrichissement Tricastin: 282,958 thousand euros,
- SET Holding: 58,413 thousand euros,
- ETC: 57,912 thousand euros,
- Orano Mining Namibia: 46,446 thousand euros,
- Orano Support: 40,033 thousand euros,
- Orano Federal Services: 33,131 thousand euros,
- Orano Assurance et Réassurance: 29,496 thousand euros,
- Eurodif: 28,524 thousand euros,
- Orano DS: 17,934 thousand euros,
- Orano Projets: 17,696 thousand euros,
- Urangesellschaft: 16,392 thousand euros.

5.11.4 Deferred income

	2020	2019
Deferred operating income	2,406	-
Deferred financial income	27,801	43,475
TOTAL	30,207	43,475

The unearned income relates to interest rate swap terminations spread out over the remaining period of the borrowings to reflect their effective interest rate over their term.

5.12 Accrued expenses

(in thousands of euros)	Note	2020	2019
BORROWINGS			
Convertible bond debt			
Other bond debt	5.12.1	70,317	71,697
Bank borrowings			
Miscellaneous loans and borrowings			
TOTAL BORROWINGS		70,317	71,697
OTHER LIABILITIES			
Trade accounts payable and related accounts	5.12.2	18,476	23,776
Taxes and employee-related liabilities		1,469	1,012
Accounts payable on non-current assets and related accounts			
Other liabilities	5.12.3	175,142	63,667
TOTAL OTHER LIABILITIES		195,087	88,455
TOTAL ACCRUED EXPENSES		265,404	160,151

5.12.1 This item includes the accrued interest not yet due on bond issues.

5.12.2 The change in trade accounts payable mainly concerns the charge-back by Orano Support of central division costs.

5.12.3 The change in other liabilities is mainly due to the revaluation of financial instruments at the closing rate.

NOTE 6 NOTES TO THE STATEMENT OF INCOME

6.1 Current operating income

Revenue notably includes:

- charge-backs to the subsidiaries of Corporate services for a total amount of 101,564 thousand euros; and
- the revenue from real estate operations in the amount of 10,120 thousand euros.

Operating expenses comprise charge-backs by Orano Support of the central division costs, leases and expenses for the Châtillon and Saint-Quentin-en-Yvelines sites and various direct purchases relating to its corporate purpose. Operating losses amount to 42,174 thousand euros.

6.2 Net financial income (expense)

Net financial income in the amount of 143,515 thousand euros includes mainly:

- dividends from investments in associates: 92,393 thousand euros⁽¹⁾;
- net income on non-trade accounts and loans to associates: 91,398 thousand euros;
- net income on financial instruments: 14,272 thousand euros;
- financial expenses on loans: -133,109 thousand euros;
- foreign exchange gains/losses: 430 thousand euros;
- charges to provisions for investments in associates: -13,225 thousand euros⁽²⁾;
- reversals of provisions for investments in associates: 94,662 thousand euros⁽³⁾;

- net reversals of provisions for other financial risks: 55 thousand euros;
- amortization of redemption premiums related to bond issues: -2,833 thousand euros.

6.3 Exceptional items

Exceptional items of 865 thousand euros mainly corresponds:

- to the bonus on partial redemption of bonds maturing in 2020 and 2021: 1,312 thousand euros;
- the consequences of tax audits: -406 thousand euros.

6.4 Income tax

In accordance with the provisions of Article 223A of the French General Tax Code, Orano SA opted to be solely responsible for income tax due on the comprehensive income of the consolidated group in France beginning September 1, 2017.

In the 2020 financial year, Orano SA and its consolidated subsidiaries generated a comprehensive loss of 312,939 thousand euros.

The tax income recognized for the 2020 financial year came to 171,048 thousand euros and consisted of:

- tax savings generated by tax consolidation: 171,872 thousand euros;
- income tax on earnings from all previous financial years: 1,211 thousand euros;
- the loss of foreign tax credits: -2,035 thousand euros.

NOTE 7 ADDITIONAL INFORMATION

7.1 Workforce

For the financial year ended December 31, 2020, the average workforce of the company was three people at as indicated in the following table:

	2020	2019
Management personnel	3	4
Supervisors	-	2
Employees	-	-
TOTAL	3	6

(1) Orano Mining, Orano Support, Orano Projets and Orano Assurance et Réassurance.

(2) Mainly Orano UK.

(3) Mainly Orano Mining (see Note 5.4.1).

7.2 Company exposure to market risk

General objectives

Orano SA uses financial derivatives to manage its exposure to foreign exchange and interest rate risk. These instruments are generally qualified as hedges of assets, liabilities or specific commitments.

Orano SA manages all risks associated with these instruments by centralizing the commitment and implementing procedures setting out the limits and characteristics of the counterparties.

Foreign exchange risk

The volatility of exchange rates may impact Orano SA's currency translation adjustments, equity and income.

Financing risk

Loans and borrowings granted by Orano SA to its subsidiaries are systematically converted into euros through foreign exchange swaps.

To limit the foreign exchange risk for long-term investments generating future cash flows in foreign currencies, Orano SA uses a liability in the same currency to offset the asset whenever possible.

Transactional exposure

The Orano SA policy approved by the Executive Committee seeks to systematically hedge the certain foreign exchange risks generated by its operations, and those of its subsidiaries, to minimize the impact of exchange rate fluctuations on net income.

Orano SA uses financial derivatives (principally forward exchange contracts) to hedge its foreign exchange exposure from transactions, including accounts receivable and payable and confirmed off-balance sheet commitments. These hedges are backed by underlying transactions for identical amounts and maturities and, as a general rule, are documented and eligible for hedge accounting.

The Financial Operations and Treasury Management Department covers these exposures directly with its banking counterparties. A system of strict limits, particularly concerning results, marked to market, and foreign exchange positions that may be taken by the Orano SA trading desk, is monitored daily by specialized teams that are also charged with the valuation of the transactions. In addition, analyses of sensitivity to changes in exchange rates are periodically performed.

At December 31, 2020, the financial derivatives used by Orano SA to manage foreign exchange risk were as follows:

(In millions of euros)	Notional amounts by maturity date at December 31, 2020							Total	Market value
	< 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years			
Forward exchange transactions and currency swaps	2,326	898	782	183	3	-	4,192	1	
Cross-currency swaps	-	-	311	-	-	-	311	23	
TOTAL	2,326	898	1,092	183	3	-	4,503	24	

Interest rate risk

Orano SA is exposed to interest rate fluctuations mainly on its floating-rate borrowings and on its financial investments. The Financial Operations and Treasury Management Department manages all interest rate risks.

Orano SA uses several types of derivative financial instruments, depending on market conditions, to allocate its borrowings and investments between fixed rates and floating rates, with the goal being mainly to reduce its borrowing costs while optimizing the management of its cash surpluses.

At December 31, 2020, interest rate swaps were the main financial instruments used in the management of external debt.

The amount of the commitments and the sensitivity of the positions taken by the Orano SA trading desk in connection with rate management are subject to limits based on the type of transaction involved.

At December 31, 2020, the following financial instruments were used to hedge interest rate exposure:

INTEREST RATE INSTRUMENTS

(in millions of euros)	Notional amounts by maturity date at December 31, 2020							Market value
	TOTAL	< 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years	
INTEREST RATE SWAPS – EUR VARIABLE LENDER								
EUR fixed borrower	400		200	200				-4
INTEREST RATE SWAPS – EUR VARIABLE LENDER								
EUR variable borrower	100		100					-1
CAD variable borrower	311			311				-
INTEREST RATE SWAPS – EUR FIXED LENDER								
EUR variable borrower	350	150		200				10
GENERAL TOTAL	1,161	150	300	711	-	-	-	4

Commodity risk

Orano SA had no exposure to raw materials risk at December 31, 2020.

Counterparty risk

Orano SA is exposed to the credit risk of counterparties linked to its use of financial derivatives to cover its risks. Orano SA uses different types of financial derivatives to manage its exposure to foreign exchange and interest rate risks. Orano SA primarily uses forward buy/sell currency and rate derivative products (such as swaps, futures and options) to cover these types of risk. These transactions expose Orano SA to counterparty risk when the contracts are concluded over the counter.

To minimize this risk, Orano SA's Financial Operations and Treasury Management Department deals only with diversified, top quality counterparties based on their ratings in the Standard & Poor's and Moody's rating systems, with a minimum rating of Investment Grade. A legal framework agreement is always signed with these counterparties.

The limits allowed for each counterparty are determined based on its rating and the type and maturity of the instruments traded. Assuming the rating of the counterparty is not downgraded earlier, the limits are reviewed at least once a year and approved by the Chief Financial Officer. The limits are verified in a specific report produced by the internal control teams of the Treasury Management Department. During periods of significant financial instability that may involve an increased risk of bank default, which may be underestimated by ratings agencies, Orano SA monitors advanced indicators such as the value of the credit default swaps (CDS) of the eligible counterparties to determine if the limits should be adjusted.

When conditions warrant (rising counterparty risk, longer term transactions, etc.), market transactions are managed by monthly margin calls that reduce Orano SA's counterparty risk to a predetermined threshold: the Credit Support Annex for trades documented under an ISDA master agreement, or the Collateral Annex for trades documented under a French Banking Federation (FBF) master agreement.

Market value of financial instruments

The market value of financial instruments pertaining to currency and rates is calculated based on market data at the closing date, using discounted future cash flows, or on prices provided by financial institutions. The use of different market assumptions could have a significant impact on the estimated market values.

Liquidity risk

The Financial Operations and Treasury Management Department is in charge of liquidity risk management and provides appropriate long-term and short-term financing resources.

Cash management optimization is based on a centralized system to provide liquidity and manage cash surpluses. Management is provided by the Financial Operations and Treasury Management Department, chiefly through cash-pooling agreements and intragroup loans, subject to local regulations. Cash surpluses are managed to optimize financial returns while ensuring that the financial instruments used are liquid.

The next significant maturity is March 22, 2021. It relates to a bond issued in a nominal amount of 730 million euros.

Orano had a gross cash position of 1,773 million euros as of December 31, 2020 to meet these commitments and to ensure the continuity of its operations over the longer term. Additionally, the Group has a syndicated line of credit of 940 million euros with a pool of 11 international banks.

7.3 Related parties

The company did not enter into significant transactions with related parties not entered into under normal market conditions, following the criteria noted below.

A transaction is deemed significant if a lack of disclosure or an erroneous disclosure may have an influence on economic decisions by third parties who rely on the financial statements. Whether a transaction is significant or not depends on the nature and/or the amount of the transaction.

Conditions may be considered "normal" when they are customarily employed by the company in its dealings with third parties, such that the beneficiary of the transaction does not receive a more favorable treatment than other third parties dealing with the company, taking into account the practices of other companies in the same sector.

7.4 Off-balance-sheet commitments

(in thousands of euros)	Note	Total	< 1 year	From 1 to 5 years	> 5 years
COMMITMENTS GIVEN					
Bid guarantees					
Performance warranties		55,615	55,615		
Downpayment guarantees					
Guarantees for waivers of warranty retentions					
After-sales warranties					
Other operating commitments					
Total operating commitments given		55,615	55,615	-	-
Comfort letters given					
Guarantees and surety					
Liens given					
Mortgages given					
Other funding guarantees		17,155	15,933	1,222	
Total commitments and collateral given on financing		17,155	15,933	-	1,222
Guarantees of assets and liabilities					
Guarantees pertaining to rental obligations given					
Other commitments given		2,358	917	1,440	
Total other commitments given		2,358	917	1,440	-
I. TOTAL COMMITMENTS GIVEN		75,128	72,465	1,440	1,222
COMMITMENTS RECEIVED					
Market guarantees received					
Vendor warranties received					
Other commitments received					
II. TOTAL COMMITMENTS RECEIVED					
RECIPROCAL COMMITMENTS					
Firm multi-year purchase commitments					
Firm multi-year sales commitments					
Unused lines of credit	7.4.1	940,000		940,000	
Other reciprocal commitments					
III. TOTAL RECIPROCAL COMMITMENTS		940,000	-	940,000	-

7.4.1 Unused lines of credit

In July 2018, the group set up a 780 million euro syndicated line of credit, increased by 60 million euros in December 2018 and 100 million euros in March 2019. This facility, signed with a pool of 11 international banks, is valid until July 2023.

At December 31, 2020 this line had not been drawn down.

7.5 Compensation of corporate officers

The compensation paid to the Chairman of the Board and the Chief Executive Officer of the Group for the period from January 1 to December 31, 2020 amounts to 0.57 million euros.

7.6 Disputes and potential liabilities

Orano may be party to certain regulatory, judicial or arbitration proceedings in the normal course of business. The group is also the subject of certain claims, lawsuits or regulatory proceedings outside the ordinary course of business, the most significant of which are summarized below.

Uramin

In June 2018, Orano SA and Orano Mining entered into the "acquisition" part of the judicial investigation in the Uramin case. AREVA SA, the former holding company of the AREVA group, filed a civil suit as part of this investigation following a "notice to victim" received from the investigating magistrate in charge of the case in 2015. The Orano group intends to defend its interests through Orano SA and Orano Mining. The judicial investigation is still in progress and no date concerning a possible judgment has been put forward to date.

Investigations

The company has been aware since November 28, 2017 of a preliminary investigation opened by the French National Financial Prosecutor's Office at the end of July 2015 concerning a uranium trading operation carried out in 2011. It also learned, on November 23, 2020, the opening of a judicial investigation in the same case. It is also aware, since August 27, 2018, of an investigation into the circumstances surrounding the granting of mining licenses in Mongolia. Orano is working with the legal authorities in connection with these legal proceedings, which are ongoing. If it were found that there had been misappropriation or any other act that could have harmed the Group, Orano would take the necessary legal action to defend its interests.

Release of the Arlit hostages

On October 6, 2016, the manager of a protection services company sued AREVA SA and Orano Cycle SA before the Nanterre Tribunal de Grande Instance to obtain payment of a success fee that he claims to be due for services purportedly rendered to the AREVA group in Niger between September 2010 and October 2013. AREVA SA and Orano Cycle SA believes that these allegations are unfounded. Concurrently with the procedure, the parties to the dispute have tried to settle their dispute under court-appointed mediation which, despite the efforts made by AREVA and Orano to find a compromise, has not been successful. The procedure on the merits therefore resumed in 2020. Even if the court should not accept the Orano group's position, the financial impact would be limited, though it could entail other, indirect consequences, such as in the media.

7.7 Subsidiaries and associates

(Art. L233-15 of French Commercial Code)

	Share of equity owned (as%)	Share capital	Equity other than share capital	Book value of shares owned		Loans and advances granted and outstanding	Amount of guarantees given	Sales revenue excl. VAT of the last financial year ended	Net income of the last financial year ended	Dividends received								
				Gross	Net													
A – DETAILED FINANCIAL INFORMATION ON SUBSIDIARIES AND ASSOCIATES (NET CARRYING AMOUNT EXCEEDS 1% OF THE COMPANY'S EQUITY)																		
1 - SUBSIDIARIES (MORE THAN 50% OF THE EQUITY HELD)																		
Orano Mining																		
125 avenue de Paris 92320 Châtillon France	100.00	25,207	363,699	2,356,194	1,886,527	335,353		997,298	209,600	74,362								
Orano Recyclage																		
125 avenue de Paris 92320 Châtillon France	100.00	25,184	417,553	1,798,236	1,798,236			984,527	-488,015									
Orano Chimie-Enrichissement																		
125 avenue de Paris 92320 Châtillon France	100.00	25,802	264,195	1,471,390	1,471,390			1,238,213	-188,033									
Orano Nuclear Packages and Services (formerly TN International)																		
1 rue des Hérons - 78180 Montigny-le-Bretonneux	100.00	30,291	40,571	744,000	744,000			207,776	33,397									
Orano USA LLC⁽¹⁾																		
4747 Bethesda Ave, 20814 Bethesda - USA	100.00	227,458	-140,506	358,391	358,391	22,427		3,827	1,358									
Orano Démantèlement (formerly Orano Cycle)																		
125 avenue de Paris 92320 Châtillon France	100.00	10,000	10,805	200,302	200,302			363,756	147,722									
Orano Med																		
125 avenue de Paris 92320 Châtillon France	100.00	17,055	5,029	108,782	108,782			1,306	-19,881									
Orano Projets																		
125 avenue de Paris 92320 Châtillon France	100.00	12,769	52,492	63,844	63,844			246,077	11,769	7,600								
Orano Assurance & Réassurance																		
125 avenue de Paris 92320 Châtillon France	100.00	6,375	97,499	30,940	30,940			-	3,966	2,002								
Orano Support																		
125 avenue de Paris 92320 Châtillon France	100.00	490	2,658	122,069	11,404			154,134	8,256	8,330								
2 - ASSOCIATES (10% TO 50% OF THE EQUITY HELD)																		
GIE Si-nerGiE																		
2 Place des Vosges - 92084 Paris La Défense Cedex		50.00						146,874	-1,732									

(1) 1 EUR = 1.2271 USD.

Share of equity owned (as%)	Share capital	Equity other than share capital	Book value of shares owned		Loans and advances granted and outstanding	Amount of guarantees given	Sales revenue excl. VAT of the last financial year ended	Net income of the last financial year ended	Dividends received
			Gross	Net					

B – Summary information on other subsidiaries and associates**1 - SUBSIDIARIES NOT INCLUDED IN SECTION A 1**

French subsidiaries	2,597	426
Foreign subsidiaries	16,676	3,525

2 - ASSOCIATES NOT INCLUDED IN SECTION A 2

French companies	-	-
Foreign companies	-	-

6.4 Statutory Auditors' report on the Company financial statements for the financial year ended December 31, 2020

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

Orano SA
125 avenue de Paris
92320 Châtillon, France

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of Orano SA for the year ended December 31, 2020.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at December 31, 2020 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit and Ethics Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from January 1, 2020 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

Justification of assessments – Key audit matters

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgment, were the most significant in our audit of the financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the financial statements.

Measurement of equity interests and related receivables

Description of risk

At December 31, 2020, the carrying amount of the Company's equity interests and related receivables amounted to 9,120 million euros and represented 75% of total assets. Equity interests are recognized at their transfer value or their purchase price plus directly attributable costs (in particular investment acquisition expenses).

As described in Note 2.2 to the financial statements, equity interests are measured at each reporting date at their value in use. An impairment loss is recognized when their value in use, assessed individually for each interest, falls below their historical cost.

In order to assess the profitability of the interest, its value in use is based on either:

- the group's equity in the underlying net assets of the investee; or
- the present value of the projected future cash flows, based on the strategic plan approved by the governance bodies and its underlying assumptions, plus its terminal value, which corresponds to the present value, discounted to infinity, of the cash flows for the "normative year" estimated at the end of the

period covered by the future cash flow projections. However, certain activities have a finite useful life (for example due to the finite mineral resources in the mines or the limited duration of the operating permits in nuclear activities); in this case, the cash flows taken into account to measure their value in use are not discounted to infinity, but rather to the end of their expected useful life.

This impairment is calculated on the basis of the share of the net assets held at the end of the year.

Estimating the value in use of equity interests requires management to exercise significant judgment in the choice of measurement methods and items to consider, which may be historical (particularly equity values) or projected (cash flow assumptions).

Given the significant amount of equity interests, the judgment used to estimate values in use and the sensitivity of these values to changes in the data and assumptions on which they are based, we deemed the measurement of equity interests and related receivables to be a key audit matter.

How our audit addressed this risk

Our audit procedures mainly consisted in:

- examining, on the basis of the information provided by management, the measurement methods used by the Company;
- comparing the data used to test the equity interests for impairment with the subsidiaries' accounting data, where applicable;
- gaining an understanding of the methodology and assumptions used to determine the value in use of the equity interests when said value takes into account the subsidiaries' projected profitability;
- verifying the arithmetical accuracy of the value in use calculations used by the Company;
- assessing, with the help of our experts, the sensitivity of the estimates of value in use used to the assumptions (particularly cash flow, discount rates and the long-term growth rate);
- assessing the recoverability of the related receivables in light of the analyses performed on the equity interests; and
- verifying the appropriateness of the disclosures provided in Notes 2.2, 5.3 and 5.4 to the financial statements.

Specific verifications

In accordance with professional standards applicable in France, we have also performed the specific verifications required by French legal and regulatory provisions.

Information given in the management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements.

We attest to the fair presentation and the consistency with the financial statements of the information about payment terms referred to in Article D. 441-6 of the French Commercial Code.

Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L. 225-37-4 and L. 22-10-10 of the French Commercial Code.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests has been properly disclosed in the management report.

Report on other legal and regulatory requirements

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Orano SA by the Annual General Meeting of May 24, 2018.

At December 31, 2020, PricewaterhouseCoopers Audit and KPMG SA were in the third consecutive year of their engagement.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for preparing financial statements giving a true and fair view in accordance with French accounting principles, and for implementing the internal control procedures it deems necessary for the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit and Ethics Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the financial statements

Objective and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgment throughout the audit. They also:

- identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by

management and the related disclosures in the notes to the financial statements;

- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit and Ethics Committee

We submit a report to the Audit and Ethics Committee which includes, in particular, a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit and Ethics Committee includes the risks of material misstatement that, in our professional judgment, were the most significant for the audit of the financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit and Ethics Committee with the declaration provided for in Article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit and Ethics Committee.

Neuilly-sur-Seine and Paris-La Défense, March 11, 2021

The Statutory Auditors

PricewaterhouseCoopers Audit

Séverine SCHEER

Laurent DANIEL

KPMG SA

Jean-Paul THILL

Laurent GENIN

7

MISCELLANEOUS INFORMATION

7.1	Statutory Auditors	294	7.8	Subsidiaries and associates	298
7.2	Review of regulated agreements and commitments	295	7.9	List of French companies controlled indirectly by Orano at December 31, 2020	299
7.2.1	Review of regulated agreements and commitments authorized during the financial year ended December 31, 2020	295			
7.2.2	Review of regulated agreements and commitments authorized during previous financial years with continuing effect	295			
7.3	Injunctions or fines for anti-competitive practices	296	7.10	Principles and criteria for determining, distributing and allocating the fixed, variable and exceptional components of the total compensation and benefits of any kind, attributable to the Company's corporate officers	301
7.4	Observations of the Works Council	296	7.10.1	General principles of the compensation policy applicable to corporate officers	301
7.5	Information on payment terms	297	7.10.2	Principles and criteria for determining, distributing and allocating the components that make up the compensation of corporate officers of the Company	302
7.6	Information on loans granted to other companies covered by Articles L. 511-6 and R. 511-2-1-1-II of the French Monetary and Financial Code	297	7.10.3	Principles and criteria for determining, distributing and allocating the components that make up the compensation of executive corporate officers of the Company	302
7.7	Five-year financial summary	298	7.11	Financial glossary	305

7.1 Statutory Auditors

The Statutory Auditors of the Company are as follows:

PricewaterhouseCoopers Audit

(term expiring at the close of the General Meeting convened to approve the financial statements for the financial year ending December 31, 2023)

KPMG Audit

(term expiring at the close of the General Meeting convened to approve the financial statements for the financial year ending December 31, 2023)

7.2 Review of regulated agreements and commitments

7.2.1 Review of regulated agreements and commitments authorized during the financial year ended December 31, 2020

Agreements authorized and concluded during the financial year

During the financial year ended December 31, 2020, pursuant to Articles L. 225-38 et seq. of the French Commercial Code, the Board of Directors did not authorize the signing of new related-party agreements.

Agreements not previously authorized

The service provision agreement between AREVA SA and the Company authorized at the Board of Directors meeting of July 26, 2017, signed on July 27, 2017 and modified by the amendment

dated April 25, 2019, the amendment having been authorized by the Board of Directors of Orano on the same day, was renewed by tacit agreement on July 27, 2020 for a period of one year. This renewal was not subject to prior authorization by the Board of Directors following a simple omission. Pursuant to Articles L. 225-42 and L. 823-12 of the French Commercial Code, the Board of Directors' meeting of February 25, 2021 authorized it *a posteriori*.

Under the terms of this agreement, the Company provides services in the areas of financial services, Human Resources, work environment, information systems, purchasing support and communication.

The contract is renewable for one year from the date of completion of the Company's capital increase reserved for the State.

7.2.2 Review of regulated agreements and commitments authorized during previous financial years with continuing effect

The following regulated agreements and commitments, authorized by the Board of Directors in accordance with Articles L. 225-38 et seq. of the French Commercial Code, continued during the financial year ended December 31, 2020.

Memorandum of investment between the Company, AREVA SA, the French State, Mitsubishi Heavy Industries Ltd (MHI), and Japan Nuclear Fuel Limited (JNFL)

On January 26, 2017, the Board of Directors authorized the signing of a memorandum of investment between AREVA SA, the French State, Japan Nuclear Fuel Limited (JNFL), Mitsubishi Heavy Industries Ltd (MHI) and the Company, pertaining to the acquisition by JNFL and MHI of an equity stake in the Company, each acquiring 5% of the share capital and voting rights (the "Memorandum of Investment"). This Memorandum of Investment was signed on March 13, 2017 and has been amended twice, on July 26, 2017, and on February 21, 2018.

The main purpose of the two amendments was to supplement the draft Articles of Association and rules of procedure of the Company appended to the memorandum of investment and to officially acknowledge that several conditions precedent necessary for MHI's and JNFL's equity stakes (notably the transfer of New NP/Framatome to EDF) had been satisfied.

Shareholders' Agreement between the Company, AREVA SA, the French State, CEA, MHI and JNFL on February 21, 2018

On February 21, 2018, the Board of Directors authorized the signing of a Shareholders' Agreement (the "Shareholders' Agreement") between the Company, AREVA SA, the French State, the CEA, MHI and JNFL, amending and replacing the Shareholders' Agreement initially concluded between the parties on March 13, 2017.

This Shareholders' Agreement was signed on February 21, 2018. On March 27, 2018, Natixis and Caisse des Dépôts et Consignations joined the agreement. A French and English version of this agreement was signed on July 13, 2018, reiterating the terms of the Shareholders' Agreement of February 21, 2018 (Amended and Restated Shareholders Agreement).

Compensation of independent Director members of the Advisory Committee

On July 27, 2017, the Board of Directors took note of the establishment of an "Advisory Committee" in accordance with the provisions of the Shareholders' Agreement entered into on February 21, 2018 between AREVA SA, the French State, the French Alternative Energies and Atomic Energy Commission (CEA), Mitsubishi Heavy Industries Ltd (MHI), Japan Nuclear Fuel Ltd (JNFL) and the Company (See Section 5.3 above).

On the same day, the Board of Directors, upon a recommendation from AREVA SA's Compensation and Nominating Committee, authorized the assignment of compensation to those independent directors agreeing to sit on the Advisory Committee of 1,500 euros per meeting attended.

7.3 Injunctions or fines for anti-competitive practices

As of the date of this report, the Company was not aware of any injunctions or monetary sanctions for anti-competitive practices against the Company.

7.4 Observations of the Works Council

In accordance with the provisions of Article L. 212-20 of the French Labor Code, the Orano group's Works Council was consulted in March 2020 on Orano's strategic orientations.

The Board of Directors meeting of April 30, 2020 examined the opinion issued by the group's Works Council of March 6, 2020 and responded to the comments made by the members of this Committee.

7.5 Information on payment terms

The invoices received and issued and not settled as at the closing date of the financial year and for which the payment deadline has passed are presented in the table below (in accordance with paragraph I of Article D. 441-4).

	Article D. 441 1.-1 °: Invoices received not settled on the closing date of the financial year for which the term has expired					Article D. 441 1.-2 °: Invoices issued not settled on the closing date of the financial year for which the term has expired						
(in thousands of euros)	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day and more)	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day and more)
(A) LATE PAYMENT INSTALLMENTS												
Number of invoices concerned	68					3	10					15
Total amount of the invoices concerned (excl. tax)	18,136	-	-	-	-	-5	-5	1,695	-82	10	-	2 -70
Percentage of total amount of purchases for the financial year (excl. tax)	11.66%	0.00%	0.00%	0.00%	0.00%	0.00%						
Percentage of revenue for the financial year (excl. tax)							1.46%	-0.07%	0.01%	0.00%	0.00%	-0.06%
(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED OR UNRECORDED DEBTS AND RECEIVABLES												
Number of invoices excluded		7										-
Total amount of the excluded invoices (incl. tax)		95										-
(C) REFERENCE PAYMENT TERMS USED (CONTRACTUAL OR STATUTORY PAYMENT TERMS – ARTICLES L. 441-6 OR L. 443-1 OF THE FRENCH COMMERCIAL CODE)												
Payment terms used for calculating late payment	• Contractual terms + LME law						• Deadline i contractual + LME law					

7.6 Information on loans granted to other companies covered by Articles L. 511-6 and R. 511-2-1-1-II of the French Monetary and Financial Code

None.

7.7 Five-year financial summary

Nature of the indications (in thousands of euros)	2017-08	2017-12	2018	2019	2020
I – SHARE CAPITAL AT YEAR-END					
a) Share capital	118,869	118,869	132,076	132,076	132,076
b) Number of ordinary shares outstanding	237,737,500	237,737,500	264,152,778	264,152,778	264,152,778
c) Number of preferred shares	-	-	-	-	-
I – SHARE CAPITAL AT YEAR-END					
a) Revenue before tax	28,593	10,531	121,086	122,317	115,993
b) Income before tax, employee profit-sharing and amortization, depreciation and provisions (including reversals)	-85,308	-57,261	-46,239	47,260	26,777
c) Income tax	-1,737	68,641	189,010	144,127	171,048
d) Employee profit-sharing for the financial year	-	-2	-30	9	2
e) Income after tax, employee profit-sharing and amortization, depreciation and provisions (including reversals)	-887,479	563,468	560,964	-276,611	272,519
f) Net income distributed	-	-	-	-	- *
III – EARNINGS PER SHARE (IN EUROS)					
a) Income after tax and employee profit-sharing, before amortization, depreciation and provisions (including reversals)	-0.37	0.05	0.54	0.72	0.75
b) Income after tax, employee profit-sharing and amortization, depreciation and provisions (including reversals)	-3.73	2.37	2.12	-1.05	1.03
c) Dividend per share (rounded to the nearest euro cent)	0.00	0.00	0.00	0.00	0.00
IV – PERSONNEL					
a) Average number of salaried employees during the financial year	0.25	4.25	5.00	5.92	2.5
b) Total payroll for the financial year	229	325	1,028	1,136	1,067
c) Payroll taxes and other benefit expenses for the financial year (social security, benefits programs, etc.)	82	118	481	500	454

* Provisional data not yet approved.

7.8 Subsidiaries and associates

Please refer to the table of subsidiaries and associates in Note 7.7 to the company financial statements (Section 6.3 of the 2020 Annual Activity Report).

7.9 List of French companies controlled indirectly by Orano at December 31, 2020

Company or trading name	Legal form	Share capital (in euros)	Business register	Address	Majority shareholder	Orano's indirect financial interest in the Company (%)
CFMM – Compagnie Française de Mines et de Métaux	Simplified joint stock company with a sole shareholder	27,877,796	NANTERRE business register 300 574 894	125, avenue de Paris 92320 CHÂTILLON France	Orano Mining	100.00
CNS – Compagnie Nucléaire de Services	Limited liability company with a Board of Directors	6,573,400	NANTERRE business register 401 649 363	125, avenue de Paris 92320 CHÂTILLON France	Orano Démantèlement	51.00
Eurodif	Limited liability company with a Supervisory Board	170,310,210	NANTERRE business register 723 001 889	125, avenue de Paris 92320 CHÂTILLON France	Orano Chimie-Enrichissement	100.00
LEA (Laboratoire d'Étalons d'Activités)	Simplified joint stock company with a sole shareholder	250,000	NANTERRE business register 538 613 613	125, avenue de Paris 92320 CHÂTILLON France	Orano Chimie-Enrichissement	100.00
Lemaréchal Célestin	Simplified joint stock company with a sole shareholder	1,361,710	CHERBOURG business register 582 650 297	Rue des Entrepreneurs, ZA d'Armanville 50700 VALOGNES France	Orano Nuclear Packages and Services	100.00
Orano Cotumer	Simplified joint stock company with a sole shareholder	300,000	METZ business register 450 838 974	La Houve – Headquarters 1 57150 CREUTZWALD France	Orano DS	73.86
Orano DA – Diagnostic Amiante	Simplified joint stock company with a sole shareholder	357,500	ÉVRY business register 814 304 291	1 route de la Noue – Zac de Courcelles 91196 GIF-SUR-YVETTE Cedex France	Orano DS	73.86
Orano DS – Démantèlement et Services	Limited liability company with a Board of Directors	7,259,000	ÉVRY business register 672 008 489	1 route de la Noue – Zac de Courcelles 91196 GIF-SUR-YVETTE Cedex France	CNS	73.86
Orano Expansion	Simplified joint stock company	97,348 891.20	NANTERRE business register 501 472 492	125, avenue de Paris 92320 CHÂTILLON France	CFMM	95.28
Orano KSE	Simplified joint stock company with a sole shareholder	20,304,784.50	CHALON-SUR-SAÔNE business register 385 382 536	10 rue Georges Eastman 71100 CHALON-SUR-SAÔNE France	Orano DS	73.86
Orano STII	Simplified joint stock company with a sole shareholder	833,566	ROUEN business register 700 500 598	10 -14 rue de la Gare 76250 DEVILLE-LÈS-ROUEN France	Orano DS	73.86
Orano Temis	Simplified joint stock company with a sole shareholder	1,300,000	CHERBOURG business register 350 357 596	ZA d'Armanville 50700 VALOGNES France	Orano Recyclage	100.00
Saint Dizier Parc Énergie	Limited liability company with a Board of directors	400,000	CHAUMONT business register 502 699 556	Zone de Référence de Haute-Marne 52100 BETTANCOURT-LA-FÉRÉE France	OranoDelfi	59.95

MISCELLANEOUS INFORMATION

List of French companies controlled indirectly by Orano at December 31, 2020

Company or trading name	Legal form	Share capital (in euros)	Business register	Address	Majority shareholder	Orano's indirect financial interest in the Company (%)
SC CREGU – Centre de recherche sur la Géologie des matières premières minérales et énergétiques	Professional partnership	15,244.91	NANCY business register 315 335 950	4 rue Piroux – Immeuble Thiers – 9 ^e étage 54000 NANCY France	Orano Mining	50.10
SCI Du Pont de Celles – Société Civile Immobilière Du Pont de Celles	Property partnership	15,000	MONTPELLIER business register 317 898 815	41, avenue de Fumel 34700 LODÈVE France	SEPIIS	100.00
SCI Socimar – SCI du Site de Marcoule	Property partnership	2,000	NANTERRE business register 443 324 306	125, avenue de Paris 92320 CHÂTILLON France	SEPIIS	100.00
SCI Soparim	Property partnership	1,500,000	NANTERRE business register 331 981 415	125, avenue de Paris 92320 CHÂTILLON France	Orano Recyclage	100.00
SEPIIS – Société d'étude de procédés industriels spéciaux	Private limited liability company	7,800	NANTERRE business register 310 232 889	125, avenue de Paris 92320 CHÂTILLON France	Orano Démantèlement	100.00
SET – Société d'Enrichissement du Tricastin	Simplified joint stock company with a sole shareholder	464,590,000	NANTERRE business register 440 252 666	125, avenue de Paris 92320 CHÂTILLON France	SET Holding	95.00
SET Holding – Société d'Enrichissement du Tricastin Holding	Simplified joint stock company	440,087,530	NANTERRE business register 503 993 149	125, avenue de Paris 92320 CHÂTILLON France	Orano Chimie-Enrichissement	95.00
SICN – Société Industrielle de Combustible Nucléaire	Simplified joint stock company with a sole shareholder	750,000	ANNECY business register 325 720 209	4 rue du Radar 74000 ANNECY France	Orano Démantèlement	100.00
Sofidif – Société franco-iranienne pour l'enrichissement de l'uranium par diffusion gazeuse	Limited liability company with a Board of directors	20,968,750	NANTERRE business register 303 587 216	125, avenue de Paris 92320 CHÂTILLON France	Orano Chimie-Enrichissement	60.00
Sovagic – Société pour la valorisation et la gestion d'infrastructures communes	Private limited liability company	30,500	CHERBOURG business register 327 194 866	Zone Industrielle de Digulleville – Beaumont, BP 710 50440 DIGULLEVILLE France	Orano Recyclage	100.00
Trihom	Simplified joint stock company	52,566.75	TOURS business register 378 649 040	Belliparc – rue Yvette Cauchois Parc d'activité du Veron Sud 37420 BEAUMONT EN-VERON France	France Orano DS	48.75

7.10 Principles and criteria for determining, distributing and allocating the fixed, variable and exceptional components of the total compensation and benefits of any kind, attributable to the Company's corporate officers

7.10.1 General principles of the compensation policy applicable to corporate officers

Management personnel

The general principles of the compensation policy for the Company's corporate officers were laid down by the General Meeting of the Company on July 27, 2017, and rolled out by the Company's Board of Directors that same day, upon the recommendation of the Compensation and Nominating Committee.

This policy is established in accordance with Article 3 of Decree No. 53-707 of August 9, 1953, pertaining to French State control over national public companies and certain organizations with an economic or social purpose, as amended by Decree No. 2012-915 of July 26, 2012, subjecting to ministerial authorization the amount of compensation paid out to corporate officers and capping the compensation of senior executives at 450,000 euros gross (the Cap).⁽¹⁾

The group's compensation policy and the manner in which it is implemented by the Board is reviewed each year by the Compensation and Nominating Committee, which verifies that such policy complies with, and remains, in the corporate interest of the Company and its employees and contributes to the sustainability, the business strategy and to the long-term performance of the Company. If necessary, the Compensation and Nominating Committee may submit recommendations to the Board, for approval, where appropriate, by the General Meeting.

No element of compensation of any nature whatsoever may be determined, allocated, or paid by the Company if it does not comply with this policy. However, in exceptional circumstances, the Board of Directors may depart from to this policy on a temporary basis, provided such derogation is in the Company's interest, and necessary for guaranteeing the continuity or viability of the Company. In addition, the performance of *ad hoc* assignments

by a corporate officer may result in the payment of special compensation, which shall then be subject to the legal regime applicable to regulated agreements.

Pursuant to the Company's current governance structure, corporate officers of the Company include all members of the Company's Board of Directors. The executive corporate officers include:

- the Chairman of the Board of Directors (non-executive corporate officer); and
- the Chief Executive Officer (executive corporate officer).

Payment of compensation applicable to corporate officers

Corporate officers may notify the Company of their wish to forgo the compensation that may be allocated to them as a member of the Company's Board of Directors.

Furthermore, the compensation paid to the representative of the French State and/or to members of the Board nominated pursuant to a proposal by the French State and having the status of public officials shall be paid directly to the French State, as provided under Articles 5 and 6 of Order No. 2014-948 of August 20, 2014.

Lastly, directors representing employees may request that the compensation allocated to them be paid to their respective labor unions.

Lastly, the amount of the effective compensation of the executive corporate officers arising from the implementation of these principles and criteria will be submitted to the shareholders for prior approval at the meeting approving the financial statements for the past financial year.

(1) This concerns the attendance fees or payments awarded to directors, as well as the components of compensation paid to executive corporate officers for their activity. Benefits of any kind related to activities, as well as the compensation components, indemnities or benefits payable or likely to be payable to executive corporate officers upon the cessation of their activities or upon a change in their positions, or thereafter, are not taken into account in the calculation of this Cap but remain subject to ministerial authorization.

Principles and criteria for determining, distributing and allocating the fixed, variable and exceptional components of the total compensation and benefits of any kind, attributable to the Company's corporate officers

7.10.2 Principles and criteria for determining, distributing and allocating the components that make up the compensation of corporate officers of the Company

7.10.2.1 Total amount of compensation allocated to directors

The General Meeting on July 27, 2017 decided to set at 600,000 euros the annual budget for attendance fees and thus for the overall compensation allocated to members of the Board of Directors for each financial year. This decision stands until a new decision is adopted by the General Meeting.

This decision was approved on September 7, 2017 by the Minister of the Economy and Finance in accordance with Article 3 of Decree No. 53-707 of August 9, 1953 as amended concerning the French State's control of domestic public-sector companies and certain organizations with an economic or social purpose.

7.10.2.2 Criteria for distributing and allocating directors' compensation

At its meeting on July 27, 2017, based on a recommendation from the Compensation and Nominating Committee, the Board of Directors decided to set the compensation allocated to the Company's directors in accordance with the terms presented below.

In order to recognize directors' participation to the work of the Board, and thus their contribution to the successful implementation of the Company's business strategy and continuity, this compensation includes a fixed and a variable part, this latter being indexed to the actual presence of each Director at meetings of the Board and of its Committees. The allocation between the fixed and the variable part of this compensation was set such that the variable part is dominant overall, especially for those directors who are members of a Board Committees.

(i) For meetings of the Board of Directors:

- a) a flat annual fee intended to reflect the responsibility attached to the appointment, which fee may be withheld in the event of repeated absences. This fee is of 10,000 euros per financial year. In the event of departure or appointment of a new Director during the financial year, this fee is prorated,
- b) the amount of 1,500 euros per meeting;

ii) For meetings of the Committees of the Board (including the Restricted Committee and non-permanent Committees):

- a) the amount of 3,000 euros per meeting for the Chairman of the Audit and Ethics Committee,
- b) the amount of 2,500 euros per meeting for each Committee Chairman (including the Restricted Committee and non-permanent committees),
- c) the amount of 1,500 euros per meeting for each committee member, other than the Committee Chairman (including the Restricted Committee and non-permanent Committees).

With regard to members residing outside of France, the amounts indicated in points (i)b and (ii) are doubled when they attend meetings physically.

Payment will be made within 45 days of the end of the financial year.

Directors attending a meeting of the Board of Directors or of a committee via teleconferencing or videoconferencing shall receive a fee equivalent to half of the fee paid to a Director resident in France and physically attending the meeting.

As an exception, if the Board of Directors meets on the same date as the General Meeting, before and after said Meeting, a single attendance fee will be paid in respect of the two sessions.

Moreover, each Director is entitled to reimbursement, on presentation of receipts, of reasonable travel expenses incurred in carrying out his or her duties.

7.10.3 Principles and criteria for determining, distributing and allocating the components that make up the compensation of executive corporate officers of the Company

7.10.3.1 Chairman of the Board of Directors

A – Fixed compensation

The Chairman of the Board of Directors receives annual fixed compensation within the limit of the Cap, excluding any other compensation except for such compensation as he/she may receive as a member of the Board of Directors.

The amount of this fixed component is determined on the basis of personal criteria (including work history, experience, length of service and responsibilities), industry-specific criteria, and criteria related to the general economic environment and the Company's public shareholding position.

The Chairman of the Board of Directors is entitled to a fixed annual portion of 120,000 euros gross as from the decision of the Board of Directors of May 14, 2020, for the duration of his or her term of office.

This decision was approved in principle for the entire term of office of the Chairman of the Board of Directors on September 7, 2017 by the Minister of the Economy and Finance in accordance with Article 3 of Decree No. 53-707 of August 9, 1953 as amended concerning the French State's control of domestic public-sector companies and certain organizations with an economic or social purpose.

Principles and criteria for determining, distributing and allocating the fixed, variable and exceptional components of the total compensation and benefits of any kind, attributable to the Company's corporate officers

B – Compensation allocated to the Chairman as a Director

Pursuant to the decision of the General Meeting of July 27, 2017, approved on September 7, 2017 by the French Minister for the Economy and Finance, in accordance with Article 3 of Decree No. 53-707 of August 9, 1953, as amended, the Chairman may receive compensation for his/her directorship, within the limit of the Cap.

The Board of Directors considers that the annual fixed portion (point 3-1-A of the policy) constitutes the sole compensation in respect of their office. Consequently, in order to avoid any cumulative compensation, the Chairman of the Board is asked to waive any compensation he may receive as a Director pursuant to Section 2 of this policy.

C – Other

The Chairman of the Board of Directors does not receive any other compensation or benefit within the meaning of the Afep-Medef Code.

7.10.3.2 Chief Executive Officer

A – Fixed compensation

The Chief Executive Officer receives fixed annual compensation within the limit of the Cap.

The amount of this fixed component is determined on the basis of personal criteria (including work history, experience, length of service and responsibilities), industry-specific criteria, and criteria related to the general economic environment and the Company's public shareholding position.

The Chief Executive Officer, benefits from fixed annual compensation of 420,000 euros gross as from the decision of the Board of Directors' meeting on July 27, 2017, and for the remainder of his term of office.

This decision was approved in principle for the entire term of office of the Chief Executive Officer on September 7, 2017 by the Minister of the Economy and Finance in accordance with Article 3 of Decree No. 53-707 of August 9, 1953 as amended concerning the French State's control of domestic public-sector companies and certain organizations with an economic or social purpose.

B – Variable compensation

In order to adjust the Chief Executive Officer's compensation to the environment, strategy and performance of the Company, and thereby contribute to the good implementation of the Company's commercial strategy and to the continuity of its operations, an annual variable component linked to performance may be paid to the Chief Executive Officer in addition to its fixed compensation, within the limits of the Cap.

In light of the Cap imposed by decree, this annual variable compensation shall remain limited and capped at 30,000 euros gross. It is paid based on the achievement of quantitative and qualitative targets approved for each financial year by the Board of Directors.

Each year, the Board of Directors defines the distribution and allocation criteria of these targets. Those criteria must be precise and established beforehand. In accordance with the recommendations of the Afep-Medef Code, quantitative targets are predominant.

That variable portion is paid in cash, once a year.

This decision was approved in principle for the entire term of office of the Chief Executive Officer on September 7, 2017 by the Minister of the Economy and Finance in accordance with Article 3 of Decree No. 53-707 of August 9, 1953 as amended concerning the French State's control of domestic public-sector companies and certain organizations with an economic or social purpose.

C – Exceptional compensation

In the interest of the group and stakeholders, the Afep-Medef Code provides for the possibility of paying exceptional compensation to executive corporate officers in very specific circumstances.

By way of exception, the Chief Executive Officer may receive exceptional and specific compensation in 2021 in the event of a significant development of the Orano group's activities that is not already taken into account in his annual objectives.

This compensation may not exceed 10,000 euros gross and will be paid within the limit of the Cap.

In accordance with the recommendations of the Afep-Medef Code, the payment of this compensation must be justified and the occurrence of the event that led to its payment explained.

D – Compensation allocated to the Chief Executive Officer as a Director

Pursuant to the decision of the General Meeting of July 27, 2017, approved on September 7, 2017 by the French Minister for the Economy and Finance, in accordance with Article 3 of Decree No. 53-707 of August 9, 1953, as amended, the Chief Executive Officer may receive compensation for his/her directorship, within the limit of the Cap.

The Board of Directors considers that the annual fixed portion and the annual variable portion (points 3-2-A, B and C of the policy) constitute the sole and exclusive compensation for his office. Consequently, in order to avoid any cumulative compensation, the Chief Executive Officer is asked to waive any compensation that he may receive as a Director pursuant to Section 2 of this policy.

E - Benefits in kind

The Chief Executive Officer may receive a non-cash benefit in the form of a company vehicle. This non-cash benefit is not part of the capped compensation.

The Chief Executive Officer receives an annual benefit in the form of a company car.

Principles and criteria for determining, distributing and allocating the fixed, variable and exceptional components of the total compensation and benefits of any kind, attributable to the Company's corporate officers

F - Long-term compensation: allocation of free shares and allocation of share subscription or purchase options

Performance shares or share subscription or purchase options cannot be awarded to executive corporate officers.

G – Severance payments

The Chief Executive Officer may be granted a severance payment capped at twice the total amount of his annual compensation on the date of cessation of his duties.

The Chief Executive Officer shall not be eligible for any severance payment if he (i) intends to claim his pension rights shortly after the ending of his term of office for whatever reason, even dismissal, or (ii) comes to hold another position within the group.

The above-mentioned severance payment shall only be paid in the event of dismissal of the Chief Executive Officer, except for just cause.

The severance payment shall be subject to performance conditions, in accordance with the following criteria:

- if the rate of fulfillment of the quantitative and qualitative objectives set for the last two full financial years averages out to at least 60%, the severance payment shall automatically be paid;
- if the rate of fulfillment of the quantitative and qualitative objectives set for the last two full financial years averages out to less than 60%, the Board of Directors shall appraise the performance of the person in question in view of the circumstances that affected the operation of the Company during the financial year ended.

The performance objectives shall be set every year by the Board of Directors.

This decision was approved in principle on September 7, 2017 by the Minister of the Economy and Finance in accordance with Article 3 of Decree No. 53-707 of August 9, 1953 as amended concerning the French State's control of domestic public-sector companies and certain organizations with an economic or social purpose.

Moreover, during the term of office, the Board of Directors may decide to grant the Chief Executive Officer compensation in return for a non-competition clause. The amount of this compensation shall be deducted from the amount of any severance payment that may be granted to the Chief Executive Officer under the above terms and conditions. In the absence of any severance payment, the amount of the non-competition compensation shall be set by the Board of Directors in accordance with usual practices. The Chief Executive Officer cannot sign a non-competition agreement at the time of departure from the Company.

The Chief Executive Officer does not benefit from a non-competition compensation.

Such payments are not part of the capped compensation.

H – Other

The Chief Executive Officer also benefits from:

- unemployment insurance as provided by the Medef scheme (Garantie Sociale des Chefs et Dirigeants d'Entreprise – GSC), for which he pays part of the contributions;
- the supplemental retirement scheme applicable to the management personnel of the Company.

He receives no multi-year or deferred compensation and is awarded no stock options or performance stock.

7.11 Financial glossary

Adjusted net income attributable to owners of the parent

This indicator is used to reflect Orano's industrial performance independently of the impact of financial markets and regulatory changes in respect of end-of-lifecycle obligations. It comprises net income attributable to owners of the parent, adjusted for the following items:

- return on earmarked assets;
- impact of changes in discount and inflation rates;
- accretion expense on end-of-lifecycle operations (regulated scope);
- significant impacts of regulatory changes on end-of-lifecycle obligation estimates;
- related tax effects.

Cash flows from end-of-lifecycle operations

This indicator encompasses all of the cash flows linked to end-of-lifecycle operations and to assets earmarked to cover those operations. It is equal to the sum of the following items:

- revenue from the portfolio of earmarked assets, cash from disposals of earmarked assets;
- full and final payments received for facility dismantling;
- minus acquisitions of earmarked assets;
- minus cash spent during the financial year on end-of-lifecycle operations;
- minus full and final payments paid for facility dismantling.

Backlog

The backlog is determined on the basis of firm orders, excluding unconfirmed options, using the contractually set prices for the fixed component of the backlog and, for the variable component, the market prices based on the forecast price curves prepared and updated by Orano. Orders in hedged foreign currencies are valued at the rate hedged. Non-hedged orders are valued at the rate in effect on the last day of the period. The backlog reported for long-term contracts recorded under the percentage of completion method and partially performed as of the reporting date is equal to the difference between (a) the projected sales revenue from the contract at completion and (b) the sales revenue already recognized for this particular contract. Accordingly, the backlog takes into account indexation and price revision assumptions used by the group to determine the projected revenue at completion.

EBITDA

EBITDA is equal to operating income restated for net depreciation, amortization and operating provisions (excluding net impairment of current assets) as well as net gain on disposal of property, plant and equipment and intangible assets, gains and losses on asset leases and effects of takeovers and losses of control. EBITDA is restated to exclude the cost of end-of-lifecycle operations performed in group nuclear facilities during the financial year (dismantling, waste retrieval and packaging). It should be noted that the cash flows linked to end-of-lifecycle operations are presented separately.

Net cash flow from company operations

Net cash flow from company operations is equal to the sum of the following items:

- operating cash flow;
- cash flow from end-of-lifecycle operations;
- change in non-operating receivables and liabilities;
- financial income;
- tax on financial income;
- dividends paid to minority shareholders of consolidated subsidiaries;
- net cash flow from operations sold, discontinued and held for sale, and cash flow from the sale of those operations;
- acquisitions and disposals of current and non-current assets, with the exception of bank deposits held for margin calls on derivative instruments or collateral backed by structured financing and cash management financial assets.

Net cash flow from company operations thus corresponds to the change in net debt (i) with the exception of transactions with Orano SA shareholders, accrued interest not due yet for the financial year and currency translation adjustments, and (ii) including the accrued interest not due from financial year N-1.

Net debt

Net debt is defined as the sum of all short and long-term financial liabilities, less cash, financial instruments recorded on the assets side of the statement of financial position including financial liabilities, bank deposits constituted for margin calls on derivative instruments and collateral backed by structured financing and cash management financial assets.

Net operating working capital requirement (Operating WCR)

Operating WCR represents all of the current assets and liabilities related directly to operations. It includes the following items:

- net inventories and work in progress;
- net trade receivables and related accounts;
- contract assets;
- advances paid;
- other accounts receivable, accrued income and prepaid expenses;
- minus: trade accounts payable and related accounts, contract liabilities, other operating debts, expenses payable.

Note: Operating WCR does not include non-operating receivables and payables such as income tax liabilities, amounts receivable on the sale of non-current assets, and liabilities in respect of the purchase of non-current assets.

Operating cash flow (OCF)

Operating cash flow (OCF) represents the amount of cash flows generated by operating activities before corporate taxes and taking into account the cash flows that would have occurred in the absence of offsetting between the payment of income taxes and the repayment of the research tax credit receivable. It is equal to the sum of the following items:

- EBITDA;
- plus the decrease or minus the increase in operating working capital requirement between the beginning and the end of the period (excluding reclassifications, currency translation adjustments and changes in consolidation scope);
- minus acquisitions of property, plant and equipment and intangible assets, net of changes in accounts payable related to fixed assets;
- plus sales of property, plant and equipment and intangible assets included in operating income, net of changes in receivables on the sale of fixed assets;
- plus prepayments received from customers during the period on non-current assets;
- plus acquisitions (or disposals) of consolidated companies (excluding equity associates), net of the cash acquired.

Orano
Business corporation with a Board of Directors
Capital of 132,076,389 euros

Head office: 125, avenue de Paris - 92320 Châtillon - France
Financial Communications
and Investor Relations Department

Cover photo: Fingerprint - © Groupe S'cape

Page 9: Glove box training –
Vocational Training School of Orano la Hague (France)
Orano photo credits: Eric LARRAYADIEU

Designed & published by  LABRADOR +33 (0)1 53 06 30 80
INFORMATION DESIGN



This document is printed in France by an Imprim'Vert certified printer on PEFC certified paper
produced from sustainably managed forest.

As a recognized international operator in the field of nuclear materials, Orano delivers solutions to address present and future global energy and health challenges.

Its expertise and mastery of cutting-edge technologies enable Orano to offer its customers high value-added products and services throughout the entire fuel cycle.

Every day, the Orano group's 16,500 employees draw on their skills, unwavering dedication to safety and constant quest for innovation, with the commitment to develop know-how in the transformation and control of nuclear materials, for the climate and for a healthy and resource-efficient world, now and tomorrow.

Orano, giving nuclear energy its full value.

Join us



www.orano.group

Orano

125, avenue de Paris
92320 Châtillo – France

Energy is our future, don't waste it!