

This is a free translation into English of the "Rapport du Conseil d'Administration à l'Assemblée Générale Ordinaire des Actionnaires du 18 mai 2017" written in French, which is provided solely for the convenience of English speaking users. In the event of any inconsistency or difference of interpretation, the French version shall prevail.



**BOARD OF DIRECTORS' REPORT ON THE RESOLUTIONS
SUBMITTED TO THE ORDINARY GENERAL MEETING
HELD ON MAY 18, 2017**

Dear Shareholders,

We have invited you to attend an Ordinary General Meeting in accordance with the law and the Company's Articles of Association in order to submit for your approval the resolutions relating to the agenda whose purpose is specified and commented on below.

The AREVA 2016 Reference Document available on the Company's website (www.aveva.com) includes:

- The report of the Chairman of the Board of Directors on the composition of the Board and the application of the principle of balanced representation of women and men on the Board, the conditions for the preparation and organisation of the Board's work, compensation of executive directors and the internal control and risk management procedures implemented by the Company (Appendix 1);
- The report of the Board of Directors on the principles and criteria for determining, allocating and distributing the fixed, variable and exceptional components comprising the total compensation and benefits of any kind attributable to executive directors referred to in Article L. 225-37-2 of the French Commercial Code (*Code de commerce*) (Chapter 15, § 15.1.2.6);
- The statutory auditors' reports on the annual corporate and consolidated financial statements (Chapter 20);
- The Statutory Auditors' special report on related-party agreements and commitments (Appendix 2).

Approval of the corporate and consolidated financial statements for the financial year ended 31 December 2016 (1st and 2nd resolutions)

After reviewing the reports of the Board of Directors and the Statutory Auditors, you are invited to approve the corporate financial statements (1st resolution), which show a net profit of 69,709,047.23 euros and the consolidated financial statements (2nd resolution), which show a net attributable loss of 665 million euros for the financial year ended December 31, 2016, as well as the transactions reflected in these financial statements or summarized in these reports.

The financial statements have been prepared in accordance with the French legal and regulatory provisions for the annual corporate financial statements and French legal and regulatory provisions and the International Financial Reporting Standards (IFRS) for the consolidated financial statements.

Appropriation of the result of the financial year ended December 31, 2016 (3rd resolution)

The purpose of the 3rd resolution is to appropriate the net profit of the financial year 2016.

It is proposed that all net profit for the financial year ended December 31, 2016 amounting to 69,709,047.23 euros be allocated to the "Retained earnings" account, which would increase the latter

from (2,968,735,104.28) euros (after taking into account the capital decrease carried out on February 3, 2017 by debiting the "Retained earnings" account) to (2,899,026,057.05) euros.

It is specified that the Company has not distributed any dividends for the past three financial years.

Related-party agreements (4th to 12th resolutions)

The purpose of resolutions 4 to 12 is to approve the related-party agreements subject to the provisions of Articles L. 225-38 et seq. of the French Commercial Code (*Code de commerce*).

For further details, please refer to the Statutory Auditors' special report on related-party agreements and commitments in the AREVA 2016 Reference Document (Appendix 2).

You are invited to approve the authorized related-party agreements entered into during financial year 2016 and in January 2017.

1) An agreement authorized during the Board of Directors meeting of April 28, 2016 (Amendment No. 1 to the Bilateral Agreement of December 22, 2006 with the French Alternative Energies and Atomic Energy Commission (CEA)) (4th resolution)

At its meeting of April 28, 2016, the Board of Directors authorized the signing of Amendment No. 1 (reflecting the provisions of Article 2.3 of the Tripartite Protocol) to the bilateral agreement concluded with the French Alternative Energies and Atomic Energy Commission (CEA) on December 22, 2006 (the "**Bilateral Agreement**"). Said Amendment was executed by AREVA SA and the French Alternative Energies and Atomic Energy Commission (CEA) on May 20, 2016.

The purpose of the Bilateral Agreement is to clarify the parties' general and financial R&D commitments and the implementation of the JHR Project (as defined below), as well as the specific terms and conditions of AREVA's contribution to this project.

As a reminder, on July 20, 2015, AREVA SA, AREVA TA and the French Alternative Energies and Atomic Energy Commission (CEA) executed a tripartite protocol for the final settlement of the situation of the "Jules Horowitz Reactor" project (**JHR Project**) on the basis of their shared vision of "what remains to be done", the completion schedule and the associated resources to finalise the construction of said reactor with a first core loading target of October 2019 (the "**Tripartite Protocol**").

In this Tripartite Protocol, AREVA SA confirmed its participation in the financing of the JHR Project by committing to pay an additional financial contribution of 29 million euros (excluding taxes) based on the economic conditions prevailing in 2013, to be added to AREVA SA's financial contribution of 50 million euros (excluding taxes) based on the economic conditions prevailing in 2005 set out in the Bilateral Agreement, which is to be paid by AREVA SA according to the following schedule:

Date	Amount of the instalment (in millions of €, excluding tax, economic conditions prevailing in 2013)
June 1, 2016	14.0
June 1, 2017	7.5
June 1, 2018	7.5

These 29 million euros (excluding taxes and based on the economic conditions prevailing in 2013) are to be converted into a right of access to the current economic conditions in

accordance with the indexing formula contained in the JHR Project consortium agreement. The first amount was paid in accordance with the schedule.

2) An agreement authorized during the Board of Directors meeting of July 28, 2016 (Memorandum of Understanding with EDF concerning the sale of AREVA NP's business activities) (5th resolution)

During its meeting of July 28, 2016, the Board of Directors authorized the signing of a memorandum of understanding formalising the progress of discussions with EDF and confirming the sale of AREVA NP's business activities (excluding certain contracts, among which the "OL3" contract) for an approximate price of 2.5 billion euros (100% of the equity value), both groups intending to execute binding agreements by the end of November 2016. This memorandum was executed by AREVA SA and EDF on July 28, 2016.

This Memorandum of Understanding reflects option B, which was chosen after being submitted during the Market Update of June 15, 2016, keeping certain contracts (including the OL3 contract) for AREVA NP within the scope of consolidation of AREVA SA, with the necessary resources and in compliance with contractual obligations. AREVA NP's other business activities, namely industrial activities revolving around the design and supply of nuclear reactors and equipment and fuel assembly, shall be transferred to a subsidiary wholly-owned by AREVA NP and temporarily named "NEW NP," to be sold to EDF and to strategic investors.

This Memorandum of Understanding replaced the framework agreement with EDF authorized in accordance with Article L.225-38 of the French Commercial Code by the Board of Directors on July 29, 2015 and signed the following day, said framework agreement having expired on March 31, 2016.

3) Two agreements authorized during the Board of Directors meeting of November 10, 2016 (Agreement relating to the sale of New NP to EDF and guarantee given by AREVA SA to EDF) (6th and 7th resolutions)

At its meeting of November 10, 2016, the Board of Directors authorized the signing of the agreement setting out the terms of the sale of a stake conferring to EDF sole control of New NP, a wholly owned subsidiary of AREVA NP, which will consolidate the industrial activities, design and supply of nuclear reactors and equipment, fuel assembly and services to the AREVA Group's installed base.

Having taken note of the commitments and obligations granted by AREVA NP within the share purchase agreement, the Board of Directors authorized, at the same meeting of 10 November 2016, AREVA SA to guarantee the performance by AREVA NP of said commitments and obligations.

The conclusion of these commitments was recommended by the *ad hoc* Committee of the Board of Directors, composed mainly of independent directors.

The disposal agreement was executed by AREVA SA and EDF on November 15, 2016.

4) An agreement authorized during the Board of Directors meeting of December 6, 2016 (Agreement relating to the sale of AREVA TA shares) (8th resolution)

At its meeting of December 6, 2016, the Board of Directors authorized the signing of the agreement setting out the terms of the sale by AREVA SA of all the shares it holds in AREVA TA (corresponding to 83.56% of the share capital before prior transactions), a company specialising in the design, construction, commissioning and maintenance of compact nuclear reactors for naval propulsion and nuclear research facilities, to a consortium of purchasers composed of the French State Holdings Agency (APE, 50.32% of the capital), the French Alternative Energies and Atomic Energy Commission (CEA, 20.32% of the capital) and DCNS (20.32% of the capital) for a price based on a maximum valuation of 559 million euros, representing 100% of shareholders' equity.

The AREVA TA working group, made up of directors not in a conflict of interest, recommended that this agreement be concluded.

The share purchase agreement was executed on December 15, 2016. The actual transfer took place on March 29, 2017.

5) Three agreements authorized during the Board of Directors meeting of December 15, 2016 (*End of the financial support mechanism, assignment of a receivable and debt write-off*) (9th, 10th and 11th resolutions)

Reminder of the financial support mechanism

In its letters dated November 26, 2014 and July 2, 2015, AREVA SA undertook to support its subsidiary, up to a ceiling of 200 million euros, in the event that the latter found itself unable to handle significant additional financial losses (exceeding a flat-rate threshold of 50 million euros) for projects underway on the date of the letters. These letters were authorized by the Board of Directors of AREVA SA prior to their signature.

In respect of the losses incurred for the JHR Project, two debt write-offs were granted by AREVA SA:

- a first debt write-off was authorized by the AREVA SA Board of Directors meeting of July 23, 2015 and carried out on July 28, 2015 in an amount of 49 million euros for losses incurred in respect of the JHR Project in 2013 and 2014. The agreement included a promise to repay AREVA SA in case of improved circumstances. Said debt write-off was followed by a capital increase of the same amount fully subscribed by AREVA SA and carried out on December 7, 2016,
- a second debt write-off was authorized by the AREVA SA Board of Directors meeting of December 18, 2015 and carried out on December 18, 2015 in an amount of 17.175 million euros for losses incurred in respect of the JHR Project for financial year 2015. The agreement included a promise to repay AREVA SA in case of improved circumstances. Said debt write-off was not following by a capital increase.

a) *End of the financial support mechanism granted by AREVA SA to AREVA TA (9th resolution)*

During its meeting of December 15, 2016, the Board of Directors authorized the early termination of the financial support mechanism described above, subject to the condition precedent that the disposal of AREVA TA by AREVA SA be carried out in full.

The letter terminating the financial support mechanism was signed by AREVA SA and AREVA TA on December 16, 2016.

It came into force on March 29, 2017 at the time of the effective transfer of AREVA TA.

b) *Assignment by AREVA SA to AREVA TA of a receivable (10th resolution)*

During its meeting of December 15, 2016, the Board of Directors also authorized the signature of the instrument assigning the receivable held by AREVA SA on 01dB Italia in an amount of 626,187.75 euros as at October 31, 2016 between AREVA SA and AREVA TA for the symbolic price of one euro.

The instrument assigning the receivable was signed by AREVA SA and AREVA TA on December 16, 2016.

The company 01dB Italia, acquired by AREVA TA in 2011, is a company incorporated under Italian law which is wholly owned by AREVA TA which does not carry out any business and has been the subject of a voluntary winding-up since 2011.

As part of AREVA's centralized cash management agreement, AREVA SA holds a current account in the books of 01dB Italia for an amount of 626,187.75 euros as at October 31, 2016. The planned withdrawal of AREVA TA (effective March 29, 2017) from the AREVA group means that AREVA SA is no longer authorised to maintain the current account with 01dB Italia, and 01dB Italia is unable to repay said debt to AREVA SA.

Given the low probability of recovering the receivables held by 01dB Italia from its customers, this receivable was fully written down in November 2016.

c) *Debt waiver (11th resolution)*

In connection with the above-mentioned financial support mechanism, during its meeting of December 15, 2016, the Board of Directors authorized the signature of the debt write-off agreement concluded in December 2016 between AREVA TA and AREVA SA in an amount of 14 million euros (without a promise to repay in case of improved circumstances).

The debt write-off agreement was signed by AREVA SA and AREVA TA on December 20, 2016.

6) *An agreement authorized during the Board of Directors meeting of February 3, 2017 (Advance on current account between the French State and AREVA SA) (12th resolution)*

As the European Commission authorized the French State's rescue aid on January 10, 2017, the Board of Directors, at its meeting on February 3, 2017, authorized the signing of the advance on the current account between the French State and AREVA SA in the amount of 1,999,999,998 euros due to expire on the first of the following dates: (i) the date of completion of the AREVA SA share capital increase to be subscribed by the French State or (ii) June 30, 2018. Said advance will be repaid by converting the French State's claim in connection with said reserved capital increase.

The current account advance agreement was executed by the French State and AREVA SA on February 3, 2017 and will cover the Group's general requirements for six months (6 April - 6 October 2017) and repay the financial debt pending (i) the completion of AREVA SA's capital increase authorized by the European Commission in its decision of January 10, 2017 and approved by AREVA SA's Combined General Meeting of Shareholders held on February 3, 2017, and (ii) the sale of New NP to EDF (planned for the second half of 2017).

It is planned that 1,100,000,000 euros may be drawn after March 15, 2017 and 899,999,998 euros after June 15, 2017, provided that the Group's cash position is less than 500,000,000 euros on the date of the second drawdown. The rate used to determine the compensation was Euribor 1 (one) year + 450 basis points.

Opinion on the items of compensation due or allocated for financial year 2016 to Mr Philippe Varin, as Chairman of the Board of Directors, and Mr Philippe Knoche, as Chief Executive Officer (13th and 14th resolutions)

In accordance with the recommendation of paragraph 26 of the revised Afep-Medef Code of Corporate Governance of November 2016, which constitutes the code of reference of the company pursuant to article L. 225-37 of the French Commercial Code, the shareholders are asked to approve the items of compensation due or allocated for financial year 2016 to Mr Philippe Varin, Chairman of the Board of Directors (13th resolution) and Mr Philippe Knoche, Chief Executive Officer (14th resolution).

The items of Mr Philippe Varin's compensation put to your vote are presented in Chapter 15, § 15.1.2.1 of the 2016 Reference Document and in Appendix 1 of this report.

The items of Mr Philippe Knoche's compensation put to your vote are presented in Chapter 15, § 15.1.1.1 of the 2016 Reference Document and in Appendix 1 of this report.

Approval of the principles and criteria for the determination, distribution and allocation of of fixed, variable and exceptional components of total compensation and benefits of any kind attributable to the Chairman of the Board of Directors and the Chief Executive Officer (15th and 16th resolutions)

In accordance with the Article L. 225-37-2 of the French Commercial Code, resulting from Act 2016-1691 of December 9, 2016, known as the "Sapin 2 Act" , it is proposed to approve the principles and criteria for the determination, distribution and allocation of fixed, variable and exceptional components of total compensation and benefits of any kind attributable to the Chairman of the Board of Directors (15th resolution) and the Chief Executive Officer (16th resolution) due to the exercise of their duties under their term of office, representing the compensation policy applicable to them for financial year 2017 (known as the ex-ante vote).

These principles and criteria were adopted by the Board of Directors on February 28, 2017 upon the recommendation of the Appointments and Compensation Committee and are set out in the Board of Directors' report attached as Appendix 2 hereto.

In the event that the General Meeting fails to approve these resolutions, the compensation of the Chairman of the Board of Directors and the Chief Executive Officer shall be determined in accordance with the compensation awarded for the previous financial year.

For companies whose shares are admitted to trading on a regulated market, Article L. 225-100 of the French Commercial Code provides that the amounts resulting from the implementation of these principles and criteria shall be submitted for the shareholders' approval at the meeting convened to approve the financial statements for financial year 2017.

Approval of the appointment of two new directors (17th and 18th resolutions)

As part of the 17th and 18^h resolutions, the General Meeting is asked to appoint two new directors proposed by the French State under Order No. 2014-948 of August 20, 2014 on the governance and capital transactions of publicly-held companies: Ms Marie-Solange Tissier (17th resolution) and Ms Florence Touitou-Durand (18th resolution).

By approving these appointments, the Board would greatly benefit from the introduction of leading personalities with recognised skills and the percentage of women in the Board would reach 40% (four women out of ten directors, only ten directors being taken into account as the three directors representing employees are not included for the purposes of calculation).

These appointments would bring the number of directors from eleven to thirteen.

Ms Marie-Solange Tissier and Ms Florence Touitou-Durand would be appointed for a period of four years, i.e. until the end of the General Meeting convened to approve the financial statements for the financial year ended December 31, 2020.

Biographical information on these two nominees can be found in Appendix 3 to this report.

Authorisation for the Board of Directors to trade in the Company's shares (19th resolution)

You are asked to authorise the Board of Directors to buy back the Company's own shares under the following conditions.

The purchase price per share may not exceed 10 euros excluding acquisition costs.

The authorization for the Board of Directors to buyback Company's shares would be granted for the legal period of 18 months, up to a limit of 10% of the Company's share capital and for a maximum amount of 383,204,850 euros (excluding expenses).

The objectives of the buyback programme are as follows:

- providing liquidity and liquidity services for the company's share by an investment services provider acting independently under a liquidity contract which complies with the Code of Ethics recognized by the *Autorité des marchés financiers*,
- implementing any stock option plan of the Company in accordance with the provisions of Articles L.225-177 et seq. of the French Commercial Code or any similar plan,
- attributing or selling shares to employees in return for their participation in the proceeds of the company's expansion or the implementing of any employee savings plan under the conditions provided by law, in particular Article L.3332-1 of the French Labour Code (*Code du travail*),
- allocating bonus shares pursuant to the provisions of Articles L.225-197-1 et seq. of the French Commercial Code,
- retaining shares in order to subsequently deliver them or acquiring actions in order to deliver them (in connection with exchanges, payment or other) as part of any external growth operations, within the limit of 5% of the company's capital,
- delivering shares in connection with the exercise of rights attached to securities giving access to the share capital by redemption, conversion, exchange, presentation of a warrant or in any other manner.

It is specified that the purpose of acquiring shares in order to retain them for their subsequent or immediate delivery as part of any external growth operations is no longer an accepted market practice within the meaning of the rules on "market abuse". The fact that this classification has been abandoned, as specified by the French Financial Markets Authority, does not prohibit this purpose but entails the loss of the benefit of the "rebuttable presumption of legitimacy" as regards the absence of market manipulation.

Accordingly, in the event that the Company acquires its own shares for such a purpose, it must be able to justify that there were legitimate grounds for carrying out the transactions carried out and that such transactions complied with the applicable regulations.

Powers to carry out formalities (20th resolution)

The 20th resolution is a standard resolution, the purpose of which is to give the necessary powers to carry out the notification and filing formalities inherent to the resolutions adopted by this General Meeting.

The Board of Directors of AREVA

APPENDIX 1

Components of the compensation due in respect of fiscal year 2016 and/or paid in 2016 to Mr Philippe Knoche, Chief Executive Officer, submitted for the shareholders' opinion

Components of the compensation due/attributed and paid in 2016	Amounts put to the vote	Presentation
Fixed compensation	<p>Amounts due: €420,000</p> <p>Amounts paid: €418,589¹</p>	<p>Pursuant to Decree No. 2012/915 of 26 July 2012 on State control of compensation of heads of state-owned companies, the annual gross salary ceiling² is €450,000.</p> <p>The amount due includes the compensation awarded for the fiscal year, irrespective of the payment date.</p> <p>The amount paid includes all compensation paid during the fiscal year, including for the previous fiscal year.</p>
Annual variable compensation	N/A	Mr Philippe Knoche did not receive any annual variable compensation.
Deferred variable compensation	N/A	Mr Philippe Knoche did not receive any deferred variable compensation.
Multi-year variable compensation	N/A	Mr Philippe Knoche did not receive any multi-year variable compensation.
Exceptional compensation	<p>Amounts due: €30,000</p> <p>Amounts paid: N/A</p>	<p>On 28 February 2017, the Board of Directors decided, on the recommendation of the Appointments and Compensation Committee, to grant Mr. Philippe Knoche exceptional compensation based on the results obtained in 2016, in particular as regards the:</p> <ul style="list-style-type: none"> - management of the restructuring of the Group and the implementation of the various conditions necessary for the Group's recapitalisation; - management of the operations and continued financial recovery. <p>This exceptional remuneration was authorised by ministerial decision of 15 March 2017.</p>
Allocation of stock options and / or performance shares	N/A	AREVA does not have a system for the allocation of performance shares or stock options, either for executives or employees.
Attendance fees	N/A	Mr Philippe Knoche did not receive attendance fees for his term of office on the Board of Directors during the 2016 fiscal year.
Benefits of any kind	<p>Amounts due: €4,416</p> <p>Amounts paid: €4,416</p>	M. Philippe Knoche had the use of a company car.

¹ A surplus of €976 for fiscal year 2014 and €435 for fiscal year 2015 has been adjusted.

² Not including benefits in kind and severance payments.

Severance pay	Amounts due N/A	<p>On the recommendation of the Appointments and Compensation Committee on 23 April 2015, the Board of Directors, meeting on 29 April 2015, decided that Mr. Philippe Knoche may be granted severance pay of up to twice the aggregate amount of his annual compensation on the date he leaves his position.</p> <p>Mr Philippe Knoche shall not be able to claim severance pay if he (i) wishes to assert his right to retirement in the near future after the end of his term of office, for whatever reason, even if he is compelled to do so, or (ii) holds another position within the group</p> <p>The above severance pay shall only be paid in the event of the dismissal of Mr Philippe Knoche, in particular in the event of a change of control or strategy, it being specified that said severance pay shall not be paid if the dismissal was for just cause.</p> <p>This severance pay shall be subject to performance conditions, as follows:</p> <ul style="list-style-type: none"> - - If, for the last two completed fiscal years, the average rate of achievement of the quantitative and qualitative targets is 60% or more, the severance pay shall be paid automatically, - - If, for the last two completed fiscal years, the average rate of achievement of the quantitative and qualitative targets is less than 60%, the Board of Directors shall assess the performance of the individual concerned in the light of the circumstances that affected the company's performance over the completed fiscal year. <p>The Board of Directors, meeting on 24 February 2016, on the recommendation of the Appointments and Remuneration Committee dated 16 February 2016, set the objectives for the year 2016 as follows:</p> <ul style="list-style-type: none"> - 60% of quantitative targets to be achieved, which are based on net cash flow, operating profit, progress of the performance plan, business targets and Health-Safety-Security targets; - 40% of qualitative objectives relating to the group's transition and the New AREVA strategic roadmap, the compliance action plan and operational excellence. <p>The principle of severance pay was authorised by a ministerial decision on 18 May 2015 and approved by the Combined General Meeting of 21 May 2015 (Resolution No. 7).</p> <p>Any payment in respect of severance pay must first be authorised by the Board of Directors in accordance with Article L. 225-42-1 paragraph 5 of the French Commercial Code and approved by the Minister of the Economy in accordance with Decree No. 53-707 of 9 August 1953 referred to above.</p>
Non-competition indemnity	Amounts due N/A	<p>The Board of Directors may decide to grant Mr Philippe Knoche compensation in return for a non-compete clause. The amount of this compensation shall be offset against the amount of any severance pay paid to Mr Philippe Knoche under the above conditions. If no severance pay is paid, the amount of the compensation to be paid in return for a non-compete clause shall be determined by the Board of Directors in accordance with usual practice.</p> <p>Any payment in respect of the non-competition indemnity must first be authorised by the Board of Directors in accordance with Article L. 225-42-1 paragraph 5 of the French Commercial Code and approved by the Minister of the Economy in accordance with Decree No. 53-707 of 9 August 1953 referred to above.</p>
Supplementary pension scheme	N/A	<p>The Company has not entered into any supplementary defined-benefit pension scheme for the benefit of the Chief Executive Officer. The latter benefits from the supplementary pension schemes applicable to the Company's executive employees.</p>

ADDITIONAL INFORMATION

An unemployment insurance scheme put in place by Medef has been taken out for the Chief Executive Officer from the Garantie Sociale des Chefs et Dirigeants d'Entreprise (Unemployment Insurance for Corporate Directors). Membership in this scheme allows the executive director to receive 12 months of guaranteed benefits, with a level of compensation representing 70% of the A and B tranches of the income and 55% of the C tranche of the net professional tax income received for the calendar year preceding membership in the scheme. 70% of the contributions to this insurance are to be paid by AREVA and 30% by the executive director beneficiary of the scheme.

Components of the compensation due in respect of fiscal year 2016 and/or paid in 2016 to Mr Philippe Varin, Chairman of the Board of Directors, submitted for the shareholders' opinion

Components of the compensation due/attributed and paid in 2016	Amounts put to the vote	Presentation
Fixed compensation	Amounts due: €120,000 Amounts paid: €120,000	Pursuant to Decree No. 2012/915 of 26 July 2012 on State control of compensation of heads of state-owned companies, the annual gross salary ceiling ³ is €450,000. The amount due includes the compensation awarded for the fiscal year, irrespective of the payment date. The amount paid includes all compensation paid during the fiscal year, including for the previous fiscal year.
Annual variable compensation	N/A	Mr Philippe Varin did not receive any annual variable compensation.
Deferred variable compensation	N/A	Mr Philippe Varin did not receive any deferred variable compensation.
Multi-year variable compensation	N/A	Mr Philippe Varin did not receive any multi-year variable compensation.
Exceptional compensation	N/A	Mr Philippe Varin did not receive any exceptional compensation.
Allocation of stock options and / or performance shares	N/A	AREVA does not have a system for the allocation of performance shares or stock options, either for executives or employees.
Attendance fees	N/A	Mr Philippe Varin did not receive attendance fees for his term of office on the Board of Directors during the 2016 fiscal year.
Benefits of any kind	N/A	Mr Philippe Varin does not receive any benefits of any kind.
Severance pay	N/A	Mr Philippe Varin is not entitled to any severance pay.
Non-competition indemnity	N/A	Mr Philippe Varin is not entitled to any non-competition indemnity.
Supplementary pension scheme	N/A	Mr Philippe Varin does not benefit from a supplementary pension plan.

³ Not including benefits in kind and severance payments.

APPENDIX 2

Board of Directors' report on the principles and criteria for determining, allocating and distributing the fixed, variable and exceptional components comprising the total compensation and benefits of any kind attributable to the executive directors of the Company (Article L. 225-37-2 of the French Commercial Code)

"Dear Shareholders,

The Ordinary General Meeting of Shareholders of AREVA SA ("AREVA" or "the Company") has been convened by the Board of Directors for May 18, 2017 at 11:00 am at the company's head office.

In this report, pursuant to article L. 225-37-2 of the Commercial Code arising from law no. 2016-1691 of December 9, 2016 relating to transparency, the fight against corruption and the modernization of economic life, known as the "Sapin 2 Law", we present the principles and criteria for determining, distributing and allocating fixed, variable and exceptional items making up total compensation and benefits of any kind attributable to AREVA's officers.

It should be noted that for a company whose shares are admitted to trading on a regulated market, article L. 225-100 of the Commercial Code provides that the amounts resulting from the implementation of these principles and criteria will be submitted to the shareholders for approval during the general meeting convened to approve the 2017 financial statements.

Payment of items of variable and exceptional compensation is conditioned on that approval.

1. General principles of the compensation policy applicable to officers

The major principles of the compensation policy are set by the Board of Directors after receiving the opinion of the Compensation and Nominating Committee. In accordance with the structure of governance currently in place, the officers are:

- the Chairman of the Board of Directors (non-executive officer), and
- the Chief Executive Officer (executive officer).

The compensation policy defined by the Board of Directors for executive and non-executive officers is established in the framework of:

- the constraints of article 3 of decree no 53-707 of August 9, 1953 relating to State control of national public companies and certain organizations with an economic or social purpose, as amended by decree no. 2012-915 of July 26, 2012 capping executive compensation⁽⁴⁾ at 450,000 euros (the "Cap") and submitting it for ministerial authorization;
- the related recommendations of the Afep-Medef Code revised in November 2016, to which the company defers.

The Board of Directors adapts the compensation policy to the company's strategy, situation and shareholding structure.

To serve these objectives effectively, the Board of Directors determines in detail and moderates the different components of officer compensation.

⁽⁴⁾ This concerns attendance fees and severance payments allocated in particular to directors and items of compensation for the work of the officers. Benefits of any kind related to operations, and items of compensation, severance payments or benefits due or likely to be due to the officers concerned because of the termination of their work or their change of positions, or subsequent to them, are not taken into account in connection with this Cap, but must nonetheless receive ministerial approval.

2. Principles and criteria for determining, distributing and allocating the different components of compensation currently provided by type of function

2.1 - Chairman of the Board of Directors

A - Fixed compensation

The Chairman of the Board of Directors receives a fixed annual component within the limit of the Cap, to the exclusion of any other item of compensation except for attendance fees.

The amount of that fixed component is determined as a function of criteria specific to the person concerned (in particular background, experience, seniority and responsibilities), and criteria related to the business segment and the general economic environment and to the public share ownership of the company.

Mr. Philippe Varin, Chairman of the Board of Directors as of this writing, receives an annual fixed component of 120,000 euros authorized by ministerial decision of May 19, 2015.

B - Attendance fees

At their meeting of January 8, 2015, the Shareholders decided to set the annual budget for attendance fees at 610,000 euros for 2015 and subsequent years, barring a decision to the contrary.

The Chairman of the Board of Directors may receive attendance fees for his service as director within the limit of the Cap.

In accordance with the wish expressed by Mr. Philippe Varin, the Board of Directors decided not to pay him attendance fees for 2015, 2016 and 2017.

2.2 - Chief Executive Officer

A - Fixed compensation

The Chief Executive Officer receives a fixed annual component within the limit of the Cap.

The amount of that fixed component is determined as a function of criteria specific to the person concerned (in particular background, experience, seniority and responsibilities), and criteria related to the business segment and the general economic environment and to the public share ownership of the company.

Mr. Philippe Knoche, Chief Executive Officer as of this writing, received an annual fixed component of 420,000 euros authorized by ministerial decision of April 4, 2016.

B - Variable compensation

An annual variable component related to performance may be paid to the Chief Executive Officer in addition to his fixed component, within the limit of the Cap.

The Board of Directors defines the qualitative and quantitative criteria for determining the annual variable component, which must be precise and pre-established.

Mr. Philippe Knoche does not receive variable compensation.

C - Exceptional compensation

In the interests of the group and of its stakeholders, it is possible to pay exceptional compensation to officers in very special circumstances. The payment of such compensation, within the limit of the Cap, must be motivated by reasons which are explained.

In any event, this type of compensation would have to meet the requirements of the Afep-Medef Code and in particular would have to comply with the principles of moderation and a fair balance between the different interests present.

Mr. Philippe Knoche received exceptional compensation of 30,000 euros in 2017 for 2016 motivated by the results achieved in 2016, in particular as regards:

- the leadership of the group's restructuring and of the implementation of the different conditions necessary to the group's recapitalization;
- the conduct of operations and continued financial turnaround.

This exceptional compensation was approved by ministerial decision dated March 15, 2017.

D - Attendance fees

At their meeting of January 8, 2015, the Shareholders decided to set the annual budget for attendance fees at 610,000 euros for 2015 and subsequent years, barring a decision to the contrary.

The Chief Executive Officer may receive attendance fees for his service as director within the limit of the Cap.

In accordance with the wish expressed by Mr. Philippe Knoche, the Board of Directors decided not to pay him attendance fees for 2015, 2016 and 2017.

E - Non-cash benefits

The Chief Executive Officer may receive non-cash benefits in the form of the use of a company car. This non-cash benefit is not included in the compensation subject to the Cap.

Mr. Philippe Knoche's company car benefits amount to 4,416 euros, authorized by ministerial decision of April 4, 2016.

F - Long-term compensation: free share allocation and allocation of share options

The allocation of performance shares or share options to officers is not allowed.

G - Severance payments

The Chief Executive Officer may receive severance pay in the maximum amount of twice the cumulative amount of his annual compensation on the day that his functions cease.

If the Chief Executive Officer (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 function within the group, he shall not be entitled to a severance payment.

The severance payment will only be paid if the Chief Executive Officer is dismissed, unless it is for just cause.

The severance payment will be subject to performance conditions, according to the following terms:

- Severance compensation will be paid automatically if the rate of achievement of quantitative and qualitative objectives was more than 60% on average for the periods ended the two previous years.

- If the rate of achievement of quantitative and qualitative objectives for the last two financial periods was less than an average of 60%, the Board of Directors will assess the performance of the party concerned with regard to circumstances affecting the company's functioning during the financial year.

The Board of Directors sets the performance objectives for each year.

In addition, the Board of Directors may decide to grant a severance payment to the Chief Executive Officer in exchange for a non-competition clause. The amount of that severance payment shall be deducted from the amount of the severance payment made, if any, paid to the Chief Executive Officer under the above conditions. In the absence of a severance payment, the amount of the payment due in return for a non-competition clause shall be set by the Board of Directors in accordance with common practices.

These severance payments are not included in the compensation subject to the Cap.

Mr. Philippe Knoche is entitled to a severance payment corresponding to the above criteria, authorized by ministerial decision of May 19, 2015.

H - Other

The Chief Executive Officer may receive:

- unemployment insurance set up by Medef with the Garantie sociale des chefs et dirigeants d'entreprise (GSC), of which he pays part of the premiums;
- a supplemental retirement plan applicable to the company's management employees.

Mr. Philippe Knoche benefits from the above-mentioned unemployment insurance and the supplemental retirement plan.

The proposed resolutions appear in Appendix 5 of the Reference Document (Resolutions 15 and 16).

As a consequence of the foregoing, we invite you to approve the compensation policy concerning the Chairman of the Board of Directors and the Chief Executive Officer as presented in this report."

The Board of Directors of AREVA

APPENDIX 3

Biographies

MARIE-SOLANGE TISSIER



Born on 6 April 1955 in the 15th arrondissement of Paris (France), Ms Marie-Solange Tissier is a graduate of the Ecole polytechnique and the Ecole des mines de Paris.

She headed the environmental division within the Interdepartmental Directorate for Lorraine Industry from 1979 to 1982. After acting as deputy head of the service of the General Council of Mines from 1982, she joined the office of the French Secretary of State in charge of energy in 1984 as a technical advisor. In 1986, she was appointed Head of the Nuclear Service in the Directorate-General for Energy and Raw Materials. In 1998, she joined the office of the French Minister for Industry and Regional Development as a technical advisor.

Since 1989, Ms Marie-Solange Tissier has headed the service of the General Council of Mines, which in 2009 became the service of the General Council for the Economy, Industry, Energy and Technology within the French Ministry of Economy and Finance. She will be Chairman of the Regulation and Ressources section from May 9, 2017.

Ms Marie-Solange Tissier is also Deputy Director of the Ecole des Mines de Paris.

First name, surname, age, office or position held in the Company*	Offices/Main position held outside the Company	Expired offices held outside the Company during the last five years
<ul style="list-style-type: none">• 62 years of age• Director	<ul style="list-style-type: none">• Director of IFP Energies Nouvelles• Member of the RTE Supervisory Board (office expires on 01.04.2017)• Chairman of the Regulation and Ressources section of the Economy and Industry General Counsel, Ministry of Economy, Industry and Digital (from 09.05.2017)	<ul style="list-style-type: none">• Not applicable

FLORENCE TOUITOU-DURAND



Born on 18 November 1972 in Cannes (France), Ms Florence Touitou-Durand graduated from Lille II University where she received a Master's Degree in National Defence and European Security.

In 1999, she joined the French Atomic Energy Commission (CEA) as a legal advisor in nuclear and environmental law. In 2004, she was appointed as head of the nuclear and environmental law division and thereafter, in 2008, as Chief Legal Officer.

Since 2013, she has been general counsel for the French Atomic Energy Commission (CEA).

Ms Florence Touitou-Durand is Vice-Chair of the Nuclear Law Committee of the OECD Nuclear Energy Agency (NEA) and member of the Bureau.

Ms Florence Touitou-Durand is a lecturer at the National Institute of Nuclear Science and Technology (INSTN).

First name, surname, age, office or position held in the Company*	Offices/Main position held outside the Company	Expired offices held outside the Company during the last five years
<ul style="list-style-type: none">• 44 years of age• Director	<ul style="list-style-type: none">• Director of the company Co-courtagé nucléaire	Not applicable