Where energies make tomorrow

# 2022 Remuneration report



T.EN TECHNIP ENERGIES

# Alison Goligher

Chair of the Compensation Committee

## Dear Shareholder,

On behalf of the Compensation Committee and the Board of Directors, I am pleased to report on the activities of the Committee in 2022 and to introduce our 2022 Remuneration Report.

### A NEWLY INCORPORATED COMPANY

Incorporated in the Netherlands since 2021 following the spin-off from New-York and Paris listed TechnipFMC, the Board of Directors aims to offer a Remuneration Policy supporting Technip Energies strategic long-term objectives and the repositioning of its business to align with the energy transition, while navigating a very competitive talent market environment.

To ensure our approach to remuneration is aligned with the views of our stakeholders, the Board is committed to an ongoing and constructive dialogue with shareholders, proxy advisors and key stakeholders. This proactive engagement was started ahead of the 2022 AGM and led to a number of adjustments including, among other, eliminating the grant of equity-based compensation to Non-Executive Directors as well as removing any potential vesting below median performance for the TSR long-term incentive performance indicator.

### REVISION OF THE REMUNERATION POLICY

At the 2022 AGM, shareholders were asked to cast an advisory vote on the Remuneration Report for the first time. The 2021 Remuneration Report was approved with 64% of the votes. Given this outcome and in line with its commitment, the Compensation Committee undertook a fundamental review of the Remuneration Policy, to continue to improve alignment with best practices while appropriately serving executive retention and incentivization goals.

The current Remuneration Policy was adopted in 2021 at the time of the Spin-off and was intended to run for four years up to the 2025 AGM. However, in consideration of the shareholders' feedback and the review made with the support of an external remuneration expert, the Compensation Committee believes several enhancements are necessary. Accordingly, a revised Remuneration Policy will be proposed for adoption at the 2023 AGM.

In order to further align the CEO's compensation structure with the market practice among peer companies and as a response to shareholders' concerns, the Compensation Committee proposes to eliminate the long-term time-based component (Restricted Stock Units, previously 30% of the long-term component) and reduce the long-term component cap (from 600% to 450% of annual base salary). The proposed changes are aligned with the Board's willingness to have the majority of our Executive Director's remuneration package at risk, aligned with the long-term interests of shareholders and a reasonable but competitive pay practice.

In addition, and to ensure the attractiveness and sustainability of the Remuneration Policy over the long-term, it is proposed to introduce a supplementary defined contribution pension plan (25% of annual base salary) as an optional feature in the Remuneration Policy. We are mindful of shareholders' and stakeholders' attention to pay magnitude, and therefore the pension component will be included in the long-term incentive target nominal grant date value (275% of annual base salary) and newly introduced cap (450% of annual base salary). As such it won't lead to an increase in the total remuneration package.

Finally, this comprehensive review is also an opportunity to:

- outline the Board's discretion power in line with shareholder's expectations;
- clarify termination conditions and post mandate vesting rules;
- formally reflect the adjustments already announced ahead of the 2022 AGM.

Having consulted with shareholders (representing ~40% of the capital of the Company) and proxy advisors before finalizing this revised Remuneration Policy, we trust these changes will be viewed positively.

A summary of the changes is provided in section 6.7. Changes to Remuneration under the 2023 Policy. The full Remuneration Policy, as submitted to shareholder vote, will be made available on Technip Energies website at https://investors.technipenergies.com.

## 2022 BUSINESS HIGHLIGHTS AND OUTCOMES

The 2022 Remuneration Report is subject to an advisory vote. In it, we look back on the year 2022 and report on the Company's performance.

The war in Ukraine compromised the Company's ability to execute the Arctic LNG 2 project which had an impact on Project Delivery revenue trajectory in 2022. Despite this challenge, adjusted recurring EBIT increased benefiting from revenue growth in the higher-margin Technologies Product Services (TPS) segment and strong execution on LNG and downstream projects. The growth of the TPS segment resulted from higher project management consultancy and engineering services activity in the Middle East, and improved activity in sustainable chemistry as well as Process Technology activity.

Regarding the ESG roadmap, the Company reported the full Scope 3 GHG emission, and completed the climate, ESG training, and gender diversity objectives above targets. Sadly, 2 fatalities were reported in 2022, resulting in 0% achievement for this measure. As a result of the fatalities, the total maximum achievable for the ESG measure was capped at 100%. Investigation into the root causes were led by the CEO and a refreshed PULSE safety program was rolled out.

When considering the application of upwards or downwards discretion, the Committee considered whether the outcomes on executive remuneration were in line with the Company performance as a whole and considered the experience of all stakeholders during the year. Despite the disruptive impact of the tragic war in Ukraine, the Committee determined that no discretion be applied to any outcomes. Finally, the Compensation Committee acknowledged the strong personal contribution and resilience demonstrated by the CEO in delivering a very strong set of financial results coupled with strategic and organizational developments in 2022.

## LOOKING AHEAD TO 2023

The Committee undertook to set challenging performance indicators for 2023 to ensure further alignment with the Company's priorities and sustainable performance. Therefore, the Committee decided to change the TPS Growth underlying metric from a revenue to a Book-to-bill measure. In addition, the assessment of scope 3 criteria being completed, an objective to build an action plan to increase our commitments on scope 4 has been set (emissions saved or avoided due to Technip Energies technologies and solution) which is critical in the Company's strategy and impact on climate. Moreover, and to sustain the Group's upskilling ambition program, an objective of learning hours per employee is introduced to replace the ESG training module measure which has been achieved in 2022.

The full details of the 2023 remuneration measures can be read in section 6.7.1. of this report.

On behalf of the Compensation Committee and the Board of Directors, I would like to thank our shareholders and other stakeholders for their engagement and for sharing transparently their view on executive remuneration.

**Alison Goligher**

Chair of the Compensation Committee

# TECHNIP ENERGIES KEY PRACTICE IN DETERMINING EXECUTIVE COMPENSATION

Our Remuneration Policy is designed to reflect and support our vision for the continued growth and prosperity for the Company, while embedding our purpose and values by:

- Motivating the Executive Director to achieve and exceed Technip Energies' short-term and long-term business and ESG objectives.
- Aligning the interests of the Executive Director with our shareholders by focusing the Remuneration Policy on drivers of sustainable value creation and by ensuring most of the executive compensation is at risk.
- Providing a compensation package that is competitive in the market and allows Technip Energies to attract, incentivize and retain exceptionally talented individuals who can deliver on the Company's vision and strategy.

| What we do | What we don't do |
|---|---|
| Determine a Remuneration Policy that is transparent and supports our ambition to attract and retain the best talent and ensures alignment between the Company and our shareholders | Grant excessive perquisites, benefits, or pension payments |
| Pay for performance by aligning performance measures with our strategy (including ESG related KPIs in full accordance with Technip Energies' purpose) and ensure that the CEO's total remuneration is mostly at risk | Pay variable remuneration components in the event of poor performance of the Company |
| Ensure we stay abreast of market trends and expectations by retaining the services of an independent specialist company providing support and advice on all topics related to governance and Remuneration Policy, including external total remuneration benchmarks to help the Compensation Committee in setting the CEO's remuneration within competitive market ranges | Select metrics in the short and long-term incentive programs that are intangible or not aligned with the Company's strategy, uncap incentives, and guarantee bonuses for the CEO |
| Maintain clawback provisions for performance-based compensation and forfeiture provisions in our equity awards | Allow pledging or hedging of Company stocks held by officers |
| Maintain an open dialogue with shareholders to ensure we can include their feedback to continuously improve our Remuneration Policy | Remain indifferent to our stakeholders' feedback |

# RESPONSIVENESS TO STAKEHOLDERS' FEEDBACK

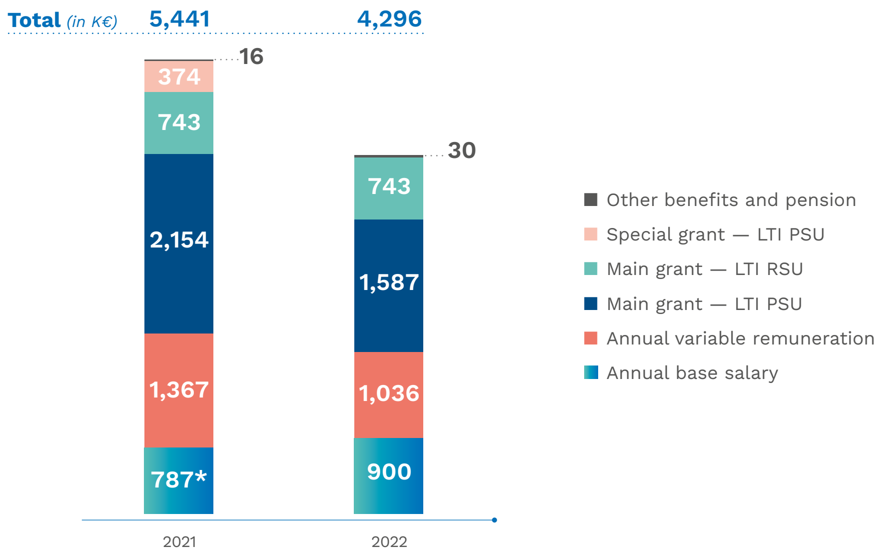
Technip Energies, its Board of Directors and Compensation Committee value the feedback received from its investors, shareholders and other key stakeholders. In response to the shareholder engagement held in Q1 2022, the following changes were initiated in 2022:

| What we heard | What we did |
|---|---|
| Avoid awarding remuneration in the form of shares to the Non-Executive Directors | The remuneration of the Non-Executive Directors was modified by eliminating the award of time based Restricted Stock Units (RSUs) |
| Avoid vesting for below median performance for the TSR measure performance | The payout scale for TSR performance has been modified to ensure there is no payout below median performance |
| Avoid granting time-based restricted stock units to the Executive Director | Technip Energies decided to bring forward the review of the Remuneration Policy. As part of this review, the revised Policy, which will be submitted to the AGM for a vote in May 2023, proposes to cease granting time-based Restricted Stock Units (RSUs i.e. shares without performance indicators) to the Executive Director starting in 2023 |
| Consider reducing the long-term incentive maximum opportunity | Technip Energies decided to bring forward the review of the Remuneration Policy. As part of the Remuneration Policy review process, it is proposed to reduce the long-term component cap from 600% to 450% of annual base salary |
| Reduce the weight of the qualitative component and improve the level of disclosure | In the 2022 Remuneration Report, Technip Energies has improved the disclosure of the achievement of short-term incentive program non-financial metrics in order to help its stakeholders to better understand the link between the pay-out and the effective performance. In addition, as part of the Remuneration Policy review process, it is proposed to reduce the maximum weight of the individual qualitative component (from 25% to 20%) |

# 1. REMUNERATION AT A GLANCE

## OVERVIEW 2022

For 2022, the remuneration package of the Technip Energies Executive Director is outlined below. The 2021 Executive Director package is provided for reference and comparison purposes.

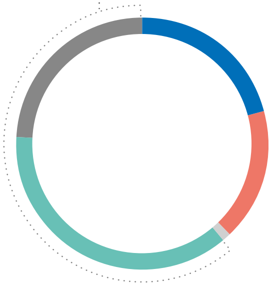



* *Prorated amount from the annual base salary of €900,000 from February 16 to December 31, 2021.*

| Arnaud Pieton | 2022 |
|---|---|
| **Annual base salary** *(€)* | **900,000** |
| **Annual performance bonus** *(€)* | **1,035,900** |
| Annual performance bonus payout *(%)* | 115.1 % |
| Number of granted PSUs | 152,575 |
| Number of granted RSUs | 65,390 |
| **Total LTI granted fair value** *(€)* | **2,329,951** |
| **Total Direct Compensation (€)** | **4,265,851** |
| Pension *(€)* | 13,164 |
| Other benefits *(€)* | 17,181 |
| **TOTAL REMUNERATION (€)** | **4,296,195** |

Technip Energies' Executive Director compensation structure aligns short-term and long-term objectives (business and ESG) with short-term and long-term performance-based compensation.

**61%** of the remuneration package is linked to performance indicators



**21%** Annual base salary
**17%** Long term incentive: RSU
**37%** Long term incentive: PSU
**24%** Annual performance bonus
**1%** Benefits

**ANNUAL BASE SALARY** €900,000

**ANNUAL PERFORMANCE BONUS**

| Structure | Weighting | Performance indicators | PAYOUT | |
|---|---|---|---|---|
| 85% Business performance indicators | 30% | EBIT as a % of Revenue and SG&A Target | 39.6% | €356,400 |
| | 30% | TPS Growth | 25.3% | €227,700 |
| | 25% | ESG objectives | 25% | €225,000 |
| 15% Individual objectives | 15% | Individual objectives | 25.2% | €226,800 |
| **TOTAL PAYOUT** | | | **115.1%** | **€1,035,900** |

**LONG TERM INCENTIVES**

| LTI mix | Weighting | Performance indicators | Nbr granted | Fair value € |
|---|---|---|---|---|
| 70% PSU | 37.5% | TSR | 152,575 | €1,587,448 |
| | 37.5% | EPS | | |
| | 25% | ESG | | |
| 30% RSU | | | 65,390 | €742,503 |
| **TOTAL LTI** | | | **217,965** | **€2,329,951** |

Collective DC Pension Plan* €13,164

Benefits & perquisites** €17,181

**TOTAL ACTUAL REMUNERATION FOR 2022** **€4,296,195**

* *For 2022 the total amount contributed to the collective defined contribution plan (art. 83) was equal to 8% of the gross compensation above four times the annual French social security limit and capped at eight times the annual French social security limit was €13,164.*

** *For 2022, The benefits offered to the Executive Director are similar to the benefits granted to other executives of Technip Energies. For 2022, the total costs of the benefits provided to the Executive Director accounted for €17,181.*

## 2022 NON-EXECUTIVE DIRECTORS

| Director | Retainer | Chair Fee | Observer | Committee Meeting Fees | Total Fees FY2022 |
|---|---|---|---|---|---|
| **Arnaud Caudoux**(1) | 0.0€ | 0.0€ | 0.0€ | 0.0€ | 0.0€ |
| **Colette Cohen**(2) | 59,093.4€ | 0.0€ | 9,092.4€ | 18,000.0€ | 86,185.8€ |
| **Pascal Colombani**(3) | 30,906.6€ | 3,167.6€ | 0.0€ | 5,000.0€ | 39,074.2€ |
| **Marie-Ange Debon** | 90,000.0€ | 18,000.0€ | 0.0€ | 14,000.0€ | 122,000.0€ |
| **Simon Eyers** | 90,000.0€ | 0.0€ | 0.0€ | 14,000.0€ | 104,000.0€ |
| **Alison Goligher** | 90,000.0€ | 12,500.0€ | 0.0€ | 28,000.0€ | 130,500.0€ |
| **Didier Houssin** | 90,000.0€ | 8,207.4€ | 0.0€ | 14,000.0€ | 112,207.4€ |
| **Joseph Rinaldi** | 250,000.0€ | 0.0€ | 0.0€ | 10,000.0€ | 260,000.0€ |
| **Nello Uccelletti** | 90,000.0€ | 0.0€ | 0.0€ | 14,000.0€ | 104,000.0€ |
| **Francesco Venturini**(4) | 59,093.4€ | 0.0€ | 0.0€ | 9,000.0€ | 68,093.4€ |

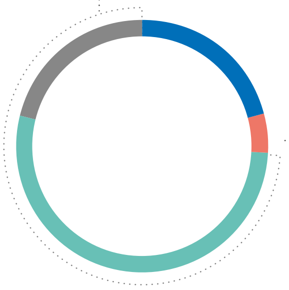
*(1) Mr. Arnaud Caudoux waived his cash remuneration because of the policies of his employer, Bpifrance.*
*(2) Ms. Colette Cohen attended the February 28 and April 21 2022 Board Sessions as an Observer and received €9,092 in fees.*
*(3) Mr. Pascal Colombani stood down from the Board at the time of the AGM on May 5, 2022.*
*(4) Mr. Francesco Venturini joined the Board at the AGM on May 5 2022*

## OVERVIEW 2023 (SUBJECT TO SHAREHOLDERS' VOTE)

For 2023, the proposed target remuneration package of the Executive Director is described below.

Overview of the new target remuneration package:

**74%**
of the remuneration package is linked to performance indicators



**21%** Annual base salary

**5%** DC Pension Plan (Art. 82)

**53%** Long term incentive: PSU

**21%** Annual performance bonus

**ANNUAL BASE SALARY** €900,000 for 2023

**At target**

**ANNUAL PERFORMANCE BONUS** — 100% of the base salary

| Structure | Weighting | Performance indicators |
|---|---|---|
| 85% Business performance indicators | 30% | Profitability |
| | 30% | TPS Growth |
| | 25% | ESG objectives |
| 15% Individual objectives | 15% | Individual objectives |

**LONG TERM INCENTIVE** — 250% of the base salary

| LTI mix | Weighting | Performance indicators |
|---|---|---|
| 100% PSU | 37.5% | TSR |
| | 37.5% | EPS |
| | 25% | ESG |

**DC Pension Plan (Art. 82)** €225,000 for 2023

**Collective DC Pension Plan***
The Board has resolved to maintain the supplementary collective French defined contribution plan for the benefit of the Executive Director

**Benefits & perquisites****
The benefits offered to the Executive Director remain similar to the benefits granted to other executives of Technip Energies

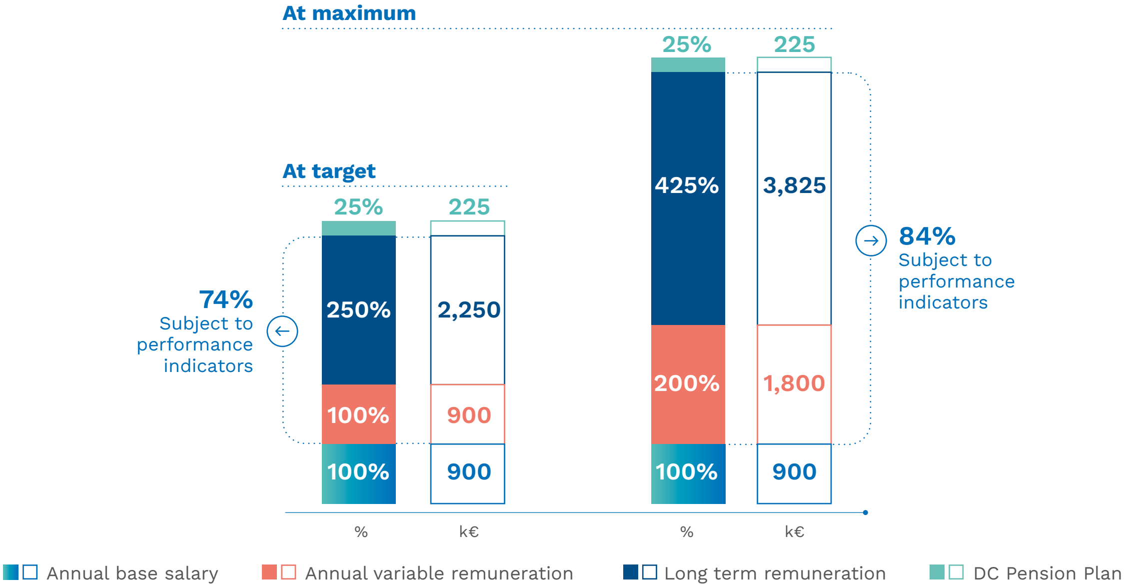
* *For 2023, the collective defined contribution plan (art. 83) provides contributions equal to 8% of the gross compensation above four times the annual French social security limit and capped at eight times the annual French social security limit.*

** *For 2023, the benefits offered to the Executive Director are similar to the benefits granted to other executives of Technip Energies.*

The chart below shows the proposed remuneration structure at target and maximum levels.

### Proposed remuneration package structure for 2023

*(in k€)*




As illustrated above, the proposed 2023 CEO remuneration package is divided into four main elements:

- **Annual base salary** represents **21%** of the total compensation at target, 13% at maximum level;
- **Annual performance bonus** represents **21%** of the total compensation at target, 27% at maximum;
- **Long-term incentives** represent **53%** of the total compensation at target, 57% at maximum;
- **DC Pension Plan (Art. 82**) represents **5%** of the total compensation at target, 3% at maximum.

Effective March 1, 2022, the total remuneration for the Non-Executive Directors was modified by eliminating the award of Restricted Stock.

| 2023 – NON-EXECUTIVE DIRECTORS | |
|---|---|
| Chairperson annual retainer | €250,000 |
| Board member annual retainer | €90,000 |
| Annual Chair fee | €18,000 for Audit Committee<br>€12,500 for Compensation Committee<br>€12,500 for ESG Committee |
| Committee meeting fee | €3,000 per Committee meeting |
| The Compensation Committee will retain the discretion to modify the value of compensation, should this be considered appropriate. Where any discretion is exercised, the basis of this exercise will be disclosed in the next Remuneration Report. Each Non-Executive Director will be reimbursed for reasonable incidental expenses incurred in connection with the attendance of Board and Committee meetings. | |

# 2. MAIN ELEMENTS OF THE CURRENT REMUNERATION POLICY

Technip Energies' Remuneration Policy was approved by the General Meeting of Shareholders of Technip Energies on February 15, 2021, and took effect on February 16, 2021. The Compensation Committee has conducted a global review of the Remuneration Policy during the 2022 fiscal year. The contemplated changes are presented at section 6.7. Changes to Remuneration under the 2023 Policy of the current Remuneration Report. A summary of the main elements from the Remuneration Policy applicable in 2022 is presented below for information purpose.

## 2.1. EXECUTIVE DIRECTOR REMUNERATION POLICY

The Executive Directors' Remuneration Policy is applicable to the CEO of Technip Energies who is currently the sole Executive Director.

| | Purpose and link to strategy | Operation | Policy level | Maximum Payment |
|---|---|---|---|---|
| **Annual base salary** | Reflect and be aligned with the global energy and energy transition market practices in order to attract and retain exceptionally talented individuals | Reviewed annually or following a change in responsibilities with changes usually taking effect from March 1 of a given year.<br>When reviewing the annual base salary level, the Compensation Committee considers key parameters such as Executive Director individual performance, economic conditions, market pay levels, etc. | Refer to section 6.6.1. Executive Director remuneration | Not applicable, the annual base salary is a set amount determined at the beginning of the year by the Compensation Committee |
| **Annual performance bonus** | Incentivize achievement of Technip Energies' annual financial and strategic targets which may include but are not limited to ESG targets. Provide focus on key financial metrics and an Executive Director's contributions to Technip Energies' performance | Performance measures and stretch targets are set annually in advance by the Compensation Committee:<br>▪ The majority of the bonus is based on financial performance. However, operational, strategic and individual targets may also be used;<br>▪ 75% of the bonus is based on business performance indicators (BPIs) comprising financial metrics, and 25% of the bonus is based on an annual performance incentive comprising personal targets;<br>▪ The award will usually be paid out in cash after the end of the financial year. | The target annual performance bonus is set at 100% of the annual base salary | The maximum achievable annual performance bonus amount is 200% of the annual base salary.<br>No bonus will be paid for below threshold performance |
| **Long-term incentives** | Incentivize an Executive Director to deliver superior long-term returns to Shareholders | ▪ PSUs: an award of a right to receive Technip Energies Shares subject to achievement of applicable performance indicators assessed over a period of three years, subject to continuous service; and<br>▪ RSUs: an award of a right to receive Technip Energies Shares that vest three years from grant, subject to continuous service.<br>Current weighting is:<br>▪ 70% PSUs; and<br>▪ 30% RSUs. | The target nominal grant date value of long-term incentive granted to an Executive Director per annum is set at 275% of the annual base salary | The maximum grant date fair value of long-term incentive awards granted to Executive Directors per annum will be 3 times the sum of such Director's annual base salary and target annual bonus |

| | Purpose and link to strategy | Operation and Policy level |
|---|---|---|
| **Pension and other retirement benefits** | Provide competitive post-retirement benefits, see under "Annual base salary–Purpose and link to strategy". | Provision of market-competitive retirement benefits may vary based on the location in which an Executive Director is based.<br>In addition to pension and other retirement benefits available to French employees in general, an Executive Director may participate in a supplementary French defined contribution plan, to which other French executives of the Company are eligible and which provides for contributions equal to 8% of the gross compensation above four times the annual French social security (*Sécurité sociale*) limit and capped at eight times such limit. |
| **Benefits and perquisites** | To provide market competitive benefits and to facilitate the performance of an Executive Director in his/her duties. | An Executive Director is eligible to receive benefits which are similar to those provided to other executives of the Company and that may include, but are not limited to: personal tax assistance, use of company cars, medical, vision and dental benefits, sickness, death and dismemberment benefits. Benefits may vary by location.<br>The actual value of benefits and perquisites varies depending on the cost to the business and individual Executive Director's circumstances. |

## 2.2. NON-EXECUTIVE DIRECTORS' REMUNERATION POLICY

The Non-Executive Directors' Remuneration Policy is applicable to all Non-Executive Directors.

| NON-EXECUTIVE DIRECTORS WILL BE COMPENSATED IN CASH ONLY IN ACCORDANCE WITH THE TABLE BELOW | |
|---|---|
| Chairperson annual retainer | €250,000 |
| Board member annual retainer | €90,000 |
| Annual Chair fee | €18,000 for Audit Committee<br>€12,500 for Compensation Committee<br>€12,500 for ESG Committee |
| Committee meeting fee | €3,000 per Committee meeting |
| The Compensation Committee will retain the discretion to modify the value of compensation, should this be considered appropriate. Where any discretion is exercised, the basis of this exercise will be disclosed in the next Remuneration Report. Each Non-Executive Director will be reimbursed for reasonable incidental expenses incurred in connection with the attendance of Board and Committee meetings. | |

# 3. THE COMPENSATION PEER GROUP

For the purposes of benchmarking the total direct compensation of the Executive Director for 2022, the Compensation Committee reviewed the Compensation Peer Group in 2021 to include additional companies which would be strong competitors for the services of the Executive Director and to better reflect the strategic direction of Technip Energies and its aspired strategic intent. No changes were made to the Compensation Peer Group during 2022.

| European companies | US companies | APAC companies |
|---|---|---|
| Aker Carbon Capture ASA | AECOM | Chiyoda Corporation* |
| Aker Solutions ASA* | Baker Hughes Co | JGC Holdings Corp* |
| John Wood Group PLC* | Fluor Corp* | Worley Ltd* |
| Linde PLC* | KBR Inc | |
| Maire Tecnimont Group* | | |
| Petrofac Ltd | | |
| Saipem SpA* | | |
| SBM Offshore NV | | |
| Schlumberger NV | | |
| Siemens Energy Global GmbH & Co. KG | | |
| Subsea 7 SA | | |
| TechnipFMC PLC | | |
| Tecnicas Reunidas SA* | | |

* *Companies belonging to the TSR panel.*

# 4. LIMITATION ON LIABILITY AND INDEMNIFICATION MATTERS

Under Dutch law, a member of the Technip Energies Board and certain other officers may be held liable for damages in the event of improper or negligent performance of their duties. They may be held jointly and severally liable for damages to Technip Energies and to third parties for infringement of the Articles of Association or of certain provisions of the Dutch Civil Code – *Burgerlijk Wetboek (BW).* In certain circumstances, they may also incur additional specific civil and criminal liabilities.

Directors and certain members of senior management are insured under an insurance policy taken out by Technip Energies against damages resulting from their conduct when acting in their capacities as Directors or senior managers. In addition, Technip Energies' Articles of Association provide for indemnification of Technip Energies' Directors, including reimbursement for reasonable legal fees and damages or fines based on acts or failures to act in their duties. No indemnification shall be given to a member of Technip Energies Board if (i) a Dutch court has established, without possibility for appeal, that the acts or omissions of such indemnified person that led to the financial losses, damages, suit, claim, action or legal proceedings can be described as deliberate (*opzettelijk*), willfully reckless (*bewust roekeloos*) or seriously culpable, (ii) the costs or capital losses of the indemnified person are covered by an insurance policy and the insurer has paid out these costs or capital losses, or (iii) the indemnified person failed to notify Technip Energies as soon as possible of the costs or capital losses or of the circumstances that could lead to the costs or capital losses.

# 5. OTHER ARRANGEMENTS

Technip Energies does not provide loans or advance to the members of the Board of Directors.

# 6. APPLICATION OF THE REMUNERATION POLICY IN 2022

In accordance with article 2:135b of the Dutch Civil Code, application of the Remuneration Policy in 2022 will be submitted to a non-binding vote of the Shareholders at the May 10, 2022 General Shareholders Meeting.

Set forth below is information regarding the Executive Director of Technip Energies as of May 10, 2023.

| Name | Age | Position |
|---|---|---|
| Arnaud Pieton | 49 | Chief Executive Officer |

## 6.1. EXECUTIVE DIRECTOR REMUNERATION

### Annual base salary

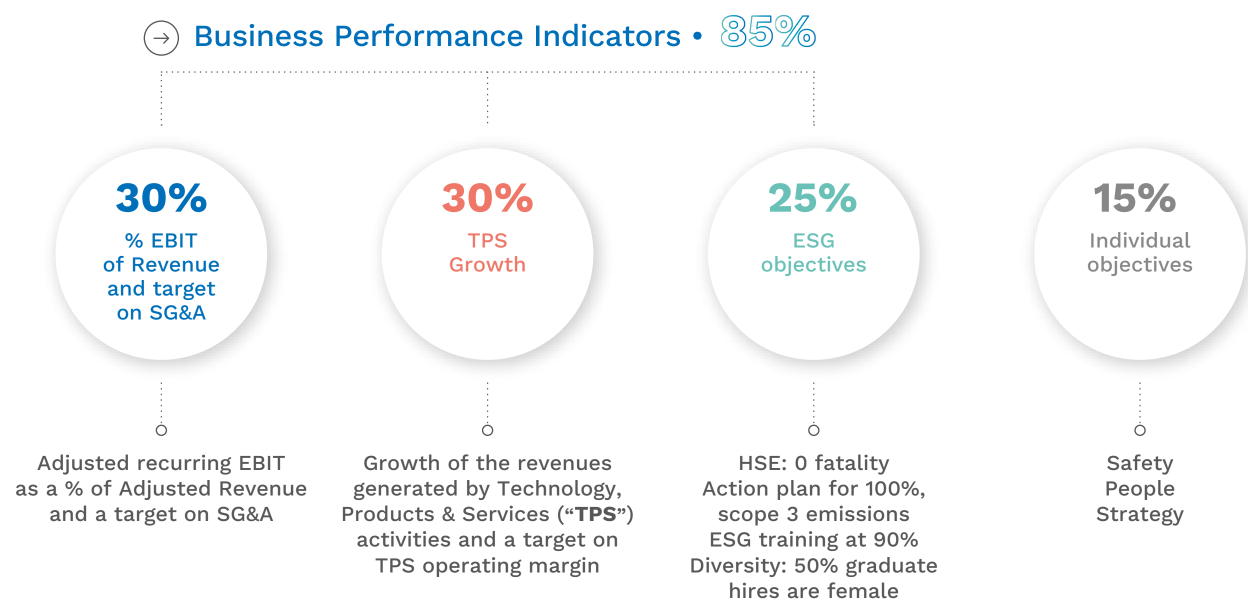
In accordance with the Remuneration Policy, and with due observance of the most recent advisory vote results of the General Meeting on May 5, 2022 regarding the Remuneration Report, the Board of Directors set the annual base salary of the Executive Director at €900,000 for fiscal year 2022, which is unchanged compared to 2021. This figure was determined by considering salaries within Technip Energies and by comparison with the median level of Chief Executive pay at companies within the Compensation Peer Group which was also used as a reference to compare the total direct compensation and other individual components of the Executive Director's compensation in 2022, with median level being the focus.

### Short-term incentive - Annual performance bonus

The 2022 annual performance bonus program was determined as follows:

1. Adjusted Recurring EBIT (30% weighting): chosen to align and drive the profitability of Technip Energies, Adjusted Recurring EBIT represents the profit before financial expense (as described in section 2.3. Operating and financial review) and it is supplemented with a target on SG&A - Selling expenses (primarily costs incurred to win a contract) and General and Administrative expenses (mainly personal costs, professional services fees, office facilities and other support overhead costs).
2. Growth of revenues generated by the higher margin business of the Technology, Products & Services segment ("**TPS**") (30% weighting) was chosen to drive alignment with the future development priorities of the business with a target on Adjusted Recurring EBIT of TPS Revenue to monitor the profitability in this area.
3. ESG objectives (weighting 25%) which comprise a set of four indicators which reflect some of the main ESG priorities:
   - 5%: HSE – achieve 0 fatalities in 2022,
   - 10%: assessment and action plan to report 100% of our scope 3 in 2023,
   - 5%: up to 90% of employees having completed an ESG training module explaining our Company's vision on this key topic,
   - 5%: young graduates – 50% female in new graduate intake.

   These indicators are derived from our ESG scorecard to highlight the importance of embedding our ESG framework and roadmap in our culture and business practices and ensures accountability and transparency of their implementation.
4. Individual objectives (15% weighting) set to ensure focus on the key priorities for 2022 (these are detailed in the table Individual objectives page 15):
   - Safety,
   - People,
   - Strategy.



The payout curves for 2022 were set according to the following rules:

- no payout for below threshold performance,
- for "on-target" performance, the payout is up to 100% of target value,
- for maximum performance, the payout is up to 200% of target value.

Interpolation is linear between these points for the Business Performance Indicators. The individual performance is measured and approved by the Compensation Committee based on the achievements of the Executive Director.

## 2022 Annual performance bonus results

For 2022, the Executive Director achieved a total performance of 115.1% against the targets set.

| Annual performance bonus indicators | | Weighting as % of target bonus | Threshold performance 0% | Target performance 100% | Max. performance 200% | Actual result | Achieved performance | Payout as of target |
|---|---|---|---|---|---|---|---|---|
| **Financial indicators** | % EBIT of Revenue and target on SG&A | 30% | ≤ 6.0% | **6.5%** | ≥ 7.3% | 7.0 % | 131.9% | 39.6% |
| | | | ≥ €360 M | **€325 M** | ≤ €285 M | €319.5 M | | |
| | TPS Revenue Growth vs 2021 and target on TPS EBIT | 30% | ≤ 0.0% | **12.0%** | ≥ 25.0% | 7.5 % | 84.4% | 25.3% |
| | | | ≤ 8.0% | **9.2%** | ≥ 11.0% | 9.3 % | | |
| | **TOTAL** | **60%** | | | | | **108.2%** | **64.9%** |
| **Non-financial indicators** | ESG objectives: | | | | | | | |
| | HSE – achieve 0 fatality in 2022[(1)] | 5% | no | **yes** | | 2 | —% | —% |
| | Assessment and action plan to report 100% of our scope 3 in 2023 | 10% | no | **yes** | > 50% of reporting | Yes and reporting started | 130.0% | 13.0% |
| | Up to 90% of employees having completed an ESG training module explaining our Company's vision on this key topic | 5% | < 80% | **90%** | 100% | 92.6 % | 126.0% | 6.3% |
| | Young graduates – 50% female in new graduate intake | 5% | < 40% | **50%** | ≥ 60% | 51,7% | 117.0% | 5.9% |
| | **TOTAL** | **25%** | | | | | **100.6%** | **25.0%** [(1)] |
| **Business performance indicators** | | **85%** | | | | | **105.9%** | **89.9%** |
| **Individual objectives**[(2)] | | **15%** | **0%** | **100%** | **200%** | **Board assessment** | 168% | **25.2%** |
| **TOTAL PAYOUT** | | | | | | | | **115.1%** |

*(1) The payout of the ESG portion is capped at 100% in case the 0 fatality objective is not met*
*(2) The individual objectives are described in the following section below.*

The financial indicators and measures have been set at the beginning of 2022, before the start of the war in Ukraine. During the year, the Committee considered potential changes to indicators and targets, and it resulted into no adjustments made to the indicators and performance measures set at the start of the year.

## Financial measures

- 2022 Adjusted Revenue slightly reduced year-on-year by 3.6% to €6.4. billion. The impact of the war in Ukraine compromised our ability to execute the Arctic LNG 2 project where an exit framework agreement was signed in the third quarter, providing a clear pathway to a full handover of our remaining contractual obligations. While this event had an impact on Project Delivery revenue trajectory in 2022 (decrease of 6.3% year-over-year), the underlying Project Delivery portfolio (excluding Arctic LNG 2) delivered significant growth buoyed by the ramp up of major LNG and downstream projects, and continued to benefit from strong operational execution.
- Adjusted recurring EBIT[(1)] increased by 4.7% year-over-year, benefiting from margin expansion to 7.0%, up 50 bps versus 2021, despite lower revenues year-over-year. Profitability benefited from revenue growth in the higher-margin TPS segment, and strong execution on LNG and

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

downstream projects in the later phases of completion that delivered a material improvement in Project Delivery margins, despite a year-over-year increase in SG&A costs which normalized at a higher level in 2022, €319.5 million (after restatement of €8M foreign exchange negative impact), following the spin-off in 2021.

- The 7.5% growth of our TPS segment resulted from higher project management consultancy and engineering services activity in the Middle East, and improved activity in sustainable chemistry including renewable fuels, as well as Process Technology activity, including licensing and proprietary equipment, notably for PBAT, a biodegradable polymer, and ethylene. Our Loading Systems activities remained strong and we have seen a notable increase in engineering services for early-phase work in energy transition. TPS profitability increased modestly by 10 bps to 9.3% benefiting from higher volumes in Process Technology licensing and proprietary equipment, notably in Sustainable Chemistry, higher activity levels for project management consultancy and advisory services performed by Genesis and steady activities in our Loading System products.

### ESG

- Zero fatalities is a formalized goal as part of our ESG roadmap. In 2022, there were 2 fatalities on our project sites. This is a sad reminder to never give up on our safety culture, high safety standards and incident prevention initiatives. Safety and worker welfare will remain our top priority. Consequently, the performance on the other ESG objectives was capped at 100%.
- Full scope 3 upstream GHG emission is reported one year ahead of schedule. The objective was to build an action plan in 2022 to be able to report emissions in 2023. Sustainability team managed to deliver this report ahead of schedule in 2022. Building on expertise and methodologies already deployed within other existing disciplines, including project management and control, process and technology, engineering, procurement, transport, construction, digital, and HSE, the dedicated Climate Change and Actions team has been able to adapt, extend and combine similar processes to quantify GHG emissions accurately and efficiently.
- To raise awareness of our people on ESG matters and promote Technip Energies' ESG roadmap and associated actions, we have created and launched an e-learning module in June 2022. This has been a success with more than 92.6% of our employees having completed the training module by the end of 2022.
- Gender diversity starts at recruitment, which is why we set out to hire 50% women graduates at entry level. Thanks to the mobilization our managers, People & Culture teams and the appropriate resourcing policies throughout all Technip Energies locations, the Company is proud of having reached this target for the second year in a row. In 2022, 51.7% of graduates hired were women as part of the young graduate population.

## Individual objectives

| Indicators | | |
|---|---|---|
| **Individual objectives** | **Safety** | Continue to implement the plan for Active Safety & Ethics Leadership |
| | | Improve YoY on leading and lagging indicators |
| | | Design, plan and implement a program & protocols related to Human Rights for large projects in sensitive countries |
| | **People** | Develop and Implement Executive Committee career management & succession planning |
| | | Design, plan and kick-off first leadership program for Technip Energies |
| | **Strategy** | Establish and implement 2023 – 2027 overall strategy |
| | | Design and implement the Technip Energies Investment & Open innovation practice program |
| | | Define a resilient and efficient commercial plan for "derisking" the impact of geopolitics events |

## Executive Director's individual performance

2022 has been a challenging year for business as the world wrestled with the lasting effects of the zero COVID policy in China and the consequences of the conflict in Ukraine.

It is to be noted that the Executive Director's 2022 individual objectives have been set and agreed by the Board of Directors, upon the recommendation of the Compensation Committee, prior to the situation in Ukraine with Russia where Technip Energies was actively engaged on executing a mega LNG project, namely Arctic LNG2.

While continuing to focus on the transformation of Technip Energies and preparing for its future, the course of 2022 has been influenced by the detailed attention required of the Executive Director and his team to manage the crisis and organize an orderly exit from the Arctic LNG2 project. The goal was to safeguard Technip Energies' employees and to protect the Company from any net negative financial impact. The Compensation Committee acknowledged the strong personal contribution and resilience demonstrated by the CEO in delivering a very strong set of financial results coupled with strategic and organizational developments in 2022.

The individual performance of the Executive Director has been assessed as follows:

- **Safety:** maintaining Technip Energies' leadership in safety practices and standards is essential to its differentiation. A refreshed PULSE safety program was rolled out and the CEO led investigations globally into the root causes of incidents in the Company. Whilst the safety performance remained strong overall, lagging indicators stayed flat year-on-year. The Ethics & Compliance leadership has been strengthened with the recruitment and onboarding of a seasoned Chief Compliance Officer. Under the Executive Director's leadership, Technip Energies has initiated the creation of a set of guidelines and standards related to Human Rights which will form the framework for large projects in sensitive countries.

- **People:** tackling climate change and energy security is an urgent challenge which requires forming a capable organization focused on the right topics and markets. Consistent with his ambition for Technip Energies to be a leader in the emerging Energy Transition business opportunities, the Executive Director delivered on the implementation of a new Executive Committee together with a matching organizational structure. Externally, the CEO's interventions have helped in shifting Technip Energies' positioning towards being recognized as a provider of low-carbon solutions, enhancing the attractiveness of Technip Energies as an employer of first choice in the marketplace for both emerging and mature talent. Preparing the future also included the creation and launch of Technip Energies' first leadership program (Catalyst).
- **Strategy:** the Executive Director is driving Technip Energies' ambition to be the leading technology and engineering company in the delivery of solutions for a low carbon future. To that effect:
  - A strategic plan 2023-2025 framework has been established under his direction and guidance,
  - Consistent with the strategic framework, the Company implemented a plan for an open innovation practice, entered into several strategic alliances, (notably in the domain of 'Clean Tech') and acquired access to or interest in key technologies,
  - Historical core businesses activities continued to be operated for value rather than volume,
  - A procurement strategy has been implemented, with visible results, to lower Technip Energies' exposure to geopolitical risks.

The Compensation Committee considered the performance of the Executive Director against the individual objectives as outlined above, the overall performance of the Company, the external economic and geopolitical environments and the Executive Director's resilience and leadership throughout, and resolved to make no changes to the assessment of the performance versus objectives.

## Long-term incentive

The long-term Incentive program's objective is to align incentives with the long-term value creation for Technip Energies and its shareholders. The structure of the Executive Director's long-Term Incentive program (LTI) award in 2022 included 70% Performance Stock Units (PSUs) and 30% Restricted Stock Units (RSUs). Both PSUs and RSUs are subject to continuous service with Technip Energies during the vesting period. The target nominal grant has been set at 275% of the annual base salary.

The PSUs granted in 2022 are subject to three performance indicators measured over a three-year period. These indicators are:

1. The Total Shareholder Return (TSR) weighted at 37.5% of the grant.
2. The Basic Adjusted Earnings per Share ("**EPS**") weighted at 37.5% of the grant.
3. The ESG performance, weighted at 25% of the grant, which is measured by three equally weighted indicators:
   - **E:** Reduce 30% on scopes 1 & 2 GHG emissions by 2025 vs. 2019
   - **S:** 25% of women in leadership positions including Executive Committee by 2025
   - **G:** Continued reduction of non-mandatory commercial intermediaries: -100% by 2025

The RSUs are not subject to any performance indicator. However, in its assessment, the Compensation Committee can apply discretion should the performance of the Company in the round not support the award of some or all of the RSUs. The RSUs are designed as a retention tool while reinforcing the long-term alignment of the interests of the Executive Director and Shareholders. The Committee considered the application of discretion to the award of the RSUs and resolved that no adjustments were necessary.

### Total Shareholder Return

The Total Shareholder Return (TSR) is the rate of return of a share over a year considering the payment of a dividend during the period. The dividend is assumed to be reinvested immediately into the share itself at the closing share price of the dividend payment day. The calculated average for Technip Energies over a given period is compared to the calculated average of the TSR peer group.

These are laid out below:

**TSR PEER GROUP**

| European companies | U.S. companies | APAC companies |
|---|---|---|
| Aker Solutions ASA | Fluor Corp. | Chiyoda Corporation |
| John Wood Group PLC | | JGC Holdings Corp. |
| Linde PLC | | Worley Ltd |
| Maire Tecnimont Group | | |
| Saipem SpA | | |
| Tecnicas Reunidas SA | | |

Technip Energies' performance is measured against the corresponding average performance of the panel of its peers. Earned PSUs will be based on the percentile ranking of Technip Energies' TSR against the peer group's results. The TSR award structure provides no reward for achievement below median performance.

| TSR PERFORMANCE – Ranking | Below Rank 5th | Rank 5th | Rank 4th | Rank 3rd | Rank 1st or 2nd |
|---|---|---|---|---|---|
| Earned PSUs(1) (Return >=0%) | 0% | 50% | 100% | 150% | 200% |

*(1) If absolute TSR is less than 0%, achievement cannot be greater than 100%.*

PSUs which are not acquired due to the lack of performance will be forfeited.

### Basic Adjusted Earnings per Share

Basic Adjusted Earnings per Share (“**EPS**”) is a key long-term performance metric which promotes the execution of Technip Energies’ strategy to deliver profitable growth with a strong alignment with shareholders. The criterion is defined as the annual rates of Basic Adjusted EPS for the 2022 to 2024 fiscal years.

Basic Adjusted EPS is calculated by dividing the Adjusted Net Income (Loss) attributable to Technip Energies Group by the weighted average number of common shares outstanding during the period adjusted for own shares held and without any dilution effect.

| EPS PERFORMANCE(1) | ≤1,50 | 1.6 | 1.7 | 1.85 | ≥2,0 |
|---|---|---|---|---|---|
| Earned PSUs | 0% | 50% | 100% | 150% | 200% |

(1) *Interpolated on a straight-line basis between those points.*

The PSUs which are not acquired due to the lack of performance will be forfeited.

### ESG Performance

In 2022, ESG performance indicators were added to the TSR and EPS performance indicators. This strengthens the alignment with sustainable long-term value creation and signals the Company’s commitment to embed sustainable, socially responsible and ethical business practices.

The ESG indicators are part of the ESG Roadmap which lays out Technip Energies’ commitments by the end of 2025.

The targets for these measures were prorated to the end of the 2024 performance year to align with the three-year vesting period. The performance of the ESG indicators will be measured according to the following scales:

| | Threshold | Target | Maximum |
|---|---|---|---|
| Reduce scope 1 & 2 GHG emissions | < -19% | -21% | ≥ -23% |
| % Of women in leadership positions | ≤ 8% | 11% | ≥ 19% |
| Reduction of non-mandatory commercial intermediaries | < -23% | -23% | -75% |
| **Earned PSUs matrix(1)** | **0%** | **50%** | **100%** |

(1) *Interpolated on a straight-line basis between threshold and maximum targets.*

The details of the PSUs and RSUs granted in 2022 to the Executive Director are provided below:

| Type of grant | Grant date | Nominal value at grant date(1) | Fair value at grant date(2) | Number of granted rights | Vesting period | Performance indicator | Continuous service indicator |
|---|---|---|---|---|---|---|---|
| **PSUs** | 03/28/2022 | € 1,732,489 | € 1,587,448 | 152,575 | 3 years | TSR / EPS / ESG | Yes |
| **RSUs** | 03/28/2022 | € 742,503 | € 742,503 | 65,390 | 3 years | Committee discretion | Yes |

(1) *Based on the closing share price at the grant date, ie €11.355.*
(2) *Costs of performance shares based on accounting standards (IFRS).*

As indicated in Technip Energies’ Insider Trading Policy, the Executive Director must comply with a share ownership requirement equivalent to three times his annual base salary which is to be met within five years from his initial appointment date. The share ownership requirement:

- Includes shares owned outright, RSUs, PSUs where the performance period has been completed;
- Excludes unexercised stock options, unvested PSUs, shares eventually held in retirement plans;
- As of date, the shares owned outright by the Executive Director amounts to 64,394 shares;
- In consideration to RSUs to be vested on March 9, 2023, and RSUs granted in 2021 and 2022, the share ownership requirement amounts to 286,284 units which leads the Executive Director to comply with the share ownership requirement (with min stock price €9.43 and continuous service until March 28, 2025).

## Pension and other retirement benefits

As is the case with other Technip Energies’ senior managers based in France the Executive Director participates in a collective supplementary French defined contribution plan which provides for contributions equal to 8% of the gross compensation above four times the annual French social security limit and capped at eight times the annual French social security limit. For 2022, the total amount contributed to the plan was €13,163.5 The Executive Director also participated in the French mandatory pension scheme.

## Benefits and perquisites

The total cost of the benefits provided to the Executive Director for fiscal year 2022 amounted to €17,180.9. These benefits were aligned to the benefits granted to other Technip Energies’ senior executives in France and included medical, death and disability coverage. The Executive Director is also eligible to a fully expensed company car.

## Service agreement

The service agreement of the Executive Director is fully aligned with the Remuneration Policy.

## 2022 Total remuneration

The total remuneration cost of the Executive Director for fiscal year 2022 was €4,296,195.

| Arnaud Pieton | 2022 |
|---|---|
| **Annual base salary** *(€)* | **900,000** |
| **Annual performance bonus** *(€)* | **1,035,900** |
| Annual performance bonus payout *(%)* | 115.1 % |
| Number of granted PSUs | 152,575 |
| Number of granted RSUs | 65,390 |
| **Total LTI allocation fair value** *(€)* | **2,329,951** |
| **Total Direct Compensation (€)** | **4,265,851** |
| Pension *(€)* | 13,164 |
| Other benefits *(€)* | 17,181 |
| **TOTAL REMUNERATION (€)** | **4,296,195** |

The table below presents the proportion of fixed and variable remuneration as a percentage of the total remuneration for the Executive Director, illustrating that more than 75% of the total remuneration is at risk.

| Proportion of fixed and variable remuneration[(1)] | % of annual fixed remuneration | % of annual variable remuneration |
|---|---|---|
| Chief Executive Officer, Arnaud Pieton | 22 % | 78 % |

*(1) Annual fixed remuneration is determined as the sum of annual base salary, pension costs and other benefits. Annual variable remuneration is determined as the sum of actual annual performance bonus and performance shares based on accounting standards (IFRS).*

## Pay ratio consideration

Technip Energies strives to maintain social consensus within the Company on compensation issues in accordance with its remuneration philosophy and objectives.

As Technip Energies was formed in 2021, there is no pay ratio data before this date.

| Year | 2022 | 2021 |
|---|---|---|
| CEO remuneration | 4,296,195 | 5,440,540 |
| Average Technip Energies employee payroll cost | 91,914 | 76,691 |
| **PAY RATIO** | **47** | **71** |

The pay ratio is calculated by dividing the total remuneration of the Executive Director by the average Technip Energies employee payroll cost.

The average Technip Energies employee payroll cost is €91,914 in 2022. It was calculated considering the wages, salaries and other pension costs for a total amount of €1,334.1 million (see Note 11. Expenses by nature) divided by the number of Full Time Equivalent Employees as of December 31, 2022 for a total number of 14,515 (see Note 12. Payroll staff).

The year-on-year evolution of the ratio is explained by the decrease of the Executive Director's total remuneration (decrease of annual performance bonus, LTI PSU fair value and absence of special LTI grant) and the increase of the average employee payroll cost mostly due to the closing of joint ventures in relation to the termination of our activities in Russia.

This ratio will continue to be taken into consideration in the determination of any adjustments to the Remuneration Policy and particular attention will be paid to its relative evolution over the years.

## 6.2. NON-EXECUTIVE DIRECTORS REMUNERATION

As presented in the 2021 Remuneration Report, based on a review of relevant market practice among relevant peer groups operated in 2021, the Compensation Committee proposed and the Non-Executives Directors approved, effective from March 1, 2022, modification to the remuneration of Non-Executive Directors in order to eliminate Restricted Stock Units and to provide for annual cash remuneration for Non-Executive Directors delivered in 2022 as provided below.

**2022 NON-EXECUTIVE DIRECTORS**

| Director | Retainer | Chair Fee | Observer | Committee Meeting Fees | Total Fees FY2022 |
|---|---|---|---|---|---|
| **Arnaud Caudoux** (1) | 0.0€ | 0.0€ | 0.0€ | 0.0€ | 0.0€ |
| **Colette Cohen** (2) | 59,093.4€ | 0.0€ | 9,092.4€ | 18,000.0€ | 86,185.8€ |
| **Pascal Colombani** (3) | 30,906.6€ | 3,167.6€ | 0.0€ | 5,000.0€ | 39,074.2€ |
| **Marie-Ange Debon** | 90,000.0€ | 18,000.0€ | 0.0€ | 14,000.0€ | 122,000.0€ |
| **Simon Eyers** | 90,000.0€ | 0.0€ | 0.0€ | 14,000.0€ | 104,000.0€ |
| **Alison Goligher** | 90,000.0€ | 12,500.0€ | 0.0€ | 28,000.0€ | 130,500.0€ |
| **Didier Houssin** | 90,000.0€ | 8,207.4€ | 0.0€ | 14,000.0€ | 112,207.4€ |
| **Joseph Rinaldi** | 250,000.0€ | 0.0€ | 0.0€ | 10,000.0€ | 260,000.0€ |
| **Nello Uccelletti** | 90,000.0€ | 0.0€ | 0.0€ | 14,000.0€ | 104,000.0€ |
| **Francesco Venturini** (4) | 59,093.4€ | 0.0€ | 0.0€ | 9,000.0€ | 68,093.4€ |

*(1) Mr. Arnaud Caudoux waived his cash remuneration because of the policies of his employer, Bpifrance.*
*(2) Ms. Colette Cohen attended the February 28 and April 21 2022 Board Sessions as an Observer and received €9,092 in fees.*
*(3) Mr. Colombani stood down at the AGM on May 5, 2022.*
*(4) Mr. Francesco Venturini joined the Board at the AGM on May 5, 2022.*

## 6.3. HISTORICAL LTI GRANTS AND HOLDINGS

### Technip FMC grants

In connection with the separation of Technip Energies from TechnipFMC plc, the outstanding rights to receive ordinary shares of TechnipFMC pursuant to Restricted Stock Unit and Performance Stock Unit awards held by the Executive Director as a result of his pre-separation employment with TechnipFMC were converted into RSUs on the same terms under Technip Energies long-term incentive programs.

The same principles have been applied to the outstanding options to purchase ordinary shares of TechnipFMC which have been converted into stock options on the same terms under Technip Energies long-term Incentive programs.

The following elements correspond to the TechnipFMC outstanding rights of the Executive Director at the Spin-off which have been converted into Technip Energies long-term Incentive programs.

| Plan | Grant date | Acquisition date | Number of granted rights | Number of rights forfeited | Balance of rights | Number of vested and negotiable shares |
|---|---|---|---|---|---|---|
| **RSU 2020** | 03/09/2020 | 03/09/2023 | 93,629 | 0 | 93,629 | 0 |

| Plan | Grant date | Tax maturity | Expiration date | Exercise price | Number of options granted | Number of options forfeited | Number of options unvested | Number of options non-exercisable | Number of options exercisable | Number of options exercised | Number of outstanding options |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **SOP 02/26/2018** | 02/26/2018 | 02/26/2021 | 02/27/2028 | 37 | 13,359 | 0 | 0 | 0 | 13,359 | 0 | 13,359 |
| **SOP 03/08/2019** | 03/08/2019 | 03/08/2022 | 03/09/2029 | 26 | 30,822 | 0 | 0 | 30,822 | 0 | 0 | 30,822 |

## Technip Energies grants - Executive Directors

In accordance with the Remuneration Policy approved in 2021, the Executive Director has been granted long-term incentives under the Technip Energies' Incentive Award Plan.

In 2021, granted awards comprised:

- PSUs: shares subject to performance indicators assessed over a period of 3 years, subject to continuous service;
- RSUs: shares that vest 3 years from grant subject to continuous service.

| Plan | Grant date | Acquisition date | Number of granted rights | Number of rights forfeited | Balance of rights | Number of vested and negotiable shares |
|---|---|---|---|---|---|---|
| **PSUs 2021** | 04/15/2021 | 03/01/2024 | 146,697 | 0 | 146,697 | 0 |
| **RSUs 2021** | 04/15/2021 | 03/01/2024 | 62,871 | 0 | 62,871 | 0 |

In order to better align interests and build team cohesiveness at a time when the Company was facing the challenges of establishing itself as an independent company in the midst of the COVID-19 pandemic, the Compensation Committee awarded a special grant of shares to the Executive Committee of the Company on April 15, 2021 including the Executive Director.

The special grant constituted an entitlement to receive shares in the form of PSUs at the end of two vesting periods as follows: 50% of PSUs are to vest after 18 months from the grant date, and 50% of PSUs are to vest after 30 months from the grant date.

| Plan | Grant date | Acquisition date | Negotiability date | Number of granted rights | Number of rights forfeited | Balance of rights | Number of vested and non-negotiable shares |
|---|---|---|---|---|---|---|---|
| **PSUs – 1st tranche** | 04/15/2021 | 10/15/2022 | 04/15/2023 | 19,051 | 0 | 0 | 19,051* |
| **PSUs – 2nd tranche** | 04/15/2021 | 10/15/2023 | 10/15/2023 | 19,052 | 0 | 19,052 | 0 |

* *For the first tranche, the TSR performance indicator was met according to the LTI program terms and conditions, and approved by the Board of Directors on October 17, 2022.*

## Technip Energies grants - Non-Executive Directors

In accordance with the Remuneration Policy approved in 2021, the Non-Executive Directors have been granted Restricted Stocks Units (RSUs) in April 2021. These RSUs have been granted under a non-qualified plan with a one-year vesting period. The acquired RSUs before and after taxes are detailed in the table below:

| Director | Grant date | Type of grant | Number of granted rights | Number of vested rights | Balance of rights after tax(1) |
|---|---|---|---|---|---|
| **Pascal Colombani(2)** | 04/15/2021 | RSU | 13,547 | 13,547 | 9,482 |
| **Marie-Ange Debon** | 04/15/2021 | RSU | 13,547 | 13,547 | 9,482 |
| **Simon Eyers** | 04/15/2021 | RSU | 13,547 | 13,547 | 11,812 |
| **Alison Goligher** | 04/15/2021 | RSU | 13,547 | 13,547 | 11,812 |
| **Didier Houssin** | 04/15/2021 | RSU | 13,547 | 13,547 | 9,482 |
| **Joseph Rinadi** | 04/15/2021 | RSU | 13,547 | 13,547 | 11,812 |
| **Nello Uccelletti** | 04/15/2021 | RSU | 13,547 | 13,547 | 11,812 |

(1) *According to tax residency (French / non-French).*
(2) *Mr. Colombani stood down at the AGM on May 5, 2022.*

Effective March 1, 2022, the total remuneration for the Non-Executive Directors was modified by eliminating the award of Restricted Stock.

# 7. CHANGES TO REMUNERATION UNDER THE 2023 POLICY

## REVISED REMUNERATION POLICY

Technip Energies' Remuneration Policy was first adopted in 2021 at the time of the separation of the Company from TechnipFMC.

As announced in Technip Energies' 2021 Remuneration Report and considering investors' feedback, the Compensation Committee undertook a review of the Remuneration Policy, to continue to improve alignment with best practices while appropriately serving executive retention and incentivization goals. This review included engagement with shareholders and other relevant stakeholders as well as a benchmark of the Compensation Peer Group pay disclosure and practices. The Compensation Committee recommended a revised Remuneration Policy to the Board of Directors with a significant number of changes.

The Board of Directors approved the changes and the revised Remuneration Policy will be submitted to a vote of the shareholders at the 2023 Annual General Meeting which will be held on May 10, 2023. Shareholders approval requires a simple majority of the votes cast.

The revised Remuneration Policy will be posted on our website.

We outline below the proposed changes to the Directors Remuneration Policy.

## 7.1. EXECUTIVE DIRECTOR REMUNERATION

### Annual base salary

The Compensation Committee considered the Compensation Peer Group as set out in section 6.3. The Compensation Peer Group and recommended no changes. This allows continuity and consistency with the previous policy.

Subsequent to the benchmarking against the Compensation Peer Group, the Board of Directors upon recommendation of the Compensation Committee determined to leave the annual base salary unchanged at **€900,000** for 2023.

### Short-term incentive - Annual performance bonus

For 2023, Technip Energies decided to maintain the same structure for the short-term incentive - annual performance bonus, with Business Objectives comprising 85% and Individual Objectives 15%.

In addition, no changes were proposed to the maximum award, and no payout on any measure for below threshold performance.

1. Profitability: Adjusted Recurring EBIT and a target on SG&A (30% weighting, both measures equally weighted).
2. TPS Growth: Book-to-bill measure on the Technology, Products & Services business ("**TPS**") to monitor further sustainable revenue creation on the mid to long-term, and a target on TPS profit margin (30% weighting, both measures equally weighted).
3. ESG comprising a set of four indicators which reflect some of the main ESG priorities (25% weighting):
   - 5%: HSE – achieve 0 fatality in 2023;
   - 10%: build an action plan to increase Scope 4 commitments in 2024;
   - 5%: 16 hours of learning per permanent employees to sustain Technip Energies' upskilling ambitious program;
   - 5%: young graduates – 50% female in new graduate intake.
4. Individual objectives (15% weighting – below the proposed cap at 20% set in the revised Remuneration Policy) - For 2023, the focus will be on actively deploying Technip Energies' strategy as per the plan presented to and approved by the Board of Directors in December 2022, while further ensuring the development of future leaders to secure the succession of executive positions. Safety will remain a top priority, including a visible recognition of HSE at Technip Energies across the industry. Therefore, the individual objectives will be set, as in 2022, according to the three topics below:
   - Safety,
   - People,
   - Strategy.

The year-end outcomes will be adjusted for the impacts of any merger, acquisition or divestiture activities in year, to ensure a "like for like" assessment at the end of the year.

The 2023 annual performance bonus program will be determined as follows:

**Business Performance Indicators • 85%**

- **30% Profitability** – Adjusted recurring EBIT as a % of Adjusted Revenue and a target on SG&A
- **30% TPS Growth** – Book-to-bill on Technology, Products & Services (“**TPS**”) activities and a target on TPS operating margin
- **25% ESG objectives** – HSE: 0 fatality; Action plan to increase scope 4 commitments in 2024; 16 hours of learning per employee; Diversity: 50% graduate hires are female

**15% Individual objectives** – Safety; People; Strategy

The payout curves whether pertaining to Business Performance Indicators or individual objectives remain unchanged from 2022 with zero payout for performance measured below threshold, 100% payout of annual base salary at target, and a maximum payout of 200% for maximum performance. The interpolation will be linear between these points.

The Compensation Committee has the discretion to amend the level of payment upward and downward within the limit of the policy if it is not deemed to reflect appropriately the individual’s contribution or the overall business performance. Any use of this discretion power would be made public and duly justified in the corresponding Remuneration report.

## Long-term incentive

To further align with market practices, more closely tie the Executive pay with the Company’s long-term performance and respond to shareholders’ feedback, the Compensation Committee has decided to eliminate Restricted Stock Units (RSUs) awards which are solely time based from the revised Remuneration Policy.

In addition, the maximum grant level of long-term incentive awards are being reduced from 600% to 450% of the annual base salary under the revised Remuneration Policy. This will include the value of the additional pension opportunity described in the next sentence.

The revised Remuneration Policy also introduces an option to provide for an additional Defined Contribution pension (Art. 82) without increasing the target remuneration package. This allows flexibility for considering a wider range of incentive mechanisms for Executive Directors.

The Compensation Committee believes these proposed changes demonstrate the extent to which the Board’s values feedback from stakeholders, and will support the Company’s overall performance, ambition and values and will contribute to long-term value creation for our Shareholders, while providing a fair and motivating package for Executive Directors.

When considering performance indicators for 2023, the Compensation Committee proposes no change to the indicators used. These measures remain appropriate for the future growth of the Company and allow consistency with outstanding awards. Therefore, the performance indicators for long-term incentive programs to be granted in 2023 will remain identical to those used in 2022. In addition, the Compensation Committee, after due consideration, decided to leave the TSR peer group unchanged for 2023.

The PSU indicators will consist of the following:

**37.5%**
TSR

The Total Shareholder Return is the rate of return of a share over a year, taking into account the payment of a dividend during the period. The dividend is assumed to be reinvested immediately into the share itself at the closing share price of the dividend payment day; the calculated average for Technip Energies over a given period is to be compared with the calculated average of the TSR peer group.

**37.5%**
EPS

Basic Adjusted Earnings per Share ("**EPS**") is a key long-term performance metric which promotes the execution of Technip Energies strategy to deliver profitable growth with a strong alignment with shareholders. The criterion is defined as the annual rates of Basic Adjusted EPS for the 2023 to 2025 fiscal years.

Basic Adjusted EPS is calculated by dividing the Adjusted Net Income (loss) attributable to Technip Energies Group by the weighted average number of common shares outstanding during the period adjusted for own shares held and without any dilution effect.

**25%**
ESG

The ESG peformance will be measured through three evenly weighted indicators:
**E:** Reduce 30% on scopes 1 & 2 GHG emissions by 2025 vs. 2019
**S:** 25% of women in leadership positions including ExCom by 2025
**G:** Continued reduction of non-mandatory commercial intermediaries: -100% by 2025

The payout curves will be also maintained as follows:

- The TSR curve provides zero reward for achievement below median and the maximum payout will remain capped at 200%;
- The EPS curve provides 100% payout at target performance with a maximum payout capped at 200%;
- Each ESG KPI will follow a curve capped at 100% at target and maximum performance.

The ESG indicators are part of the ESG Roadmap which lays out Technip Energies' commitments by the end of 2025.

The PSUs success rate will correspond to the result of the weighted average of TSR, EPS and ESG indicators respective performance.

The Compensation Committee can amend the performance indicators in exceptional circumstances. Any adjustment would be made public and duly justified in the corresponding Remuneration report.

## Post-employment benefits and other arrangements

### Pension

To ensure the attractiveness and sustainability of the Remuneration Policy in long run, it is proposed to introduce the option for an Executive Director to benefit from a supplementary Defined Contribution (DC) pension plan (25% of annual base salary). To avoid any increase in the total remuneration package, should this option be taken, the long-term incentive target nominal grant date value would be reduced from 275% to 250%.

### DC Pension Plan (Art. 82)

As aforementioned, the Compensation Committee has decided to integrate a Defined Contribution (DC) pension element as an option for Executive Officers in the 2023 Remuneration Policy for a contribution value equivalent to 25% of the annual base salary. This decision reflects the ambition of the Compensation Committee to further converge towards the practice of its peers and more broadly with comparable listed companies. The Committee also sought to enhance the flexibility and improve the competitiveness of the remuneration package to maximize the opportunity for Technip Energies to onboard Executive talent from the broadest possible range.

This Defined Contribution (DC) pension plan will be anchored in the regulatory framework of the Article 82 of the French Tax Code. This plan will be carried by an independent insurance company.

### Indemnities after termination and treatment of unvested awards

The termination conditions provide protection to the Company from potential legal and competition risks. In addition, it is an efficient tool for retaining the know-how of the Group which is key in a transitioning market.

The Committee reviewed these conditions in significant depth, given the leadership position the Company is building in energy transition markets, and the criticality to the future growth of the Company. Continuing the process of aligning our Remuneration Policy with our international peers and aiming to simplify it, the Compensation Committee intends to align loss of office and non-compete covenants to award an amount that cannot be greater than 12 months of the gross annual base salary and average gross annual bonus paid in the prior three years immediately preceding the termination.

The cumulated award of both loss of office and non-compete indemnities shall be capped at €3,000,000.

The Committee has considered both Dutch Code and French AFEP-MEDEF recommendations, and also market practices both within our Compensation Peer Group and more broadly with comparable listed companies, as advised by our Remuneration Consultant. The proposal seeks to balance all these inputs while allowing Technip Energies to remain competitive in the market.

The Board retains full discretion to settle the loss of office and non-compete covenants at any level below the cap proposed.

The Compensation Committee has decided to define further these terms as follows:

- Loss of office payment: the Board of Directors has the discretion to set the termination indemnity at an amount which represents up to one year of annual compensation (12 months of gross base salary + average gross annual bonus paid in the prior three years immediately preceding the termination) and to resolve to maintain unvested rights ie. according to the same terms and conditions at the time of their grant or to decide that unvested rights become fully vested (on a pro rata basis) according to the principles set forth in the revised Remuneration Policy.
- Non-compete clause: in line with the benchmark survey conclusions, the non-compete clause will cover a 12 month-period after the termination of the mandate. As a compensation, Technip Energies will pay an amount representing one year of annual compensation (12 months of gross base salary + average gross annual bonus paid in the prior three years immediately preceding the termination) to the Executive Director. The Board will decide whether to apply this clause and may decide to waive it.
- Cap for indemnities: as communicated by key stakeholders and as observed also among the peer companies, the Compensation Committee has set a €3,000,000 cap for the aggregate of the loss of office payment and the non-compete clause.
- Change of control clause - in case of a change of control, where an executive's services will terminate following completion, the Board of Directors may decide on the following:
  - maintain unvested rights ie. according to the same terms and conditions at the time of their grant; or
  - require the exchange of unvested rights with comparable rights of the acquiring company or merged company; or
  - decide that unvested rights become fully vested (on a pro rata basis) upon consummation of the change of control with relevant business performance indicators assessed at target; and
  - provide compensation equal to two years of annual compensation (12 months of gross base salary + average gross annual bonus paid in the prior three years immediately preceding the termination).

## Other arrangements

### Clawback clause

Pursuant to Dutch law, in the event of a material restatement of the Company's financial results, the Board of Directors will evaluate the circumstances and may, in its discretion, recover from any current or former Executive Officer or employee the portion of any variable performance-based compensation earned by that executive or employee during the periods materially affected by the restatement.

In accordance with Dutch law, if according to the principles of reasonableness and fairness, payment of a bonus would be unacceptable, the Board of Directors has the power to modify the level of the variable performance-based compensation, whether paid in the form of equity or cash, to an appropriate level. Under this Policy, if financial results are restated due to fraud or other intentional misconduct, such as violations of our Code of Conduct, dishonesty, willful misconduct, breach of fiduciary duty, conflict of interest, material failure or refusal to perform job duties in accordance with Company policies, material violation of Company policies that causes harm to the Company or its subsidiaries or other wrongful conduct of a similar nature and degree, the Board of Directors will review any variable performance-based or incentive compensation paid to executive officers who are found to be personally responsible for one of the behaviors listed above.

The Board of Directors will have authority under Dutch law to recover (clawback) from an Executive Director any variable remuneration awarded based on incorrect financial or other data.

Any activation of this clawback clause will be justified, detailed, and explained in the following Annual Report to ensure transparency and the requirement to serve the long-term interests and sustainability of the Company.

### Sign-on bonus

In the event that an Executive Director is recruited externally, the Board retains the right to grant to the newly appointed executive a sign-on bonus. The Board will seek to make awards on a like-for-like basis to ensure that the value awarded would be no greater than the value forfeited by the individual. The sign-on bonus would be arranged to reflect the type, risk profile and the vesting horizon of the lost benefits. The Compensation Committee may also consider relocation expenses and other associated expenses when negotiating the employment conditions and setting the final amount of the sign-on bonus.

The sign-on bonus may take the form of stock options, shares, performance shares or a cash payment.

Any use of sign-on bonus will be justified, detailed, and explained in the following Remuneration Report to ensure the transparency and the requirement to serve the long-term interests and sustainability of the Company.

### Employee Stock Ownership Program (ESOP)

The Compensation Committee resolved to cancel the eligibility of an Executive Director to participate in stock ownership programs applicable to all employees in the revised Remuneration Policy.

## 7.2. NON-EXECUTIVE DIRECTORS REMUNERATION

In 2021, the Compensation Committee proposed and the Non-Executives Directors approved, effective from March 1, 2022, modification to the remuneration of Non-Executive Directors in order to eliminate Restricted Stock Units and to provide for annual cash remuneration for Non-Executive Directors.

This elimination, applied in the frame of the current Remuneration Policy, will be embedded in the revised Remuneration Policy submitted to the vote of the Shareholders at the May 10, 2023, Annual General Meeting.

| 2023 – NON-EXECUTIVE DIRECTORS | |
|---|---|
| Chairperson annual retainer | €250,000 |
| Board member annual retainer | €90,000 |
| Annual Chair fee | €18,000 for Audit Committee<br>€12,500 for Compensation Committee<br>€12,500 for ESG Committee |
| Committee meeting fee | €3,000 per Committee meeting |
| The Compensation Committee will retain the discretion to modify the value of compensation, should this be considered appropriate. Where any discretion is exercised, the basis of this exercise will be disclosed in the next Remuneration Report.<br>Each Non-Executive Director will be reimbursed for reasonable incidental expenses incurred in connection with the attendance of Board and Committee meetings. | |

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**A company incorporated under the laws of The Netherlands, with headquarters in Nanterre, and registered with the Dutch Chamber of Commerce under number 76122654**

**www.technipenergies.com**