2021 Remuneration report

Overview

Technip Energies N.V.'s ("**Technip Energies**") Remuneration Policy was approved by a General Meeting of Shareholders of Technip Energies on February 15, 2021, and took effect on February 16, 2021.

The Remuneration Policy applies to Executive Directors and Non-Executive Directors. The CEO is currently the only Executive Director. The remuneration of the Executive Director and Non-Executive Directors is proposed by the Compensation Committee for approval by Non-Executive Directors, within the limits of the Remuneration Policy which is applicable to all Directors. The Remuneration Policy in its current formulation will continue to apply until a General Meeting of Shareholders approves an amendment upon proposal by the Board of Directors.

The main elements of the Remuneration Policy for the Executive Director are the annual base salary and the incentive scheme which consists of an annual Short Term Incentive Program ("**STI**") and a Long Term Incentive Program ("**LTI**"). The STI is aligned with a Company wide annual performance scorecard which is cascaded throughout the work force. The LTI has an element of Restricted Stock awards and Performance Based Incentives and operates over a three year period. The STI and the LTI are designed to align the compensation of the Executive Director with Shareholders interests and to place a large part of the Executive Director's compensation at risk if important business and financial performance targets are not met.

The Remuneration Policy, which was put in place at the time of the separation of the Company from TechnipFMC in February 2021, substantially reflected the compensation structure and policies under which the current executives of Technip Energies were being compensated prior to the separation. From the beginning of the remit of the Compensation Committee, ensuring the stability and retention of the Executive Director and other Company's executives in an increasingly competitive environment and particularly in the critical first years of the Company's existence as an independent company has been a critical objective. Accordingly, the Board of Directors, on the recommendation of the Compensation Committee, determined that it was important to maintain a compensation structure for 2021 and 2022 substantially similar to the structure under which the Executive Director and the Company's other executives were previously being compensated. A number of adjustments were made in 2021 within the framework of the Remuneration Policy to reflect the enhanced duties and roles of the executives and in order to better align short term incentives with the Company's evolving corporate strategy, ESG goals and financial objectives. The Compensation Committee also decided in 2021 to grant a one-time special award of Performance Shares – corresponding to 50% of annual base salary and based on achieving the same TSR based performance condition that applies to the LTI performance shares – to the members of the Executive Committee, which includes the Executive Director, 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 pandemic.

Within the framework of the Remuneration Policy, the Compensation Committee and the Board have also decided to make a number of further changes to the remuneration of the Executive Director in 2022 to better reflect the Company's financial and strategic goals and to better align with input received from Shareholders. Among these changes are two new performance conditions based on Adjusted EPS growth and ESG targets which have been added to the TSR condition in the Long Term Incentive Plan. The payout scale for TSR performance was also modified to ensure there was no payout below median performance. The objectives in the STI have been modified to reflect the strategic importance of growing the higher margin Technology, Products and Services ("**TPS**") businesses and the importance of ESG to the Company. For the Executive Director, the weighting between elements of the STI was changed to reflect the greater importance placed on achieving measurable business and financial targets and to reduce the weighting of personal performance elements.

In addition, effective March 1, 2022, the total remuneration for the Non-Executive Directors has been modified in structure by eliminating the award of Restricted Stock. In addition, some additional adjustments were made to better reflect the role of the Chairman and the importance of the work of the Committees of the Board including by increasing the fee payable to the Chair of the ESG Committee. The combined effect of the changes results in a reduction in the overall quantum for the Non-Executive Directors.

The Compensation Committee intends to fully review the current Remuneration Policy in 2022 to ensure it aligns with best practices and is appropriate for the Company's evolving circumstances. It is anticipated that a revised Remuneration Policy will be submitted to Shareholders for a vote in 2023.

1. REMUNERATION AT A GLANCE

2021 – EXECUTIVE DIRECTOR

Annual base salary		€786,924[1]			Weighting	Payout
Annual performance bonus	**Actual total payout**	**173.75%**	**Business and individual performance payout by indicator in %**	**% EBIT of Revenue w. SG&A condition**	30%	60%
				Cash flow from operations	30%	60%
				ESG – Design & roll-out of the ESG roadmap and scorecard for 2022-2024	10%	10%
				ESG – 50% of women for graduates hiring	5%	5%
				Individual performance	25%	38.75%
	Actual value	**€1,367,280**				
Long term incentive program	**Main grant April 15, 2021**			**146,697 PSUs** (70%) corresponding to a fair value of **€2,153,512**		
				62,871 RSUs (30%) corresponding to a fair value of **€742,507**		
	Special grant April 15, 2021			**38,103 PSUs** corresponding to a fair value of **€373,791**		
Pension benefit	For 2021, the total amount contributed to the defined contribution plan (art. 83) 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 **€12,067**.					
Benefits and perquisites	The benefits offered to the Executive Director in 2021 have been similar to the benefits granted to other executives of Technip Energies. For 2021, the total costs of the benefits provided to the Executive Director are accounted for **€4,459**.					

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

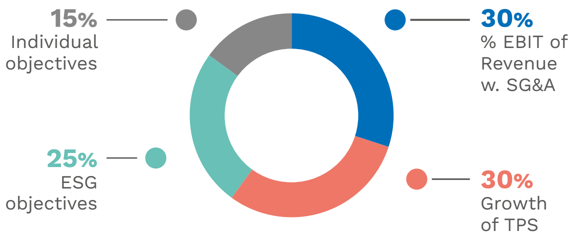
2021 NON-EXECUTIVE DIRECTORS

Director[1]	Cash Retainer	Chair Fee	Committee Meeting Fees	Total Fees FY2021
Arnaud Caudoux[2]	€0	€0	€0	€0
Pascal Colombani (ESG Chair)	€78,500	€6,978	€10,000	€95,478
Marie-Ange Debon (Audit Chair)	€78,500	€15,700	€8,000	€102,200
Simon Eyers (Audit)	€78,500	€0	€10,000	€88,500
Alison Goligher (Compensation Chair, ESG)	€78,500	€10,903	€20,000	€109,403
Didier Houssin (ESG)	€78,500	€0	€10,000	€88,500
Joseph Rinaldi (Non-Executive Chair, Audit, Compensation)	€78,500	€39,250	€20,000	€137,750
Nello Uccelletti (Compensation)	€78,500	€0	€10,000	€88,500

Director	Grant date	Type of grant	Number of granted rights[3]	Vesting period
Arnaud Caudoux[2]	N/A	N/A	N/A	N/A
Pascal Colombani (ESG Chair)	April 15, 2021	RSU	13,547	1 year
Marie-Ange Debon (Audit Chair)	April 15, 2021	RSU	13,547	1 year
Simon Eyers (Audit)	April 15, 2021	RSU	13,547	1 year
Alison Goligher (Compensation Chair, ESG)	April 15, 2021	RSU	13,547	1 year
Didier Houssin (ESG)	April 15, 2021	RSU	13,547	1 year
Joseph Rinaldi (Non-Executive Chairman, Audit, Compensation)	April 15, 2021	RSU	13,547	1 year
Nello Uccelletti (Compensation)	April 15, 2021	RSU	13,547	1 year

(1) Ms. Colette Cohen attended the December 7, 2021 Board Session as an Observer and received €4,223 in fees.
(2) Mr. Arnaud Caudoux waived his cash and equity remuneration because of the policies of his employer, Bpifrance.
(3) The number of stock units is based on the closing share price at the grant date, ie. €11.81.

2022 – EXECUTIVE DIRECTOR

Annual base salary			**€900,000**	
Annual performance bonus expressed as % of annual base salary	**Target**	**100%**	**Maximum**	**200%**
	Bonus plan structure		**Business performance indicators & Individual objectives expressed as % of target annual performance bonus**	
Long term incentive program	**Target expressed as % of annual salary**	**275%**	**Maximum**	**419%**[(1)]
	PSUs **RSUs**	**70%** **30%**	**Vesting period**	**3 years**
	PSUs – Performance conditions		**1. TSR** – 37.5%	No payout will be awarded for achievement below median. Max payout 200%.
			2. EPS – 37.5%	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. Max payout 200%.
			3. ESG – 25%	ESG performance is based on the measurement of three KPIs: Environment – reduction of scopes 1 and 2, Societal – proportion of women in leadership positions, Governance – reduction of non-mandatory commercial intermediaries. The three KPIs are evenly weighted. Payout capped at 100%.
Pension benefit	The Board has resolved to maintain the supplementary French defined contribution plan for the benefit of the Executive Director which provides for contributions equal to 8% of gross compensation above four times and capped at eight times the annual French social security limit. This is in addition to the French mandatory pension scheme to which the Executive Director is eligible.			
Benefits and perquisites	The benefits offered to the Executive Director remain similar to the benefits granted to other executives of Technip Energies and comprise notably medical, death and disability coverage, and a fully expensed company car.			

(1) Given ESG performance condition is capped at 100%.

Based on a review of relevant market practice among relevant peer groups, the Compensation Committee proposed and the Non-Executives Directors approved, effective from March 1, 2022, modification to the remuneration of Non-Executive Directors to eliminate Restricted Stock Awards and to provide for annual cash remuneration for Non-Executive Directors as provided below.

2022 – NON-EXECUTIVE DIRECTORS

Chairperson annual retainer	€250,000
Board member annual retainer[(1)]	€90,000
Annual Chair fee	€18,000 for Audit Committee €12,500 for Compensation Committee €12,500 for ESG Committee
Committee meeting fee	€3,000 per Committee meeting
Share ownership requirement[(2)]	**Five times annual retainer (over 5 years)**
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.	

(1) Arnaud Caudoux has waived his remuneration because of the policies of his employer, Bpifrance.
(2) The share ownership requirement is enshrined in the Remuneration Policy. This will be brought to Shareholders for review in 2023.

2. REMUNERATION POLICY

Technip Energies' Remuneration Policy was approved by a General Meeting of Shareholders of Technip Energies on February 15, 2021, and took effect on February 16, 2021.

The Remuneration Policy is included here for reference and context only. The 2021 compensation practice for Directors described in section 6.5. Application of the Remuneration policy in 2021 will be submitted to a non-binding advisory vote of Shareholders at the May 5, 2022 Annual General Meeting.

2.1. EXECUTIVE DIRECTOR REMUNERATION POLICY

The Executive Directors' Remuneration Policy is applicable to the CEO of Technip Energies.

ANNUAL BASE SALARY	
Purpose and link to strategy	To reflect and be aligned with global energy and energy transition market practices in order to attract and retain exceptionally talented individuals who: ■ Deliver superior operational performance in Technip Energies' businesses, ■ Are critical in making Technip Energies a leader in its field, and ■ Create an environment that fosters the innovation necessary for continued growth of the long-term value created by Technip Energies including revenues, earnings, and Shareholder returns.
Operation	Reviewed annually or following a change in responsibilities with changes usually taking effect from March 1 of a given year. The Compensation Committee is to consider the following parameters when setting and reviewing the annual base salary level: ■ Pay increases for other employees across the Technip Energies Group; ■ Economic conditions and governance trends; ■ An Executive Director's individual performance, skills and responsibilities; ■ Base salaries of companies of a similar size and international presence; and ■ Market pay levels. Salaries are normally paid in the currency of an Executive Director's home country.
Policy level	**€900,000**
Maximum payment	Salary increases are ordinarily in line with increases awarded to other employees of the Technip Energies group. The Compensation Committee has discretion to increase salary levels in appropriate circumstances such as where the nature or scope of an Executive Director's role or responsibilities changes or in order to be competitive at the median level of peer companies. Salary adjustments may also reflect wider market conditions in the geography in which the Executive Director is based.
Performance assessment	Overall performance against stated objectives of an Executive Director is considered annually by the Compensation Committee when setting the base salary.

ANNUAL PERFORMANCE BONUS	
Purpose and link to strategy	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.
Operation	Performance measures and stretch targets are set annually in advance by the Compensation Committee by reference to the annual operating plan: ■ The majority of the bonus is based on financial performance. However, operational, strategic and individual targets may also be used. ■ 75% of the bonus is based on a business performance indicators comprising financial metrics, and 25% of the bonus is based on an annual performance incentive comprising personal targets. ■ The award will usually be paid out in cash after the end of the financial year. ■ The Compensation Committee has discretion to amend the level of payment if it is not deemed to reflect appropriately the individual's contribution or the overall business performance. Any discretionary adjustments will be detailed in the following year's Remuneration Report. ■ The Compensation Committee retains the discretion to make other bonus payments on an exceptional basis when it considers this to be appropriate in the context of Company's and Executive Director's performance, and when it is considered to be in the best interests of Technip Energies and its Shareholders.
Policy level	The target annual bonus is set at 100% of annual base salary.

Maximum payment	The maximum achievable annual bonus amount is 200% of annual base salary. No bonus will be paid for below threshold performance. ■ For "on-target" performance the bonus payout may be up to 100% of target value. ■ For maximum performance up to 200% of target value may be earned. The Compensation Committee retains the discretion to increase the bonus target in circumstances it deems appropriate, such as for a change in market levels.
Performance assessment	Performance measures and stretch targets are set annually by the Compensation Committee by reference to the annual operating plan and renewed throughout the year by the Compensation Committee. The Compensation Committee has discretion (upwards/downwards) to vary the weighting of these measures over the life of the Remuneration Policy.
LONG-TERM INCENTIVE PROGRAMS (LTIs)	
Purpose and link to strategy	Incentivize an Executive Director to deliver superior long-term returns to Shareholders.
Operation	Long-term incentives programs are granted under the Technip Energies Incentive Award Plan (the "**Incentive Plan**"). This is an omnibus arrangement whereby a variety of award types may be granted, including: performance-based restricted stock units ("**PSUs**"), time based restricted units ("**RSUs**"), stock options, cash settled awards and share appreciation rights. It is currently intended that award grants comprise: ■ PSUs: an award of a right to receive Technip Energies Shares subject to achievement of applicable performance conditions assessed over a period of three years, subject to continuous service; and ■ RSUs: an award of a right to receive Technip Energies Shares that vest three years from grant, subject to continuous service. The type and weighting of awards granted each year are determined annually by the Compensation Committee at its discretion. However, it is the current intention of the Compensation Committee for the weighting based on the fair value at the grant date to be: ■ 70% PSUs; and ■ 30% RSUs. The Compensation Committee has discretion (upwards/downwards) to vary the weighting of the performance measures over the life of the Remuneration Policy. To the extent permitted by applicable law, an Executive Director will be eligible for any dividends paid and accumulated on RSUs and PSUs during the performance or vesting period. No dividend equivalents will be payable on stock options.
Policy level	The target nominal grant date value of long-term incentive granted to an Executive Director per annum is set at 275% of annual base salary.
Maximum payment	The maximum grant date fair value of long-term incentive awards granted to an Executive Director per annum will be 3x the sum of such Executive Director's annual base salary and target annual bonus.
Performance assessment (applicable to performance based RSUs only)	Long-term incentive awards except PSUs are not subject to achievement of performance targets but are subject to vesting periods. For PSUs, the vesting of awards is linked to a range of performance measures that may include, but are not limited to: ■ A growth measure (for example, net sales, EPS); ■ A measure of the Company's performance on environmental, social and governance (ESG) matters; ■ A measure of efficiency (for example, operating margin, operating cash conversion, ROIC); and ■ A measure of Technip Energies' relative performance in relation to its peers (for example, relative total Shareholder return). Measures and targets are determined by the Compensation Committee annually prior to grant and are set out in the Remuneration Report on an indicative basis. The Compensation Committee has discretion to amend the performance conditions in exceptional circumstances if it considers it appropriate to do so. Any such amendments would be disclosed and explained in the following year's Remuneration Report.

ALL EMPLOYEE STOCK OWNERSHIP PROGRAM (ESOP)	
Purpose and link to strategy	An Executive Director may also participate in stock ownership program applicable to all employees on the same basis as other employees.
Operation	While Technip Energies does not currently operate an all employee stock ownership program were it to do so during the term of the Remuneration Policy an Executive Director would be eligible to participate in such a program on the same terms as other eligible employees consistent with this Remuneration Policy.
Maximum payment	The maximum payment applicable will be as per the all employee program terms and conditions.

PENSION AND OTHER RETIREMENT BENEFITS	
Purpose and link to strategy	Provide competitive post-retirement benefits, see under “Base Salary – Purpose and link to strategy”.
Operation	Provision of market competitive retirement benefits may vary based on the location in which an Executive Director is based. In addition to pension and other retirement benefits available to French employees in general, an Executive Director may participate in a supplementary French defined contribution plan, to which other French executives of the Company are eligible and which provides for contributions equal to 8% of the gross compensation above four times the annual French social security (*Sécurité sociale*) limit and capped at eight times such limit.

BENEFITS AND PERQUISITES	
Purpose and link to strategy	To provide market competitive benefits and to facilitate the performance of an Executive Director in his/her duties.
Operation	An Executive Director is eligible to receive benefits which are similar to those provided to other executives of the Group and that may include, but are not limited to: financial planning, personal tax assistance, use of company cars, club memberships (primarily business-related), medical, vision and dental benefits, sickness, death and dismemberment benefits, work related travel and security expenses for the Executive Director and spouse and matching charity contributions. Benefits may vary by location. The Compensation Committee has discretion to offer additional allowances or benefits to an Executive Director, if considered appropriate and reasonable. These may include relocation expenses, housing allowance and school fees where an Executive Director has to relocate from his/her home location as part of his/her duties.
Maximum payment	The actual value of benefits and perquisites varies depending on the cost to the business and individual Executive Director's circumstances. The benefits package is set at a level that the Compensation Committee considers: ■ That it provides an appropriate level of benefits depending on the role and individual circumstances; and ■ Is in line with comparable benefits in companies of a similar size and complexity in the market.

LEGACY OPERATIONS

The Compensation Committee reserves the right to make any remuneration payments that would otherwise be outside of the Remuneration Policy if they were agreed to prior to the Remuneration Policy being enacted. The Compensation Committee also reserves the right to make any remuneration payments that were agreed to prior to the relevant individual becoming an Executive Director of Technip Energies. Such payments may include share-based and cash-based incentives and/or salary, benefits, pension and other payments.

POLICY FOR PAYMENT FOR LOSS OF OFFICE

The Compensation Committee will seek to ensure that all payments for loss of office, including but not limited to, loss of office pursuant to involuntary termination, an Executive Director not being re-elected, and resignation, are reasonable and in the long-term interests of Shareholders and the Company's business. The Compensation Committee will generally take into account the circumstances of the loss of office and performance of an Executive Director.

The Compensation Committee has the discretion to:

- Pay legal fees, financial planning or outplacement costs;
- Pay an annual bonus for the year of cessation;
- Retain or accelerate vesting of outstanding long-term incentive awards; and
- Continue providing taxable benefits and retirement benefits during the year of cessation.

Technip Energies believes that severance benefits provide important financial protection to Executive Directors in the event of job loss, are consistent with the practices of peer companies, and are appropriate for the retention of executive talent.

Notwithstanding the above, Technip Energies intends to generally offer Executive Directors severance benefits amounting to one-year base salary.

POTENTIAL PAYMENTS UPON CHANGE IN CONTROL

It is the intention that Technip Energies provide change in control benefits to ensure that Executive Directors have an incentive to continue to work in Technip Energies' best interest during the period of time when a change in control transaction is taking place and in order to ensure continuity of management. The benefits payable upon a change in control will be comparable to benefits offered to Executive Directors at peer companies.

NON-COMPETE COVENANTS

The Compensation Committee may apply a non-compete covenant to Executive Directors, which non-compete covenant may be compensated financially at 100% of annual base salary and annual performance bonus, and paid over a 12-month period. It is intended that any new Executive Director would be retained on similar non-compete terms. Geographical scope and duration of the non-compete and financial compensation will be reviewed periodically by the Compensation Committee.

ADJUSTMENTS TO VARIABLE REMUNERATION (claw back)

Pursuant to Dutch law, the remuneration of an Executive Director may be reduced or an Executive Director may be obliged to repay all or part of his/her variable remuneration to the Company if certain circumstances apply.

In accordance with Dutch law, if according to the principles of reasonableness and fairness, payment of a bonus would be unacceptable, the Non-Executive Directors have the power to modify the level of the bonus to an appropriate level. For these purposes, a bonus means a non-fixed part of the remuneration, the award of which is wholly or partially dependent on the achievement of certain goals or the occurrence of certain circumstances.

In addition, Technip Energies or the Non-Executive Directors will have the authority under Dutch law to recover (claw back) from an Executive Director any variable remuneration awarded on the basis of incorrect financial or other data. The Non-Executive Directors may furthermore adjust the variable remuneration (to the extent that it is subject to reaching certain targets and the occurrence of certain events) to an appropriate level if payment of the variable remuneration were to be unacceptable according to the requirements of reasonableness and fairness.

DURATION OF CONTRACTS, NOTICE PERIODS

Executive Directors' contract will be for the period up to and including the date of the first Annual General Meeting of the Company following the date the contract is entered into, and ends automatically on that date without prior notice being required. If the Company's General Meeting reappoints the Executive Director as Executive Director, the contract will be extended for the period of that reappointment and end automatically, without prior notice being required on the date of the first Company's Annual General Meeting after the Company's General Meeting which resolved to reappoint the Executive Director. The contracts will contain a three months' notice period for Technip Energies and the Executive Director.

2.2. NON-EXECUTIVE DIRECTORS REMUNERATION POLICY

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

NON-EXECUTIVE DIRECTORS ARE COMPENSATED IN BOTH CASH AND RSUS ACCORDING TO THE TABLE BELOW	
Annual retainer	€90,000 paid in cash
Annual equity grant	€160,000 in RSUs that vest after one year (Non-Executive Directors will be eligible for any dividends paid and accumulated on RSUs during the vesting period). The maximum value of an equity grant that may be made to a Non-Executive Director in any fiscal year is €160,000
Annual Chair fee	€18,000 for Audit Committee €12,500 for Compensation Committee €8,000 for ESG Committee
Annual Lead Director fee/Non-Executive Chair fee	€45,000
Committee meeting fee	€2,000 per Committee meeting
Share ownership requirement	Five times annual retainer (over 5 years)

The Compensation Committee retains the discretion to modify the value of compensation or alter the weighting of share awards and cash at its discretion, should this be considered appropriate. Where any discretion is exercised, the basis of this exercise will be disclosed in the next Annual Remuneration Report.
Unvested RSUs will be settled and are payable in Technip Energies Shares upon the death or disability of a Non-Executive Director or in the event of a change in control of the Company.
Each Non-Executive Director will be reimbursed for reasonable incidental expenses incurred in connection with the attendance at Board and Committee meetings.

3. 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.

4. OTHER ARRANGEMENTS

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

5. APPLICATION OF THE REMUNERATION POLICY IN 2021

In accordance with article 2:135b of the Dutch Civil Code, the Application of the Remuneration Policy 2021 will be submitted to a non-binding vote of the Shareholders at the May 5, 2022 General Shareholders Meeting. The CEO is the only Executive Director.

5.1. EXECUTIVE DIRECTOR REMUNERATION

Annual base salary

Pursuant to the Remuneration Policy approved by the General Meeting of Technip Energies on February 15, 2021, the Board of Directors has set the annual base salary of the Executive Director at €900,000 for fiscal year 2021. This figure was arrived at by taking into consideration salaries within Technip Energies and by comparison with the median level of Chief Executive pay at peer companies (the peer group used for these purposes is the same peer group used to determine relative Total Shareholder Return for the purposes of the Long Term Incentive program in 2021. See section 6.5.1. Executive Director remuneration – Long Term Incentive paragraph below for the peer group companies used for the comparison). This peer group was also used as a reference to compare the total direct compensation and other individual components of the Executive Director's compensation in 2021, with median level being the focus.

As Mr. Pieton's tenure as Executive Director started February 16, 2021, the annual base salary which was actually paid to him in 2021 was €786,924 in cash.

Short Term Incentive: annual performance bonus

The principles applied in setting the measures and targets for the annual performance bonus focused on the measures most critical for the Company in its first year of independent trading.

For the first fiscal year, significant weight was given to two fundamental financial elements as part of the Business Performance indicators – BPIs – these were:

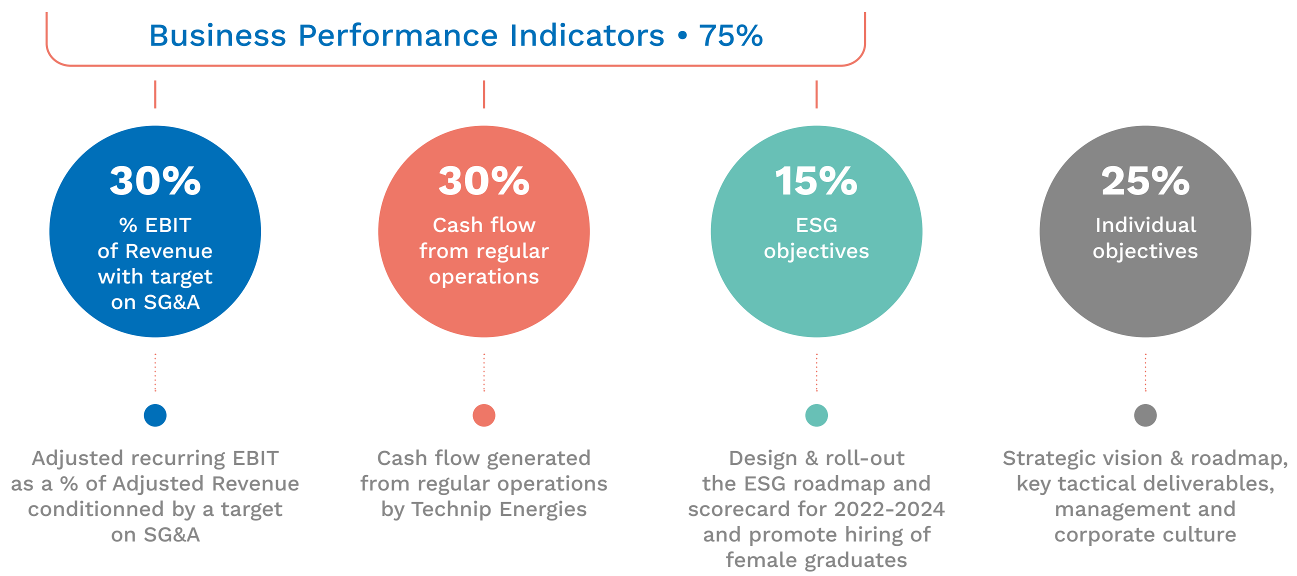
1. Adjusted Recurring EBIT (30% weighting): this was chosen to align and drive the profitability of Technip Energies during its first year. Adjusted Recurring EBIT represents the profit before financial expense (as described in section 2.6. Operating and financial review) conditioned by the Selling expenses (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. Cash flow from operations (30% weighting): this was chosen to ensure an immediate focus on cash generation during Technip Energies first year of operations.

A third Business Performance Indicator was chosen to reflect the Company's immediate intention to focus on ESG matters:

3. ESG measures (15% weighting): as part of Technip Energies' DNA and journey towards energy transition for "a better tomorrow", it was recognized that a critical deliverable for 2021 would be the articulation of the Company strategy and the associated ESG Roadmap, while also signaling the importance given to the Company's commitment to embed sustainable, socially responsible and ethical business practices.

The final part of the Short Term Incentive is the Individual objectives. The role of the Executive Director in leading the Company during its first year required a significant focus on leadership in a number of critical areas. The Individual objectives were set to ensure focus on the key priorities for 2021:

4. Individual objectives (25% weighting):
   - Strategic vision and Energy transition roadmap,
   - Critical tactical deliverables,
   - Management and corporate culture.



The payout curves for 2021 have been 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.

2021 Annual performance results

For 2021, the Executive Director achieved a total performance of 173.75% 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
% EBIT of Revenue with target on SG&A	30%	<5.50% / > €380 M	5.7% / €345 M	≥6.2% / ≤ €305 M	6.5% / €301 M	200%	60.0%
Cash flow from operations	30%	< €60 M	€200 M	≥ €350 M	€457 M	200%	60.0%
ESG objectives:							
■ Design & roll-out of the ESG roadmap and scorecard for 2022-2024	10%	No	Yes	N/A	Yes	100%	10%
■ 50% of women for graduates hiring	5%	<40%	50%	≥60%	50%	100%	5%
Business performance indicators	**75%**					**180%**	**135.0%**
Individual objectives	**25%**	**0%**	**100%**	**200%**	**155%**	**155%(1)**	**38.75%**
TOTAL PAYOUT							**173.75%**

(1) The Compensation Committee considered the performance of the Executive Director in the round and decided to make no changes to the calculated result.

Financial measures

- 2021 Adjusted Revenue increased year-on-year by 10.9% to €6.7 billion, with double digit growth in our Technology, Products & Services business segment, buoyed by strong operational execution across the project portfolio.
- The 2021 Adjusted Recurring EBIT[1] increased year-on-year by 21.8% to €431.0 million bolstered by the growth in revenues, good execution across the project portfolio despite the challenging environment as well as a lower indirect cost base. The SG&A decreased by 17.4% to €300.7 million for the year ended December 31, 2021 due to a decrease in tendering activity and as a result of the cost reduction initiative launched in 2020 combined with the new Company's cost structure.
- The operating cash flow benefited from a strong operational performance and has been adjusted for working capital and non recurring items which were not captured in the initial budget. As a result, the financial outcome of €992.7 million has been adjusted to €457 million on a like-for-like basis.

ESG

- On January 28, 2021, during the Capital Markets Day event, the Management announced its ambition to conduct an in-depth and collaborative exercise in 2021 to define Technip Energies' Environmental, Social and Governance ("**ESG**") roadmap and the associated scorecard that would support Technip Energies ESG strategy. Based on the materiality assessment results, ambitions, targets and key performance indicators have been defined for the coming three years. They were developed based on the output of several dedicated working groups involving the Company's internal subject-matter experts.
- The ESG Roadmap was issued and validated by the Board of Directors in its Meeting dated March 1, 2022. It is disclosed in section 3.1. Our ESG Roadmap of this Annual Report.
- 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 sourcing policies throughout all Technip Energies locations, the Company is proud of having reached this target already this first year. In 2021, 50% of graduates hired were women as part of the young graduate population.

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

Executive Director's individual performance

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

- **Strategic vision and Roadmap:** 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 refreshed strategic framework has been established under his direction and guidance,
  - the design of a new organization to support this updated strategy was completed and announced on February 8, 2022,
  - consistent with the strategic framework, the Company entered into several strategic alliances, (notably in the domain of carbon capture) and acquired access to or interest in key technologies,
  - historical core businesses activities were operated for value rather than volume.
- **Key tactical deliverables:** Shareholder returns are fundamental to the Technip Energies investment case. The Executive Director has led Technip Energies to position the Company to deliver on the commitments it made in January 28, 2021, during its first Capital Markets Day, in particular relating to the balanced allocation of capital and the payment of dividends to Shareholders. In this respect:
  - Technip Energies' leadership through innovation in its core technologies continued, notably in LNG, low carbon LNG and ethylene with some significant successes. This is also reflected in new orders which, while exceeding €9 billion, were marked by selectivity and quality,
  - consistent with his ambition for Technip Energies', the Executive Director delivered on the creation of a CTO role and associated organization. The CTO is now a permanent member of Technip Energies' Executive Committee,
  - a Floating Offshore Wind business unit was put in place with the objective of being a solutions and technologies provider rather than a pure EPC contractor,
  - Technip Energies' resilience was supported by the strong financial performance in 2021.
- **Management & corporate culture:** successfully launching Technip Energies while maintaining operational focus and excellence in delivery, in the midst of a prolonged difficult operational environment, has demanded strong focus by the newly composed management team under the Executive Director's leadership. Under the Executive Director's stewardship, Technip Energies was launched with the ambition of delivering a world-class investment case. In this regard the following was achieved:
  - established and maintained strong discipline in particular in the area of selectivity and cost reduction,
  - defined our Culture and confirmed Technip Energies' commitment as to ESG in full alignment with the Company's strategy, Purpose and Values,
  - engaged with our Clients as "T.EN" embodying the new Company and its new brand.

Long term incentive program

The Long Term Incentive program seeks to align incentives with the long term value creation for Technip Energies as well as with the interests of Shareholders. The Remuneration Policy does this in two ways: an element of Performance related incentives (Performance Stock Units, "**PSU**") and an element of Restricted stock awards (Restricted Stock Units, "**RSU**"). The incentives constitute an entitlement to receive shares at the end of a three-year vesting period. Both PSUs and RSUs are subject to no termination of service occurring prior to the end of the three-year vesting period.

Before taking into account the one-time special grant of PSUs described below, the balance of PSUs and RSUs is 70% / 30% for the Executive Director. The maximum performance is set at 275% of the annual base salary which is below the maximum allowed in the Remuneration Policy.
The PSUs have a single performance measure: Total Shareholder Returns relative to a Peer Group. The purpose of the PSUs is to promote the success and enhance the value of Technip Energies by linking the individual interest of the Executive Director to the interest of our Shareholders hence providing the Executive Director an incentive to achieve outstanding performance and generate superior returns.
The RSUs do not have a performance condition or underpin, however the Compensation Committee can apply discretion should, in their assessment, the performance of the company in the round undermine the award of RSU. The RSUs are designed as a retention tool while reinforcing the long term alignment of the interests of the Executive Director and Shareholders.

The Compensation Committee awarded a special grant of shares to the Executive Committee of the company in April 15, 2021 including the Executive Director. The purpose of this additional award was 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 pandemic. The value of the special grant was set at 50% of annual base salary at the date of the grant, and constitutes an entitlement to receive shares in the form of PSUs at the end of two vesting periods as follows: 50% of PSUs are to vest after 18 months from the grant date, and 50% of PSUs are to vest after 30 months from the grant date. The main grant and the special grants are operated under two Long-term incentive programs under the Technip Energies Incentive Award Plan. The performance measure used for the special grant is the same as for the main PSU grant, i.e. Total Shareholder Return over the vesting periods and is subject to no termination of service occurring prior to the end of the vesting periods.

Total Shareholder Return

The Total Shareholder Return (TSR) 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 compared to the calculated average of the TSR peer group.

In advance of the grant date of PSUs, the Compensation Committee reviewed the TSR peer group used for this purpose, considering the focus and activities of Technip Energies, and finalized on the following peer group for 2021 grants:

European companies	U.S. companies	APAC companies
John Wood Group plc	Fluor Corp	JGC Holdings Corp
Petrofac Ltd	KBR Inc	Worley Ltd
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 earned PSUs are as follows for the main grant and special grant:

MAIN GRANT

TSR PERFORMANCE – percentile(1)	Below 25% percentile	25% percentile	50% percentile	Above 75% percentile
Earned PSUs(2) (Return ≥ 0%)	0%	50%	100%	200%

SPECIAL GRANT

TSR PERFORMANCE – percentile(1)	Below 25% percentile	25% percentile	Above 50% percentile
Earned PSUs(2) (Return ≥ 0%)	0%	50%	100%

(1) Interpolated on a straight-line basis between those points.
(2) If absolute TSR is less than 0%, achievement cannot be greater than 100%.

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

The details of the PSUs and RSUs granted in 2021 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 condition	Continuous service condition
MAIN GRANT							
PSUs	April 15, 2021	€1,732,492	€2,153,512	146,697	3 years	TSR / max payout 200%	Yes
RSUs	April 15, 2021	€742,507	€742,507	62,871	3 years	N/A	Yes
SPECIAL GRANT							
PSUs – 1st tranche	April 15, 2021	€224,992	€185,176	19,051	18 months	TSR / max payout 100%	Yes
PSUs – 2nd tranche	April 15, 2021	€225,004	€188,615	19,052	30 months	TSR / max payout 100%	Yes

(1) Based on the closing share price at the grant date, ie. €11.81.
(2) Costs of performance shares based on accounting standards (IFRS).

As indicated in Technip Energies' Insider Trading Policy, the Executive Director has to 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 12,177 shares.

Pension and other retirement benefits

As is the case with other Technip Energies senior managers based in France the Executive Director participates in a 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 2021, the total amount contributed to the plan was **€12,067**. 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 2021 amounted to **€4,459.** 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, effective as of 2022 due to delays with car manufacturer due to the pandemic situation.

Service agreement

The service agreement of the Executive Director is fully aligned with the Remuneration Policy as described in section 6.2.1.

Total remuneration cost

The total remuneration cost of the Executive Director for fiscal year 2021 was **€5,440,540**:

Arnaud Pieton	2021
Annual base salary *(€)*	**786,924**
Total payout *(%)*	173.75%
Actual Bonus *(€)*	**1,367,280**
Main grant – number of PSUs	146,697
Main grant – number of RSUS	62,871
Special grant – number of PSUs	38,103
Main grant – Total LTI allocation fair value *(€)*	**2,896,018**
Special grant – LTI allocation fair value *(€)*	**373,791**
Total Direct Compensation *(€)*	**5,424,013**
Pension *(€)*	12,067
Other benefits (€)	4,459
TOTAL REMUNERATION COST (€)	**5,440,540**

The table below shows the proportion of fixed and variable remuneration as a percentage of the total remuneration cost for the Executive Director, clearly illustrating his total remuneration is mainly at risk.

Proportion of fixed and variable remuneration[(1)]	% of fixed remuneration	% of variable compensation
Chief Executive Officer, Arnaud Pieton	15%	85%

(1) Fixed remuneration is determined as the sum of annual base salary, pension costs and other benefits. 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 Group on compensation issues in accordance with the Company's remuneration objectives.

The 2021 pay ratio is 71.

It was calculated by dividing the total remuneration cost of the Executive Director by the average Technip Energies employee payroll cost.

The average Technip Energies employee payroll cost is €76,691. It was calculated considering the wages, salaries and other pension costs for a total amount of €1,195.3 million as disclosed in note 11. Expenses by nature divided by the number of Full Time Equivalent Employees as of December 31, 2021 for a total number of 15,586 as outlined in Note 12. Payroll staff.

This ratio will 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 to come.

5.2. NON-EXECUTIVE DIRECTORS REMUNERATION

The compensation for the Non-Executive Directors was approved by Shareholders in February 2021 and is reported below.

2021 NON-EXECUTIVE DIRECTORS

Director[(1)]	Cash Retainer	Chair Fee	Committee Meeting Fees	Total Fees FY2021
Arnaud Caudoux[(2)]	€0	€0	€0	€0
Pascal Colombani (ESG Chair)	€78,500	€6,978	€10,000	€95,478
Marie-Ange Debon (Audit Chair)	€78,500	€15,700	€8,000	€102,200
Simon Eyers (Audit)	€78,500	€0	€10,000	€88,500
Alison Goligher (Compensation Chair, ESG)	€78,500	€10,903	€20,000	€109,403
Didier Houssin (ESG)	€78,500	€0	€10,000	€88,500
Joseph Rinaldi (Non-Executive Chair, Audit, Compensation)	€78,500	€39,250	€20,000	€137,750
Nello Uccelletti (Compensation)	€78,500	€0	€10,000	€88,500

Director	Grant date	Type of grant	Number of granted rights[(3)]	Vesting period
Arnaud Caudoux[(2)]	N/A	N/A	N/A	N/A
Pascal Colombani (ESG Chair)	April 15, 2021	RSU	13,547	1 year
Marie-Ange Debon (Audit Chair)	April 15, 2021	RSU	13,547	1 year
Simon Eyers (Audit)	April 15, 2021	RSU	13,547	1 year
Alison Goligher (Compensation Chair, ESG)	April 15, 2021	RSU	13,547	1 year
Didier Houssin (ESG)	April 15, 2021	RSU	13,547	1 year
Joseph Rinaldi (Non-Executive Chairman, Audit, Compensation)	April 15, 2021	RSU	13,547	1 year
Nello Uccelletti (Compensation)	April 15, 2021	RSU	13,547	1 year

(1) Ms. Colette Cohen attended the December 7, 2021 Board Session as an Observer and received €4,223 in fees.
(2) Mr. Arnaud Caudoux waived his cash and equity remuneration because of the policies of his employer, Bpifrance.
(3) The number of stock units is based on the closing share price at the grant date, ie. €11.81.

5.3. HISTORICAL LTI GRANTS AND HOLDINGS

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 and conditions 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 and conditions 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	Negotiability date	Number of granted rights	Number of rights forfeited	Balance of rights	Number of vested and negotiable shares
RSU 2018	02/26/2018	02/26/2021	02/26/2021	6,954	0	-	6,954
RSU 2019	03/08/2019	03/08/2022	03/08/2022	33,166	0	33,166	-
RSU 2020	03/09/2020	03/09/2023	03/09/2023	93,629	0	93,629	-

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

6. REMUNERATION POLICY CHANGES FOR 2022

6.1. EXECUTIVE DIRECTOR REMUNERATION

Annual base salary

During 2021, the Compensation Committee considered the Peer Group used for the purposes of comparing the compensation of the Executive Director with appropriate peers considering the strategic direction of the Company and its aspired strategic intent. The Committee considered the range of peer group companies which could pose a retention threat to the executives of the Company. This peer group included traditional market competitors as well as companies of global reach in adjacent industries whose existing or emerging strategies were competitive with Technip Energies.

The Peer Group adopted for 2022 is set out in Section 6.6.3. Peer Group below.

The total direct compensation and each element of the direct compensation of the Executive Director were reviewed with a focus on median positioning.

Subsequent to the benchmarking against the Peer group, the Board upon recommendation of the Committee determined to leave the annual base salary for 2022 unchanged at €900,000.

Short Term & Long Term Incentive programs

The Board, upon the recommendation of the Compensation Committee, resolved to increase the ESG component weighting across both the Short Term and Long Term Incentive Plans. The rationale for this is to:

- Underpin Technip Energies vision in accelerating energy transition for a better tomorrow;
- Strengthen the alignment with sustainable long-term value creation for our partners and Shareholders;
- Converge to meet the expectations of the society on climate change.

The measures will be based on the ESG Roadmap.

This decision is reflected in the changes introduced for 2022 in both the annual performance bonus and the Long-Term Incentive program.

Short Term Incentive-Annual performance bonus

The 2021 annual performance bonus program was reviewed for 2022, and adjustments have been made to the business performance indicators (BPI) to better drive the strategy of the Company and align the Short Term Incentive of the Executive Director with Technip Energies ambition, Values and Purpose.

Accordingly while maintaining the Adjusted Recurring EBIT metric, the following changes have been made:

1. To align annual performance bonus with our business development priorities, the Cash Flow from Operations indicator is being replaced by a growth of revenues generated by the higher margin business of the Technology, Products and Services segment (TPS). The achievement of revenue growth is paired with the achievement of targeted levels of operating margins in the TPS segment. Technip Energies recorded double-digit growth in 2021 as for our TPS segment which resulted from increased activities in our Loading Systems, Process & Technology and Project Management Consulting activities but more importantly from engineering services for early-phase work in each of our four energy transition domains. To maintain momentum, this BPI is introduced with a weighting at 30%.
2. The ESG BPI's weighing is being increased from 15% to 25% to increase emphasis on ESG performance. It comprises a set of four indicators which reflect some of the main ESG priorities:
   - 10%: assessment and action plan to report 100% of our scope 3 in 2022;
   - 5%: HSE – achieve 0 fatality in 2022;
   - 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 derived from our ESG scorecard emphasize the importance of embedding our ESG framework and roadmap in our culture and business practices and ensures accountability and transparency of their implementation.

3. The Executive Director Individual Objectives weighting is reduced from 25% to 15% to reinforce the focus on the BPIs delivery and to reinforce the alignment with market practices.

The 2022 performance bonus program will be determined as follows :

Business Performance Indicators • 85%

30% % EBIT of Revenue with target on SG&A

Adjusted recurring EBIT as a % of Adjusted Revenue conditionned by a target on SG&A

30% Growth of TPS

Growth of the revenues generated by Technology, Products and Services activities conditionned by a target on TPS operating margin

25% ESG objectives

HSE: 0 fatality
Action plan for 100%, scope 3 emissions
ESG training at 90%
Diversity: 50% graduate hires are female

15% Individual objectives

Safety
People
Strategy

The payout curves whether pertaining to EBIT, TPS revenue growth (which has replaced Cash Flow from Operations), ESG or individual objectives remain unchanged from 2021 with zero payout for performance measured below threshold 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 if it is not deemed to reflect appropriately the individual's contribution or the overall business performance. Any adjustments will be detailed in next year's disclosure on remuneration.

Long Term Incentive program

The structure of the Executive Director's Long-Term Incentive program (LTI) awards in 2022 remain identical to the structure provided for 2021, with 70% Performance Stock Units (PSUs) and 30% Restricted Stock Units (RSUs). Both PSUs and RSUs remain subject to continuous service with Technip Energies during the vesting period.

For LTIs to be granted in 2022, the Total Shareholder Return (TSR) performance condition attached to the PSUs will be supplemented with Adjusted Earning Per Share (EPS), and an ESG indicator, comprising three elements. Also the Compensation Committee reviewed the TSR peer group for 2022 grants to reinforce alignment with the Company's strategy and ambition (see section 6.6.3. Peer Group).

The Compensation Committee believes these measures take into account our Shareholders' feedback and will better drive the Company's overall performance, ambition and values and will contribute to long-term value creation for our Shareholders.

This new set of performance conditions reflects also market practice in this area.

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 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.

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 set as follows:

- The TSR curve won't provide any 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 targets for these measures will be prorated to the end of the 2024 performance year to align with the three year vesting period.

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

The Compensation Committee has discretion to amend the performance conditions in exceptional circumstances. Any such amendments would be disclosed and explained in next year's disclosure on remuneration.

6.2. NON-EXECUTIVE DIRECTORS REMUNERATION

The specifics of the Remuneration Policy for 2021 for the Non-Executive Directors had been adopted to preserve continuity with the policy which was prevailing at TechnipFMC at the critical time of the Spin-off and to sustain Non-Executive Director engagement.

Based on a review of relevant market practice among relevant peer groups, the Compensation Committee proposed and the Non-Executives Directors approved, effective from March 1, 2022, modification to the remuneration of Non-Executive Directors to eliminate Restricted Stock Awards and to provide for annual cash remuneration for Non-Executive Directors as provided below.

The Non-Executive Directors Remuneration Policy will be consequently set as follow for 2022:

NON-EXECUTIVE DIRECTORS WILL BE COMPENSATED IN CASH ONLY ACCORDING TO THE REVISED TABLE BELOW

Chairperson annual retainer	€250,000
Board member annual retainer[(1)]	€90,000
Annual Chair fee	€18,000 for Audit Committee €12,500 for Compensation Committee €12,500 for ESG Committee
Committee meeting fee	€3,000 per Committee meeting
Share ownership requirement[(2)]	**Five times annual retainer (over 5 years)**
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.	

(1) Arnaud Caudoux has waived his remuneration because of the policies of his employer, Bpifrance.
(2) The share ownership requirement is enshrined in the Remuneration Policy. This will be brought to Shareholders for review in 2023.

6.3. PEER GROUP

In connection with the 2022 compensation determinations, the Peer Group used for the purposes of relative TSR evaluation was reviewed and has been updated to better reflect Technip Energies' direct competitors given the Company's evolving business and strategy.

In addition, as outlined in 6.6.1. Executive Director remuneration – Annual base salary paragraph, for the purposes of benchmarking the total direct compensation of the Executive Director for 2022, the Compensation Committee expanded the TSR Peer Group to include additional companies which would be strong competitors for the services of our Executive Director.

These are laid out below:

PEER GROUP

TSR PEER GROUP

European companies	U.S. companies	APAC companies
■ Aker Solutions ASA	■ Fluor Corp.	■ Chiyoda CorporationJohn
■ John Wood Group plc		■ JGC Holdings Corp.
■ Linde plc		■ Worley Ltd
■ Maire Tecnimont Group		
■ Saipem SpA		
■ Tecnicas Reunidas SA		

ADDITIONAL PEER COMPANIES

European companies	U.S. companies
■ Aker Carbon Capture ASA	■ AECOM
■ Petrofac Ltd	■ Baker Hughes CO
■ Siemens Energy Global GmbH & Co. KG	■ KBR Inc.
■ SBM Offshore N.V.	
■ Schlumberger N.V.	
■ Subsea 7 SA	
■ TechnipFMC plc	

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