



Making progress become reality

REMUNERATION OF EXECUTIVE OFFICERS OF BOUYGUES SA

1. REMUNERATION POLICY FOR THE 2021 FINANCIAL YEAR

The Board meeting of 17 February 2021, acting on a proposal from Martin Bouygues and a recommendation from the Selection and Remuneration Committee, decided to separate the offices of Chairman of the Board of Directors and Chief Executive Officer with immediate effect. Martin Bouygues continues to serve as Chairman of the Board of Directors. Olivier Roussat assumes the office of Chief Executive Officer, assisted by two new Deputy Chief Executive Officers: Edward Bouygues and Pascal Grangé.

The remuneration policy applicable to the 2021 financial year was signed off at the Board meeting of 17 February 2021, on the recommendation of the Selection and Remuneration Committee; it reflects the change in governance arrangements, and complies with the recommendations of the Afep-Medef Code.

This means that during the 2021 financial year, there are two phases in the governance of Bouygues:

- from 1 January 2021 to the Board meeting of 17 February 2021: governance structure consisting of a Chairman and Chief Executive Officer (Martin Bouygues) and a Deputy Chief Executive Officer (Olivier Roussat);
- after the close of the Board meeting of 17 February 2021: a new governance structure consisting of a Chairman of the Board of Directors (Martin Bouygues), a Chief Executive Officer (Olivier Roussat), and two Deputy Chief Executive Officers (Edward Bouygues and Pascal Grangé).

In accordance with Article L. 22-10-8 of the Commercial Code, the remuneration policy will be submitted to a shareholder vote at the Annual General Meeting on 22 April 2021. The Board of Directors has prepared a detailed report on the remuneration policy, which is included in the Universal Registration Document.

1.1. Remuneration policy applicable until 17 February 2021

1.1.1 Remuneration policy applicable to the Chairman and Chief Executive Officer

FIXED REMUNERATION

The rules used to determine fixed remuneration were established in 1999 and have been applied consistently ever since. Fixed remuneration is determined according to the level and complexity of the person's responsibilities, experience in the post and length of service with the Group, and practices followed by groups or companies carrying on comparable activities.

For the 2021 financial year, the gross annual fixed remuneration of Martin Bouygues remains at €920,000, apportioned on a pro rata temporis basis.



ANNUAL VARIABLE REMUNERATION

The Chairman and Chief Executive Officer is entitled to annual variable remuneration, the criteria for which are determined in accordance with the 2021 remuneration policy to be submitted for approval by the Annual General Meeting of 22 April 2021 (see section 1.2.2 – Annual variable remuneration).

For the 2021 financial year, he will receive annual variable remuneration for service as Chairman and Chief Executive Officer on a pro rata temporis basis. The Board of Directors will determine the amount of that remuneration depending on the attainment of objectives. It will be paid after it has been approved by the 2022 Annual General Meeting.

LONG-TERM REMUNERATION

The Chairman and Chief Executive Officer does not receive any long-term remuneration.

REMUNERATION FOR SERVING AS A DIRECTOR

The Chairman and Chief Executive Officer receives remuneration for serving as a director of Bouygues. Given the change in his duties, his remuneration will be apportioned on a pro rata temporis basis for the period until 17 February 2021.

BENEFITS IN KIND

The Chairman and Chief Executive Officer is also provided with a company car and, for his personal needs, with a part-time personal assistant and a chauffeur/security guard.

DEATH, DISABILITY AND HEALTH COVER

He is also entitled to benefits under the collective death, disability and health cover policies applied within Bouygues on the same terms and conditions as Bouygues employees.

SUPPLEMENTARY PENSION SCHEME

The Chairman and Chief Executive Officer is entitled to benefits under the supplementary pension schemes applied within the Group (see section 1.2.1 – Supplementary pension scheme).

1.1.2 Remuneration policy applicable to the Deputy Chief Executive Officer

FIXED REMUNERATION

The rules used to determine fixed remuneration were established in 1999 and have been applied consistently ever since. Fixed remuneration is determined according to the level and complexity of the person's responsibilities, experience in the post and length of service with the Group, and practices followed by groups or companies carrying on comparable activities.

The fixed remuneration of the Deputy Chief Executive Officer is unchanged at €1,250,000. Given the change in his duties, his remuneration will be apportioned on a pro rata temporis basis for the period until 17 February 2021.



ANNUAL VARIABLE REMUNERATION

The Deputy Chief Executive Officer is entitled to annual variable remuneration, the criteria for which are determined in accordance with the 2021 remuneration policy, to be submitted for approval at the Annual General Meeting of 22 April 2021 (see section 1.2.2 – Annual variable remuneration).

For the 2021 financial year, he will receive annual variable remuneration for serving as Deputy Chief Executive Officer, apportioned on a pro rata temporis basis. The Board of Directors will determine the amount of that remuneration depending on the attainment of objectives. It will be paid after it has been approved by the 2022 Annual General Meeting.

LONG-TERM REMUNERATION

Olivier Roussat is entitled to long-term remuneration in the form of a contingent, deferred award of existing Bouygues shares free of charge; this is intended to align the interests of Executive Officers more closely with those of the shareholders, in particular by taking account of the stock market performance of Bouygues shares (see section 1.2.2 – Long-term remuneration).

BENEFITS IN KIND

The Deputy Chief Executive Officer is provided with a company car. Bouygues also provides the Deputy Chief Executive Officer, for his personal needs, with a chauffeur/security guard and unemployment insurance cover. From 2021 onwards, Oliver Roussat will be provided with a fixed number of hours of tax and wealth management advice.

DEATH, DISABILITY AND HEALTH COVER

The Deputy Chief Executive Officer is also entitled to benefits under the collective death, disability and health cover policies applied within Bouygues on the same terms and conditions as Bouygues employees.

SUPPLEMENTARY PENSION SCHEME

The Deputy Chief Executive Officer is entitled to benefits under the supplementary pension schemes applied within the Group (see section 1.2.2 – Supplementary pension scheme).

1.2. Remuneration policy applicable from 17 February 2021 onwards

Remuneration policy applicable to the Chairman of the Board of Directors

In accordance with the Afep-Medef Code, the remuneration policy for the Chairman of the Board of Directors specifies that he is entitled solely to fixed remuneration; remuneration for serving as a director; benefits in kind; and continuing entitlement to the supplementary pension schemes and the collective death, disability and health cover policies applied within Bouygues.

FIXED REMUNERATION

For the 2021 financial year, the gross annual fixed remuneration of Martin Bouygues from 17 February 2021 onwards is €490,000, apportioned on a pro rata temporis basis.



The Board of Directors has taken account of the additional roles conferred on the Chairman of the Board of Directors in its Rules of Procedure (acting on a recommendation from the Selection and Remuneration Committee), in light of his in-depth knowledge of the Group, experience, and expertise.

REMUNERATION FOR SERVING AS A DIRECTOR

The Chairman of the Board of Directors receives remuneration for serving as a director of Bouygues. Given the change in his duties, this will be apportioned on a pro rata temporis basis.

BENEFITS IN KIND

The Chairman of the Board of Directors is also provided with a company car and, for his personal needs, with a part-time personal assistant and chauffeur/security guard.

DEATH, DISABILITY AND HEALTH COVER

The Chairman of the Board of Directors is also entitled to benefits under the collective death, disability and health cover policies applied within Bouygues on the same terms and conditions as Bouygues employees.

SUPPLEMENTARY PENSION SCHEME

Contingent-rights collective pension scheme governed by Article L. 137-11 of the Social Security Code (rights for periods of employment prior to 1 January 2020)

The Chairman of the Board of Directors, who joined the scheme before 4 July 2019, was eligible for the defined-benefit supplementary pension scheme governed by Article L. 137-11 of the Social Security Code.

Subject to his still being with the Bouygues group on retirement, and to being a member of the Group Management Committee, the Chairman of the Board of Directors was entitled to an annuity under this scheme.

In accordance with Law No. 2019-486 of 22 May 2019 (the Pacte law) and Order No. 2019-697 of 3 July 2019, this scheme was closed to new members from 4 July 2019 onwards, and the rights of existing members were frozen as of 31 December 2019.

Due to the closure of the scheme and the freezing of scheme members' rights, the Chairman of the Board of Directors cannot accumulate any further rights under this pension scheme from 1 January 2020 onwards.

Pursuant to Article 5 of Order No. 2019-697 of 3 July 2019, Bouygues intends to transfer the contingent rights under this scheme (governed by Article L. 137-11 of the Social Security Code) to a vested-rights scheme (governed by Article L. 137-11-2 of the Social Security Code), the characteristics of which are identical to those of the vested-rights scheme described below; this means that the pension benefits accumulated under the old scheme will, as a result of the transfer, no longer be contingent on the beneficiary still being with the Bouygues group when he takes retirement.

In any event, no rights may be transferred to the beneficiary above the cap of 30% of his average annual remuneration liable to social security contributions over the last three years under the scheme governed by Article L. 137-11 of the Social Security Code.



Vested-rights pension scheme governed by Article L. 137-11-2 of the Social Security Code (rights for periods of employment subsequent to 1 January 2020)

Given the closure of and the freezing of contingent rights under defined-benefit pension schemes governed by Article L. 137-11 of the Social Security Code, the Board meetings of 13 November 2019 and 19 February 2020 decided (acting on a proposal from the Selection and Remuneration Committee) to introduce a new vested-rights pension scheme in compliance with currently applicable legislation (Article L. 137-11-2 of the Social Security Code). The new scheme enables members of the Group Management Committee who have not reached the cap adopted by the Board to accumulate pension rights for periods of employment subsequent to 1 January 2020 such that they will receive the same level of annuity (0.92% a year) as under the previous scheme in place within Bouygues, subject to fulfilment of the performance conditions described below. In accordance with the new regulations, pension rights will vest annually and will no longer be subject to the individual still being with the Bouygues group at retirement.

Martin Bouygues, in his capacity as a member of the Group Management Committee, was eligible for this new pension scheme. However, Martin Bouygues cannot acquire any further supplementary pension rights since the rights vested in him to date have reached the cap set by the Board of Directors (eight times the annual social security ceiling).

The characteristics of the scheme are as follows:

1. Conditions for joining the scheme and other eligibility conditions. The beneficiary must:
 - Be a member of the Group Management Committee.
 - Have at least three years of service within a Bouygues group company.
2. Reference remuneration: gross annual fixed remuneration plus gross annual variable remuneration.
3. Frequency of vesting of rights: annual.
4. Annual cap on vesting of pension rights: 0.92% of reference remuneration.
5. Overall cap: eight times the annual social security ceiling (giving a cap of €329,088 in 2021).
6. Overall cap on vesting of rights under all schemes governed by Article L. 137-11-2 of the Social Security Code: 30 points.
7. Funding is contracted out to an insurance company, to which an annual premium is paid.
8. Performance conditions:
 - a) Executive Officer concerned
Martin Bouygues cannot acquire any supplementary pension rights, since the rights vested in him to date have reached the cap set by the Board of Directors (eight times the annual social security ceiling).
 - b) The performance conditions for 2021 are:
2021 financial year: Objective = that the average of consolidated net profit attributable to the Group for the 2021 financial year and for the 2020 and 2019 financial years ("Average CNP") is no more than 10% below the average of the consolidated net profit figures specified in the plan for the 2021 financial year and in the plans for the 2020 and 2019 financial years.



Terms for determining the vesting of pension rights based on performance:

- If average CNP is equal to or above the Objective:
Annual pension rights = 0.92% of reference remuneration.
- If average CNP is more than 10% below the Objective:
Annual pension rights = 0.

Between those lower and upper limits, the pension rights awarded vary on a straight-line basis between 0% and 0.92% of reference remuneration.

The amount of annuities paid under pension schemes applied within Bouygues and governed by Articles L. 137-11 (contingent-rights scheme) and L. 137-11-2 (vested-rights scheme) of the Social Security Code is capped at eight times the annual social security ceiling (giving a cap of €329,088 in 2021).

1.2.2 Remuneration policy applicable to the Chief Executive Officer

FIXED REMUNERATION

For the 2021 financial year, the gross annual fixed remuneration of Olivier Roussat from 17 February 2021 is €1,500,000, apportioned on a pro rata temporis basis.

ANNUAL VARIABLE REMUNERATION

The Board of Directors and the Selection and Remuneration Committee seek to ensure that the variable remuneration of the Chief Executive Officer is consistent with the company's performance objectives, so that it is aligned with the corporate interest and with the medium/long-term commercial strategy.

Variable remuneration is expressed as a percentage of fixed remuneration (FR). Variable remuneration awarded for a financial year is capped at a percentage of fixed remuneration.

The Board of Directors has decided that the criteria for annual variable remuneration will be set as follows:

- Four quantifiable financial criteria (three of which are already used as criteria for 2020 variable remuneration, and two of which refer to the three-year business plan):
 - Actual consolidated current operating profit (COP) of the Group for the year / Bounds (P1).
 - Actual net profit attributable to the Group (NP) for the year / Bounds (P2).
 - Net surplus cash/net debt / Bounds (P3).
 - Strategic objectives: attainment of strategic objectives set for each business segment for the year (P4).
- Extra-financial criteria (P5).

Variable remuneration is also assessed with reference to three extra-financial criteria linked to the Group's compliance and CSR performance and based on an overall assessment of the Executive Officer's managerial performance.



The three extra-financial criteria are weighted as follows:

- Compliance (10% of FR):
 - Implementation and follow-up of French Anti-Corruption agency report, in particular risk mapping and assessment of third parties.
- Corporate social responsibility (15% of FR):
 - Health and Safety: reducing the workplace accident rate versus 2020, based on a plan defined separately for each business segment.
 - Climate/Environment plan:
 - Implementing the Climate strategy to achieve a reduction in greenhouse gas emissions compatible with the Paris Agreement in each business segment.
 - Attainment of a specific objective set for each business segment individually: % of reclaimed asphalt pavement (Colas); % of worksites with Top Site accreditation (Bouygues Construction); hybrid/electric vehicle fleet (TF1); number of handsets recycled (Bouygues Telecom); % of staff having received training on low carbon issues (Bouygues Immobilier).
 - Gender balance: as part of the 2021-2023 Global Gender Balance Plan, definition and monitoring of two of the four key performance indicators for each business segment (% of women in managerial grade posts, % of women in senior manager posts, % of women classed as “top talents”, % of women in top-tier executive bodies).
- Managerial performance: assessed on the basis of organisational response to the Covid-19 crisis, employee engagement, and involvement in transverse Group-wide projects (15% of FR).

The Board of Directors reserves the right to make an overall downward adjustment that would reduce or eliminate application of the extra-financial criteria in the event of a serious adverse event during the year.

After consultation with the Selection and Remuneration Committee, the Board of Directors may derogate from the criteria indicated above on the conditions set forth in Article L. 22-10-8 III, paragraph 2 of the Commercial Code, and in accordance with the derogation clause specified in section 5.4.1. of the 2020 Universal Registration Document.

Method used to determine annual variable remuneration for 2021

The method for determining the variable remuneration of Executive Officers is based on five separate variable components: P1, P2, P3, P4 and P5 (as defined above).

The determination of variable remuneration for 2021 is based on results computed with reference to three pre-determined “bounds” for each of the criteria (see below for the methodology and weighting applied to each criterion). Consequently, failure to meet just one of the objectives would make it impossible for the maximum amount of variable remuneration to be paid.

P1, P2, P3 and P4

Payment of each of the four variable components P1, P2, P3 and P4 is dependent on the performance achieved during the financial year. It is expressed as a percentage of fixed remuneration (% of FR).



For each criterion, three “bounds” are set:

- A “lower bound”, which is the trigger point that activates the bonus. It is broadly based on the actual result for that indicator obtained in 2020.
- An “intermediate bound”, corresponding to the expected result for 2021; this is well ahead of the 2020 level, though without reaching the level achieved in 2019 (see section 1.3 of this Universal Registration Document).
- An “upper bound”, representing an outperformance relative to the financial ambitions of the intermediate bound.

For P4 (strategic objectives), performance will be measured by averaging the results obtained by each business segment.

The four variable components P1, P2, P3 and P4 are calculated as follows:

1. If the “lower bound” is attained:

P1 = 12.5% of FR

P2 = 20% of FR

P3 = 15% of FR

P4 = 0% to 15% of FR (depending on business segment results)

2. If the “intermediate bound” is attained:

P1 = 25% of FR

P2 = 40% of FR

P3 = 30% of FR

P4 = 0% to 15% of FR (depending on business segment results)

3. If the “upper bound” is attained:

P1 = 35% of FR

P2 = 50% of FR

P3 = 40% of FR

P4 = 0% to 15% of FR (depending on business segment results)

For P1, P2 and P3, between each of the bounds the effective weight of each component is determined by linear interpolation. If the “lower bound” is not attained, P = 0.

P5

The Board of Directors determines the effective weight of P5, subject to a cap of 40% of FR.

Cap

The sum of the five components P1, P2, P3, P4 and P5 calculated according to the above method may never exceed a cap of 180% of fixed remuneration.

Pre-conditions for payment

Variable remuneration due for a given year is determined by the Board meeting that signs off the financial statements for that year. Consequently, as required by Articles L. 225-100 and L. 22-10-34 of the Commercial Code, payment of the variable remuneration due for 2021 is contingent on approval by the Annual General Meeting called in 2022 to approve the 2021 financial statements. It is paid after payment has been approved by the Annual General Meeting.



There is no other contingent deferral period.

Cessation of office

If the Chief Executive Officer leaves office during the financial year, his variable remuneration for that year will be apportioned on a pro rata temporis basis for the period during which he held office in that year, and on the basis of the Board's assessment of his actual performance level for each of the criteria initially adopted.

LONG-TERM REMUNERATION

Olivier Roussat is entitled to long-term remuneration in the form of a contingent, deferred award of existing Bouygues shares free of charge; this is intended to align his interests more closely with those of the shareholders, in particular by taking account of the stock market performance of Bouygues shares.

The terms of this long-term remuneration package specify the award of no more than 80,000 Bouygues shares to Olivier Roussat at the end of a vesting period of three years (2021, 2022 and 2023) within the scope of the Commercial Code (Articles L. 225-197-1 et seq and L. 22-10-59 et seq).

If the remuneration package were to fall outside the scope of Articles L. 225-197-1 et seq and L. 22-10-59 et seq of the Commercial Code, any shares awarded would become liable for social security charges and income tax in the hands of the beneficiary on the same basis as salary, for the year in which the shares vest. It would therefore be proposed that a portion of the shares awarded to the beneficiaries should be paid out in the form of a cash sum in order to facilitate payment by the beneficiaries of the social security charges and income tax arising on the salary component.

This means that subject to approval by a General Meeting of shareholders on the terms specified in Article L. 22-10-34 of the Commercial Code, long-term remuneration would be paid as follows:

- 50% of the shares awarded would be delivered to the beneficiary on the first working day following that General Meeting;
- An amount equivalent to the value of 50% of the shares would be paid in the week following that General Meeting, in the form of a cash sum calculated on the basis of the opening share price on the day before that General Meeting takes place.

If the remuneration package were to fall within the scope of Articles L. 225-197-1 et seq and L. 22-10-59 et seq of the Commercial Code, then subject to approval by a General Meeting of shareholders on the terms specified in Article L. 22-10-34 of the Commercial Code, long-term remuneration would be paid as follows:

- 100% of the shares awarded would be delivered to the beneficiary on the first working day following that General Meeting.

The award of shares is contingent upon the fulfilment of a continuing employment condition and performance conditions at the end of the vesting period.



Performance conditions

A1 = ROCE - Return on Capital Employed. This criterion is intended to measure average value creation by the Bouygues group over the 2021, 2022 and 2023 period. It is determined by comparing the average of actual ROCE performances for those three years with the following bounds:

- A “lower bound”, corresponding to the historical average weighted cost of capital of the Bouygues group.
- An “intermediate bound”, corresponding to the actual ROCE of the Bouygues group in 2019, before the Covid-19 pandemic.
- An “upper bound”, representing an outperformance relative to the ambitions of the intermediate bound.

A2 = TSR. This criterion is intended to measure, over the three-year period, the performance of Bouygues shares relative to sector indices that reflect its principal business activities: STOXX® Europe 600 Construction & Materials, STOXX® Europe 600 Telecommunications, and STOXX® Europe 600 Media:

- “Lower bound”: Bouygues share performance equal to the performance of the benchmark.
- An “intermediate bound”: Bouygues share performance 0.5 points above the performance of the benchmark.
- “Upper bound”: Bouygues share performance 1 point above the performance of the benchmark.

The performance measure is derived from Bloomberg data (for both Bouygues and the indices) and is computed on the assumption that dividends are reinvested.

A3 = equally weighted climate plan and gender balance objectives.

- Climate:
 - Investment plans to support Climate strategy drivers.
 - Analysis of drivers for achieving carbon neutrality by 2050.
 - Common methodology for calculating avoided carbon emissions in commercial offerings.
- Gender balance:
 - Attainment by each business segment of the criteria defined in the plan (% of women in managerial grade posts, % of women in senior manager posts, % of women classed as “top talents”, % of women in top-tier executive bodies).
 - Attainment of Group objectives in the “global” scope (% of women in senior manager posts, % of women in top-tier executive bodies).

The number of shares awarded (capped at 80,000 shares) would be determined as follows:

1. If the “lower bound” is attained:

A1 = 14,000 shares

A2 = 15,000 shares

A3 = 0 to 20,000 shares

2. If the “intermediate bound” is attained:

A1 = 28,000 shares

A2 = 17,500 shares

A3 = 0 to 20,000 shares

3. If the “upper bound” is attained:

A1 = 40,000 shares

A2 = 20,000 shares

A3 = 0 to 20,000 shares



Between the bounds, A1 and A2 vary on a straight-line basis. For A3, performance will be measured on the basis of the average of the results obtained by the business segments, and will vary accordingly. If the “lower bound” is not attained, A = 0.

Continuing employment condition

The beneficiary will have to be serving as a member of the Group Management Committee on 31 December 2023.

If that condition is no longer met, the beneficiary’s entitlement to long-term remuneration will be forfeited on the date of cessation of office.

The Board of Directors reserves the right to derogate from that rule on a case by case basis based on advice from the Selection and Remuneration Committee.

As an exception to the above, the beneficiary will not forfeit entitlement to long-term remuneration in the following circumstances:

- A incapacity;
- B death;
- C retirement, subject to apportionment on a pro rata temporis basis to reflect time actually spent in office during the reference period;

in accordance with the terms of the long-term remuneration plan.

Cap

Long-term remuneration may never exceed a cap of 100% of the beneficiary’s fixed plus variable remuneration.

Lock-up and hedging

Acting in line with the recommendations of the Afep-Medef Code, the Board meeting of 20 February 2019 set a minimum quantity of shares that the beneficiary would be required to hold in registered form until he ceases to hold office. The beneficiary would thus be required to hold in registered form until he ceases to hold office a minimum quantity of shares representing the equivalent of 1.5 times his fixed annual remuneration. Until such time as that objective is reached, the beneficiary would have to set aside for that purpose 60% of the shares actually delivered to him. If the remuneration package were to fall outside the scope of Articles L. 225-197-1 et seq and L. 22-10-59 et seq of the Commercial Code, then the beneficiary would have to set aside for that purpose 50% of the shares actually delivered to him.

The value of the shares delivered and the cash sums paid under this long-term remuneration package cannot exceed a cap equal to 100% of the beneficiary’s fixed and variable remuneration. In determining whether that cap is reached, the value of the shares delivered is calculated on the basis of the opening market price of Bouygues shares on the day before delivery.

As far as Bouygues is aware, no instruments have been contracted to hedge the shares awardable under this long-term remuneration package. In addition, the beneficiary has made a formal undertaking not to enter into hedging transactions to cover his risk.



BENEFITS IN KIND

The Chief Executive Officer is provided with a company car. Bouygues also provides the Chief Executive Officer, for his personal needs, with a chauffeur/security guard and unemployment insurance cover. From 2021 onwards, the Chief Executive Officer will be provided with a fixed number of hours of tax and wealth management advice.

COLLECTIVE DEATH, DISABILITY AND HEALTH COVER

The Chief Executive Officer is entitled to benefits under the collective death, disability and health cover policies applied within Bouygues on the same terms and conditions as Bouygues employees.

SUPPLEMENTARY PENSION SCHEME

Contingent-rights collective pension scheme governed by Article L. 137-11 of the Social Security Code (rights for periods of employment prior to 1 January 2020)

The Chief Executive Officer, who joined the scheme before 4 July 2019, was eligible for the defined-benefit supplementary pension scheme governed by Article L. 137-11 of the Social Security Code.

Due to the closure of the scheme and the freezing of scheme members' rights, the Chief Executive Officer cannot accumulate any further rights under this pension scheme from 1 January 2020 onwards.

Pursuant to Article 5 of Order No. 2019-697 of 3 July 2019, Bouygues intends to transfer the contingent rights under this scheme (governed by Article L. 137-11 of the Social Security Code) to a vested-rights scheme (governed by Article L. 137-11-2 of the Social Security Code), the characteristics of which are identical to those of the vested-rights scheme described below; this means that the pension benefits accumulated under the old scheme will, as a result of the transfer, no longer be contingent on the beneficiary still being with the Bouygues group when he takes retirement.

Vested-rights pension scheme governed by Article L. 137-11-2 of the Social Security Code (rights for periods of employment subsequent to 1 January 2020)

Given the closure of and the freezing of contingent rights under defined-benefit pension schemes governed by Article L. 137-11 of the Social Security Code, the Board meetings of 13 November 2019 and 19 February 2020 decided (acting on a proposal from the Selection and Remuneration Committee) to introduce a new vested-rights pension scheme in compliance with currently applicable legislation (Article L. 137-11-2 of the Social Security Code). The new scheme will enable members of the Group Management Committee who have not reached the cap adopted by the Board to accumulate pension rights for periods of employment subsequent to 1 January 2020 such that they will receive the same level of annuity (0.92% a year) as under the previous scheme in place within Bouygues, subject to fulfilment of the performance conditions described below. In accordance with the new regulations, pension rights will vest annually and will no longer be subject to the individual still being with the Bouygues group at retirement.

The Chief Executive Officer is eligible for this new pension scheme and can accumulate rights (0.92% of reference remuneration per year) subject to attainment of the performance conditions defined above, with the caveat that his rights have not yet reached the cap of eight times the annual social security ceiling (a cap of €329,088 in 2021) set by the Board of Directors.



Retirement benefit scheme in the form of performance shares

Acting on a proposal from the Selection and Remuneration Committee, the Board of Directors decided at its meeting of 17 February 2021 to introduce a new retirement benefit scheme in the form of performance shares, on the terms set forth in Articles L. 225-197-1 et seq and L. 22-10-59 et seq of the Commercial Code, for the benefit of members of the Group Management Committee.

This scheme helps align the interests of members of the Group Management Committee on those of the shareholders, because the beneficiaries must retain their shares until they retire.

Opting for a retirement benefit scheme based on performance shares reflects a commitment to giving members of the Group Management Committee a stake in the development of the company, with a view to building a corporate culture.

Vesting of the performance shares under the scheme is subject to:

1. a one-year vesting period; and
2. an exacting lock-up period which lasts until the date of the beneficiary's retirement, and which may under no circumstances be less than one year.

Vesting of the shares is subject to (i) a continuing employment condition (as of the vesting date) and (ii) a performance condition linked to average net profit attributable to the Group, identical to that specified for the vested-rights pension scheme.

The beneficiary receives free of charge a number of Bouygues shares equivalent to the premium that would have been required to guarantee the rights that he would have accumulated under the vested-rights scheme (capped at 0.92% of reference remuneration, subject to fulfilment of the performance condition).

The Board of Directors has set the overall cap for this scheme at fourteen times the annual social security ceiling (giving a cap of €575,904 in 2021).

This scheme applies to beneficiaries of the vested-rights scheme governed by Article L. 137-11-2 of the Social Security Code, provided they have reached the cap set by the Board of Directors (eight times the annual social security ceiling) in respect of the defined-benefit pension schemes operated within the company.

To date, the vested rights accumulated by Olivier Roussat have not reached that cap. He will not be entitled to benefit under the present scheme in respect of 2021.

SEVERANCE BENEFIT ON LEAVING OFFICE

No severance benefit is payable to the Chairman and CEO on leaving office.

NON-COMPETITION INDEMNITY

The Chairman and CEO is not entitled to any non-competition indemnity.



1.2.3 Remuneration policy applicable to the Deputy Chief Executive Officers

FIXED REMUNERATION

The rules used to determine fixed remuneration were established in 1999 and have been applied consistently ever since. Fixed remuneration is determined according to the level and complexity of the person's responsibilities, experience in the post and length of service with the Group, and practices followed by groups or companies carrying on comparable activities.

Gross annual fixed remuneration for 2021 (from 17 February 2021 onwards) is as follows:

- €400,000 for Edward Bouygues, apportioned on a pro rata temporis basis;
- €920,000 for Pascal Grangé, apportioned on a pro rata temporis basis.

ANNUAL VARIABLE REMUNERATION

The Board of Directors and the Selection and Remuneration Committee seek to ensure that the variable remuneration of the Deputy Chief Executive Officers is consistent with the company's performance objectives, so that it is aligned with the corporate interest and its commercial strategy.

For the 2021 financial year, they will receive annual variable remuneration for serving as Deputy Chief Executive Officers, apportioned on a pro rata temporis basis. The Board of Directors will determine the amount of that remuneration depending on the attainment of objectives. It will be paid after it has been approved by the 2022 Annual General Meeting.

The criteria for awarding annual variable remuneration are the same as those described above for the Chief Executive Officer (see section 1.2.2 – Annual variable remuneration).

Method used to determine annual variable remuneration for 2021

The method for determining the annual variable remuneration of Executive Officers is based on five separate variable components: P1, P2, P3, P4 and P5, as described above (see section 1.2.2 – Method used to determine annual variable remuneration for 2021).

The annual variable remuneration of Pascal Grangé for 2021 will be determined using the following calculation:

1. If the "lower bound" is attained:

P1 = 12.5% of FR

P2 = 20% of FR

P3 = 15% of FR

P4 = 0% to 15% of FR (depending on business segment results)

2. If the "intermediate bound" is attained:

P1 = 25% of FR

P2 = 40% of FR

P3 = 30% of FR

P4 = 0% to 15% of FR (depending on business segment results)



3. If the “upper bound” is attained:

P1 = 35% of FR

P2 = 50% of FR

P3 = 40% of FR

P4 = 0% to 15% of FR (depending on business segment results)

For P1, P2 and P3, between each of the bounds the effective weight of each component is determined by linear interpolation. If the “lower bound” is not attained, P = 0.

P5 = The Board of Directors determines the effective weight of P5, subject to a cap of 40% of FR.

The annual variable remuneration of Edward Bouygues for 2021 will be determined using the following calculation:

1. If the “lower bound” is attained:

P1 = 10% of FR

P2 = 20% of FR

P3 = 15% of FR

P4 = 0% to 15% of FR (depending on business segment results)

2. If the “intermediate bound” is attained:

P1 = 15% of FR

P2 = 30% of FR

P3 = 20% of FR

P4 = 0% to 15% of FR (depending on business segment results)

3. If the “upper bound” is attained:

P1 = 25% of FR

P2 = 40% of FR

P3 = 30% of FR

P4 = 0% to 15% of FR (depending on business segment results)

For P1, P2 and P3, between each of the bounds the effective weight of each component is determined by linear interpolation. If the “lower bound” is not attained, P = 0.

P5 = The Board of Directors determines the effective weight of P5, subject to a cap of 40% of FR.

Cap

The sum of the five components P1, P2, P3, P4 and P5 may never exceed a cap of 180% of fixed remuneration for Pascal Grangé, or of 150% for Edward Bouygues.

In the particular case of Edward Bouygues, this cap does not take account of any variable remuneration payable under his employment contract.

Pre-conditions for payment

Variable remuneration due for a given year is determined by the Board meeting that signs off the financial statements for that year. Consequently, as required by Articles L. 225-100 and L. 22-10-34 of the Commercial Code, payment of the variable remuneration due for 2021 is contingent on approval by the Annual General Meeting called in 2022 to approve the 2021 financial statements. It is paid after payment has been approved by the Annual General Meeting.



Payment of variable remuneration to Edward Bouygues under his employment contract is not subject to a shareholder vote.

There is no other contingent deferral period.

Cessation of office

If a Deputy Chief Executive Officer leaves office during the financial year, his variable remuneration for that year will be apportioned on a pro rata temporis basis for the period during which he held office in that year, and on the basis of the Board's assessment of his actual performance level for each of the criteria initially adopted. Payment of that remuneration will be submitted for approval by a General Meeting of shareholders on the terms set forth in Article L. 22-10-34 of the Commercial Code.

LONG-TERM REMUNERATION

Edward Bouygues and Pascal Grangé are entitled to long-term remuneration in the form of a contingent award of existing Bouygues shares; this is intended to align the interests of the Executive Officers more closely with those of the shareholders, in particular by taking account of the stock market performance of Bouygues shares.

The terms of this long-term remuneration package specify the award of no more than 40,000 Bouygues shares to Pascal Grangé and 20,000 Bouygues shares to Edward Bouygues at the end of a three-year period (2021, 2022 and 2023). The award of shares is contingent upon the fulfilment of a continuing employment condition and performance conditions at the end of that period.

The criteria for awarding long-term remuneration are the same as those described above for the Chief Executive Officer (see section 1.2.2 – Long-term remuneration).

Performance conditions

The criteria for awarding long-term remuneration are the same as those described above for the Chief Executive Officer (see section 1.2.2 – Long-term remuneration).

The number of shares awarded to Pascal Grangé (capped at 40,000 shares) would be determined as follows:

1. If the "lower bound" is attained:

A1 = 7,000 shares

A2 = 7,500 shares

A3 = 0 to 10,000 shares

2. If the "intermediate bound" is attained:

A1 = 14,000 shares

A2 = 8,750 shares

A3 = 0 to 10,000 shares

3. If the "upper bound" is attained:

A1 = 20,000 shares

A2 = 10,000 shares

A3 = 0 to 10,000 shares



Between the bounds, A1 and A2 vary on a straight-line basis. For A3, performance will be measured on the basis of the average of the results obtained by the business segments, and will vary accordingly. If the “lower bound” is not attained, A = 0.

The number of shares awarded to Edward Bouygues (capped at 20,000 shares) would be determined as follows:

1. If the “lower bound” is attained:

A1 = 3,500 shares

A2 = 3,750 shares

A3 = 0 to 5,000 shares

2. If the “intermediate bound” is attained:

A1 = 7,000 shares

A2 = 4,375 shares

A3 = 0 to 5,000 shares

3. If the “upper bound” is attained:

A1 = 10,000 shares

A2 = 5,000 shares

A3 = 0 to 5,000 shares

Between the bounds, A1 and A2 vary on a straight-line basis. For A3, performance will be measured on the basis of the average of the results obtained by the business segments, and will vary accordingly. If the “lower bound” is not attained, A = 0.

Continuing employment condition

The continuing employment condition for the award of long-term remuneration is the same as that described above for the Chief Executive Officer (see section 1.2.2 – Continuing employment condition).

Cap

Long-term remuneration may never exceed a cap of 100% of the beneficiaries’ fixed plus variable remuneration.

Lock-up and hedging

The lock-up period for shares awarded to the beneficiaries as long-term remuneration is the same as that described above for the Chief Executive Officer (see section 1.2.2 – Lock-up and hedging).

As far as Bouygues is aware, no instruments have been contracted to hedge the shares awardable under this long-term remuneration package. In addition, the beneficiaries have made a formal undertaking not to enter into hedging transactions to cover their risks.

BENEFITS IN KIND

The Deputy Chief Executive Officers are provided with a company car and, in the case of Pascal Grangé, a chauffeur/security guard. From 2021 onwards, the Deputy Chief Executive Officers will be provided with a fixed number of hours of tax and wealth management advice.



COLLECTIVE DEATH, DISABILITY AND HEALTH COVER

The Deputy Chief Executive Officers are entitled to benefits under the collective death, disability and health cover policies applied within Bouygues on the same terms and conditions as Bouygues employees.

SUPPLEMENTARY PENSION SCHEME

Vested-rights pension scheme governed by Article L. 137-11-2 of the Social Security Code (rights for periods of employment subsequent to 1 January 2020)

The Deputy Chief Executive Officers, in their capacity as members of the Group Executive Committee, are eligible for this new scheme on the same conditions as those described for the Chief Executive Officer (see section 1.2.2 – Supplementary pension scheme).

Retirement benefit scheme in the form of performance shares

The Deputy Chief Executive Officers, in their capacity as members of the Group Executive Committee, are eligible for this new scheme on the same conditions as those described for the Chief Executive Officer (see section 1.2.2 – Supplementary pension scheme).

To date, the vested rights accumulated by Pascal Grangé have not reached the cap required to benefit under this scheme. Edward Bouygues has started to accumulate supplementary pension rights with effect from 1 January 2021.

SEVERANCE BENEFIT ON LEAVING OFFICE

No severance benefit is payable to the Deputy Chief Executive Officers on leaving office.

NON-COMPETITION INDEMNITY

The Deputy Chief Executive Officers are not entitled to any non-competition indemnity.



2. REMUNERATION OF EXECUTIVE OFFICERS IN 2020

The Board of Directors has consistently applied the successive changes to the Afep-Medef Corporate Governance Code concerning executive remuneration, and the application guidance issued by the High Committee for Corporate Governance.

The remuneration of Martin Bouygues and Olivier Bouygues, as determined by the Bouygues Board of Directors, is paid by SCDM. SCDM then invoices Bouygues this remuneration and the related social security charges, pursuant to the agreement governing relations between Bouygues and SCDM (which is subject to the regulated agreements procedure). That invoicing strictly reflects the amounts of remuneration as determined by the Bouygues Board of Directors. The agreement between Bouygues and SCDM was approved by the Annual General Meeting of 23 April 2020 (fourth resolution) under the regulated agreements procedure.

As announced by Martin Bouygues at the Annual General Meeting on 23 April 2020, in light of the exceptional circumstances related to the Covid-19 pandemic, the Board meeting of 28 July 2020 – acting on a recommendation from the Selection and Remuneration Committee – decided to reduce by 25% the overall remuneration (fixed and variable) of the Executive Officers for 2020.

2.1. Total annual remuneration of the Chairman and Chief Executive Officer in respect of the 2020 financial year

FIXED REMUNERATION

For the 2020 financial year, Martin Bouygues received gross annual fixed remuneration of €920,000. The amount of his fixed remuneration has remained unchanged since 2003.

ANNUAL VARIABLE REMUNERATION

The principles and criteria for 2020 annual variable remuneration were determined by the Board of Directors on 19 February 2020 and approved by the Annual General Meeting of 23 April 2020 (fifth resolution) and the General Meeting of 4 September 2020 (second resolution). The Board meeting of 17 February 2021 evaluated the 2020 performance of the Executive Officers.

An objective is set for each criterion. When an objective is attained, a variable portion corresponding to a percentage of fixed remuneration is awarded.

In the case of those portions of variable remuneration linked to a quantitative criterion, if an objective is exceeded or not attained the variable portion is adjusted on a straight-line basis within a specified range. The variable portion is subject to an upper limit, and is reduced to zero if the objective falls below a lower limit.

The sum total of the six variable portions calculated on this basis cannot under any circumstances exceed the overall cap, set in 2020, of 95% of each Executive Officer's fixed remuneration.



The six criteria for determining 2020 gross annual variable remuneration

The gross annual variable remuneration of Martin Bouygues for 2020 is based on the performance of the Group, determined by reference to:

- **Four financial criteria:**

- **P1: Actual consolidated current operating profit (COP)** of the Group for the year / Objective = COP per the 2020 plan
- **P2: Actual consolidated net profit attributable to the Group (CNP)** for the year / Objective = CNP per the 2020 plan
- **P3 Actual CNP for the year** (excluding exceptional items) / Objective = actual CNP for the previous year (excluding exceptional items)
- **P4: Change in net debt (CND)** in the year (excluding external growth not built into the plan) / Objective = CND per the 2020 plan

The objectives have been precisely defined, but are not disclosed for confidentiality reasons. Nevertheless, the attainment level for each criterion (as a percentage of fixed remuneration) is disclosed in the table below.

- **Extra-financial criteria: performance in CSR and compliance, and an assessment of managerial performance**

The Board of Directors determines the effective weight of each of the extra-financial criteria, subject to a cap of 30% of fixed remuneration. Each of the CSR, compliance and managerial assessment criteria is subject to a 10% cap.

The objectives defined by the Board for the extra-financial criteria were:

- improving safety in terms of reducing workplace accident rates (this objective was partially attained in 2019);
- the Bouygues group retaining its place in the Carbon Disclosure Project (CDP) index with an A or A- rating;
- applying the Sapin 2 law.

- **Criteria relating to the handling of the Covid-19 crisis:**

In accordance with the decision taken at the Board meeting of 28 July 2020 and on a recommendation from the Selection and Remuneration Committee, a sixth criterion was introduced to assess how well the Covid-19 crisis was managed within the Group. The General Meeting of 4 September 2020 approved the new criterion, and the associated calculation methods.

Three objectives were adopted for use in calculating attainment levels for this criterion, none of which may exceed 10% of fixed remuneration:

- 10% on implementation of measures to protect the health and safety of employees;
- 10% on management of the Group's cash and liquidity resources;
- 10% on adaptability in limiting the impacts of the Covid-19 crisis.

Martin Bouygues is eligible for gross annual variable remuneration of €874,000 in respect of 2020.



Summary table: gross annual variable remuneration of Martin Bouygues for 2020

	Theoretical annual variable remuneration if objective is attained Caps as % of FR	Maximum theoretical annual variable remuneration if objective is exceeded as % of FR	Annual variable remuneration awarded based on 2020 performance as % of FR
Financial criteria			
P1 COP	25%	35%	17%
P2 CNP	25%	30 %	17%
P3 CNP vs 2019	30 %	35%	19%
P4 CND	20%	40%	40%
Extra-financial criteria			
P5	30%	30%	25%
Covid-19 criteria			
P6	30%	30%	30%
	Total = 160% of FR Reduced to 95%	Total = 200% of FR Reduced to 95%	Total = 148% of FR Reduced to 95%
Cap	95%	95%	95%

EXCEPTIONAL REMUNERATION

Martin Bouygues received no exceptional remuneration in respect of the 2020 financial year.

LONG-TERM REMUNERATION

The Annual General Meeting of 23 April 2020 approved, as part of the 2020 remuneration policy, the principle of awarding long-term remuneration in the form of contingent awards of shares to Executive Officers, to strengthen the alignment between their interests and those of the shareholders.

Martin Bouygues was not awarded any long-term remuneration given his personal circumstances, which already guarantee that his interests are aligned with those of the shareholders.

OTHER COMPONENTS OF REMUNERATION

Social protection

Martin Bouygues benefited under the collective death, disability and health cover policies applied within Bouygues.

Supplementary pension scheme

Contingent-rights pension scheme governed by Article L. 137-11 of the Social Security Code (rights for periods of service prior to 1 January 2020)

Martin Bouygues, who joined the scheme before 4 July 2019, was eligible for the defined-benefit supplementary pension scheme governed by Article L. 137-11 of the Social Security Code. In accordance with Law No. 2019-486 of 22 May 2019 (the Pacte law) and Order No. 2019-697 of 3 July 2019, this scheme was closed to new members from 4 July 2019 onwards, and the rights of existing members were frozen as of 31 December 2019.

He acquired no further contingent rights under this scheme during the 2020 financial year.



Vested-rights pension scheme governed by Article L. 137-11-2 of the Social Security Code

Vesting of rights under this scheme is subject to a performance condition.

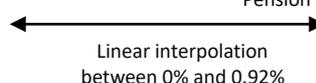
The table below summarises the method used to determine pension rights for 2020:

Supplementary pension

Annual cap on vesting of pension rights = 0.92% of the 2020 reference salary (Fixed + Annual Variable)

PERFORMANCE CONDITIONS

Objective = Plan averages - 10% (average CNP forecast per the 2020, 2019 and 2018 plans)	If the average of actual CNP figures for 2020, 2019 and 2018 is more than 10% below the Objective, Pension rights = 0	If the average of actual CNP figures for 2020, 2019 and 2018 is equal to or greater than the Objective, Pension rights = 0.92%
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NB: Overall cap on pension rights = eight times social security ceiling (giving a cap of €329,088 in 2020).

Martin Bouygues has been unable to acquire any supplementary pension rights since 2019 since the rights vested in him to date have reached the cap set by the Board of Directors (eight times the annual social security ceiling).

Consequently, Martin Bouygues has not acquired any rights in respect of 2020.

OTHER FORMS OF REMUNERATION

Martin Bouygues received benefits in kind consisting of the use of a company car and the assignment of a part-time personal assistant and a chauffeur/security guard for his personal needs.

Those benefits amounted to €31,050 based on the valuation method used.

REMUNERATION FOR SERVING AS A DIRECTOR

Martin Bouygues received annual remuneration of €79,713 for serving as a director, of which €9,713 came from Group subsidiaries.

2.2. Total annual remuneration of the Deputy Chief Executive Officer – Olivier Bouygues

Olivier Bouygues having resigned from office as a Deputy Chief Executive Officer on 31 August 2020, his fixed and variable remuneration will be apportioned on a pro rata temporis basis based on the period of his service with the company.

FIXED REMUNERATION

For the 2020 financial year, Olivier Bouygues received gross annual fixed remuneration of €333,333, calculated on a pro rata temporis basis.



VARIABLE REMUNERATION

The principles and criteria applied in determining the annual variable remuneration of Olivier Bouygues are identical to those applied to the Chairman and Chief Executive Officer (see section 2.1 – Annual variable remuneration).

Olivier Bouygues is eligible for gross annual variable remuneration for 2020 of €316,667.

Summary table: gross annual variable remuneration of Olivier Bouygues for 2020

	Theoretical annual variable remuneration if objective is attained Caps as % of FR	Maximum theoretical annual variable remuneration if objective is exceeded as % of FR	Annual variable remuneration awarded based on 2020 performance as % of FR
Financial criteria			
P1 COP	25%	35%	17%
P2 CNP	25%	30%	17%
P3 CNP vs 2019	30%	35%	19%
P4 CND	20%	40%	40%
Extra-financial criteria			
P5	30%	30%	25%
Covid-19 criteria			
P6	30%	30%	30%
	Total = 160% of FR Reduced to 95%	Total = 200% of FR Reduced to 95%	Total = 148% of FR Reduced to 95%
Cap	95%	95%	95%

EXCEPTIONAL REMUNERATION

Olivier Bouygues did not receive any exceptional remuneration in respect of the 2020 financial year.

LONG-TERM REMUNERATION

The Annual General Meeting of 23 April 2020 approved, as part of the 2020 remuneration policy, the principle of awarding long-term remuneration in the form of contingent awards of shares to Executive Officers, to strengthen the alignment between their interests and those of the shareholders.

Olivier Bouygues was not awarded any long-term remuneration given his personal circumstances, which already guarantee that his interests are aligned with those of the shareholders.

OTHER COMPONENTS OF REMUNERATION

Social protection

Olivier Bouygues benefited under the collective death, disability and health cover policies applied within Bouygues SA.

Contributions paid under those policies amounted to €3,044.08 in respect of the 2020 financial year.



Supplementary pension scheme

Contingent-rights pension scheme governed by Article L. 137-11 of the Social Security Code (rights for periods of service prior to 1 January 2020)

Olivier Bouygues, who joined the scheme before 4 July 2019, was eligible for the defined-benefit supplementary pension scheme governed by Article L. 137-11 of the Social Security Code. In accordance with Law No. 2019-486 of 22 May 2019 (the Pacte law) and Order No. 2019-697 of 3 July 2019, this scheme was closed to new members from 4 July 2019 onwards, and the rights of existing members were frozen as of 31 December 2019.

Consequently, Olivier Bouygues acquired no further rights in respect of the 2020 financial year.

The estimated amount of his annuity under the scheme is eight times the annual social security ceiling (€329,088 in 2020).

Vested-rights pension scheme governed by Article L. 137-11-2 of the Social Security Code

Vesting of rights under this scheme is subject to a performance condition.

The method used to calculate pension rights for 2020 is the same as that described for the Chairman and Chief Executive Officer (see section 2.1 – Supplementary pension scheme).

Because Olivier Bouygues has reached the cap of eight times the social security ceiling (a cap of €329,088 in 2020), he acquired no new rights under this scheme in 2020.

Having taken his pension rights in 2020, Olivier Bouygues will receive an annual annuity estimated at eight times the social security ceiling with effect from 1 September 2020.

OTHER FORMS OF REMUNERATION

Olivier Bouygues received benefits in kind consisting of the use of a company car and the assignment of a part-time personal assistant and a chauffeur/security guard for his personal needs.

Those benefits amounted to €7,171 based on the valuation method used.

REMUNERATION FOR SERVING AS A DIRECTOR

Olivier Bouygues received annual remuneration of €102,000 for serving as a director, of which €54,000 came from Group subsidiaries.



2.3. Total annual remuneration of the Deputy Chief Executive Officer – Olivier Roussat

FIXED REMUNERATION

For the 2020 financial year, Olivier Roussat received gross annual fixed remuneration of €1,250,000.

VARIABLE REMUNERATION

The principles and criteria applied in determining the annual variable remuneration of Olivier Roussat are identical to those applied to the Chairman and Chief Executive Officer (2.1 – Annual variable remuneration).

Olivier Roussat received gross annual variable remuneration of €1,187,500.

Summary table: gross annual variable remuneration of Olivier Roussat for 2020

	Theoretical annual variable remuneration if objective is attained Caps as % of FR	Maximum theoretical annual variable remuneration if objective is exceeded as % of FR	Annual variable remuneration awarded based on 2020 performance as % of FR
Financial criteria			
P1 COP	25%	35%	17%
P2 CNP	25%	30%	17%
P3 CNP vs 2019	30%	35%	19%
P4 CND	20%	40%	40%
Extra-financial criteria			
P5	30%	30%	25%
Covid-19 criteria			
P6	30%	30%	30%
	Total = 160% of FR Reduced to 95%	Total = 200% of FR Reduced to 95%	Total = 148% of FR Reduced to 95%
Cap	95%	95%	95%

EXCEPTIONAL REMUNERATION

Olivier Roussat received no exceptional remuneration in respect of the 2020 financial year.

LONG-TERM REMUNERATION

The Annual General Meeting of 23 April 2020 approved, as part of the 2020 remuneration policy, the principle of awarding long-term remuneration in the form of contingent awards of shares to Executive Officers, to strengthen the alignment between their interests and those of the shareholders.

Olivier Roussat received a contingent award of a maximum of 40,000 shares, subject to performance conditions measured over three years, and valued at a total of €418,800 on the date of the award.



The number of shares awarded in 2020 was determined as follows:

- **A1 Objective** = average of the current operating profit (COP) figures for the 2019, 2020 and 2021 financial years set as objectives in the annual business plans.
 - If the Objective is attained, A1 = 0 shares.
 - If the average of the three COP figures is at least 20% above the Objective, A1 = 37.5% of the total number of shares potentially awardable in 2022 (i.e. 15,000 shares in 2022).
Between those lower and upper limits, A1 varies on a straight-line basis between 0% and 37.5% (i.e. 0 to 15,000 shares in 2022).
- **A2 Objective** = average of the consolidated net profit (CNP) figures of the Group for the 2019, 2020 and 2021 financial years set as objectives in the annual business plans.
 - If the Objective is attained, A2 = 0 shares.
 - If the average of the three CNP figures is at least 20% above the Objective, A2 = 37.5% of the total number of shares potentially awardable in 2022 (i.e. 15,000 shares in 2022).
Between those lower and upper limits, A2 varies on a straight-line basis between 0% and 37.5% (i.e. 0 to 15,000 shares in 2022).
- **A3 Objective** = stock market performance of Bouygues shares, including reinvestment of the dividend at the opening market price on the dividend ex-date (TSR) = CAC 40 performance over the plan period.
 - If the Objective is attained, A3 = 0 shares.
 - If the Bouygues share performance relative to the CAC 40 is 10% or more above the Objective over the plan period, A3 = 25% of the total number of shares potentially awardable in 2022 (i.e. 10,000 shares in 2022).
Between those lower and upper limits, A3 varies on a straight-line basis between 0% and 25% (i.e. 0 to 10,000 shares in 2022).

Overview of performance conditions for the 2020 contingent shares plan

37.5%	37.5%	25%
Average COP	Average CNP	Bouygues TSR/CAC 40 TSR

In 2019, Bouygues ended the multi-year variable remuneration package to which Olivier Roussat had been entitled. Consequently, it was proposed that from 2019 (in line with the 2019 remuneration policy approved by the eleventh resolution of the Annual General Meeting of 25 April 2019) he should be granted a new long-term remuneration package on the following terms:

Additional award of a maximum of 26,666 shares subject to performance conditions relating to the 2019 and 2020 financial years, with a total value of €460,711 at the date of the award.

The Board meeting of 17 February 2021 formally noted that none of the three criteria (A1, A2 and A3) had been met in 2020. Consequently, no shares were awarded to Olivier Roussat.



OTHER COMPONENTS OF REMUNERATION

Social protection

Olivier Roussat benefited under the collective death, disability and health cover policies applied within Bouygues SA.

Contributions paid under those policies amounted to €4,566.12 in respect of the 2020 financial year.

Supplementary pension scheme

Contingent-rights pension scheme governed by Article L. 137-11 of the Social Security Code (rights for periods of service prior to 1 January 2020)

Olivier Roussat, who joined the scheme before 4 July 2019, was eligible for the defined-benefit supplementary pension scheme governed by Article L. 137-11 of the Social Security Code. In accordance with Law No. 2019-486 of 22 May 2019 (the Pacte law) and Order No. 2019-697 of 3 July 2019, this scheme was closed to new members from 4 July 2019 onwards, and the rights of existing members were frozen as of 31 December 2019.

Consequently, Olivier Roussat acquired no further rights in respect of the 2020 financial year.

The estimated amount of his annuity under the scheme is €272,031.

Vested-rights pension scheme governed by Article L. 137-11-2 of the Social Security Code

Vesting of rights under this scheme is subject to a performance condition.

The method used to calculate pension rights for 2020 is the same as that described for the Chairman and Chief Executive Officer (see section 2.1 – Supplementary pension scheme).

The performance conditions for the 2020 financial year were met. Olivier Roussat therefore acquired pension rights equivalent to 0.92% of his reference salary.

The estimated amount of his annuity under the scheme as at 31 December 2020 is €22,425.

OTHER FORMS OF REMUNERATION

Olivier Roussat received benefits consisting of the use of a company car with chauffeur for business purposes and unemployment insurance.

Those benefits amounted to €20,457 based on the valuation method used.

REMUNERATION FOR SERVING AS A DIRECTOR

Olivier Roussat received annual remuneration of €56,400 for serving as a director with Group subsidiaries.



2.4. Total annual remuneration of the Deputy Chief Executive Officer – Philippe Marien

FIXED REMUNERATION

Philippe Marien received gross annual fixed remuneration of €153,333 in respect of 2020.

VARIABLE REMUNERATION

Philippe Marien received no annual variable remuneration in respect of 2020.

EXCEPTIONAL REMUNERATION

Philippe Marien received no exceptional remuneration in respect of 2020.

LONG-TERM REMUNERATION

Philippe Marien received no contingent awards of shares in respect of 2020.

OTHER COMPONENTS OF REMUNERATION

Social protection

Philippe Marien benefited under the collective death, disability and health cover policies applied within Bouygues SA.

Contributions paid under those policies amounted to €761.02 in respect of 2020.

Supplementary pension scheme

Contingent-rights pension scheme governed by Article L. 137-11 of the Social Security Code (rights for periods of service prior to 1 January 2020)

Philippe Marien, who joined the scheme before 4 July 2019, was eligible for the defined-benefit supplementary pension scheme governed by Article L. 137-11 of the Social Security Code. In accordance with Law No. 2019-486 of 22 May 2019 (the Pacte law) and Order No. 2019-697 of 3 July 2019, this scheme was closed to new members from 4 July 2019 onwards, and the rights of existing members were frozen as of 31 December 2019.

Consequently, Philippe Marien acquired no further rights in respect of 2020.

The estimated amount of his annuity under the scheme is €279,112.

Vested-rights pension scheme governed by Article L. 137-11-2 of the Social Security Code

Vesting of rights under this scheme is subject to a performance condition.

The method used to calculate pension rights for 2020 is the same as that described for the Chairman and Chief Executive Officer (see section 2.1 – Supplementary pension scheme).

The estimated amount of his annuity under the scheme is €1,411.



Having taken his pension rights in 2020, Philippe Marien will receive an annual pension of €280,523 given his length of service.

OTHER FORMS OF REMUNERATION

Philippe Marien received benefits consisting of the use of a company car with chauffeur for business purposes.

Those benefits amounted to €787.74 based on the valuation method used.

REMUNERATION FOR SERVING AS A DIRECTOR

Philippe Marien received annual remuneration of €27,094 for serving as a director with Group subsidiaries.