

SAINT-GOBAIN 2021 ANNUAL GENERAL MEETING

PERFORMANCE AND IMPACT







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SAINT-GOBAIN

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SAINT-GOBAIN

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HIGH PERFORMANCE SOLUTIONS

Sequential improvement



SALES -10.1% o/w H2 -1.9% 1. 4. 4. SAINT-GOBAIN

NORTHERN EUROPE

Significant rise in margin in H2





SOUTHERN EUROPE – MIDDLE EAST & AFRICA

Significant upturn in sales and margin in H2





AMERICAS

Sharp rise in sales and margin

Operating income & margin

(€m; %)



SALES +4.7% o/w H2 +15.7%

1.0

7

ASIA-PACIFIC

Margin up slightly over the full year

Operating income & margin

(€m; %)



SALES -7.1% o/w H2 +2.1%



8

CONTINUED FINANCIAL DISCIPLINE

Cost savings

Calculated on the 2019 cost base

€320m

Operational excellence program

€130m Transform & Grow

€240m

Pandemic adaptation

Free cash flow

€3bn, +64%

With the free cash flow conversion ratio up sharply at 81% versus 44% in 2019

Net debt / EBITDA

1.6x



Solid balance sheet and rating



FIRST-QUARTER 2021

Sales in €m and like-for-like change in %





SHAREHOLDER RETURNS



Share price

—Saint-Gobain +77%

CAC40 +25%

01.20 08.20 08.20 10.20 12.20 12.20 02.22 02.22 08.22 08.22

06.27

60

50

40

20

06.20

30

530 million at end-December 2020 versus 542 million at end-December 2019

IN SUMMARY: A STRONGER GROUP

A solid balance sheet

Outperformance on our markets

Profitable growth ambitions

Committed teams











SAINT-GOBAIN 2021 ANNUAL GENERAL MEETING

PERFORMANCE AND IMPACT





SAINT-GOBAIN 2021 ANNUAL GENERAL MEETING

PERFORMANCE AND IMPACT



CORPORATE SOCIAL RESPONSIBILITY AT THE HEART OF OUR BUSINESS MODEL AND DNA



CLIMATE CHANGE



CIRCULAR ECONOMY



BUSINESS ETHICS

Contribution to the UN Sustainable Development Goals





INCLUSIVE GROWTH



HEALTH AND SAFETY

ACROSS THE ENTIRE

VALUE CHAIN

EMPLOYEE ENGAGEMENT AND DIVERSITY



CLIMATE CHANGE



Contribute to the emergence of a lowcarbon economy capable of preserving the common good

Our 2020 performance

- 10.4mt CO₂ emissions (scope 1+2)
- **19%** renewable electricity
- -5% water discharge
- Over 1,300 EPDs¹ in construction 33 countries covered

Our approach



Fight against the effects of climate change

Solutions: energy efficiency and low carbon and avoided emissions

I. Environmental Product Declaration

2020 Highlights

- ✓ CO₂ Roadmap 2030 on the path of the Paris Agreement
- ✓ Investment in **renewable energies**
- Update of water impacts in high and very high water stress areas
- ✓ Act4Nature biodiversity commitment







CIRCULAR ECONOMY



Reduce our resource intensity and promote recycling and the integration of recycled materials in products and solutions

Our 2020 performance

- **10.1mt** of virgin raw materials avoided
- -14% non-recovered waste
- Over 120 collection points in our distribution network in France

Our approach

Sustainable Resource Management

Solutions: integration of recycled materials and recyclability

Waste deconstruction and collection network

2020 Highlights

- New 2030 targets: recyclable materials and recyclability
- ✓ Commitment on **plastic packaging**
- Extension of window collection services in Europe to recycle glass in our factories: services available in Finland, France, Great Britain, Norway, Sweden





BUSINESS ETHICS



Share our values with our stakeholders to build over the long term

Our 2020 performance

- 97% of new managers trained in the code of ethics in their first year of integration
- 94% of our managers trained in the fight against corruption

Our approach

Our code of ethics: Principles of Conduct and Action

Human rights (UN guiding principles)

Our **employees** and our **supply chain**

2020 Highlights

- ✓ New professional whistleblowing system
- ✓ Strengthened **anti-corruption** policy
- Acceleration of the Responsible Purchasing program with new 2025 objectives
- ✓ Revision of the **Timber Purchasing policy**







INCLUSIVE GROWTH



Create shared economic growth with stakeholders in a spirit of mutual trust and transparency

Our 2020 performance

- Nearly 10M€ in actions in favor of communities (excluding material donations)
- Over **50,000** beneficiaries of the Saint-Gobain Foundation

Our approach

The Foundation and philanthropy actions

Country organization and local actions

2020 Highlights

- ✓ Care by Saint-Gobain
- Development of training programs for craftsmen to accelerate the deployment of sustainable solutions
- ✓ Solidarity in the face of the health crisis
- ✓ Apprentice training center in France







HEALTH AND SAFETY ACROSS THE ENTIRE VALUE CHAIN



Our first responsibility is to ensure the health and safety of our employees and our stakeholders

Our 2020 performance

- x15 the production of respirators' essential components to address the global health crisis
- 1.8 frequency rate of accidents with and without lost time

Our approach

Health policy integrating employees, subcontractors and partners

Solutions: design of solutions integrating health, safety and well-being from the customer to the end user

2020 Highlights

- ✓ Health crisis management
- Training courses for sites on safety risk management with on-site subcontractors
- Finalized deployment of the HICE¹ indicator on noise risk management

Contribution to the UN Sustainable Development Goals







1. Health indicator for occupational exposure

SAFETY FREQUENCY RATES 2007-2020

SAINT-GOBAIN EMPLOYEES - TEMPORARY WORKERS - PERMANENT CONTRACTORS



HEALTH AND SAFETY ACROSS THE ENTIRE VALUE CHAIN



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Contribution to the UN Sustainable Development Goals







1. Health indicator for occupational exposure

EMPLOYEE ENGAGEMENT AND DIVERSITY



Create a work environment conducive to professional and personal fulfilment and promote the inclusion of all diversities in keeping with equity

Our 2020 performance

- 78% of employees responded to the annual satisfaction survey
- The engagement index reaches 82%
- 88% of employees consider they are well trained
- 2,638 active agreements signed with employees representatives

Our approach

HR policy focused on local needs and expectations, with a global coordination

OPEN program: talent, mobility, diversity, development

Saint-Gobain Attitudes

2020 Highlights

- ✓ Care by Saint-Gobain: parenthood pillar finalized for 100% of employees worldwide
- ✓ Objective of 25% female managers by the end of 2020 achieved
- ✓ **New 2030 gender** diversity objectives
- ✓ New training courses to **fight stereotypes**







OUR PURPOSE

CONTINUOUS PROGRESS ON ALL PILLARS

- Structuring operational programs to support the objectives and commitments
- Medium-term roadmaps to guide our actions
- Strong values to give meaning to our approach

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ESG, A SOURCE OF VALUE CREATION

- Group growth
- Shared with stakeholders







SAINT-GOBAIN 2021 ANNUAL GENERAL MEETING

PERFORMANCE AND IMPACT





SAINT-GOBAIN 2021 ANNUAL GENERAL MEETING

GROUP STRATEGY AND OUTLOOK









A SOLID KNOWLEDGE OF THE GROUP

THE STATE OF TEXAS

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A VALUE-CREATING TRANSFORMATION

WITHIN THE CONSTRUCTION DIVISION

ANSFORM & GROW

THEN AS A WHOLE GROUP

WITH TRANFORM & GROW

PLAN

EFFECTIVE CRISIS MANAGEMENT

LOCAL ACTIONS GLOBAL COORDINATION


MY PLAN FOR SAINT-GOBAIN



SAINT-GOBAIN AT THE HEART OF TODAY'S CHALLENGES

40% of global CO₂ emissions linked to construction



+2bn

urban population in emerging markets¹

By 2050 – UN projections 2015-2050

JUNE 3RD ANNUAL GENERAL MEETING



OUR VISION FOR SAINT-GOBAIN





BE THE WORLDWIDE REFERENCE IN SUSTAINABLE CONSTRUCTION







IMPROVING DAILY LIFE THROUGH PERFORMANCE SOLUTIONS



JUNE 3RD ANNUAL GENERAL MEETING

OUR GROWTH STRATEGY: ROLL-OUT SAINT-GOBAIN SOLUTIONS



JUNE 3RD ANNUAL GENERAL MEETING

OUR SOLUTIONS REDUCE CO₂ EMISSIONS IN CONSTRUCTION

Energy-efficient renovation

Supported by stimulus packages





JUNE 3RD ANNUAL GENERAL MEETING

OUR SOLUTIONS ARE RESOURCE EFFICIENT



OUR SOLUTIONS SUPPORT EMERGING COUNTRY GROWTH

Urbanization

Supported by Saint-Gobain's global footprint & solutions





Promoting fast and cost-effective construction

Urban inhabitants in Emerging countries by 2050 - UN projections 2015-2050

Internal estimates for F4 type Light Façade vs. traditional materials, up to -76% in the Indian use-case



JUNE 3RD ANNUAL GENERAL MEETING

OUR SOLUTIONS ARE FULLY IN LINE WITH OUR ESG COMMITMENT



MAKING THE WORLD A BETTER HOME

1. Philanthropy and sponsorship: in kind or in value

2. NPS (Net Promoter Score) Employees calculated as (positive responses - negative responses) to the question "I would recommend my company to my friends, family"

3. Absolute reduction to 10.4Mt (10Mt at constant scope), on track to deliver a 33% reduction by 2030

19 4. France, USA, Brazil, China





OUR GROWTH RELIES ON AN UNMATCHED VALUE PROPOSITION...







~70% OF SAINT-GOBAIN'S SALES ARE IN SUSTAINABLE SOLUTIONS¹



1. Sustainable solutions contribute to energy and environmental transition or to final users' and installers' well-being and comfort

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...WHICH IS FUELED BY THE STRENGTH OF OUR INNOVATION



LEAD THE RESPONSE TO SUSTAINABILITY CHALLENGES



JUNE 3RD ANNUAL GENERAL MEETING

... AND WHICH IS ENRICHED BY OUR DIGITAL SOLUTIONS AND CUSTOMER DATA



Customer experience & relationships







Customer engagement, training and inspiration



Operational excellence



Manufacturing and supply chain excellence





New agile ways of working





HAS CREATED A COLLABORATIVE AND PERFORMANCE-DRIVEN ORGANIZATION





Organic growth acceleration



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HAS BOOSTED SAINT-GOBAIN GROWTH AND MARGIN PROFILE



Disciplined & value creative capital allocation

1. Deals closed and signed



OUR ROADMAP FOR SAINT-GOBAIN

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STRATEGY

Solutions for sustainability and performance...

... enriched by our innovation & digital presence...

... towards stronger growth in North America and Asia, and in renovation in Europe

PERFORMANCE

Reinforced growth and an enhanced margin..

... supported by a rigorous attention to cash & capital allocation...

... allowing an attractive rate of return for our shareholders

IMPACT

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ENVIRONMENT at the heart of our development: circular economy, reduction of CO₂ emissions...

... by pursuing our SOCIAL commitment: health & safety, employee engagement, diversity & inclusive growth...

... in compliance with the highest GOVERNANCE standards

Agility and quality of execution from all our teams



SAINT-GOBAIN 2021 ANNUAL GENERAL MEETING

GROUP STRATEGY AND OUTLOOK





SAINT-GOBAIN 2021 ANNUAL GENERAL MEETING

REVIEW OF OPERATIONS



LEAD INDEPENDENT DIRECTOR: 2020 REVIEW

Key Board activities

Principal other activities

Board's assessment

Succession of the Chairman and Chief Executive Officer



KEY BOARD ACTIVITIES IN 2020 (1/6)

MANAGEMENT OF THE COVID-19 PANDEMIC CRISIS (1/2)

2 exceptional meetings held in the first semester, in March and April 2020, exclusively devoted to the crisis, in addition to the usual meetings, during which an item on the agenda was systematically dedicated to the situation:

- Updates on the health situation
- Evolution of the activity and of the financial situation of the Group
- Operational impacts on the activities:
 - **priority**: the health of the Group's employees and other stakeholders while maintaining or resuming activities in an orderly manner according to local situations
 - o reorganization of the sites
 - certain digital tools have rapidly gained momentum : organization of several thousand customer webinars, remote work of 36,000 employees, strong increase of e-commerce, strong development of the use of digital applications by factories, etc.



KEY BOARD ACTIVITIES IN 2020 (2/6)

MANAGEMENT OF THE COVID-19 PANDEMIC CRISIS (2/2)

• Strengthen liquidity:

- o €1.5 billion bond issue as early as March 26, 2020
- securing a syndicated credit line totaling €2.5 billion arranged in March 2020 (canceled end of September 2020 in light of available cash)
- o exit from Sika in May 2020 for an amount of €2.4 billion: net gain in cash of €1.5 billion
- o actions on costs for a total of €690 million in 2020

• Dividend:

- o no dividend paid in 2020 for fiscal 2019 in the context of the Covid-19 pandemic
- o dividend set at €1.33 per share for fiscal year 2020 in cash: same level as the dividend paid in June 2019
- Measures regarding the compensation of corporate officers
 (see presentation by the Chairwoman of the Nomination and Compensation Committee)



KEY BOARD ACTIVITIES IN 2020 (3/6)

GROUP ORGANIZATION AND STRATEGY

- Transform & Grow program (completed in 2020, one year ahead of schedule) and cost reduction plan
- At each Board meeting, including during its yearly seminar: analysis of the evolution of the Group's situation, presentation and review of the Group's strategic orientations or a specific aspect, in particular in the context of the pandemic
- Planned acquisitions (in particular Continental Building Products in the United States) and contemplated disposals (in particular Sika, Lapeyre and the Building Distribution in the Netherlands) as part of the Group's portfolio optimization strategy, one of the two pillars of the Transform & Grow program
- Benchmark with main competitors
- Capital allocation and evolution of the share price



KEY BOARD ACTIVITIES IN 2020 (4/6)

RISK MANAGEMENT

- Financial and non-financial risk mapping and risk management system (annual review)
- Cybersecurity
- Review of the main litigation proceedings and the evolving regulatory environment
- Statutory Auditors: selection of Deloitte, whose appointment as Statutory Auditor will be proposed to the 2022 General Shareholders' Meeting in replacement of PricewaterhouseCoopers Audit



KEY BOARD ACTIVITIES IN 2020 (5/6)

CORPORATE SOCIAL RESPONSIBILITY / CLIMATE (1/2)

- **Group Purpose:** from its short version, called "Purpose" ("Making the world a better home"), developed through a collaborative process
- Climate change and reduction of CO₂ emissions: strong focus
 - At each strategic point of the agenda, in particular: the annual strategic seminar and the Board training session devoted to the transformation of the energy and industrial systems in a zero-carbon economy
 - Saint-Gobain's objective: playing a role in the fight against climate change
 - o Commitment towards carbon neutrality by 2050
 - New objectives for reducing CO₂ emissions by 2030 validated by the Science-Based Targets Initiative to achieve carbon neutrality by 2050
 - Saint-Gobain's desire to **provide its customers solutions that help them decarbonise** and reduce their own environmental footprint



KEY BOARD ACTIVITIES IN 2020 (6/6)

CORPORATE SOCIAL RESPONSIBILITY / CLIMATE (2/2)

- **Diversity:** approval of a gender diversity policy at executive committees by 2025:
 - o 30% women at the Executive Committee of Compagnie de Saint-Gobain (compared to 25% as of February 1, 2021) and
 - o overall, 30% of women at the Executive Committees of the Business Units
- **Safety:** presentation of the results at each meeting
- **Others:** CSR roadmap, biodiversity, local inclusive and societal actions



- Identification of conflicts of interests (none) and management thereof (as the case may be)
- Analysis of the independence status of the Directors and of potential independent Directors
- Meeting and engaging in dialogue with several shareholders about Saint-Gobain's principles of governance



BOARD'S ASSESSMENT

Conducted between September and November 2020

• **Scope**, as each year: operation, composition individual contributions

Main conclusions

- Operation: positive opinion, very constructive discussions despite the holding of remote meetings in 2020, freedom
 of discussion particularly in the context of the implementation of the Transform & Grow program and the management
 of the Covid-19 crisis
- **Composition:** balanced, varied and complementary experiences
- Potential future nominations: a Director with a background in the construction or housing value chain or with expertise in CSR and younger than the average age of the Board; or an Executive Director who hold office or have such experience in other major groups, in particular in a high growth region for the Saint-Gobain Group
- Explore the following topics in more detail: climate change, value creation, stock price evolution, innovation, growth levers



SUCCESSION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

- Extensive work since 2019 under the responsibility of the Lead independent Director and the Nomination and Remuneration Committee, and with the assistance of an independent recruitment firm
- Two executive sessions fully devoted to this topic
- The Board of Directors deemed it essential for Saint-Gobain that there is a seamless transition, by separating the roles of Chairman and Chief Executive Officer
- On the recommendation of Mr. Pierre-André de Chalendar, the Board decided unanimously:
 - to appoint Mr. Benoit Bazin as Chief executive officer as from July 1, 2021, Mr. Pierre-André de Chalendar will continue to serve as Chairman of the Board of Directors
 - o to recommend the appointment of Mr. Benoit Bazin, as a Director of Saint-Gobain
- This corporate governance formula is recognized as the best practice to **ensure the transition** in the context of the succession of the Chairman and Chief Executive Officer





SAINT-GOBAIN 2021 ANNUAL GENERAL MEETING

REVIEW OF OPERATIONS





SAINT-GOBAIN 2021 ANNUAL GENERAL MEETING





BOARD OF DIRECTORS

The Board of Directors comprises 14 members





Average seniority 7.3 years



Compagnie de Saint-Gobain refers to the AFEP-MEDEF Corporate Governance Code



DIRECTORS' SKILLS AND EXPERIENCE (1/2)



See details on pages 146 to 147 of the 2020 Universal Registration Document



DIRECTORS' SKILLS AND EXPERIENCE (2/2)

Diversity policy at the Board

In the context of future appointments (results of the Board's self-assessment):

- a Director with a background in the construction, public works or housing value chain or with expertise in Corporate Social Responsibility or innovation and younger than the average age of the Board; or
- an Executive Director who holds office or has such experience in other major groups, to maintain the proportion of Executive Directors at the Board
- despite the international experience of the majority of the Board, increase the proportion of foreign nationals or profiles with operational experience in a high growth region for the Saint-Gobain Group

The proposed appointment of Mr. Benoit Bazin at the Board is fully in line with these objectives



BOARD OF DIRECTORS' COMMITTEES



Audit and Risk Committee



- 90 % attendance
- 5 meetings
- 100 % of independent Directors, including its Chairman, Mr. Philippe Varin, and its Chairwoman as from today, Mrs. Pamela Knapp



Nomination and Remuneration Committee



- 100 % attendance
- 5 meetings
- 75% of independent Directors, including its Chairwoman, Ms. Anne-Marie Idrac



- As from June 4, 2020
- 100% attendance
- 2 meetings
- 100% of independent Directors, including its Chairwoman, Mrs. Agnès Lemarchand



SHAREHOLDERS MEETING JUNE 2021

GROUP'S MANAGEMENT: EVOLUTION IN SAINT-GOBAIN'S GOVERNANCE AND SUCCESSION OF THE GROUP CHIEF EXECUTIVE OFFICER AS FROM JULY 1, 2021

Evolution in Saint-Gobain's governance and succession of the Group Chief Executive Officer as from July 1, 2021



Mr. Pierre-André de Chalendar, Chairman of the Board of Directors



Mr. Benoit Bazin Chief Executive Officer and Director ⁽¹⁾

- In line with best corporate governance practices, the Board of Directors of Compagnie de Saint-Gobain has been working extensively since 2019 under the responsibility of the Lead independent Director and the Nomination and Remuneration Committee, particularly on the occasion of Board assessment and the executive sessions, on preparing the succession of Mr. Pierre-André de Chalendar, Chairman and Chief Executive Officer since 2010
- The choice of the future Chief Executive Officer was confirmed after an assessment conducted with the assistance of an independent recruitment firm
- The separation of the functions will ensure a seamless transition between the former Chairman and Chief Executive Officer and the new Chief Executive Officer



(1) Subject to the adoption of the 5th resolution by your General Meeting

CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS PROPOSED TO THE GENERAL MEETING (1/5)



Proposed appointment of Mr. Benoit Bazin as new Director

- Current Chief Operating Officer of Compagnie de Saint-Gobain; Chief Executive Officer as from July 1, 2021
- Proposed appointment in view of the separation of the roles of Chairman of the Board of Directors and Chief Executive Officer as from July 1, 2021
- As a Director, Mr. Benoît Bazin would bring to the Board of Directors his in-depth knowledge of the Group and of Saint-Gobain's activities, in which he has held for more than twenty years various strategic and operational functions within the industrial and Distribution activities, at national, regional and global levels of the Group, in Europe and the United States. He would also bring his expertise in finance, management, strategy, social and environmental responsibility and governance
- Director of Vinci and member of the Remuneration Committee and of the Appointments and Corporate Governance Committee
- Full biography on page 24 of the Notice of Meeting



CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS PROPOSED TO THE GENERAL MEETING (2/5)



Proposed renewal of Mrs. Pamela Knapp as Independent Director

- Member of the Supervisory Committee and Chairwoman of the Audit Committee of Lanxess AG (Germany) Member of the Supervisory Committee and Chairwoman of the Audit Committee of Signify N.V. (the Netherlands)
- Independent Director, Chairwoman of the Audit and Risk Committee as from today
- Independent Director since 2013 and member of the Audit and Risk Committee since 2015, Ms. Pamela Knapp brings to the Board of Directors the international dimension of her experience, her experience as an executive officer of a major international group and her expertise in finance, strategy and management
- Full biography on page 25 of the Notice of Meeting


CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS PROPOSED TO THE GENERAL MEETING (3/5)



Proposed renewal of Mrs. Agnès Lemarchand as Independent Director

- Director and member of the Nomination and Remuneration Committee of Solvay SA (Belgium) Director and member of the Audit Committee of BioMérieux
- Independent Director, Chairwoman of the Corporate Social Responsibility Committee and member of the Audit and Risk Committee
- Independent Director since 2013, member of the Audit and Risk Committee since 2014 and Chairwoman
 of the Corporate Social Responsibility Committee since 2020, Ms. Agnès Lemarchand brings to the Board
 of Directors her international experience, her knowledge of the industrial sector and her expertise
 in finance, social and environmental responsibility, strategy and management
- Full biography on page 26 of the Notice of Meeting



CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS PROPOSED TO THE GENERAL MEETING (4/5)



Proposed renewal of Mr. Gilles Schnepp as Director

- Chairman of the Board of Directors of Danone Director of Legrand Director of Sanofi
- Director, member of the Audit and Risk Committee
- Director since 2009 and member of the Audit and Risk Committee since 2017, Mr. Gilles Schnepp brings to the Board of Directors his experience as an executive officer of a major listed international group, his operational knowledge of the distribution and industry sector, and digital transformation, as well his expertise in governance, finance, social and environmental responsibility, strategy and management
- Full biography on page 27 of the Notice of Meeting



CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS PROPOSED TO THE GENERAL MEETING (5/5)



Proposed renewal of Mrs. Sibylle Daunis as Director representing employee shareholders

- Chief Executive Officer of PUM
- Director representing employee shareholders
- Since her appointment in March 2020, Ms. Sibylle Daunis brings to the Board of Directors her in-depth knowledge of the Group, within which she has been working for more than 15 years, especially in the distribution business, as well as her experience in marketing, transformation and digital innovation, given her particularly successful experience in the digitalization of the business she currently manages
- Full biography on page 28 of the Notice of Meeting



GENERAL PRINCIPLES OF THE COMPENSATION POLICY OF THE EXECUTIVE CORPORATE OFFICERS

The compensation policy

- Is decided by the Board of Directors at the proposal of the Nomination and Remuneration Committee
- Reflects the Group's strategy and aims at aligning the compensation of the Executive Corporate Officers with the Group's performance and the long-term interests of its shareholders

The Board of Directors, with the Nomination and Remuneration Committee

- Ensures the remuneration complies with the recommendations of the AFEP-MEDEF Corporate Governance Code and meets transparency and performance measurement requirements
- Ensures the compensation of the Executive Corporate Officers evolves taking into account the Group's performance and market practices
- Takes into consideration benchmarks of CAC 40 companies comparable to Saint-Gobain in terms of sales, workforce and international scope of operations

CSR commitments of the Group

- Are one of the qualitative objectives of the Executive Corporate Officers' variable compensation (since 2013 for the Chairman and Chief Executive Officer)
- Are part of the criteria applying to the long-term compensation since 2017



REMINDER: UPON PROPOSAL OF THE EXECUTIVE CORPORATE OFFICERS, REDUCTION OF 25% OF THEIR COMPENSATION PAID IN 2020 DURING <u>THE</u> PERIOD OF PARTIAL ACTIVITY

In the context of the coronavirus pandemic, in order to show their solidarity with the efforts being made by the Group's employees and stakeholders who were suffering the effects of an unprecedented crisis, the Board of Directors, upon proposal of Messrs. Pierre-André de Chalendar and Benoit Bazin, decided in April 2020:

- to revise and reduce by 25%:
 - o their variable compensation for 2019; and
 - their fixed compensation for 2020

for the period during which employees of the Saint-Gobain Group would be in partial activity as part of the emergency measures taken by the French Government to halt the spread of the coronavirus pandemic.

 to cancel the increase from 120% to 150% of the ceiling of the annual variable compensation for 2020 of Mr. Benoit Bazin, initially decided by the Board of Directors in February 2020

This compensation policy was largely approved by the General Meeting of June 4, 2020



The amounts corresponding to these reductions in compensation, i.e. approximately €445,000, were donated by Saint-Gobain to the **Paris public hospitals foundation** (Fondation de l'Assistance Publique -Hôpitaux de Paris, AP-HP)





REMINDER: REDUCTION IN DIRECTORS' COMPENSATION FOR 2020 AND SOLIDARITY OF SAINT-GOBAIN MANAGERS DURING THE PERIOD OF PARTIAL <u>ACT</u>IVITY



In a similar spirit of solidarity, the Board of Directors decided to reduce by 25% the amount of compensation to be due to the Directors for the same period.

The amounts corresponding to this reduction in compensation were donated by Saint-Gobain to charitable organizations, whose purpose is to support fragile populations affected by the Covid-19 pandemic:

- the Alliance for International Medical Action (ALIMA),
- the Fondation Abbé Pierre,
- the Secours Populaire, and
- employees in extreme difficulty in Brazil.



The managers, whether or not members of the Executive Committee, were invited to follow on a voluntary basis the solidarity initiative initiated by Mr. de Chalendar and Mr. Bazin, by donating the equivalent of what it would mean for them to be placed on partial activity in France during the crisis.

Each country CEO was invited to encourage local initiatives on a voluntary basis, which have been widely deployed within the Group.



SUMMARY OF COMPENSATION COMPONENTS PAID OR GRANTED TO MR. PIERRE-ANDRÉ DE CHALENDAR IN RESPECT OF 2020

(SAY ON PAY EX POST)

(in euros, before social charges and income tax)	FISCAL YEAR 2020	FISCAL YEAR 2019
Fixed compensation	1,112,500 (1)	1,200,000
Annual variable compensation	1,283,350	1,424,584 ⁽¹⁾
Total compensation (in cash)	2,395,850	2,624,584
Performance shares (IFRS valuation)	90,000 shares, i.e. 2,179,664 ⁽²⁾	90,000 shares, i.e. 1,803,267
Benefits in kind (company car)	3,673	3,673

The fixed compensation is commensurable with the Chairman and Chief Executive Officer's experience and responsibilities

⁽¹⁾ After taking into account the reduction of 25% of his 2019 variable compensation and his 2020 fixed compensation in the context of the Covid-19 pandemic, which represents a total reduction of nearly 200,000 euros

⁽²⁾ IFRS valuation on the grant date which is November 26th, 2020



SUMMARY OF COMPENSATION COMPONENTS PAID OR GRANTED TO MR. BENOIT BAZIN IN RESPECT OF 2020

(SAY ON PAY EX POST)

(in euros, before social charges and income tax)	FISCAL YEAR 2020	FISCAL YEAR 2019
Fixed compensation	695,312 ⁽¹⁾	750,000
Annual variable compensation	566,184	628,493 ⁽¹⁾
Total compensation (in cash)	1,261,496 ⁽¹⁾	1,378,493
Performance shares (IFRS valuation)	55,700 shares, i.e. 1,392,563 (2)	45,000 shares, i.e. 901,634
Benefits in kind (company car)	2,148	1,755

The fixed compensation is commensurable with the Chief Operating Officer's experience and responsibilities

⁽¹⁾ After taking into account the reduction of 25% of his 2019 variable compensation and his 2020 fixed compensation in the context of the Covid-19 pandemic, which represents a total reduction of nearly 105,000 euros, in addition to the cancellation of the increase in the ceiling of the annual variable compensation for 2020, which represents a amount of approximately 140,000 euros

⁽²⁾ IFRS valuation on the grant date which is November 26th, 2020



ANNUAL VARIABLE COMPENSATION OF MR. PIERRE-ANDRÉ DE CHALENDAR AND MR. BENOIT BAZIN IN RESPECT OF 2020

(SAY ON PAY EX POST)

Cap: 170% and 120% of the fixed compensation for the CEO and COO respectively

Quantifiable objectives (2/3)
measure the Group's operational and financial performanceQualitative objectives (1/3)
reflect the Group's strategic orientationsOFCF (40%)Further evolution of the portfolio's rotationROCE (20%)Further implementation of the Transform & Grow plan and of
the Group's digital transformationGroup operating income (20%)Implementation of the corporate social responsibilityGroup recurring net income per share (20%)Management of the Covid-19 pandemic crisisAchievement rate: 74 % against targetAchievement rate : 143 % against target

Overall achievement rate : 97% against target ⁽¹⁾

The variable compensation encourage the achievement of the Group's annual financial and non-financial objectives



LONG TERM COMPENSATION GRANTED TO MR. PIERRE-ANDRE DE CHALENDAR AND MR. BENOIT BAZIN IN 2020

(SAY ON PAY EX POST)	Mr. Pierre-André de Chalendar Mr. Benoit Bazin		
Performance condition	 Saint-Gobain Group ROCE: 60 % (vs 65% in 2019) Performance of the stock price versus the CAC 40 stock market index: 20 % CSR: 20 % (vs 15% in 2019) 		
	85 % of the total maximum gross compensation (as in 2020 for the CEO and the COO)		
Can	10% of the General Meeting's cap of the authorization to grant performance shares		
Сар	10 % of the overall grant of performance shares and performance units	5 % of the overall grant of performance shares and performance units	
Number of instruments (November 26, 2020 grant)	0 to 90,000	0 to 55,700	
Vesting date	November 25, 2024		
IFRS value (in euros) ⁽¹⁾	2,179,664	1,392,563	
Prohibition to hedge the risk	yes		
Demanding obligation to hold Saint-Gobain shares	5 years of gross fixed compensation 3 years of gross fixed compensation		

Long-term compensation fosters financial and non-financial value creation over the long-term



⁽¹⁾ IFRS value on the grant date which is November 26, 2020

SHAREHOLDERS MEETING JUNE 2021

COMPENSATION POLICY FOR THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER AND FOR THE CHIEF OPERATING OFFICER FROM JANUARY 1, 2021 TO JUNE 30, 2021 (1/2)

(SAY ON PAY EX	ANTE)	Chief Executive Officer	Chief Operating Officer
		€1,200,000 ⁽¹⁾	€750,000 ⁽¹⁾
Fixed compe	ensation	Compensation level at the median of CAC 40 industrial companies comparable to Saint-Gobain in terms size (sales, workforce or international footprint)	
Annual variable	Сар	170 % of his fixed compensation	150 % of his fixed compensation
compensation	Allocation	2/3 quantifiable, 1/3 qualitative (2)	

(1) These amounts are for a full year and will be paid pro rata temporis until June 30, 2021 (i.e. €600,000 to the CEO and €375,000 to the COO respectively)

(2) See next slide for more details



COMPENSATION POLICY FOR THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER AND FOR THE CHIEF OPERATING OFFICER FROM JANUARY 1, 2021 TO JUNE 30, 2021 (2/2)

(SAY ON PAY EX ANTE)

Quantifiable objectives (2/3, each counting for 1/4) measure the Group's operational and financial performance (unchanged compared to 2020)	Qualitative objectives (1/3) reflect the Group's strategic orientations	
Free cash flow (25 %)	Preparation of a new strategic plan (including, in particular, a portfolio rotation part and a digital part) as well as its presentation to the investors	
Group operating income (25 %)	Implementation of the corporate social responsibility policy	
Group recurring net income per share (25 %)	Harmonious development of the new Group's governance	
ROCE (25 %)	Management of the human resources in the context of a return to normal post-Covid-19 crisis	

The variable compensation fosters the achievement of the Group's annual financial and non-financial objectives No change in the other elements of the compensation policy



SHAREHOLDERS MEETING JUNE 2021

COMPENSATION POLICY OF THE CHAIRMAN OF THE BOARD OF DIRECTORS AND OF THE CHIEF EXECUTIVE OFFICER FROM JULY 1, 2021 TO DECEMBER 31, 2021 (1/2)

(SAY ON PAY EX ANTE) Cha		Chairman of the Board of Directors ⁽¹⁾	Chief Executive Officer
		€450,000 ⁽²⁾	€1,000,000 ⁽²⁾
Fixed compensa	tion	Compensation level below the median of compensation paid to non-executive Chairmen of CAC40 companies who previously held the position of Chairman of the Board and CEO	Compensation level at the median of the benchmark of similar large companies in terms of size (sales, workforce and international scope of operations)
Annual	Сар	N/A	170 % of his fixed compensation ⁽³⁾
variable compensation	Allocation	N/A	2/3 quantifiable, 1/3 qualitative ⁽³⁾ Same targets as from January 1st, 2021 to June 30, 2021
Long-term	Сар	N/A	85 % of the total maximum gross compensation for 2021 (fixed + variable)
compensation Allocation		N/A	Mandatory if the Board decides to waive the presence condition of the plans in case of termination of the corporate mandate

⁽¹⁾ Pierre-André de Chalendar has decided to retire under the "SGPM" supplementary defined benefit pension plan of which he was a beneficiary as Chairman and Chief Executive Officer, on July 1, 2021. As from that date, he will receive a supplementary pension whose gross annual amount is estimated at approximately €387,800.

⁽²⁾ These amounts are for a full year and will be paid pro rata temporis as from July 1, 2021 (i.e. €225,000 and €500,000, respectively, for the Chairman of the Board of Directors and the Chief Executive Officer).

⁽³⁾ As a reminder, the cap on his variable compensation as Chief Operating Officer, which the Board had initially set for 2020 before the Covid-19 pandemic, was 150%. Same criteria and weighting as the variable compensation of the Chairman and Chief Executive Officer for 2021.

COMPENSATION POLICY OF THE CHAIRMAN OF THE BOARD OF DIRECTORS AND OF THE CHIEF EXECUTIVE OFFICER FROM JULY 1, 2021 TO DECEMBER 31, 2021 (2/2)

(SAY ON PAY EX ANTE)



The Chief Executive Officer is entitled to severance pay, a non-competition indemnity and a supplementary pension plan in respect of his office (as when he was Chief Operating Officer)

The Chairman of the Board of Directors is not entitled to any severance pay or non-competition indemnity in respect of his office



No deferred variable compensation

No multi-annual variable compensation

No exceptional compensation

No compensation for a directorship in a Group company



2021 COMPENSATION POLICY FOR DIRECTORS

(SAY ON PAY EX ANTE)

Total annual compensation: 1.1 million euros

Allocation rules	To each Director	Chair of a Committee	Member of a Committee
Annual fixed compensation	€24,750	€5,500	€2,750
Variable compensation (per session, if effective presence)	€3,300	€2,200	€2,200

- The Chairman and Chief Executive Officer and the Chief Operating Officer / the Chairman and the Chief Executive Officer do / will not receive any remuneration in respect of their role as Director
- Half-yearly payments in arrears; distribution of any available balance at the beginning of the following year in proportion to the variable compensation allocated to the members of the Board of Directors
- The Lead Independent Director did not wish to receive any compensation for this position





SAINT-GOBAIN 2021 ANNUAL GENERAL MEETING















REPORTS ON THE FINANCIAL STATEMENTS

REPORTS ON THE CONSOLIDATED FINANCIAL STATEMENTS AND ON THE PARENT COMPANY FINANCIAL STATEMENTS (pages 328 to 332 and 361 to 364 of the 2020 universal registration document respectively)

1ST AND 2ND RESOLUTIONS OF THE ORDINARY SHAREHOLDERS' MEETING

PURPOSE	 Obtain reasonable assurance that the financial statements and information contained therein give a true and fair view of the Group and parent company
OPINION ON THE FINANCIAL STATEMENTS AND SPECIFIC VERIFICATIONS	 Unqualified opinion on the consolidated financial statements
	Unqualified opinion on the parent company financial statements
	The information given in the management report of the Board of Directors and in the Notes to the financial statements is appropriate
	 No conclusion on the financial statements presented in accordance with the European single electronic format as its implementation has been postponed





REPORTS ON THE FINANCIAL STATEMENTS

JUSTIFICATION OF OUR ASSESSMENTS

KEY AUDIT MATTERS

 Measurement of goodwill, intangible assets and property, plant & equipment MAIN SPECIFIC PROCEDURES

 Understanding the procedures implemented for impairment testing, verifying the effectiveness of the controls performed by Management, carrying out an independent analysis of certain key assumptions and examining, for a selection of cash generating units, the calculation parameters used by Management especially in the context of Covid-19 pandemic

CONSOLIDATED FINANCIAL STATEMENTS

 Measurement of provisions for liabilities and litigation related to asbestos

 Measurement of supplier discounts in Distribution

- Understanding the method applied when measuring the corresponding provisions, reviewing internal analyses and legal elements and external opinions and assessing the appropriateness of the data used and the positions made by Management
- Understanding the method applied when measuring the accrued supplier discounts, assessing on a multi-year basis the consistency of the supplier discount rates especially in the context of Covid-19 pandemic and verifying, through a sample, the calculation of supplier discounts obtained





REPORTS ON THE FINANCIAL STATEMENTS

JUSTIFICATION OF OUR ASSESSMENTS

KEY AUDIT MATTER

- PARENT COMPANY FINANCIAL STATEMENTS
- Measurement of financial investments

MAIN SPECIFIC PROCEDURES

 Understanding the procedures implemented for impairment testing, verifying that the method used remains stable and verifying the effectiveness of the controls performed by Management, carrying out an independent analysis of certain key assumptions and examining, for a selection of investments, the calculation parameters used by Management especially in the context of Covid-19 pandemic





OTHER REPORTS

SPECIAL REPORT ON RELATED PARTY AGREEMENT (pages 214 to 216 of the 2020 Universal Registration Document)

- Agreements to be submitted for the approval of the Annual General Meeting:
 - No agreement authorized and concluded during the year to be submitted for the approval of the Annual General Meeting
- Agreements previously approved by the Annual General Meeting:
 - 1 agreement remained in force but was not implemented during the year

REPORT BY ONE OF THE STATUTORY AUDITORS, APPOINTED AS AN INDEPENDENT THIRD PARTY, ON THE NON-FINANCIAL STATEMENT INCLUDED IN THE MANAGEMENT REPORT (pages 385 to 386 of the 2020 Universal Registration Document)

• We have no matter to draw to your attention regarding this report





OTHER REPORTS

SPECIAL REPORT ON THE SHARE CAPITAL TRANSACTIONS

- 18, 19, 20, 21, 22, 24, 25 and 26th resolutions of the Extraordinary Shareholders' meeting
- Your Board of Directors is asking you:
 - $\circ~$ To delegate authority to him to:
 - Increase the share capital through the issuance of Company shares or securities giving access to the share capital of the Company or its subsidiaries (18,19 and 20th resolutions)
 - Increase the number of securities to be issued in the event that the issue of shares or securities giving access to the share capital is oversubscribed (21st resolution)
 - Increase the share capital through the issuance of Company shares or securities giving access to the share capital of the Company in consideration of contributions in kind (22nd resolution)
 - Carry out equity or equity-linked securities issuance reserved for members of the Group employee savings plans (25th resolution)
 - To authorize him in connection with the implementation of the delegation referred to in the 19th and 20th resolutions to fix the issue price within the annual legal limit of 10% of the share capital (24th resolution)
 - To delegate powers to him to reduce the share capital by canceling Company shares representing up to 10% (26th resolution)
- We have no matter to report on the information given in the report of the Board of Directors regarding the proposed transactions
- In accordance with the French Commercial Code, we will establish an additional report, where appropriate, in case of use of these authorizations by the Board of Directors













