

LETTER TO SHAREHOLDERS

2021 RESULTS

RECORD GROWTH, EARNINGS AND MARGIN

SALES

€44.2bn
+13.8%^(*) ^(**)

FREE CASH FLOW

€2.9bn
+56%^(*)

OPERATING INCOME

€4.5bn
+39%^(*) ^(**)

RECURRING NET INCOME ***

€2.8bn
+47%^(*)

OPERATING MARGIN

10.2%
+250 bps
over the three years of transformation

DIVIDEND

€1.63 per share
+23%

Payment in cash

Amount to be recommended to the AGM
on June 2, 2022

* Comparison versus 2019

** Like-for-like

*** Net attributable income excluding capital
gains and losses on disposals, asset write-
downs and material non-recurring provisions.

BUILDING SUSTAINABLE GROWTH WITH A POSITIVE IMPACT

A-rating on the 2021 CDP list
in the fight against climate change

CO₂ emissions down 23% vs 2017

1.3 billion tons of CO₂ avoided thanks to the solutions
sold by the Group in one year

35% of women in executive recruitment in 2021

Top Global Employer for the 7th year running

"GROW & IMPACT"

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GROWTH CAPEX PROJECTS

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A FEW WORDS FROM BENOIT BAZIN

Chief Executive Officer of Saint-Gobain

"As the worldwide leader in light and sustainable construction, Saint-Gobain plays a key role in the fight against climate change. Our teams work relentlessly to maximize our positive impact by offering our customers a comprehensive and unbeatable range of sustainable solutions, representing 72% of Group sales.

The records achieved in 2021 confirm that the Group has entered a new post-transformation trajectory in terms of performance: market-beating sales growth, record earnings and margin, a high level of free cash flow generation that has more than doubled compared to previous years, and strong value creation for our shareholders thanks to strict capital allocation and the determined execution of our portfolio optimization. Saint-Gobain has continued its strongly value-creating strategy and has established itself as a major global player in high-growth segments such as construction chemicals. This performance was accompanied by major progress against our sustainability commitments, notably with the continuing reduction in our carbon emissions.

Building on this profound and lasting cultural and financial transformation, Saint-Gobain goes into 2022 with the confidence to continue the momentum generated by its "Grow & Impact" plan."

On a reported basis, sales came in at a record high of **€44,160 million**, with a negative **currency effect** of 0.4% over the year, but a positive effect of 1.7% in the second half, due mainly to the appreciation of the British pound, Nordic krona and the US dollar in the fourth quarter alone.

Operating income rose sharply, reaching a **new all-time high of €4,507 million**, a rise of 58% on a reported basis versus 2020 and of 33% versus 2019. Operating income was up by 60% and 39%, respectively, on a like-for-like basis.

Saint-Gobain's **operating margin** rose to a record level of **10.2% in 2021** (from 7.5% in 2020 and 8.0% in 2019), i.e., an increase of 250 basis points since the launch of the Group's transformation at the end of 2018 and at the level of the best sector performers in both industry and merchanting.

2022 STRATEGIC PRIORITIES

In 2022 the Group should continue to benefit from good momentum in its main markets – provided there is no new major impact related to the coronavirus pandemic and the geopolitical situation – especially renovation in Europe, as well as construction in the Americas and in Asia, and reaffirm its excellent operating performance thanks to a solid and well-aligned organization. In this supportive environment, Saint-Gobain's strategic priorities for 2022 are fully aligned with the medium and long-term structural growth scenario in the "Grow & Impact" plan:

1) Accelerate the Group's growth and impact

- **Outperformance versus our markets**, thanks notably to our **comprehensive range** of integrated, differentiated and innovative solutions offering sustainability and performance for our customers, developed within the scope of an organization as close to the ground as possible in each country or market;
- **Determined deployment of our ESG* initiatives** in line with our 2030 roadmap towards carbon neutrality in 2050;
- **Ongoing optimization of the Group's profile** as part of a vigorous dynamic of targeted and value-creating acquisitions and divestments.

2) Continue our initiatives focused on profitability and performance: maintain a robust margin and strong free cash flow generation

- **Constant focus on the price-cost spread**;
- Disciplined continuation of our **operational excellence program**;
- Maintaining the **structural improvement in operating working capital requirement** while maintaining a good level of inventories to best serve customers;
- **Capital expenditure** of around **€1.8 billion**, with strict allocation to high-growth markets and digital transformation.

In a structurally supportive market environment, Saint-Gobain is targeting a further increase in operating income in 2022 compared to 2021 at constant exchange rates.

2021 RESULTS BY SEGMENT

2021/2019

2021/2018
LAUNCH OF
THE TRANSFORMATION

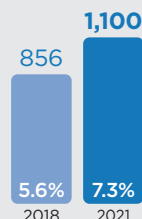
NORTHERN EUROPE

33% of Group sales,
o/w*:

Nordics (14%):	+12.5%
UK - Ireland (10%):	+10.4%
Germany - Austria (3%):	+8.1%

+12.1%
like-for-like

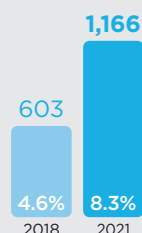
SALES

€15,028mOPERATING INCOME (€M)
AND MARGIN (%)**€1,100m**SOUTHERN EUROPE -
ME & AFRICA**31%** of Group sales,
o/w*:

France (24%):	+13.8%
Spain - Italy (3%):	+9.2%

+13.9%
like-for-like

SALES

€14,044mOPERATING INCOME (€M)
AND MARGIN (%)**€1,166m**

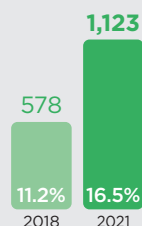
AMERICAS

15% of Group sales,
o/w*:

North America (11%):	+21.6%
Latin America (4%):	+42.5%

+28.3%
like-for-like

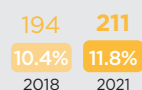
SALES

€6,815mOPERATING INCOME (€M)
AND MARGIN (%)**€1,123m**

ASIA-PACIFIC

4% of Group sales,
o/w*:**+17.0%**
like-for-like

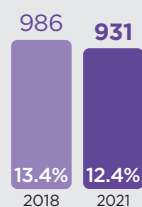
SALES

€1,787mOPERATING INCOME (€M)
AND MARGIN (%)**€211m**HIGH PERFORMANCE
SOLUTIONS**17%** of Group sales,
o/w*:

Construction and Industry (10%):	+7.4%
Mobility (6%):	-3.1%

+3.3%
like-for-like

SALES

€7,511mOPERATING INCOME (€M)
AND MARGIN (%)**€931m**

“GROW & IMPACT”

SAINT-GOBAIN’S STRATEGIC PLAN FOR 2021-2025

WHAT IS SUSTAINABLE CONSTRUCTION?

Also known as “eco-construction”, sustainable construction is an approach to building or renovation that seeks to optimize the energy performance of homes. At the same time, sustainable construction uses every means to limit the environmental impact of construction and to ensure the highest possible quality of life for the building’s inhabitants. A sustainable construction project often includes life cycle assessment (LCA), a method used to assess the environmental impact of a product or service from its manufacture until the end of its life.

What is at stake?

The issues at stake in sustainable construction concern the environment and quality of life. From an environmental perspective, eco-construction prioritizes sustainable and recyclable building materials. It also promotes the use of renewable energies (geothermal, solar, timber, etc.) and encourages owners or tenants to manage resources responsibly. From the perspective of the occupants, sustainable construction provides them with a healthy environment (better interior air quality) and improved comfort (acoustic and thermal insulation, etc.). Lastly, it guarantees significant savings related to the energy bill after the initial costs have been absorbed.

Saint-Gobain is opening a new chapter in the Group’s history to reinforce its position as **worldwide leader in light and sustainable construction**.



I - Solution-driven innovative leader steering structural market shifts

The world of construction is at tipping point, with the need for new solutions. 120 countries representing over 70% of global GDP have committed to carbon neutrality. To achieve this, sustainable construction is essential, given that the construction industry is the primary cause of CO₂ emissions, accounting for 40% of emissions around the globe. Saint-Gobain’s solutions for renovation, the building envelope and light construction can tackle at least two-thirds of these emissions. The Group is ideally placed to lead

these developments and benefit from growth on its underlying markets thanks to its set of solutions meeting the specific needs of its customers along two key axes: **sustainability** and **performance**.

For Saint-Gobain, a solution represents a comprehensive response to a specific customer need, thereby distinguishing the Group from its one-product competitors. Saint-Gobain is able to offer a comprehensive range of end-to-end solutions, whether in cross-sell and dedicated channels, services along the value-chain (logistics & kitting, intermediation, aftermarket sales, unmanned stores, recycling, digital solutions and services, etc.) or systems (offsite manufacturing,

light façades, partition systems, ETICS – external thermal insulation composite systems, smart glazing, etc.).

To meet these challenges, Saint-Gobain is continuing to strengthen its position on three supportive markets:

- a) **Renovation in Europe**, strongly stimulated by green recovery plans, regulation and renewed usage;
- b) **Light construction in North America and emerging markets**;
- c) **Global industrial markets driven by sustainability imperatives** (mobility, construction chemicals, etc...) or renewed investment cycles.



II - Focused strategy towards light and sustainable construction

The Group's value proposal is in its offer of alternative solutions to traditional construction, with products that are lighter, more sustainable and more performant (time and productivity gains on site). Its products respond to the challenges of decarbonization and of resource scarcity (up to 50% reduction in raw materials usage versus traditional building methods), and bring well-being and comfort benefits for occupants.

These new light construction solutions – where the wood, concrete or metal frame is the only load-bearing element of the building – require the use of light materials like plasterboard and maximize the need for glass and insulation, thereby responding to the growing demand for housing thanks to modular construction for example, and contributing to the decarbonization of buildings and to easier dismantling and reutilization.

Thanks to its comprehensive range of solutions bringing a sustainability benefit, **which represent 72% of the Group's sales¹**, Saint-Gobain plays a leading role in building a carbon-neutral economy.

The solutions sold by Saint-Gobain across the globe in one year result in around 1,300 million tons of avoided CO₂ emissions over their lifespan, i.e., around 40 times the Group's own total carbon footprint.



III - New powerful business governance and culture, truly multinational

Thanks to the success of the previous plan, "Transform & Grow",

Saint-Gobain's local business model is now well-established. The new organization has enabled a profound cultural shift, with teams' accountability and performance as well as customer satisfaction being placed at the core. Our new strategic plan "Grow & Impact" is therefore built on solid foundations, accelerating the Group's profitable growth whilst maximizing the positive impact it brings to all of its stakeholders.

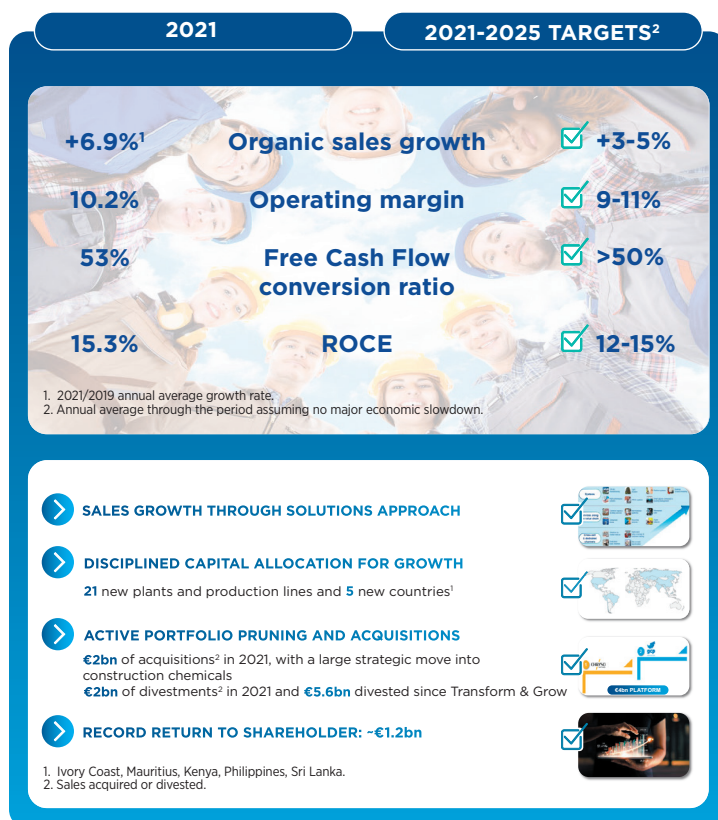
The Group's organization and culture have been profoundly transformed, resulting in a leaner organization with a "one boss" principle, and 90% of country Managing Directors native to the country under their responsibility.

This has led to an impressive industry-leading engagement rate of 83%, a rise of 4 points in 2 years, confirming the pride, loyalty and satisfaction of our teams. 91% of employees consider they have a good level of autonomy at work.

Investment priorities have been clearly defined, with a focus on renovation in Europe and on North American and emerging markets. The Group scope will continue to be reviewed regularly, based on performance and strategic alignment for divestments, and strict capital allocation criteria for value-creating acquisitions.

Saint-Gobain targets attractive value creation for its shareholders.■

2021: SUCCESSFUL EXECUTION ON THE FIRST YEAR OF **GROW & IMPACT**



GROWTH CAPITAL EXPENDITURE PROJECTS

Saint-Gobain continues to grow its global footprint in all of its businesses. In 2021, it opened 21 new plants and production lines to reinforce its leading positions on the fast-growing markets of construction chemicals and light construction.

MAIN GROWTH PROJECTS



Some leading examples of our 21 capex projects:

In **Latin America**:

- Partnership agreement with El Volcan group in **Peru** (mortars and plasterboard) and **Argentina** (plaster and plasterboard).
- In **Porto Velho, Brazil**, a new Weber mortars plant will be inaugurated this year; in **Mogi das Cruzes**, a new plasterboard line is to be built with a 15% reduction in CO₂ emissions compared to the initial facility and a 50% increase in internal waste recovery.
- In **Saltillo, Mexico**, a new flat glass production line will open to serve the domestic construction and automotive markets as well as the United States and Central America markets. The plant will be equipped with the latest state-of-the-art technologies to minimize energy consumption and CO₂ emissions. Not to forget Industry 4.0, with an automated warehousing and

delivery system for finished products as well as the use of AGVs (automatically guided vehicles).

In **Abidjan, Ivory Coast**, a new Weber mortars plant was inaugurated on October 21, 2021, the second plant opened in Western Africa, joining the first in Accra, Ghana.

In **Litomysl, Czech Republic**, a second Adfors fiberglass fabric production line was opened.

Adfors will also finalize its project to rebuild the fiberglass production furnace in **Hodonice**. The optimization and extension of the furnace will increase production capacities by 57%, or 13% of Vetrotex's total production capacities.

In **Jeddah, Saudi Arabia**, a new Weber mortars plant was inaugurated specializing in roofing insulation solutions, with an hourly production capacity of 45 tons.

In **China**:

- Investment on the plaster and plasterboard markets, construction project of the second phase of the **Yangzhou** plant in eastern China, and opening of a brand-new plant in **Binzhou**, northern China.
- New Saint-Gobain Sekurit line in the Minhong Free Trade Zone in **Shanghai**. This line manufactures laminated windshields for electric vehicles and could reach an annual production capacity of 900,000 units.
- In the **Anhui** province, growth on the adhesives market and increase in production capacity to 60,000 tons per year.

Johor, Malaysia, will be home to a third mortars plant (the Group's fourth in the country), which is designed to serve a very dynamic local market, mainly in Singapore, by improving productivity, quality and product diversity. ■



ACHIEVEMENT

SAINT-GOBAIN CHECKS IN!



©AquaRafflesHotel

In Saudi Arabia, a new Raffles (Accor Group) hotel is set to open its doors in 2022 in the coastal city of Jeddah.

Saint-Gobain was able to participate in this exceptional project:

- For example, the KIMMCO-ISOVER brand supplied 65,000m² of stone wool with fire-resistant properties and 29,000m² of glass wool to insulate the ventilation ducts.
- Saint-Gobain Glass supplied 29,000m² of insulating glass, half of which was the SKN 154 II solution, which is ideal for south- and west-facing façades given its high solar protection and limited light transmission.
- Finally, Weber supplied 30,000m² of Weberfloor rapid (fast-drying pre-mixed screed) and Webercol pro (tile adhesive with excellent workability) solutions.

SUSTAINABLE DEVELOPMENT

A NEW GENERATION OF SOLAR PANELS



Solar power production is no longer limited to glass-based photovoltaic cells.

In the search for lighter, more flexible panels that can take on curved shapes, the market can now count on ETFE¹ films made by Saint-Gobain High Performance Solutions (HPS) - a copolymer whose excellent optical performance reaches up to 94% light transmission. This solution allows us to lighten the weight of the panel by up to 30 times, which is an undeniable benefit, especially for the operators who install it.

This opens up virtually unlimited possibilities: on building facades, of course, including renovation projects, but also on the bodies of electric vehicles, where it helps recharge the batteries, or in mobile equipment.

As with many emerging technologies, customers are looking for improved functionality, sustainability and cost-effectiveness, which raises new challenges for our R&D teams and the production sites.

Lighter, more flexible and sustainable, this solution offers significant advantages, and can be used outside the construction sector. It is fully aligned with government measures encouraging green energy, and with the Group's own ambitious decarbonization goals.

CIRCULAR ECONOMY

NOTHING IS LOST, EVERYTHING IS TRANSFORMED!

In Sweden, Saint-Gobain is taking part in an unprecedented and emblematic office renovation project. Built in the 1980s by the architect Niels Torp, the offices, located in the north of Stockholm, were originally built to house 2,000 SAS airline employees. The building was designed to look like an airport, with the departments situated in "terminals" connected in the middle by a state-of-the-art glazed structure. 35 years later, this atrium was in need of renovation. Saint-Gobain Glass was chosen to supply glass for 3,500m² of double glazed units with COOL-LITE XTREME 70/33 DIAMANT, a solar control glass offering excellent thermal insulation and high light transmission.

But what happened to the old glass from the renovated atrium? In order to conserve natural resources, Saint-Gobain teams and various stakeholders got together to recover the more than 40 metric tons of glass from the old façade. Once processed, the cullet was transported to a Saint-Gobain **float. 100% of the existing glass was re-melted**: a perfect illustration of the virtuous circle of the circular economy!



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SHAREHOLDER'S NOTEBOOK

DATES FOR YOUR DIARY

FINANCIAL AGENDA

FIRST-QUARTER SALES:

April 28, 2022 after close of trading on the Paris Bourse

ANNUAL GENERAL MEETING:

3:00pm on June 2, 2022
Salle Pleyel, 75008 Paris

FIRST-HALF RESULTS:

July 27, 2022 after close of trading on the Paris Bourse

NINE-MONTH SALES:

October 27, 2022 after close of trading on the Paris Bourse

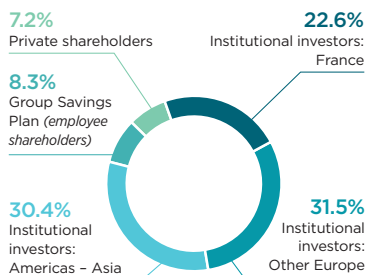
TOTAL NUMBER OF SHARES

(at December 31, 2021)

521 million

OWNERSHIP STRUCTURE

(at December 31, 2021 – %, estimated)



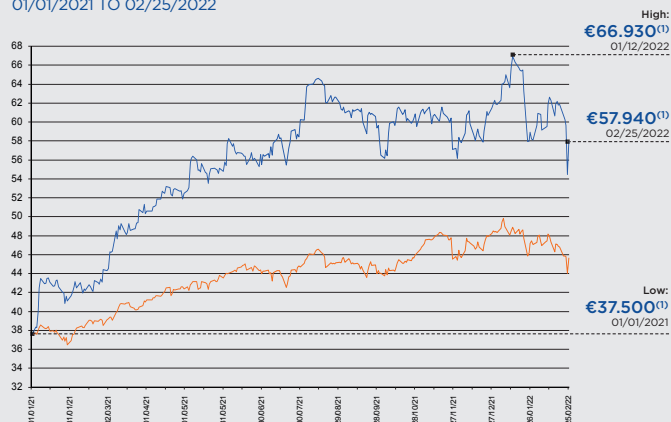
SIGN UP FOR THE E-LETTER TO SHAREHOLDERS

To receive your copy of the Letter to Shareholders and keep abreast of all the latest Saint-Gobain news, sign up for the e-Letter to Shareholders in the Shareholders section of www.saint-gobain.com or send an e-mail to actionnaires@saint-gobain.com



SAINT-GOBAIN SHARE PERFORMANCE

01/01/2021 TO 02/25/2022



— (1) Saint-Gobain share

— CAC 40

Recent performance at 02/25/2022 (%)	Saint-Gobain share	CAC 40
Trailing 12 months	+34.5%	+16.7%
Since 01/01/2019	+98.7%	+42.7%

YOUR CONTACTS

Saint-Gobain's Shareholder Relations Department will be pleased to answer any enquiries. Please feel free to contact them:

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