TechnipFMC plc: Annual General Meeting of Shareholders on 20 May 2021

May 6, 2021

Filing of Definitive Additional Materials

LONDON & PARIS & HOUSTON--(BUSINESS WIRE)--May 6, 2021-- Regulatory News:

TechnipFMC plc (“**TechnipFMC”**) (NYSE:FTI) (Paris:FTI) (ISIN:GB00BDSFG982) announced today that it has filed definitive additional materials (“**Additional Materials**”) related to its definitive proxy statement on Schedule 14A with the U.S. Securities and Exchange Commission (the "**SEC**").

On April 9, 2021, TechnipFMC filed its definitive proxy statement (the “

in a competitive talent market in order to achieve the Company's and business objectives and serve shareholders' best interests.

We were surprised by the Report's negative recommendation for several reasons. The Report inappropriately assessed our Policy through the lens of U.K. compensation practices rather than U.S. compensation practices. In addition, the Report has overlooked the Company's compensation best practices, responsible executive pay design, and strong alignment between pay and performance, which received a positive "FOR" say-on-pay recommendation in the Report.

The Report's assessment of the Policy is based on U.K. practices rather than U.S. practices.

Although incorporated in the United Kingdom, the Company is listed on the New York Stock Exchange, headquartered in the United States, its Chairman of the Board and CEO, as well as all of its executive officers, work principally from the Houston, Texas, USA office, a large portion of the Company's shareholders are based in the United States, and the majority of the Company's peer group companies, with whom it competes for talent, are headquartered in the United States. As such, the Board and the Compensation Committee of the Company (the "Compensation Committee") and its advisors have benchmarked the Policy, including that of the Chairman of the Company, primarily against U.S. market practices in order to attract the best talent and leadership to the Board. When this proposal is analyzed against the correct U.S. market practices, the Policy is within the normal parameters of similar proposals. Additionally, the Report's analysis of this proposal is inconsistent with its analysis of the other proposals in this Proxy Statement. Specifically the Report analyzes the director election proposal under the U.S. guidelines, indicating that these same U.S. guidelines should apply to this proposal; we quote page 11 of the Report: "[G]iven the Company's trading position in the U.S. and its board structure, we believe that U.S. governance standards regarding the election of directors should be applied to the Company. As such, we are largely basing the following voting recommendations on Glass Lewis' guidelines for U.S. companies."

The Report notes several aspects of the Company's program that are inconsistent with U.K. practice. As mentioned before, this is an inappropriate standard as the Company operates primarily as a U.S.-based company with U.S. pay practices:

- Short Term Incentive ("STI") Deferral: It is uncommon for companies in the United States to incorporate practices requiring executives to defer a portion of their bonus into shares. Within our compensation peer group, two of our non-U.S. peers disclose this practice while none of our U.S. peers disclose this practice.
- Long Term Incentive ("LTI") Extended Holding Period: This is an uncommon practice in the United States within our compensation peer group where only two of our non-U.S. peers disclose this practice, and none of our U.S. peers disclose this practice. In the United States, it is more common for companies to require executives to hold shares through stock ownership guidelines rather than an extended holding period. We include robust stock ownership guidelines, which require our CEO to hold 6x his base salary in shares, our CFO to hold 5x his base salary, and our other executive officers to hold 3x their base salary in shares.

  Plan Limits: It is not prevalent market practice in the United States to limit equity-based awards to a specified percentage over a 10-year rolling period. Per U.S. practice, excessive shareholder dilution is avoided by (1) requiring shareholder

Strong pay and performance alignment: As stated in the Report’s pay-for-performance analysis, the level of pay provided