

INFORMATION ON THE REMUNERATION OF CORPORATE OFFICERS

Puteaux, 16 June 2022

At its meeting on June 13, 2022, upon the recommendation of the Appointments and Remuneration Committee, the Board of Directors adopted the following decisions regarding the remuneration of corporate officers for the financial year 2022.

These decisions remain subject to the approval by the 2022 Shareholders' Meeting of the remuneration policies applicable to them, which are detailed in the Company's 2021 Universal Registration Document.

The elements of remuneration of Mr. Yves Le Masne, Chief Executive Officer of the Company until January 30, 2022, and in particular the financial conditions of his departure, are the subject of a separate publication.

1. Chairman of the Board of Directors

The remuneration package for the Chairman of the Board of Directors applies to Mr. Philippe Charrier in respect of his term of office as Chairman of the Board of Directors up to and including January 30, 2022, and will apply as of the return to a governance structure separating the roles of Chairman of the Board of Directors and Chief Executive Officer on July 1, 2022.

Fixed remuneration

The Board of Directors has decided to renew, for the year ending December 31, 2022 (for the fifth consecutive year), the gross annual fixed remuneration of the Chairman of the Board of Directors at 260,000 euros.

Remuneration for directorship

The Chairman of the Board of Directors receives remuneration for attending meetings of the Board of Directors, calculated in accordance with the terms and conditions set forth in section 5.3.3 ("Director Remuneration Policy for financial year 2022") of the Company's 2021 Universal Registration Document.

Annual or long-term variable remuneration

The Chairman of the Board of Directors does not receive any annual or long-term variable remuneration for his duties.

Other remuneration

The Chairman does not receive any other remuneration or benefits in kind in respect of his duties.

2. Mr. Philippe Charrier, Chairman and Chief Executive Officer (from January 30 to June 30, 2022)

Fixed annual remuneration

Mr. Philippe Charrier will receive, *prorata temporis* for the period from January 30, 2022 to June 30, 2022, a fixed annual remuneration of 760,000 euros, unchanged compared to the amount received in respect of fiscal year 2021 by Mr. Yves Le Masne, Chief Executive Officer of the Company until January 30, 2022.

He does not receive any benefits in kind.

Variable remuneration

Mr. Philippe Charrier, Chairman and Chief Executive Officer from January 30 to June 30, 2022, will not receive any annual or long-term variable remuneration (in particular no stock options or performance shares) in respect of his duties.

Exceptional remuneration

The Board of Directors may decide on the proposal of the Appointments and Remuneration Committee, to grant Mr. Philippe Charrier exceptional remuneration in view of very specific circumstances justifying it under the following cumulative conditions:

- The grant of exceptional remuneration, which would take the form of shares, could not represent more than 100% of his fixed annual remuneration on the date of grant;
- The granting of exceptional remuneration should be motivated by very specific circumstances and its characteristics and justification should be made public at the time it is determined, even in the event of staggered or deferred payment.

In accordance with Article L. 22-10-34 of the French Commercial Code, the payment of such exceptional remuneration would be subject to the shareholders' approval.

Remuneration for directorship

The Chairman and Chief Executive Officer also receives remuneration for his duties as a director, calculated in accordance with the terms and conditions set forth in section 5.3.3 ("Director Remuneration Policy for financial year 2022") of the Company's 2021 Universal Registration Document.

3. Chief Executive Officer

This remuneration policy will apply to the new Chief Executive Officer, Mr. Laurent Guillot, as of July 1, 2022.

Fixed Remuneration

The Chief Executive Officer will receive, *prorata temporis*, a gross fixed annual remuneration of 760,000 euros.

Annual Variable Remuneration

The Chief Executive Officer 2022 annual variable remuneration will be 100% of his annual fixed remuneration (*prorata temporis*) if the objectives are achieved at a level of 100% or more, with no guaranteed minimum and without additional payment in case of overperformance.

The performance conditions applicable to this 2022 annual variable remuneration are constituted of quantifiable and qualitative performance criteria, the quantifiable criteria being predominant, in accordance with the recommendations of the AFEP-MEDEF Code.

The predominance of quantifiable CSR and strategic objectives over financial objectives is intended to take into account the particular situation of the Company following the publication in January 2022 of a book containing allegations of dysfunctions and the challenges it will have to face in the coming years given its sector of activity.

The table below sets out the objectives underlying the calculation of the Chief Executive Officer's variable annual remuneration for 2022 (calculated *prorata temporis*), it being specified that they have been established precisely but are not made public for reasons of confidentiality (for most of them, they will be made public at the time of the assessment of their level of achievement) and that the Board of Directors reserves the right, considering the crisis faced by the Group and its stakeholders since the publication of a book containing allegations of dysfunctions, to modify these objectives or to assess their level of achievement taking into consideration the impact of this crisis and the company's strategic plan for improvement and transformation:

	Target/Maximum Bonus	
	Target (in %)	Target (in €)
<i>Quantifiable CSR objectives (40% of total annual variable remuneration)</i>		
Systematization of pre-reports or direct reports of undesirable events in accordance with the regulations in force and internal procedures	10%	€38,000
Treatment of calls received on the listening platform	10%	€38,000
Establishment of an external mediator for the main countries	10%	€38,000
Implementation of an action plan for medicalized retirement homes with a satisfaction score below 7/10	10%	€38,000
<i>Total Quantifiable CSR Objectives</i>	40,00%	€152,000
<i>Qualitative Strategic Objectives (30% of total annual variable remuneration)</i>		
Component 1: strategic plan for the New ORPEA (in particular, definition of the timetable and milestones until adoption of the status of “ <i>Société à Mission</i> ” – mission-driven company under French law)	10,00%	€38,000
Component 2: financial plan (including financing plan for the company)	10,00%	€38,000
Component 3: Operational plan focused on improving resident care in the three business lines, reorganizing the Company and overhauling processes	10,00%	€38,000
<i>Total Qualitative Strategic Objectives</i>	30,00%	€114,000
<i>Quantifiable Financial Objectives (30% of total annual variable remuneration)</i>		
Organic revenue growth in the second half of 2022	10,00%	€38,000
Level of EBITDAR	10,00%	€38,000
Real estate disposals before December 31, 2022	10,00%	€38,000
<i>Total Quantifiable Financial Objectives</i>	30,00%	€114,000
Total Annual Variable Remuneration	100,00%	380 000 €

The Board of Directors will decide on the amount of his variable remuneration for financial year 2022 based on the achievement of these performance conditions.

Payment of this remuneration will be subject to the approval of the 2023 General Shareholders’ meeting, in accordance with Article L. 22-10-34 of the French Commercial Code.

Long-Term Remuneration

The Board of Directors may grant the Chief Executive Officer a long-term incentive plan for a period of three years in the form of a free allocation of shares, subject to performance and presence conditions, in an amount representing, at the date of allocation, 160% of his fixed remuneration (*prorata temporis*), it being specified that the corresponding number of shares will be calculated by reference to the three-month trailing average as of July 27, 2022, and rounded down to the nearest whole unit.

The characteristics of the free share allocation plan are as follows:

- vesting period: from July 28, 2022, to July 28, 2025;

- final vesting date: July 28, 2025;
- condition of presence which will be lifted by the Board of Directors in case of forced departure of Mr. Laurent Guillot before December 31, 2022 due to a disagreement between Mr. Laurent Guillot and the Board of Directors on one or several essential components regarding the ORPEA's improvement and transformation plan;
- performance conditions precisely established in advance as follows:
 - **1st performance condition (Stock market)** - (40% of the definitive allocation):

Evolution of ORPEA share price including dividends (TSR) compared to the evolution of the SBF 120 including dividends paid in 2022, 2023 and 2024.

 - 100% of the shares granted will vest if the ORPEA share price performance including dividends (TSR) exceeds the SBF 120 performance by 80 points or more;
 - No shares granted will vest if the ORPEA share price performance including dividends (TSR) is 20 points lower than the SBF 120 performance;
 - Between 20 points and 80 points, 25% and 60% of the shares granted will vest if the performance of ORPEA's share price, including dividends (TSR), is at least equal to 20 points and 50 points respectively compared to the performance of the SBF 120;
 - Between the different thresholds, the number of vested shares will be calculated by linear interpolation.

Reference periods: average ORPEA share price over the period from February 1, 2025, to July 27, 2025, to which will be added the dividend paid in 2022, 2023 and 2024, compared to this same average over the period from February 1 to July 27, 2022. These reference periods will also be used to calculate the average performance of the SBF 120 index, including the dividends paid (TSR) in 2022, 2023 and 2024.
 - **2nd performance condition (Internal)** - (20% of the definitive allocation):

Change in net profit per share (excluding exceptional items) – this condition has been established precisely but is not made public for reasons of confidentiality (it will be made public at the time of the assessment of its level of achievement).
 - **3rd performance condition (CSR)** - (40% of the definitive allocation), composed of six sub-criteria:

Decrease in the frequency rate of work-related accidents with work stoppage; percentage of sites certified by an external organization; percentage of sites/countries that have set up a system of enhanced dialogue with relatives; decrease in the employee turnover rate; percentage of significant and regular suppliers who have signed the responsible purchasing charter; and percentage of new construction projects with the HQE (or equivalent) label.

 - Obligation to hold a number of shares corresponding to 30% of his annual fixed remuneration for the year of acquisition, calculated on the basis of the acquisition stock market price and rounded up to the next unit, for the duration of his term of office.
 - Execution of a letter of commitment not to hedge his risk on the performance shares until the end of the holding period set by the Board of Directors, in addition to the commitment contained in the plan terms and conditions.

Severance Payment¹

The Board of Directors has granted Mr. Laurent Guillot, in certain cases and subject to specific performance conditions, a severance payment.

Other benefits

The Chief Executive Officer will receive the following benefits in kind: (i) a company car and (ii) the application of the collective personal protection and health insurance schemes in force within the Company under the same conditions as those applicable to the category of employees to which he is assimilated.

In accordance with the recommendations of the AFEP-MEDEF Code, the Chief Executive Officer will not have an employment contract.

The Chief Executive Officer will not receive any other remuneration, in particular exceptional remuneration, other than that described above. In particular, he will not receive any remuneration for the start of his duties as Chief Executive Officer of ORPEA, nor any remuneration if he is appointed Director.

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About ORPEA (www.orpea-corp.com)

Founded in 1989, ORPEA is one of the world leaders in Dependency care (nursing homes, assisted living, post-acute and rehabilitation hospitals, mental health hospitals, home care services)

ORPEA is listed on Euronext Paris (ISIN code: FR0000184798) and is a member of the SBF 120, STOXX 600 Europe, MSCI Small Cap Europe and CAC Mid 60 indices.

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¹ Detailed in the French version of the press release of 10 May 2022, " INFORMATION RELATIVE A LA REMUNERATION DU NOUVEAU DIRECTEUR GENERAL M. LAURENT GUILLOT ".