2022-2023 Universal Registration Document

Including the Annual Financial Report

In our soil grows an amazing future

soitec

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Universal Registration Document
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AUTORITÉ DES MARCHÉS FINANCIERS
AMF

The Universal Registration Document in French was filed on June 14, 2023 with the French financial markets authority (*Autorité des marchés financiers* – AMF) as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of said Regulation. The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market, provided it is accompanied by a securities note and, if applicable, a summary and any amendments to the Universal Registration Document. All of these items are approved by the AMF in accordance with Regulation (EU) 2017/1129.

This document is a translation into English of the Universal Registration Document incorporating the 2022-2023 Annual Financial Report issued in French. The French version was registered with the AMF in European Single Electronic Format (ESEF), and is available on the website of the AMF (www.amf-france.org) and on the website of the Company (www.soitec.com).

This version includes the following material error corrections made after filing with the AMF and indicated in a footnote:

- Correction on page 145 of the maximum percentage in the event of overperformance concerning the strategic objectives of the 2022-2023 variable compensation of Pierre Barnabé, Chief Executive Officer of the Company, so that the table is consistent with the table available in the compensation policy approved by the Annual General Meeting of July 26, 2022 for Pierre Barnabé in an *ex-ante* vote in the 20th resolution and available on page 184 of the 2021-2022 Universal Registration Document;
- Correction on pages 110 and 123 of the total number of shares owned by Pierre Barnabé;
- Correction on pages 182, 298 and 299 of the amount of net profit for fiscal year 2022-2023 to be appropriated to "Retained earnings" as well as the total amount of "Retained earnings" before appropriation. The other amounts remain unchanged.

“We are the innovative soil from which smart and energy efficient electronics grow into amazing and sustainable life experiences.”

soitec

A world leading company in the innovation and production of semiconductor materials

A record financial performance in fiscal year 2022-2023

US$1.2bn
in revenue (€1.1bn)

+19%
revenue growth *

* Compared to fiscal year 2021-2022.

Expecting stable revenue in fiscal year 2023-2024

Targeting US$2.1bn in revenue in fiscal year 2025-2026

92%
of revenue outside France in fiscal year 2022-2023

2,100+
employees worldwide

35%
of women in the workforce

11.3%
of revenue dedicated to R&D in fiscal year 2022-2023 (before capitalization)

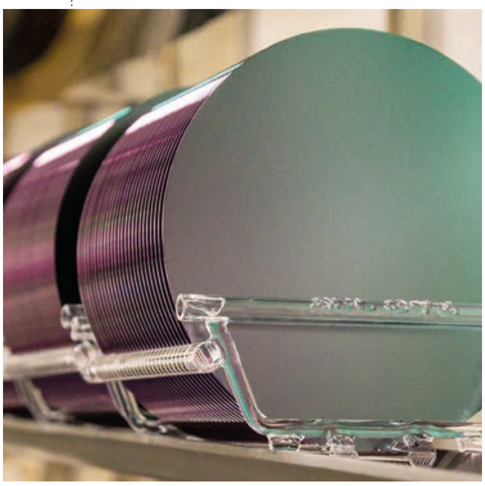
6
production lines worldwide *

* Including contract partner manufacturer in China.

2
fab extensions under construction in France and in Singapore

391
new patents filed in fiscal year 2022-2023

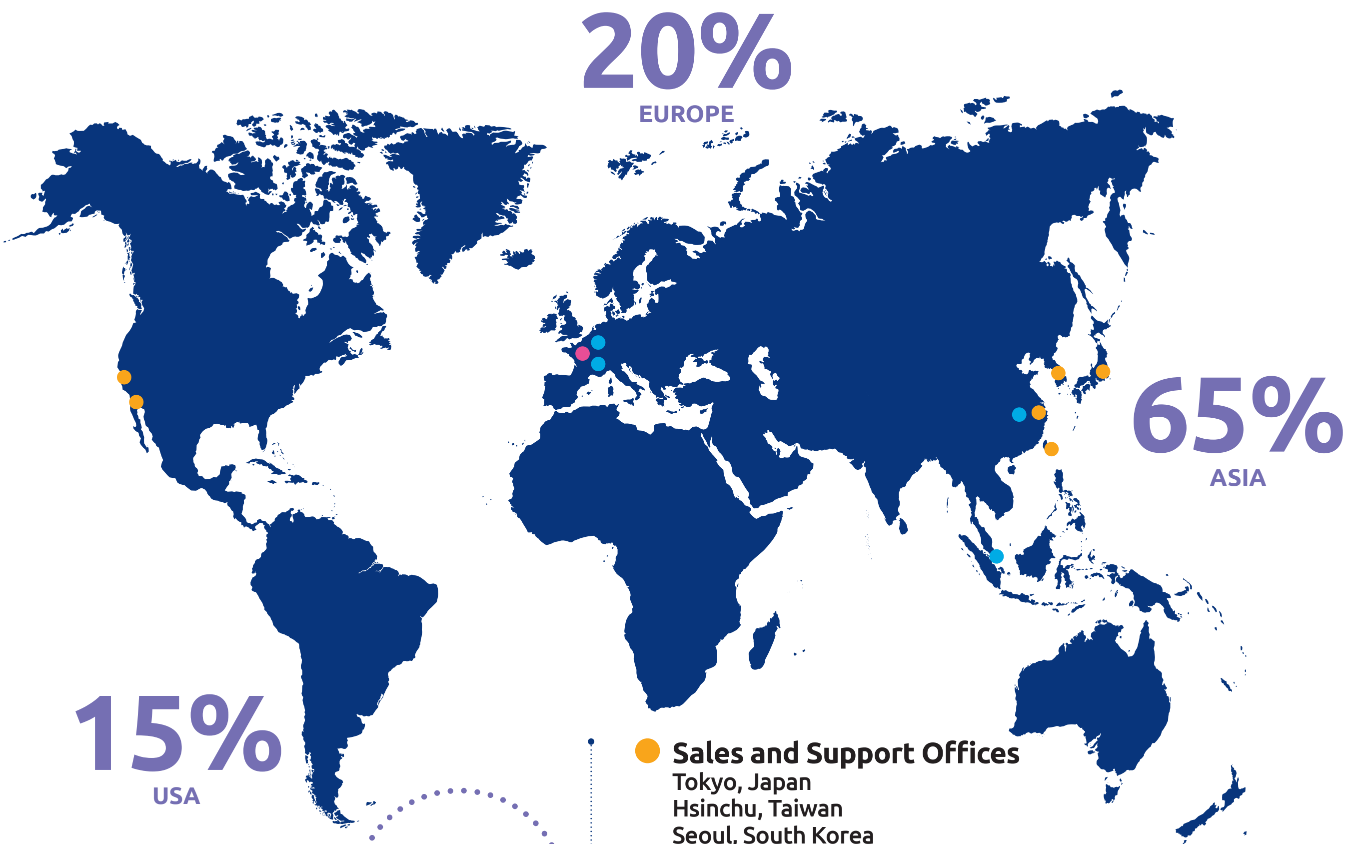
4,000+
active patents



Soitec at the heart of the world's electronics-driven transformation

Soitec offers unique solutions allowing chip makers to enhance the performance of their products, incorporate new functionalities and reduce power consumption. By addressing the technical and economic challenges that trigger mass market adoption, Soitec acts as a catalyst in the semiconductor ecosystem for global transformation driven by mobile communications, artificial intelligence & automation and energy efficiency. Soitec products are used to manufacture chips for three strategic end markets: Mobile Communications, Automotive & Industrial, and Smart Devices.

A worldwide presence, next to our customers



Sales and Support Offices
Tokyo, Japan
Hsinchu, Taiwan
Seoul, South Korea
Shanghai, China *
San Diego and Santa Clara, USA

Substrate Innovation Center
Grenoble, France

Production Centers
Bernin, France
Hasselt, Belgium
Shanghai, China
Pasir Ris, Singapore

* Contract partner manufacturer.

“ Soitec’s technologies continue to push the limits of performance for embedded electronic components ”

Éric Meurice

Éric Meurice

Chair of the Board of Directors

In a joint interview, Éric Meurice, Chair of the Board of Directors, and Pierre Barnabé, who took office as Chief Executive Officer in July 2022, look back at the strong performance delivered by Soitec, discuss the changes in the Company’s governance, and talk about the ambitious prospects they have set for the future.

How would you describe the performance achieved by Soitec in the past fiscal year?

Éric Meurice — Soitec delivered another record fiscal year in 2022-2023 against the backdrop of a more complex environment. The global economy was still going through a fast recovery in the aftermath of the health crisis when it was caught in a low growth and highly inflationary paradigm following the outbreak of the war in Ukraine early 2022. The shift has been very brutal leading, notably, to a weaker global smartphone market. The demand for Soitec’s products remains, however, primarily driven by the technological advances they are supporting, from the adoption of 5G to the multiplication of artificial intelligence applications, the development of electric and ultra-connected vehicles, the proliferation of smart objects and the exponential growth in the volume of data transferred and stored.

Pierre Barnabé — Absolutely. The technological performance of our products has supported sustained demand in Mobile Communications as well as sharp growth both in Automotive & Industrial and in Smart Devices. This demand was also driven by the environmental and economic benefits that our solutions bring to our customers. With organic growth at 19%, we achieved a record revenue of 1.1 billion euros. The full utilization of our installed production capacity, together with a strong industrial performance, led us to also reach an all-time high EBITDA margin of 36%. Strong cash-flow generation allowed us to continue investing in innovation as well as in new capacity to support our future expansion while maintaining a healthy and unleveraged balance sheet. I would like to congratulate Soitec’s teams for their tremendous job and unwavering commitment

Several changes were introduced to Soitec’s corporate governance in the summer 2022, including the change of Chief Executive Officer. Can you come back on these changes?

E.M. – Soitec’s profile has evolved considerably over the past few years, from a successful French tech recovery to the status of a leading and critical player in the global semiconductor industry. Looking ahead, the Company will be going through an even greater change of scale. The Board of Directors appointed Pierre as Soitec’s new CEO to take on this new business, industrial and cultural challenge and bring Soitec to the next stage of its development under his leadership. For its part, the Board went through some significant changes both in its composition and functioning. With the appointment of new directors in July 2022, the Board became more independent, reaching 58%* of independent directors, up from 42%. Supported by the productive work conducted by four specialized committees, with frequent meetings and a seamless collaboration with the Executive Committee, the Board has undoubtedly improved its operation.

P.B. – After a positive transition period alongside my predecessor and thanks to the great support of the management team, I was well prepared to take on the position of CEO in July 2022 and continue building on the solid foundations that Soitec had laid. It has been a busy year for Soitec, to say the least. On the one hand, we had to deal with short-term operating priorities in the midst of an economic slowdown particularly affecting the smartphone market. On the other hand, we continued planning for the company’s future growth. For instance, we broke ground on the extension of our Singaporean industrial facility. We also took our cooperation with STMicroelectronics on silicon carbide substrates to the next level. Finally, we have now set up a leaner and more efficient management organization. Thanks to new recruits, we are progressing on our diversity ambition with a more feminine representation at the Executive Committee level and also among the senior executive positions.

Can you elaborate on how sustainability lies at the heart of Soitec’s vision?

P.B. – At Soitec, we are proud to contribute every day to building a more sustainable world for all. From Bernin to Singapore, in each of our entities and across all our teams, we want to lead by

* excluding the employee directors

"Our products contribute to a more sustainable world by reconciling higher performance and energy-efficiency"

Pierre Barnabé

Pierre Barnabé

Chief Executive Officer

example across the board. While sustainability has been a pillar of Soitec's strategy since 2020, today I want us to go even further by developing an approach that incorporates sustainability by design from the very start of every innovation and project, as well as into all strategic decision-making. We have already achieved a considerable amount, including the certification of our greenhouse gas reduction targets by the Science-Based Targets initiative, becoming the fourth company in our sector in the world to obtain this validation, the implementation of life cycle analyses for our products (including regarding water), and the integration of free share allocation schemes for all employees into our salary policy for better value sharing. To make further progress on the road to sustainable development, our roadmap revolves around three pillars: driving the transition toward a sustainable economy through our innovation and operations, leveraging our inclusive culture and acting to become a role model for a better society. Beyond the actions already undertaken by the women and men of Soitec, I look forward to seeing new ideas transformed into new commitments. I want our sustainability policy to become an industry benchmark and a real source of pride and motivation for all our employees around the world.

E.M. – The Board's recent decision to create a new Committee dedicated to Soitec's ESG strategy illustrates the importance given by the directors to the sustainable development of the company. Soitec aims at driving the transition towards a sustainable economy through innovation, as explained by Pierre, but also through the reduction of the environmental footprint of its operations, whether lower greenhouse gas emissions or targeted actions to responsibly manage water resources and preserve biodiversity. Soitec's ESG commitments also include a social model promoting diversity, equity, and inclusion to foster creativity, resilience and success. They also extend to actions taken towards a more responsible supply chain, commitments to local communities as well as ethical practices.

What makes you confident in achieving your ambitious targets for fiscal year 2025-2026 and future growth beyond 2025-2026?

P.B. – From 1.2 billion US dollars in 2022-2023 to 2.1 billion US dollars in 2025-2026, we plan for a 75% top line growth over the next three years. And thanks to a strong operating leverage, we aim at doubling our EBITDA. Growing demand for semiconductors and higher adoption of engineered substrates will continue to be fueled by powerful technology megatrends in our three end markets, which makes us confident that we can achieve these ambitious targets. Strong demand will also allow us to deploy our sustainable value creation model to strengthen our global leadership in engineered substrates. In the meantime, the proximity to the end customers that we have successfully developed over the years will continue to be essential to accurately understand the needs of the market. This will allow us to anticipate the next waves of technological disruptions and retain our competitive edge in the ever-changing world of electronics. Meanwhile, our innovation strategy continues to be based on a partnership model, keeping on collaborating with research laboratories and universities and working in ecosystems with foundries, fabless manufacturers, and OEMs to onboard our customers on global projects from their inception.

E.M. – Over the past few years, Soitec's strong performance was very much based on the success of Silicon-on-Insulator substrates dedicated to radiofrequency applications. We take pride in the fact that Soitec's RF-SOI became an industry-wide standard, featured in almost every smartphone on earth. While consolidating Soitec's leadership position in SOI products, we are very keen to expand its portfolio, developing new products based on materials such as Piezoelectric-on-Insulator, gallium nitride epitaxial substrates or silicon carbide substrates, looking at establishing new industry standards. Meanwhile, as Soitec will continue to grow its Mobile Communications operations, the other strategic objective is to diversify Soitec's revenue base by increasing its exposure to the Automotive & Industrial market on the one hand and to the Smart Devices market on the other. The development of SmartSiC™ substrates to be used for electric vehicles and that will soon be produced on an industrial scale is a perfect example of what we are heading for. All in all, we are encouraged by Soitec's growth opportunities, sustained by the booming world semiconductor market, a market which is set to reach 1,000 billion US Dollars in sales by 2030 against 574 billion in 2022, and in which Soitec's technologies continue to push the limits of components performance embedded into electronic applications.

Trends & opportunities

Digitalization & AI and environmental protection are accelerating growth in Soitec's key markets.

DIGITALIZATION & AI

Our environment is constantly digitalizing and data is the new gold. It is estimated that **over 60% of global GDP now relies on digital communication technologies**[1].

The accelerating development of **artificial intelligence** (AI) supported by the exponential growth in data and computing capacity will further **impact the economy and transform our lives**.

ENVIRONMENTAL PROTECTION

Limiting global warming to 1.5°C by 2050 means **reducing CO_2 emissions from electricity generation by half by 2030**[2]. The use of increasingly energy-efficient technologies and **the growing adoption of electric vehicles**, whose market share of around 14% in 2022 is expected to reach **35% in 2030**[3], will play a critical role in achieving this major objective.

SOITEC HAS **A UNIQUE POSITION** IN THE SEMICONDUCTOR VALUE CHAIN

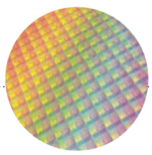
EQUIPMENT

BULK MATERIALS

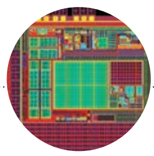
UTILITIES

LEADING SUPPLIER

ENGINEERED SUBSTRATES



FOUNDRIES



DESIGN

FABLESS

END MARKETS

MOBILE COMMUNICATIONS

AUTOMOTIVE & INDUSTRIAL

SMART DEVICES

Global semiconductor industry sales totaled US$574 billion in 2022, a record high and a 3.3% increase compared to 2021, according to the annual WSTS review. In terms of the long-term outlook, **the semiconductor market is estimated to top US$1,000 billion by 2030.**

(1) IDC, IDC FutureScape: Worldwide Digital Transformation 2021 Predictions: https://www.idc.com/getdoc.jsp?containerId=US46880818
(2) Net zero by 2050, IEA report 2021: https://www.iea.org/reports/net-zero-by-2050
(3) Global EV Outlook 2023, IEA: https://www.iea.org/reports/global-ev-outlook-2023

Addressing market demand through our three divisions

SOITEC PRODUCTS

- CONNECT RF-SOI
- CONNECT FD-SOI
- CONNECT POI
- CONNECT RF-GaN

MOBILE COMMUNICATIONS

For more than two decades now, mobile communication has made it possible to connect just about anyone at any time, from anywhere.

Mobile communications is Soitec's core market. While the total growth in the number of smartphones remains stable, the rapid advance of 5G smartphones is the key driver.

From 200 million units in 2020 to around 630 million units in 2022[(1)], the adoption of 5G is giving rise to a sharp increase in semiconductor content in smartphones[(2)], which is directly reflected in higher demand for Soitec products.

One of Soitec's flagship products, RF-SOI, dedicated to radiofrequency (RF) chips, has become an industry standard present in virtually all of today's 4G and 5G smartphones.

SOITEC PRODUCTS

- AUTO POWER-SOI
- AUTO FD-SOI
- AUTO SMARTSiC™
- AUTO POWER-GaN

AUTOMOTIVE & INDUSTRIAL

The car of tomorrow will have multimedia content and be fully autonomous, safer and greener.

The automotive industry is currently being driven by a once-in-a-century transformation thanks to the Connected, Autonomous, Shared and Electrification (CASE) megatrend.

Cars will soon become a smartphone, a supercomputer and a power station all rolled into one. Forecasted to grow at a compound annual rate of more than 10% between 2020 and 2030, the automotive electronics segment is part of the fastest growing market in the semiconductor industry[(3)], mainly driven by electrification and autonomous driving[(4)]. In 2030, the share of electric car sales is expected to reach around 35% globally[(5)]. Industrial electronics encompass a wide range of applications such as the generation, storage and management of energy, transportation and automation, driving additional demand for semiconductors related to power, processing and data storage.

SOITEC PRODUCTS

- SMART FD-SOI
- SMART IMAGER-SOI
- SMART PHOTONICS-SOI
- SMART PD-SOI

SMART DEVICES

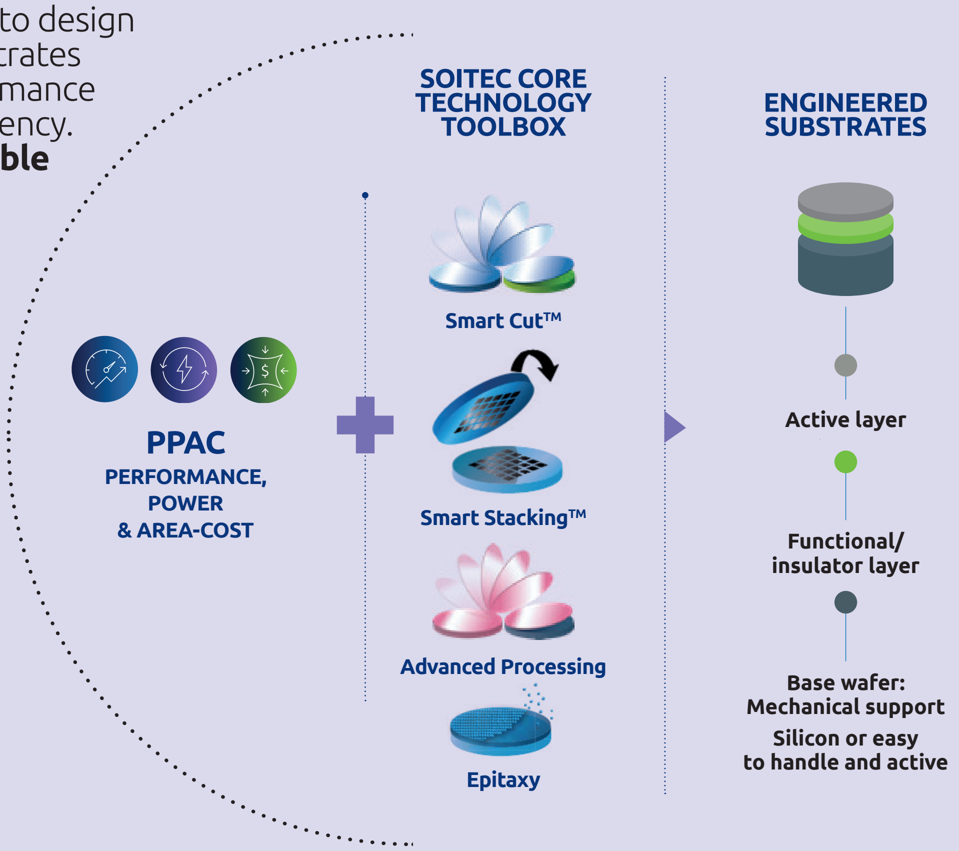
The driving force behind the smart devices industry is the need to tailor the object to its user, its function and its suitability for its environment.

Smart objects, initially equipped with simple sensors and connectivity functionalities, are proliferating and evolving toward – now and in the future – extremely complex, hyper-connected systems with embedded intelligence, such as robots. As we move toward the digital transformation, processing data as close to the object as possible, or even within the object itself – at the edge, – is becoming a fundamental objective. According to ABI Research, the edge artificial intelligence chipset market will swell to US$12.2 billion by 2025, overtaking the cloud artificial intelligence chipset market, which is expected to expand to US$11.9 billion[(6)].

(1) Soitec consenus.
(2) Yole, 5G impact on RF front-end module content, 2020: https://fr.slideshare.net/Yole_Developpement/5gs-impact-on-rf-frontend-module-and-connectivity-for-cell-phones-2019-by-yole-dveloppement
(3) Deloitte, Semiconductor – The Next Wave: www2.deloitte.com/content/dam/Deloitte/cn/Documents/technology-media-telecommunications/deloitte-cn-tmt-semiconductors-the-next-wave- en-190422.pdf
(4) Bain, Electric and Autonomous Vehicles – The Future is Now: https://www.bain.com/insights/electric-and-autonomous-vehicles-the-future-is-now/
(5) Jabil, Electrified Vehicles – The Race to Mass Adoption: https://www.jabil.com/blog/electric-vehicle-adoption.html
(6) Strategy Analytics, Global Connected and IoT Device Forecast Update: https://www.strategyanalytics.com/access-services/devices/connected-home/consumer-electronics/reports/ report-detail/ global-connected-and-iot-device-forecast-update

Our value creation strategy for sustainable growth

Soitec innovates to design engineered substrates delivering performance and energy efficiency.
We are sustainable by design.



REAL-LIFE BENEFITS AT THE DEVICE LEVEL

MORE PERFORMANCE

x10
FASTER SPEED
5G powered by Soitec substrates delivers 10x faster speed vs. 4G

2x
FASTER CHARGE TIME
SiC systems enable 800V architectures and faster charge time for EV vs. Si systems

ENABLING AI AT THE EDGE
FD-SOI substrates enable AI training and inference at the edge for smart IoT applications

MORE ENERGY EFFICIENCY

-25%
POWER CONSUMPTION
enabled by our latest generation of Soitec RF-SOI in 4G/5G smartphones vs. previous-gen HR- SOI

>10%
ADDITIONAL BATTERY RANGE
in EVs enabled by powertrains based on our SmartSiC™ substrates vs. IGBT Si systems

-40%
POWER CONSUMPTION
in low-power devices using 22 nm FD-SOI vs. bulk CMOS

We partner with leading innovation platforms to develop the next generation of clean technologies

TRANSFORM

AN EXAMPLE OF R&D COLLABORATION

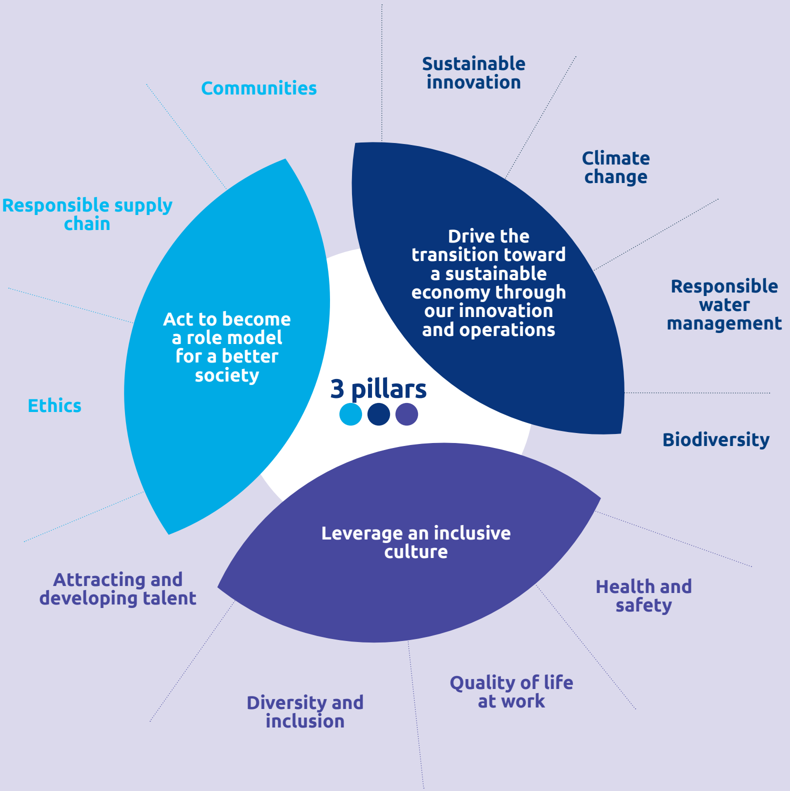
The TRANSFORM R&D project is supporting Soitec in demonstrating SmartSiC™ added value for greener e-mobility and accelerating innovation through a pilot line approach. Onboarding the whole value chain will facilitate market adoption and secure a European ecosystem for SiC.

Building a European SiC value chain for sustainable e-mobility

7 EU COUNTRIES

33 PARTNERS

Our commitment to sustainability is also embodied by our bold and ambitious policy with **11 commitments**



OUR SUSTAINABILITY ROADMAP

In 2021, we decided to place sustainability at the heart of our strategy and launched a new sustainability policy, with a roadmap running through to 2026 and extended to 2030 this year. This policy makes sustainability the cornerstone of Soitec's strategy and is based on three pillars and 11 commitments, which draws on a materiality matrix that we conducted with all our stakeholders.

COMMUNITY

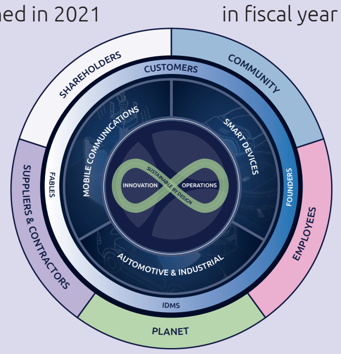
- Partnerships agreement signed with higher education institutions
- Local Economic Pact signed in 2021

SHAREHOLDERS

- €1.2bn in revenue in fiscal year 2022-2023
- 36% EBITDA margin in fiscal year 2022-2023

CUSTOMERS

- 11.3% of our revenue invested in R&D (before capitalization)
- >4,000 active patents
- ISO 9001 & IATF quality certifications



SUPPLIERS & CONTRACTORS

- €1.2bn in revenue in fiscal year 2022-2023
- 36% EBITDA margin in fiscal year 2022-2023

PLANET

- Committed with the Science-Based Targets initiative (SBTi) to reduce our carbon footprint and align with the 1.5°C pathway
- 25% reduction in energy consumption vs. fiscal year 2020-2021(1)
- 31% reduction in water consumption vs. fiscal year 2020-2021(1)

EMPLOYEES

- Free performance share plan for all employees worldwide
- 542 new hires in fiscal year 2022-2023

(1) Per unit of production.

A strengthened governance to deliver sustainable value creation for Soitec stakeholders

An experienced, diverse and committed management team executing an ambitious strategic plan.

The Executive Committee* led by the Chief Executive Officer is responsible for Soitec's operational management. It implements the strategy defined by the Board of Directors, reviews and approves resource allocation, ensures the consistency of the actions taken by all the reporting entities and decides on action plans to be implemented. The Executive Committee will be reshaped as of August 2023 with a streamlined and flatter organization focused on the business through its three divisions.

Cyril Menon
Operations Excellence & Quality Chief Operations Officer

Christophe Maleville
Innovation Chief Technology Officer

Yvon Pastol
Customer Group

Jean-Marc Le Meil
Mobile Communications Division

Léa Alzingre
Chief Financial Officer

Emmanuel Sabonnadière
Automotive & Industrial Division

Pierre Barnabé
Chief Executive Officer

Pascal Lobry
People & Sustainability

Michael Reiha
Smart Devices Division

Emmanuelle Bely
General Secretary

Steve Babureck
Strategy & Investor Relations

Caroline Sasia
Communications & Chief of Staff

27%
WOMEN

11
EXCOM MEMBERS

* Members of the Executive Committee as of August 3, 2023. Pierre Barnabé was appointed CEO on July 26, 2022; Caroline Sasia joined Soitec on September 12, 2022; Emmanuelle Bely joined Soitec on January 10, 2023; Philippe Pellegrin left the Executive Committee in February 2023; Thomas Piliszezuk will leave Soitec on July 6, 2023 ; Bernard Aspar will leave Soitec on August 3, 2023.

A Board of Directors with an increasingly diverse membership, complementary skills and a higher independence ratio

Soitec has established governance rules in compliance with the AFEP-MEDEF Corporate Governance Code and designed its role and ambitions to ensure an effective decision-making process and the transparency of its operations, taking into account the interests of all of its stakeholders.
The positions of Chair and Chief Executive Officer are separated, and the Chair and the Commitees' Chairs are independent.

01 — Éric Meurice
Chair of the Board of Directors

02 — Pierre Barnabé
Chief Executive Officer
Non-independent director

03 — Wissème Allali
Employee director

04 — Françoise Chombar
Independent director

05 — Laurence Delpy
Permanent representative of Fonds Stratégique de Participations (FSP)
Independent director

06 — Christophe Gégout
Independent director

07 — Didier Landru
Employee director

08 — Maude Portigliatti
Independent director

09 — Samuel Dalens
Permanent representative of Bpifrance Participations
Non-independent director

10 — François Jacq
Permanent representative of CEA Investissement
Non-independent director

11 — Kai Seikku
Non-independent director

12 — Delphine Segura Vaylet
Independent director

13 — Satoshi Onishi
Non-independent director

14 — Shuo Zhang
Independent director

14 MEMBERS incl. 2 employee directors

42% WOMEN

58%* INDEPENDENT

4 SPECIALIZED COMMITTEES

STRATEGIC COMMITTEE

Composition: 14 directors
Role: determining and regularly reviewing Soitec's strategy
Independence: 58%*

COMPENSATION AND NOMINATIONS COMMITTEE

Composition: 7 directors
Role: making recommendations on compensation and director's successions
Independence: 67%*

AUDIT AND RISKS COMMITTEE

Composition: 7 directors
Role: supervising the accuracy and the reliability of the financial statements
Independence: 67%*

NEW ESG COMMITTEE

Composition: 6 directors
Role: managing environmental, social and governance matters
Independence: 60%*

For details, see Chapter 4 of this document

* Excluding the employee directors.

Financial and non-financial performance and objectives

	2022-2023	2021-2022	Objectives
Finance			
Revenue	**€1,089 million**	**€863 million**	**approx. $2.1 billion in fiscal year 2025-2026**
Gross profit	**€402 million**	€316 million	
as % of revenue	*37.0%*	*36.6%*	
Operating income (EBIT)	**€268 million**	**€205 million**	
as % of revenue	*24.6%*	*23.7%*	
EBITDA (continuing operations)	**€391 million**	€309 million	
as % of revenue	*36.0%*	*35.8%*	*approx. 40% in fiscal year 2025-2026*
Net profit – Group share	**€233 million**	**€202 million**	
as % of revenue	*21.4%*	*23.4%*	
Basic earnings per share	€6.63	€5.98	
Environment			
GHG emissions avoided through energy savings generated by products in their end-use applications	**1,464 ktCO_2eq. for 75% of revenue**	**1,144 ktCO_2eq. for 68% of revenue**	Regularly measure the GHG emissions avoided through the energy savings generated by products in their end-use applications
Change in Scopes 1 and 2 emissions compared to the 2020 baseline	+21%	+2%	-25.2% between 2020 and 2026 -37% between 2020 and 2030
Change in Scope 3 emissions per million euros of added value compared to the 2020 baseline	-9%	-7%	-35.3% between 2020 and 2026 -50.9% between 2020 and 2030
Change in water volume used per unit of production (L/sq.cm.) compared to the fiscal year 2020-2021 baseline	-30.54%	-13.13%	-50% between fiscal year 2020-2021 and fiscal year 2029-2030
Social			
Workforce at March 31, 2023	2,157	2,033	-
Percentage of women in the Group's workforce	35.3%	34.2%	≥ 40% of women in the Group's workforce by fiscal year 2029-2030
Percentage of women on the Executive Committee	27.3 %	18.2 %	≥ 30% of Executive Committee members to be women by fiscal year 2025-2026/ ≥ 40% by fiscal year 2029-2030
Ethics			
Percentage of employees that have completed the e-learning module on the Code of Conduct	72%	70%	100% of employees by fiscal year 2025-2026
Percentage of strategic suppliers that have signed the Supplier Quality Policy	100%	100%	100%

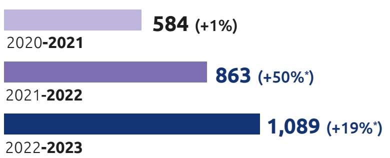
> “Managing our business with agility, both in terms of products and seasonality, and continuing to control costs will be key to maintaining our EBITDA margin around 36%.”

Léa Alzingre

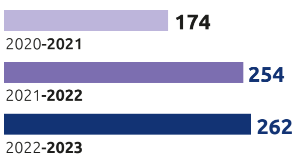
Chief Financial Officer

FINANCIAL PERFORMANCE

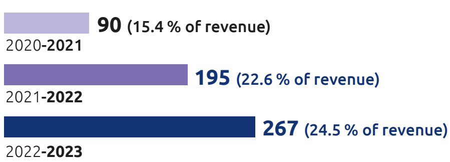
Revenue (in € millions)



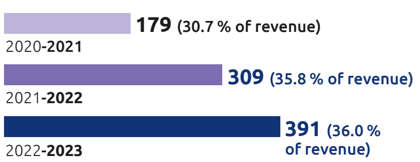
Cash flow generated by operating activities (in € millions)



Operating income (in € millions)



EBITDA (continuing operations) (in € millions)



* Annual growth calculated at constant exchange rates.

We are proud to have achieved our objectives for fiscal year 2022-2023, with 19% growth in revenue and an improved EBITDA margin of nearly 36%, all while generating positive free cash flow and making significant investments.

In fiscal year 2022-2023, our revenue grew 19% at constant exchange rates to reach an all-time high of €1,089 million, driven by solid growth across all types of products in each of our end markets, proximity to our customers and the excellent operational performance of all our teams.

Our EBITDA margin was 36%, in line with our forecasts and up slightly year-on-year. The high utilization rate of our fabs, a very strong industrial performance and strict cost control all contributed to this solid performance, which was achieved in a context of high inflation, thereby confirming the resilience of our model.

Looking ahead, we expect the market to go through an inventory correction during fiscal year 2023-2024 due to an inflection in the smartphone end market.

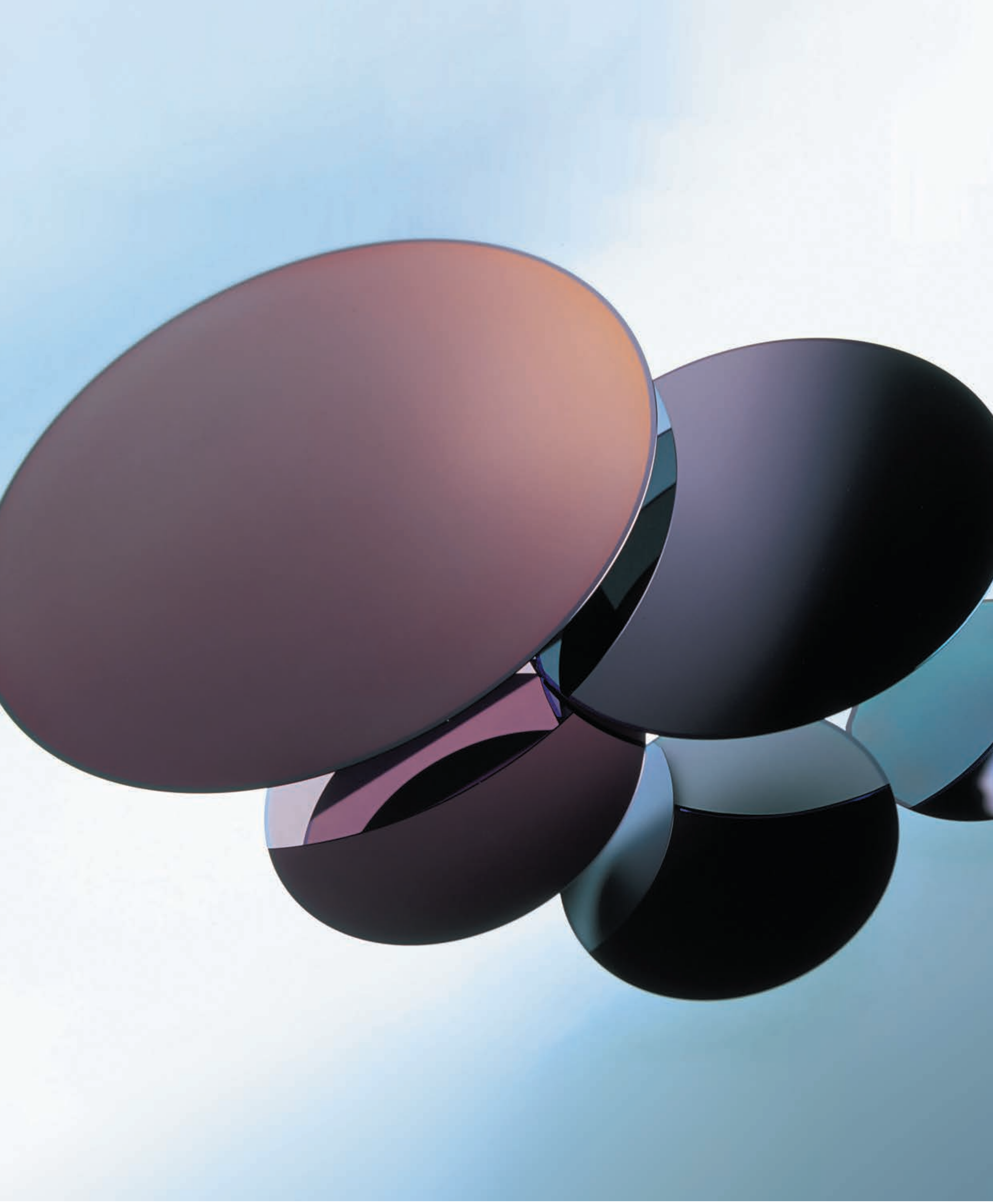
With the diversification of our activities into other end markets, such as Smart Devices and Automotive & Industrial, we anticipate that revenue will be stable in fiscal year 2023-2024 compared to fiscal year 2022-2023.

Managing our business with agility, both in terms of products and seasonality, and continuing to control costs will be key to maintaining our EBITDA margin around 36%.

Fiscal year 2023-2024 will be transitional, marking a return to significant growth levels in subsequent years.

We are now managing our business with the aim of achieving revenue of approximately US$2.1 billion and an EBITDA margin of approximately 40% in fiscal year 2025-2026, based on an EUR/USD exchange rate of 1.10.

This strong profitable growth will also be responsible growth, reflecting Soitec’s commitment to sustainability, and will include an ambitious action plan for our non-financial objectives.



1

OVERVIEW OF SOITEC AND OUR BUSINESSES

1.1 About Soitec

Soitec was founded 30 years ago in the high-tech innovation ecosystem of Grenoble (France), with the mission of creating and developing innovative substrates for the semiconductor industry.

Semiconductor materials are the foundation of electronic circuits. By offering unique and competitive solutions that reduce energy consumption and improve the performance of circuits, the Group's engineered substrates fuel innovation in the microelectronics industry. Soitec's products are found in virtually all of today's smartphones, and increasingly in the Automotive & Industrial and Smart Devices sectors, where the Group aims to continue setting new standards.

Applying advanced materials engineering expertise, we have developed processes for transferring very fine layers of material onto any other material, without impairing the material's initial crystallographic properties. The resulting multi-layer substrates enhance the capabilities and performance of our customers' integrated circuits (ICs).

Our proprietary Smart Cut™ [(1)] technology is the best-known technology in Soitec's portfolio, and most of Soitec's products are manufactured using it. It works like a scalpel at the atomic scale and allows the transfer of ultra-fine monocrystalline material layers from a donor substrate to a receiver substrate via ionic implantation and molecular adhesion. It stretches the traditional limits of depositing layers while providing total control of thickness uniformity for the various layers at the atomic mesh. Our know-how extends from silicon to compound materials.

We have also developed in-depth expertise in stacking integrated circuit layers onto other substrates (Smart Stacking™ [(2)]) and epitaxially. These technologies can be combined and form an impressive innovation-oriented toolkit capable of providing optimally efficient solutions for our customers.

We produce large volumes of these innovative substrates at manufacturing units equipped with technologies at the cutting edge of quality control and productivity.

We sell our engineered substrates to semiconductor foundries and integrated device manufacturers (IDMs) worldwide for them to develop the most cutting-edge products. Customers use the engineered substrates that we develop and make in order to manufacture electronic chips for applications including mobile telecommunications (smartphones, 5G infrastructure), automotive and industrial applications, and many aspects of smart devices. In short, they are vital components of the things that we use in daily life.

We designed a new organization in 2022 to constantly improve our relationship with our customers and our understanding of their markets. This new organization is built around three market divisions (Mobile Communications, Smart Devices and Automotive & Industrial) cooperating closely with the Customer Group function.

With a presence across the globe, the Group is the largest producer of Silicon-on-Insulator (SOI) wafers [(3)]. Our product portfolio also includes Piezoelectric-on-Insulator (POI) substrates and gallium nitride (GaN), as well as silicon carbide (SiC) substrates on which we apply our Smart Cut™ technology to improve their performance and make their production more efficient.

Soitec's innovation and products are backed by a total commitment toward a fairer and more sustainable world. Consequently, the Group's corporate social responsibility (CSR) strategy and corporate culture are central to its operations. The CSR strategy is based on three pillars: drive the transition toward a sustainable economy through innovation and operations, leverage an inspiring company culture, and act to become a role model for a better society.

(1) Description of the Smart Cut™ process: https://www.soitec.com/en/products/smart-cut
(2) Description of the Smart Stacking™ process: https://www.soitec.com/en/products/smart-stacking
(3) Silicon-on-Insulator (SOI) market – Global forecast to 2025 – figure 49, page 129. Report code SE2737 – June 2020.

1.2 Markets

1.2.1 Digitalization & AI and environmental protection are accelerating growth in Soitec's key markets

We operate in an increasingly digitalized world and data has become the focus of attention. The adoption of e-commerce, together with remote working and education, are a further step in the digitalization of the planet.

The trend will gain even more momentum in the future, with increasingly smarter and more autonomous objects powered by high artificial intelligence content. Such objects are increasingly key features of the applications that we use every day and which will be developed in the future, including self-driving cars and augmented and virtual reality glasses as well as technologies for industry and agriculture.

In the second half of the decade, design tools (in the broadest sense) will reach a new milestone, with digital twin modeling and emulation technologies. The development of a multitude of artificial intelligence and machine learning applications, including the recent rise of "generative AI" functionalities, is continuing to fuel the increased exchange of data between individual users and machines.

Today, protecting the environment is synonymous with fighting global warming. In extreme cases, sea levels could rise by 2.5 meters by 2100, compared to a 22 centimeter rise over the last century [(1)]. Objectives have been set by the various COPs to limit global warming to 1.5°C by 2050. Soitec is committed to achieving this goal, and our commitments have been validated by the Science-Based Targets initiative (SBTi). Limiting global warming to 1.5°C by 2050 means reducing greenhouse gas emissions from electricity generation by half by 2030 [(2)]. The use of increasingly energy-efficient technologies and the growing adoption of electric vehicles (driven by highly incentive policies in terms of greenhouse gas emissions regulations), whose market share of around 10% in 2022 could grow to 50% by 2030 [(3)], will play a critical role in achieving this major objective.

As a result, an increasingly connected world is taking shape, surrounded by increasingly smarter and energy-efficient objects. The challenges are numerous. The objective for 2030 is to connect five times more objects [(4)], which will generate five times more data by 2025 compared to 2018 [(5)], while reducing overall electricity consumption. According to some sources [(6)], the share of global electricity consumption of smart devices could double by 2025, from 10% to 20%. To achieve these objectives, technological improvements and disruptions are essential. The world is more aware than ever of the economic and strategic importance of semiconductors in meeting these challenges.

Through its strategic positioning, Soitec delivers innovative products in the following three markets: Mobile Communications, Automotive & Industrial, and Smart Devices.

1.2.2 Global semiconductor market

Global semiconductor industry sales totaled US$574 billion in 2022, a record high and a 3% increase compared to 2021, according to the annual WSTS [(7)] review.

The record sales growth was driven by strong demand linked to the rebound of the global economy in 2021, as well as stockbuilding to replenish low inventory levels due to the shortages faced by the industry following the Covid-19 pandemic, and price increases related to logistics costs and raw material prices.

Just like last year, the markets underpinning the growth were 5G, artificial intelligence, connected objects and electric vehicles.

To strengthen the resilience of their semiconductor supplies, companies have increased their inventories, moving from a "just-in-time" policy to a "just-in-case" strategy. This trend has boosted demand in recent years, but excess inventory, particularly in the cell phone value chain, is contributing to a slowdown in the industry in 2023, with the latest forecasts predicting a 5% decline compared with 2022.

Geopolitical and economic developments related to the consequences of the war in Ukraine, and growing geopolitical tensions on a global level, represent an indirect risk to the market in the medium term.

Due to the growing strategic importance of the semiconductor sector, states have announced numerous support programs, in order to develop a certain degree of strategic independence. These programs are helping to build the production capacity needed to meet growing demand and strengthen the resilience of supply chains [(8)].

In terms of the long-term outlook for 2030, the semiconductor market is estimated to top US$1,000 billion [(9)(10)].

(1) *Climate Change – Global Sea Level 2021: https://www.climate.gov/news-features/understanding-climate/climate-change-global-sea-level#:~:text=Global%20mean%20sea%20level%20has,of%20seawater%20as%20it%20warms*

(2) *Net zero by 2050, IEA report 2021: https://www.iea.org/reports/net-zero-by-2050*

(3) *Global electric vehicle sales, Canalys 2021 and 2022: https://www.canalys.com/newsroom/global-ev-sales-2022 and https://www.canalys.com/newsroom/global-electric-vehicle-market-2021*

(4) *Strategy Analytics, Global Connected and IoT Device Forecast Update: https://www.strategyanalytics.com/access-services/devices/connected-home/consumer-electronics/reports/report-detail/global-connected-and-iot-device-forecast-update*

(5) *IDC: Expect 175 zettabytes of data worldwide by 2025, IDC 2018: https://www.networkworld.com/article/3325397/idc-expect-175-zettabytes-of-data-worldwide-by-2025.html*

(6) *"Tsunami of data" could consume one fifth of global electricity by 2025, Climate Home News 2017: https://www.climatechangenews.com/2017/12/11/tsunami-data-consume-one-fifth-global-electricity-2025/*

(7) *https://www.wsts.org/76/Recent-News-Release*

(8) *Gartner: https://www.gartner.com/en/articles/what-s-ahead-for-semiconductor-shortages*

(9) *IBS, Global Semiconductor Industry Service Report (volume 31, No. 1, January 2022).*

(10) *VLSI: https://www.techinsights.com/blog/semiconductor-sales-are-expected-surpass-06t-2022-and-track-hit-1t-2030*

1.2.3 Mobile Communications

Demand for mobile data, driven mainly by video, is growing 30% every year and shows no signs of slowing down [(1)]. Mobile communication – particularly smartphone-based – is expanding, and will continue to expand to offer new services from health to self-driving vehicles and smart homes. Beyond performance alone, the challenge is to make mobile communication more environmentally friendly and inclusive.

This is Soitec's core market. While total growth in the number of smartphones fell in 2022, in particular due to deteriorated macroeconomic conditions and protracted anti-Covid policies in China, the rapid advance of 5G smartphones is the key driver.

From 200 million units in 2020 to around 730 million units in 2023 [(2)], the pace of adoption of 5G phones is accelerating, driven by strong end-user experience and aggressive adoption plans from both operators and handset makers.

The gradual adoption of new 5G standards is giving rise to a sharp increase in semiconductor content in smartphones [(3)], which is directly reflected in higher demand for Soitec products.

One of Soitec's flagship products, RF-SOI, dedicated to radiofrequency (RF) chips, has become an industry standard in 4G (present in almost all 4G smartphones). A first-generation 5G phone requires approximately twice the amount of RF-SOI content in comparison to a 4G phone [(4)]. Several other Soitec products have been developed to serve specific 5G requirements.

The gradual development of 5G mmWave technology, which will have an even greater share of Soitec products, should be a new growth driver in the medium term. Worldwide adoption is still moderate, but the efforts of players in the value chain and the allocation of mmWave spectra around the world are evidence of an ecosystem that is finding its place.

5G infrastructure also requires a totally new setup and solutions. While the number of base station units is lower than smartphone units, the content of semiconductors is much higher and more complex, which is creating opportunities for Soitec to actively participate in serving this market.

1.2.4 Automotive & Industrial

The car of tomorrow will have multimedia content and be fully autonomous, safer and greener. These trends will shape the future of mobility with a focus on passenger comfort, convenience, safety and reducing the carbon footprint.

The automotive electronics segment is currently being driven by a once-in-a-century transformation thanks to the Connected, Autonomous, Shared and Electrification (CASE) megatrend. Cars will soon become a smartphone, a supercomputer and a power station all rolled into one.

The automotive electronics segment is part of the fastest growing markets in the semiconductor industry [(5)]. Whereas car sales look to remain within single-digit growth, automotive semiconductor content will at least double, depending on the level of electrification and driving automation [(6)].

In 2030, around half of cars sold will be either fully electric or hybrid (almost 10% in 2022) [(7)]. Although there are several technological and legal barriers to be removed in order to reach fully autonomous cars, the car industry is already deploying a range of advanced driving assistance features and functions. Overall, the automotive semiconductor segment is forecast to grow at a compound annual rate of more than 10% between 2020 and 2030 [(8)].

Industrial electronics encompass a wide range of applications such as the generation, storage and management of energy, transportation and factory automation. These applications will drive the demand for semiconductors related to power, machine learning, artificial intelligence and data storage.

Soitec has developed a portfolio of products for automotive and industrial applications that meet the needs of energy, connectivity and the smart industry.

(1) Ericsson Mobility Report, November 2022: https://www.ericsson.com/en/reports-and-papers/mobility-report/reports/november-2022
(2) Soitec consensus, based on industry data and sell-side analyst reports.
(3) Yole, RF Front-End for Mobile 2023: 2023https://www.yolegroup.com/product/report/rf-front-end-for-mobile-2023/
(4) Soitec's engineered substrates for 5G, 2020: https://www.soitec.com/media/files/soitec_5g_march_2020.pdf
(5) Deloitte, Semiconductor – The Next Wave: https://www2.deloitte.com/tw/en/pages/technology-media-and-telecommunications/articles/semiconductor-next-wave.html
(6) Infineon, ATV Roadshow and Call: https://www.infineon.com/dgdl?fileId=5546d46174dd743b0174f89228fe001d
(7) Jabil, Electrified Vehicles – The Race to Mass Adoption: https://www.emsnow.com/electrified-vehicles-the-race-to-mass-adoption/
(8) Source: UBS Analyst Report.

1.2.5 Smart Devices

The driving force behind the smart devices industry is the need to tailor the device to its user, its function and its suitability for its environment. That explains the evolution of smart devices, initially equipped with simple sensors and connectivity functionalities, toward – now and in the future – extremely complex, hyper-connected systems with embedded intelligence, such as robots. According to consumer electronics consultants Strategy Analytics, more than 35 billion smart devices will be connected by 2025 and almost 50 billion by 2030 [(1)].

The performance level required is powered by artificial intelligence and the associated electronics. Thanks to electronic sensors, the object reproduces the human senses, with vision and audio being the most advanced fields. Beyond the human senses, sensors are developing in fields as varied as health, non-visible imaging, microscopic vision, and more. Once the data has been collected by the sensors, the object makes its own decisions based on digital processing. As we move toward the digital transformation, processing data as close to the object as possible, or even within the object itself, is becoming a fundamental objective. It is key in maintaining privacy, achieving ultra-fast calculation and decision-making, and reducing the energy consumption of the smart devices. With this trend come new semiconductor opportunities in ever more powerful and efficient edge artificial intelligence chips. According to ABI Research, the edge artificial intelligence chipset market will swell to US$12 billion by 2025, overtaking the cloud artificial intelligence chipset market, which is expected to expand to US$11.9 billion over the same period [(2)].

With an explosion in smart object data, together with artificial intelligence and 5G, cloud infrastructure will continue to expand. The number of hyperscale datacenters will double in the next five years [(3)]. To cover the high data transfer rate in server-to-server and cloud-to-cloud networks, optical solutions are replacing copper networks, driving expansion in the optical transceiver market to US$17 billion [(4)].

Soitec's current positioning is in the fields of embedded artificial intelligence (EdgeAI), artificial intelligence, data centers and sensors.

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(1) Strategy Analytics, Global Connected and IoT Device Forecast Update: https://www.strategyanalytics.com/access-services/devices/connected-home/consumer-electronics/reports/report-detail/global-connected-and-iot-device-installed-base-forecast

(2) ABI Research, Edge to Dethrone Cloud for AI Chipset Revenues with US$12 billion in 2025: https://www.abiresearch.com/press/edge-dethrone-cloud-ai-chipset-revenues-us12-billion-2025

(3) Bloomberg, SK Hynix CEO Forecasts Exponential Growth in Data Use: https://www.bloomberg.com/news/articles/2021-03-21/data-centers-doubling-is-next-driver-of-chip-demand-hynix-says

(4) Yole, Optical Transceiver Industry: https://www.yolegroup.com/press-release/optical-transceiver-industry-new-applications-drive-expanding-data-center-infrastructure/

1.3 Strategy

Our sustainable value creation model

RESOURCES

ECOSYSTEM BASED ON RELATIONSHIPS

- Co-development partnerships with:
  - over 10 leading research centers and universities
  - manufacturers and suppliers
- Partner of the Responsible Business Alliance
- Member of electronic and semiconductor industry groups: SEMI, Global Semiconductor Alliance, ACSIEL

HUMAN RESOURCES

- 2,157 employees
- 51 nationalities
- 35.3% women

INNOVATION

- 3 technologies (Smart Cut™, Smart Stacking™ and Epitaxy), serving 3 markets (mobile communications, automotive & industrial, and smart devices)
- 18% of employees in R&D

PRODUCTION

- 6 production lines, 1 fab under construction and 1 fab being extended
- 63% employees working in production

FINANCE AND ORGANIZATION

- Increase in equity: up €262 million
- 3 strategic investors holding nearly 30% of the Group's shares
- Separation of the duties of Chief Executive Officer and Chair of the Board of Directors
- A committed Board of Directors: average attendance rate of 92.07%

NATURAL RESOURCES

- Water consumption: 1,961 ML
- Energy consumption: 151,925 MWh

GROUP PRIORITIES

Innovation
Developing engineered substrates to make our society more sustainable

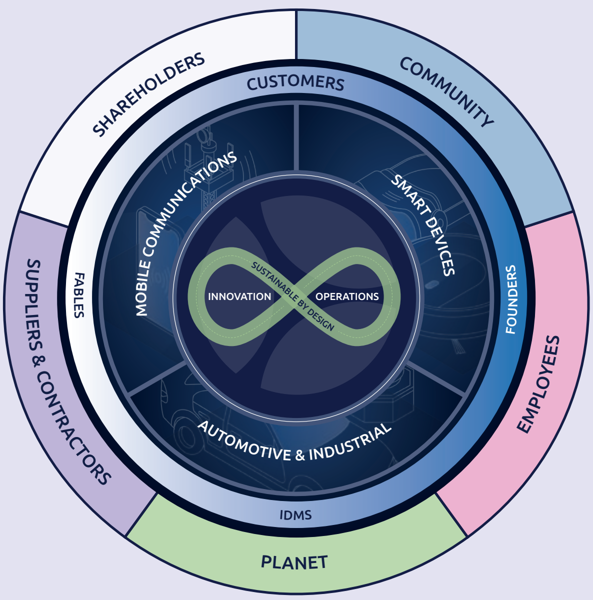
Growth
Strengthen and expand the core business

Profitability
Allow investment in R&D

Environment
Drive the transition toward a sustainable economy through our innovation and operations

People
Leverage our inclusive and inspiring company culture

Governance
Act to become a role model for a better society



RESPONSIBILITY AT ALL LEVELS OF THE COMPANY

- Creation of an ESG Committee within the Board of Directors
- Mobilization at all levels of the Company: the variable portion of the Chief Executive Officer's compensation and share allocation plans are contingent on performance conditions relating to the Group's financial and non-financial performance, of which 20% are based on ESG criteria: reduction in Scope 3 greenhouse gas emissions, reduction in water consumption per unit of production, and the proportion of women among new hires and in senior management positions

OUR CORPORATE PURPOSE

"We are the innovative soil from which smart and energy efficient electronics grow into amazing and sustainable life experiences."

NEW STANDARDS

Soitec's strategy is to develop products which become industry standards and are used as the preferred solution for specific applications and markets.

For example, electronic devices built on RF-SOI are part of all 4G and 5G smartphones.

TRENDS

3 megatrends: 5G, AI and automation, energy efficiency

Complex technological challenges

An international market, with increasingly major regional strategic issues

A contribution to innovative clean technologies

3 MARKETS SERVED BY 3 DIVISIONS

Mobile Communications

Automotive & Industrial

Smart Devices

VALUE CREATED

CUSTOMERS

- 11.3% of revenue dedicated to R&D (before capitalization)
- Close collaboration on innovation with some 15 key customers
- A portfolio of over 4,000 patents
- One of the top 50 patent filers in France and no. 2 among the top 10 mid-sized companies
- ISO 9001 certification: Bernin – Pasir Ris – Hasselt
- IATF: Bernin 1 & 2 – Pasir Ris
- AEO: Bernin

SUPPLIERS AND SUBCONTRACTORS

- 55% of revenue for suppliers and subcontractors
- 100% of strategic suppliers having signed our Supplier Quality Policy

EMPLOYEES

- 12.9% of revenue for employees
- Free share allocation and co-investment plans
- 124 new hires
- Resignation rate: 8.5%
- Frequency rate of workplace accidents with lost time: 3.1
- Bernin and Pasir Ris certified ISO 45001

GOVERNMENTS AND REGIONS

- 2.9% of revenue paid to the government (taxes and duties)
- Signatory of the Local Economic Pact
- Partnerships with local schools and universities in France (IUT Grenoble, Bordeaux, Saint-Etienne, etc.) and Singapore (ESSEC, etc.)

SHAREHOLDERS

- Revenue: €1,089 million (up 19% at constant exchange rates)
- Increase in the EBITDA margin to 36.0%

PLANET

- 25% reduction in energy consumption per unit of production since fiscal year 2020-2021
- 30.54% reduction in water consumption per unit of production since fiscal year 2020-2021
- GHG emissions: 319,306 ktCO_2eq.
- 1,464 ktCO_2eq. of emissions avoided from products sold
- Climate objectives validated by the SBTi
- Bernin and Pasir Ris certified ISO 14001
- Bernin and Pasir Ris certified ISO 50001

IMPACTS & CONTRIBUTIONS

3 GOOD HEALTH AND WELL-BEING

5 GENDER EQUALITY

6 CLEAN WATER AND SANITATION

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

10 REDUCED INEQUALITIES

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

15 LIFE ON LAND

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS

Soitec has developed a sustainable value creation model for all its stakeholders. By placing innovation at the heart of its model, Soitec can deliver sustainable and profitable growth, and build a platform from which to achieve its ambitious environmental, social and governance objectives over the long term.

For 30 years, Soitec has been innovating and working to define industry standards with a view to accelerating mass adoption of technological breakthroughs.

Its strategy is simple, yet robust. It consists in:

- developing its core business, engineered substrates;
- extending its core business through organic and external growth and strengthening its foothold on adjacent markets;
- placing sustainability at the heart of Soitec's strategy.

It is based on:

- a committed and highly-skilled international team;
- a thorough understanding of customers' needs;
- a talent for innovation;
- a flexible operating model;
- ultra high-performance, environmentally friendly production facilities;
- a global sales and manufacturing network.

The strategy that Soitec has devised aims to sustainably and profitably accelerate the adoption of our products via partnerships and investments in the value chain.

Soitec products deliver energy savings through the billions of chips and electronic devices they power.

1.3.1 Developing the Group's core business

Soitec's core business covers engineered substrates developed from Smart Cut™, Smart Stacking™ and epitaxy technologies. Each year, the Group invests more than 10% [(1)] of its revenue in enhancing product performance and energy efficiency.

Its work focuses both on developing new products such as SmartSiC™, and on continuously improving existing products, with the release of successive generations (see RF-SOI in *Products* below).

Soitec has adapted its production facilities to its innovation focus, and has installed the production capacity needed to ensure a consistently timely response to customer demand. Thanks to progress made on the SmartSiC™ technological roadmap, as well as the conclusion of partnership agreements following positive feedback received during the testing and prototyping phase, Soitec was able to bring new production capacity on line in Bernin during the year, in order to produce SmartSiC™ substrates and increase its SOI capabilities.

Response capability, product quality, understanding of customers' needs, and supplier reliability are key factors for maintaining customers' trust and developing into new markets. Soitec has unique know-how in very-high-volume substrate manufacturing, and continues to invest in optimizing its industrial capabilities using digital, cloud, automation, connected lens and other connected object technologies. In September 2021, Soitec received the *Vitrine Industrie du Futur* (Industry of the Future Showcase) award, in recognition of the work undertaken by our teams to optimize semiconductor wafer yields by combining inspection equipment with advanced data tools.

1.3.2 Extending the Group's core business and developing into adjacent markets

In addition to expanding its product portfolio to support its customers' technological roadmaps and market innovative solutions that will shape tomorrow's world, Soitec's strategy also includes using acquisitions to strengthen its core business, engineered substrates.

As part of this strategy, in April 2018 Soitec purchased EpiGaN, a European leader in the supply of GaN epitaxial wafers, which was renamed Soitec Belgium in June 2020. The start-up was founded in 2010 as a spin-off from Imec, and enjoys broad industry recognition for its expertise in GaN technologies. The GaN products developed by Soitec Belgium N.V. are used primarily in 5G RF and power electronics applications.

In December 2021, Soitec completed the acquisition of NOVASiC, a company founded in 1995 in the Grenoble region. NOVASiC provides state-of-the-art wafering, reclaiming and polishing services for high-performance semiconductors and industrial crystals to laboratories and industrial customers, with a particular focus on silicon carbide. NOVASiC has developed innovative polishing processes that enhance device performance with a scratch-free, low-roughness and ultra-clean epiready surface, and no damaged layers. NOVASiC brings a new dimension to our technology portfolio, enabling Soitec to deliver an optimal final product and prepare for the industrialization of SmartSiC™, based on our unique and patented technology. The acquisition will drive our development of semiconductors for power supply systems in electromobility and industrial applications.

In addition to developing its core business, the Group's strategy aims to selectively strengthen the building blocks enabling its technologies to grow. Soitec thus acquired Frec|n|sys in October 2017 and Dolphin Design (formerly Dolphin Integration) in August 2018.

Following the transfer of all its assets and liabilities in March 2023, Frec|n|sys' activities are now carried out by the Company. They consist of developing, validating and characterizing prototype devices based on Piezoelectric-on-Insulator (POI) substrates.

These advanced piezoelectric substrates are used today to manufacture acoustic wave devices (sensors, filters) for communication, as well as devices and systems for industrial and automotive applications.

The acquisition of Frec|n|sys has enabled the Group to accelerate the development of advanced POI substrates for RF filters.

In August 2018, Soitec and MBDA announced the acquisition, through their newly formed joint venture Dolphin Design, of the assets of Dolphin Integration, an industry-recognized provider of silicon integrated circuits (ICs) and System-on-Chip (SoC) solutions for low-power applications.

(1) Gross R&D before capitalization.

Its vision is to facilitate the delivery by the broadest possible community of AIoT/EDGE IoT-dedicated semiconductor players of products with ultimate energy efficiency and performance, in line with its motto “Consume less energy while increasing performance”.

In 2020, Dolphin Design began operations in microcontroller units (MCUs) and digital signal processors (DSPs), with a focus on artificial intelligence applications. In January 2022, Dolphin Design opened a new unit dedicated to edge computing and artificial intelligence in Singapore, with the objective of optimizing the energy efficiency of integrated circuits (ICs).

On October 27, 2022, Soitec exercised its option to acquire the Dolphin Design shares held by MBDA and now holds 100% of the share capital.

1.3.3 Sustainability, the cornerstone of Soitec’s strategy

With our privileged position at the apex of the microelectronics value chain, the industry standards that we are relentlessly creating worldwide in major applications for communications, connectivity, mobility and embedded intelligence, and our rapid growth over recent years, Soitec has a special mission and responsibility that extends beyond developing and producing substrates. Soitec’s commitment to sustainable development took on a new dimension in fiscal year 2021-2022, with the definition of a corporate purpose for the Group, which is enshrined in our by-laws: “We are the innovative soil from which smart and energy efficient electronics grow into amazing and sustainable life experiences.” Our corporate purpose binds us to a vision. The products that we design and manufacture have always had a positive impact on our world, constantly enabling new opportunities for interaction while ensuring energy efficiency in the resulting applications.

This has naturally inspired and structured the way that we conduct our business and our behavior with our stakeholders and our planet. Sustainable development is therefore an integral part of Soitec’s core business, with energy-efficient products spearheading our innovation. Our sustainability strategy is based on three pillars:

- drive the transition toward a sustainable low-carbon economy through innovation and operations, while preserving the planet through proactive, concrete measures;
- leverage an inclusive company culture to foster the long-term commitment of all employees;
- be exemplary in our business and relationships, in order to become a role model for a better society.

The pillars break down into 11 operational commitments governed by indicators and deployed through action plans.

1.4 Products

1.4.1 A wide range of engineered substrates

With its range of technologies (Smart Cut™, Smart Stacking™) and material engineering expertise (silicon, compound materials, epitaxy), Soitec provides the electronics industry with new opportunities for innovation and differentiation in growing and emerging fields, while adding tremendous value to products for end consumers. Using these, Soitec has developed a full range of engineered substrates to meet the needs of multiple segments and applications.

- **FD-SOI**: For power-efficient and flexible digital computing with easy analog/RF integration.
- **RF-GaN**: For 5G RF applications and power components.
- **Imager-SOI**: For improved performance of image sensors operating in the infra-red spectrum.
- **Photonics-SOI**: For the integration of high-performance silicon optical components.
- **POI**: A new range of innovative substrates for use in RF filters.
- **Power-SOI**: For highly integrated smart power ICs that meet high performance, high robustness and high functional safety (FuSa) requirements.
- **RF-SOI**: For highly efficient mobile communications for 4G and 5G standards.
- **SmartSiC™**: For significant performance and energy efficiency gains for power supply systems.

A. FD-SOI

FD-SOI confers two main advantages to the products in which the substrate is used:

- it offers remarkable capabilities in terms of low consumption, performance, and surface optimization and cost;
- it can also cover a wide range of digital applications with analog and RF integration from a single technology platform.

FD-SOI is the only substrate that targets Soitec’s three key markets, namely Mobile Communications, Automotive & Industrial, and Smart Devices. Its unique advantages include strong compensation for manufacturing processes, temperature variation and aging, near-threshold operation and high radiation tolerance. Its performance is down to the unique design of Soitec’s FD-SOI substrate, with its extremely thin and uniform upper silicon and lower oxide layers. Today, several foundries and integrated device manufacturers (IDMs) accommodate FD-SOI technology, already fielding comprehensive technology offerings for 65 nm, 55 nm, 28 nm and 22 nm nodes and with 18 nm and 12 nm nodes in the pipeline. In October 2021, the adoption of FD-SOI for mmWave modules reached a key milestone, with the introduction of the latest Google Pixel™ 6 Pro 5G smartphone. This smartphone comes with a 5G mmWave front-end module utilizing FD-SOI substrate. Four ranges of phones are now equipped with this type of module, and the main fabless RF players have adopted or expressed their interest in FD-SOI. FD-SOI technology will continue to evolve across this global ecosystem, with the development of disruptive applications in the artificial intelligence, automotive and 5G segments. To meet demand, Soitec now has two qualified production lines, in Bernin and Singapore.

B. RF-GaN epitaxial wafers

Gallium nitride (GaN) is increasingly used in RF applications because the material enables the manufacturing of smaller, more efficient components that operate at higher power. Base station antennas are beginning to be equipped with GaN components, and the trend is growing. Electronic component manufacturers are also considering producing GaN modules for 5G cell phones.

The acquisition of EpiGaN (now Soitec Belgium N.V.) in 2019 allowed Soitec to enhance its SOI product offering for RF applications with RF-GaN substrates. Soitec now offers two lines of GaN-on-SiC and GaN-on-Si wafers in various sizes and structures to suit the application. Soitec is also preparing for the next generations with several R&D programs focused on delivering unique, high-performance solutions.

C. Imager-SOI

Our Imager-SOI substrates were specially designed to manufacture the 3D image sensors used in facial recognition applications. Our products are mature and delivered in large volumes for the smartphone market. We are currently working on the next generations with the Imager ecosystem.

D. Photonics-SOI

High-speed optical interconnections in datacenters are undergoing rapid change, in the quest for faster data transfer, higher data volumes, lower costs and better energy efficiency. Silicon photonics technology using SOI substrates is taking over from previous-generation components using III-V composite materials (GaAs, InP).

Photonics-SOI substrates are a central feature of this transition. They are used for datacenter interconnections of 100/400 GbE (Gigabit Ethernet), 800 GbE and beyond. Major companies in the digital sector are showing increasing interest in silicon photonics very high speed integrations (co-packaged optics).

The substrate is also a solution for other sensor and calculation applications (artificial intelligence). SOI technology offers a unique structure enabling the integration of optical devices on CMOS platforms. Photonics-SOI plays a major role in devices' final optical performance, so we are continually innovating and improving their features to support the technological developments of latest-generation datacenters.

In fiscal year 2022-2023, Soitec supplied several international foundries with 200 mm and 300 mm wafers. The resulting products are highly uniform with very low surface roughness. We put special emphasis on the replicability and quality of our manufacturing process, to keep abreast of market shifts toward interconnection between electronic circuits, set to become a must-have feature of top-end systems in the years to come.

We have also extended our contacts to widen the reach of our substrates to innovative applications in emerging Photonics-SOI markets, in addition to datacenters.

The structure of our Photonics-SOI substrates can also be an excellent option to produce quantum computing devices. We have embarked on an R&D initiative in partnership with major players in this field.

E. POI

Wide-scale development of mobile communications generates extremely dense traffic in all frequency bands. RF filters are used to ensure incoming data is isolated and avoid interference for other users when sending and receiving data. These filters, increasingly used in new-generation smartphones, must be smaller, use less energy and address higher frequencies and larger bandwidths.

Using our POI substrates, manufacturers can make surface acoustic wave (SAW) filters that meet these requirements. The filters are assembled in smartphone front-end modules, with power amplifiers, switches and low-noise amplifiers made using Soitec RF-SOI substrates.

Our POI products comprise a fine layer of piezoelectric material on top of an oxide layer and a high-resistivity silicon substrate. They pave the way to making filters that have a larger bandwidth and low sensitivity to temperature variations, and also provide the capability to integrate multiple filters on the same chip.

In July 2020, we announced a sales agreement with Qualcomm Technologies to supply POI substrates for new-generation RF filters to feature in smartphone front-end modules. The first smartphones with acoustic filters on POI substrates are on the market, and we are working with a range of actors to qualify a variety of architectures. We are continuing to increase production capacity to meet the growing demand for 4G and 5G RF filters.

In April 2023, Soitec announced a partnership with the foundry SAWNICS to provide a process design kit (PDK) based on its POI substrates to accelerate the design of high-performance RF filters for 5G smartphones.

F. Power-SOI

Power-SOI is an engineered substrate that supports the development of high-performance, energy-efficient automotive and industrial power ICs. It is optimized for high operating voltages, has a high temperature tolerance and is very robust. It also allows for higher integration of digital and analog circuits on the die, which is crucial for creating high functional safety power electronics.

Power-SOI is ideal for next-generation automotive power integrated circuits (ICs) such as in-vehicle network (IVN) ICs, smart power management ICs (PMICs), system basis chips (SBCs), battery management ICs (BMICs), smart gate driver ICs, smart actuator ICs and LED matrix driver ICs, which support new 48V low-voltage electrical network architectures. Some examples for industrial applications are smart gate driver ICs, smart motor controller ICs, current sensor ICs and ultrasound transducer/pulser ICs.

G. RF-SOI

RF-SOI substrates are found in virtually all of the smartphones sold all over the world. In the last few years, our range of Silicon-on-Insulator wafers for radiofrequency applications (RF-SOI) has emerged as the benchmark technology in the manufacture of many smartphone front-end modules. Front-end modules are a key component of cellular and Wi-Fi communication systems in cell phones.

RF-SOI content is increasing with each new product generation as more devices and higher performance are required in the front-end module to meet the standards of new cellular generations such as 5G.

Our RF-SOI product family provides better performance than competing technologies by meeting the 4G and new 5G cellular and Wi-Fi 6 and 7 standards. These products provide an increase in data speeds without compromising the quality of the communication.

The RF-SOI product family encompasses RF enhanced Signal Integrity (RFeSI) and High Resistivity-SOI (HR-SOI) wafers. Key supply contracts are in place with the main foundries.

Furthermore, our new-generation RFeSI products reduce the energy consumption of front-end modules at equivalent performance, which makes for longer battery life and means that Soitec products have a positive impact on the carbon footprint.

On this flourishing market, it is important to ceaselessly innovate on both technology and cost. Soitec continues to invest in, and follow, its roadmap on the development of new RF-SOI products addressing these challenges.

In addition to very high production of 200 mm, we sharply increased production of 300 mm RF-SOI wafers during fiscal year 2021-2022, both at our sites in France (Bernin) and Singapore, which is now qualified with the majority of our customers.

H. SmartSiC™

Silicon carbide (SiC) is a strategic material for the wide-spread adoption of electric vehicles.

Its properties improve the performance of devices such as diodes and metal oxide semiconductor field effect transistors (MOSFET), bringing competitive advantages for energy conversion over diodes and insulated gate bipolar transistors (IGBT) in silicon (Si).

In power and energy conversion applications, SiC devices bring benefits including lower energy losses, higher switching frequencies, higher operating temperature, robustness in challenging environments, and high breakdown voltages. From the end user's point of view, this means systems that consume less energy, are more compact and lightweight, and are less costly both to make and to use.

For these reasons, SiC devices have gained pride of place in electric vehicle and charging infrastructure markets, and have become an undeniable catalyst in the development of these markets. Compared to Si devices, SiC devices bring an increase of at least 10% in travel range per charge, along with much shorter battery charging times.

Conventional SiC substrates are difficult to produce, and high-quality substrates, capable of giving high production performance, are in short supply and very expensive. Using its exclusive Smart Cut™ technology, Soitec has developed a new range of substrates called SmartSiC™, which address the current supply-chain challenges and bring unprecedented production efficiency and performance.

In fiscal year 2022-2023, the Company signed a memorandum of understanding with STMicroelectronics International N.V. dated November 30, 2022, for future technical and commercial cooperation on SiC substrates subject to the qualification of Soitec's 200 mm SmartSiC™ substrate technology by ST by June 30, 2024.

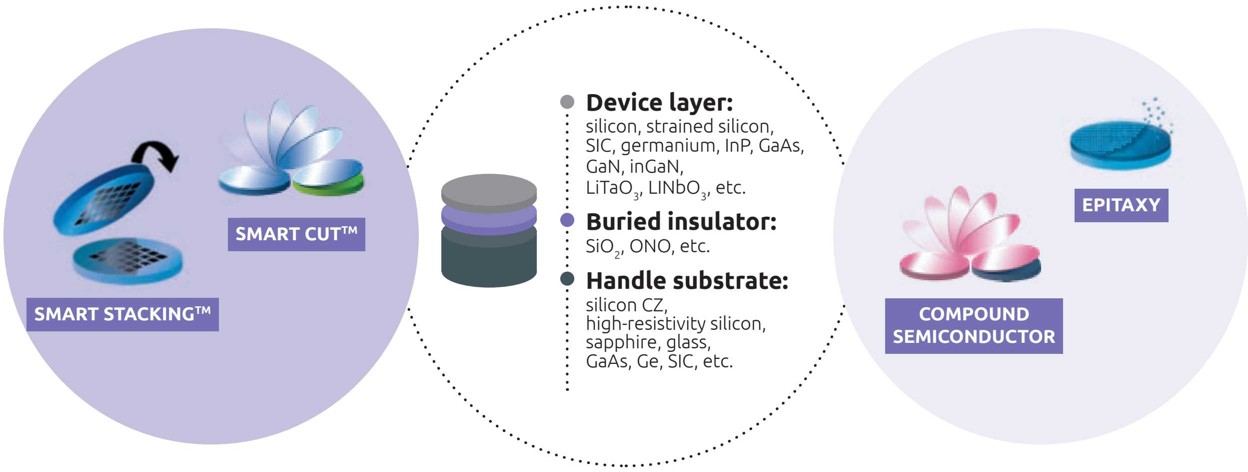
1.5 Innovation

1.5.1 An extraordinary toolkit for making the most complex substrates

Electronic circuits are formed on the upper part of the substrate, which means the nature of the substrate material has a direct influence on the circuit's operation and performance. The lower parts of the substrate often perform functions of insulation, protection or heat regulation for the components. Capabilities for mixing different materials and controlling their various physical and chemical characteristics offer virtually unlimited scope for development.

Our technologies, which cover both the transfer of layers and the growth of new layers, provide an extremely powerful toolkit for developing highly innovative materials.

R&D costs represent the equivalent of around 11.3% of annual revenue (gross R&D costs before capitalization at March 31, 2023), enabling the Group to maintain a sufficient level of development to keep our product offering in line with market needs.



1.5.2 A worldwide patent portfolio to maintain our competitive advantage through differentiation

With a portfolio of over 4,000 active patents worldwide, our innovation strategy is based on disruptive solutions to address our customers' needs for high performance, energy efficiency and cost competitiveness.

It is based on:

- a team of experts;
- a close connection between R&D and product definition to develop new technological solutions;
- the development and industrialization of products with high added-value to meet market needs.

We dedicate a significant portion of our resources and revenue to developing groundbreaking manufacturing processes and improving current ones. Our strategy is in line with the industry's technological innovation trends.

The average age of our patents is less than five years. We file over 400 patent applications each year. For the sixth consecutive year, we have been one of France's top 50 patent filers, alongside very large industrial groups [(1)].

Our Smart Cut™ technology is protected by several hundred patents.

These patents cover extensions of this technology to new products, improvements made during certain production stages as well as cost optimization within the production process. We also file numerous patents each year on advanced and innovative substrates and other proprietary technologies.

In addition to our portfolio of patents, we license patents from our industrial and research partners, thereby strengthening the protection afforded to our key technologies. This proactive industrial property strategy is intended to protect the unique nature of our technologies, which we can then make available to our licensees in the context of technology transfers.

The license agreements that we enter into are consistent with market practices. The Company also enters into licenses with certain strategic partners, who receive royalty payments.

1.5.3 Strategic collaborations across the semiconductor value chain

We have established a unique competitive position in the semiconductor industry by developing partnerships throughout the value chain.

To be an active player in innovation, we collaborate with world-class research centers (including Imec, Fraunhofer, CEA-Leti, A*STAR-IME, CNRS, CEMES, etc.), universities (including Stanford, University of California – Berkeley, NUS, NTU, UCL, Grenoble INP-Phelma, UGA, etc.), international equipment manufacturers and industrial innovation platforms.

On January 1, 2023, we renewed our strategic R&D partnership agreement with CEA-Leti, which was established more than 25 years ago, for an additional five years.

We are also developing unique initiatives around the world with our partners, such as the Substrate Innovation Center, set up in July 2018 with the CEA-Leti. An R&D center open to the players across the industry, the Substrate Innovation Center aims to promote early-stage collaboration and knowledge-sharing within the semiconductor value chain, from substrates to systems. The center is also geared to stimulate R&D related to engineered substrates, whether this applies to SOI or other materials. A dedicated pilot line is now available to produce prototypes. In 2020, the Substrate Innovation Center set up a silicon carbide (SiC) pilot line, under the joint development program formed by Soitec and Applied Materials in late 2019.

1.5.4 Product pipeline

Soitec is developing, among others, the following new products :

- Compound semiconductors for energy efficiency, with unique properties such as breakdown fields and electronic mobility far superior to those of silicon. In addition, they can emit and detect light and generate microwaves at low voltage. These properties make them ideal for use in devices that are faster, operate at higher frequencies and power levels, and consume less energy.
- Technologies for vertical integration of integrated circuits (ICs). There are two approaches in this field. The first is 3D sequential integration, which involves stacking layers to produce different components on a single chip (memories, logics, ASICs). The second approach, known as 2.5D integration, involves vertically stacking chips and then generating the appropriate connection system between them.
- Materials for handling qubits (quantum bits) in quantum computers. Qubits are the basic units for processing data in a quantum computer.

(1) https://www.inpi.fr/sites/default/files/Palmares2022.pdf (French only).

1.6 Production

BELGIUM

GAN EPITAXIAL WAFERS

SOITEC BELGIUM N.V. HASSELT

Belgium

PARTNERSHIP – CHINA

POWER-SOI

RF-SOI

SIMGUI SHANGHAI

China

450K wafers/y.
MAX capacity

FRANCE

RF-SOI

PHOTONICS-SOI

POWER-SOI

SOITEC BERNIN 1

France

1M wafers/y.
MAX capacity

RF-SOI

IMAGER-SOI

PHOTONICS-SOI

FD-SOI

SOITEC BERNIN 2

France

750K wafers/y.
MAX capacity

POI

SOITEC BERNIN 3

France

700K wafers/y.
MAX capacity

SMARTSiC™

SOITEC BERNIN 4

France

500K wafers/y.
MAX capacity

SINGAPORE

RF-SOI

FD-SOI

OTHER SOI PRODUCTS

SOITEC PASIR RIS

Singapore

1M wafers/y.
MAX capacity

EXTENSION OF SOITEC PASIR RIS

1M wafers/y.
MAX capacity

300 mm SOI
1.7M wafers/y.
BERNIN 2
PASIR RIS

200 mm SOI
1.45M wafers/y.
BERNIN 1
SIMGUI

150/200 mm POI
0.7M wafers/y.
BERNIN 3

The Group has manufacturing facilities, R&D centers and offices in Europe, the United States and Asia to serve its customers worldwide. Our agile manufacturing model is tailored to support profitable growth. We focus on operational excellence and seek to create value for all our stakeholders.

We deliver highly differentiated solutions to the marketplace, pushing the limits of semiconductors to drive advances in consumer and industrial applications. Engineered substrates are growing into a multi-billion-dollar market of which the Group has a significant share that we will develop further in the coming years.

1.6.1 France

The Bernin 1 (200 mm wafer production) and Bernin 2 (300 mm wafer production) plants are operating at full capacity, with annual production of 1,000,000 and 750,000 wafers respectively. Bernin 2's capacity to re-use 300 mm donor wafers is 300,000 units per year. We are continuing to upgrade Bernin's manufacturing infrastructure, as the Group's business develops, to ensure an effective response to future growth challenges.

Through redesigned clean rooms, industrial infrastructure and manufacturing processes, we have significantly expanded the manufacturing potential of our POI substrates line at Bernin 3, ultimately targeting a capacity of 700,000 wafers per year. The next capacity increases will be installed in successive stages in order to meet the needs of our customers.

In March 2022, the Group announced the expansion of the manufacturing footprint in Bernin in order to increase SOI capabilities (with an additional 300,000 units per year of 300 mm donor wafer reuse capacity, thereby doubling the existing capacity at Bernin 2) and prepare for the production of innovative silicon carbide (SiC) semiconductor wafers. The qualification of the new production unit and the first production of SmartSiC™ substrates are expected for the second half of fiscal year 2023-2024. We anticipate a production capacity of 500,000 units per year.

1.6.2 Singapore

Since the launch of the pilot line in September 2017, Pasir Ris' production capacity has increased to more than 500,000 wafers per year. The site is qualified for both RF-SOI and FD-SOI products. New investments are planned for the coming year to address the ramp-up for SOI products, with the ultimate objective of installing a production capacity of 1,000,000 wafers per year in the long term. In line with our strategy of increasing our capacity to meet the growing demand for our products, we announced the expansion of our production capacity at Pasir Ris, and began construction in December 2022. When completed, the expansion will double the production capacity of the Pasir Ris site to 2,000,000 wafers per year.

1.6.3 Belgium

Our Belgian site supplies Gallium Nitride-on-Silicon (GaN-on-S) and Gallium Nitride-on-Silicon Carbide (GaN-on-SiC) epitaxial wafers. Its total production capacity will increase gradually, and a major step was completed in fiscal year 2019-2020 with the installation and certification of a new, latest-generation metalorganic vapor-phase epitaxy (MOCVD) industrial reactor to handle large volumes. These products are sold to integrated component or device manufacturers who build high-performance power and RF devices.

1.6.4 Production partnership in China

In 2015, Soitec entered into a partnership with Shanghai Simgui Technology Co. Ltd. (Simgui), a Chinese company, for 200 mm wafer production. The installed capacity is now 450,000 wafers per year. In 2021, Soitec and Simgui agreed to increase production capacity for 200 mm SOI wafers and extend the term of the agreements for three years to December 31, 2027. Simgui's production can only be sold to Soitec, for its sales worldwide.

1.7 Customers: key strategic partners

We sell our engineered substrates to integrated circuit designers and manufacturers called integrated device manufacturers (IDMs) or to semiconductor manufacturing subcontractors called foundries. Our customers are located all over the world.

We liaise closely with our customers (foundries, fabless) to determine properties, performance and roadmaps for products that meet their needs and market release schedules. Program managers and application engineers are permanently in the field to help customers design, manufacture and test the semiconductor devices that use our substrates. We are a key strategic partner to our customers, through firm commitments on innovation, value creation and rigor.

1.8 Intensifying quality commitment

Soitec's strategic development focuses include customer recognition for product and service quality. During the fiscal year, Soitec pressed on with the momentum initiated in 2020 and stepped up its programs on operational and organizational excellence. Quality-oriented initiatives in fiscal year 2022-2023 included:

- continuing the Quality Culture program to foster employee engagement, with the creation of the Quality Awards, which since 2021 have recognized the greatest achievements in the field, particularly by cross-functional teams, and presented them to the Executive Committee. In 2022, the program also focused on strengthening quality skills training for all Soitec employees across all production sites;
- continuing and enhancing the Zero Defect Program on continuous improvement in quality control systems and related processes. The Zero Defect Program was launched at the Bernin site in 2017 prior to its 2019 rollout across all our production sites and those of our Chinese production partner, and also covers our silicon material suppliers.

  In line with previous years, we continued to strengthen our statistical process control (SPC) system across our entire production line (from the raw material to the products delivered to our customers) with the aim of guaranteeing the stability of our delivered products;
- ensuring quality from all actors in our supply chain, from our suppliers and partners, through our manufacturing processes and logistics operations, to our customers, which is vital for continuous improvement.

Guaranteeing the quality of our products and services is key to supporting Soitec's long-term growth drive, underpinning the sustained development of innovative new products with an uncompromising emphasis on customer satisfaction in substrate quality and delivery.

1.9 Competitive landscape

Competition varies depending on the product. Soitec offers a diverse product portfolio in the Mobile Communications sector, including RF-SOI, FD-SOI, POI and RF-GaN, which compete respectively with groups such as GlobalWafers, Shin-Etsu (SEH), NGK, and several other EpiGaN competitors including IQE. In the Automotive & Industrial sector, Soitec's Power-SOI, FD-SOI and GaN Power products face competition from companies such as GlobalWafers, SEH, and other EpiGaN competitors including IQE. SmartSiC wafers, for which we signed a first sales agreement in December 2022, compete with producers of monocrystalline Silicon Carbide balls. In Smart Devices, FD-SOI, Photonics-SOI and Imager SOI products compete respectively with companies such as SEH and GlobalWafers.

Soitec has licensed its SmartCut™ SOI patents to SEH and GlobalWafers.

SEH is a major player in our ecosystem: it is both a strategic supplier for 200 mm and 300 mm bulk wafers and a competitor, as well as a minority shareholder. These three activities are clearly segregated and independent:

- supplier discussions occur through procurement and innovation groups following standard processes;
- SEH obtained a patent license for the Smart Cut™ technology in 1997, which was renewed in March 2023 for a ten-year period. The license requires no operating interaction beyond declaring their sales for the calculation of royalties;
- participation in Board of Directors meetings is conducted in accordance with the appropriate conflict of interest rules, as described in section 4.1 of this Universal Registration Document.

GlobalWafers also holds a Smart Cut™ SOI patent license, which expires on October 31, 2023, and produces 200 mm SOI.

The gallium nitride (GaN) market is a high-growth, fragmented and relatively immature market. Building from what is still a fairly modest profile on this market, Soitec is targeting a leading position once the market matures, achieved through its Belgian subsidiary's capacity to innovate in substrate quality, plus its extensive expertise in high-volume production.

The Company signed a memorandum of understanding with STMicroelectronics International N.V. on November 30, 2022, for future technical and commercial cooperation on SiC substrates subject to the qualification of Soitec's 200 mm SmartSiC™ substrate technology by ST by June 30, 2024. Subject to qualification and signature of the corresponding sales agreements, the memorandum of understanding provides for a license to be granted to STMicroelectronics International N.V. to produce 200 mm SmartSiC™ substrates as well as for purchase and sales agreements between the parties. For more information, see the section on related-party agreements below.

On the RF filters market, Piezoelectric-on-Insulator (POI) is proving to be a disruptive market force, and Soitec is an important player that is contributing to reshaping the market and setting new standards. On the RF filters market, our ambition is to make Piezoelectric-on-Insulator (POI) a new standard in its market, just as we did with the RF-SOI.

1.10 Group objectives

Soitec is well positioned to continue to grow much faster than the global semiconductor market. In fiscal year 2022-2023, the Group saw revenue grow by around 19% (at constant scope and exchange rates), compared to expected growth of around 3% for the global semiconductor market in calendar year 2022.

Supportive secular megatrends (5G, artificial intelligence & automation and energy efficiency) are driving constant demand for semiconductor devices and materials across Soitec's strategic end markets, such as Mobile Communications, Automotive & Industrial, and Smart Devices.

In addition, Soitec will maintain a solid competitive advantage in the engineered substrates market, thanks to highly differentiated innovation and business development activities, along with strong relationships with strategic partners in the semiconductor ecosystem (research centers, suppliers and customers). Soitec's competitive advantage will ensure that it retains unique differentiation across its expanding product portfolio and support its leading positions in each engineered substrate market that it serves.

Lastly, Soitec has already planned significant expansion of its manufacturing capacity to produce engineered substrates in multiple regions, including France, Singapore and Belgium, as well as in China through its partner, Simgui. Increasing production capacity and the utilization rate at each plant is essential to capturing growth opportunities and improving operating leverage.

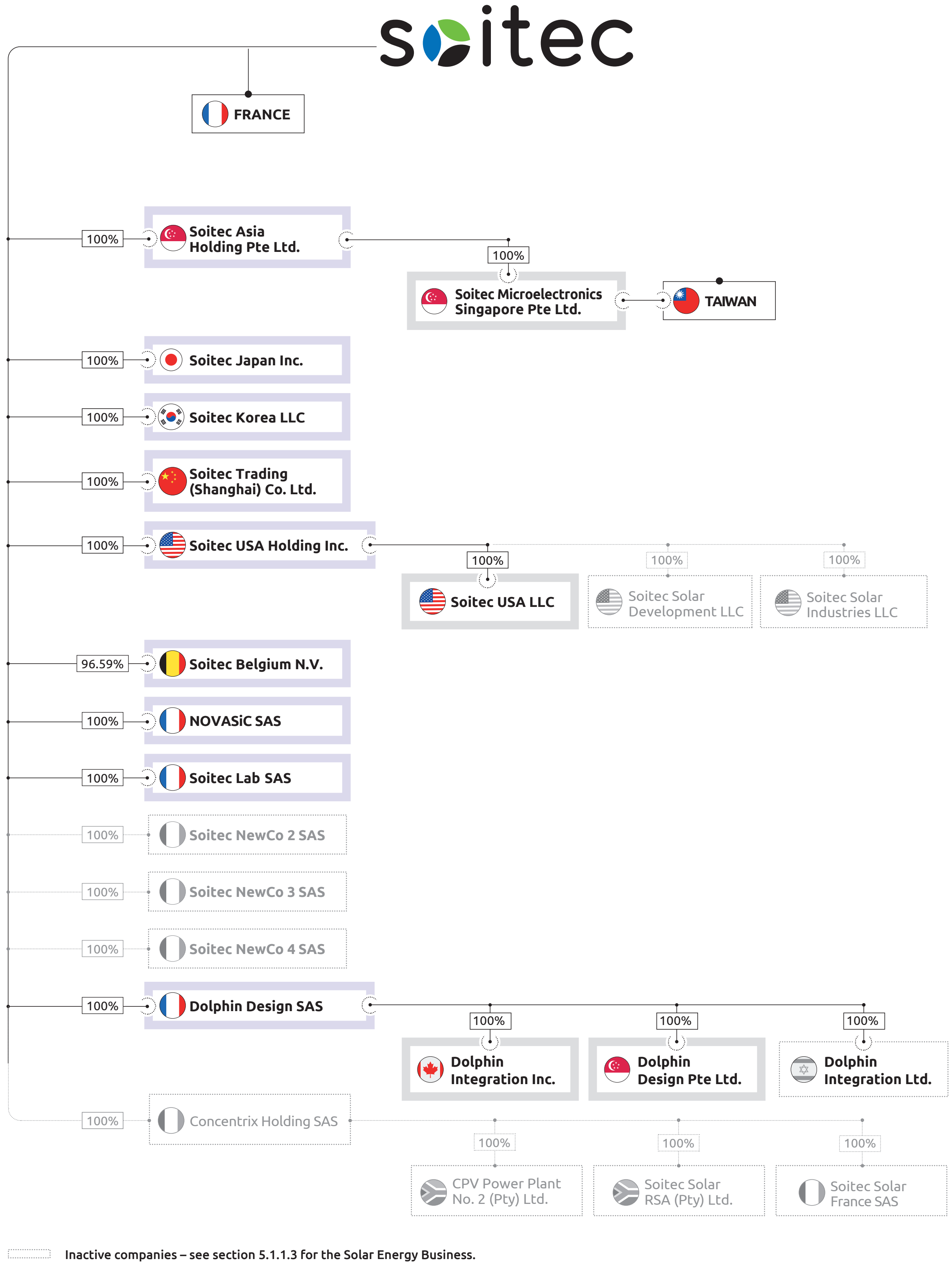
In line with Soitec's strategic plan, which now includes sustainable development among the three major challenges facing the Company today, we have defined a corporate purpose for the Group, which is enshrined in our by-laws. Our corporate purpose effectively illustrates our contribution in the value chain to our internal and external stakeholders from both environmental and social perspectives, whether through our products or our role as players in our value chain.

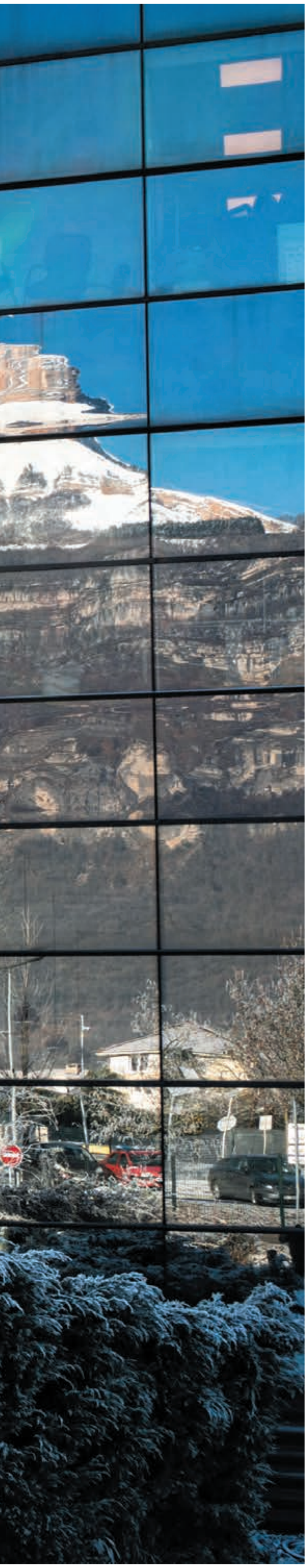
Soitec's corporate purpose is as follows: "We are the innovative soil from which smart and energy efficient electronics grow into amazing and sustainable life experiences."

The wording alludes to the substrates themselves, to the importance of our local roots, and to our unique position in the value chain, upstream and in terms of our capacity both to achieve technological breakthroughs for our customers and to ensure their energy efficiency. Our corporate purpose binds us to a vision. It is intended to be the driving force behind our commitments to combating climate change and those included in our social policies.

1.11 Group organization chart

The organization chart below shows the Group at the date of publication of this Universal Registration Document.





2

RISK FACTORS AND CONTROL ENVIRONMENT

2.1 Risk factors and control mechanisms

The Group, due to its organization and activities, operates in an environment that is constantly changing. It is thus exposed to numerous risks and uncertainties which could have a significant negative impact if they were to materialize.

A procedure has been in place for several years to enable the Group to recognize, assess and rank the risks faced, and to take the necessary action to secure our activities to the extent possible and to achieve our objectives.

In line with the recommendations of the European Securities and Markets Authority (ESMA) and pursuant to the "Prospectus" Regulation of October 1, 2019, this chapter presents the specific risks that are considered to be significant for the Group and which could potentially, on the basis of our assessment method (see section 2.2.5 *Risk management*), affect the Group's business and financial position at the date of this Universal Registration Document.

Soitec's risk factors may occur individually, but they may also affect each other.

Although our annual review is based on a comprehensive risk management mechanism (see section 2.2 *Internal control and risk management*), other risk factors not known or not considered material at the date hereof, and therefore not discussed in this chapter, could also negatively impact the Group.

2.1.1 Economic context

The series of major events that have affected the global economic and political landscape in recent years, including the global pandemic, geopolitical tensions, the consequences of the Russia-Ukraine war and the acceleration of climate change, have generated much uncertainty about the future of the global economy.

This context is creating situations that may directly or indirectly impact the Group's business, such as inflation, energy dependency, use of natural resources, stricter international regulations, and temporary or permanent changes in supply chains.

The Group constantly monitors these events and any potential operational and/or financial impact on our business is taken into account in our projections and risk analyses.

The extent of the economic and financial impacts at the global level of projections as regards the current inflationary cycle, with notably rising raw materials and energy prices, rising interest rates, currency volatility and weakened banking structures, is still uncertain. This rising trend may have a direct financial impact on the Group's business and be accentuated in situations of dependency, in particular on certain raw materials in cases where there is little or no margin for negotiating prices.

The accelerated post-Covid-19 recovery in economic activity, combined with limited fossil fuel availability, has created energy supply tensions, which have been accentuated by the Russia-Ukraine war, causing an energy crisis in certain markets and inflation in electricity and gas prices.

This context is creating a form of dependency on certain supplies (notably electricity) and their potential direct impact on the Group's business in terms of both availability and costs.

This factor has been taken into account in our risk analysis, and all the actions being taken in the short and medium term are helping limit the financial impact on our business, based on the latest information known to date.

In parallel, the Group has embarked on a long-term review of its energy needs and supply sources, in order to ensure alignment with its commitments on climate and the energy transition.

2.1.2 Climate change and ecological transition

The Group's exposure to climate change and the ecological transition is assessed each year during the comprehensive review of risk factors.

The assessment takes into account both exogenous and endogenous risks. At the date of publication of this Universal Registration Document, the only identified risk that could have a specific material impact concerned the possible disruption of raw materials production at our suppliers' sites, especially the two main suppliers that are based in Japan. This risk is described in section 2.1.5.3 *Risks related to the supply chain*.

At the same time, the acceleration of stakeholders' expectations in terms of sustainable development, whether at the regulatory level or in terms of our commitments and our achievement thereof, is becoming a challenge for the years ahead, and could have an impact on our image if the Group is not in step with their expectations.

To this end, the Group has embarked on an ambitious policy by signing the Science-Based Targets initiative (SBTi) commitment letter in 2021 and committing to medium- and long-term objectives aligned with the Paris Agreement on global warming adopted at COP 21.

Note 3.4 in section 6.2.1.2 *Notes to our consolidated financial statements at March 31, 2023* provides additional information on how the impacts are taken into account in the consolidated financial statements.

The non-financial impacts of climate change are also discussed in Chapter 3 of this Universal Registration Document.

2.1.3 Risk mapping specific to the Group and its industry

The risk map has been prepared using the methods and assessment criteria described in the following sections.

Risks are mapped during the risk review process, with reference to the risk management and control environment (see section 2.2.2).

2.1.3.1 Methodology

Each risk is identified, analyzed and assessed during the risk review process and then recorded in a general matrix (see section 2.2.5.2 *Risk mapping – Our approach*).

This general matrix is then used to map risks by category (ecosystem, innovation, supply chain, finance, data and security, social and environmental, etc.) and by criticality level.

The criticality levels used to rank the Group's risks are as follows:

- critical;
- major;
- moderate; and
- low.

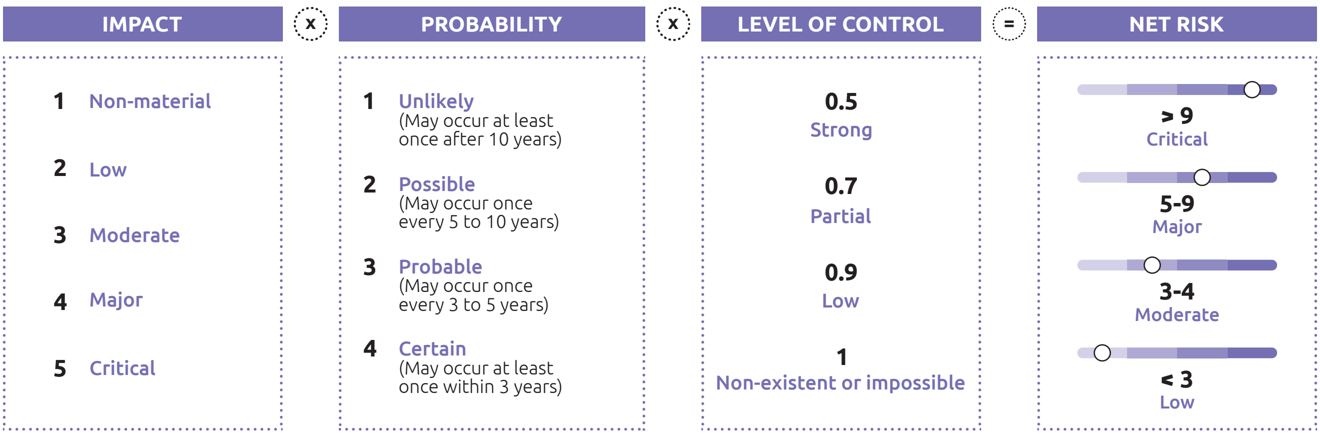
2.1.3.2 Risk assessment criteria

For the risk mapping exercise, the assessment of the criticality level includes an additional indicator, the level of control. It is used to assess the net risk by applying a weighting criterion to the gross risk as described below.

The net level of criticality is assessed based on three criteria:

- financial impact, in terms of EBITDA or cash flow or share price, on a scale from 1 (non-material) to 5 (critical);
- estimated probability or occurrence, on a scale from 1 (unlikely) to 4 (certain);
- the level of control over the risk, ranging from 0.5 (strong) to 1 (non-existent or impossible).

By combining these three criteria, the risk can be categorized under one of the above four levels of criticality, as shown in the diagram below.



2.1.3.3 Specific risk map

Based on the Group's risk mapping, a total of 83 risks were identified for fiscal year 2022-2023.

These risks have been categorized under the four levels of criticality: low, moderate, major and critical (see section 2.1.3.1 *Methodology*).

Of these 83 risks, only three risks have been assessed as critical and 12 as major, given their potential impact, our level of control and the probability of them materializing.

The risks presented in this chapter are sorted by type and criticality into a limited number of categories. They represent 15 risks that are specific to the Group, its industry and its business environment, which we have grouped into six categories:

- risks related to the ecosystem;
- risks related to innovation;
- risks related to the supply chain;
- financial risks;
- data and security risks;
- social and environmental risks.

The risk map was reviewed by the Audit and Risks Committee and the Board of Directors at their meeting on March 29, 2023.

In accordance with the provisions of Article 16 of Regulation (EU) 2017/1129, only the risks that are specific for the Group and which we believe have a net impact that is likely to influence investment decision-making up to the date of filing of this Universal Registration Document are presented in this chapter.

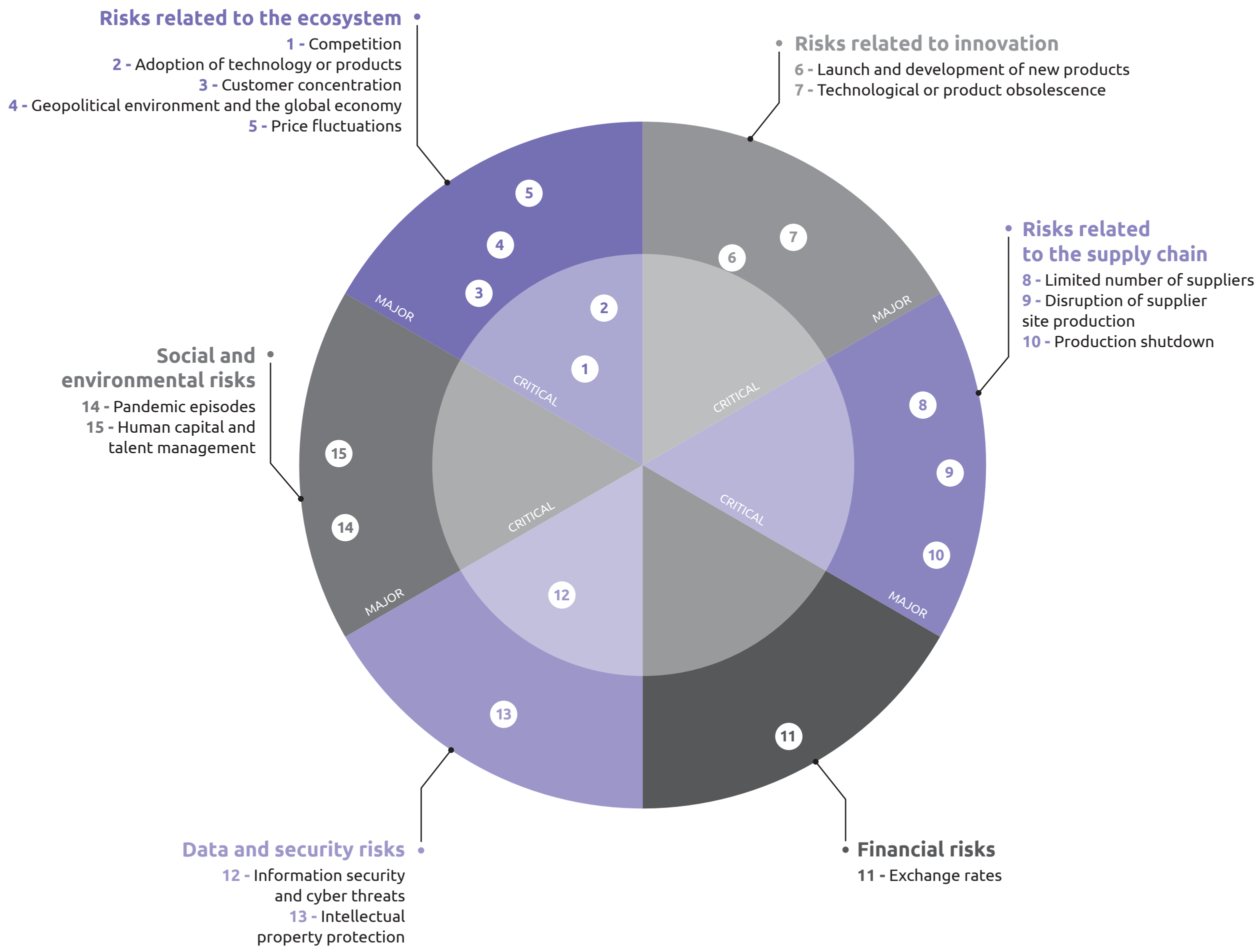
We remind you that at the date of filing of this Universal Registration Document, other risks may exist that have not yet been identified, or whose occurrence is not considered likely to have a significant adverse impact on the Group. The information below contains assumptions and estimates that by definition may turn out to be incorrect.

2.1.4 Presentation of specific risk factors by category

In accordance with the provisions of Article 16 of Regulation (EU) 2017/1129, the risk factors identified in our six risk categories are ranked in order of materiality, from the highest to the lowest risk, with the most material risks listed first, according to the Group's assessment at the date of this Universal Registration Document.

The diagram below only shows specific, material and corroborated risks.

In accordance with disclosure obligations relating to the Group's non-financial performance, material risk factors in respect of corporate social responsibility (CSR) challenges are presented separately in Chapter 3 of this Universal Registration Document.



2.1.5 Summary of the Group's specific risks by category and criticality

For each of the six categories, risks are identified according to their level of criticality as assessed during the risk mapping process, according to the key below and as described in section 2.1.3.1 *Methodology*.

The risks covered in this chapter that also give rise to CSR risks are identified by the SNFP pictogram and discussed in Chapter 3.

> 9	5-9	3-4	< 3
Critical risk	Major risk	Moderate risk	Low risk

Category	Section	Risk factors	Trend
Ecosystem	2.1.5.1	Competition	➔
		Adoption of technology or products	➔
		Customer concentration	↘
		Geopolitical environment and the global economy	➔
		Price fluctuations	➔
Innovation	2.1.5.2	Launch and development of new products SNFP	➔
		Technological or product obsolescence	➔
Supply chain	2.1.5.3	Limited number of suppliers	➔
		Disruption of supplier site production	➔
		Production shutdown	➔
Finance	2.1.5.4	Exchange rates	↘
Data and security	2.1.5.5	Information security and cyber threats SNFP	↗
		Intellectual property protection	➔
Social and environmental	2.1.5.6	Pandemic episodes	➔
		Human capital and talent management SNFP	➔

➔ *Stable* ↗ *Upward* ↘ *Downward*

2.1.5.1 Risks related to the ecosystem

Description of the risk	Potential impacts	Trend	Main control mechanisms
COMPETITION			
The semiconductor market is very competitive due to the high concentration of market players (see section 1.9 *Competitive landscape* of this Universal Registration Document). This situation is exacerbated by the strategy of some market players to undertake mergers and acquisitions or form partnerships to diversify their technological range or increase their production capacity. There is a risk of substrate producers developing integrated models enabling them to make SOI, POI, GaN, SiC, etc. or offer alternatives to Soitec products. The Group's positioning in new market segments increases the risk of new competitors emerging.	Potential arrival of new competitors not yet present in the market and/or which specialize in alternative technologies that could negatively impact the Group's revenue and growth.	➔	Regular monitoring of competitors as regards SOI, POI, GaN, etc., analysis of where the Group's technology stands compared to market demand and market players, and identification of potential new competitors. Sustained investment in R&D in order to be at the cutting edge of technology and bring innovative, high-performance solutions to market. An organization aligned with the Group's strategy of diversifying into several market segments, through the creation of three divisions serving the three main target markets: › Mobile Communications; › Smart Devices; › Automotive & Industrial. With the deployment of Business Units by product line and the support of the Customer Group Department, promotion by the divisions of a diversified portfolio of products addressing several end-user applications. Close collaboration with direct customers and end users to align our products' roadmaps and best meet their needs in terms of performance, price and quality and optimize time to market.
ADOPTION OF TECHNOLOGY OR PRODUCTS			
The Group's innovative product offering must meet the expectations of a rapidly changing market in order to maintain a leading advantage in the semiconductor market. A cutting-edge product offering helps retain a technological advance that is an important differentiating factor between market players. Since the adoption of a new technology or product occurs at a faster pace in certain market segments (smartphone, IoT, etc.), the Group has to constantly anticipate the changing needs of its end customers and product offering.	Possible fall in revenue or delayed revenue generation if certain product lines no longer meet customer expectations. Loss of market share if a technology or product is not adopted, or if there is a delay in a product release onto the market.	➔	R&D costs representing the equivalent of around 11.3% of annual revenue (for gross R&D costs before capitalization at March 31, 2023, see section 5.1.1.5 of this Universal Registration Document), enabling the Group to maintain a sufficient level of development to keep its product offering in line with market needs. European support and funding provided under the Important Projects of Common European interest (IPCEI) program and the Nano 2022 plan which support innovation in the microelectronics and nanotechnology industries. Partnership policy with key players such as research centers, universities and major customers in the target market segments (Mobile Communications, Smart Devices, and Automotive & Industrial). Research platforms developed in Europe, Asia and the United States, notably with the French Alternative Energies and Atomic Energy Commission (CEA) and the Interuniversity Microelectronics Center (IMEC) (see section 1.5.3 *Strategic collaborations across the semiconductor value chain* of this Universal Registration Document). Internal organization built around the Customer Group, Innovation and Strategic Office Departments, the Divisions and their Business Units to identify market trends and opportunities and anticipate customers' future needs. Development of new generations of products in order to be at the cutting edge of technology, remain competitive and integrate future disruptive technologies.

Description of the risk	Potential impacts	Trend	Main control mechanisms
CUSTOMER CONCENTRATION			
The market is highly concentrated, due to a combination of several different factors: › few players (foundries and "fabless" companies) on the semiconductor market, thereby limiting diversification of the customer portfolio (see the breakdown of revenue by customer in section 5.1.1.3 *Revenue* of this Universal Registration Document); › over 67% of Group revenue is generated in the Mobile Communications market segments; › exposure is influenced by the technological choices of the target market and of end customers.	Falling demand on the Group's major market segments or a change in the technological choices of our main customers could have a significant impact on revenue.	↘	Continued policy of diversifying products and capturing different market segments: • Mobile Communications, • Smart Devices, • Automotive & Industrial, in order to expand the Group's offer and positioning so that our solutions target all key players in the industry and we can grow our client portfolio. Continued implementation of the Group's strategy to make our innovative substrates the industry standards, with a similar objective to that achieved for our RF-SOI products which are a benchmark for our customers and are widely used in 4G and 5G smartphone components (see section 1.4 *Products* of this Universal Registration Document). Diversification of the offer in terms of product/application combinations to address a broader market and development of new substrates (POI, GaN, SiC, etc.). "Customer Intimacy" program, which seeks to constantly align our technology/product roadmaps with customer demand and thereby anticipate future needs. A global growth strategy based on a regional breakdown that allows us to expand our footprint with key customers and partners, in order to lock in market share and strengthen our position. Diversification of products and target markets reduces the level of risk associated with customer concentration.
GEOPOLITICAL ENVIRONMENT AND THE GLOBAL ECONOMY			
Ongoing geopolitical tensions are intensifying, and the major events in recent years are changing the landscape of the global economy and reshaping business operations. The global pandemic, the Russia-Ukraine war, and persistent tensions between the main economic powers have led to political positions that may directly or indirectly impact the Group's business, such as: › international sanctions against certain countries or targeting certain operations or materials; › protectionist measures and stricter European and international regulations.	A significant increase in certain costs (customs duties, freight, energy, materials, etc.) leading to a decline in the Group's margins, particularly on products exported to the countries concerned or due to the need to set up specific logistics routes (see the breakdown of revenue by geographic area in section 5.1.1.3 *Revenue* of this Universal Registration Document). Non-compliance with international sanctions or other measures, potentially resulting in entry to a given market (notably China and the United States) being blocked or prohibited, with an adverse effect on the Group's business.	→	Economic and regulatory watch to understand the constraints linked to the measures taken by the major global players (United States, China, Europe, etc.) and to take into account the new economic pressures linked to geopolitical tensions. To that end, a team of experts to help: › identify changes in regulations and restrictions that affect our businesses in the countries concerned; › identify and analyze the direct and indirect risks related to political, economic and regulatory changes, define the action to be taken and the information to be monitored; › analyze the content of our products and the origin of the components, equipment or intellectual property used in their manufacture; › raise awareness and provide training for employees. Permanent interaction with our customers and suppliers to identify direct and indirect risks, changes in these risks and any necessary action plans. Multi-site production capacity in Europe and Asia in order to be able to reroute distribution and prevent significant disruption to commercial operations.

Description of the risk	Potential impacts	Trend	Main control mechanisms
PRICE FLUCTUATIONS			
Competition between our innovative substrates and alternative products in the semiconductor market could heighten selling price pressure. Entry into new market segments with new competition may influence our selling prices. The prevalence of Soitec technology depends on the price-performance ratio compared with other solutions available in the market. Inflation and rising freight, raw materials and energy costs have an impact on the Group's margins and therefore on our selling prices.	Projects based on our products could be shelved by end customers or by their suppliers if the price-performance ratio is no longer satisfactory, which would impact the Group's revenue and results. Margins may have to be revised downwards if other market participants' selling prices are more competitive. Profitability could diminish in the event of significant increases in freight, raw materials and energy costs that are not reflected in our selling prices.	➔	Definition of a minimum selling price in order to preserve a satisfactory product margin and meet market expectations in terms of the price-performance ratio. Implementation of a product roadmap to measure and continually raise our products' value proposition (price, performance) and set them apart from competing products in our target market segments. Negotiation of multi-annual agreements with the main customers to determine selling prices based on quantities ordered. Implementation of a cost control program using an internally developed process dedicated to optimizing the use of raw materials and decreasing energy dependency. Long-term partnership and multi-annual volume and price contracts with suppliers, in order to manage fluctuations in raw materials costs.

2.1.5.2 Risks related to innovation

Description of the risk	Potential impacts	Trend	Main control mechanisms
LAUNCH AND DEVELOPMENT OF NEW PRODUCTS SNFP			
The launch and development of new products must meet various criteria such as: › aligning technological and innovative solutions for our products with future market trends; › keeping the product offering in step with customers' specific expectations; › positioning our products and their technological edge compared to competitors' alternative offerings. Investment decisions on R&D projects underpinning the launch and development of new products or new generations of products are made at a very early stage and without any guarantee of the project being a success, the product reaching the market at the expected time and/or the opportunity for generating business with the product. If a competing technology becomes available before a project is completed and/or at a lower price, the R&D investments on one or more products may become obsolete. In the development of our products, regulatory requirements and stakeholder expectations in terms of the ecological transition and sustainability must also be taken into consideration. Regarding new products based on substrates other than SOI (SIC in particular), the ecosystem is under development with an immature value chain (suppliers, production lines, customers), which creates a certain number of challenges.	Some R&D spending may not yield the expected return on investment. Gross R&D costs (before capitalization) represented the equivalent of around 11.3% of revenue for fiscal year 2022-2023 (see section 5.1.1.5 *Increase in R&D costs* of this Universal Registration Document). Possible delay in bringing new products or new generations of products to market, leading to a fall in revenue or delayed revenue generation.	→	Market research strengthened and positioning on new technologies anticipated through a more detailed technological watch designed to identify opportunities and trends in the semiconductor market. R&D project initiation and monitoring process to ensure project consistency with clearly defined strategic objectives, business opportunities and the expected return on investment. Partnerships with research centers and creation of innovation platforms in Europe, Asia and the United States to unlock synergies and reduce costs (see section 1.5.3 *Strategic collaborations across the semiconductor value chain* of this Universal Registration Document). Implementation of a global corporate social responsibility (CSR) program incorporating the Group's commitments on: › the efficient use of the resources necessary for our operations, keeping in mind the ecological transition; › compliance with regulations on pollution standards or the use of polluting materials or components; › the inclusion of circular economy issues in our manufacturing processes. See section 3.5.1 *Innovate every day to continue to make the Group's products the cornerstone of a responsible future* of this Universal Registration Document.

Description of the risk	Potential impacts	Trend	Main control mechanisms
TECHNOLOGICAL OR PRODUCT OBSOLESCENCE			
The Group's technology or products may become obsolete due to changing market needs or the entry in the market of new competing products and/or technologies that offer a better price-performance ratio.	If the RF-SOI, FD-SOI and/or Power-SOI technologies – from which the Group derives most of its revenue – become obsolete, this could lead to a loss of market share and a decrease in the Group's revenue, and slow business development on these markets. Potential impairment of inventories that become obsolete and the associated production assets.	→	Creation of a strategic unit tasked with identifying old-generation products' end of life and determining the best time to withdraw them from the market segments concerned. Focus on developing new technologies, new products or next-generation RF-SOI, POI, FD-SOI, Imager-SOI, Photonics-SOI, etc. products (see section 1.4 *Products* of this Universal Registration Document). Faster development of new generations of products within each product family to address the various market segments. Annual review of the assumptions underlying our forecasts, notably concerning inventory obsolescence, capitalized research and development costs and long-term impairment of non-current assets. Continued market watch and analyses to identify proposed new applications as well as customer strategies in order to anticipate technological changes.

2.1.5.3 Risks related to the supply chain

Description of the risk	Potential impacts	Trend	Main control mechanisms
LIMITED NUMBER OF SUPPLIERS			
The number of companies that can supply certain raw materials (silicon, poly-SiC, Float Zone-silicon, etc.) on the global market is limited and could lead to dependency on major suppliers. Global available capacity may be restricted due to a combination of three factors: › limited number of qualified suppliers for certain raw materials; › limited or saturated production capacity of some suppliers; › increase in global demand for certain raw materials.	Inability of the Group to procure enough raw materials to meet customer demand, which could lead to slowing production output and a decline in revenue and market share. Increase in raw materials prices in response to the new market configuration with demand outstripping supply.	→	High consumption parts and materials for the Group's business identified to ensure a seamless supply chain and continue the multi-sourcing policy for critical or strategic components. Strengthening of the Group's internal "alternative sourcing" policy to mitigate risk and create leverage over suppliers. Implementation of (i) a business continuity plan (BCP) extending to tier 2 or tier 3 suppliers to ensure diversification of our suppliers' sources, (ii) multi-sourcing for large volumes, (iii) supplier managed inventory (SMI) methods to create buffer inventories, and (iv) long-term agreements with suppliers, revised each year, to lock in sources of supply. Ongoing efforts to identify and qualify new suppliers, to create additional sources of supply.

Description of the risk	Potential impacts	Trend	Main control mechanisms
DISRUPTION OF SUPPLIER SITE PRODUCTION			
Our production output is dependent on certain suppliers of raw materials and temporary or permanent disruption of production at one of their plants could have a direct impact on our operations. Disruption can be due to various factors, such as geographical location exposing a plant to environmental risks (such as earthquakes in Japan), the Russia-Ukraine conflict forcing changes in supply routes, lockdown policies linked to the pandemic (particularly in China) or cyber attacks that can temporarily paralyze operations.	Possible delays in receiving supplies that may lead to a slowdown in production output and delay the generation of revenue. Increase in raw materials and energy prices and indirect costs (customs duties, freight, etc.). Potential consequences for the workload of some of our teams and impact on the work environment.	➔	Identification of critical inventories and re-assessment of minimum inventory levels to take account of the new restocking conditions caused by the potential disruptions. Suppliers whose production operations are identified as at risk of disruption are asked to prepare a business continuity plan (BCP), and an audit program may be put in place. In the event an identified disruption situation arises, a pre-BCP is activated to identify the risk exposure and secure the Group's supply chain in the geographies concerned and lock in deliveries from suppliers that may be affected. The BCP evaluates the impact of each measure taken by the countries concerned (embargoes, closure of certain air corridors, lockdown, etc.) and identifies the risks of delivery delays, shortages or additional costs affecting our supplies of raw materials, energy or critical equipment. We have signed up to a platform that warns us of environmental and geopolitical risks in the geographical areas where our critical suppliers are located, allowing us to monitor events that may affect the Group's business in real time. If a warning is received, an action plan can be implemented in conjunction with the BCP.
PRODUCTION SHUTDOWN			
The Group has four main production facilities of varying capacity: › Bernin 1, 2 & 3 in France; › Hasselt in Belgium; › Pasir Ris in Singapore; › in China through the partnership with Shanghai Simgui Co. Ltd. In the event of a prolonged shutdown of a production site, the fast growth of the Group's business means that we cannot transfer all the volumes allocated to another production site.	Difficulties in meeting customer demand in the event of prolonged downtime at one of the production sites. Significant costs may be incurred to restart production after a prolonged shutdown and the Group's results may be affected if the shutdown leads to a loss of revenue or delayed revenue generation. Potential impact on the work environment and damage to the Group's image.	➔	Ongoing capacity expansion program targeting an increase in volumes through the Bernin 4 project, to be completed at the end of 2023, and at Pasir Ris by 2026. See section 1.6 *Production* of this Universal Registration Document. Implementation of a business continuity plan (BCP) with different crisis scenarios: › internal operations plan including training exercises to safeguard employee health and safety and the integrity of manufacturing infrastructure; › yearly operational exercise; › identification of "critical" operations and measures to secure supplies and customer deliveries. Prevention and protection measures are implemented at production facilities (organization of safety and security teams, periodic audits of safety equipment, etc.). Qualification of the production lines of two separate facilities for lower impact and greater flexibility in delivery. Increase in the resources dedicated to human resources and social dialogue to prevent, upstream, issues that could generate tensions in the workplace. Business interruption insurance cover to provide coverage in the event of production shutdowns.

2.1.5.4 Financial risks

Description of the risk	Potential impacts	Trend	Main control mechanisms
EXCHANGE RATES			
The Group's transactions are mostly denominated in US dollars, so unfavorable fluctuations in the EUR/USD exchange rate could have a significant impact, particularly on revenue, most of which (around 89%) is earned in US dollars.	Negative impact on gross margin in the event of unfavorable exchange rate fluctuations that are not offset by an equivalent decrease in euro-denominated expenses. Currency translation risk for our subsidiaries' financial statements included in the Group's consolidated financial statements.	↘	Mitigation of exposure to other foreign currency fluctuations by balancing costs (higher costs in USD) and revenues (higher revenues in EUR). Regular monitoring of net foreign exchange exposure, to decide whether or not to use forward contracts or options to manage EUR/USD foreign exchange risk exposure (see note 8.4 "Financial risk management" of section 6.2.1.2 *Notes to our consolidated financial statements at March 31, 2023* of this Universal Registration Document). Due the increasing proportion of our costs denominated in US dollars, mainly linked to the growth of our business in Singapore, the level of criticality for our exchange rate risks is on a downward trend.

2.1.5.5 Data and security risks

Description of the risk	Potential impacts	Trend	Main control mechanisms
INFORMATION SECURITY AND CYBER THREATS SNFP			
The Group operates on a global stage that has seen a rise in cyber threats, and increasingly sophisticated cyber attacks. Our digital environment exposes the Group to these risks. A cyber attack could paralyze our business by interrupting mission-critical applications, or result in data leaks or the theft of sensitive data. The introduction of home working, which has become widespread in the wake of the global pandemic, may accentuate cyber risk and create new vulnerabilities.	Loss or theft of confidential and sensitive data. Cyber attacks and capture of sensitive data for unauthorized use or attempted scams. Temporary, partial paralysis of activity. Damage to the Group's reputation and image.	↗	The upward trend for the information security and cyber threat risk reflects – despite the mechanisms described below, deployed by the Group to ensure a robust, proactive response to the risk factor – a significant increase in the number of cyber attacks on companies. Group-wide information security policy defining all information protection measures, both technical (passwords, data and service encryption, antivirus, firewall) and behavioral (classification, awareness). Close cooperation with all government departments responsible for IT and data security (DGSI, ANSSI, etc.) and implementation of their recommendations to protect against cyber risk (e.g., risks of cyberwar with certain states). Implementation of a cyber defense unit (IT and security) responsible for regularly monitoring and assessing risks, and preparation of action plans to eliminate or contain any vulnerabilities detected. Incident detection and management system, including a business continuity plan (BCP), to deal with any disruption of our information systems and computer networks, backed up by a Disaster Recovery Plan. Information provided to "at-risk" employees (good practices in terms of business trips and focus on at-risk countries). Development of appropriate rules and security tools for equipment used by the growing number of employees working from home following the global pandemic. "Cyber security" insurance to partly cover this risk. See section 3.7.4 *Ensure the cybersecurity of the Group's activities.*

Description of the risk	Potential impacts	Trend	Main control mechanisms
INTELLECTUAL PROPERTY PROTECTION			
Protecting intellectual property is of critical importance in order to protect the Group's patents and know-how and limit the risks of patent infringement. Another challenge for the Group is to protect itself against the loss of the benefits of employee inventions and the leakage of know-how (see section 1.5.2 *A worldwide patent portfolio to maintain our competitive advantage through differentiation* of this Universal Registration Document).	Possible erosion of the Group's competitive advantage or loss of new product development opportunities. Loss of market share and adverse effect on the Group's financial position.	➔	Policy to safeguard the Group's intellectual property rights: › protect the Group's main technological innovations by filing patents (see section 1.5.2 *A worldwide patent portfolio to maintain our competitive advantage through differentiation* of this Universal Registration Document); › apply to have key patents extended abroad; › protect manufacturing methods, technological enhancements, trademarks, etc.; › check intellectual property clauses in contracts with suppliers, partners and customers. Preserve in-house knowledge and retain employee-inventors through specific HR tools such as incentive compensation, retention plans, and non-disclosure and non-compete clauses.

2.1.5.6 Social and environmental risks

Description of the risk	Potential impacts	Trend	Main control mechanisms
PANDEMIC EPISODES			
The persistent health risks posed by the global pandemic, successive new variants of Covid-19, the potential emergence of new unknown viruses, and the disparities in prevention programs and vaccination rates between countries, are creating uncertainty as to the possible occurrence of future pandemics and their impacts across the world. This situation may directly or indirectly lead to a slowdown or reorganization of the Group's activities at its production or distribution sites located in Asia, the United States and Europe. Protection restrictions adopted by the countries concerned may temporarily limit business travel, alter our usual logistics routes, temporarily interrupt the operations of our third-party suppliers or impose lockdowns on our employees, partners or subcontractors.	Reduced activity levels at the production and/or distribution sites affected by high infection rates and lockdown measures. General slowdown in the global economy and possible impact on our customer orders. Potential bankruptcy of partners or third parties. Exposure of our employees' health, and social and reputational impact. Increased costs associated with crisis management (personnel, health, safety, supplies, transportation, etc.). Increased risk of cyber attacks due to new home working arrangements. (see section 2.1.5.5 *Data and security risks*).	➔	Updated business continuity plan (BCP) containing appropriate responses depending on crisis levels by country and the scenarios to be adopted to (i) protect the health and safety of employees, (ii) maintain and/or resume trading in the best possible conditions, (iii) organize home working and (iv) strengthen the resilience of the Group, its subsidiaries and its production and distribution facilities. Communication plans with employees and with customers, suppliers and subcontractors to ensure flexibility and responsiveness. Regulatory watch covering the different countries' health measures and application of protocols in our internal procedures. Security and awareness-raising initiatives concerning the risks of cyber attacks, viruses, fraud, etc. for home working (see section 2.1.5.5 *Data and security risks*).

Description of the risk	Potential impacts	Trend	Main control mechanisms
HUMAN CAPITAL AND TALENT MANAGEMENT SNFP			
To support the Group's strategic focus on strong growth and development in new markets, we are strengthening our organization and have launched an ambitious recruitment plan in sectors where the job market is very tight. To fulfill our ambitions, we need to be able to attract and retain skills, in some cases by fighting off stiff competition for talent with specific expertise, in saturated employment areas and fast-growing industries. Organizational changes involving key positions that are vectors for the Group's growth strategy may be destabilizing in the short term or lead to resignations or a loss of motivation among employees.	Possible delays in implementing the recruitment plan needed to support business growth. Risk of talent and expertise being lost in specialized areas that are of interest to employers in the microelectronics sector. Adverse social and reputational impact.	➔	Targeted communication program launched by the Group in order to disseminate an attractive image of our businesses and their outlook, and be visible on the job market in various countries. Ambitious sustainable development policy, including environmental and societal objectives, to enhance the attractiveness of the Company and improve employee retention. Communication on the commitments made by the Company, to give meaning to our approach and foster buy-in from our current and future employees. Dynamic recruitment methods, such as maintaining an active presence on social networks, organizing innovative and targeted events in various regions, and establishing closer partnerships with schools, universities, etc. Tools to support the Group's employer brand, such as salary benchmarking in the microelectronics sector, various types of additional compensation (profit-sharing, retention, free shares), training initiatives, etc. The annual People Review, to identify key positions and talents that may require the implementation of specific skills retention and development measures. Based on the review, we can also assess the risk of departure and organize the necessary succession plans for key positions (emergency replacement, resignation, retirement, etc.), and manage dynamic career paths to prepare our employees for the jobs of tomorrow and to retain them. Support for the replacement of an employee in a key position, with a program to ensure the transfer of skills and expertise to the position. Deployment of a long-term incentive scheme tied to the Company's performance for all employees, particularly through the allocation of free performance shares which help improve retention. See section 3.6.1 *Attract and develop talent* of this Universal Registration Document.

2.1.6 Emerging risks

In order to provide a complementary vision of the risks assessed as critical and major and presented in this chapter in accordance with the "Prospectus" Regulation of October 1, 2019, the Group also identifies "emerging" risks that could become significant in the coming years.

Emerging risks are defined as new risks or known risks that were categorized as low or moderate following the review, but which could become significant. Our projection to date focuses on the following factors:

- climate change and ecological transition (see sections 2.1.2 *Climate change and ecological transition* and 3.5.2 *Be a pioneer in limiting global warming to 1.5°C* of this Universal Registration Document);
- dependence on and difficulties of access to water and electricity (see sections 2.1.1 *Economic context* and 3.5.3 *Ensure reasonable water use*);
- growing stakeholder expectations in terms of sustainability;
- rising pressure from European and international regulations.

These risk factors are integrated into the periodic review process and are subject to anticipatory action by the relevant teams when necessary.

2.2 Internal control and risk management

To meet the need to monitor and manage risks inherent to our organization and business, the Group has set up an internal control and risk management mechanism.

Its aim is to provide reasonable assurance that these risks are under control and that objectives will be met.

In this way, in accordance with the applicable standards and regulations, the mechanism contributes to the management of our activities, the effectiveness of our operations and the efficient use of our resources.

2.2.1 Reference framework and scope

The Group's internal control and risk management mechanism is based on the recommendations of the reference framework for risk management and internal control published by the AMF and updated in 2010. The Company is committed to complying with the principles set out therein when implementing its internal control and risk management mechanism.

Adopted by the Group in 2009, it applies to all entities in the consolidation scope, including the Company. It has resulted in the implementation of:

- internal control procedures applicable to all Group entities that are aimed at safeguarding our assets and guaranteeing the reliability of our accounting and financial information;
- IT system access rules tailored to the roles and responsibilities of our operations staff and to the principle of segregation of duties, to guarantee operational reliability;
- rules for supervising accounting and financial operations that are identified as critical.

Formalizing these rules and procedures helps to strengthen key controls and make our operations and business processes more efficient, while also preventing and managing the major risks inherent in the Group's business.

Our internal control procedures and rules now reflect the Group's size and the nature of its business.

Our internal control and risk management systems are complementary and form an integral part of our control and management environment. As a result, they contribute to the continuous improvement and maturity of our internal processes.

However, deployment of these systems cannot provide reasonable assurance that the Group will control its risks and achieve its objectives, due to multiple limiting factors (uncertain external environment, technical or human failures, etc.).

2.2.2 Control environment

2.2.2.1 Purpose and definition

The internal control and risk management mechanism is defined and implemented under the direction of the Group, and aims to ensure that the following objectives are met:

- the reliability and integrity of published accounting and financial information;
- compliance with the laws and regulations to which the Company and its subsidiaries are subject;
- the implementation of instructions and guidelines set by the Group's governing bodies; and
- the proper functioning and efficiency of its internal processes, especially those intended to safeguard its assets and holdings.

To the extent possible, the Group's goal is to ensure that the entire internal control and risk management system helps to prevent any risks facing the Group, be they operational, financial, or compliance-related in nature.

However, the Group cannot provide absolute assurance that all our objectives will be achieved, or that the risks of error or fraud have been completely controlled or eliminated.

The internal control and risk management mechanism has three components:

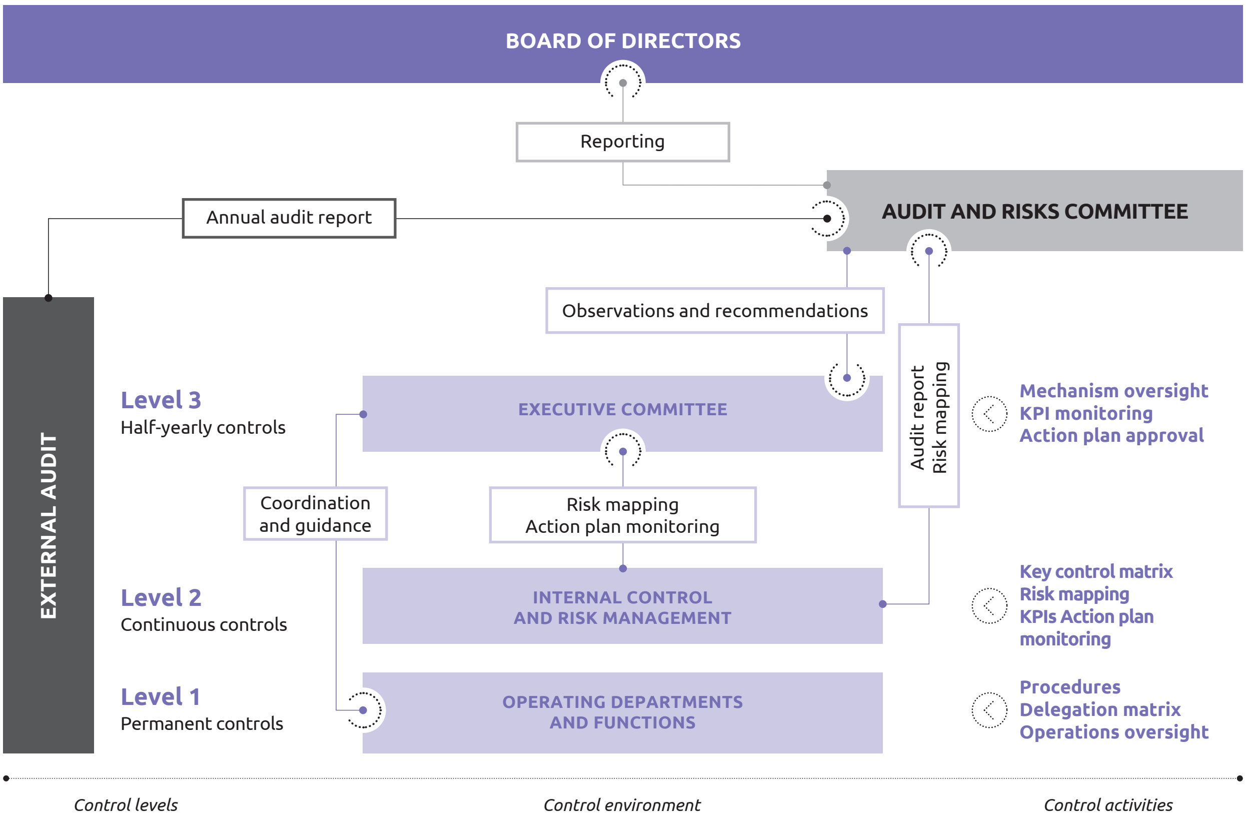
- an organizational structure that contributes to the implementation and continuous improvement of the mechanism;
- tools to help monitor and ensure that risks are controlled; and
- key players who help coordinate and curb identified risks.

2.2.2.2 Internal control and risk management mechanism

The internal control and risk management mechanism comprises various types of control managed by different structures and broken down into three levels:

- **level 1**: permanent controls, which are performed by our departments and operating teams;
- **level 2**: continuous controls, which assess the effectiveness of the mechanism through the Internal Control and Risk Management Unit; and
- **level 3**: third-level controls, which are carried out by the Executive Committee, involving all of the Group's departments, including the Finance Department.

The overall organization of the internal control and risk management mechanism can be presented as follows:



2.2.3 Internal control and risk management bodies

The proper functioning of the internal control and risk management mechanism (whether operational, financial or compliance-related) is central to the Group's organization and its management and control activities.

Controls are carried out, for each identified process, by all of the Group's departments and employees.

Overall management of the mechanism falls within the remit of the Executive Committee and the Finance Department.

The Finance Department reports to the Audit and Risks Committee and the Board of Directors on the effectiveness of the mechanism in place.

2.2.3.1 Audit and Risks Committee and Board of Directors

In accordance with the Code of Corporate Governance of Listed Corporations published by AFEP and MEDEF (the "AFEP-MEDEF Code"), the Audit and Risks Committee is involved in a number of internal control and risk management initiatives, such as:

- assessing the Group's internal control systems;
- reviewing risk mapping;
- assessing internal control and risk management contingency and action plans; and
- preparing and monitoring recommendations and related follow-up actions.

As part of its duties, the Audit and Risks Committee issues recommendations to the Board of Directors on the internal control and risk management organization, following a review of its work schedule. Furthermore, it ensures that an identification, quantification and prevention process for the main risks generated by the Group's activities is in place.

Should it deem it appropriate or necessary, the Audit and Risks Committee provides all useful information regarding internal control or risk management to the Board of Directors.

2.2.3.2 Executive Committee

The Executive Committee is the Group's management and steering body. It ensures that major issues are identified and addressed, and approves the Group's operational and strategic objectives.

It is responsible for overseeing the Group's internal control and risk management mechanism. To this end, it relies on the work and periodic reviews of the Finance Department, which sits on the Executive Committee.

The Executive Committee monitors the progress of the action plan presented by the Audit and Risks Committee, and ensures the effectiveness of the internal control and risk management mechanism.

Lastly, it monitors implementation of the strategy and assesses the available options to ensure its effective rollout, in compliance with the guidance given by the Audit and Risks Committee and the Board of Directors.

2.2.3.3 Finance Department

The Finance Department is represented on the Executive Committee by the Chief Financial Officer who reports directly to the Chief Executive Officer.

The Chief Financial Officer is responsible for centralizing and regularly presenting, to management, internal control and risk indicators that are monitored by Executive Management and the Audit and Risks Committee.

The Finance Department includes an Internal Control and Risk Management Unit tasked with organizing the internal control and risk management mechanism, and assessing and monitoring its effectiveness.

To that end, the Internal Control and Risk Management Unit defines rules and procedures: it organizes and monitors the action plan for continuous improvement of the internal control system, taking into account the recommendations made by the external auditors; it ensures that certain processes comply with the applicable laws in cooperation with the departments concerned; it applies directives issued by the Audit and Risks Committee, and it organizes and leads the risk review process underpinning the preparation of the general risk map.

The Internal Control and Risk Management Unit reports on a regular basis to the Chief Financial Officer, who is its direct line manager.

2.2.3.4 General Secretary's Office

The General Secretary's Office was created in January 2023 and includes the Governance, Legal and Public Affairs Departments. The role of the General Secretary's Office is to strengthen Soitec's governance, support the implementation of the Group's strategic plan, and meet the requirements of the growing regulatory and legal framework.

The General Secretary's Office is represented on the Executive Committee by the General Secretary.

It includes a Legal Department that manages legal, regulatory and compliance-related matters in the broadest sense, as well as disputes involving Group companies.

In terms of compliance, it develops and deploys a code of conduct and policies and procedures, and sets up training courses.

The Legal Department is also responsible for defining the Group's insurance policy and for underwriting and managing all insurance policies.

The General Secretary serves as the Secretary of the Board of Directors and its four Committees. In this respect, she is actively involved in organizing and conducting their meetings. In particular, she ensures that matters that must be examined and/or approved, pursuant to applicable laws, regulations, the Board of Directors' Internal Regulation or the rules of good corporate governance (such as those of the AFEP-MEDEF Code), are effectively brought to the attention of the directors and, if applicable, submitted for their prior approval and/or subsequent ratification.

2.2.3.5 The People & Sustainability Department

the People & Sustainability Department, represented on the Executive Committee by the Executive Vice President, People & Sustainability, oversees policies to attract and retain talent, manages employee, workers' council and labor union relations and the prevention of industrial and workstation risks, and steers the Group's environmental policy. Furthermore, it oversees safety and security, ranging from cybersecurity and personal data protection to the safety of persons and property. The occupational health and safety service of the Economic and Social Unit (ESU) reports to the People & Sustainability Department for administrative purposes but is nonetheless run as an autonomous and independent unit to ensure that it has the required independence to ensure free and ethical execution of its missions.

As such, the People & Sustainability Department ensures compliance with the rules and regulations applicable at all its locations – notably labor law, French social security law, and environmental law. It also oversees collective agreements struck with employee representatives as well as unilateral undertakings by the Company – such as the Code of Conduct, and the external commitments and charters to which the Company is a signatory – that pertain to matters within its remit or to the extent that all employees must comply with them.

The People & Sustainability Department formulates and implements policies to attract and retain employees to meet technological and business growth challenges by offering dynamic career paths, facilitating continuous learning and skills development, and offering a wide array of competitive pay packages. Compensation schemes combine collective and individual incentives, such as unique employee shareholding plans generally open to most employees, with a view to uniting all parties around common goals to achieve profitable growth over the short and medium term.

The People & Sustainability Department also ensures proper social dialogue, safeguards employee health, promotes continuous improvement in terms of reducing industrial risks and enhancing the quality of life at the workplace, and fosters diversity and inclusion.

It coordinates and manages the Group's environmental programs and, together with the various operating departments concerned, assesses the results, particularly in terms of climate change and water consumption.

In terms of risk management, the People & Sustainability Department is particularly involved in managing the risks highlighted during the social dialog process, notably through the exercise of whistleblowing rights or the whistleblowing procedure, in conjunction with the Legal Department represented by the General Secretary, and participates in all systematic reviews of safety and security risks.

2.2.3.6 Operating departments and employees

The operating departments are at the heart of the internal control and risk management mechanism. They are responsible for applying the policies and procedures established by the Group, in order to achieve the objectives set and ensure the effectiveness of their work.

All Group employees are first-level players in the implementation of internal control measures. Their involvement in internal control is an essential part of their work and contributes to a satisfactory level of control over the Group's activities.

Written procedures set out the controls to be carried out at critical steps in each identified process.

Our employees also contribute to the continuous improvement of the internal control mechanism by sharing anomalies or errors detected with their department or the relevant unit.

2.2.4 Internal control mechanism

2.2.4.1 A continuously improving system

The internal control system – like all processes that are integrated into the Group's business – is subject to a continuous improvement program, in order to ensure an effective response to our risk exposure, as well as to develop our system in line with our business, our organization and our environment.

Continuous improvement involves:

- taking into account the recommendations made by the external auditors during each annual review of internal control processes, and incorporating those recommendations into the relevant procedures;
- implementing a Risk & Compliance Governance tool to automate controls on critical processes, and an assessment of the robustness and reliability of our processes, which will be expressed in periodic indicators monitored by the Internal Control and Risk Manager and communicated to the Finance Department;
- reviewing and communicating policies and procedures in line with changes in our organization and tools, as well as regulatory requirements (Executive Management policies, anti-corruption policy, gifts and invitations policy, anti-trust policy, export control policy, internal control procedures broken down by process, etc.);
- strengthening key controls in our IT systems (segregation of duties, approval flows, tolerance thresholds, access restrictions, etc.) in line with our control environment;
- deploying awareness programs on the risks of fraud and cyber attacks in partnership with the Security team for exposed people.

2.2.4.2 Assessment of internal control

Specific information on the assessment of our internal control mechanism is presented to the Audit and Risks Committee during its meeting called to review the annual financial statements.

This presentation is prepared by the Internal Control and Risk Management Unit, and takes the form of a plan to monitor the actions carried out during the fiscal year. It involves identifying areas for improvement and setting objectives for the following year.

Our action plans are defined in conjunction with the internal process owners and aim to improve the internal control and risk management mechanism.

These action plans are coordinated by the Internal Control and Risk Management Unit, and are regularly reviewed with the Departments concerned.

Our internal control processes are reviewed by the Statutory Auditors as part of their audit of the annual financial statements.

2.2.4.3 The role of the Statutory Auditors

In the performance of their duties, the Statutory Auditors are required to:

- obtain an understanding of the organization and operation of our internal control processes;
- present their observations, if any, on the description of our internal control and risk management procedures for the preparation and processing of accounting and financial information;
- attest that the other information to be included in our corporate governance report pursuant to Article L. 225-37 of the French Commercial Code (*Code de commerce*) has been prepared.

2.2.5 Risk management

2.2.5.1 Risk management mechanism

The Company updates its risk mapping at least once a year and then has it reviewed by the Audit and Risks Committee.

This mapping results from a review and analysis of the risk factors to which the Group may be exposed, and whose occurrence could have an adverse impact on its activities, financial position or assets, or on its reputation or image.

The Group also has a business continuity plan (BCP) to ensure crisis management at all levels.

The objective of plan is to define the actions to be taken in order to control or limit the impact on our business with the implementation of corrective and preventive actions to anticipate possible future events.

The BCP is broken down into various scenarios (health crisis, incident disrupting the supply chain, cyber attack, etc.) and is constantly updated in order to adapt our action plans to new events or changing situations.

The various scenarios and their associated action plans are deployed at the level of each entity. They are accompanied by training and field exercises to test the effectiveness of the BCP and thus ensure its continuous improvement.

The BCP, as robust as it may be, cannot guarantee that an incident would have zero impact on our environment or on the activity of our third parties.

2.2.5.2 Risk mapping – Our approach

The annual risk review process conducted in several phases leads to the preparation of a formal general risk map. The most significant risks identified in the map are then reported to our governance bodies, together with the action plan for managing those risks.

The risk review is conducted with input from the process and department managers who are involved in identifying and analyzing our risk factors.

The review is conducted in five main phases:

- identification and analysis of operational risks, based on input from the process owners;
- identification and analysis of our exposure to non-operational risks with the heads of functions or divisions in the following areas: business, innovation, finance, compliance, environment, public affairs, etc.;
- identification and analysis of strategic risks as part of the "strategic issues" planning process;
- assessment of impacts in line with our business plan and prioritization of risks by level of criticality (see section 2.1.3.2 *Risk assessment criteria*);
- review and validation of the map presenting the most significant risks with our governance bodies (Executive Committee and Audit and Risks Committee).

2.2.5.3 Review and regular reporting

The risk mapping is reviewed at least once a year. It is based on an approach that aims to cover all of our processes and their risk exposure.

The review process is led by the Internal Control and Risk Management Unit, with the support of any other departments involved in the process.

The risk mapping may also be reviewed following an external audit or specific analysis, during which new risks are identified or existing risks are reassessed.

Regular risk reports are provided to the Executive Committee and an annual report is presented to the Audit and Risks Committee.

2.2.6 Internal control procedures and accounting and financial reporting

Pursuant to Article L. 225-100-1 of the French Commercial Code, the Group describes below the internal control procedures involved in the preparation and processing of accounting and financial information.

2.2.6.1 General principles

Our internal processes for the preparation and processing of accounting and financial information aim to ensure:

- the compliance of accounting and financial information published in accordance with the applicable rules;
- the application of instructions and guidelines set by our governance bodies regarding such information;
- the reliability of the information published and used internally for coordination or verification purposes, where it contributes to the preparation of published accounting and financial information;
- the reliability of the published financial statements and of other financial information disclosed to the market;
- the preservation of its assets and holdings;
- to the extent possible, the prevention and detection of accounting and financial fraud and unlawful acts.

The Group relies on the Finance Department to ensure the proper preparation and processing of accounting and financial information.

2.2.6.2 Accounting and financial organization management process

Our accounting and financial organization management process is based on a structure and documented procedures that ensure the reliability and integrity of published consolidated data.

Internal control procedures are in place, based on a centralized control system that gathers data from our subsidiaries.

It specifically involves principles such as the separation of tasks and the supervision of critical operations, and also contributes, among other things, to the prevention and detection of accounting and financial fraud and unlawful acts.

A. Finance Department

The Finance Department plays a key role in coordinating the Group's financial and accounting organization and, in order to successfully carry out its assignments, draws on its Consolidation, Accounting, Management Control and Internal Control and Risk Management functions.

The Finance Department is also represented in each Group subsidiary.

The accounting and financial organization is integrated within the Group's permanent control mechanism. It ensures the effectiveness of this mechanism and of the processes that contribute to the preparation and processing of published financial data.

To this end, it implements procedures for consolidating, monitoring and managing financial information in accordance with international financial reporting standards (IFRS).

B. Disclosure Committee

The Disclosure Committee is an important component in the Group's internal control system.

It meets twice a year before the financial statements are closed by the Board of Directors.

Members of the Executive Committee are presented with the key events and highlights of the period relating to the financial statements, the closing options adopted and the main judgments made.

The aim is to confirm the relevance of the financial information to be made available to the public, in particular:

- by confirming the Finance Department's correct understanding of operational matters;
- by verifying the exhaustiveness of the disputes, or potential disputes, examined;
- by reviewing any subsequent events.

These meetings are the subject of a written report, in which the members of the Executive Committee confirm that they have provided the Finance Department with all necessary information.

Our Statutory Auditors attend the Disclosure Committee.

C. Audit and Risks Committee and Board of Directors

The Audit and Risks Committee and the Board of Directors verify and audit certain aspects of the process for the preparation and processing of accounting and financial information.

Controls and verifications

Each year, the annual budget is approved by the Board of Directors, following an analysis and on the proposal of the Audit and Risks Committee. This budget is used for the management of the economic performance of each operational unit and of the entire Group.

At each reporting date, the Chief Financial Officer presents the Audit and Risks Committee and the Board of Directors with the Group's actual situation in comparison with the annual budget.

Closing of the financial statements

The half-year and annual consolidated and individual financial statements, together with the notes, are sent to the Board of Directors and the Audit and Risks Committee eight days before their respective meetings are held to approve the financial statements.

The Audit and Risks Committee meets prior to the Board of Directors' meeting in order to review the financial statements. The Committee members may meet with the Statutory Auditors or key persons in the Finance Department, without the Group's Executive Management being present. Committee members may elicit their opinions on the accounting information presented, or on the effectiveness of the internal control and risk management system in place.

The financial statements, once reviewed by the Audit and Risks Committee, are then submitted to the Board of Directors for closing.

Furthermore, the Audit and Risks Committee reviews annual capital expenditure and exceptional expenditure plans. It is also responsible for regularly reviewing the Group's main financial risks and off-balance sheet commitments.

The Audit and Risks Committee reports on its work to the Board of Directors at least four times a year.

D. Statutory Auditors

Pursuant to French law, the Group's financial statements are audited by joint Statutory Auditors.

Subsidiaries identified as material are audited (limited review for the half-year financial statements). Other subsidiaries are reviewed on the basis of the relevant financial aggregates.

The Statutory Auditors present a summary of their work to the Finance Department and to the Audit and Risks Committee at each half-year and annual closing date.

Ernst & Young and KPMG were initially appointed by the Annual General Meeting of July 25, 2016. Their terms of office were renewed at the Annual General Meeting of July 26, 2022 for a period of six years, expiring at the close of the Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2028.

2.2.6.3 Process for preparing published accounting and financial information

In accordance with Regulation (EC) 1606/2002 of July 19, 2002, since April 1, 2005 the Company publishes its consolidated financial statements in compliance with international financial reporting standards (IFRS).

A. Financial reporting

In accordance with stock market regulations, the Group strives to provide reliable and accurate information and to inform the public as soon as possible of any event likely to have a material impact on the market price of its financial instruments.

Financial information made available to the public is prepared by the finance teams, in collaboration with the Communications and Investor Relations Departments.

Before publication, this information is reviewed by several key members of the Executive Committee, as well as by the Chief Executive Officer.

It is also subject to prior review and approval by the members of the Audit and Risks Committee and made available to the Board of Directors for their recommendations. At each stage of the process, the exhaustiveness, accuracy and consistency of the information are key points that undergo a systematic check.

All of the Company's financial documents are published on its website in the "Investors/Financial reports" section (www.soitec.com/en/investors).

They are made available for a minimum period of five years.

B. Consolidation process

The consolidation process is centralized within the Group.

The consolidation unit provides subsidiaries with the accounting rules to be applied, and ensures that they are properly understood and applied.

Monthly reporting, budgets and the consolidation of accounting data are managed on a single IT system.

The control objectives of the consolidation and management system are as follows:

- to monitor the consistency of the financial data submitted by the subsidiaries;
- to organize the processing of the information provided in a timely and reliable manner;
- to apply international accounting standards (IFRS).

Accounting principles and definitions are formalized and available to all users.

The information provided by our subsidiaries is checked by the Consolidation team at our headquarters, which conducts consistency checks and approves the items that present the greatest risks before consolidating the financial statements.

The Chief Financial Officer is provided with a detailed analysis of changes in results and of specific key indicators. This reporting process is structured as follows:

- preparation and approval of an annual detailed budget, which is then updated on a monthly basis;
- monthly reporting on results, cash flow and investments;
- detailed analysis of differences;
- quarterly budgetary review during the steering and control meetings.

The results and forecasts are reviewed on a quarterly basis to ensure that the objectives are achieved.

Regular tracking of the results allows for the necessary corrective measures to be taken as needed.

C. Procedure for reporting and consolidation of data

The published consolidated financial statements are prepared by the Finance Department on the basis of the financial statements of the subsidiaries included in the scope of consolidation.

Financial statements are prepared by the subsidiaries in accordance with the Group's accounting rules and to a schedule set out and made available by the Finance Department.

The main accounting estimates and options used by the Group are stated in advance of the closing of the accounts with the Statutory Auditors.

D. Verification of the consolidated financial statements

The Company's Statutory Auditors verify and audit the annual consolidated financial statements and carry out a limited review of the half-year consolidated financial statements. Local external auditors carry out a review of the relevant indicators of the financial statements submitted by the Group's subsidiaries.

The Statutory Auditors prepare, as part of their assignment, a summary of their work and findings, which are discussed with the Finance Department.

E. Management of external financial data

The Group's financial statements are prepared using data from the accounting ERPs and are then incorporated in the half-year and annual reports, which are reviewed by the external auditors.

The Group's publications relating to the financial statements are prepared on the basis of information gathered from the Finance Department and are systematically approved by the Chief Financial Officer.

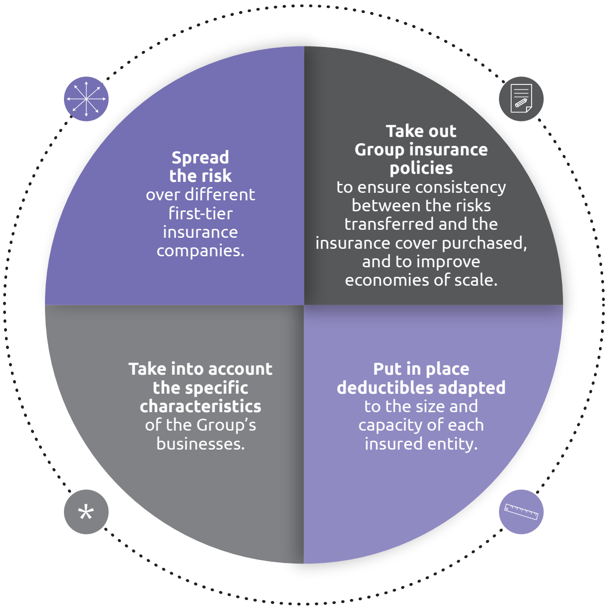
The Audit and Risks Committee reviews and approves these documents for publication and the Board of Directors issues recommendations thereon.

2.3 Insurance and risk hedging

2.3.1 Overview of the insurance policy

In addition to the Group's internal prevention and protection measures, the risk management and insurance policy meets the following objectives:

- reduce risk exposures by implementing the recommendations made by the insurance companies and the experts in their field;
- spread insured risks between several leading insurance companies;
- take out Group insurance policies to ensure consistency between the risks transferred and the insurance cover purchased, and to improve economies of scale;
- take into account the specific characteristics of the Group's businesses;
- put in place deductibles adapted to the size and capacity of each insured entity.



2.3.2 Description of insurance policies

The Group's insurance policies are subject to deductibles, coverage limits and various exclusions. As a result, the risks covered by the insurance program are not all insurable and may expose us to deductibles or coverage limits.

The Group purchased its insurance policies with the assistance and advice of specialized brokers and believes that its coverage is in line with market practices and available offers. As the insurance market becomes tougher, the levels of cover are or may be reduced when policies are renewed. There can be no assurance that, if an insured event occurs, the loss will be fully covered by insurance.

The main insurance programs are the following:

Policy type	Purpose of policy and scope of application
Property damage and business interruption	Property and business interruption losses are covered by "all risks except" type policies. These policies are tailored to the Group's various production sites, which are regularly inspected by our insurers' experts, in order to update the risk assessments and recommend risk mitigation measures.
Goods transport	Under the Group's risk management and insurance policy, insurance policies have been taken out that cover its goods across the entire supply chain, from our suppliers to our customers.
Environmental liability	All of the Group's sites are insured against environmental liability claims. The policy aims to cover the financial impact for the Company of personal injury, property damage and consequential damage caused to third parties, in the event of pollution or harm to the environment caused by our activities. It also covers any decontamination costs incurred further to administrative obligations.
Civil liability	"Civil liability" insurance is intended to cover the liability of the Group both during the operation of the business, and after delivery of products, or in relation to defending criminal proceedings and appeals.
Civil liability of senior executives and corporate officers	The "directors and officers (D&O)" policy aims to cover all senior executives and corporate officers of the Company and its subsidiaries against the financial consequences of third-party civil liability claims.
Fraud and malicious acts	"Fraud and malicious acts" insurance aims to cover financial losses for the Company and its subsidiaries resulting from a fraudulent act (such as abuse of trust, fraud, forgery and use of forged documents, counterfeiting or falsification of checks or theft) or hostile acts (such as introducing a computer virus).
Cybersecurity	"Cybersecurity" insurance is intended to cover certain consequences of cyber threats that may damage the Company's data or breach its information systems security, including certain business interruption risks, the cost of managing the incident and restoring the information systems and their data, as well as consulting or expert fees.

2.4 Compliance with laws and regulations

2.4.1 Regulatory environment

Due to the nature of their operations, and in particular their manufacturing activities, Group companies are subject to numerous local, national, regional and international laws and regulations. However, as the Group does not operate in a specific regulated area, any differences between these laws and regulations do not have a material impact on its business, financial position or cash flows.

2.4.2 Legal, administrative and arbitration proceedings

Pursuant to Commission Delegated Regulation (EU) 2019/980 of March 14, 2019, supplementing Regulation (EU) 2017/1129, at the date of publication of this Universal Registration Document, the Group considers that the administrative, legal or arbitration proceedings linked to the day-to-day conduct of its business should not have a material impact on its business, financial position or cash flows.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CORPORATE SOCIAL RESPONSIBILITY

This chapter presents information on the Group's sustainability issues and includes Soitec's Statement of Non-Financial Performance (SNFP). It includes information in addition to that required in the SNFP and therefore the titles to the sections that form part of the SNFP are indicated as follows: SNFP.

3.1 Business model

3.1.1 Corporate purpose

Soitec is a key player in the semiconductor industry, operating upstream in the value chain. By nature, Soitec's business aims at having a significantly positive impact on the planet and society. Soitec made sustainability one of the pillars of its strategy in 2021. In that year, the Group adopted a corporate purpose, which serves as a source of inspiration and commitment for its teams, partners and customers:

"We are the innovative soil from which smart and energy efficient electronics grow into amazing and sustainable life experiences."

This corporate purpose, which was inserted in the Company's by-laws in July 2021, was developed by the Executive Committee in collaboration with the Board of Directors and several strategic stakeholders. It reflects the belief that our contribution can change the daily lives of billions of people, by enabling energy efficient innovations. It positions the focus on sustainability as the cornerstone of Soitec's activities, making it a key driver of the Company's growth.

3.1.2 Soitec's businesses SNFP

Soitec is a major global player that develops and manufactures innovative semiconductor materials, providing enabling solutions to the challenges posed by major applications found, for instance, in the Mobile Communications, Automotive & Industrial and Smart Devices markets. Soitec's substrates are today used around the world to make the chips that are shaping the future, and its technologies and products play a major role in multiple applications, from smartphones, computers, servers, industrial and medical equipment, electric and autonomous vehicles, connected objects, robots and automation systems, etc. Soitec technologies enable end products to contribute to a more connected, more intelligent and more energy efficient world. In particular, Soitec plays a key role in providing key technologies for 5G, artificial intelligence and energy management.

Substantial investment in R&D and the development of and cooperation with a rich ecosystem with a number of partnerships allow Soitec to remain in the lead, capable of identifying tomorrow's technological trends and challenges and ready to respond to them.

The development of innovative technologies, protected by numerous patents, allows Soitec to offer patented products, meeting its customers' challenges. Soitec gives access to its technologies to other players in the sector through a licensing system.

The Group's value creation model is illustrated in section 1.3 *Strategy* of this Universal Registration Document.

Our sustainable value creation model

OUR CORPORATE PURPOSE

"We are the innovative soil from which smart and energy efficient electronics grow into amazing and sustainable life experiences."

RESOURCES

ECOSYSTEM BASED ON RELATIONSHIPS

- Co-development partnerships with:
  - over 10 leading research centers and universities
  - manufacturers and suppliers
- Partner of the Responsible Business Alliance
- Member of electronic and semiconductor industry groups: SEMI, Global Semiconductor Alliance, ACSIEL

HUMAN RESOURCES

- 2,157 employees
- 51 nationalities
- 35.3% women

INNOVATION

- 3 technologies (Smart Cut™, Smart Stacking™ and Epitaxy), serving 3 markets (mobile communications, automotive & industrial, and smart devices)
- 18% of employees in R&D

PRODUCTION

- 6 production lines, 1 fab under construction and 1 fab being extended
- 63% employees working in production

FINANCE AND ORGANIZATION

- Increase in equity: up €262 million
- 3 strategic investors holding nearly 30% of the Group's shares
- Separation of the duties of Chief Executive Officer and Chair of the Board of Directors
- A committed Board of Directors: average attendance rate of 92.07%

NATURAL RESOURCES

- Water consumption: 1,961 ML
- Energy consumption: 151,925 MWh

GROUP PRIORITIES

Innovation
Developing engineered substrates to make our society more sustainable

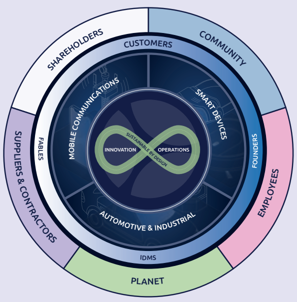
Growth
Strengthen and expand the core business

Profitability
Allow investment in R&D

Environment
Drive the transition toward a sustainable economy through our innovation and operations

People
Leverage our inclusive and inspiring company culture

Governance
Act to become a role model for a better society



RESPONSIBILITY AT ALL LEVELS OF THE COMPANY

- Creation of an ESG Committee within the Board of Directors
- Mobilization at all levels of the Company: the variable portion of the Chief Executive Officer's compensation and share allocation plans are contingent on performance conditions relating to the Group's financial and non-financial performance, of which 20% are based on ESG criteria: reduction in Scope 3 greenhouse gas emissions, reduction in water consumption per unit of production, and the proportion of women among new hires and in senior management positions

NEW STANDARDS

Soitec's strategy is to develop products which become industry standards and are used as the preferred solution for specific applications and markets.

For example, electronic devices built on RF-SOI are part of all 4G and 5G smartphones.

TRENDS

3 megatrends: 5G, AI and automation, energy efficiency

Complex technological challenges

An international market, with increasingly major regional strategic issues

A contribution to innovative clean technologies

3 MARKETS SERVED BY 3 DIVISIONS

Mobile Communications

Automotive & Industrial

Smart Devices

VALUE CREATED

CUSTOMERS

- 11.3% of revenue dedicated to R&D (before capitalization)
- Close collaboration on innovation with some 15 key customers
- A portfolio of over 4,000 patents
- One of the top 50 patent filers in France and no. 2 among the top 10 mid-sized companies
- ISO 9001 certification: Bernin – Pasir Ris – Hasselt
- IATF: Bernin 1 & 2 – Pasir Ris
- AEO: Bernin

SUPPLIERS AND SUBCONTRACTORS

- 55% of revenue for suppliers and subcontractors
- 100% of strategic suppliers having signed our Supplier Quality Policy

EMPLOYEES

- 12.9% of revenue for employees
- Free share allocation and co-investment plans
- 124 new hires
- Resignation rate: 8.5%
- Frequency rate of workplace accidents with lost time: 3.1
- Bernin and Pasir Ris certified ISO 45001

GOVERNMENTS AND REGIONS

- 2.9% of revenue paid to the government (taxes and duties)
- Signatory of the Local Economic Pact
- Partnerships with local schools and universities in France (IUT Grenoble, Bordeaux, Saint-Etienne, etc.) and Singapore (ESSEC, etc.)

SHAREHOLDERS

- Revenue: €1,089 million (up 19% at constant exchange rates)
- Increase in the EBITDA margin to 36.0%

PLANET

- 25% reduction in energy consumption per unit of production since fiscal year 2020-2021
- 30.54% reduction in water consumption per unit of production since fiscal year 2020-2021
- GHG emissions: 319,306 ktCO_2eq.
- 1,464 ktCO_2eq. of emissions avoided from products sold
- Climate objectives validated by the SBTi
- Bernin and Pasir Ris certified ISO 14001
- Bernin and Pasir Ris certified ISO 50001

IMPACTS & CONTRIBUTIONS

3.2 Sustainability commitments

3.2.1 30 years of commitment

Environmental, social and societal commitments have been a key part of Soitec's activities since the Company's beginnings, and the Group brings them to life through various measures. A roadmap – initially running through to 2026 and extended in March 2023 to 2030 – has been drawn up, based on three pillars: Driving the transition toward a sustainable economy through the Group's innovation and operations; Leveraging an inclusive company culture; and Acting to become a role model for a better society.

1992
- **Foundation of Soitec**

2001
- 1st **ISO 14001** (environmental) certification obtained
- Signing of the 1st **employee profit-sharing scheme**

2007
- Signing of the 1st **agreement on gender equality** in the workplace
- Introduction of the **"Safe" program**

2008
- Creation of a **sustainable development program**
- Signing of the **Green Partner policy**

2010
- 1st **OHSAS 18001 (health and safety) certification** obtained

2012
- **EICC membership** (now Responsible Business Alliance)
- Signing of the 1st **Code of Conduct**

2014
- 1st **carbon footprint assessment**

2015
- 1st **ISO 50001 (energy)** certification obtained

2018
- Signing of an agreement for an **inclusive Company at every age**
- Employee **free share allocation plans**
- 1st preferred **share co-investment plan**

2020
- Launch of a **Climate Plan**
- Signing of a partnership agreement on biodiversity with the French League for the **Protection of Birds** (*Ligue pour la Protection des Oiseaux* – LPO)

2021
- **Approval of our climate objectives** by the Science-Based Targets initiative (SBTi)
- Signing of a collective agreement on **gender equality extended to include LGBTQIA+**
- **ISO 14001 and 45001 (environmental and health and safety) certifications** obtained for the Pasir Ris site (Singapore)

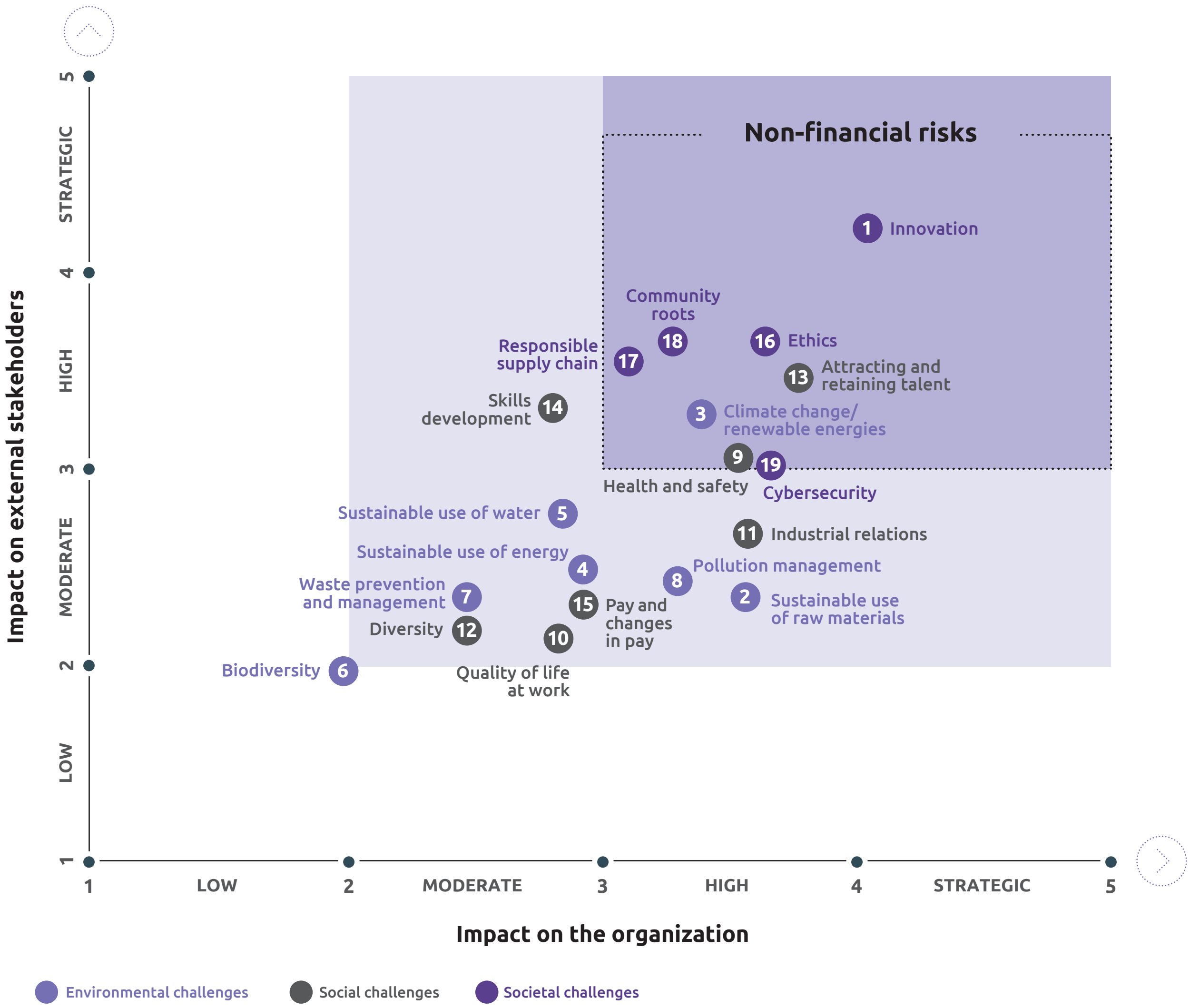
2022
- **Creation of an ESG Committee** within the Board of Directors
- Winner of the **SEMI Industry Leader in Diversity and Inclusion Award**
- Roll out of Soitec's **Climate Plan**
- **Soitec ranked 31st among 250 companies** in the CSR ranking by "Le Point"
- **Free share plan** allocated to all employees with ESG criteria

2023
- Singapore site **certified ISO 50001**
- Soitec joins the **Water Observatory** newly created in the Grésivaudan valley
- Launch of a "Greenovation" **cleantech working group**

3.2.2 Materiality analysis SNFP

The Group performed a materiality analysis in early 2021 with an external firm based on the concept of double materiality (impacts of the challenges on the organization and on external stakeholders). This work formed the basis for the commitments in the Group's sustainability strategy and the key risks discussed in this chapter.

Certain topics were not classified as material in the analysis but remain of interest to Soitec and some of its stakeholders. Consequently, these risks are discussed in this chapter and included in Soitec's sustainability strategy, although they are not covered by the SNFP disclosure requirements.



3.2.3 Soitec's sustainability strategy SNFP

Soitec's sustainability strategy is structured around three pillars, broken down into 11 commitments reflecting the risks identified in the materiality analysis (see section 3.2.2).

This strategy was drawn up in accordance with internationally recognized guidelines and standards.

As part of the process of creating its sustainability strategy, the Group assessed its contribution to the United Nations Sustainable Development Goals (SDGs). These goals were set out in 2015 and are to be achieved by 2030 to address the major global challenges of poverty, inequality, climate, environmental degradation, prosperity, peace and justice. Businesses have a significant role to play in achieving these goals, and through its commitments, Soitec contributes to 11 of the 17 SDGs.

3 PILLARS AND 12 COMMITMENTS, CORRESPONDING TO THE SECTIONS OF THE SNFP

Pillars	Commitments	Challenge (as identified in the materiality matrix) [1]	Section	Sustainable Development Goals (SDGs)
Drive the transition toward a sustainable economy through the Group's innovation and operations	Innovate every day to continue to make the Group's products the cornerstone of a responsible future	***1. Innovation*** 2. Sustainable use of raw materials	3.5.1	9 Industry, innovation and infrastructure; 12 Responsible consumption and production; 13 Climate action
	Be a pioneer in limiting global warming to 1.5°C	***3. Climate change*** 4. Sustainable use of energy	3.5.2	13 Climate action
	Ensure reasonable water use	5. Sustainable use of water	3.5.3	6 Clean water and sanitation
	Preserve biodiversity to maintain a healthy and balanced local ecosystem	6. Biodiversity 7. Waste prevention and management 8. Pollution management	3.5.4 3.5.5	15 Life on land
Leverage an inclusive company culture	Attract and develop talent	***13. Attracting and retaining talent*** 14. Skills development	3.6.1	8 Decent work and economic growth
	Promote diversity and inclusion	12. Diversity	3.6.3	5 Gender equality; 8 Decent work and economic growth; 10 Reduced inequalities; 16 Peace, justice and strong institutions
	Create a fulfilling and rewarding work environment and promote employee well-being	10. Quality of life at work 11. Industrial relations (non-financial performance table) 15. Pay and changes in pay	3.6.2 3.8	3 Good health and well-being
	Ensure the health and safety of employees	***9. Health and safety***	3.6.4	3 Good health and well-being
Act to become a role model for a better society	Manage business ethically and responsibly	***16. Ethics***	3.7.1	16 Peace, justice and strong institutions; 17 Partnerships for the goals
	Build a responsible, sustainable supply chain	***17. Responsible supply chain***	3.7.2	16 Peace, justice and strong institutions; 17 Partnerships for the goals
	Commit to local communities and young people	***18. Community roots***	3.7.3	11 Sustainable cities and communities; 17 Partnerships for the goals
	Ensure the cybersecurity of the Group's activities	***19. Cybersecurity*** [2]	3.7.4	

(1) The major risks requiring disclosure in the SNFP are indicated in bold and italics. Information on other issues is disclosed on a voluntary basis.
(2) Cybersecurity is not integrated into Soitec's sustainability strategy, as it is addressed elsewhere. It is, however, included in the SNFP, as it emerges as a major issue in the materiality analysis.

3.2.4 External references and acknowledgment

Soitec's sustainability strategy was drawn up in accordance with internationally recognized guidelines and standards. Together, these texts provide a framework for all companies and organizations to implement sustainability principles:

- ISO 14001, environmental management system standard;
- ISO 45001, occupational health and safety system standard;
- ISO 50001, energy management system standard;
- ISO 27001, information security management system standard;
- IATF 16949, quality management system standard in the automotive industry;
- authorization as an approved economic operator (AEO);
- ISO 26000, establishing guidelines related to corporate social responsibility;
- the eight fundamental conventions of the International Labour Organization (ILO);
- the Universal Declaration of Human Rights;
- the United Nations Convention against Corruption;
- the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, adopted on May 25, 2011;
- the climate reporting framework published by the Task Force on Climate-related Financial Disclosures (TCFD);
- the Code of Conduct of the Responsible Business Alliance (RBA).

Soitec's sustainability commitments are assessed by several external rating agencies, such as CDP, Gaïa, ISS, MSCI, S&P Global and Sustainalytics.

3.2.5 Objectives and outcomes SNFP

A new pathway has been defined for Soitec's principal commitments, with longer-term objectives. These new objectives – which were presented to and approved by the Board of Directors in March 2023 – are presented in italics in the table below.

		Outcomes			
Commitments	**Key performance indicators**	**At March 31, 2023**	**At March 31, 2022**	**Objectives**	**Achievement of objective**
Innovate every day to continue to make the Group's products the cornerstone of a responsible future	Percentage of revenue dedicated to gross R&D (before capitalization)	11.3%	12.5%	Maintain and extend its technological edge through R&D, patenting and synergies with its partners	
	Number of patents filed during the year	391	283		
	GHG emissions avoided through the energy savings generated by products in their end-use applications	1,464 ktCO_2eq. for 75% of fiscal year 2022-2023 revenue	1,144 ktCO_2eq. for 68% of revenue	Regularly measure the GHG emissions avoided through the energy savings generated by products in their end-use applications	
	Number of life cycle assessments	-	-	Assess products throughout their life cycle	-
Be a pioneer in limiting global warming to 1.5°C	Change in Scope 1 and 2 emissions compared to the 2020 baseline	+21%	+2%	-25.2% between 2020 and 2026 -37% between 2020 and 2030	
	Change in Scope 3 emissions per million euros of added value compared to the 2020 baseline	-9%	-7%	-35.3% between 2020 and 2026 -50.9% between 2020 and 2030	
Ensure reasonable water use	Change in volume of water withdrawn per unit of production (L/sq.cm.) compared to the fiscal year 2020-2021 baseline	-30.54%	-13.13%	-50% in fiscal year 2029-2030	
	Total percentage of water recycled and reused	24.4%	16.35%	30% in fiscal year 2029-2030	
Preserve biodiversity to maintain a healthy and balanced local ecosystem	Facilities that have implemented initiatives to promote biodiversity	Bernin	Bernin	Develop the five-year biodiversity action plan with the French League for the Protection of Birds (*Ligue pour la Protection des Oiseaux* – LPO) at the Bernin site	-
	Facilities using no phytosanitary products for the maintenance of green spaces (except regulatory obligations)	Bernin and Pasir Ris	Bernin and Pasir Ris	Raise employee awareness	

Commitments	Key performance indicators	Outcomes At March 31, 2023	 At March 31, 2022	Objectives	Achievement of objective
Attract and develop talent	Number of hires during the year	542	582		
	Internal promotion rate	17.9%	17.1%	13% on average per year until fiscal year 2025-2026	
	Training hours per employee per year	18.6	17.24		
	Resignation rate	8.5%	5.8%		
Promote diversity and inclusion	Percentage of women in the Group's workforce	35.3%	34.2%	≥ 40% by fiscal year 2029-2030	
	Percentage of senior management positions held by women (job grade ≥ 150)	23%	19%	≥ 20% by fiscal year 2024-2025/ ≥ 30% by fiscal year 2029-2030	
	Percentage of women on the Executive Committee	27.3%	18.2%	≥ 30% by fiscal year 2025-2026/ ≥ 40% by fiscal year 2029-2030	
Create a fulfilling and rewarding work environment and promote employee well-being	Number of discussion groups organized during the year	63 discussion groups organized	-	Create discussion groups by team to continuously improve quality of life at work	
Ensure the health and safety of employees	Frequency rate of workplace accidents with lost time	3.1	1.7	< 2.9	
Manage business ethically and responsibly	Percentage of employees that have completed the e-learning module on the Code of Conduct	72%	70%	100% by fiscal year 2025-2026	
	Number of incidents reported through the whistleblowing system (Sapin II law)	-	-		
Build a responsible, sustainable supply chain	Percentage of strategic suppliers that have signed the Supplier Quality Policy	100%	100%	100% Obtain ISO 20400 certification by fiscal year 2025-2026	
Commit to local communities and young people	Number of young people under 26 hired within the Group during the year	135	195	Expand its network of partner schools and universities Strengthen its local roots in the Grenoble area and in Singapore	
Ensure the cybersecurity of the Group's activities	Percentage of new employees made aware of cybersecurity	100%	100%	100%	
EU Taxonomy		Eligibility: › Revenue 74.7% › CAPEX: 63.9% › OPEX: 35.8% Alignment: to be disclosed next year	Eligibility: › Revenue 68% › CAPEX: 40% › OPEX: 49% Alignment: N/A		

Objective achieved.
In line with the trajectory.
Objective not achieved.

3.3 Highlights of the fiscal year SNFP

Eco-design and clean tech

In fiscal year 2022-2023, Soitec took a new step towards eco-design with the launch of the "Greenovation" project, aimed at integrating environmental criteria into the Group's innovation choices. Soitec is currently working with major players in the microelectronics industry to conduct a comparative life cycle analysis for SmartSiC™ technology, the results of which will be communicated in fiscal year 2023-2024. Additional analyses are also planned.

Climate change

Soitec continued to deploy its Climate Plan during the year, with five major action plans put in place focused on: 1) enhancing the energy performance of industrial facilities; 2) consumption of low-carbon energy; 3) converting to low-carbon freight; 4) engaging suppliers in its sustainability approach; and 5) raising employee awareness of the carbon impact of their own and the Group's activities and promoting soft mobility. Soitec is now part of the CAC SBT 1.5°, an index recently created by Euronext that includes 42 companies with greenhouse gas emissions reduction objectives that have been approved by the Science-Based Targets initiative (SBTi) as being in line with the 1.5°C goal of the Paris Agreement.

Water

During fiscal year 2022-2023, Soitec pursued its efforts to reduce water withdrawals and increase the proportion of recycled and reused water. The Group also joined the Water Observatory created by the Grésivaudan community of municipalities in France. Water preservation is everyone's business at Soitec, and it is one of the vesting criteria applicable to the free performance shares allocated to all employees.

Attract and develop talent

As part of Soitec's partnership with IUT1 Grenoble and the newly created upskilling course, the first cohort of production operators began their three-year training in fiscal year 2022-2023, splitting their time between theoretical training at IUT1 and practical training at Soitec. The training program will soon be extended to its other sites, notably in Singapore.

A free performance share plan was launched for all employees during the year, with the vesting of the shares subject to both financial and non-financial performance criteria. Value sharing is now a permanent feature of the Group's compensation policy.

Diversity and inclusion

A women's network was launched within Soitec during fiscal year 2022-2023, which will act as a liaison for diversity issues with management with the aim of raising awareness among Group employees.

Ethics

In March 2023, Soitec launched a new whistleblowing platform, through which all Group stakeholders can report (anonymously if they wish) breaches of the Code of Conduct, Group policies or the applicable law.

Responsible supply chain

Soitec also launched a third-party (customers and suppliers) assessment project to verify its compliance with international laws that are applicable to Soitec in the conduct of its business.

Soitec's supplier relationships include sustainability criteria, both in the selection criteria and in their performance reviews. In addition to these reviews, Soitec audited a dozen suppliers on sustainability issues during the year.

Community engagement

In keeping with its commitments to local communities, Soitec became a founding member of the Sésame endowment fund in March 2023, which supports non-profits that help people in need.

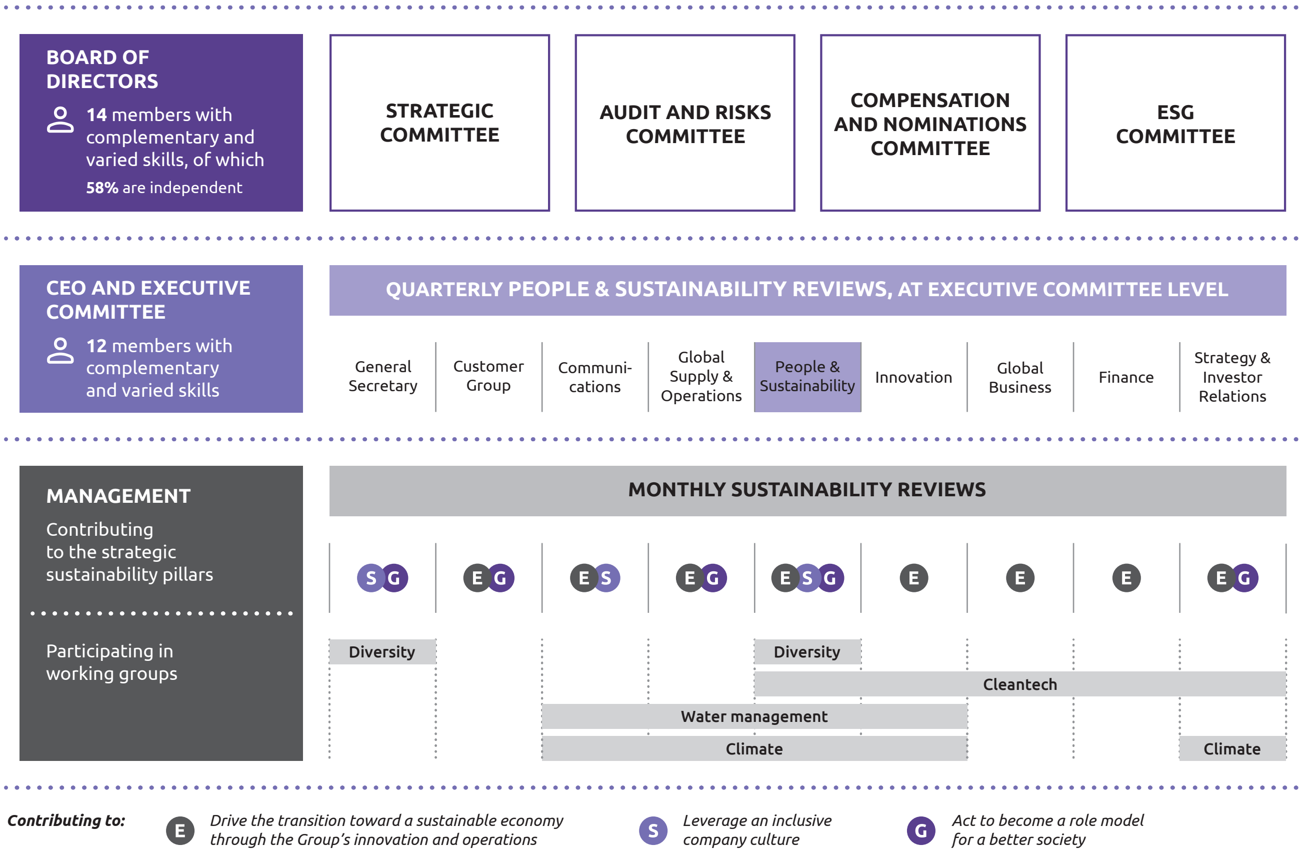
Soitec's commitments were recognized with several awards during the year, including:

- the most attractive HR Direction award, in the category of companies with more than 1,000 employees, at the 9th edition of the *Victoires des Leaders du Capital Humain* awards;
- the SEMI Industry Leader in Diversity and Inclusion Award, presented by SEMI, the international microelectronics industry association.

In order to raise awareness about sustainability among employees, provide them with more information and foster their engagement, Soitec organized a Sustainability Week at the Bernin and Singapore sites, during which everyone had the opportunity to take part in workshops and conferences on a wide range of topics, such as the impact of climate change on glaciers, forest management, the Climate Fresk, inclusion of LGBTQIA+ people, and soft mobility. Almost 500 employees took part. This first edition of the event was very well received by the Group's employees, who underlined the quality of the speakers and the workshops offered.

In addition, Soitec published its second sustainability report on November 24, 2022.

3.4 CSR governance



Sustainability at Soitec is overseen within the Executive Committee by the Executive Vice President, People & Sustainability. A Sustainability and Communications Manager reports to him and ensures the strategy's consistency with Soitec's objectives and action plan. She coordinates the actions of the various departments in their work on the topics within their remit (innovation, human resources, purchasing, energy efficiency, etc.).

Major decisions, which to varying degrees involve all of the Company's departments, are presented to and discussed by the Executive Committee during quarterly reviews. Each department is on board and contributes to building, implementing and evaluating policies, objectives and outcomes. Each month, a Sustainability Steering Committee comprising representatives of the departments meets to review objectives, outcomes and action plans.

Sustainability issues are also regularly discussed by Soitec's Board of Directors, and a dedicated Environmental, Social and Governance (ESG) Committee was created in September 2022 to set a long-term course of action and validate ESG objectives. The role of this Committee is to propose guidelines and objectives, which are then discussed by the full Board of Directors. It has met twice since its creation, with climate change and Soitec's commitments, eco-design of products, water management, and diversity and inclusion on the agenda.

In addition, part of the variable compensation of the Group's Chief Executive Officer is contingent on the achievement of ESG criteria (see section 4.2). Since 2022, all employees have been allocated free shares under a performance share plan, on the basis of these same criteria. Out of the performance criteria applicable to these shares, 20% relates to non-financial performance, and in particular to climate, water and diversity.

Training on changes in corporate social responsibility obligations for companies and executives was provided to Executive Committee members by Gide Loyrette Nouel in fiscal year 2022-2023, and a further training session is planned for the members of the Board of Directors in fiscal year 2023-2024.

A joint seminar on good governance practices was held for the members of both the Board of Directors and the Executive Committee in November 2022, led by INSEAD.

In order for employees to take ownership of the various environmental, social and societal issues, a total of nearly 1,000 hours of related training was provided during the year.

3.5 Drive the transition toward a sustainable economy through the Group's innovation and operations

Soitec's products are designed to improve the energy performance of the devices in which they are used. Soitec addresses three main markets, responding to specific challenges in each of them. In the Mobile Communications market, its products improve smartphone connections, and therefore reduce unnecessary power loss. In the Automotive & Industrial market, its products are used to power electric and autonomous vehicles, offering enhanced energy efficiency and performance. And in the Smart Devices market, they are used to improve functionalities of devices while consuming less energy.

3.5.1 Innovate every day to continue to make the Group's products the cornerstone of a responsible future SNFP

Objectives	Achievements	Outcome at March 31, 2023
Maintain and extend its technological edge through R&D, patenting and synergies with its partners	New SmartSiC™ product Launch of the Singapore Technology Development	11.3% of revenue dedicated to gross R&D (before capitalization) 391 patents filed in fiscal year 2022-2023 18% of employees in R&D
Regularly measure the GHG emissions avoided through the energy savings generated by products in their end-use applications	Launch of the "Greenovation" project	1,464 ktCO_2eq. avoided through the use of three of its products, representing 75% of fiscal year 2022-2023 revenue
Assess products throughout their life cycle		

3.5.1.1 Innovate to reduce the energy consumption of products

Designed to meet the ever-growing functionalities and performance requirements of the technologies that we use every day, Soitec's products have become an integral part of the daily lives of billions of people. To remain at the forefront of the market, Soitec needs to anticipate its customers' expectations and offer products that combine technical performance with energy efficiency in order to ensure its longevity and serve its corporate purpose.

Soitec's products are essential for innovations such as 5G, autonomous cars and artificial intelligence embedded in smart devices. But while these innovations help our societies and lifestyles to progress, they also consume significant amounts of energy. Soitec's innovation and manufacturing strategy therefore strives to enable electronic devices to reconcile technical performance and energy efficiency from the design phase right through to their end-use. This approach is based on five stages: identify and understand markets' needs; anticipate new innovations; verify that these innovations have outlets in the target markets; set up production processes with new tools; and launch the industrial production of a commercially-viable product protected by patents.

Thanks to its patented Smart Cut™ technology and the associated recycling process, Soitec is significantly reducing its energy consumption and the amount of materials required to manufacture its products.

As in previous years, in 2022 Soitec conducted a study to measure the greenhouse gas emissions avoided through the use of three of its product families – FD-SOI, RF-SOI, and Photonics-SOI substrates – which represent 75% of fiscal year 2022-2023 revenue. The study was carried out by an external firm based on the number of products sold during fiscal year 2022-2023 compared with market reference substrates (previous-generation Soitec products or other manufacturers' products). In total, 1,464 ktCO_2eq. of emissions were avoided in 2022 through to the use of these product families, with an energy saving of 2,644 GWh, which was 28% higher than in 2021 and equivalent to the annual domestic electricity consumption of a city of 1.7 million people.

Since 2020, Soitec has also been diversifying by applying its patented Smart Cut™ technology to silicon carbide (SiC) substrates, which has given rise to its new product, SmartSiC™. SmartSiC™ reduces CO_2 emissions related to production processes by about 75% compared to traditional solid single crystal silicon carbide (SiC) substrates, and also enhances electrical performance. These components are particularly suited to the electric vehicle market as they can increase vehicles' range by between 10% and 15% and cut down their charging time. Soitec is currently working with major players in the microelectronics industry to conduct a comparative life cycle analysis for SmartSiC™ technology, the results of which will be communicated in fiscal year 2023-2024. In order to respond to the strong growth in the automotive market, the Bernin 4 plant, which is expected to start up in fiscal year 2023-2024, will be dedicated to the manufacture of the SmartSiC™ product. As part of this overall project, in 2021 the Group acquired NOVASiC – an expert in the production, polishing and regeneration of silicon carbide (SiC) wafers – to prepare for the ramp-up of its SmartSiC™ substrate technology to industrial scale.

3.5.1.2 Accelerate the eco-design approach with the "Greenovation" project

In fiscal year 2022-2023, Soitec launched the "Greenovation" project aimed at ensuring that environmental issues are included in selection criteria at every stage of the product design and manufacturing process. After an initial phase of identifying needs and analyzing its facilities' manufacturing processes, Soitec defined its roadmap and will begin conducting life cycle analyses by product in calendar year 2023 in order to identify the impacts and key points on which the Group can take action to make a difference. Soitec has also begun to analyze the tools that can be used to build a reliable database on those impacts. Soitec's objective is to systematically integrate environmental criteria into its decision-making processes by the end of fiscal year 2024-2025. Soitec also intends to carry out awareness-raising measures among its employees to create a real eco-design culture within the Group.

3.5.1.3 Forge alliances and partnerships to build a semiconductor ecosystem.

As a major player in microelectronics and semiconductors, Soitec works with other players in the industry in all of its operating locations to improve the technical qualities of its products and to create new products that meet customers' changing expectations. For example, in 2018 Soitec founded the Substrate Innovation Center with CEA-Leti in Grenoble, where a pilot line was created in 2020 dedicated to its new silicon carbide-based technology, SmartSiC™. Soitec also works closely with other research centers and pioneering universities such as IMEC and the Catholic University of Louvain in Belgium, SITRI, CNRT and CEMES in France, the Fraunhofer-Gesellschaft in Germany, A*STAR-IME in Singapore, and Stanford, Berkeley, NUS, and NTU in the United States. These collaborations are complementary in that they concern both innovations in materials as well as the use of Soitec's products in devices, and enable the Group to identify and address its customers' technological imperatives before they are put into production. Replicating the Bernin model, an innovation platform – Singapore Technology Development – has been deployed at Pasir Ris to support the growth of the Singapore site. A seven-person team is working on the development of Pasir Ris' technologies within the platform, alongside engineers and technicians of its local partners.

Soitec is also committed to building a strong European semiconductor industry. To that end, the Group has become a member of the KDT Transform project launched with 33 partners from seven European Union countries, which runs from 2021 to 2024. The aim is to build a value chain for SiC substrates to support sustainable electric mobility, by demonstrating the added value of SmartSiC™ technology and accelerating innovation with a pilot line. Onboarding the entire value chain will facilitate market adoption of this innovation, and secure a sustainable and sovereign European silicon carbide (SiC) ecosystem.

3.5.2 Be a pioneer in limiting global warming to 1.5°C SNFP

Objectives	Achievements	Outcome at March 31, 2023
25.2% reduction in Scope 1 and 2 GHG emissions between 2020 and 2026 and 37% reduction by 2030	› Energy-saving plans, with delayed start of heating for office premises › Installation of 722 solar panels at the Pasir Ris site, with production capacity of approximately 400 MWh/year › ISO 50001 certification obtained by the Pasir Ris site › Signature of a renewable energy purchase contract with guarantees of origin at the Pasir Ris site	› 21% increase in GHG emissions (Scopes 1 and 2) in absolute terms compared to the 2020 baseline
35.3% reduction in Scope 3 GHG emissions between 2020 and 2026, and 50.9% reduction by 2030	› Distances traveled by wafers reduced › Sea freight gradually being prioritized over air freight	› 9% reduction in Scope 3 GHG emissions per million euros of added value compared to the 2020 baseline › 94% of substrates transported by sea between the Bernin and Pasir Ris sites for Neg-300 wafers

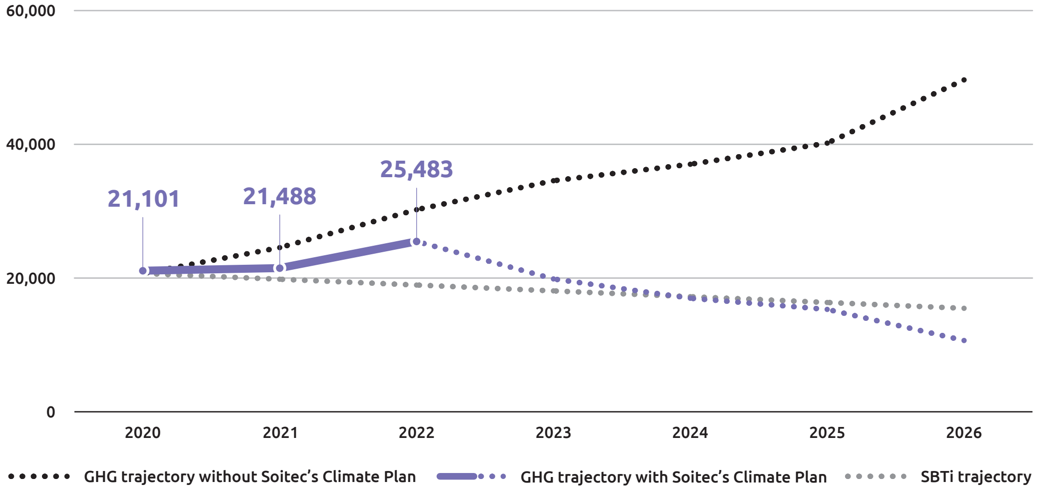
3.5.2.1 An organization and teams focused on ambitious objectives

Soitec joined the Science-Based Targets initiative (SBTi) in January 2021 with a view to aligning its activities with a pathway aimed at limiting global warming to 1.5°C above pre-industrial levels. It is the fourth semiconductor company worldwide to have objectives validated by the SBTi, and its climate-related ambitions are reflected in its medium-term objectives. Soitec has announced its aim to double its revenue between 2020 and 2026, while at the same time reducing its Scope 1 and 2 greenhouse gas emissions by 25.2% in absolute terms. Climate issues concern the whole of the Group and each department is responsible for implementing the related projects. A quarterly review of ongoing projects is carried out by the People & Sustainability Department, which reports on the progress of its action plans to the Executive Committee.

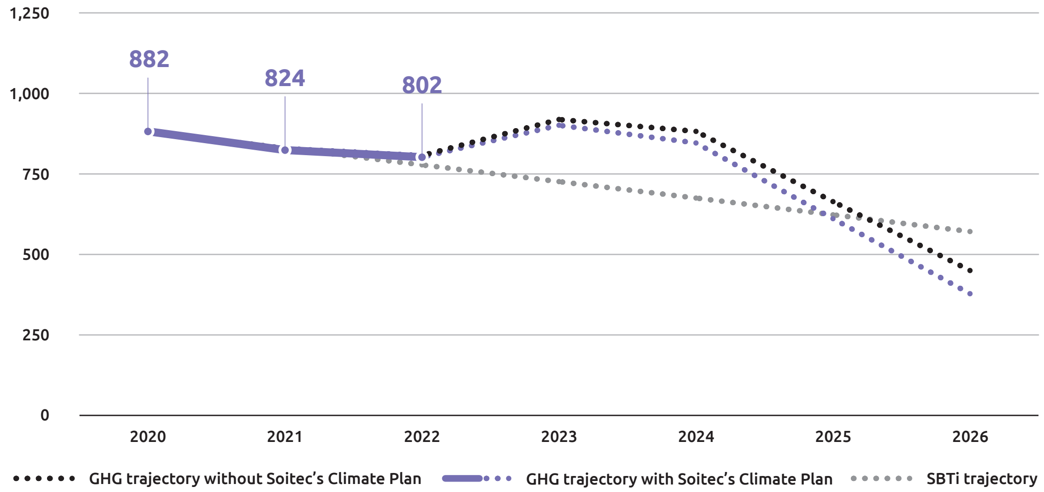
3.5.2.2 Reduce greenhouse gas emissions while pursuing growth

In early 2023, Soitec carried out its latest greenhouse gas emissions assessment, which concerned its operations in calendar year 2022. As part of the assessment, the emissions factors related to the electricity used by the sites in Singapore and Belgium, as well as that of its subcontracting partner Simgui in China, were updated based on the latest 2020 data from the International Energy Agency (IEA). The 2020 and 2021 assessments were also updated with the new data, in order to ensure comparability for the Group's trajectory and objectives. During the year, Soitec defined greenhouse gas emissions reduction objectives for 2030, namely a 37% reduction in Scope 1 and 2 emissions in absolute terms, and a 50.9% reduction in Scope 3 emissions per million euros of added value, compared to 2020.

SCOPE 1 AND 2 EMISSIONS – ABSOLUTE VALUE



SCOPE 3 EMISSIONS – ECONOMIC INTENSITY VALUE



Scope 1 and 2 emissions increased by 21% in absolute terms between calendar years 2021 and 2022. The results should be viewed in the light of Soitec's strong growth in terms of both revenue and workforce. As illustrated in the graph above, its SBTi-validated carbon pathway provides for a period of rising emissions before a reduction as from fiscal year 2023-2024. All of the initiatives carried out under the Climate Plan enabled the Group to avoid 17% of Scope 1 and 2 emissions, in particular thanks to a 10% reduction in energy consumption per unit of production versus last year. Scope 3 emissions have decreased by 9% in relative terms (per million euros of added value) compared to 2020. Consequently, the changes in greenhouse gas emissions are in line with the anticipated pathway to reach the objective for 2026.

3.5.2.3 Implement the Climate Plan in operations

The Climate Plan is built on five pillars:

- **Enhancing the energy performance of industrial facilities.** Soitec's approach to energy management is aligned with best practices: the Bernin site is ISO 50001 certified and the Pasir Ris site obtained the certification in February 2023. Energy saving plans have also been implemented at the Bernin site. Energy efficiency plans are supported by investments to optimize cold production processes, heating plants and air processing units. For the second year in a row, in fiscal year 2022-2023 Soitec used ORCAA, an artificial intelligence system that anticipates weather trends and production patterns so as to optimize heat production. The tool enabled Soitec to avoid some 100 tCO_2eq. of emissions. Soitec avoided an extra 100 tCO_2eq. thanks to energy efficiency and savings measures applied to certain production equipment. Soitec also aims to improve the environmental quality of its new buildings over their entire life cycle to ensure they meet the best environmental standards. As a result of its approach, Soitec is aiming to obtain the HQE® label at "Excellent" level for its new headquarters building in Bernin. In Singapore, the objective for the extension currently under construction is to obtain GreenMark certification, which is awarded by the Singapore government to ecological buildings.
- **Prioritize low-carbon energy.** All of the energy consumed at the Bernin site is renewable and covered by guarantees of origin. It comes from hydroelectric power stations located in the Auvergne-Rhône-Alpes region in France. Going forward, Soitec's aim is to electrify the site's heat production by gradually phasing out gas-powered equipment (particularly boilers) and replacing it with electricity-powered equipment (such as thermodynamic and other heat pumps). It is also developing the use of biogas at the site. At Pasir Ris, the goal is for 50% of the site's energy to be low-carbon by calendar year 2024. To achieve this, Soitec has installed 722 solar panels with a production capacity of approximately 400 MWh per year at the site, and there are plans to widen this coverage to the extension under construction, which will quadruple the site's solar energy production. In addition, as part of our energy purchasing strategy for Pasir Ris, during the year Soitec entered into a purchase agreement for renewable energy with guarantees of origin. In the medium term, the Group plans to sign Power Purchase Agreements, which enable the financing of renewable energy projects, with the energy produced subsequently used by Soitec.
- **Favor low-carbon freight.** There are two main ways Soitec can take action to reduce the carbon impact of all types of freight (between its sites, with its suppliers and with its customers): optimizing and reducing the distances traveled by its wafers, and gradually favoring sea freight over air freight. Soitec currently prioritizes sea freight for transporting our products between the Bernin (France) and Pasir Ris (Singapore) sites. At the same time, the Group has launched additional investments at the Bernin site to increase its capacity for refreshing 300 mm wafers to reduce the need for transportation between its sites. Soitec estimates that this measure will help avoid 2,500 tCO_2eq. of emissions by fiscal year 2024-2025. This strategic decision is an illustration of how the Group is applying short supply-chain principles with a view to reducing greenhouse gas emissions in its activities. Soitec is also working with its customers and suppliers to prioritize sea freight for procurement and deliveries.
- **Engage suppliers in a low-carbon approach.** During the year, Soitec purchasing teams sent out a questionnaire to suppliers, with the aim of being able to better assess the environmental footprint (primarily carbon) of their products and, ultimately, compare their environmental performance, so that it can be used as a selection criterion (see section 3.7.2 *Build a responsible, sustainable supply chain*). Soitec also encourages its suppliers and partners to improve their practices in their own value chains. For example, following discussions with Soitec, one of its strategic production partners has embarked on an ISO 50001 certification process.
- **Promote soft mobility among employees.** Thanks to the investment plan at Bernin, during the year Soitec increased the number of electric vehicle charging stations at the site to 40, created many new additional spaces for bikes, and continued its electric bike lending program for commuting. The investments required to qualify for the *Employeur Pro-Vélo* (Pro-Bike Employer) label have been made, and the application for this label will be submitted in calendar year 2023. In addition, a carpooling platform has been selected, which is expected to be up and running in the coming year. In Singapore, following the lifting of Covid-19 restrictions, the shuttle boat service from Malaysia was reopened and the bus service covering areas where many employees live was restarted, enabling people to travel to the production site by public transport. In addition, awareness-raising activities were organized for all employees, in particular during the Sustainability Week at Bernin and Singapore, with events such as bike safety training sessions and bike servicing workshops.

3.5.3 Ensure reasonable water use

Objectives	Achievements	Outcome at March 31, 2023
50% reduction in water withdrawals per unit of production (L/sq.cm.) between fiscal year 2020-2021 and fiscal year 2029-2030	› Optimization of water flow rates for equipment › Optimization of water flow rates for cleaning equipment in clean rooms	30% reduction in water withdrawals per sq.cm. versus fiscal year 2020-2021
30% of water recycled in fiscal year 2029-2030	› Implementation of a system for reusing water discharged during the ultra-pure water production process › Implementation of a system to reuse rinse water on some equipment	24.4% of water recycled and reused

3.5.3.1 Water use at Soitec

Water is essential for Soitec's operations, and the Group is keenly aware that it is a scarce and precious resource to which everyone needs to be guaranteed fair and reasonable access. As a result, managing water use has been a priority in Soitec's sustainability commitments for many years now, and the Executive Committee carries out performance reviews on the issue as well as quarterly reviews of the related objectives.

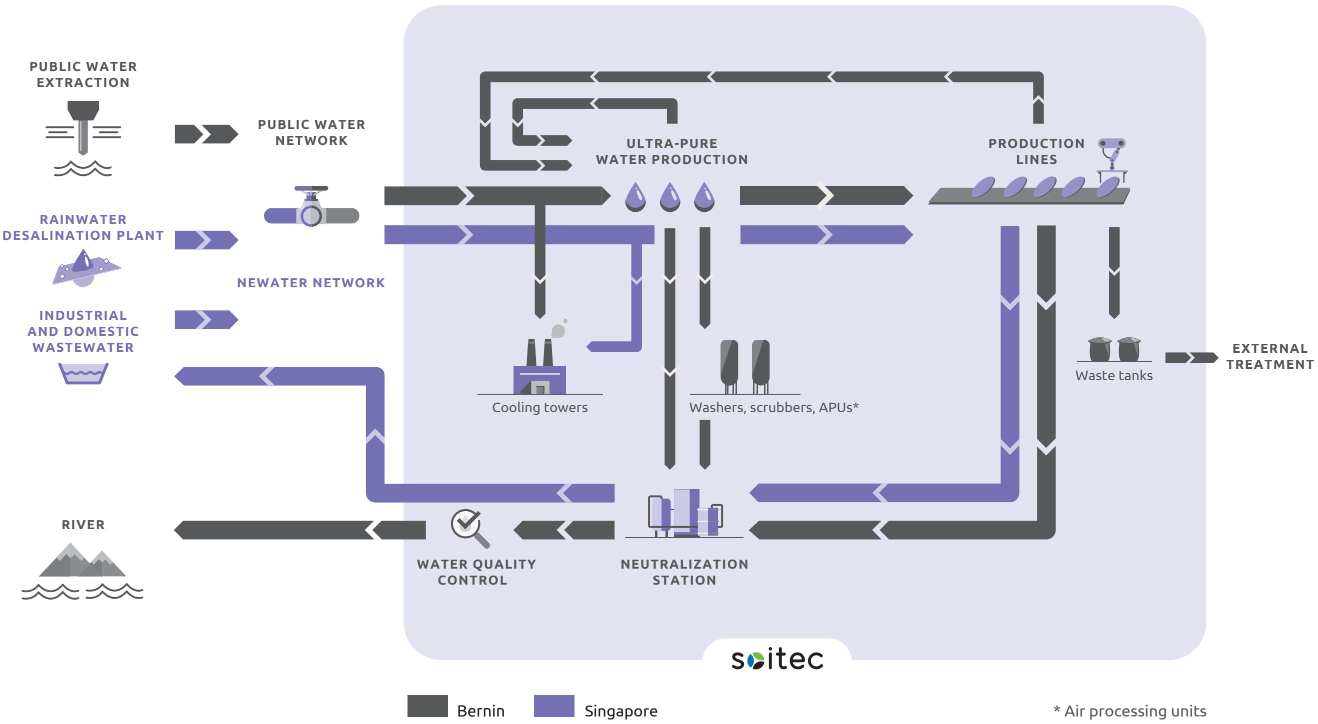
Soitec's water use is mainly industrial (99.6%), as its production process uses ultra-pure water, which is produced on-site from raw water. Ultra-pure water is used to clean wafers, which is an essential step in the manufacture of its products. The water supply for the Bernin site comes from two catchments in the Romanche valley in France. In Singapore, operations are supplied by the industrial water system, which uses NEWater – water that is 99% recycled from wastewater. The wastewater produced at the end of all the various processes is then either reused directly at the site after purification, or treated, with discharge segregation (see section 3.5.5.1).

At March 31, 2023, based on data from the World Resources Institute, none of its production sites are located in a water stress area. This situation could change in the next few years for the Singapore site, but discussions are under way with the government and new investments are planned. The Soitec Belgium site is in a high risk situation, but represents only 0.2% of the Group's withdrawals.

	Water stress level according to the World Resources Institute	Percentage of Soitec's water withdrawals
Pasir Ris	Low	45.2%
Bernin, NOVASiC	Low to medium	54.6%
Soitec Belgium	Medium to high	0.2%

Soitec participates in the CDP assessment on the topic of "Water Security", and its water management policy has been awarded a B score (above the industry average of B-).

WATER CYCLE AT SOITEC



3.5.3.2 Preserve water resources by limiting withdrawals

Soitec's water preservation efforts have two key focuses:

1. **reducing the volume of water withdrawn;**
2. **increasing the proportion of water recycled and reused in the Group's processes.**

Soitec's teams are taking action at the Group's sites to reduce water withdrawals, and recycle and reuse water in production equipment and technical facilities. Since calendar year 2022, "water" officers have been appointed in each department: facilities, processes, equipment, etc.

The drive to optimize water is a daily part of the management of the production facilities. In fiscal year 2022-2023, Soitec installed monitoring tools on its clean room equipment to measure its water use as closely as possible. A solution for modeling its water use by product, and thereby identifying potential savings, is currently being reviewed and is scheduled for introduction in fiscal year 2023-2024. Soitec has also worked on adjusting the water flow rate of equipment based on production requirements in order to limit its water withdrawals as much as possible. Thanks to these measures, water withdrawals per unit of production were 30% lower in fiscal year 2022-2023 than in fiscal year 2020-2021, and Soitec therefore met this objective two years ahead of schedule. The Group's new objective for fiscal year 2029-2030 is to reduce water withdrawals by 50% versus the fiscal year 2020-2021 baseline.

Soitec has also met its objectives for recycled and reused water, with a rate of 24% at Group level (19% at Bernin and 30% at Pasir Ris) and has set itself the objective of increasing the overall proportion of water recycled and reused in its plants to 30% by fiscal year 2029-2030.

To achieve this objective, Soitec's teams mapped the various water discharges from production equipment by type of possible recycling. Two types of priority discharges were identified: water discharged during the ultra-pure water production process and water used to rinse its products.

- Ultra-pure water is a strategic issue for Soitec because its production represents 89% of its total water withdrawals. As early as 2015, Soitec set up an innovative process, now used by other players in the semiconductor industry, which consists of reusing some of the water during a particular phase in the production of ultra-pure water. In fiscal year 2022-2023, this process enabled the Group to save 8% in terms of overall water use. It will be a standard feature of its future facilities: two ultra-pure water production stations incorporating this technology are planned in Bernin, with expected savings in relation to the Group's water use in fiscal year 2022-2023 of 2% at Bernin 3 and 6% at Bernin 4. A fourth is being installed at Pasir Ris.
- Soitec's teams have also developed an innovative system to reuse some of the rinse water from its products by reintroducing it into the production process for ultra-pure water. Soitec is one of the first companies capable of reusing rinse water as a raw water production input. This initiative has already resulted in a saving of 9,000 cu.m. of water, and on a longer term basis, 23,000 cu.m. is expected to be saved at the Bernin 2 facility alone. The system is currently being deployed throughout the Group.

3.5.3.3 Engage with all stakeholders to improve water management

Water usage is a question that concerns everyone at Soitec. In fiscal year 2022-2023, in a first for an SBF 120 company, reducing water withdrawals became a performance criterion in the compensation of all employees, through free performance share plans.

Another of Soitec's aims is to engage in dialogue with all stakeholders that share the same water supply in order to take a holistic approach to the issue. Consequently, the Group is one of the first members of the Water Observatory created by the Grésivaudan community of municipalities in France, whose objective is to take a scientific and documented approach to water and all its uses throughout the region. As a member of the Observatory, Soitec can exchange information and best practices within its local ecosystem to help ensure transparent and fair use of water for domestic and industrial purposes, and to develop solutions to use less water and recycle more. Launched in March 2023, the Observatory comprises several working groups bringing together the valley's economic players by sector (industry, ski resorts, agriculture, etc.) as well as academics.

3.5.4 Preserve biodiversity to maintain a healthy and balanced local ecosystem

Objectives	Achievements	Outcome at March 31, 2023
Implementation of initiatives to promote biodiversity at Soitec's sites	› Development of an area dedicated to biodiversity at the entrance to the Bernin site › Installation of two dry hedges at Bernin › Installation of two additional beehives at Bernin	› One facility has implemented initiatives to promote biodiversity › Two facilities use no phytosanitary products for the maintenance of green spaces (except regulatory obligations)
Build partnerships to raise awareness of biodiversity	Continuation of partnerships with the LPO, Sylv'ACCTES, and the Saint-Ismier horticultural school in France	

Soitec is committed to preserving and enhancing the natural ecosystem of the regions where the Group operates. Land use is one of the main ways that Soitec impacts biodiversity. Although 79% of its surfaces are sealed, the Bernin site has close to three hectares of unsealed land, and steps are therefore being taken in cooperation with local partners to protect local biodiversity on this area.

The Bernin site has been certified as a "Refuge" by the LPO since 2020. In connection with this program, Soitec set up a five-year action plan with the charity, with a follow-up carried out every two months. During fiscal year 2022-2023, Soitec worked together with the LPO to develop the grassy area at the entrance to the site, planting local and nectar-rich plant species and installing two new beehives, in order to create an area dedicated to biodiversity. This space also allows us to raise awareness among employees of the importance of nature and biodiversity.

The four hives at the Bernin site are looked after by a local beekeeper with the help of volunteer employees who are given special training. The bees contribute to local pollination and the growth of nearby trees. In calendar year 2022, they produced 135kg of honey.

Students from the Saint-Ismier horticultural school in France also come to the site to carry out practical course work. In fiscal year 2022-2023, in consultation with the LPO, they created two dry hedges made of twigs and branches, intended to serve as a refuge for a wide range of species (such as rodents, birds and insects).

Soitec has opted to sponsor non-profit Sylv'ACCTES, which is dedicated to preserving French forestry heritage and having a far-reaching impact on climate, biodiversity and landscapes. Though this organization, in the heart of France's Grésivaudan valley, Soitec helps fund sustainable forestry actions in France's Chartreuse and Belledonne mountain ranges. Sylv'ACCTES also organizes awareness-raising activities among various groups, from young children to employees of the companies that support it. Soitec supports these activities by funding the design and distribution to school children of an educational booklet on preserving forestry heritage. Soitec employees were also given the opportunity to participate in a fundraising orienteering race at Col de Porte in France.

3.5.5 Reduce pollution and waste

Objectives	Achievements	Outcome at March 31, 2023
Limit air and water pollution	› Work carried out to reduce the Group's atmospheric emissions and to correct a breach whose origin was identified	› No breaches in Singapore › Fluoride breaches identified at Bernin and corrected
Reduce and recycle waste	› Systematic treatment of non-hazardous waste › Reduction in packaging waste to cut down freight volumes between Bernin and Singapore	› 100% of non-hazardous waste recovered › 97.4% of hazardous waste recovered and recycled

3.5.5.1 Limit air and water pollution

Soitec's atmospheric emissions come from either its production activities (fluorides, ammonia, etc.) or its boilers (NO_x, CO, etc.).

Emissions arising from production are collected at the equipment level with two networks of effluents (basic and acid), each connected to a gas scrubber (basic or acid, depending on the effluent to be treated). The gas scrubbers then neutralize the effluents by spraying water and reagent; the emissions from the gas scrubbers are analyzed by an external laboratory. No pollutant thresholds were exceeded in Singapore during the year. At Bernin, an analysis showed a slight overrun of the regulatory threshold for fluoride on 12 samples during the year.

In order to optimize the washing of gas effluents and to use the best available technologies, a campaign to replace the gas scrubbers at the Bernin site was begun in 2022 and will continue for five years.

Gaseous emissions from combustion in boilers are treated internally in the boiler via, for example, the "Low Low NO_x" burner technology installed on these units at Bernin. No regulatory thresholds were exceeded during the year in relation to emissions from boilers.

Effluents from industrial water arise from the Group's production activities. They are collected and neutralized by reagent injection in neutralization stations in order to return their pH to neutral. Analyses are carried out before they are rejected into the natural environment, either internally for certain factors, or by an external laboratory for others.

No regulatory thresholds were exceeded in Singapore in fiscal year 2022-2023. Several thresholds were exceeded at the Bernin site, but work has been carried out to remedy them.

3.5.5.2 Reduce waste

The Group produced 8,737 metric tons of waste in fiscal year 2022-2023. All hazardous waste was treated appropriately, and 97.4% was recovered and/or reused (recycled, converted into energy, or regenerated). The remainder was non-hazardous waste (NHW), such as glass, cardboard, wood and plastic arising from the Group's logistics. All of its non-hazardous waste was recovered and/or reused. Going forward, the measures being taken to reduce freight between the two sites at Bernin and Pasir Ris should enable the Group to reduce the quantity of packaging waste generated by its logistics activities.

3.6 Leverage an inclusive company culture

Thanks to employees who have been loyal to the Group for many years, Soitec has a strong corporate culture that has been built up collectively, and is underpinned by care, fairness and a shared commitment to Soitec's business and strategic goals. Both these employees and this corporate culture are vital to the Group's success, and Soitec works daily to support its teams through a human resources approach made up of a range of components that all contribute to fostering employee loyalty. Its human resources policy is based on four pillars that respond to risks and opportunities that Soitec has identified. In 2023, its efforts in this area were rewarded when it received the Gold Award for the most attractive HR Direction at the *Victoires des Leaders du Capital Humain* awards. This prize recognizes Soitec's innovative human resources policy, which creates an environment that allows employees to thrive and reach their full potential.

3.6.1 Attract and develop talent SNFP

Objectives	Achievements	Outcome at March 31, 2023
Improve the Group's reputation and attractiveness	Employer branding initiatives and relations with schools and universities expanded to Singapore	New partnerships established (Bordeaux INP, ESSEC business school in Singapore, etc.)
Hire 270 people in fiscal year 2022-2023	Continuous recruitment during the year Implementation of a new Applicant Tracking System Implementation of a new employee referral program	351 permanent hires
Maintain an average promotion rate of 13% per year until fiscal year 2025-2026	Continuation of existing action plans	17.9% promotion rate in fiscal year 2022-2023
Train employees	Annual skills reviews and training programs (one-off sessions and longer-term programs)	Start of training for the first cohort of production operators on the technician training course set up in partnership with IUT1 Grenoble 18 hours of training per person during the year

3.6.1.1 Attract talent

Attracting new employees is an essential factor in Soitec's ability to innovate and meet customers' expectations in a context of sustained growth. It is also vital for avoiding any shortage of the talent necessary for the Group's business and growth over the long term.

To that end, Soitec is continuing to pursue its policy to attract talent by developing its employer brand, and it recruited over 350 people on permanent contracts during the year.

In France, the Group strengthened its partnerships with several schools and took part in more job fairs outside the Grenoble employment catchment area (where it already has an excellent reputation) to increase its visibility to candidates from other regions and with different educational backgrounds. A total of five partnerships were in place at March 31, 2023. At the regional level, Soitec organized several theme-based after-work events and open houses that helped build contacts with potential candidates and create an applicant pool, which have already led to ten new hires.

Soitec also signed a partnership with the ESSEC business school in Singapore in December 2022. Among the notable opportunities created by the partnership, the Pasir Ris site organized its first job dating event, during which 80 candidates for permanent and apprenticeship positions were able to meet and talk to Soitec employees. Three candidates were hired immediately as a result of these programs.

In order to facilitate the recruitment process and its management, in fiscal year 2022-2023 the Group introduced an Applicant Tracking System (ATS). This collaborative tool allows all teams to use the same recruitment management application, more easily track applications and therefore better steer the Group's performance.

This year, Soitec also launched a new employee referral program. A bonus of €1,000 is now paid to any employee who refers an applicant who is successfully hired, which is paid on the new hire's arrival.

When new employees arrive, they are offered an onboarding program so that everyone understands their role in the Group, their department and their team, and can identify the value they can bring to Soitec. At the same time they are informed of the rules they are expected to respect.

3.6.1.2 Develop talent and careers

In addition to the need to attract talent to support our growth, we seek to develop the technical and managerial skills of all of employees in order to anticipate the skills that will be necessary for the Group's long-term growth and innovation.

The Group has been a pioneer in its industry in terms of training, by providing training programs for its technicians that lead to diplomas. As part of the partnership entered into in September 2021 between Soitec and IUT1 Grenoble, a tailored training and development program for production operators has been created. This innovative program, the only one of its kind in the Grenoble region when first launched, is designed to help the operators progress to positions as process and maintenance technicians. The first cohort of operators began training in September 2022. The operators will be trained for a total of three years, in two 18-month periods, including both theoretical training at IUT1 and practical training at Soitec. The first period will enable them to acquire the status of process or maintenance agent, and the second to progress to process or maintenance technician positions. Drawing on the success of the program and the highly positive feedback received from employees, Soitec will be extending it to other regions, notably Singapore, with the aim of working with an increasing number of academic partners.

At Group level, career support is governed by an employment and career management (GEPP) agreement within Soitec's Economic and Social Unit (ESU).

Every year, Soitec carries out people reviews to identify the skills that exist within each department as well as training and development wishes and needs. These reviews, which are conducted throughout the organization, are then discussed and consolidated during a two-day session of the Executive Committee, which enables informed decisions to be taken on human resources developments in relation to the Group's strategic ambitions. They are summarized in a report provided to the Board of Directors.

Other more specific training is also provided on a case-by-case basis to develop technical, language, and management skills, as well as on ESG topics encompassing compliance, antitrust, code of conduct, anti-corruption, life cycle analysis and water management. In total, ESG topics were the focus of 3% of the number of training hours provided.

Employees who wish to develop their careers at Soitec also have the opportunity to do so through a new internal mobility policy implemented in fiscal year 2022-2023. In a context of strong growth, this policy now allows candidates to apply without notifying their superiors to remove the risk of any obstacles to these initiatives. This approach has enabled us to collect more internal applications and therefore to fill more positions with employees already working at Soitec. During the year, 31% of positions filled at Group level were filled through internal transfers (rising to 49% in France). In terms of promotion, 18% of its employees were promoted (meaning a change to a higher grade) during the year, demonstrating the Group's desire to support its teams in taking on greater responsibility and increasing their skills.

3.6.2 Create a fulfilling and rewarding work environment and promote employee well-being

Objectives	Achievements	Outcome at March 31, 2023
Improve quality of life at work through intra-team discussions	Creation of discussion groups within teams to improve quality of life at work	63 discussion groups organized during the year
Share value with employees	Free performance share allocations	100% of Group employees

3.6.2.1 Improve quality of life at work and retain employees

After several years of measuring employee job satisfaction via a regular questionnaire (72% of employees were satisfied in fiscal year 2021-2022), and in line with the ambitions set out last year, in fiscal year 2022-2023 Soitec replaced this questionnaire with new ways of discussing quality of life at work, as agreed upon with employee representatives.

Focus groups made up of volunteer representatives of employees and management were organized, led by an external occupational psychologist. The aim of these groups is to freely discuss working conditions, particularly everyday irritants, in order to find consensus solutions to improve quality of life at work in the long term. To align this approach with the reality on the ground, the exercise was first carried out in Soitec's production units. It will be continued and expanded in the coming year.

The employee resignation rate rose in fiscal year 2022-2023, from 5.8% to 8.5%. This year-on-year increase should be interpreted in light of the international trend of changing attitudes towards work and an overall rise in resignations. Employees who leave the Group are interviewed to identify the reasons for their departure and the areas where Soitec can take action.

3.6.2.2 Share the fruits of growth with employees

To recognize employee engagement and share the fruits of growth at all levels of the Group, Soitec formalized an innovative approach to value sharing in fiscal year 2022-2023. Initiated in fiscal year 2018-2019, this approach is intended to become a permanent feature of the Group's compensation policy. It was recognized by awards in April 2021 from the French Federation of Employee and Former Employee Shareholder Associations and the Observatory of Compensation and Benefits.

In July 2022, Soitec allocated free performance shares to all its employees, whose vesting is subject to the achievement of performance conditions based on financial (revenue, EBITDA, etc.) and ESG (related to diversity, water and climate) criteria, assessed over a three-year period. These shares, whose allocation-date value corresponds to approximately two months' salary, have been allocated to all employees of the Group, from clean room operators to the Chief Executive Officer. This free share program is the result of an original approach supported by the Board of Directors. For the ESU, the details of the program were agreed upon with the three unions represented within the organization. In fiscal year 2022-2023, 100% of the Group's eligible employees were allocated rights to shares under a plan expiring in August 2025.

In addition, a previous preferred share co-investment plan – Topaz, which was opened in 2019 – expired in August 2022. Given the 97.3% achievement rate for the applicable performance criteria, each preferred share was converted into 2.06 ordinary shares, which were delivered to almost 400 employees of the ESU and in Singapore who had subscribed.

3.6.3 Promote diversity and inclusion

<table>
<tr><th>Objectives</th><th>Achievements</th><th colspan="2">Outcome at March 31, 2023</th></tr>
<tr><td>Increase the proportion of women in the workforce to at least 40% by fiscal year 2029-2030</td><td rowspan="3">Budget dedicated to reducing pay inequality
Awareness-raising campaigns
Creation of a women's network</td><td>35.3%</td><td rowspan="3">Gender equality index:
› Bernin: 94/100
› Dolphin Design Meylan: 94/100 (+3 points)</td></tr>
<tr><td>At least 30% of senior management positions to be held by women by fiscal year 2029-2030 (job grade ≥ 150)</td><td>23%</td></tr>
<tr><td>At least 30% of Executive Committee members to be women by fiscal year 2025-2026/At least 40% by fiscal year 2029-2030</td><td>27.3%</td></tr>
</table>

3.6.3.1 Promote gender diversity in the semiconductor industry

Soitec operates in a traditionally male-dominated industry, and is therefore redoubling its efforts to attract and promote female talent within the Group. At March 31, 2023, women made up 35.3% of Soitec's workforce, and the objective is to increase the proportion of women at all levels of the organization. Regarding the proportion of women on the Executive Committee and in senior management positions, Soitec has met its fiscal year 2024-2025 objectives two years ahead of schedule.

Thanks to various initiatives, progress is being made towards increasing the proportion of women in the Group:

- Soitec has been delivering a women's empowerment training program for several years. The topic is also addressed in leadership and management training sessions;
- gender issues are included in industrial relations;
- the recruitment agencies that Soitec uses are required to propose both men and women candidates for all positions, with equivalent skills;
- Soitec ensures that international mobility opportunities are offered to the women in its workforce, as international exposure is an important lever for career development. In fiscal year 2021-2022, one-third of the employees on international mobility were women.

At the end of calendar year 2022, a women's network was created, which will be the liaison for diversity issues with management and will contribute to raising awareness among Group employees. Communication campaigns are also regularly conducted to highlight the importance of gender equality.

In order to close any pay gaps detected for equivalent positions, Soitec allocates a budget each year to reducing wage inequality. To accurately guide these efforts, Soitec measures the average pay gap in each of its entities, for each professional category and for each age group. The pay gaps that exist are largely due to the fact that women make up a lower proportion of the highest-paying employee categories.

GENDER PAY GAP BY CATEGORY AND AGE GROUP

Operators	-5.65%
Technicians and office workers	-2.33%
Engineers and executives	-11.43%

Under 25	-7.09%
25-35	-10.20%
36-45	-8.43%
46-55	-19.12%
Over 55	-31.91%

Soitec also seeks to ensure that all promotion campaigns (together with pay rise campaigns) ensure equal access between genders, in order to respect the gender balance, and remedy imbalances at all levels of the Group. In fiscal year 2022-2023, 17% of men and 19% of women at Soitec received a promotion.

As a sign of the importance that Soitec places on diversity and inclusion, diversity at Soitec is one of the three ESG performance criteria applicable to the free performance shares allocated to employees as well as the compensation of the Chief Executive Officer. Soitec's performance in this area was recognized during fiscal year 2022-2023 with the SEMI Industry Leader in Diversity and Inclusion Award at SEMICON Europe.

3.6.3.2 Commit to fighting discriminatory behavior

The fight against discrimination in all its forms is at the heart of the Group's values. In particular, Soitec has strong commitments to fighting gender stereotypes and discrimination against LGBTQIA+ people. These commitments are based on a broader, holistic approach to gender.

A pioneering agreement was signed during fiscal year 2020-2021 between Soitec and its unions, with the aim of combating stereotypes, promoting inclusion comprehensively, regardless of gender and orientation, and refusing the exclusion of categories of staff through invisibilization which prevents them from asserting their rights.

In addition to campaigns to raise awareness of sexist and heterosexist behavior and regular communications on the subject, several reporting channels are available. Four liaison officers are specifically trained in managing cases of discrimination reported within the Group, and the new anonymous whistleblowing platform launched in March 2023 includes a section on harassment, including discriminatory behavior. Soitec's objective is clear: to remove the obstacles that could discourage a whistleblower from reporting, while at the same time making clear that the Group has a zero tolerance policy on discrimination and harassment.

Soitec is also a signatory of the United Nations "Free & Equal" code of conduct, demonstrating that its commitment applies more broadly to all Group entities worldwide. A conference and workshops were held on this subject during the sustainable development week organized by Soitec.

The proportion of employees with disabilities was 5.1% in fiscal year 2022-2023, compared to 4.48% in the previous year. Soitec works to promote the employment of people with disabilities on a daily basis, through recruitment, job adaptations to maintain employment, and assistance in obtaining recognized status as workers with disabilities. Soitec participates in the organization of Linkday, an event for people with disabilities that brings together numerous companies in the Grenoble area, and is part of the Talent H+ network that organizes recruitment forums. In the year ahead, Soitec plans to build on its partnership with Exéco, a consulting firm specialized in these issues, to identify the levers available to improve the integration of disabled workers. An agreement will be drafted to determine the next measures to be put in place, such as employee awareness programs or specific training for recruiters and managers. Soitec also plans to set up a monitoring committee with the trade unions to perform annual assessments and define forward-looking data.

3.6.4 Ensure the health and safety of employees SNFP

Objectives	Achievements	Outcome at March 31, 2023
Maintain a frequency rate of workplace accidents with lost time of below 2.9	› Continuation of the Safe Culture program › New incident-reporting tool › Dedicated investments	Frequency rate = 3.1
Conduct 850+ safety tours (Bernin + Pasir Ris)	Monthly monitoring of safety tours conducted	863 tours conducted (101%)

3.6.4.1 Promote a safety culture in the Group through prevention and awareness

Soitec is a major player in the semiconductor industry and safety is, more than ever, a key issue in its industrial activities. Its policy is to anticipate health and safety risks by identifying them, raising awareness among all employees and implementing appropriate preventive measures. Although the Group performs better than the industry average in this area, Soitec is nevertheless aiming for excellence and zero accidents for its employees and all those who work at its sites.

In order to continue raising awareness among all Group employees, the Safe Culture program was continued during fiscal year 2022-2023. Its objective is to encourage employees to be proactive when it comes to their own safety and that of their colleagues by adopting safe work practices, particularly by developing the ability to be observant and identify situations that could cause an accident. To this end, mandatory e-learning awareness modules have been rolled out for new employees in the Group's main languages. At Bernin, a communication campaign on the golden safety rules addresses a particular topic every two months; a launch of this campaign at the Pasir Ris site is currently being considered for fiscal year 2023-2024.

Soitec's occupational health and safety performance is reviewed monthly by the safety committees of the Bernin and Pasir Ris sites, which monitor the accident frequency and severity rates as well as the number of safety tours conducted within the Group by each manager. These safety tours have a dual objective: to identify any health and safety risks in the workplace and to remind everyone of management's commitment to protecting the health and safety of employees. Thanks to their aim of continuous improvement, both the Bernin and Pasir Ris sites hold ISO 45001 certification.

Soitec is also attentive to the health and safety of external workers present at its sites, and the Group has health and safety officers specifically dedicated to these workers. Its objective is to reduce the accident frequency rate for external workers by 50%. We are making a particular effort in relation to the Bernin and Pasir Ris extension projects (which represent different risks from the Group's normal production activities). Although the construction sites are legally independent of Soitec, and the Group is therefore not liable for any accidents that may occur, two external supervisors have joined the HSE team on a full-time basis to ensure the safety of the 250 workers on the site and compliance with the applicable rules (e.g., safety inspections, prevention and awareness-raising for external companies, etc.).

In addition to these initiatives to promote awareness and vigilance, Soitec has invested in an incident reporting tool that can be used by all employees who may identify occupational health and safety risks. The tool allows the user to report an HSE risk or problem via a dedicated channel. The platform was introduced at the Bernin site in fiscal year 2021-2022, and will be finalized at Pasir Ris in fiscal year 2022-2023. It will allow the Group to anticipate any risky situations and to address situations before a potential workplace accident occurs, with a view to reducing the accident frequency rate.

The objectives for fiscal year 2023-2024 will be to maintain tight control over occupational health and safety risks by continuing to implement the Safe Culture program, monitoring and continuously improving the frequency rate of workplace accidents, and conducting safety tours. Following completion of the construction work at the Bernin and Pasir Ris sites, risk analyses for the new workstations will be finalized (particularly for lone workers).

3.6.4.2 Invest in the safety of employees and improve workstation ergonomics

Committed to continuously improving its health and safety performance, the Group invests each year in safety and workstation adaptation. At Bernin, a new system for unpacking wafer transportation boxes has been implemented and pedestrian areas between its sites have been made safer with increased signage. At Pasir Ris, a study of ergonomic risks at workstations has been carried out as planned and will be the basis of action plans and best practices introduced in the coming year.

For fiscal year 2023-2024, a budget of €1.7 million has been set aside for health and safety and workstation ergonomics. The main projects will be installing acoustic panels to reduce noise disturbance, improving the safety of clean room floor and ceiling tiles, installing an unpacking assistance machine, and optimizing parking lot lighting.

3.6.4.3 Promote good health through physical activity and sports

Soitec's Social and Economic Committee (SEC) in the ESU offers employees on-site facilities where they can take part in a variety of sports activities, including yoga, fitness, tennis and golf. In addition, following the investments made to obtain the *Employeur Pro-Vélo* (Pro-Bike Employer) label, Soitec encourages the use of bicycles and other forms of soft mobility for all employees who have the possibility to do so.

The Pasir Ris site has its own gym, complete with weight machines, table tennis tables and other equipment. The Soitec Recreation Committee organizes a number of events, including yoga sessions, participation in marathons and departmental sports championships.

Lastly, physical activity is discussed with each employee during occupational health check-ups, and teams working irregular hours are informed about issues concerning sleep and nutrition, including a section on physical activity.

3.7 Act to become a role model for a better society

3.7.1 Manage business ethically and responsibly SNFP

Objectives	Achievements	Outcome at March 31, 2023
Strengthen the prevention system	Deployment throughout the Group of all of the compliance policies drawn up by Executive Management	
Strengthen the whistleblowing system to enable anonymous reports and third-party access	Deployment of a new online whistleblowing platform	72% of employees received training on the Code of Conduct
Assessment of third parties on risks related to corruption and international sanctions	Installation of a permanent screening tool for third parties	96% of employees have received training on competition law
Mandatory awareness-raising about the main ethical risks	Mandatory training for employees exposed to ethical risks	

3.7.1.1 Code of Conduct and ethics policies

Soitec is committed to ensuring strict compliance with the laws and standards applicable to the conduct of its business and to the values of integrity set out in its Code of Conduct, which was updated in fiscal year 2022-2023. The Group makes sure that it only enters into business relationships with stakeholders who adhere to the same rules, which are based on three key principles:

- respecting the highest standards in terms of human rights, health and the environment;
- working safely and safeguarding assets;
- acting with integrity, and in particular in compliance with the applicable laws and regulations on anti-corruption measures, competition, export control, personal data protection and the prevention of insider trading.

During the year, new policies aimed at preventing the main ethical risks to which the Group is exposed when conducting its business were implemented. Combined with the policies already in place, the strengthened ethics risk prevention system now covers:

- export control (process to be followed to ensure compliance with the applicable rules, and evaluation and monitoring of products and/or technologies subject to regulations);
- anti-corruption (including a gifts and entertainment procedure and a third-party assessment procedure);
- competition law;
- insider trading;
- personal data management.

3.7.1.2 Ethics governance

In order to ensure that its compliance program is effectively monitored, a specific ethics governance system has been set up at different levels within the Group:

- within the Board of Directors, the Audit and Risks Committee is responsible for overseeing the identification and monitoring of risks and the risk prevention system, and the Environmental, Social and Governance (ESG) Committee is tasked with overseeing the Group's goals and objectives in terms of ethics and compliance. These Committees are also closely involved in external and internal audit and control and risk management;
- the Executive Committee helps set objectives that are in line with stakeholder expectations and contributes to the implementation of the compliance program and the monitoring of related initiatives;
- a dedicated compliance and ethics team is responsible for deploying the compliance program in the Group's various departments and sites.

3.7.1.3 Employee awareness and engagement

We have strengthened our internal and external communication about our compliance system, in particular by publishing a new section dedicated to ethics on our Intranet and website. This new section sets out the Group's values and commitments as well as the applicable policies and procedures and the best practices recommended within the Group, as well as enabling all Soitec stakeholders to access its Code of Conduct and its procedures related to anti-corruption measures and competition law. In addition, it provides a point of access to the whistleblowing system described below, which includes a new online reporting platform that allows anyone to report (anonymously, if they wish) suspected breaches of the Code of Conduct, Group policies or the law.

The following ethics-related training courses were also in place in fiscal year 2022-2023:

- all new Soitec employees are given mandatory training on the Code of Conduct when they take up their positions. In fiscal year 2022-2023, 72% of employees received this training;
- all employees exposed to the risk of corruption due to their positions (management, sales, purchasing, marketing, finance, logistics, HR, etc.) must complete mandatory anti-corruption training. New materials for this training will be rolled out in the first quarter of fiscal year 2023-2024;
- 96% of employees exposed to the risk of breaching competition law (sales staff, buyers, etc.) have been given awareness-raising training through face-to-face sessions provided by a specialized law firm;
- all employees exposed to the risk of insider trading have been given face-to-face awareness-raising training;
- an e-learning module on personal data protection and cybersecurity has been deployed;
- an e-learning module on export control rules will be rolled out in the first half of fiscal year 2023-2024 to all employees concerned by this risk.

3.7.1.4 Whistleblowing system and handling of reports

The Group is committed to building a culture of trust and fair, honest communication. Soitec encourages everyone, including external stakeholders, to report in good faith any concerns they may have regarding suspected violations of the Code of Conduct, Group policies or applicable laws.

In line with this, in March 2023 the Group launched a new online whistleblowing platform, "Maât", through which all internal and external stakeholders can report (anonymously if they wish) breaches of the Code of Conduct, Group policies or applicable laws. This platform is one of the reporting channels of the overall whistleblowing system, in addition to the other ways of reporting already available to Group employees (reporting to line management, employee representatives, the human resources department, etc.). The new whistleblowing procedure – which describes in detail the procedures applied for handling reports – was appended to the Code of Conduct when the Code was recently updated. A communication campaign will be rolled out in fiscal year 2023-2024 to inform employees about the launch of this new platform and raise their awareness of ethical compliance issues.

3.7.1.5 Third-party assessments

In fiscal year 2022-2023, the Group introduced a third-party risk assessment tool covering anti-corruption measures and international sanctions. This tool – which is an integral part of the overall risk prevention system – enables the Group to carry out ongoing screening of the third parties it works with.

3.7.1.6 Risk mapping and continuous improvement process

The Group's compliance system is a living instrument of risk management and prevention and is continuously updated, adapted and improved. As part of this process, we plan to update our ethical risk map in the coming year.

3.7.1.7 Work closely with French Customs

Following the measures taken by Soitec to secure its activity throughout its international supply chain, the Group has held Authorized Economic Operator (AEO) status since 2016. This status allows the Group to benefit from accelerated customs clearance procedures and reduced controls and therefore to operate more efficiently for its customers.

3.7.1.8 Fight tax evasion

With operations in several countries, we are committed to complying with tax regulations in each location: our entities declare and pay their taxes in accordance with their local obligations and the taxes due and collaborate fully and transparently with tax authorities whenever requested. Intra-Group transactions are governed by a transfer pricing policy, which is based on OECD recommendations and particularly the arm's length principle. A comparative study of the pricing of intra-Group transactions worldwide ensures the consistency of the practices implemented.

3.7.2 Build a responsible, sustainable supply chain SNFP

Objectives	Achievements	Outcome at March 31, 2023
Enforce the regulatory framework surrounding supplier relationships	Integration of elements of the Code of Conduct of the Responsible Business Alliance (RBA) into the Supplier Quality Policy	100% of strategic suppliers have signed the Supplier Quality Policy
100% compliance with the Charter for Responsible Supplier Relations and Purchasing by 2026	Analysis of the gaps between the Charter's requirements and Soitec's practices	
Obtain ISO 20400 certification by fiscal year 2025-2026	Integration of ESG criteria into the supplier selection matrix	
	Integration of ESG criteria into supplier performance reviews	
	Launch of a carbon questionnaire for suppliers	
	Preparation of a Diversity and Inclusion questionnaire for strategic suppliers working on site	

3.7.2.1 Use responsible suppliers

All of Soitec's suppliers must comply with its Supplier Quality Policy. By signing this Policy, they commit to respecting quality and ethical requirements and to engaging in responsible social, environmental and societal practices. The Policy also encourages them to comply with the RBA Code of Conduct. To date, 100% of its strategic suppliers (including all raw material suppliers) have signed the Policy.

In order to comply with European and international regulations and to meet customers' requirements, Soitec is implementing a procedure for managing chemical substances in final products. When a supplier is first included in the approved supplier list, the Purchasing Department identifies whether it is subject to this procedure, in which case it is classified as a "Green Partner" and is required to provide chemical analyses of its products (REACH, ROHS, and others depending on the category) and to undertake not to use substances that are prohibited by Soitec. Once on the approved supplier list, suppliers are required to regularly update their documents: annually for strategic suppliers (mainly raw material suppliers) and every three years for others, but also each time there is a change in the composition of the product(s) purchased by Soitec. We pay particular attention to the minerals used by our raw material suppliers, particularly lithium tantalate, a tantalum by-product. The suppliers concerned must provide all the information required about the country of origin of the minerals, including tantalum, and the smelters and refineries used, in order to ensure that there are no breaches of the regulations relating to conflict minerals. To facilitate the monitoring and transfer of information between Soitec and its partners, the deployment of supplier relationship management (SRM) software is planned for fiscal year 2023-2024.

3.7.2.2 Further integrate ESG criteria into internal processes

In 2021, the Group signed the Charter for Responsible Supplier Relations and Purchasing (RFAR), which aims to encourage companies to adopt a balanced and sustainable relationship with their suppliers. Building on this, Soitec has set itself the objective of obtaining ISO 20400 (sustainable procurement) certification by fiscal year 2025-2026. To that end, the Purchasing Department is working on a daily basis to improve its supplier selection, assessment and auditing processes, in accordance with ISO 20400 requirements.

In terms of the selection process, as of the beginning of 2023, Soitec's main suppliers are required to complete an assessment questionnaire about their corporate social responsibility (CSR) policy. ESG criteria are included in the supplier selection matrix and currently account for 20% of the final score for all raw material suppliers, and 10% for others. In addition, employees in the Purchasing Department have now been assigned objectives to increase the volume of responsible and sustainable purchases in order to grow the Group's overall proportion of responsible purchases.

Soitec also asks its raw material suppliers to conduct a self-assessment twice a year as part of the supplier performance review (SPR). Since 2023, ESG criteria have been included as one of the regularly assessed topics (along with quality, sourcing, technology and purchasing policy), and now account for 10% of the performance score. As a result, all of the SPRs to be carried out in fiscal year 2023-2024 will include ESG criteria.

Lastly, Soitec conducts on-site audits of suppliers identified as being at risk, to ensure integration of environmental and societal issues and compliance with Responsible Business Alliance requirements. The aim is to raise suppliers' awareness and to assess the integration of ESG issues into their strategy. During the year, Soitec conducted ten audits.

3.7.2.3 Include suppliers to achieve sustainability goals

Soitec is seeking to increase its collaboration with suppliers on two major issues: climate change, and diversity and inclusion.

Regarding climate change, Soitec launched a questionnaire in January 2023 asking its suppliers to provide information on their carbon footprint and their potential strategy for reducing their greenhouse gas emissions. The information collected should enable Soitec to fine-tune its own Scope 3 emissions reporting using real data obtained directly from its suppliers, and also to include their reduction initiatives, if there are any, in the Group's own carbon footprint or, failing that, to encourage them – through its purchasing policy – to deploy an action plan to reduce the carbon footprint of the products that Soitec buys from them. Currently, 22 of its 27 main suppliers respond to the CDP Climate questionnaire. Soitec is also pursuing a policy of using sea freight instead of air freight for transporting raw materials, in order to reduce its Scope 3 greenhouse gas emissions. Since January 2023, one of its strategic suppliers in Japan has provided all of its supplies to the Singapore site via sea freight, representing approximately 20% of the annual volume of freight between this supplier and Soitec.

With regard to diversity and inclusion, Soitec launched a questionnaire for its strategic suppliers and all suppliers and service providers working at its sites, in order to assess their practices in this area and verify that they correspond to Soitec's values. The responses will be used to raise awareness of diversity and inclusion among our suppliers and help them make progress on the issue.

In order to improve the assessment of how suppliers are integrating ESG issues, Soitec plans to encourage them to use the EcoVadis platform starting as from fiscal year 2023-2024. This will provide a reliable and comparable assessment of more topics (including water management, waste, energy, ethical criteria), and will replace the two above-mentioned specific questionnaires (carbon footprint and diversity and inclusion).

3.7.3 Commit to local communities and young people SNFP

Objectives	Achievements	Outcome at March 31, 2023
Contribute to the employment of young people in the regions	Local recruitment and integration initiative targeting young people	135 young people under 26 hired during the year 10 Soitec sponsors for the Télémaque non-profit organization (+4 vs. 2022)
Support local non-profits to develop the regions	Integration of the Sésame endowment fund Continued sponsorship of Sylv'ACCTES	

3.7.3.1 Promote the attractiveness of the regions and support the local economy

Soitec's main site in Bernin, nestled among the Alps in the Grésivaudan valley in France, reflects its creation as a spin-off of Grenoble-based CEA-Leti. The Group has grown to become a major local employer in the Grenoble tech valley, in Singapore and in the other regions of the world where it operates, and has close partnerships with research institutes, universities and local authorities.

Soitec considers its local roots and interacting with local stakeholders as priorities. For that reason, in February 2021 Soitec joined the Local Economic Pact with the Grenoble-Alpes metropolitan area and the Grésivaudan and Pays Voironnais communities of municipalities in France, together with 20 other public and private partners, with the aim of increasing the resilience of the region and its socio-economic fabric. Soitec is contributing to this initiative through eight major projects to support ecological, energy, digital and local transitions.

In 2022, we became a founding member of the Sésame endowment fund, which supports non-profits that help people in need. One of the first projects carried out through this fund involved providing support to Solident, a non-profit that offers dental care to people with no social security coverage.

Soitec has opted to sponsor non-profit Sylv'ACCTES, which is dedicated to preserving French forestry heritage and having a far-reaching impact on climate, biodiversity and landscapes. In Singapore, a donation drive was organized to provide students with electronic devices to be able to attend classes remotely during the Covid-19 lockdowns. Employees also took part in charity events during the year with local non-profits and carried out a donation campaign for the most disadvantaged people.

In addition, because commuting to and from work raises issues concerning both the safety of employees and its environmental footprint, the Group takes part in discussions and projects on developing soft mobility. Since 2015, Soitec has supported responsible local agriculture by subsidizing the purchase of fruit and vegetables by its employees from sustainable and organic production with short supply chains.

Lastly, Soitec is participating in the creation of a resilient semiconductor ecosystem: its partnerships with players across the European microelectronics value chain are contributing to the European Union's goal of producing 20% of the world's semiconductors by 2030.

3.7.3.2 Support the integration of young people into the microelectronics industry

The microelectronics sector suffers from a lack of visibility and faces a shortage of talent. Consequently, Soitec is working with all its local partners to make the industry attractive and to encourage young people to pursue technical and scientific careers. To that end, the Group has created industry-specific training programs in partnership with engineering schools and universities including Grenoble-Alpes University, INP Grenoble-Phelma, the National University of Singapore (NUS), the Nanyang Technological University (NTU) and the Catholic University of Louvain. Soitec also regularly welcomes several student interns, as well as doctoral students.

Helping young people to get started on their careers is a key priority. At Group level, Soitec hired 135 people under the age of 26 between April 1, 2022 and March 31, 2023. In recognition of its commitment, Soitec has been awarded the "one young person, one solution" (*1 jeune 1 solution*) label as part of the *France Relance* government program.

Since 2020, Soitec has had a partnership with Télémaque, a non-profit that promotes equal opportunity and social mobility through dual "school-company" mentoring programs for middle school students from disadvantaged city neighborhoods. Ten Soitec employees (compared to six last year) are currently mentoring ten young people through this organization.

3.7.4 Ensure the cybersecurity of the Group's activities SNFP

17 PARTNERSHIPS FOR THE GOALS

Objectives	Achievements	Outcome at March 31, 2023
Obtain ISO 27001 certification by fiscal year 2025-2026	4 conferences organized for employees with the participation of the DGSI	205 awareness-raising communications
100% of new employees made aware of cybersecurity	Continuation of systematic training	100% of employees

In order to minimize the risk of disruption to Group activities, particularly at the operational level, Soitec has had an information systems security policy in place for more than ten years. The policy is reviewed annually under the supervision of the Director of Safety and Cybersecurity (who reports to a member of the Executive Committee and to Soitec's Chief Executive Officer). It complies with ISO 27001 requirements, for which we have started a certification process that we expect to complete in 2026.

In connection with this information systems security policy, we have implemented a management system that follows the recommendations issued by the French National Agency for the Security of Information Systems (*Agence nationale de la sécurité des systèmes d'information* – ANSSI), which allows the Group to raise its level of vigilance with regard to the risks linked to computer security depending on the socioeconomic context.

As employee behavior is one of the major aspects of information security and safety, we have included recommended behaviors in our Information Security Charter. Face-to-face training is provided to all new employees on safety, security, information protection and the General Data Protection Regulation (GDPR). All employees who onboarded between April 2022 and March 2023 received this training.

In order to raise awareness of these issues among all Group employees on a regular basis, in fiscal year 2022-2023 Soitec organized four conferences with the participation of the French domestic intelligence agency (*Direction générale de la Sécurité Intérieure* – DGSI) which were attended by more than 350 participants, and sent out more than 205 communications during the year, including fake phishing attempts. An e-learning module has been rolled out, with the objective of making it compulsory for all through the adoption of an attendance validation process.

Lastly, a number of initiatives have been put in place to strengthen the GDPR system within Soitec. Liaisons have been identified within each department, whose role is to circulate the personal data processing policy and ensure that best practices are respected.

3.8 Non-financial performance [(1)] SNFP

3.8.1 Social data

WORKFORCE

<table>
<tr><th rowspan="3">GRI 102-8</th><th colspan="5">2022-2023</th><th colspan="5">2021-2022</th><th colspan="5">2020-2021</th></tr>
<tr><th></th><th colspan="2">France & EMEA</th><th></th><th></th><th></th><th colspan="2">France & EMEA</th><th></th><th></th><th></th><th colspan="2">France & EMEA</th><th></th><th></th></tr>
<tr><th>Group</th><th>ESU Soitec*</th><th>France & EMEA (excl. EUS)*</th><th>Asia*</th><th>Americas*</th><th>Group</th><th>ESU Soitec*</th><th>France & EMEA (excl. EUS)*</th><th>Asia*</th><th>Americas*</th><th>Group</th><th>ESU Soitec*</th><th>France & EMEA (excl. EUS)*</th><th>Asia*</th><th>Americas*</th></tr>
<tr><td rowspan="2">Workforce at March 31, 2023</td><td>2,157</td><td colspan="2">1,701</td><td>424</td><td>32</td><td>2,033</td><td colspan="2">1,688</td><td>317</td><td>28</td><td>1,752</td><td colspan="2">1,515</td><td>205</td><td>32</td></tr>
<tr><td></td><td>1,524</td><td>177</td><td></td><td></td><td></td><td>1,476</td><td>212</td><td></td><td></td><td></td><td>1,330</td><td>185</td><td></td><td></td></tr>
</table>

* *ESU Soitec: Soitec Bernin, Soitec Lab, Besançon.*
France & EMEA (excl. EUS): Dolphin Design Meylan, NOVASiC, Soitec Belgium.
Asia: Singapore, Japan, South Korea, Taiwan, China.
Americas: United States, Canada.

TYPE OF CONTRACT

GRI 102-8; 405-1		2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Permanent contracts	**Number**	**1,986**	**1,870**	**1,582**	**1,396**	**1,293**
Women	%	36%	34%	33%	33%	33%
Men	%	64%	66%	67%	67%	67%
Fixed-term contracts	**Number**	**171**	**163**	**170**	**170**	**137**
Women	%	30%	37%	40%	39%	-
Men	%	70%	63%	60%	61%	-

AGE

GRI 405-1	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Under 25	8%	8%	9%	7%	6%
25-35	30%	30%	25%	25%	23%
36-45	30%	32%	35%	37%	41%
46-55	24%	23%	25%	25%	24%
Over 55	8%	7%	6%	6%	6%
Average age	**39.5**	**39.3**	**39.5**	**39.3**	**-**
Average seniority	**6.9**	**7.3**	**7.7**	**8.2**	**-**

(1) *The organizational scope covered is described in section 3.10.1.2* Scope.

SOCIO-PROFESSIONAL CATEGORY

GRI 405-1		2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Operators	%	27%	27%	27%	27%	27%
› *o/w women*	*%*	*46%*	*45%*	*45%*	*44%*	*36%*
› *o/w men*	*%*	*54%*	*55%*	*55%*	*56%*	*64%*
Technicians and office workers	%	29%	29%	29%	29%	30%
› *o/w women*	*%*	*32%*	*31%*	*29%*	*30%*	*27%*
› *o/w men*	*%*	*68%*	*69%*	*71%*	*70%*	*73%*
Engineers and executives	%	44%	44%	44%	44%	43%
› *o/w women*	*%*	*31%*	*30%*	*30%*	*29%*	*36%*
› *o/w men*	*%*	*69%*	*70%*	*70%*	*71%*	*64%*
Composition of the Executive Committee	Number	11	11	11	11	11
› *o/w women*	*%*	*27.3%*	*18.2%*	*18.2%*	*18.2%*	*9%*
› *o/w men*	*%*	*72.7%*	*81.9%*	*81.9%*	*81.9%*	*91%*
Senior management	Number	181	154	-	-	-
› *o/w women*	*%*	*23%*	*19%*	-	-	-
› *o/w men*	*%*	*77%*	*81%*	-	-	-

TYPE OF WORK

GRI 102-8		2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Administrative	%	16%	15%	14%	13%	13%
Sales and marketing	%	3%	3%	3%	2%	4%
R&D	%	18%	19%	20%	23%	23%
Production	%	63%	64%	63%	62%	61%

NATIONALITIES

		2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Employees with nationalities other than French	%	25%	21%	18%	17%	-
Number of nationalities	Number	51	49	42	-	-
Expatriates	Number	9	7	4	5	-

WORKING HOURS

		2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Night employees	%	21%	20%	19%	18%	-
Shift workers	%	44%	46%	46%	45%	-
Percentage of employees with physical hardship factors in their work	%	11%	10.5%	10.7%	11.2%	-
Part-time workers	%	6%	5.21%	5.65%	7%	-
› *o/w women*	*%*	*67%*	*66%*	*64%*	*67%*	-
› *o/w men*	*%*	*33%*	*34%*	*36%*	*33%*	-

MOVEMENTS IN THE WORKFORCE

GRI 401-1; 405-1		2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Total change in the workforce	**Number**	**124**	**281**	**186**	**136**	**338**
Operators	Number	32	73	58	34	52
› *o/w women*	*%*	*59%*	*48%*	*47%*	*59%*	-
› *o/w men*	*%*	*41%*	*52%*	*53%*	*41%*	-
Technicians and office workers	Number	37	74	58	33	63
› *o/w women*	*%*	*57%*	*41%*	*17%*	*30%*	-
› *o/w men*	*%*	*43%*	*59%*	*83%*	*70%*	-
Engineers and executives	Number	55	134	70	69	223
› *o/w women*	*%*	*47%*	*28%*	*36%*	*38%*	-
› *o/w men*	*%*	*53%*	*72%*	*64%*	*62%*	-
New hires	**Number**	**542**	**582**	**444**	**351**	**524**
o/w permanent contracts	Number	351	345	249	177	345
› *o/w women*	*%*	*42%*	*34%*	*33%*	*36%*	-
› *o/w men*	*%*	*58%*	*66%*	*67%*	*64%*	-
o/w fixed-term contracts	Number	191	237	195	174	179
› *o/w women*	*%*	*33%*	*42%*	*41%*	*37%*	-
› *o/w men*	*%*	*67%*	*58%*	*59%*	*63%*	-
New hires under 26	**Number**	**135**	**195**	**-**	**-**	**6**
› *o/w women*	*%*	*36%*	-	-	-	-
› *o/w men*	*%*	*64%*	-	-	-	-
Turnover rate	**%**	**10.5%**	**7.5%**	**6.9%**	**6.9%**	**4%**
Resignation rate	**%**	**8.5%**	**5.8%**	**3.9%**	**4.9%**	**2%**
› *o/w women*	*Number*	*56*	*26*	*19*	-	-
› *o/w men*	*Number*	*120*	*66*	*37*	-	-
Departures (on all grounds)	**Number**	**418**	**320**	**258**	**215**	**186**

GENDER BALANCE

GRI 405-1		2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Percentage of women in the workforce	%	35.3%	34.2%	33.6%	33.7%	32.9%
Percentage of men in the workforce	%	64.7%	65.8%	66.4%	66.3%	67.1%
Percentage of women hired	%	42%	34%	33%	-	-
Percentage of women operators hired	%	73%	60%	59%	-	-
Percentage of women technicians hired	%	30%	33%	27%	-	-
Percentage of women engineers/executives hired	%	36%	27%	29%	-	-
Percentage of women senior managers hired (job grade ≥ 150)	%	35%	22%	8%	-	-
Gender equality index		94/100 (ESU and Dolphin Design Meylan)	ESU: 94/100 Dolphin Design Meylan: 91/100	ESU: 94/100 Dolphin Design Meylan: 88/100	ESU: 89/100 Dolphin Design Meylan: 79/100	-

COMPENSATION

GRI 405-2		2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Average % increase	%	**6.25%**	**3.20%**	**1.83%**	**7.00%**	**-**
Average gender pay gap	%	**-17.00%**	**-16.76%**	**-15.82%**	**-16.69%**	**-**
Operators	%	-5.65%	-6.43%	-5.29%	-3.3%	-
Technicians and office workers	%	-2.33%	-0.5%	-0.07%	-0.5%	-
Engineers and executives	%	-11.43%	-13.44%	-13.47%	-11.82%	-
Under 25	%	-7.09%	-16.15%	-	-	-
25-35	%	-10.20%	-2.74%	-	-	-
36-45	%	-8.43%	-12.39%	-	-	-
46-55	%	-19.12%	4.87%	-	-	-
Over 55	%	-31.91%	-45.07%	-	-	-
Year-on-year change in average pay gap	Percentage point	**0.24**	**0.94**	**-0.87**	**0.31**	**-**
Operators	Percentage point	-0.98	1.14	1.99	-0.52	-
Technicians and office workers	Percentage point	1.83	0.43	-0.43	-0.77	-
Engineers and executives	Percentage point	-2.01	-0.03	1.65	-0.24	-
Under 25	Percentage point	2.03	-	-	-	-
25-35	Percentage point	0.8	-	-	-	-
36-45	Percentage point	0.92	-	-	-	-
46-55	Percentage point	0.07	-	-	-	-
Over 55	Percentage point	-0.08	-	-	-	-
% of women among top ten highest paid employees	%	**20%**	**10%**	**10%**	**-**	**-**
Employees whose salary is higher than the legal minimum wage	%	**100%**	**100%**	**100%**	**100%**	**-**

INCENTIVES, PROFIT-SHARING AND BONUSES

		2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Profit-sharing paid	€ thousands	1,466	-	1,227	2,469	-
Incentives paid	€ thousands	6,660	4,909	4,351	4,200	-
Bonuses	€ thousands	-	-	204	530	-

PAYROLL

		2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Payroll	€ thousands	170,679	155,722	125,472	117,802	-
o/w employer social security contributions	€ thousands	*47,264*	*46,399*	*41,162*	*32,988*	-

ABSENTEEISM

GRI 403-9		2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Overall absenteeism rate	%	4.27%	4.17%	4.29%	1.40%	-

DISABILITY

GRI 405-1		2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Percentage of employees with disabilities	%	5.1 (ESU)	4.48 (ESU)	5.26 (ESU)	6.19 (ESU)	-
Number of employees with disabilities	Number	72	63	62	57	-

HEALTH AND SAFETY

GRI 403-9; 403-10		2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Workplace accidents with lost time	Number	10	5	8	7	-
Frequency rate of workplace accidents with lost time	%	3.1	1.7	3.1	3	-
Severity rate of workplace accidents	%	0.17	0.09	0.03	0.05	-
Number of occupational diseases reported	Number	4	1	2	1	-
Number of occupational diseases recognized	Number	2	1	1	-	-
Number of safety tours	Number	863	780	-	-	-

REMOTE WORKING

		2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Employees with an employment contract amendment providing for remote working	%	24%	25%	15%	-	-

QUALITY OF LIFE AT WORK

		2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Questionnaires	Number	-	1	2	-	-
Participation rate	%	N/A	81%	91%	-	-
Satisfaction rate	Points out of 100	N/A	72%	70%	-	-
Discussion groups	Number	63 (ESU)	-	-	-	-
Number of employees involved	Number	51 (ESU)	-	-	-	-
Number of employees represented	Number	1,218 (ESU)	-	-	-	-
Number of reports processed, commitments made and initial measures taken	Number	75 (ESU)	-	-	-	-

TRAINING

GRI 404-1; 412-2		2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Training hours per employee	**Hours**	**18.59**	**17.24**	**14.68**	**24.50**	**-**
% of employees who received training during the fiscal year	**%**	**88%**	**80%**	**75%**	**86%**	**-**
Breakdown between men and women of employees who received training during the fiscal year	%/%	64.6%/35.4%	65.9%/34.1%	67.9%/32.1%	-	-
% of women who received training during the fiscal year	%	88%	79%	71%	-	-
% of men who received training during the fiscal year	%	88%	81%	77%	-	-
Breakdown of training hours by socio-professional category						
Operators	Hours	27%	22%	15%	-	-
Technicians and office workers	Hours	32%	33%	25%	-	-
Engineers and executives	Hours	41%	45%	60%	-	-
Training hours per topic						
Business-related technical training	Hours	15,069	10,034	10,018	-	-
Management/Projects	Hours	1,330	5,251	3,427	-	-
Languages/Office technology	Hours	2,313	2,926	2,633	-	-
Personal development/Professional efficiency	Hours	3,582	3,075	1,582	-	-
Quality	Hours	4,017	2,622	1,831	-	-
Health, safety and the environment	Hours	-	8,509	4,977	-	-
Health and safety	Hours	11,424	-	-	-	-
ESG	Hours	986	-	-	-	-

PROMOTIONS

		2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Promotion rate	**%**	**17.9%**	**17.1%**	**14.8%**	**10.4%**	**-**
Breakdown between men and women of employees promoted during the fiscal year	%/%	36.9%/63.1%	37.2%/62.8%	37.1%/62.9%	38.2%/61.8%	-
% of women promoted during the fiscal year	%	19.1%	19.1%	16.8%	12%	-
% of men promoted during the fiscal year	%	17.3%	16.1%	13.9%	9.7%	-
Breakdown between men and women of operators promoted	%/%	46.9%/53.1%	47.2%/52.8%	40.8%/59.2%	-	-
Breakdown between men and women of technicians promoted	%/%	35.6%/64.4%	31.4%/68.6%	41.1%/58.9%	-	-
Breakdown between men and women of engineers/executives promoted	%/%	30.1%/69.9%	33%/67%	32%/68%	-	-
Percentage of women operators promoted during the fiscal year	%	22.3%	23.6%	13.2%	-	-
Percentage of men operators promoted during the fiscal year	%	21.0%	20.6%	14.9%	-	-
Percentage of women technicians promoted during the fiscal year	%	19.3%	20.6%	19.8%	-	-
Percentage of men technicians promoted during the fiscal year	%	16.9%	18.7%	11.8%	-	-
Percentage of women engineers/executives promoted during the fiscal year	%	16.1%	14.4%	16.8%	-	-
Percentage of men engineers/executives promoted during the fiscal year	%	16%	12.4%	15%	-	-

- **INTERNAL MOBILITY**

		2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Internal mobility rate	%	31%	-	-	-	-

- **INDUSTRIAL RELATIONS**

GRI 102-41		2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Collective agreements signed during the fiscal year	Number	5	5	6	9	-
Collective agreements in force	Number	33	33	35	35	-
Strike days	Number	50	15	-	13	-
Entities with employee representative bodies	Number	2 (ESU and Dolphin Design Meylan)	3 (ESU, Dolphin Design Meylan and Frec|n|sys)	3 (Bernin, Dolphin Design Meylan and Frec|n|sys)	2 (ESU and Dolphin Design Meylan)	-
Meetings of employee representative bodies for the sites concerned	Number	71	97	99	100	-
Percentage of employees covered by collective agreements	%	77%	83%	86%		-

3.8.2 Environmental data

- **ENERGY**

GRI 302-1; 302-3		2022-2023	2021-2022	2020-2021	2019-2020	2019-2018
Total energy consumption	MWh	151,925	140,325	118,151	114,052	104,817
Proportion of renewable energy	%	50%	50%	0.22%	0.21%	0%
Energy consumption per unit of production (sq.cm.) to a baseline of 100	Normalized value compared with the fiscal year 2020-2021 baseline	74.6	83	100	-	-
Change in energy consumption per unit of production compared with the fiscal year 2020-2021 baseline	%	-25.36%	-17%	Baseline year	-	-
Year-on-year change in energy consumption per unit of production	%	-10%	-17%	-13%	-	-

- **SOURCES OF ENERGY**

GRI 302-1		2022-2023	2021-2022	2020-2021	2019-2020	2019-2018
Electricity	MWh	132,756	118,293	100,245	97,156	86,969
Natural gas	MWh (GCV)	18,093	20,901	17,624	16,636	17,643
Liquefied petroleum gas (LPG)	MWh	1,075	1,063	276	257	205
Renewable energies						
Green electricity purchased	MWh	75,015	70,727	16,286	-	-
Percentage of green electricity out of total electricity	%	56.5%	59.8%	13.8%	-	-
On-site green electricity production (solar photovoltaic)	Yes/No	Yes	No	-	-	-
› If yes, energy produced	kWh	445,469	-	-	-	-
› If yes, energy consumed	kWh	445,469	-	-	-	-
Biogas purchased	MWh (GCV)	899	-	-	-	-
Percentage of biogas/total gas	%	4.97%	0%	-	-	-

CARBON FOOTPRINT

GRI 305-1; 305-3; 305-5		2022-2023	2021-2022	2020-2021	2019-2020	2019-2018
1-1 Direct emissions from stationary combustion sources	$tCO_2eq.$	3,809	3,643	3,038	-	-
1-2 Direct emissions from mobile combustion sources		105	192	101	-	-
1-3 Direct emissions from processes		327	777	1,689	-	-
1-4 Direct fugitive emissions		493	327	1,021	-	-
2-1 Indirect emissions linked to electricity use		20,748	16,549	15,251	-	-
3-1 Products and services purchased		121,453	92,834	68,217	-	-
3-2 Capital assets		127,788	89,464	52,624	-	-
3-3 Emissions linked to combustion sources and energy (not included in Scope 1 or Scope 2)		1,483	1,419	2,071	-	-
3-4 Upstream transportation and distribution		23,692	22,983	15,121	-	-
3-5 Waste generated		6,088	6,556	4,447	-	-
3-6 Business travel		4,028	360	442	-	-
3-7 Employee commuting		1,579	1,851	1,515	-	-
3-9 Downstream transportation and distribution		7,565	7,252	4,585	-	-
3-12 End of life treatment of products sold		147	116	96	-	-
Total Scopes 1 and 2 emissions	$tCO_2eq.$	25,483	21,488	21,101	-	-
Total Scope 3 emissions	$tCO_2eq.$	293,824	222,835	149,118	-	-
Scope 3 emissions per million euros of added value	tCO_2/€ millions of added value	802	824	882	-	-
Change in Scopes 1 and 2 emissions in absolute terms compared with the 2020 baseline	**%**	**21%**	**2%**	**Baseline year**	**-**	**-**
Year-on-year change in Scopes 1 and 2 emissions in absolute terms		19%	2%	-	-	-
Change in Scope 3 emissions in absolute terms compared with the 2020 baseline		97%	49%	Baseline year	-	-
Year-on-year change in Scope 3 emissions in absolute terms		32%	49%	-	-	-
Change in Scope 3 emissions per million euros of added value compared with the 2020 baseline		**-9%**	**-7%**	**Baseline year**	**-**	**-**
Year-on-year change in Scope 3 emissions per million euros of added value		-3%	-7%	-	-	-

TRANSPORTATION OF WAFERS

GRI 305-5		2022-2023	2021-2022	2020-2021	2019-2020	2019-2018
Percentage of substrates transported by sea between the Bernin plant and the Pasir Ris plant (Neg-300)	%	94%	65%	24%	-	-
Percentage of substrates transported by sea between the Pasir Ris plant and the Bernin plant	%	17%	N/A	N/A	-	-

WATER

GRI 303-3		2022-2023	2021-2022	2020-2021	2019-2020	2019-2018
Total water withdrawal	ML	1,961	2,035	1,639	1,496	-
› of which % taken in areas of low water stress	%	*45.2%*	-	-	-	-
› of which % taken in areas of low-to-medium water stress	%	*54.6%*				
› of which % taken in areas of medium-to-high water stress	%	*0.2%*				
Water withdrawals per unit of production (normalized value)	Normalized value compared with the fiscal year 2020-2021 baseline (L/sq.cm.)	69.5	86.9	100	-	-
Change in water withdrawals (L/sq.cm.) compared with the fiscal year 2020-2021 baseline	%	-30.54%	-13.13%	Baseline year	-	-
Year-on-year change in water withdrawals (L/sq.cm.)	%	-20.05%	-13.13%	-8.25%	-	-

SOURCES OF WATER WITHDRAWALS

GRI 303-3; 303-5		2022-2023	2021-2022	2020-2021	2019-2020	2019-2018
Surface water	ML	1,071	1,130	1,016	1,049	1,028
Ground water	ML	-	-	-	-	-
Sea water	ML	-	-	-	-	-
Municipal water supplies	ML	890	905	619	447	349

WATER RECYCLING AND REUSE

GRI 303-5		2022-2023	2021-2022	2020-2021	2019-2020	2019-2018
Total volume of water withdrawn	ML	2,594	2,447	1,948	1,660	1,542
Total volume of water recycled and reused	ML	633	412	313	164	164
Percentage of water recycled and reused	%	24.40%	16.83%	16.08%	9.87%	10.63%

AIR POLLUTANTS

GRI 307-1		2022-2023	2021-2022	2020-2021	2019-2020	2019-2018
Regulatory breaches	Number	1	1	5	1	6
Pollution-related disputes in progress	Number	-	-	-	-	-
Environmental incidents	Number	2	1	1	-	-
VOCs emitted into the atmosphere	Metric tons	5.8	6.88	5.9	-	-
PFCs emitted into the atmosphere	kg	-	-	-	-	-
Refrigerants						
R134a	*kg*	*181.2*	*70*	*774*	-	-
R407c		-	-	*9*	-	-
R404a		*65*	*60*	-	-	-

WATER DISCHARGES

GRI 303-5; 307-1		2022-2023	2021-2022	2020-2021	2019-2020	2019-2018
Volume of water discharge	cu.m.	1,628,807	1,624,735	1,378,370	1,251,167	823,663
Volume of water discharge after treatment	cu.m.	1,628,807	1,624,735	1,378,370	1,251,167	823,663
Regulatory breaches	Number	8	9	21	7	8

WASTE

GRI 306-3; 306-4; 306-5		2022-2023	2021-2022	2020-2021	2019-2020	2019-2018
Waste produced	Metric tons	8,742	7,790	6,547	6,233	4,866
Waste generated per unit of production (normalized value)	Value normalized to a baseline of 100	77	82	100	-	-
Non-hazardous waste (NHW)	Metric tons	880.4	740.4	661.1	569.4	396.8
Hazardous waste (HW)	Metric tons	7,881	7,050	5,886	5,664	4,469
Non-hazardous waste (NHW) used for energy production	Metric tons	557	171	140	145	147
Non-hazardous waste (NHW) recycled	Metric tons	187	270	330	261	195
Non-hazardous waste (NHW) recovered	Metric tons	880	441	473	404	342
Non-hazardous waste (NHW) not recovered	Metric tons	3	299	187	161	54
Hazardous waste (HW) recycled/regenerated	Metric tons	1	1,142	938	828	822
Hazardous waste (HW) used for energy production	Metric tons	2,993	3,475	2,723	2,785	2,780
Hazardous waste (HW) recovered	Metric tons	7,634	4,618	3,658	3,612	3,602
Hazardous waste (HW) not recovered	Metric tons	246	2,432	2,227	2,050	868
Percentage of non-hazardous waste (NHW) recovered	%	100%	60%	72%	71%	86%
Percentage of non-hazardous waste (NHW) recycled	%	21%	36%	50%	46%	49%
Percentage of hazardous waste (HW) recovered + recycled	%	97%	65%	62%	64%	81%
Percentage of hazardous waste (HW) used for energy production	%	38%	49%	46%	49%	62%

BIODIVERSITY

GRI 304-2; 304-3		2022-2023	2021-2022	2020-2021	2019-2020	2019-2018
Total surface area covered by Soitec	sq.m.	135,386.12	135,386.12	135,386.12	135,386.12	134,588.00
Total sealed surface area, e.g., buildings, paved parking lots, etc.	sq.m.	106,859.12	98,269.12	98,269.12	97,769.12	90,186.00
Facilities located near protected areas (e.g., Natura 2000 in France, national parks, etc.)	Number	1	1	1	1	1
Facilities using no phytosanitary products for the maintenance of green spaces (except regulatory obligations)	Number	1	2	2	1	1
Facilities that have implemented initiatives to promote biodiversity	Number	1	1	1	1	1

3.8.3 Societal data

ETHICS

GRI 412-2		2022-2023	2021-2022	2020-2021	2019-2020	2019-2018
Employees having completed the e-learning module on the Code of Conduct	Number	1,562	1,417	1,141	-	-
Number of breaches of the Code of Conduct	Number	-	-	-	-	-

INNOVATION

		2022-2023	2021-2022	2020-2021	2019-2020	2019-2018
Percentage of revenue dedicated to gross R&D (before capitalization)	%	11.3%	12.5%	-	-	-
Patents	Number	4,083	3,739	3,564	3,300	3,500
Patents filed during the year	Number	391	283	285	238	-
Employees working in R&D	Number	388	386	352	358	301
New inventors during the year (first patent filed)	Number	6	14	6	12	-
Total number of inventors (at least one patent)	Number	57	54	40	47	-
Partnerships for innovation	Number	15	15	15	15	-

RESPONSIBLE SUPPLY CHAIN

GRI 308-1; 414-1; 414-2		2022-2023	2021-2022	2020-2021	2019-2020	2019-2018
Strategic suppliers that have signed the Supplier Quality Policy	%	100%	100%	-	-	-

CYBERSECURITY

GRI 418-1		2022-2023	2021-2022	2020-2021	2019-2020	2019-2018
Incidents processed/occurred	Number	-	-	-	-	-
Employees made aware of cybersecurity	%	100%	100%	98%	-	-
Sites/entities with a Data Protection Officer (DPO) or equivalent	Number	1	1	1	1	-

3.9 Note concerning the EU Taxonomy SNFP

3.9.1 Information about the Taxonomy Regulation

Pursuant to the obligations under Regulation (EU) 2020/852 of June 18, 2020, the Soitec Group must disclose the percentage of its revenue (referred to as "turnover" in the Taxonomy Regulation), capital expenditure (CAPEX) and certain operating expenses (OPEX) that are eligible for and aligned with climate change mitigation and adaptation objectives according to the EU Taxonomy for fiscal year 2022-2023.

Eligible economic activities are those described in the Delegated Acts to Regulation (EU) 2020/852 (the "Regulation") and correspond to activities that have the potential to contribute substantially to one of the following environmental objectives:

- climate change mitigation;
- climate change adaptation;
- the sustainable use and protection of water and marine resources;
- the transition to a circular economy, waste prevention and recycling;
- pollution prevention and control;
- the protection and restoration of biodiversity and ecosystems.

At March 31, 2023, the European Commission has only published a delegated act for the first two objectives. The Group's eligible activities have therefore been analyzed with respect to the climate change mitigation and adaptation objectives.

An economic activity is considered sustainable if it is "Taxonomy-aligned", i.e., if it meets the conditions set out in the Regulation for the first two environmental objectives, which are:

- making a substantial contribution to, and complying with the technical screening criteria;
- doing no significant harm to any of the other environmental objectives (do no significant harm [DNSH] criteria);
- complying with minimum safeguards.

When analyzing the alignment of its activities, the Group had to make certain assumptions and judgments which are described in this chapter when they are relevant for readers' understanding.

These assumptions and judgments may change in line with subsequent market interpretations of the Regulation and following the publication by the European Commission of Frequently Asked Questions.

The criteria relating to the Taxonomy's other four objectives were in the public consultation process at the publication date of this Universal Registration Document. The Group will take into account the official requirements resulting from this process in fiscal year 2023-2024.

3.9.2 Analysis at March 31, 2023

3.9.2.1 Eligibility

The Soitec Group has conducted a detailed analysis of its economic activities throughout its geographic scope in order to identify the economic activities that correspond to the activities described in the Delegated Acts to Regulation (EU) 2020/852. This analysis was conducted by the Sustainability and Consolidation teams, with the support of the HSE and operational teams.

The following activities have been identified as eligible with respect to the climate change mitigation objective:

Activities described in the Taxonomy	Corresponding activities at Soitec
3.5 – Manufacture of energy efficiency equipment for buildings	*See description of the Group's eligible products below*
3.6 – Manufacture of other low carbon technologies	*See description of the Group's eligible products below*
5.1 – Construction, extension and operation of water collection, treatment and supply systems	Maintenance of water collection and treatment networks at the Group's production facilities
5.3 – Construction, extension and operation of waste water collection and treatment	Maintenance of waste water collection and treatment networks at the Group's production facilities
6.5 – Transport by motorbikes, passenger cars and light commercial vehicles	Rental of company vehicles, maintenance and associated upkeep
7.3 – Installation, maintenance and repair of energy efficiency equipment	Installation of equipment to improve the energy efficiency of the Group's buildings: LED lighting, insulating windows, etc.
7.5 – Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	Installation of devices for measuring, regulating and controlling the energy performance of Group buildings
7.7 – Acquisition and ownership of buildings	Management of the Group's real estate assets: leases, acquisitions and maintenance of assets
8.1 – Data processing, hosting and related activities	Data storage, processing and management through data centers

Eligible activities that generate revenue consist of the production of four types of substrates for three key markets (see section 3.1 *Business model – Soitec's businesses*). These substrates contribute to the technical and environmental performance of the end-products they are used in and enable the reduction of greenhouse gas emissions in other economic sectors.

Eligible products in relation to activity 3.5 – Manufacture of energy efficiency equipment for buildings correspond to:

- FD-SOI (Fully-Depleted Silicon-on-Insulator): FD-SOI substrates are used by the building industry in motion sensor, automation and control systems for energy-efficient buildings, as well as in products for the smart monitoring and control of heating systems and detection equipment, enabling enhanced energy efficiency in the buildings concerned.

Eligible products in relation to activity 3.6 – Manufacture of other low carbon technologies correspond to:

- RF-SOI (Radio Frequency Silicon-on-Insulator): a product that aims to reduce greenhouse gas emissions from smartphone front-end modules and connectors used in data centers by reducing the energy consumption of the targeted products while enabling equivalent performance.
- FD-SOI (Fully-Depleted Silicon-on-Insulator): a product that is used for electronic circuits in automotive and industrial radars and processors, in smart devices (IoT) and in the mobile and communications markets. This technology, which is both energy-efficient and low-consumption, enables the reduction of greenhouse gas emissions in end-markets.
- SmartSiC™: a product that aims to reduce greenhouse gas emissions and the carbon footprint of the electric vehicle market and its charging infrastructure by enabling lower energy losses, higher switching frequencies and higher operating temperatures.
- Photonics-SOI: a product that aims to reduce greenhouse gas emissions from data center connectors by reducing energy consumption at equivalent flow rates.

In order to avoid double counting, the Group identified the revenue generated by each eligible product in each of the end markets targeted for GHG emission reductions.

There are two types of eligible capital expenditure (CAPEX) in the Group's reporting for fiscal year 2022-2023.

First, capital expenditure directly related to the Group's eligible products is considered as Taxonomy-eligible.

Second, the Group's main eligible "individual measures" relate to activity 7.7 – Acquisition and ownership of buildings, and therefore concern the capital expenditure made by the Group on its real estate assets.

Operating expenses (OPEX) related to the Group's eligible products are also considered as Taxonomy-eligible.

3.9.2.2 Alignment

As with eligibility, the Group conducted an in-depth analysis of compliance with the cumulative conditions set out in the Regulation and described in the first part of this note.

I. Substantial contribution criteria

To demonstrate the substantial contribution of Soitec's eligible products to the climate change mitigation objective, the Taxonomy Regulation requires that life cycle assessments (LCAs) of the products be conducted and verified by an independent third party. At March 31, 2023, Soitec did not perform LCAs on its eligible products in accordance with the methodology defined by the Regulation for activity 3.6 – Manufacture of other low carbon technologies.

However, for the purpose of its alignment classifications at March 31, 2024, the Group plans to carry out LCAs for RF-SOI, FD-SOI and SmartSiC™ substrates as part of its Greenovation project (see section 3.5.1.2 *Accelerating the eco-design approach with the "Greenovation" project*).

II. DNSH criteria

The Group conducted a detailed analysis of the Regulation's DNSH criteria, the results of which were as follows:

- Climate change adaptation: the Group's industrial facilities have an ISO 14001 certified environmental management system which demonstrates that they manage their environmental risks. Nevertheless, said risk management does not take into account the IPCC's climate scenarios [(1)], and the implementation of an adaptation plan following potential climate change, as defined by the principle of doing no significant harm to the objective of climate change adaptation.

  As a result, Soitec is not in a position to demonstrate the alignment of its activities with the Taxonomy Regulation for this fiscal year. Consequently, the Group's alignment percentages in regards to revenue, capital expenditure (CAPEX) and operating expenses (OPEX) are zero.

  For the purpose of its alignment classifications at March 31, 2024, the Group plans to conduct an analysis of the physical risks associated with climate change and, depending on the results, to draw up an adaptation action plan.
- The sustainable use and protection of water and marine resources: Soitec is committed to managing water withdrawals by its activities. This management is carried out within the framework of the ISO 14001 certified environmental management system, and is backed by objective action plans aimed at setting the Group on a pathway to achieve a 50% reduction in water consumption per production unit (see section 3.5.3 *Ensure reasonable water use*).
- The transition to a circular economy: in addition to its regulatory obligations, the Group aims to treat all of its hazardous waste in an appropriate manner (see section 3.5.5.2 *Reduce waste*). This approach resulted in a hazardous waste recovery rate of 97% in fiscal year 2022-2023. During the year, the Group took a new step towards eco-design with the launch of the "Greenovation" project, aimed at integrating environmental criteria into Soitec's innovation choices (see section 3.5.1.2 *Accelerate the eco-design approach with the "Greenovation" project*).
- Pollution prevention and control: the Group carried out an assessment of the chemicals prohibited in accordance with generic DNSH criteria set out in Appendix C of the Delegated Act. This analysis showed that the Group complies with the various regulations referred to in Appendix C (including REACH) although it took into account the fact that the DNSH criteria may change, including the "essential use" principle, which is under development by the European Commission as part of the Chemicals Strategy for Sustainability

Pending the publication of new guidelines on these DNSH criteria, the Group continues to source from responsible suppliers committed to not using substances prohibited by Soitec (see section 3.7.2.1 *Use responsible suppliers*).

The protection and restoration of biodiversity and ecosystems: a review of the environmental impact studies of the Group's facilities was carried out in order to assess the extent to which it complies with the DNSH criteria related to the protection and restoration of biodiversity and ecosystems. The results of this review confirmed that biodiversity is taken into account in the ISO 14001 certified environmental management system.

The Group also aims to preserve biodiversity to maintain a healthy and balanced local ecosystem (see section 3.5.4 *Preserve biodiversity to maintain a healthy and balanced local ecosystem*), supported by a set of measures and initiatives designed to strengthen the commitment of all of its stakeholders (on-site actions and partnership with the Sylv'ACCTES non-profit organization).

(1) Intergovernmental Panel on Climate Change.

III. Complying with minimum safeguards

The analysis of Soitec's compliance with minimum safeguards was conducted by the Group's People & Sustainability Department.

This compliance is based on Soitec's commitment to the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the principles and rights set forth in the eight fundamental conventions cited in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

With regard to respecting human rights, Soitec relies on its risk management system as well as its internal policies and tools, such as its whistleblowing system and its ethics charter, which is included in its purchasing policy and to which all its partners are committed.

Concerning the fight against corruption, the Group has a system that complies with the obligations provided for in France's Sapin II law, such as its code of conduct and its anti-corruption policy, which are an integral part of its management policy.

In relation to taxation, the Group ensures, through its Finance Department and its local network of specialists, strict compliance with the tax policies in the countries where it operates. In particular, Soitec has a comprehensive and transparent tax transfer pricing policy in line with OECD recommendations.

The Group is also committed to competing openly and fairly wherever it operates, as reflected in its regularly updated compliance risk map, which includes risks related to fair competition. The Group has an ambitious training policy in this area, with all employees trained and made aware of fair competition through its internal Code of Conduct.

3.9.3 Taxonomy indicators

3.9.3.1 Methodology

The total revenue used for calculating the Taxonomy indicators at March 31, 2023 amounted to €1,089 million and corresponds to the amount shown in the Group's consolidated income statement, as presented in Chapter 6 of this Universal Registration Document.

The total amount of capital expenditure (CAPEX) used corresponds to the increase in the gross value of property, plant and equipment, intangible assets and right-of-use assets related to leases. This capital expenditure is presented in note 6 to the consolidated financial statements and amounted to €267.6 million at March 31, 2023.

The Group's total operating expenses (OPEX) meeting the Taxonomy definition at March 31, 2023 amounted to €123.6 million, and corresponds to short-term contracts, research and development expenses and maintenance and repair expenses.

3.9.3.2 Revenue

The Group's eligible revenue (referred to as "turnover" in the Taxonomy Regulation) amounted to €814 million at March 31, 2023, and the eligible revenue ratio was 74.7%.

Eligible revenue related to economic activity 3.6 – Manufacture of other low carbon technologies breaks down as follows:

- Eligible revenue generated by the sale of RF-SOI products to the Mobile Communications market amounted to €610 million and accounted for 56% of the consolidated eligibility ratio.
- Eligible revenue generated by the sale of FD-SOI products to the automotive, Internet of Things and communications markets amounted to €66 million and accounted for 6% of the consolidated eligibility ratio.
- Eligible revenue generated by the sale of Smart Photonics-SOI products to the communications market amounted to €43 million and accounted for 4% of the consolidated eligibility ratio.

Eligible revenue related to economic activity 3.5 – Manufacture of energy-efficient equipment for building construction, which is derived from the sale of FD-SOI products to the real estate market, amounted to €94 million and accounted for 9% of the consolidated eligibility ratio.

3.9.3.3 Capital expenditure (CAPEX)

Eligible capital expenditure (CAPEX) amounted to €171 million at March 31, 2023, and the eligibility ratio was 63.9%.

Eligible capital expenditure related to economic activity 3.6 – Manufacture of other low carbon technologies amounted to €94 million.

Eligible capital expenditure related to economic activity 3.5 – Manufacture of energy efficiency equipment for buildings amounted to €12 million.

The above eligible expenditure mainly concerns capital expenditure incurred for equipment for the production of eligible products. The amount of capital expenditure incurred for equipment for the production of eligible products was calculated based on revenue per product.

Capital expenditure corresponding to "individual measures" is also considered eligible. The main eligible capital expenditure related to activity 7.7 – Acquisition and ownership of buildings, which amounted to €60 million.

This expenditure corresponds to capital expenditure made by the Group for its real estate assets, and the contracting of new long-term leases.

3.9.3.4 Operating expenses (OPEX)

Pursuant to Delegated Regulation (EU) 2021/2178, the operating expenses (OPEX) to be taken into account for the calculation of the proportion of operating expenditure associated with sustainable economic activities are direct non-capitalized costs that relate to research and development, building renovation measures, short-term leases, maintenance and repair and any other direct expenses related to the day-to-day servicing of the assets.

For Soitec, these expenses correspond to research and development and maintenance and repair expenses.

Eligible operating expenses amounted to €44 million at March 31, 2023 and the eligibility ratio was 35.8%.

Eligible OPEX related to economic activity 3.6 – Manufacture of other low carbon technologies amounted to €41 million.

Eligible OPEX related to economic activity 3.5 – Manufacture of energy efficient equipment for buildings amounted to €2.6 million.

This expenditure mainly corresponds to research and development costs associated with eligible products and the costs of maintaining and repairing production equipment related to eligible products.

The amount of maintenance and repair expenses for production equipment relating to eligible products was calculated based on revenue per product.

3.9.4 Taxonomy templates

REVENUE

				Substantial contribution criteria						DNSH criteria										
	Code(s) (2)	Absolute turnover (3)	Proportion of turnover (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of turnover, Year N (18)	Taxonomy-aligned proportion of turnover, Year N-1 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
Economic activities (1)		€	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	*(in %)*	*(in %)*	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (Taxonomy-aligned)			**0.00%**														**0.00%**	**N/A**		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**€-**	**0.00%**														**0.00%**	**N/A**		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Manufacture of energy efficiency equipment for buildings	3.5	€94,202,000	8.65%																	
Manufacture of other low carbon technologies	3.6	€719,501,000	66.09%																	
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**€813,703,000**	**74.74%**																	
Total turnover of Taxonomy-eligible activities (A.1 + A.2)		**€813,703,000**	**74.74%**																	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy-non-eligible activities (B)		**€275,026,000**	**25.26%**																	
TOTAL (A + B)		**€1,088,729,000**	**100%**																	

- **CAPEX**

				Substantial contribution criteria						DNSH criteria										
	Code(s) (2)	Absolute CAPEX (3)	Proportion of CAPEX (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of CAPEX, Year N (18)	Taxonomy-aligned proportion of CAPEX, Year N-1 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
Economic activities (1)		€	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	*(in %)*	*(in %)*	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (Taxonomy-aligned)			**0.00%**														**0.00%**	**N/A**		
CAPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**€-**	**0.00%**														**0.00%**	**N/A**		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Manufacture of energy efficiency equipment for buildings	3.5	€12,369,884	4.62%																	
Manufacture of other low carbon technologies	3.6	€94,479,349	35.31%																	
Construction, extension and operation of water collection, treatment and supply systems	5.1	€829,662	0.31%																	
Construction, extension and operation of waste water collection and treatment	5.3	€2,089,475	0.78%																	
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	€85,000	0.03%																	
Installation, maintenance and repair of energy efficiency equipment	7.3	€240,123	0.09%																	
Acquisition and ownership of buildings	7.7	€59,922,145	22.39%																	
Data processing, hosting and related activities	8.1	€875,925	0.33%																	
CAPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**€170,891,564**	**63.86%**																	
Total CAPEX of Taxonomy-eligible activities (A.1 + A.2)		**€170,891,564**	**63.86%**																	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
CAPEX of Taxonomy-non-eligible activities (B)		**€96,708,436**	**36.14%**																	
TOTAL (A + B)		**€267,600,000**	**100%**																	

OPEX

				Substantial contribution criteria						DNSH criteria										
	Code(s) (2)	Absolute OPEX (3)	Proportion of OPEX (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of OPEX, Year N (18)	Taxonomy-aligned proportion of OPEX, Year N-1 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
Economic activities (1)		€	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	*(in %)*	*(in %)*	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (Taxonomy-aligned)			**0.00%**														**0.00%**	**N/A**		
OPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**€-**	**0.00%**														**0.00%**	**N/A**		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Manufacture of energy efficiency equipment for buildings	3.5	€2,548,282	2.06%																	
Manufacture of other low carbon technologies	3.6	€41,236,749	33.37%																	
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	€88,000	0.07%																	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5	€5,220	0.00%																	
Data processing, hosting and related activities	8.1	€340,000	0.28%																	
OPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**€44,218,251**	**35.79%**																	
Total OPEX of Taxonomy-eligible activities (A.1 + A.2)		**€44,218,251**	**35.79%**																	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
OPEX of Taxonomy-non-eligible activities (B)		**€79,345,749**	**64.21%**																	
TOTAL (A + B)		**€123,564,000**	**100%**																	

3.10 Methodological note SNFP

3.10.1 Verification and consolidation of information

The information presented in this report was audited by KPMG as the independent third party. Its conclusions are presented at the end of this chapter.

3.10.1.1 Definition of entities

Entities discussed in this chapter are referred to by their informal names. Their formal company names are given below:

Informal name	Company name
Bernin	Soitec (SA)
Soitec Lab	Soitec Lab
Singapore/Pasir Ris	Soitec Microelectronics Singapore Pte Ltd.
	Soitec Asia Holding Pte Ltd.
Dolphin Singapore	Dolphin Design Pte Ltd.
EpiGaN/Hasselt/Soitec Belgium	Soitec Belgium N.V.
Asia	Soitec Japan Inc.
	Soitec Korea LLC
	Soitec Trading Shanghai Co., Ltd.
	Soitec Microelectronics Singapore Pte Ltd. Taiwan Branch
United States	Soitec USA LLC
	Soitec USA Holding Inc.
Dolphin Design Meylan	Dolphin Design
Dolphin Design Canada	Dolphin Integration Inc.
NOVASiC	NOVASiC

Throughout the document, the term "ESU" appears several times, corresponding to economic and social unit (*unité économique et sociale* – UES). An ESU between multiple, separate companies is characterized by the establishment between the companies of an economic unit (joint management, complementary business activities) and a social unit (similar legal form and joint corporate management). For Soitec, this includes Soitec SA and Soitec Lab.

During fiscal year 2022-2023, Frec|n|sys was dissolved without liquidation by the Company, its sole shareholder, under the conditions set forth in Article 1844-5, 3° of the French Civil Code (*Code civil*), with effect from March 1, 2023, resulting in the transfer of all its assets and liabilities to the Company.

3.10.1.2 Scope

The scope of consolidation contains all the entities that Soitec owns wholly or partially, and that are consolidated in the Group's financial statements. However, some subsidiaries do not report all of their social, safety and environmental indicators. Action plans will be drawn up to obtain the relevant data for some of these indicators for future years. The subsidiaries concerned correspond to (i) recently acquired entities, (ii) entities that are not industrial facilities, for which certain indicators are less relevant, or (iii) entities that are not wholly owned by Soitec, such as Dolphin Design, which is 80%-owned. The list of subsidiaries that do not report certain indicators may differ depending on the nature of the indicator in question. The following table provides information on each indicator's scope and coverage.

Topic		Scope	% workforce	Indicators covered
Social	Workforce	Group	100%	› Workforce at March 31
				› Number of employees on permanent contracts
				› Breakdown (%) by gender, age, socio-professional category, job, nationality, working hours, geographic area
				› Number of hires by category (job; permanent/temporary; men/women; under 26) › Number of departures › Turnover rate › Resignation rate
	Gender balance			› Percentage of women hired › Gender equality index
	Compensation			› Average percentage increase › Gender pay gap › Year-on-year change in pay gap › Percentage of women among top ten highest paid employees › Percentage of employees whose salary is higher than the legal minimum wage
	Incentives, profit-sharing and bonuses			› Profit-sharing paid › Incentives paid › Bonuses
	Payroll			› Payroll (and employer social security contributions)
	Absenteeism			› Absenteeism rate
	Disability			› Percentage of employees with disabilities › Number of employees with disabilities
	Health and safety			› Number of workplace accidents with lost time › Frequency rate of workplace accidents with lost time › Severity rate of workplace accidents › Number of occupational diseases reported › Number of occupational diseases recognized › Number of safety tours
	Remote working			› Employees with an employment contract amendment providing for remote working
	Training			› Training hours per employee › Percentage of employees who received training during the fiscal year › Breakdown between men and women of employees who received training during the fiscal year › Percentage of men/women who received training › Average training hours per socio-professional category per fiscal year › Training hours per topic
	Promotions			› Promotion rate › Breakdown between men and women of employees promoted › Percentage of promotions by gender and type of work
	Internal mobility			› Internal mobility rate
	Industrial relations			› Collective agreements signed during the fiscal year › Collective agreements in force › Strike days › Entities with employee representative bodies › Percentage of employees covered by collective agreements
	Quality of life at work	ESU	71%	› Discussion groups › Number of employees involved › Number of employees represented › Number of reports processed, commitments made and measures taken

Topic		Scope	% workforce	Indicators covered
Environment	Energy	Industrial sites (4)	88%	› Total energy consumption › Proportion of renewable energy › Energy consumption per unit of production (sq.cm.) to a baseline of 100; change
	Sources of energy			› Energy consumption by source: electricity, gas (natural and LPG), renewable energy purchased, share of green energy, renewable electricity produced and consumed, biogas purchased, share of biogas
	Carbon footprint			› GHG emissions (Scope 1) › GHG emissions (Scope 2) › GHG emissions (Scope 3) › Scope 3 emissions per million euros of added value › Change
	Transportation of wafers			› Transport – percentage of substrates transported by sea between the Bernin plant and Pasir Ris (Neg-300) › Percentage of substrates transported by sea between the Pasir Ris plant and Bernin
	Water			› Total water withdrawal › Of which percentage taken in areas of low, medium-to-high and extremely high water stress › Volume withdrawn and percentage from: surface water, municipal water › Water withdrawals per unit of production (normalized value, baseline of 100); change › Volume of water withdrawals › Volume and percentage of water recycled and reused
	Air pollutants			› Breaches of air emission limits › Pollution-related disputes in progress › Environmental incidents › VOCs emitted into the atmosphere › PFCs emitted into the atmosphere
	Water discharges			› Volume of water discharge › Volume of water discharge after treatment › Number of limits breached
	Waste			› Waste produced › Waste generated per production unit › Non-hazardous waste (NHW) › Hazardous waste (HW) › NHW used for energy production › NHW recycled › NHW recovered › NHW not recovered › HW recycled or regenerated › HW used for energy production › HW recovered › HW not recovered › Percentages associated with recovery
	Biodiversity			› Total surface area covered by Soitec › Total sealed surface area › Facilities located near protected areas › Facilities using no phytosanitary products › Facilities that have implemented initiatives to promote biodiversity
	Ethics			› Percentage of employees that have completed the e-learning module on the Code of Conduct › Number of reported breaches of the Code of Conduct

Topic		Scope	% workforce	Indicators covered
Societal	Innovation	Group	100%	› Percentage of revenue dedicated to gross R&D (before capitalization) › Total number of patents › Number of patents filed › Number of employees working in R&D › New inventors (first patent filed) › Total number of inventors › Partnerships for innovation › Percentage of revenue from products containing an IEC 26474 substance
	Responsible supply chain			› Strategic suppliers that have signed the Supplier Quality Policy
	Cybersecurity			› Cybersecurity incidents handled › Cybersecurity incidents occurred › Employees made aware of cybersecurity › Sites/entities with a Data Protection Officer (DPO) or equivalent
EU Taxonomy		Group	100%	› Percentage of eligible revenue under the Taxonomy Regulation
				› Percentage of eligible CAPEX
				› Percentage of eligible OPEX

The term "Group" refers to all of the entities, namely the facilities at Bernin and Singapore; Frec|n|sys, NOVASiC and Soitec Belgium N.V.; the offices in Japan, South Korea, China, Taiwan, and the United States; Dolphin Design Meylan, Dolphin Design Singapore and Dolphin Design Canada. Soitec's industrial facilities are Bernin, Singapore, Soitec Belgium and NOVASiC, which together account for 88% of its registered workforce. Some data are not currently consolidated due to data processing differences. Work is underway to consolidate all data in the future.

3.10.2 Calculation methods

Figures are given by fiscal year, unless otherwise stated. Soitec's fiscal year starts on April 1 and ends on March 31.

A. Social data

Social data are calculated based on the registered workforce and on the jobs held (not including suspended employment contracts). The registered workforce consists of employees with an employment contract and does not include interns, temporary workers or staff on secondment.

- Registered workforce: breakdown of employees by age, geographic area, change in workforce, turnover rate, ratio of women to men.
- Jobs held: breakdown of employees by job, resignation rate, absenteeism, hardship.

Fixed-term contracts include doctoral student employment contracts and apprenticeships (work-study or vocational training), but not internships or international work experience contracts. The change in workforce is the difference between the numbers of employees who joined during fiscal year 2022-2023 and those who left during fiscal year 2022-2023.

Average workforce is the total number of employees over a 12-month period divided by 12.

The turnover rate corresponds to the sum of resignations, dismissals, terminations by mutual agreement, and departures as part of the collective employee departure plans over the previous 12 months, relative to the average annual workforce on open-ended contracts. It is calculated based on the registered workforce.

The **resignation rate** corresponds to the sum of resignations over the last 12 months, relative to the average annual workforce on open-ended contracts. It is calculated based on the number of jobs held. The absenteeism rate is the number of hours' sick leave divided by the number of hours worked.

The **gender pay gap** is calculated based on employees at work throughout the year and does not include apprentices or team leaders/project managers, as follows: (average salary of women – average salary of men)/average salary of men × 100.

The **frequency rate** corresponds to the number of lost-time accidents in the fiscal year multiplied by one million and divided by the number of hours worked over the period.

The **severity rate** is the number of calendar days of lost time multiplied by 1,000 and divided by the number of hours worked. It should be noted that days off for workplace accidents are no longer counted beyond 150 days of absence.

The frequency rate and severity rate **safety indicators** are tracked and published monthly. They are presented in graph form and calculated on a rolling year basis to capture their change over time.

These safety indicators are accessible to all staff on the internal portal as well as in the monthly "Safe" newsletter.

Workplace accidents with lost time correspond to the number of accidents resulting in at least one day not worked, not counting the day of the accident.

The **percentage of employees with disabilities** is calculated based on the regulations in force in France.

B. Environmental data

Energy and water consumption

Energy and water consumption are based on invoiced consumption.

Energy consumption per unit of production

Indicator calculated based on the Group's total energy consumption in kWh per sq.cm. produced, then normalized to a baseline of 100 set as fiscal year 2020-2021.

Water withdrawals per unit of production

Indicator calculated based on the Group's total water withdrawals in liters per sq.cm. produced, then normalized to a baseline of 100 set as fiscal year 2020-2021.

Carbon footprint

The inventory of the Group's greenhouse gas emissions was measured using business data for the 2022 calendar year.

It was carried out using the GHG Protocol international methodology. For these measurements, the emissions factors related to the electricity used by the sites in Singapore and Belgium, as well as that of its subcontracting partner Simgui in China, were updated based on the latest 2020 data from the International Energy Agency (IEA). The 2020 and 2021 figures were also updated with the new data, in order to ensure comparability for the Group's trajectory and objectives. The carbon footprint assessment measures the main greenhouse gases: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O) and the fluorinated gases (HFC, PFC, SF_6, others).

Scope 1:

- direct energy consumption at facilities;
- direct greenhouse gas emissions from non-energy sources (process gases and refrigerants).

Scope 2:

- Indirect energy consumption at facilities (electricity consumption).

Scope 3:

- procurement of goods and services, including industrial subcontracting;
- transport of goods to, between and from facilities;
- personal travel: work commutes, business travel and outside visits;
- on-site waste collection and treatment;
- property, plant and equipment;
- end of life of products and packaging put onto the market.

The carbon footprint covers four of the Group's industrial facilities, namely the two major facilities at Bernin and Pasir Ris, as well as the Hasselt and NOVASiC facilities. Only one item – use of products put onto the market – is not considered due to methodological limits. The associated uncertainty of the results is 27%. Uncertainty was calculated using the uncertainty in the data and the uncertainty in the emission factors.

Water discharges

At the Bernin facility, samples and analyses are carried out by Soitec (fluorides, ammonia, phosphorus, etc.); some analyses (COD, BOD5, SS, hydrocarbons) are carried out by Abiolab. A comparative test is carried out annually. At the Singapore facility, they are done by Setsco.

Air pollutants

At the Bernin facility, samples and analyses are carried out by Apave. At the Singapore facility, they are done by Setsco.

C. Societal data

Percentage of revenue dedicated to R&D

This is the amount of R&D before subsidies and research tax credits, in proportion to revenue, before capitalization.

Percentage of employees having completed the e-learning module on the Code of Conduct

This is an aggregate rather than annual indicator. It does not include employees who had left the workforce at March 31, 2023.

The rate is calculated by dividing the number of current Soitec employees who have completed the module by the total Soitec workforce.

Number of patents

The number of patents is calculated by adding together all the titles filed during the fiscal year: priority filings, extensions and divisional applications.

D. Methodological limits

Soitec does not consider that it has a major risk or opportunity in respect of the fight against food insecurity, food waste, respect for animal well-being and responsible, fair and sustainable food. As such, these topics are excluded from the SNFP.

3.11 Report by one of the Statutory Auditors, appointed as independent third party, on the consolidated statement of non-financial performance

This is a free English translation of the Statutory Auditor's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

For the year ended March 31, 2023

To the Annual General Meeting,

In our capacity as Statutory Auditor of your company (hereinafter the "entity") appointed as independent third party, and accredited by the French Accreditation Committee (COFRAC) under number 3-1884 (1), we have undertaken a limited assurance engagement on the historical information (observed or extrapolated) in the consolidated statement of non-financial performance, prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), for the year ended March 31, 2023 (hereinafter, the "Information" and the "Statement" respectively), presented in the Group's management report pursuant to the legal and regulatory provisions of Articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

Conclusion

Based on the procedures we have performed, as described under "Nature and scope of procedures", and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Statement is not prepared in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Preparation of the statement of non-financial performance

The absence of a commonly used generally accepted reporting framework or a significant body of established practices on which to draw to evaluate and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Guidelines, summarized in the Statement and available on the entity's website or on request from its headquarters.

Inherent limitations in preparing the Information

As stated in the Statement, the Information may be subject to uncertainty inherent to the state of scientific and economic knowledge and the quality of external data used. Some information is sensitive to the choice of methodology and the assumptions or estimates used for its preparation and presented in the Statement.

Responsibility of the entity

Management of the entity is responsible for:

- selecting or establishing suitable criteria for preparing the Information;
- preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators, and the information set out in Article 8 of Regulation (EU) 2020/852 (Green Taxonomy);
- preparing the Statement by applying the entity's "Guidelines" as referred to above; and
- implementing internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by the Board of Directors.

Responsibility of the Statutory Auditor, appointed as independent third party

Based on our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
- the fairness of the historical information (observed or extrapolated) provided pursuant to part 3 of sections I and II of Article R. 225-105 of the French Commercial Code, i.e., the outcomes of policies, including key performance indicators, and measures relating to the main risks.

As we are engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.

It is not our responsibility to report on:

- the entity's compliance with other applicable legal and regulatory provisions (particularly with regard to the information set out in Article 8 of Regulation (EU) 2020/852 (Green Taxonomy), the French duty of care law, and provisions against corruption and tax evasion);
- the fairness of the information set out in Article 8 of Regulation (EU) 2020/852 (Green Taxonomy);
- the compliance of products and services with the applicable regulations.

(1) Accreditation Cofrac Inspection, number 3-1884, scope available at www.cofrac.fr

Applicable regulatory provisions and professional guidance

We performed the work described below in accordance with Articles A. 225-1 *et seq.* of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) applicable to such engagements, in particular the professional guidance issued by the *Compagnie Nationale des Commissaires aux Comptes*, "*Intervention du commissaire aux comptes – Intervention de l'OTI – Déclaration de performance extra-financière*", acting as the verification program, and with the International Standard on Assurance Engagements 3000 (revised) [(1)].

Our independence and quality control

Our independence is defined by the provisions of Article L. 822-11 of the French Commercial Code and the French Code of Ethics for Statutory Auditors (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement.

Means and resources

Our work engaged the skills of seven people between March and June 2023 and took a total of three weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted a dozen interviews with the people responsible for preparing the Statement.

Nature and scope of procedures

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Information is likely to arise.

We believe that the work carried out, based on our professional judgment, is sufficient to provide a basis for our limited assurance conclusion:

- we obtained an understanding of all the consolidated entities' activities, and the description of the principal risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, taking into account, where appropriate, best practices within the sector;
- we verified that the Statement includes each category of social and environmental information set out in Article L. 225-102-1 III of the French Commercial Code as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation;
- we verified that the Statement provides the information required under Article R. 225-105, II of the French Commercial Code, where relevant with respect to the main risks, and includes, where applicable, an explanation for the absence of the information required under Article L. 225-102-1, III, paragraph 2 of the French Commercial Code;
- we verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated with the principal risks;
- we referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the main risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the main risks and the policies presented,
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in the Appendix. Concerning certain risks [(2)], our work was carried out on the consolidating entity; for the other risks, our work was carried out on the consolidating entity and on a selection of entities [(3)];
- we verified that the Statement covers the scope of consolidation, i.e., all the consolidated entities in accordance with Article L. 233-16 of the French Commercial Code, within the limitations set out in the Statement;
- we obtained an understanding of internal control and risk management procedures the entity has implemented and assessed the data collection process aimed at ensuring the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in the Appendix, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
  - tests of details, using sampling techniques or other selection methods, in order to verify the proper application of definitions and procedures and reconcile the data with supporting documents. This work was carried out on a selection of contributing entities [(3)] and covers between 74% and 100% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

The procedures performed in a limited assurance engagement are less in extent than for a reasonable assurance engagement performed in accordance with the professional guidance of the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*); a higher level of assurance would have required us to carry out more extensive procedures.

Paris-La Défense, June 7, 2023

KPMG S.A.

Rémi Vinit-Dunand	Laurent Genin	Fanny Houlliot
Partner	*Partner*	*ESG Expert*
		ESG Center of Excellence

(1) *ISAE 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information.*
(2) *Attracting and retaining talent, Diversity, Skills development, Biodiversity, Innovation, Ethics, Community roots, Responsible supply chain, Cybersecurity.*
(3) *Soitec headquarters, Bernin site and Singapore site.*

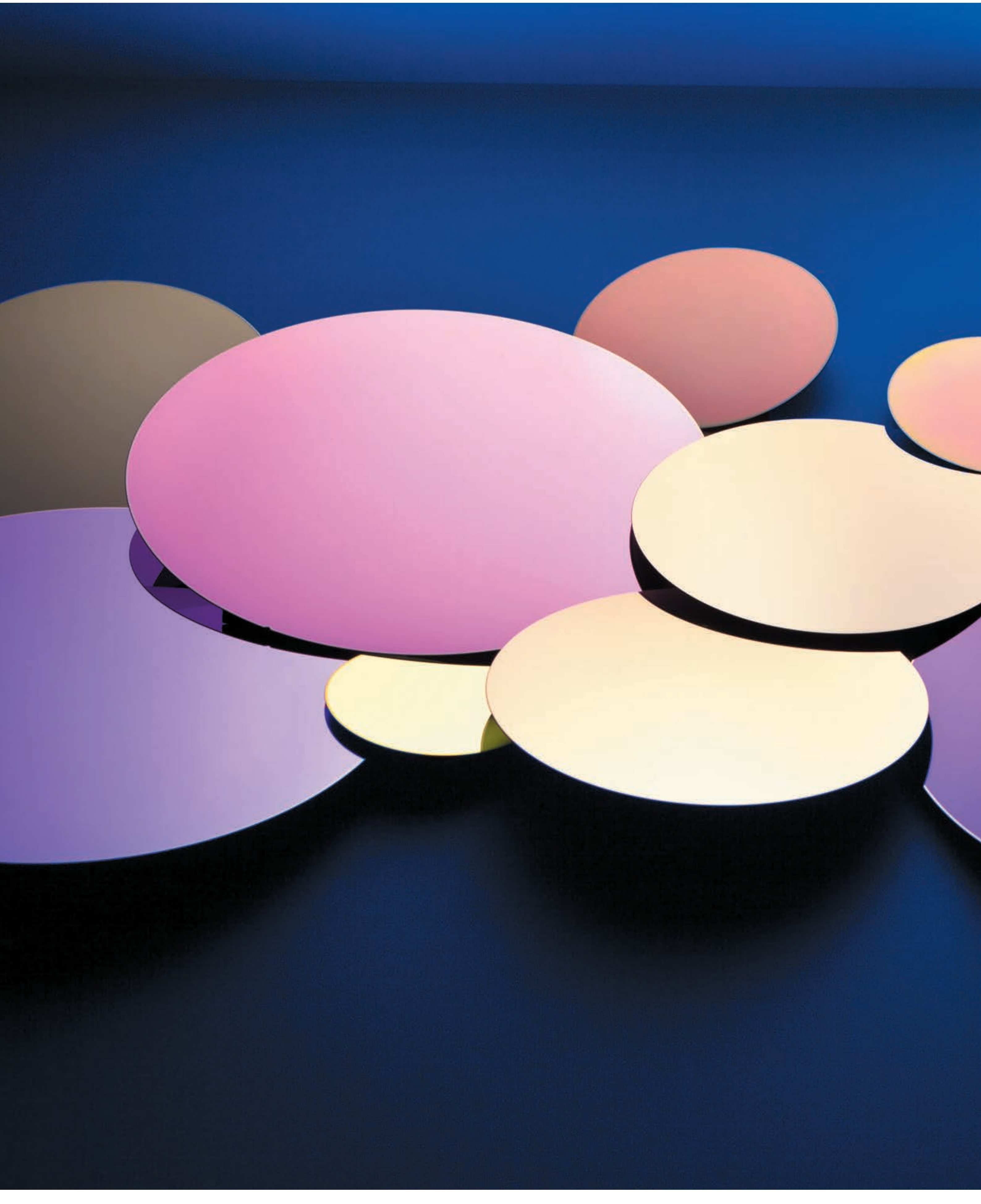
Appendix

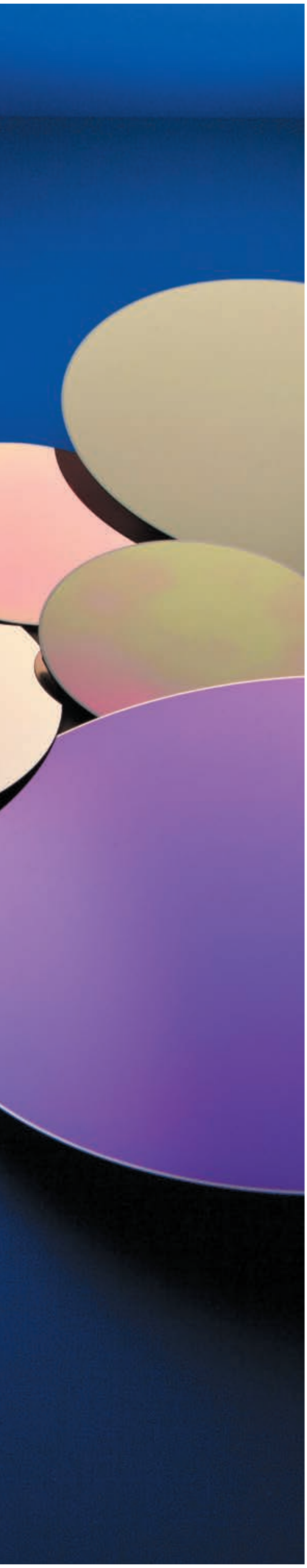
Qualitative information (measures and outcomes) considered most important

- Measures in terms of attracting and retaining talent
- Action plan and results of employee health and safety initiatives
- Initiative for sharing value
- Ethics whistleblowing platform
- Certification training program for technicians
- ISO 50001 certification and other energy management practices
- Actions for better water management
- Partnership set up to preserve biodiversity
- Integration of environmental criteria into product design and manufacturing
- CSR criteria integrated into the responsible purchasing policy
- Commitment to Soitec's community roots
- Cybersecurity risk awareness actions

Key performance indicators and other quantitative outcomes considered most important

- Headcount as of March 31 and breakdown by age
- Percentage of women in the Group's workforce
- Percentage of women managers
- Percentage of women in senior management
- Percentage of women on the Executive Committee
- Internal promotion rate
- Frequency rate of workplace accidents with lost time
- Change in greenhouse gas emissions (Scopes 1 and 2) compared to 2020
- Direct greenhouse gas emissions (Scope 1)
- Indirect emissions linked to electricity use (Scope 2)
- Other indirect greenhouse gas emissions (Scope 3)
- Water withdrawals per unit of production
- Total percentage of water recycled and reused
- Percentage of employees having completed the e-learning module on the Code of Conduct
- Percentage of strategic suppliers that have signed the Supplier Quality Policy
- Percentage of new employees made aware of cybersecurity





4

CORPORATE GOVERNANCE

In accordance with Article L. 22-10-20 of the French Commercial Code (*Code de commerce*), at its meeting on June 7, 2023, the Board of Directors approved the corporate governance report that will be presented at the next Annual General Meeting and which includes the information required pursuant to Articles L. 22-10-9 to L. 22-10-11, L. 22-10-26, L. 225-100, II and L. 225-100, III of the French Commercial Code (the "**Required Information**"). The cross-reference table at the end of this Universal Registration Document (after Chapter 9) indicates the parts of the Universal Registration Document that correspond to those of the corporate governance report not featured in this chapter.

This corporate governance report was prepared based on the work of the General Secretary and the relevant operational departments, in particular the Finance, People & Sustainability and Strategy departments. It was then examined by the Chair of the Board of Directors, and the Compensation and Nominations Committee, the Audit and Risks Committee and the Environmental, Social and Governance (ESG) Committee for their relevant sections.

4.1 Administration and management of the Company

Soitec is – and has been since it was incorporated in 1992 – a joint-stock corporation (*société anonyme*) governed by French law, with a Board of Directors (a single-tier governance structure).

The roles of Chair of the Board of Directors and Chief Executive Officer have been separated since July 26, 2018. This choice of governance structure is in line with best governance practices, and allows both roles to be exercised to their full, which in turn enables the Company to continue developing its business under the best conditions.

This separation of roles helps to achieve a balance of powers within the Company's governance bodies.

In fiscal year 2022-2023, the Board of Directors decided to merge the Nomination and Governance Committee and the Compensation Committee (now called the Compensation and Nominations Committee) and to create a new Environmental, Social and Governance (ESG) Committee. For more information on the Committees' duties, see section 4.1.2 of this Universal Registration Document.

The Company refers to the corporate governance rules defined in the Code of Corporate Governance of Listed Corporations published by AFEP and MEDEF, as revised in December 2022 (the "**AFEP-MEDEF Code**"), which is available on the websites of the Company (www.soitec.com) and of AFEP (www.afep.com).

In accordance with the "comply or explain" disclosure requirement in Article L. 22-10-10 of the French Commercial Code and section 28.1 of the AFEP-MEDEF Code, further to the efforts undertaken by the Board of Directors in fiscal year 2022-2023, particularly as regards the changes in its composition and that of its Committees, and the staggering of the terms of office of its directors, approved by the Annual General Meeting of July 26, 2022, the Company complies with all of the recommendations of the AFEP-MEDEF Code.

4.1.1 Composition of the Board of Directors

At the date of publication of this Universal Registration Document, the Board of Directors has 14 members, including the Chief Executive Officer, seven independent directors, five women (excluding the woman employee director) and two employee directors (as required by law), all of whom are domiciled for business purposes at the Company's head office [(1)]. The profiles of the Board members are set out below [(2)]:

(1) *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*

(2) *The Chair of the Board of Directors (who is a non-executive director), the Chief Executive Officer and the other Board members (who are also non-executive directors) are collectively referred to as "corporate officers".*

- **66 years old**
- **French**
- **Business address***
  soitec
- **Skills**
  Finance
  International
  ESG
  Industry
  TMT
  R&D
  Governance
  Executive
  Management
- **ESG skills**
  Led ESG efforts at ASML and oversees IPG Photonics' ESG work from its Nominating and Corporate Governance Committee
- **Committees**
  Chair and member of the Strategic Committee
  Member of the Compensation and Nominations Committee
  Member of the Audit and Risks Committee
- **Years on the Board**
  4
- **Attendance rate at Board and Committee meetings in fiscal year 2022-2023**
  100%

ÉRIC MEURICE

Chair of the Board of Directors

Independent director

Number of shares held: 1,000

Date of first appointment: July 26, 2018

Start date of current term: July 28, 2021

End date of current term: Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024

PROFESSIONAL EXPERIENCE

Éric Meurice was the Chief Executive Officer and President of ASML Holding N.V., a leading equipment manufacturer for the semiconductor industry, from October 2004 to June 2013, and its Chairman until March 2014.

From 2001 to 2004, he was Executive Vice President of the Thomson-RCA Television division. From 1995 to 2001, he led Western Europe, Eastern Europe, and emerging markets in the EMEA region for Dell Computer.

Before 1995, he acquired significant experience in the industrial and technology fields within ITT Semiconductors, Intel Corporation and Renault SA. As Chief Executive Officer and President of ASML Holding N.V., Éric Meurice led the company's ESG efforts, including large-scale corporate and environmental projects. As Chair of the Nominating and Corporate Governance Committee of IPG Photonics Corp., he currently oversees the company's ESG efforts.

Éric Meurice has been an independent director at IPG Photonics Corp. since June 2014, Umicore SA since April 2015 and Global Blue AG since May 2018. He announced his resignation from the Board of Directors of Umicore on March 28, 2023, effective April 27, 2023.

He was a director on the Boards of NXP Semiconductors N.V, and of Meyer Burger AG up to May 2019. He also served as director of Verigy Ltd. until its acquisition by Advantest Corporation in 2011, and ARM Holdings plc until March 2014.

Éric Meurice graduated from École Centrale de Paris (France), and has a Master's degree in economics from Panthéon-Sorbonne University in Paris (France), and an MBA from Stanford University (California, USA).

MAIN POSITION OUTSIDE SOITEC SA

Company director

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2023

- IPG Photonics Corp.** (United States)
- Umicore SA** (Belgium) (until April 2023)
- Global Blue AG** (Switzerland)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- NXP Semiconductors N.V.** (Netherlands) (until May 2019)
- Meyer Burger** (Switzerland) (until May 2019)

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*

** *Listed company.*

- **52 years old**
- **French**
- **Business address***
  soitec
- **Skills**
  Finance
  International
  ESG
  HR
  Industry
  TMT
  Governance
  Executive Management
- **ESG skills**
  In his role as Chief Executive Officer, oversees ESG across the Group
- **Committees**
  Member of the Strategic Committee
- **Years on the Board**
  11 months
- **Attendance rate at Board and Committee meetings in fiscal year 2022-2023**
  100%

PIERRE BARNABÉ

Chief Executive Officer

Non-independent director

Number of shares held: 800[(1)]

Date of first appointment: July 26, 2022

Start date of current term: July 26, 2022

End date of current term: Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2026

PROFESSIONAL EXPERIENCE

Pierre Barnabé was appointed by Soitec's Board of Directors as the Group's new Chief Executive Officer in January 2022. After joining the Company in May, he formally took up the position in July 2022.

In January 2022, he joined the Board of Directors of Ipsos, the multinational market research and consulting firm.

Between 2015 and 2021, he was Executive Vice President of the Atos group, in charge of the Big Data & Cybersecurity (BDS) division. He also managed the group's Public Services & Defense, then Manufacturing activities. He was interim group CEO in 2021.

Before its acquisition by Atos in 2014, he was the Deputy CEO of Bull, the unique European leader in supercomputing, electronics for artificial intelligence, cybersecurity and cyberdefense from 2013 to 2015.

From 2011 to 2013, he was Managing Director of the Enterprise branch of the French Telco SFR, where he launched cloud computing and very high-speed broadband activities.

From 1998 to 2013, he held various positions at Alcatel then Alcatel-Lucent, first in sales, then as Chairman & Managing Director of Alcatel-Lucent France (formerly Alcatel CIT), before becoming Deputy Managing Director of the group in charge of Human Resources and Transformation.

Pierre Barnabé has been knighted in the French National Order of Merit.

Pierre Barnabé graduated from the NEOMA Business School (France) and the École Centrale de Paris (France).

MAIN POSITION OUTSIDE SOITEC SA

N/A

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2023

- Director of Ipsos** (France)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

N/A

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*
** *Listed company.*
(1) *Correction of the total number of shares owned by Pierre Barnabé.*

- **39 years old**
- **French**
- **Business address***
  soitec
- **Skills**
  ESG
  Industry
- **ESG skills**
  Former secretary of the CHSCT
- **Committees**
  Member of the Strategic Committee
  Member of the Compensation and Nominations Committee
- **Years on the Board**
  2
- **Attendance rate at Board and Committee meetings in fiscal year 2022-2023**
  100%

WISSÈME ALLALI

Employee director

Number of shares held: 323

Date of first appointment: January 22, 2021 (1)

Start date of current term: January 22, 2021

End date of current term: Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024

PROFESSIONAL EXPERIENCE

Wissème Allali joined the Quality Department at Soitec in 2011, continuing a career as a quality specialist in various industries.

She was promoted to the post of engineer in 2018, following a Master's degree in continuous improvement and operational excellence.

In addition, Wissème was employee representative on the Company's CHSCT (health, safety and working conditions committee) from 2013 to 2015.

MAIN POSITION OUTSIDE SOITEC SA

N/A

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2023

N/A

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

N/A

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*

(1) *Appointed by the CGT trade union.*

- **40 years old**
- **French**
- **Business address***
soitec
- **Skills**
Finance
International
ESG
Industry
TMT
Governance
- **ESG skills**
Cleantech strategy expertise
Member of the ESG Committees of Eutelsat Communications, Cerba Healthcare (and STMicroelectronics as financial controller)
Member of ESG committees on other boards
- **Committees**
Member of the Strategic Committee
Member of the Audit and Risks Committee
Member of the Compensation and Nominations Committee
Member of the ESG Committee
- **Years on the Board**
9
- **Attendance rate at Board and Committee meetings in fiscal year 2022-2023**
100%

BPIFRANCE PARTICIPATIONS

Represented by Samuel DALENS

Non-independent director

Number of shares held: 4,094,700

Date of first appointment: July 2, 2013 (term of office of Bpifrance Participations)

Start date of current term: July 26, 2022

End date of current term: Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2025

Bpifrance Participations is a subsidiary of Bpifrance, which invests directly and indirectly (through funds of funds). It is the parent company of Bpifrance Investissement and conducts its business as part of the public interest mission entrusted to Bpifrance.

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2023

- Member of the Boards of Directors of 360Learning, Compagnie Daher, Ekinops**, Eutelsat Communications**, Eutelsat SA, Farinia SA, Isorg, Mader, Mersen**, Nexans**, Orange**, Paprec, Pixium Vision**, Prodways Group**, Scality, Technicolor Creative Studios**, Tinubu Square, Valeo**, Vantiva**
- Member of the Supervisory Boards of Innate Pharma SA**, Valneva**, Younited

SAMUEL DALENS

Permanent representative of Bpifrance Participations

PROFESSIONAL EXPERIENCE

Samuel Dalens is a Director at Bpifrance, in the Large Cap team, investing in mid-sized and large companies. Samuel has 15 years' experience in finance and private equity. Prior to joining Bpifrance in 2012, Samuel worked in the French administration, for two years at the Ministry of Foreign Affairs and four years at the Ministry of Finance (at the Budget Office, then at the French Government Shareholding Agency). Samuel graduated from the École Polytechnique (France) and École Télécom Paris (France) (he is a Mines engineer).

MAIN POSITION OUTSIDE SOITEC SA

Director of Bpifrance Investissement (France)

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2023

- Permanent representative of Bpifrance Participations, Director of Eutelsat Communications** (France)
- Permanent representative of Bpifrance Participations, Director of Eutelsat (France)
- Financial controller (i.e., observer [*censeur*]) on the Supervisory Board of STMicroelectronics N.V.** (Netherlands)
- Supervisory Board member of STMicroelectronics Holding N.V. (Netherlands)
- Supervisory Board member of Chrome Topco (Cerba Healthcare) (France)
- Permanent representative of Bpifrance Investissement, Director of Crouzet Group (France)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Permanent representative of Bpifrance Investissement, observer (*censeur*) on the Board of Directors of Gascogne** (France) until March 2023
- Permanent representative of Bpifrance Investissement, member of the Supervisory Committee of Attis 2 (France) (until March 2023)
- Director of Labrador Investment Holdings Limited (United Kingdom) (until 2022)
- Observer (*censeur*) on the Supervisory Board of Idemia (France) until 2020
- Permanent representative of Bpifrance Participations, director of FT1CI (France) (until 2019)
- Permanent representative of Bpifrance Participations, director of Antalis International (France) (until 2018)

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*
** *Listed company.*

- **57 years old**
- **French**
- **Business address***
  soitec
- **Skills**
  Finance
  International
  ESG
  Industry
  R&D
  Executive Management
- **ESG skills**
  Chairman and Chief Executive Officer of CEA, former Chairman and Chief Executive Officer of Ifremer and former Chairman and Chief Executive Officer of Méteo-France
- **Committees**
  Member of the Strategic Committee
- **Years on the Board**
  11 months
- **Attendance rate at Board and Committee meetings in fiscal year 2022-2023**
  63.33%

CEA INVESTISSEMENT

Represented by François JACQ

Number of shares held: 2,571,007

Date of first appointment: July 26, 2022

Start date of current term: July 26, 2022

End date of current term: Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2025

CEA Investissement is a wholly-owned subsidiary of CEA, which holds CEA's portfolio of strategic equity investments. CEA Investissement is advised and operated by the asset management company Supernova Invest (authorized by the French financial markets authority [*Autorité des marchés financiers* – AMF]) under no. GP-17000008).

Since 1999, CEA Investissement has financed and supported dozens of start-ups, and contributes to CEA's innovation policy, from life sciences to energy, microelectronics, materials, industrial equipment, etc.

CEA Investissement invests in start-ups with a dual objective of (i) adding value by facilitating the emergence and development of high-tech companies that harness innovative research results, and (ii) generating a return on of its investments.

For example, CEA Investissement supports strategic sectors such as Soitec, co-finances start-ups in the case of spin-offs (CEA founding shares) and acquires potential stakes in investment funds.

The companies in which CEA Investissement holds investments can, if they wish, draw on synergies within CEA's R&D ecosystem. More specifically, in the areas of energy, information and health technology, defense and security, they have exclusive access to CEA's 15,000 researchers and employees, as well as its know-how, patents and recognized industrial infrastructure. As a result, they can significantly reduce their investment needs and development time, in order to reach the market faster and better equipped.

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2023

- Member of the Boards of Directors of DFD, Genvia, Microoled, Cyclife Digital Solutions, Sodern, Tridimeo
- Member of the Supervisory Boards of Supernova Invest, Haption, Kalray
- Observer (*censeur*) on the Boards of Directors of Isorg, Ligthon**, M2Care, Wormsensing
- Observer (*censeur*) on the Strategic Committee Symbiosis and Extracthive
- Observer (*censeur*) on the Management Committee of Sylfen

FRANÇOIS JACQ

Permanent representative of CEA Investissement

PROFESSIONAL EXPERIENCE

Born in 1965, François Jacq studied at the École Polytechnique (France) and École des Mines de Paris (France). He holds a degree in sociology and a PhD in the history of science.

In 2000, François Jacq became Chief Executive Officer of the French Agency for Radioactive Waste Management (ANDRA). In 2005, he joined the General Directorate for Energy and Raw Materials at the Ministry of Industry as Head of the Directorate for Energy Demand and Energy Markets. Between 2007 and 2009, he was advisor to the Prime Minister for Sustainable Development, Research and Industry. In April 2009, François Jacq joined Météo-France, the French national meteorological service, as Chairman and Chief Executive Officer, and Permanent Representative of France with the World Meteorological Organization. In September 2013, he was appointed as Chairman and Chief Executive Officer of Ifremer, the French national institute for marine science and technology.

Since April 2018, he has been General Manager (*Administrateur Général*) of CEA, the leading French research and technology organization (RTO).

MAIN POSITION OUTSIDE SOITEC SA

General Manager (*Administrateur Général)* of CEA (France)

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2023

- Director of Orano** (France)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- N/A

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*
** *Listed company.*

FRANÇOISE CHOMBAR

Independent director

- **61 years old**
- **Belgian**
- **Business address***
  soitec
- **Skills**
  Finance
  International
  ESG
  Industry
  TMT
  Executive
  Management
- **ESG skills**
  Member of the ESG Committee at Umicore, champion for diversity and inclusion in the workplace
- **Committees**
  Member of the Strategic Committee
  Member of the ESG Committee
- **Years on the Board**
  3
- **Attendance rate at Board and Committee meetings in fiscal year 2022-2023**
  90.08%

Number of shares held: 100

Date of first appointment: July 26, 2019

Start date of current term: July 28, 2021

End date of current term: Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024

PROFESSIONAL EXPERIENCE

Françoise Chombar is Chairwoman and co-founder of Melexis. She served as CEO of Melexis for 18 years (from 2003 to 2021). Melexis develops and manufactures mixed signal semiconductor sensor and driver components mainly aimed at automotive applications.

At the same time, she is an independent director on the Board of Umicore (since 2016), a group specialized in materials technology and recycling. She is a member of the Boards of Directors of Mediafin, a Belgium-based media group, and of Antwerp Management School, the highest EMBA ranked business school of the Benelux.

She also chairs the STEM Platform, a consultative body of the Flemish regional government that aims to encourage young people towards STEM studies (science, technology, engineering and mathematics) and to promote these disciplines to the general public.

From 1999 to 2016, she was a mentor for the SOFIA Women's Network, a coaching and learning organization for female professionals, and she promotes the access of women to Boards of Directors through her membership of the Belgium-based non-profit organization Women on Board.

Prior to joining Melexis, Françoise worked at Elmos GmbH, a German semiconductor supplier, where she was in charge of Production Planning and Customer Service from 1985 to 1989.

Françoise holds a Master's degree in interpreting (Dutch, English and Spanish) from Ghent University (Belgium).

MAIN POSITION OUTSIDE SOITEC SA

Chairwoman and co-founder of Melexis** (Belgium)

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2023

- Director of Umicore** (Belgium)
- Chairwoman of Mediafin (Belgium)
- Director of Antwerp Management School (Belgium)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Director of BioRICS (Belgium) (until April 2023)

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*
** *Listed company.*

FONDS STRATEGIQUE DE PARTICIPATIONS (FSP)

Represented by Laurence DELPY

Independent director

- **52 years old**
- **French**
- **Business address***
  soitec
- **Skills**
  Finance
  International
  ESG
  TMT
  Governance
- **ESG skills**
  Brought by the legal entity director of which she is permanent representative
- **Committees**
  Member of the Strategic Committee
  Member of the Audit and Risks Committee
  Member of the Compensation and Nominations Committee
  Chair and member of the ESG Committee
- **Years on the Board**
  7
- **Attendance rate at Board and Committee meetings in fiscal year 2022-2023**
  100%

Number of shares held: 853,000

Date of first appointment: July 26, 2022

Start date of current term: July 26, 2022

End date of current term: Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2025

FSP is an investment company whose investments are managed by ISALT, an independent management company specifically created to manage FSP's equity interests. The shareholders and directors of FSP comprise seven French insurance companies: BNP Paribas Cardif, CNP Assurances, Crédit Agricole Assurances, Groupama, BPCE Assurances, Société Générale Assurances and Suravenir. FSP provides long-term support to French companies in their growth and transition projects. It holds large "strategic" stakes in companies' share capital and participates in their governance structures through membership of their Boards of Directors or Supervisory Boards. FSP holds investments in its portfolio in French companies that are leaders in their fields (see below).

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2023

- Director of Seb**, Arkema**, Eutelsat Communications**, Tikehau Capital SCA**, Elior Group**, Neoen**, Valeo**
- Member of the Supervisory Board of Tikehau Capital SCA**
- Director on the Board of Directors of Believe**

LAURENCE DELPY

Permanent representative of FSP

Number of shares held: 715

Previous offices within Soitec SA: Prior to becoming the permanent representative of FSP, Laurence Delpy was an independent director of Soitec from April 11, 2016.

PROFESSIONAL EXPERIENCE

Since 2022, Laurence Deply has been General Manager of the Video Business Unit at Eutelsat.

From 2020 to 2022, Laurence Delpy was Vice President EMEA Service Providers at Palo Alto Networks, a global leader in cybersecurity.

From 2016 to 2020, Laurence managed Nokia's mobile network business for the Asia-Pacific region and Japan, where she lived and worked for 25 years.

She served as Vice President of Alcatel-Lucent's mobile business in Asia and Deputy Vice President of the network business in China within their joint venture, Alcatel-Lucent Shanghai Bell, from 2012 to 2016.

Previously, she was Vice President and Chief Executive Officer of the GSM product line from 2010 to 2012.

Prior to that, she held several sales positions in Telstra, Alcatel and Alcatel-Alstom in Australia, South Asia and France.

Laurence graduated from the École supérieure de gestion de Paris (France) and holds a degree in Business Administration. She also holds a certificate in general administration obtained at INSEAD in Singapore.

MAIN POSITION OUTSIDE SOITEC SA

General Manager of the Video Business Unit at Eutelsat

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2023

N/A

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

N/A

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*

- **47 years old**
- **French**
- **Business address***
  soitec
- **Skills**
  Finance
  International
  ESG
  Industry
  TMT
  R&D
  Governance
  Executive
  Management
- **ESG skills**
  Member of an impact-investing fund, director of Neoen and offices formerly held within CEA
- **Committees**
  Member of the Strategic Committee
  Chair and member of the Audit and Risks Committee
  Member of the ESG Committee
- **Years on the Board**
  7
- **Attendance rate at Board and Committee meetings in fiscal year 2022-2023**
  100%

CHRISTOPHE GÉGOUT

Referent Director

Number of shares held: 200

Date of first appointment: April 20, 2015 (as permanent representative of CEA Investissement) and April 11, 2016, effective May 2, 2016 (in his own name)

Start date of current term: July 16, 2022

End date of current term: Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2026

PROFESSIONAL EXPERIENCE

Since December 2020, Christophe Gégout has been a Managing Partner at Yotta Capital Partners, a French private equity firm dedicated to smart industry and the transition to a low-carbon economy. Previously, he was Investment Director at Meridiam, in charge of investments in SMEs within one of the leading global investment and public asset management firms. At Meridiam, he notably led investments in electric vehicle charging infrastructure (through Allego BV).

Before that, he was Chief Financial Officer at the French Alternative Energies and Atomic Energy Commission (*Commissariat à l'énergie atomique et aux énergies alternatives* – CEA) from 2009 to 2015 and was then named Deputy General Manager, a position he held until 2018. At CEA, he developed innovation partnerships with major international groups and European SMEs, as well as a new asset management business on behalf of third parties, focusing on ground-breaking innovations in the field of major transformations (digital, medical and energy revolutions), which is now led by Supernova Invest.

From 2001 to 2009, Christophe held various positions within the French Ministry of Economy and Finance, including advisor to Christine Lagarde, Finance Minister.

He is a graduate of the École polytechnique (France), Sciences-Po Paris (France) and ENSAE (French national school of statistics and economic administration).

MAIN POSITION OUTSIDE SOITEC SA

Managing Partner of Yotta Capital Partners

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2023

- Director of Neoen** (France)
- Director of Eldim (France)
- Director of Metrology SAS holding (France)
- Director of Kemberg SAS (France)
- Director of Yotta Capital Partners SAS (France)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Chairman of CEA Investissement (France) Board of Directors (January 2011 – October 2018)
- Director of Supernova Invest (France) (April 2017 – October 2018)
- Director of FT1CI and of Areva Group companies, including Areva S.A.** (until October 2018)
- Director of Séché environnement** (France) (until November 2019)
- Director of Allego N.V. (The Netherlands)

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*
** *Listed company.*

- **51 years old**
- **French**
- **Business address***
  soitec
- **Skills**
  ESG
  Industry
  R&D
- **ESG skills**
  Industrial relations
- **Committees**
  Member of the Strategic Committee
  Member of the Audit and Risks Committee
  Member of the ESG Committee
- **Years on the Board**
  2
- **Attendance rate at Board and Committee meetings in fiscal year 2022-2023**
  100%

DIDIER LANDRU

Employee director

Number of shares held: 561

Date of first appointment: January 18, 2021 (1)

Start date of current term: January 18, 2021

End date of current term: Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024

PROFESSIONAL EXPERIENCE

Didier Landru is a senior expert in Soitec's Innovation Department, where he has held various R&D positions over the past 15 years, after an initial experience in a major semiconductor industry group.

Didier is a materials science engineer from Grenoble INP-Phelma (France) and obtained his PhD in 2000 from the University of Grenoble-Alpes (France), in partnership with the University of Cambridge (United Kingdom).

In addition, Didier has been an employee representative and trade union representative within various employee representative bodies.

MAIN POSITION OUTSIDE SOITEC SA

N/A

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2023

N/A

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

N/A

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*

(1) *Appointed by the Métallurgie Isère CFE-CGC trade union.*

- **60 years old**
- **Japanese**
- **Business address***
  soitec
- **Skills**
  International
  Industry
  TMT
  Executive
  Management
- **Committees**
  Member of the
  Strategic Committee
- **Years on the Board**
  7
- **Attendance rate at Board and Committee meetings in fiscal year 2022-2023**
  100%

SATOSHI ONISHI

Non-independent director

Number of shares held: 100

Date of first appointment: July 10, 2015

Start date of current term: July 28, 2021

End date of current term: Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024

PROFESSIONAL EXPERIENCE

Satoshi Onishi is Managing Director of the Special Functional Products Department at Shin-Etsu Chemical Co. Ltd., where he was Director of the Office of the President until early 2023.

Previously, for more than five years, he was President & Chief Executive Officer of Shin-Etsu Handotai Europe Ltd., a UK-based company.

He joined Shin-Etsu Chemical Co. Ltd in 1985, where he initially worked in the IT Systems division of Shin-Etsu Handotai Co. Ltd. Shin-Etsu Handotai Co. Ltd. has been the world's leading supplier of silicon wafers for the semiconductor industry for many years, and Satoshi has more than 30 years' experience in this sector.

Satoshi graduated from the University of Kagawa (Japan) in 1985 with a degree in economics. He also holds a Master's degree in Industrial Systems Engineering from the University of Florida (USA).

MAIN POSITION OUTSIDE SOITEC SA

Managing Director of the Special Functional Products Department at Shin-Etsu Chemical Co. Ltd. (Japan)

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2023

N/A

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

Director of the Office of the President of Shin-Etsu Chemical Co. Ltd. (Japan) (2018-2023)

President & Chief Executive Officer of Shin-Etsu Handotai Europe Ltd. (United Kingdom) (2012-2018)

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*

- **50 years old**
- **French**
- **Business address***
  soitec
- **Skills**
  International
  ESG
  R&D
  Executive
  Management
- **ESG skills**
  Sustainable innovation at Michelin, a leading company in mobility
- **Committees**
  Member of the Strategic Committee
- **Years on the Board**
  11 months
- **Attendance rate at Board and Committee meetings in fiscal year 2022-2023**
  73.33%

MAUDE PORTIGLIATTI

Number of shares held: 100

Date of first appointment: July 26, 2022

Start date of current term: July 26, 2022

End date of current term: Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2026

PROFESSIONAL EXPERIENCE

Since July 1, 2021, Maude Portigliatti has been a member of the Michelin group's Executive Committee and Executive Vice President of Michelin's High-Tech Materials businesses, with the mission of driving the change towards high-value new domains. She oversees sealing and belting solutions, the engineered polymers segment, as well as three joint ventures: Symbio (fuel cells), AddUp (metal 3D printing) and Solesis (materials for healthcare).

Starting in 2017, while based in South Carolina in the United States, she took the position of Innovation Deployment Programs Director, serving key customers in the Automotive Original Equipment Business Line.

Since joining Michelin in 2000, Maude Portigliatti has benefited from more than 15 years' experience in upstream and downstream R&D, over a wide technological scope, and managing global teams across multiple time zones. She was appointed Scientific Director in 2013, with the particular responsibility of developing partnership innovation within the group. She also headed the Advanced Research Department where she was in charge of developing Michelin innovations for the tire and High-Tech Materials segments.

Maude Portigliatti is a graduate of INSA Lyon engineering school (France), where she majored in materials physics. She also holds a research Master's degree in materials science and a PhD in polymer physics.

MAIN POSITION OUTSIDE SOITEC SA

Executive Vice President of Michelin's High-Tech Materials businesses, member of Michelin's Executive Committee (France)

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2023

- Co-Chair of the Board of Directors of Symbio (France)
- Co-Chair of the Board of Directors of Add Up (France)
- Co-Chair of the Board of Directors of Solesis (USA)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

N/A

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*
** *Listed company.*

- **52 years old**
- **French**
- **Business address***
  soitec
- **Skills**
  International
  ESG
  HR
  Industry
  Executive
  Management
- **ESG skills**
  CSR Manager at Seb
- **Committees**
  Member of the Strategic Committee
  Chair and member of the Compensation and Nominations Committee
- **Years on the Board**
  11 months
- **Attendance rate at Board and Committee meetings in fiscal year 2022-2023**
  85.83%

DELPHINE SÉGURA-VAYLET

Number of shares held: 100
Date of first appointment: July 26, 2022
Start date of current term: July 26, 2022
End date of current term: Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2026

PROFESSIONAL EXPERIENCE

Delphine Ségura-Vaylet began her career at Thales where she held various positions as HR Operations Director within the subsidiary Semiconducteurs Spécifiques and the Research Group, IT Group and Services France activities for 13 years. She then joined STMicroelectronics in 2007 as HR Director for the Digital Consumer branch. For four years, she was in charge of the Talent and Organization Development Department, then of Training at Group level. In 2014, she joined Zodiac Aerospace as the Group HR Director and ExCom member, until the sale to Safran. She joined the Total group in 2017 as Director of Group HR Strategy and Policy.

Delphine Ségura-Vaylet holds a Master 2 (*Diplôme Études Approfondies*) in European Social Law from the University of Paris 1 – La Sorbonne (France).

MAIN POSITION OUTSIDE SOITEC SA

Delphine Ségura-Vaylet joined Groupe SEB in January 2021 as Deputy Managing Director, Human Resources. She is in charge of the Human Resources Department of the group and its subsidiaries worldwide and is responsible for the Talent, Organization and Learning, Administration, Services, HR Data & Compensation and Global Labor Relations departments.

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2023

- Director and Chair of the Nomination, Compensation and Governance Committee of Artelia Group (France)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

N/A

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*
** *Listed company.*

- **58 years old**
- **Finnish**
- **Business address***
  soitec
- **Skills**
  Finance
  International
  ESG
  Industry
  TMT
  Governance
  Executive
  Management
- **ESG skills**
  Experience with investments in climate-positive manufacturing plants
- **Committees**
  Member of the Strategic Committee
  Member of the Audit and Risks Committee
  Member of the Compensation and Nominations Committee
  Member of the ESG Committee
- **Years on the Board**
  4
- **Attendance rate at Board and Committee meetings in fiscal year 2022-2023**
  92.86%

KAI SEIKKU

Non-independent director

Number of shares held: 2,000

Date of first appointment: May 6, 2019 (1)

Start date of current term: July 26, 2019 (designated by NSIG)

End date of current term: Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2025

PROFESSIONAL EXPERIENCE

Since 2010, Kai Seikku has been President & Chief Executive Officer of Okmetic Oy, one of the top suppliers worldwide of tailor-made, high value-added silicon wafers for MEMS, sensors, discrete semiconductors and analog circuits.

Since Okmetic Oy was bought in 2016 by NSIG Group, an industrial holding company specialized in semiconductor materials and their ecosystem, he has also been Executive Vice President of NSIG.

In addition, he is a director of NoHo Partners (since 2022), Inderes Oy (since 2016) and Verkkokauppa.com (since 2013), as well as an industrial consultant for Intera Partners, a private equity firm (since 2013).

Kai has more than 20 years' experience in executive management and as a company director.

Before joining Okmetic Oy, he worked in the food industry as Chief Executive Officer of HKScan Corporation (2005-2009) and in marketing as Finland Regional Manager of McCann-Erickson (2002-2005) and Chief Executive Officer of Hasan & Partners (1999-2005).

Kai began his career at Bossard Consultants (Gemini Consulting) (1991-1993) before joining the Boston Consulting Group (1993-1999) where he was project manager for Finland and Sweden.

He has a Masters' degree in Economics from Aalto University in Helsinki (Finland).

MAIN POSITION OUTSIDE SOITEC SA

President & Chief Executive Officer of Okmetic Oy (Finland) and Executive Vice President of National Silicon Industry Group (NSIG) (China)

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2023

- Director of Inderes Oy** (Finland)
- Director of Verkkokauppa.com** (Finland)
- Director of NoHo Partners** (Finland)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Director of Robit Oyj** (Finland) (2018-2020)
- Director of Technology Industries of Finland (Finland) (January 2012 – December 2018)

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*
** *Listed company.*
(1) *Appointment by co-option by the Board of Directors on May 6, 2019, for the remainder of the term of office of Nabeel Gareeb, who resigned, effective March 27, 2019. Ratification of the appointment and renewal of the term of office were approved at the Annual General Meeting of July 26, 2019.*

- **58 years old**
- **American**
- **Business address***
  soitec
- **Skills**
  Finance
  International
  ESG
  Industry
  TMT
  Governance
  Executive
  Management
- **ESG skills**
  Partner at PwC
- **Committees**
  Member of the Strategic Committee
  Member of the Audit and Risks Committee
  Member of the Compensation and Nominations Committee
- **Years on the Board**
  3
- **Attendance rate at Board and Committee meetings in fiscal year 2022-2023**
  100%

SHUO ZHANG

Independent director

Number of shares held: 100

Date of first appointment: July 26, 2019

Start date of current term: July 28, 2021

End date of current term: Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024

PROFESSIONAL EXPERIENCE

Shuo Zhang has been Managing Partner & Chief Executive Officer of Renascia Partners LLC since July 2015, Advisory Partner of Benhamou Global Ventures since February 2016 and Operating Partner of Atlantic Bridge Capital since January 2018.

Since 2017, she has also sat on the Board of Directors of Grid Dynamics and been an executive director of Telink Semiconductor Corp. In 2019, she joined the Board of PDF Solutions Corp.

Shuo Zhang has more than 25 years' experience in corporate management, marketing, sales and strategic commercial development within the semiconductor sector.

She has held various management positions at Cypress Semiconductors (2007-2015), Silicon Light Machines (2006-2007), Agilent Technologies (2000-2006), Altera (1998-2000), Quester Technologies (1996-1998) and LSI Logic (1994-1996).

She started out as a research assistant at the Chinese Academy of Sciences (1987-1989) and at Penn State University (1990-1994).

Shuo Zhang has an MSc in Engineering from Penn State University (USA), a BSc in Electrical Engineering from Zhejiang University (China) and an Executive Management degree from Stanford University (USA).

MAIN POSITION OUTSIDE SOITEC SA

Managing Partner & Chief Executive Officer of Renascia Partners LLC (USA), Advisory Partner of Benhamou Global Ventures (USA) and Operating Partner of Atlantic Bridge Capital (USA)

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2023

- Director of Grid Dynamics (USA)
- Director of PDF Solutions Corp.** (USA)
- Executive Director of Telink Semiconductor Corp. (China)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

Director of Ampleon (The Netherlands) (October 2015 – December 2017)

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*
** *Listed company.*

A. Summary table

The table below summarizes the composition of the Board of Directors at the date of this Universal Registration Document.

	Age	Gender	Nationality	No. of offices held in non-Group listed companies [1]	Member of a Board Committee: Strategic Committee	Member of a Board Committee: Audit and Risks Committee	Member of a Board Committee: Compensation and Nominations Committee	Member of a Board Committee: Environmental, Social and Governance (ESG) Committee	End date of current term	No. of years on the Board [2]	No. of Soitec shares held
Éric Meurice *Chair of the Board of Directors*	66	M	French	3	C	●	●		2024 AGM	4	1,000
Pierre Barnabé *Chief Executive Officer*	52	M	French	1	●				2026 AGM	1	800 [5]
Wissème Allali *Employee director*	39	W	French	0	●		●		2024 AGM	2	323
Bpifrance Participations *(represented by Samuel Dalens)*	40	M	French	2	●	●	●	●	2025 AGM	9 [2]	4,094,700 [3]
CEA *(represented by François Jacq)*	57	M	French	1	●				2025 AGM	1	2,571,007
Françoise Chombar	61	W	Belgian	2	●			●	2024 AGM	3	100
Fonds Stratégique de Participations *(represented by Laurence Delpy)*	52	W	French	0	●	●	●	C	2025 AGM	7	853,000
Christophe Gégout *Referent Director*	47	M	French	1	●	C		●	2026 AGM	8 [4]	200
Didier Landru *Employee director*	51	M	French	0	●	●		●	2024 AGM	2	561
Satoshi Onishi	60	M	Japanese	0	●				2024 AGM	7	100
Maude Portigliatti	50	W	French		●				2026 AGM	1	100
Delphine Ségura-Vaylet	52	W	French		●		C		2026 AGM	1	100
Kai Seikku	58	M	Finnish	3	●	●	●	●	2025 AGM	4	2,000
Shuo Zhang	58	W	American	1	●	●	●		2024 AGM	3	100

(1) Excluding the directorship held within Soitec.
(2) Bpifrance Participations has been successively represented by Fabienne Demol (from 2013 to April 2015), Thierry Sommelet (from April 2015 to July 2016), Sophie Paquin (from July 26, 2016 to July 2022), and Samuel Dalens (since July 2022).
(3) Shares held by Bpifrance Participations.
(4) Including one year as permanent representative of CEA Investissement.
(5) Correction of the total number of shares owned by Pierre Barnabé.
Independent director.
C Chair of a Committee.

92.07%
attendance rate

9
meetings

58%
independent members*

5
nationalities

2
employee directors

14
members

3-4
year term of office

42%
women*

Éric Meurice
Chair of the Board of Directors,
Chair of the Strategic Committee,
independent director

Shuo Zhang
Independent director

Pierre Barnabé
Chief Executive Officer,
non-independent director

François Jacq
Permanent representative of CEA Investissement,
non-independent director

Wissème Allali
Employee director

Maude Portigliatti
Independent director

Françoise Chombar
Independent director

Kai Seikku
Non-independent director

Laurence Delpy
Permanent representative of FSP,
Chair of the Environmental, Social and Governance (ESG) Committee,
independent director

Delphine Segura Vaylet
Chair of the Compensation and Nominations Committee,
independent director

Christophe Gégout
Chair of the Audit and Risks Committee,
Referent Director

Samuel Dalens
Permanent representative of Bpifrance Participations,
non-independent director

Satoshi Onishi
Non-independent director

Didier Landru
Employee director

** Excluding the employee directors.*

B. Review of the composition of the Board of Directors

The Board of Directors regularly examines the individual situations of each of its members, as part of a general review of its composition and when putting forward directors for appointment or reappointment at the Annual General Meeting. This review notably entails examining the following factors:

- the expertise the directors bring to the work of the Board and its Committees;
- their attendance at and involvement in meetings;
- their independence status and any potential conflicts of interest;
- their contribution to the Board's diversity.

The Board's members are expected to act with integrity and to the best of their abilities, as well as being pro-active, adept at exercising their judgment, and forward thinking.

Additionally, each director must be rigorous and have the availability required for the volume and frequency of Board and Committee meetings.

In accordance with the recommendations of the AFEP-MEDEF Code, the Board of Directors regularly reviews whether the Board and its Committees have a balanced membership structure, in order to assure shareholders and the market that it carries out its duties with due care, independence and objectivity, with proper regard to the Group's imperatives and strategy.

Since the Annual General Meeting of July 26, 2022, the Board has achieved a proportion of independent directors exceeding 58% and a majority of independent directors on all of its Committees, as well as a smooth staggering of directors' terms of office, in accordance with the recommendations of the AFEP-MEDEF Code. The Board brings together varied skills, as it has directors with expertise in fields relating to both the Company's business sector and the duties assigned to the Board Committees.

1. Varied, cross-sector and complementary expertise

The directors, whose average age is 53, have extensive and diversified experience, which gives them varied, cross-sector and complementary expertise, as shown in the skills matrix below. This allows them to swiftly and fully understand Soitec's business development objectives and make informed decisions. As such, the Chairs of the four Committees – Éric Meurice, Chair of the Strategic Committee, Christophe Gégout, Chair of the Audit and Risks Committee, Delphine Ségura-Vaylet, Chair of the Compensation and Nominations Committee, and Laurence Delpy, Chair of the Environmental, Social and Governance (ESG) Committee – were appointed, in particular, for their expertise and experience in the duties assigned to their respective Committees.

	Finance (1)	International (2)	ESG (3)	HR (4)	Industry (5)	TMT (Tech, Media, Telecoms) (6)	R&D (7)	Governance (8)	Executive Management (9)
Éric Meurice	✓	✓	✓		✓	✓	✓	✓	✓
Pierre Barnabé	✓	✓	✓	✓	✓	✓		✓	✓
Wissème Allali			✓		✓				
Bpifrance Participations (represented by Samuel Dalens)	✓	✓	✓		✓	✓		✓	
CEA Investissement (represented by François Jacq)	✓	✓	✓		✓		✓		✓
Françoise Chombar	✓	✓	✓		✓	✓			✓
Fonds Stratégique de Participations (represented by Laurence Delpy)	✓	✓	✓			✓		✓	
Christophe Gégout	✓	✓	✓		✓	✓	✓	✓	✓
Didier Landru			✓		✓		✓		
Satoshi Onishi		✓			✓	✓			✓
Maude Portigliatti		✓	✓				✓		✓
Delphine Ségura-Vaylet		✓	✓	✓	✓			✓	
Kai Seikku	✓	✓	✓		✓	✓		✓	✓
Shuo Zhang	✓	✓	✓		✓	✓		✓	✓

* *Independent director.*
Chair of a Committee.
(1) *Experience as a Chief Executive Officer, Chief Financial Officer or fund representative.*
(2) *International experience or experience in a group with a worldwide presence.*
(3) *Experience in managing environmental, social and governance (ESG) issues, notably through participation in an ESG Committee.*
(4) *Experience as a Human Resources Director.*
(5) *Experience in the semiconductor related industry, and knowledge of its competitive environment.*
(6) *Experience in or knowledge of tech, media and telecom markets.*
(7) *Experience in research and development.*
(8) *Significant experience as a member of the board of directors or supervisory board of a listed or unlisted company.*
(9) *Significant experience as a Chief Executive Officer, Executive Committee member or senior manager in a company or group of companies.*

2. Attendance and involvement

The members of the Board of Directors devote the requisite time to Board and Committee meetings, as shown by the individual attendance rates set out below:

Name	Attendance at Board of Directors' meetings	Attendance at Strategic Committee meetings	Attendance at Audit and Risks Committee meetings	Attendance at Nomination and Governance Committee (former) meetings (2)	Attendance at Compensation Committee (former) meetings (2)	Attendance at Compensation and Nominations Committee meetings (2)	Attendance at Environmental, Social and Governance (ESG) Committee meetings (2)
Éric Meurice	100%	100%	100%	100%	100%	100%	N/A
Pierre Barnabé	100%	100%	N/A	N/A	N/A	N/A	N/A
Paul Boudre	100%	100%	N/A	N/A	N/A	N/A	N/A
Wissème Allali	100%	100%	N/A	N/A	100%	100%	N/A
Bpifrance Participations (represented by Sophie Paquin) (1)	100%	0%	N/A	50%	100%	N/A	N/A
Bpifrance Participations (represented by Samuel Dalens) (1)	100%	100%	100%	100%	N/A	100%	100%
CEA Investissement (represented by François Jacq) (1)	60%	66.67%	N/A	N/A	N/A	N/A	N/A
Françoise Chombar	85.71%	100%	N/A	83.33%	N/A	N/A	100%
Laurence Delpy (1)	100%	100%	100%	100%	100%	N/A	N/A
Fonds Stratégique de Participations (represented by Laurence Delpy) (1)	100%	100%	100%	100%	100%	100%	100%
Christophe Gégout	100%	100%	100%	N/A	N/A	N/A	100%
Didier Landru	100%	100%	100%	N/A	N/A	N/A	100%
Satoshi Onishi	100%	100%	N/A	100%	N/A	N/A	N/A
Guillemette Picard (1)	50%	0%	100%	75%	100%	N/A	N/A
Maude Portigliatti (1)	80%	66.67%	N/A	N/A	N/A	N/A	N/A
Delphine Ségura-Vaylet (1)	80%	66.67%	N/A	100%	100%	100%	N/A
Kai Seikku	85.71%	100%	100%	100%	100%	100%	100%
Thierry Sommelet (1)	100%	100%	100%	N/A	N/A	N/A	N/A
Qingyu (Jeffrey) Wang (1)	100%	100%	100%	N/A	N/A	N/A	N/A
Shuo Zhang	100%	100%	100%	N/A	100%	100%	N/A

(1) The Annual General Meeting of July 26, 2022 decided not to renew the terms of Paul Boudre, Laurence Delpy, Guillemette Picard, Thierry Sommelet and Qingyu (Jeffrey) Wang, which expired at the end of this Meeting. The term of office of Bpifrance Participations, represented by Sophie Paquin, also expired at the end of the Annual General Meeting on July 26, 2022 and was renewed. Since this renewal, Bpifrance Participations is now represented on the Company's Board of Directors by Samuel Dalens. In addition, the Annual General Meeting of July 26, 2022 also decided to appoint Pierre Barnabé, CEA Investissement, represented by François Jacq, Fonds Stratégique de Participations, represented by Laurence Delpy, Delphine Ségura-Vaylet and Maude Portigliatti as new directors.

(2) On September 28, 2022, the Board of Directors decided to create the Environmental, Social and Governance (ESG) Committee and to merge the Compensation Committee with the Nomination and Governance Committee, now called the Compensation and Nominations Committee.

3. Conflicts of interest and independence

Conflicts of interest

In accordance with the AFEP-MEDEF Code, the Board of Directors' Internal Regulation provides that directors must make every effort to avoid any situation that could cause a conflict between their own moral or material interests and the interests of the Group. Every director is also obligated to notify the Board of Directors of any situation involving a direct, indirect or even potential conflict of interest. The directors are also required to comply with the rules on conflicts of interest set out in the Company's Code of Good Conduct.

Furthermore, the Chair of the Board of Directors can, at any time, request a written statement from the Board members indicating that they do not find themselves in an actual or potential conflict-of-interest situation.

If an actual or potential conflict of interest exists and the Chair considers that the reason for that conflict of interest cannot be disclosed to the directors concerned, the Board of Directors or the Committees shall meet without the directors concerned and the directors concerned shall not have access to the related documents.

The Board of Directors' Internal Regulation also contains a strict confidentiality obligation: all directors, as well as any persons called to attend (i) meetings of the Board of Directors, or (ii) meetings of the Committees of the Board of Directors (whether in person, by videoconference or conference call), are bound by confidentiality obligations with regard to the non-public information provided and/or the discussions and exchanges held at such meetings or in relation thereto, and shall strictly abide by the following disclosure restrictions:

(i) individual directors, permanent representatives of legal entity directors that are not institutional financial investors, and invitees: no disclosure of non-public information is permitted (including, without limitation, to the employees of the company that designated the director or of which the director is a representative);

(ii) permanent representatives of legal entity directors that are institutional financial investors.

A permanent representative of a legal entity director that is an institutional financial investor may provide information received during or outside the meetings of the Board of Directors or its Committees to the employees of that legal entity provided that:

- access to the information is only permitted for the purpose of fulfilling their duties as a director, and in the Company's corporate interest;
- disclosure is limited to that portion of the information which is necessary for the purposes set out above;
- distribution is limited to the Chief Executive Officer of the legal entity and to such other persons who strictly need access to that portion of the information for the purposes set out above, provided that the entity (i) takes all appropriate measures (including entering into confidentiality agreements) to ensure that strict confidentiality is maintained by all such persons, and (ii) maintains a list of such persons and ensures that such persons comply with applicable law relating to the disclosure and use of inside information.

Directors Onishi Satoshi and Kai Seikku have expressly undertaken to abide by the above rules in light of their positions within the SEH group and the NISG group, respectively.

Each year, the directors receive a questionnaire setting out illustrative examples of conflicts of interest and inviting them to declare any situations concerning themselves that could represent an actual, or potential, conflict of interest with respect to Soitec. Conflicts of interest brought to the attention of the Company trigger the stipulations of the Board's Internal Regulation described above. See also:

- section *Independence* below, which refers to the existence of business relations between certain directors and Soitec; and
- section 8.4 *Agreements with interested or related parties*, which sets out (i) the applicable procedure for reviewing related-party agreements, and (ii) the related-party agreements authorized by the Board of Directors or which remained in force in fiscal year 2022-2023.

Based on the disclosures made to the Company by its corporate officers, and to the best of the Company's knowledge, in the past five years:

- None of its corporate officers have been convicted of fraud or been associated with any bankruptcy, sequestration, liquidation or receivership.
- None of its corporate officers have been formally incriminated or been subject to an official public sanction by a statutory or regulatory authority (including designated professional bodies).
- None of its corporate officers have been barred by a court from acting as a member of the administrative, management or supervisory body of an issuer or from being part of the management or conducting of an issuer's business.
- In addition, there are no family ties between the corporate officers, nor any arrangements or agreements with Soitec's principal stakeholders whereby a member of its Board of Directors has been appointed a corporate officer of another entity.

Lastly, the directors are required to inform the Board of any offices they hold in other companies (both French and non-French), including if they sit on a Board Committee, and the Chief Executive Officer must seek the Board's opinion before accepting any office in another company.

Independence

Pursuant to Article 1. a) of its Internal Regulation, the Board of Directors must use its best efforts to ensure that its composition, and in particular, its number of independent members, is in line with the recommendations of the AFEP-MEDEF Code.

Each year, the Environmental, Social and Governance (ESG) Committee conducts a review of the independence status of the Board members based on independence questionnaires given to each of them. The ESG Committee's recommendations following this review are subsequently presented to the Board, which then examines the situation of each director. The independence criterion of business relations is examined in two different stages. First, the ESG Committee and then the Board of Directors verify whether business relations actually exist. If business relations are found to exist, a more detailed review is conducted to assess whether or not they are significant, based on qualitative criteria (context, history and organization of the relationship, as well as the respective powers of the parties) and quantitative criteria (materiality of the relationship for the parties).

In addition, each time a director is appointed or reappointed, the main aspects of their career path and the Board of Directors' conclusions as to their independence are disclosed at the Annual General Meeting at which the shareholders are asked to vote on their appointment and/or reappointment.

The table below shows the results of the fiscal year 2022-2023 independence review of the members of the Board of Directors (excluding the employee directors, Wissème Allali and Didier Landru, who are not included in this review in accordance with section 10.3 of the AFEP-MEDEF Code).

	Criterion 1	Criterion 2	Criterion 3	Criterion 4	Criterion 5	Criterion 6	Criterion 7	Criterion 8
	Employee or corporate officer in the past five years	**Cross-directorships**	**Significant business relations**	**Close family ties with a corporate officer**	**Statutory Auditor in the past five years**	**Duration of term of office exceeding 12 years**	**Status of non-executive corporate officer**	**Major shareholder**
Éric Meurice [1] *Independent*	✓	✓	✓	✓	✓	✓	✓	✓
Pierre Barnabé *Not independent*		✓	✓	✓	✓	✓	✓	✓
Bpifrance Participations (represented by Samuel Dalens) *Not independent*	✓	✓		✓	✓	✓	✓	
CEA Investissement (represented by François Jacq) *Not independent*	✓	✓		✓	✓	✓	✓	✓
Françoise Chombar *Independent*	✓	✓	✓	✓	✓	✓	✓	✓
Fonds Stratégique de Participations (represented by Laurence Delpy) *Independent*	✓	✓	✓	✓	✓	✓	✓	✓
Christophe Gégout [2] *Independent*	✓	✓	✓	✓	✓	✓	✓	✓
Satoshi Onishi *Not independent*	✓	✓		✓	✓	✓	✓	✓
Maude Portigliatti *Independent*	✓	✓	✓	✓	✓	✓	✓	✓
Delphine Ségura Vaylet *Independent*	✓	✓	✓	✓	✓	✓	✓	✓
Kai Seikku *Not independent*	✓	✓		✓	✓	✓	✓	
Shuo Zhang *Independent*	✓	✓	✓	✓	✓	✓	✓	✓

In the above table, ✓ indicates that an independence criterion is met.

(1) Éric Meurice left NXP Semiconductors N.V., one of the Company's principal customers, in May 2019.

(2) Christophe Gégout, a director who was originally put forward by CEA Investissement but has been a Board member in his own name since 2016, (i) resigned from CEA in September 2018 and has not received any compensation from CEA since that date, and (ii) was in any event employed by CEA, an entity that is independent of CEA Investissement (which is a shareholder of Soitec).

The Board wishes to have several directors with experience in the field of semiconductors. However, the semiconductor market is known for its limited number of players, meaning that the Group has, or is likely to have, business relations with Shin-Etsu Handotai, Shanghai Simgui Technology Co. Ltd. and CEA. Several members of the Board of Directors – Éric Meurice, Pierre Barnabé, Satoshi Onishi, Kai Seikku, Christophe Gégout, François Jacq, Shuo Zhang and Delphine Ségura-Vaylet – hold or have held positions in the semiconductor industry. The Board of Directors considers that 7 out of its 12 members (excluding the employee directors) are independent, i.e., 58%.

The Board considers that it acts in a collegiate manner and is fully independent in its decision-making, particularly in view of the skills and profiles of its members.

Pursuant to the recommendation of the AMF, a table is set out below listing the directors who at the date of this Universal Registration Document are deemed to be independent based on the Board's assessment and the AFEP-MEDEF Code.

ASSESSMENT OF DIRECTORS' INDEPENDENCE BASED ON THE AFEP-MEDEF CRITERIA

1.	Éric Meurice	Independent
2.	Pierre Barnabé	Non-independent
3.	Wissème Allali	Employee director
4.	Bpifrance Participations, represented by Samuel Dalens	Non-independent
5.	CEA, represented by François Jacq	Non-independent
6.	Françoise Chombar	Independent
7.	Fonds Stratégique de Participations, represented by Laurence Delpy	Independent
8.	Christophe Gégout	Referent Director
9.	Didier Landru	Employee director
10.	Satoshi Onishi	Non-independent
11.	Maude Portigliatti	Independent
12.	Delphine Ségura-Vaylet	Independent
13.	Kai Seikku	Non-independent
14.	Shuo Zhang	Independent

7
Independent directors

5
Non-independent directors

2
Employee directors

4. Diversity

In addition to increasing the number of women members, the Board is committed to ensuring a diverse mix of French and international profiles, while also striking a balance between the Company's various stakeholders.

FOCUS

Balanced gender representation

Excluding the two employee directors, who, in accordance with Article L. 225-27-1 of the French Commercial Code, are not included in the gender ratio calculation, 5 out of the 12 current Board members are women, corresponding to a ratio of approximately 42%, which is higher than the minimum ratio of 40% provided for in the French Commercial Code and the AFEP-MEDEF Code.

Employee representation on the Board

Members of the Board of Directors representing employees

In accordance with Article L. 225-27-1 of the French Commercial Code and Article 12.5 of the Company's by-laws, the trade union organizations that obtained the most votes in the first round of the elections referred to in Articles L. 2122-1 and L. 2122-4 of the French Labor Code (*Code du travail*) were responsible for appointing the two employee directors. The Métallurgie Isère CFE-CGC trade union appointed Didier Landru on January 18, 2021, and the Soitec branch of the CGT trade union appointed Wissème Allali on January 22, 2021.

Subject to the legal provisions specifically applicable to employee directors, the employee directors have the same rights, obligations and responsibilities as the other members of the Board of Directors. At least one employee director sits on each Committee. However, as they have operational duties within the Group, they are not eligible for directors' compensation in accordance with Soitec's by-laws.

Representatives of the Social and Economic Committee (SEC)

On March 31, 2021, the Board of Directors decided to invite two representatives of the Social and Economic Committee (SEC) (instead of one as required by law) to take part in all Board meetings, in a non-voting capacity, pursuant to the provisions of Article L. 2312-75 of the French Labor Code. The two representatives are Éric Laho, technician, representing the technicians section, and Arnaud Hénault, representing the engineers and executives section.

Strong international dimension

The Company strives to reflect the international environment in which the Group operates. In line with this, the Board of Directors includes five different nationalities (American, Belgian, Japanese, Finnish and French) and has four members who are non-French nationals.

C. Changes in the composition of the Board of Directors in fiscal year 2022-2023

The following changes were made to the composition of the Board of Directors in fiscal year 2022-2023:

	Departures	Appointments	Reappointments
Board of Directors	**July 26, 2022**: Paul Boudre Guillemette Picard Thierry Sommelet Jeffrey Wang	**July 26, 2022**: Pierre Barnabé CEA Investissement (represented by François Jacq) Fonds Stratégique de Participations (represented by Laurence Delpy, who is no longer a director in her own name) Maude Portigliatti Delphine Ségura-Vaylet	**July 26, 2022**: Bpifrance Participations (represented by Samuel Dalens, replacing Sophie Paquin) Christophe Gégout Kai Seikku
Strategic Committee	**July 26, 2022**: Paul Boudre Laurence Delpy Guillemette Picard Thierry Sommelet	**July 26, 2022**: Pierre Barnabé Wissème Allali Bpifrance Participations (represented by Samuel Dalens) CEA Investissement (represented by François Jacq) Fonds Stratégique de Participations (represented by Laurence Delpy, who is no longer a director in her own name) Satoshi Onishi, non-independent director Maude Portigliatti Delphine Ségura-Vaylet	**July 26, 2022**: Christophe Gégout Kai Seikku
Audit and Risks Committee	**July 26, 2022**: Laurence Delpy	**July 26, 2022**: Bpifrance Participations (represented by Samuel Dalens) Fonds Stratégique de Participations (represented by Laurence Delpy, who is no longer a director in her own name) Didier Landru Kai Seikku	**July 26, 2022**: Christophe Gégout
Nomination and Governance Committee (Merged with the Compensation Committee on September 28, 2022)	**July 26, 2022**: Laurence Delpy Guillemette Picard **September 28, 2022**: Bpifrance Participations (represented by Samuel Dalens) Françoise Chombar Fonds Stratégique de Participations (represented by Laurence Delpy) Éric Meurice Delphine Ségura-Vaylet Kai Seikku	**July 26, 2022**: Fonds Stratégique de Participations (represented by Laurence Delpy, who is no longer a director in her own name) Delphine Ségura-Vaylet	**July 26, 2022**: Bpifrance Participations (represented by Samuel Dalens, replacing Sophie Paquin) Kai Seikku
Compensation Committee (Merged with the Nomination and Governance Committee on September 28, 2022)	**July 26, 2022**: Laurence Delpy Guillemette Picard **September 28, 2022**: Bpifrance Participations (represented by Samuel Dalens, replacing Sophie Paquin) Wissème Allali Fonds Stratégique de Participations (represented by Laurence Delpy) Delphine Ségura-Vaylet Kai Seikku Shuo Zhang	**July 26, 2022**: Fonds Stratégique de Participations (represented by Laurence Delpy, who is no longer a director in her own name) Delphine Ségura-Vaylet	**July 26, 2022**: Bpifrance Participations (represented by Samuel Dalens, replacing Sophie Paquin) Kai Seikku

	Departures	Appointments	Reappointments
Compensation and Nominations Committee (Created on September 28, 2022 following the merger of the Nomination and Governance Committee and the Compensation Committee)		**September 28, 2022**: Delphine Ségura-Vaylet – Chair; Wissème Allali; Bpifrance Participations (represented by Samuel Dalens); Fonds Stratégique de Participations (represented by Laurence Delpy); Éric Meurice; Kai Seikku; Shuo Zhang	
ESG Committee (Created on September 28, 2022)		**September 28, 2022**: Fonds Stratégique de Participations (represented by Laurence Delpy) – Chair; Bpifrance Participations (represented by Samuel Dalens); Françoise Chombar; Christophe Gégout; Didier Landru; Kai Seikku	

D. Changes expected in fiscal year 2023-2024

No terms of office will expire at the close of the Annual General Meeting to be held on July 25, 2023. The next terms of office will expire at the end of the Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024.

4.1.1.2 Board of Directors' operating procedures

The operating procedures of the Board of Directors are governed by the applicable legal and regulatory provisions, as well as by the Company's by-laws and the Board of Directors' Internal Regulation [(1)].

A. Restricted meetings of the Board of Directors

In accordance with Article 2. e) of the Board of Directors' Internal Regulation, at the end of each Board meeting, or whenever deemed appropriate and at least once a year, one or more restricted meetings of the Board of Directors are held without the presence of Board members who are also members of Executive Management, or of members in a potential conflict-of-interest situation given the issues on the meeting's agenda.

These meetings, convened by the Chair of the Board of Directors who also sets the agenda, may notably be held in order to discuss performance, compensation, succession planning and actual or potential conflicts of interest involving members of the Board who are also members of Executive Management. Restricted meetings may also be called in order to discuss any other specific matters, as well as the internal functioning of the Board of Directors.

However, no decisions, deliberations, actions or formal resolutions falling within the remit of the Board of Directors may be taken during these meetings. The matters discussed may or may not be recorded in the minutes. Any issues discussed at these meetings that fall within the remit of the Board of Directors and require action must be brought to the Board's attention and, where appropriate, be placed on the agenda of its next ordinary meeting and subject to a formal decision.

During fiscal year 2022-2023, the Board of Directors held restricted meetings, notably to discuss the Chief Executive Officer's performance and compensation.

B. Role of the Chair of the Board of Directors

Éric Meurice, an independent director, has chaired the Board of Directors since March 27, 2019.

In addition to the tasks assigned to them by law, the Chair of the Board of Directors ensures that the Board operates effectively. In particular, they make sure that there is a culture of openness and transparency within the Board in order to allow for informed debate. They also verify that the directors receive the information they need ahead of each meeting, so that the Board's discussions and deliberations are effective and the directors can properly carry out their duties.

The Chair is informed, in a timely manner, by the Chief Executive Officer of any significant issues and events of interest to the Company, notably those relating to its strategy, functioning and organization, planned acquisitions or divestments, and major financial transactions. To this end, the Chair may ask the Chief Executive Officer to provide them with any information or documentation that could give the Board and its Committees useful insight as regards to the above. The Chair brings to the Group and the Chief Executive Officer their industry knowledge, experience and vision.

The Chair represents the Board of Directors and helps to embed Soitec's corporate values and culture. They use their best efforts to promote the Group's initiatives, notably in terms of responsible environmental, social and governance (ESG) practices. As such, taking into account and based on any recommendations made by the Referent Director, they ensure that best corporate governance principles are effectively applied.

The Chair is also responsible for preventing actual or potential conflicts of interest. To this end, they inform the Board of Directors of any actual or potential conflicts of interest involving Board members.

(1) The Company's by-laws and the Board of Directors' Internal Regulation are available on Soitec's website at www.soitec.com.

In certain circumstances, they may occasionally be required to represent the Company in its high-level dealings at both national and international level, particularly in its relations with public authorities, institutions, regulators, shareholders (having previously liaised with the Chief Executive Officer regarding issues impacting the Company's strategy or operations) and key stakeholders of the Company.

C. Role of the Referent Director

In accordance with its Internal Regulation and on the recommendation of external corporate governance expert Ledconseil, represented by Juliette d'Aboville, appointed Christophe Gégout as Referent Director on September 28, 2022. He is involved in managing conflict-of-interest situations relating to the Chair of the Board of Directors and the proper functioning of the Board's governance. He may request or call a meeting of the Board of Directors or of any of its Committees if required.

D. The Secretary of the Board of Directors

On the recommendation of the Chair of the Board of Directors, the Board of Directors appoints a Secretary to the Board, who may be chosen either from among the Board members or from outside the Board. If the Secretary of the Board is not a member of the Board of Directors, they are subject to the confidentiality obligations set out in Article 4. f) of the Internal Regulation. The Board Secretary remains in office for a period determined by the Board of Directors. They may be replaced by a simple decision of the Board of Directors.

Minutes of Board and Committee meetings are drawn up by the Secretary of the Board, acting under the authority of the Chair of the Board or the Committee Chair, as the case may be.

Soitec's Board of Directors has entrusted these duties to Emmanuelle Bely, the Company's General Secretary, who has held them since January 2023.

E. Dialogue with shareholders

In accordance with the recommendations of the AFEP-MEDEF Code, mainly the Chair, but also the directors, may communicate directly with the Company's shareholders in order to explain the Board's position in areas falling within governance.

F. Information, training and resources for directors

When they take up office, each member receives the documentation required for understanding the rules of the Board of Directors' functioning. In fiscal year 2022-2023, the new directors who joined the Board on July 26, 2022 received induction training.

The non-executive directors may also meet – with or without the executive directors being present – with certain Group senior executives, after first informing the Chief Executive Officer and the Chair of the Board, except in certain circumstances (i.e., for reasons of urgency, necessity, or conflict of interest, or when an Executive Committee member is in regular contact with the Board of Directors).

Directors can also, if they deem necessary, be given training about the Company, its businesses and sectors of activity, and/or about corporate social responsibility issues, in particular climate issues. In compliance with applicable regulations, members of the Board representing employees are given appropriate training to help them perform their duties. In accordance with the recommendations of external corporate governance expert Ledconseil, represented by Juliette d'Aboville, the directors attended a governance training session organized by INSEAD in November 2022.

Beyond the meetings and legal obligations, any information that is useful for the exercise of their duties is communicated to the directors, if the importance and urgency of such information so requires.

Executive Management also periodically sends a scorecard to directors that shows the achievement levels for key indicators, particularly financial indicators, and which includes a comparison with forecast levels.

The directors can also ask any of the senior executives and the Board Secretary for any additional information or clarifications they may require for performing their duties.

In order to properly carry out its work (or the work of its Committees), the Board of Directors may call on external independent advisors or experts and may commission independent reviews, at the Company's expense. The Board of Directors has a specific separate budget in this respect which is allocated each year as decided by the Board. In connection with the allocation of this specific budget, which may be used by the Board at its own discretion, the Chair of the Committee wishing to call on external advisors or experts informs and seeks the approval of the Chair of the Board, and determines reasonable fees and acceptable terms of engagement that comply with industry standards.

G. Selection of directorship candidates

In accordance with Article 1. a) of the Board of Directors' Internal Regulation, the Board must make every effort to put forward directorship candidates who have industrial and/or accounting and financial skills. Furthermore, their profiles and skills should meet Soitec's needs and comply with the applicable regulatory requirements and the recommendations of the AFEP-MEDEF Code.

The Board of Directors is guided by the recommendations of the Compensation and Nominations Committee when deciding on putting forward new directorship candidates for appointment or co-option by shareholders. As part of its duties, the Compensation and Nominations Committee follows a specific procedure for selecting the Company's future independent directors. In line with the AFEP-MEDEF Code, the Board of Directors particularly draws on the Nomination and Governance Committee's work on the Board's assessment of its own composition, organization and operation when identifying new candidates or putting forward directors for reappointment. This process guarantees a balanced diversity in terms of independence, gender representation, nationalities, ages, skills and experience.

The Compensation and Nominations Committee draws up a shortlist, assisted where necessary by an external consulting firm, which it puts forward to the Board to help it select candidates for co-option, appointment or reappointment as directors.

H. Ethics

1. Duties of the members of the Board of Directors

Representation of shareholders' interests

The Board of Directors' Internal Regulation stipulates that the Board represents the collective interests of all of the Company's shareholders and must act, in all circumstances, in the Company's best interest. All the directors, regardless of their role on the Board or the positions they may hold in other companies, must always act in accordance with those principles and with due care.

Knowledge of their obligations

The directors are required to know the general and specific obligations associated with their directorship duties. They must in particular know and comply with the applicable legal and regulatory provisions, as well as the Group's own rules that are set out in the Company's by-laws and Code of Good Conduct, and the Board of Directors' Internal Regulation.

Compliance with stock market regulations

Pursuant to (i) Regulation (EU) 596/2014 of the European Parliament and of the Council dated April 16, 2014 on market abuse (the "Market Abuse Regulation", or "**MAR**"), (ii) position-recommendation 2016-08 dated October 26, 2016 of the AMF, and (iii) the Board of Directors' Internal Regulation, the Company's directors and senior executives are prohibited from trading in the Company's shares during periods preceding results releases (i.e., (i) for 30 calendar days before the Company releases its provisional or final annual and half-year results (including the day of issue), and (ii) for 15 calendar days before it releases its quarterly financial information (including the day of issue)), and in general for as long as they are privy to inside information.

Disclosure of securities transactions

All Board members and senior executives, and any persons closely related to them, are required to disclose any purchases, sales or transfers they carry out in the Company's financial securities to the AMF when the aggregate amount of those transactions exceeds €20,000 in any given calendar year. Such disclosures must be made electronically, within three business days of the transaction date. This disclosure obligation covers, more generally, all transactions carried out on their own behalf in shares of the Company or debt securities issued by it, or derivative instruments, as well as transactions conducted in related financial instruments.

The table below summarizes the transactions carried out in fiscal year 2022-2023 (transactions disclosed when their aggregate value exceeds €20,000 per disclosing party in a given calendar year).

Disclosing party	Pierre Barnabé	Bpifrance Participations	Fonds Stratégique de Participations
Capacity	Chief Executive Officer	Director	Director
Issuer	SOITEC	SOITEC	SOITEC
LEI	969500ZR92SQCU9TST26		
Type of financial instrument	Shares	Shares	Shares
Financial instrument identification code	FR0013227113	FR0013227113	FR0013227113
Number of financial instruments	300	458,693	52,029
Type of transaction	Purchase	Purchase	Purchase
Transaction date	October 5, 2022		June 10, 2022
Place of transaction	Euronext Paris	Euronext Paris	Euronext Paris
Unit price	€128	€165	€171
Total amount of the transaction	€38,400	€75,684,345	€8,896,959

Directors' involvement in the Board of Directors' work

Under the terms of the Board of Directors' Internal Regulation, the directors undertake to give the necessary time and attention to their duties. They undertake to attend and participate in all meetings of the Board and any Committees to which they belong. They must also attend Annual General Meetings.

The terms and conditions for setting and allocating compensation to the individual directors out of the aggregate amount decided on by the Board are stricter than the recommendations of the AFEP-MEDEF Code. The total amount of directors' compensation allocated to the members of the Board of Directors for fiscal year 2022-2023 was weighted in line with each director's meeting attendance rate during the year, apart from for the Chair, who receives €230,000 in fixed compensation in that capacity (see section 4.2 of this Universal Registration Document).

Duty of confidentiality

The directors, as well as any other persons invited to attend meetings of the Board and/or its Committees, are subject to a duty of discretion concerning all confidential information which is identified as such by the Chair of the Board of Directors or the person chairing the meeting if the Chair is unable to attend. Beyond this legal discretion obligation, Board members are bound by a true confidentiality obligation with regard to the information, discussions and exchanges resulting from the meetings of the Board of Directors or its Committees.

In the case of a proven breach of confidentiality by one of the directors or any other person that attends meetings of the Board and/or its Committees, the Chair of the Board of Directors is responsible for considering the consequences, which may be legal.

2. Restrictions applicable to, or which may relate to, members of the Company's administrative and management bodies

Share ownership requirement for members of the Board of Directors

Pursuant to Article L. 225-25 of the French Commercial Code, Article 13 of the Company's by-laws does not require Board members to own at least one Soitec share. However, the Board of Directors' Internal Regulation stipulates that the directors, with the exception of (i) permanent representatives appointed by corporate directors, (ii) members representing institutional investors and (iii) employee directors, must hold a significant number of Soitec shares.

Holding conditions for performance shares allocated to corporate officers

The Chair of the Board of Directors does not receive any free performance share allocations. The Chief Executive Officer is subject to holding conditions, as described in section 4.2 of this Universal Registration Document.

During fiscal year 2022-2023, the Chief Executive Officer was allocated 9,612 free performance shares, subject to a presence condition and the achievement of performance conditions based on financial and non-financial criteria, which will be assessed by the Board of Directors at the end of a three-year period, pursuant to the authorization granted to him by the Annual General Meeting of July 26, 2022 and the rules of Soitec's annual long-term incentive scheme.

I. Assessment of the Board of Directors

In accordance with the recommendations of the AFEP-MEDEF Code and the Board of Directors' Internal Regulation, the Board of Directors performs an annual assessment of its composition, organization and functioning, as well as those of its Committees.

It may take the form of anonymous questionnaires sent to each Board member, or also an assessment conducted with the assistance of an external consultant.

The results of the assessment are presented and discussed at a Board of Directors' meeting, under the direction of the Chair of the Environmental, Social and Governance (ESG) Committee.

The various roles and responsibilities and duties of the Board and its members are reviewed and assessed, and recommendations (where applicable) are made to improve the functioning of the Board. The results are presented to the shareholders each year in the corporate governance report.

The results of the last assessment, which were presented to the Board of Directors on March 29, 2023, showed that the directors are generally satisfied with the effectiveness and quality of the information given to them by the Company for performing their duties. The directors are also satisfied with the additional information now being provided on certain financial and strategic topics, organizational changes and HR policy. Similarly, most of the directors gave a positive assessment of each member's contribution to the Board's work. Concerning the way in which the Board Committees operate, most directors expressed overall satisfaction.

In addition, the Board of Directors was able to implement all the recommendations made by the Referent Director, Christophe Gégout, and external corporate governance expert Ledconseil, represented by Juliette d'Aboville, following their examination of its governance processes and procedures, in line with the schedule set.

J. Work of the Board of Directors

Board meetings are convened by the Chair, Éric Meurice, whenever necessary and at least four times per fiscal year. Nine Board meetings were held in fiscal year 2022-2023, with an average attendance rate of 92.07%.

Each year, the Board of Directors is required to examine and take decisions on topics that are identical from one fiscal year to another. These topics include, but are not limited to:

- a review of the activities of the Board Committees;
- a review of the Group's business and strategy, as well as the determination of its strategic directions;
- approval of the budget and investments;
- approval of the statutory and consolidated annual and interim financial statements;
- approval of the Company's provisional financial statements;
- determination of the compensation for the corporate officers;
- a review of information communicated to the public (including the Universal Registration Document);
- the preparation of the Annual General Meeting;
- an assessment of the composition, organization and functioning of the Board and its Committees;
- a review and/or approval of new or renewed related-party agreements;
- a review of agreements concerning routine transactions and entered into on arm's length terms;
- an analysis of the undertakings, endorsements and guarantees granted by the Company;
- a review of the Company's sustainability policy as well as its governance;
- a review of certain press releases.

In addition to recurring topics, a number of exceptional matters were examined by the Board during fiscal year 2022-2023, as shown in the table below.

Topic	Agenda item
Strategy	Review of strategic initiatives
	Investment studies
	Review of various presentations and market research
	Review of the multi-year business plan
	Review of material contracts
	Review of organizational structures
Financial policy	Financing
	Share buyback program
	Change in the reporting method for results
Environment and social	Soitec's diversity policy
	Environmental and social policy (including climate)
Governance	Review of the composition of the Board of Directors
	Revision of the Board of Directors' Internal Regulation
	Adoption of a budget specifically for the Board of Directors
	Review of governance recommendations and monitoring of their implementation
	Review of succession plans for corporate officers
Compensation	Adoption of employee share ownership plans
	Monitoring the vesting of employee share ownership plans set up in previous years
	Review of the compensation of Executive Committee members

4.1.2 Board Committees

For the purpose of carrying out its duties, the Board of Directors is assisted by four Committees. The composition, organization, functioning and specific roles and responsibilities of each of the Committees are set out in the Board of Directors' Internal Regulation. The Committees have no decision-making power. The opinions, proposals or recommendations that they submit to the Board of Directors are not binding in any way. They carry out their work under the aegis of the Board of Directors, which has sole legal decision-making power and remains collectively responsible for the fulfillment of its duties.

The Board of Directors may decide to create special focus groups devoted solely to reviewing matters of an exceptional nature or specific issues of strategic importance for the Company over a specified period of time.

4.1.2.1 Composition of the Board Committees

A. Strategic Committee

The Strategic Committee comprises 14 directors, including seven independent directors, i.e., an independence ratio of 58% (excluding the employee directors):

- Éric Meurice, Chair and independent director;
- Pierre Barnabé, Chief Executive Officer and non-independent director;
- Wissème Allali, employee director;
- Bpifrance Participations, represented by Samuel Dalens, non-independent director;
- CEA Investissement, represented by François Jacq, non-independent director;
- Françoise Chombar, independent director;
- Fonds Stratégique de Participations, represented by Laurence Delpy, independent director;
- Christophe Gégout, Referent Director;
- Didier Landru, employee director;
- Satoshi Onishi, non-independent director;
- Maude Portigliatti, independent director;
- Delphine Ségura-Vaylet, independent director;
- Kai Seikku, non-independent director;
- Shuo Zhang, independent director.

It is standard practice for several members of the Executive Committee to attend Strategic Committee meetings and take part in its discussions.

The role of the Strategic Committee is to assist the Board of Directors in determining and regularly reviewing Soitec's strategy, including scope, business plans, budgets, and potential M&A mapping and opportunities. To this end, the Committee analyzes the Group's markets, key success factors and areas for growth, clarifies the Group's strategic objectives, and evaluates the merits and consequences of major strategic decisions, based on an analysis of the competitive environment.

During the year, the Committee met four times, with an attendance rate of 85%. The Committee worked on all subjects related to the Group's business, including products, markets and organization, and its strategy for the next five years.

B. Audit and Risks Committee

The Audit and Risks Committee comprises seven directors, including four independent directors, i.e., an independence ratio of 67% (excluding the employee directors):

- Christophe Gégout, Chair and Referent Director;
- Bpifrance Participations, represented by Samuel Dalens, non-independent director;
- Fonds Stratégique de Participations, represented by Laurence Delpy, independent director;
- Didier Landru, employee director;
- Éric Meurice, independent director;
- Kai Seikku, non-independent director;
- Shuo Zhang, independent director.

The role of the Audit and Risks Committee is to ensure the accuracy and reliability of the Company's statutory and consolidated financial statements and the quality of the information provided.

It is mainly responsible for monitoring all aspects of the process for preparing accounting and financial information, the effectiveness of internal control and risk management systems, and the performance of the statutory audit of the annual financial statements (and, where applicable, the audit of the consolidated financial statements and verification of the Statutory Auditors' compliance with independence requirements). It reports on a regular basis to the Board of Directors on the performance of its duties and informs it, without delay, of any difficulties that may arise.

During the year, the Committee met seven times, with an attendance rate of 100%. The Committee worked on its customary missions relating to audit and internal control.

In accordance with the report of the AMF working group on audit committees, the members of the Audit and Risks Committee with specific expertise in financial matters are indicated in table 4.1.1 1 B. of this Universal Registration Document.

In addition to the Committee's members, the following persons attend and contribute to the Audit and Risk Committee's discussions: the Chief Financial Officer, either alone or accompanied by one or more members of her team, and the Statutory Auditors when there is an agenda item related to their work.

For the purposes of carrying out its duties, the Committee had the opportunity for regular, independent discussions with the Statutory Auditors.

At each closing of the annual and interim statutory and consolidated financial statements, the Audit and Risks Committee verified the closing process and read the Statutory Auditors' report.

The Committee also examined the off-balance sheet commitments, the accounting options retained for establishing provisions, as well as the risk mapping.

It also reviewed the terms of each of the financial press releases and financial reports published during the year, as well as the financial, accounting and economic items submitted for approval to the last Annual General Meeting.

The Committee also examined the report by the Chair of the Board of Directors on corporate governance drafted for the fiscal year ended March 31, 2022, in accordance with the provisions of Article L. 225-37 of the French Commercial Code.

In addition to its recurring annual work, the Audit and Risks Committee worked in particular on the following topics:

- confirmation of the rate of achievement of the objectives relating to EBITDA and revenue under the Topaz share plan as well as the conversion date of August 1, 2022 (subject to the TSR indicator);
- review of routine agreements entered into on arm's length terms falling within the scope of Article L. 225-39 of the French Commercial Code, as required pursuant to Article L. 22-10-12 of the French Commercial Code;
- review of the risk map and the risks presented in the Universal Registration Document;
- study of a presentation on cybersecurity;
- review of the transfer pricing policy;
- review of internal control and compliance programs.

C. Compensation and Nominations Committee

The Compensation and Nominations Committee comprises seven directors, including four independent directors, i.e., an independence ratio of 67% (excluding the employee directors):

- Delphine Ségura-Vaylet, Chair and independent director;
- Wissème Allali, employee director;
- Bpifrance Participations, represented by Samuel Dalens, non-independent director;
- Fonds Stratégique de Participations, represented by Laurence Delpy, independent director;
- Éric Meurice, Chair and independent director;
- Kai Seikku, non-independent director;
- Shuo Zhang, independent director.

At its meeting on September 28, 2022, the Board of Directors decided to merge the Compensation and Nominations Committees, given that their respective duties covered significantly overlapping subjects. Governance, on the other hand, has been assigned to the Environmental, Social and Governance (ESG) Committee, whose duties are described below. The Chief Executive Officer may be invited to meetings of the Compensation and Nominations Committee, none of whose members may be an executive corporate officer, provided the Committee Chair and the Chair of the Board of Directors are notified in advance, but may not take part in deliberations concerning his compensation.

It is standard practice for the Executive Vice President, People & Sustainability to attend meetings of the Committee.

The Compensation and Nominations Committee receives updated information on senior executives' compensation and is responsible for making recommendations regarding the compensation and benefits of the corporate officers. It sets up a procedure for selecting new directors, prepares recommendations for the succession of corporate officers, and reviews the organizational and human capital plans.

During the year and prior to the above-mentioned merger, the Compensation Committee met three times, with an attendance rate of 100%, and the Nomination and Governance Committee four times, with an attendance rate of 91%. Following the merger of the two Committees, the new Compensation and Nominations Committee met twice, with an attendance rate of 100%.

Prior to the merger, in addition to its recurring annual work, the Compensation Committee worked in particular on the following topics:

- diversity policy in terms of professional and pay equality;
- determination of the terms and conditions of the Chief Executive Officer's departure;
- issues relating to the compensation of corporate officers (*ex-post* and *ex-ante* votes), including the pay equity ratio.

Prior to the merger, in addition to its recurring annual work, the Nomination and Governance Committee worked in particular on the following topics:

- review of its composition and proposals for reappointments to or a list of target profiles for the Board of Directors and the Committees;
- review of the adoption of governance recommendations;
- review of the independence of Board members;
- the succession process for the Chief Executive Officer.

Then, in addition to its recurring annual work, the new Compensation and Nominations Committee, created from the above-mentioned merger, worked in particular on the following topics:

- recommendations to allocate additional share plans (Agate 2025 [Soitec ESU]) and Onyx 2025 plans);
- delivery of preferred shares under the Topaz 2022 plan;
- conversion of preferred shares into ordinary shares;
- review of the achievement of performance conditions and delivery of shares under the US 2022 plan;
- review of directors' compensation.

D. Environmental, Social and Governance (ESG) Committee

The Environmental, Social and Governance (ESG) Committee has six directors, including three independent directors, i.e., an independence ratio of 60% (excluding the employee directors):

- Fonds Stratégique de Participations, represented by Laurence Delpy, Chair and independent director;
- Bpifrance Participations, represented by Samuel Dalens, non-independent director;
- Françoise Chombar, independent director;
- Christophe Gégout, Referent Director;
- Didier Landru, employee director;
- Kai Seikku, non-independent director.

At its meeting on September 28, 2022, the Board of Directors decided to set up a new Environmental, Social and Governance (ESG) Committee, given the importance of ESG issues for the Company.

The role of the ESG Committee is to assist the Board in fulfilling its oversight responsibilities in relation to the Group's identification and management of environmental, social and governance (ESG) issues, including but not limited to: environmental sustainability and climate change, greenhouse gas emissions, air and water quality, and ecological impacts; social sustainability, including human rights, well-being, diversity, and inclusion in the workplace; and governance, including business ethics. The duties of the ESG Committee do not include oversight of the audit performed on the mandatory consolidated non-financial performance statement, which is overseen by the Audit and Risk Committee.

Since its creation on September 28, 2022, the Environmental, Social and Governance (ESG) Committee met twice, with an attendance rate of 100%.

During its first two meetings, the Committee worked in particular on the following topics:

- update of ESG priorities and definition of the ESG strategic plan;
- review of the adoption of governance recommendations;
- annual assessment of the performance of the Board and its Committees;
- review of the Internal Regulation of the Board and its Committees;
- review of the independence of Board members.

E. Resources

In order to properly carry out their work, the Committees may call on external independent advisors or experts and may commission independent reviews on matters falling within their remit, at the Company's expense. Each Committee must provide a provisional budget to the Chair of the Board of Directors, who then has the Board approve the overall budget.

When a Committee decides to call on an external expert or advisor, the Chair of the Committee in question informs the Chair of the Board, who allocates the approved annual budget. The Chair of the Committee in question may request additional funds from the Board if necessary, subject to the Committee Chair informing the Board of Directors at its next meeting. In connection with the allocation of this specific budget, the Chair of the Board or the Chair of the Committee determines reasonable fees and acceptable terms of engagement that comply with industry standards.

Lastly, each Committee may contact and meet with the Company's key senior executives after informing the Chair of the Board or, if the latter disagrees, the Referent Director provided that a report is subsequently provided to the Board of Directors in this respect.

4.1.3 Executive Management

4.1.3.1 Executive Management

At the date of publication of this Universal Registration Document, Pierre Barnabé is the Company's Chief Executive Officer. His profile is presented in section 4.1.1.1 of this Universal Registration Document.

4.1.3.2 Cross-directorships

The AFEP-MEDEF Code recommends that executive corporate officers should not hold more than two other directorships in listed corporations – including foreign corporations – that are not affiliated with the executive corporate officer's group. Pierre Barnabé only holds one other directorship in a French or foreign listed company.

4.1.3.3 Powers of the Chief Executive Officer

Subject to any restrictions on their powers, which only apply within Soitec and are not binding on third parties, the Chief Executive Officer is vested with the broadest powers to act in all circumstances on behalf of the Company. They exercise their authority within the limit of the corporate purpose and subject to the powers expressly bestowed by the law on Annual General Meetings and on the Board of Directors.

In addition to the consultations that the Chief Executive Officer is required to carry out with the Board of Directors and/or the prior authorizations that they are required to obtain from the Board in accordance with the applicable regulations, Article 13 c) of the Board of Directors' Internal Regulation sets out a number of specific situations where (i) the Board has a right of review and/or a right to information, or (ii) the Chief Executive Officer is required to obtain the Board's prior approval.

The Board's Internal Regulation sets out a number of significant transactions and decisions that require the prior authorization of the Board of Directors. This Internal Regulation is published on Soitec's website at www.soitec.com.

4.1.3.4 Executive Committee

The Executive Committee is led by the Chief Executive Officer and comprises 11 members, who have complementary and varied skills, and in-depth knowledge of the Group's business and strategic goals. It includes representatives from the Group's operations and support departments and its purpose is to inspire, lead, manage and develop the Group's business in a collegial manner. Its aim is to keep capturing growth in Electronics markets, and to pursue growth in the Company's profitability while working towards long-term sustainability.

The Executive Committee meets whenever required, under the leadership of the Chief Executive Officer, and its members hold weekly conference calls and perform quarterly detailed reviews.

The decision processes and operating methods are defined in the management system steered by the Quality Department.

At the date of publication of this Universal Registration Document, the members of the Executive Committee are:

Name	Function
Léa Alzingre	Executive Vice President, Chief Financial Officer
Bernard Aspar (1)	Chief Operating Officer
Steve Babureck	Senior Vice President, Strategic Office & Investor Relations
Emmanuelle Bely	Executive Vice President, General Secretary
Reiner Breu	Vice President, Quality
Pascal Lobry	Executive Vice President, People & Sustainability
Christophe Maleville	Senior Executive Vice President, Innovation and Chief Technology Officer
Cyril Menon	Senior Executive Vice President, Operations Excellence & Quality and Chief Operations Officer
Yvon Pastol	Executive Vice President, Customer Group
Thomas Piliszczuk (1)	Executive Vice President, Global Business
Caroline Sasia	Senior Vice President, Communications and Chief of Staff of the Chief Executive Officer

(1) Philippe Pellegrin left the Executive Committee in March 2023, Thomas Piliszczuk will leave the Executive Committee in July 2023 and Bernard Aspar will leave in August 2023. Reiner Breu will remain at Soitec but will leave the Executive Committee.

4.1.3.5 Gender diversity policy in Soitec's management bodies

Soitec firmly believes that diversity of viewpoints, backgrounds and representations within a group contributes greatly to its ability to innovate, deal with challenges, anticipate and make decisions. Soitec has a long-standing and unequivocal commitment to gender balance within the Company and the Group, without ignoring the stereotypes in its environment, based on school and university choices, which deter most women from scientific and technical studies, and also within numerous companies in the semiconductor and microelectronics sector. Rather than being a hindrance, the reality of our environment – which is less favorable than in other sectors – drives our management to act with determination, and to stand out from its competitors. However, the still limited number of women joining our industry naturally impacts the pace of its progress toward achieving a balanced and effective gender diversity at all levels.

In recent years, Soitec's policy has resulted in a steady increase in the number of women in the socio-professional category of engineers and executives, which had 31% women at the Group level at the end of March 2023 compared to 30% for fiscal year 2021-2022, and 35.3% at the Company level versus 34.2% over the same period.

Soitec strives to implement its policy through the industrial relations process. Wherever possible, Soitec prioritizes the signing of agreements with the trade unions – which can effectively garner the support of the employees – rather than unilateral commitments. It is based on regular monitoring of indicators and objectives, including through annual people reviews, quarterly "People & Sustainability" reviews, and pay rise and career promotion campaigns, during which any gaps are gradually closed.

These indicators are taken into account to ensure equal access to pay rises and career promotions, and to narrow any unjustified pay gaps that may exist. Decisions regarding pay rises and career promotions and subject to prior review, to ensure the strict application of equal access. Diversity and inclusion indicators (hiring, promotions, mobility, equal treatment, turnover, etc.) are presented to the Executive Committee quarterly in a dedicated review. The people review, which brings together the Executive Committee for two days a year at the end of an organization-wide process that lasts several weeks, focuses mainly on gender issues in career developments through the prism of the management of high-potential employees and succession plans.

Issues relating to gender balance and the related objectives and indicators were also reviewed within the dedicated bodies of the Board of Directors (by the Nomination and Governance Committee until 2020, and then by the Compensation Committee, responsible for environmental and social issues from May 2021 to September 2022, and since that date by the ESG Committee), which presented and analyzed the issues, objectives, indicators and action plan to the Board of Directors at its meetings on September 15, 2021 and March 29, 2023. On management's proposal, the gender balance objectives set out below for the Executive Committee and the scope of the senior management and executive positions concerned were updated by the Board at these meetings.

To help change mindsets, the main levers used are awareness-raising targeting all internal and external stakeholders (with a focus on stereotypes at work and inclusive practices), training actions to raise awareness of biases in the appointment and recruitment processes (in particular, an e-learning course has been developed), an empowerment training program for women, the inclusion of gender issues in industrial relations, and the creation in March 2023 of a network of women and allies (which has been authorized, by collective agreement with the trade unions and as an exception to their exclusive representation, to represent the employees. In 2022, employees featured in short films designed to raise awareness about sexist behaviors. Lastly, our master agreements with recruitment firms now include a systematic commitment to submit a shortlist of men and women candidates for all recruitments.

In France, we have seen continuous improvement in the Company's gender equality index since its creation, and now also of the Economic and Social Unit comprising the Company and Soitec Lab, which demonstrates our determination to eliminate gender pay gaps and ensure genuine equality of opportunity for promotions and increases, based on merit. Several gender pay gaps by job grade and age bracket were eliminated in fiscal year 2021-2022. The gender equality index scores since 2018 are as follows:

- 84/100 as at March 31, 2018;
- 89/100 as at March 31, 2019 and 2020;
- 94/100 as at March 31, 2021, 2022 and 2023.

Similarly, our subsidiary Dolphin Design, in which the Company took a stake in 2018 and which operates in an industry that is even more male-dominated than the semiconductor sector, improved significantly during the year, registering a gender equality index of 94/100 in fiscal year 2022-2023, compared to 91/100 in fiscal year 2021-2022, 89/100 in fiscal year 2020-2021 and 79/100 in fiscal year 2019-2020.

During the 2021 promotion campaigns and people reviews, as a result of this work, strictly equal access to promotion was ensured for both genders on a worldwide basis. A specific budget provided for in the collective agreement signed on March 21, 2022 with the trade unions has also closed or reduced gender pay gaps, in addition to the regular amounts dedicated to merit increases and promotions.

At its meeting on March 29, 2023, the Board of Directors noted that the objectives for the number of women in management bodies set in 2021 for fiscal year 2024-2025, i.e., at least 25% of women on the Executive Committee and at least 20% of women in senior management positions (classification of greater than or equal to 150 according to the internal business architecture), had been achieved two years ahead of schedule, with women accounting for 27.3% of Executive Committee members and holding 23% of senior management positions at March 31, 2023. The Board, acting on the recommendation of its ESG Committee, has approved new objectives – this time for fiscal year 2029-2030 – of reaching a proportion of at least 40% of women, both at Group level and on its Executive Committee, and, more broadly, among senior managers as defined by the French Labor Code. At senior management level (classification of at least senior manager according to the internal business architecture), the objectives for the same time period has been set at 30%.

A. Executive Committee

The Executive Committee was still composed entirely of men in early 2018. Whenever a position becomes vacant, the Company ensures that a shortlist of men and women candidates is presented, to achieve gender balance. In 2018, a woman was recruited for the first time to join the Executive Committee. In 2020, the internal promotion of a new Chief Financial Officer, brought the ratio of women on the Committee to 18.2%. A new Communications Department (combined with the role of Chief of Staff to the Chief Executive Officer) was created in 2022, followed by a General Secretary's Office – overseeing the Legal Department, governance issues and public affairs – in January 2023. Both have been entrusted to women hired externally. In addition, the Purchasing Department – which was previously headed by a man, reporting to the Global Supply Department – has ceased to be part of the Executive Committee. As a result, 27.2% of Executive Committee members were women at March 31, 2023, outperforming the fiscal year 2024-2025 objective set by the Company.

By fiscal year 2029-2030, the Company has set itself the objective of women representing at least 40% of Executive Committee members, as well as of senior managers as defined by the French Labor Code.

B. Top management positions

More generally, Soitec carefully monitors the population holding the positions whose classification in its internal business architecture is greater than or equal to 150 (senior management level and above). They are mostly key positions in the organization, the vast majority of which directly report to the Group's Executive Committee, and represent about 7% of the total workforce. In this population where the relative percentage of scientific and technical posts is greater than within the Executive Committee, the ratio of women at the Group level has improved significantly, increasing to 21% at March 31, 2023 from 17% two years earlier, two years ahead of the 20% objective that we had set.

Consequently, Soitec has revised the objective for this population, which is now 30% by fiscal year 2029-2030.

C. Succession plan

The succession plan, presented each year at the end of the people review, is designed, as far as possible, to consider both men and women for every management or top management position, giving preference to internal candidates and identifying external talent of both genders for each of the positions in question.

The Compensation and Nominations Committee is closely involved in drawing up and monitoring the succession plan, for which one of its meetings will be held in September, ensuring that the proportion of men and women in the successors put forward is as balanced as possible.

4.2 Compensation

4.2.1 Generic compensation policies applicable to corporate officers

This section of the corporate governance report will be submitted to Soitec's shareholders for approval in the 7th to 10th resolutions of the Annual General Meeting to be held on July 25, 2023.

4.2.1.1 Fundamental principles for determining the compensation policies

The Board of Directors sets the compensation policies for the corporate officers (1) in the best interests of the Company. The policies adopted are based on recommendations issued by the Compensation and Nominations Committee, which takes into account the principles set out in the AFEP-MEDEF Code (comprehensiveness, balance between compensation components, benchmark comparison with practices in similar companies, consistency with the Company's strategy and challenges, clear rules, and proportionality), and aims to meet the objectives below.

The Board thus ensures that the compensation policies are in line with Soitec's best interests and in particular that:

- they are competitive and adapted to the Company's overall business strategy and are compatible with the operating context;
- they contribute to the Company's financial, operational and sustainability performance and competitiveness in the short, medium and long term;
- they can be justified to stakeholders and with regard to standard market practices for comparable companies.

A. Corporate officers' total compensation structure is in line with the Company's business and sustainability strategy and is designed to contribute to its long-term success

The Board seeks to incentivize Executive Management to achieve the highest possible performance objectives based on various Company success criteria, and to implement this approach in a consistent way. The variable component – in the short- and long-term – makes up the majority of the total compensation, and is set based on clear, quantifiable and demanding criteria that are based on the Company's business model and sustainable development. The applicable performance metrics are consistent, with annual and multi-annual assessment periods adapted to the timeframes of each of the objectives set. In other words, the Chief Executive Officer's performance conditions are demanding and correspond to the key factors underlying the Company's profitable, sustainable and responsible growth.

For the other members of the Board of Directors (except the Chair, who receives fixed compensation, and the employee directors, who do not receive any compensation in this capacity), their compensation is based entirely on their attendance at Board meetings.

B. The structure of corporate officers' compensation packages is straightforward and explicit, in order to attract and retain corporate officers while being fair to stakeholders

The components of the corporate officers' compensation are clear, straightforward and demanding. The compensation packages for Executive Management, as well as for the members of the Executive Committee, are made up of fixed and variable compensation, with no deferred compensation mechanisms and no guaranteed minimum amounts of variable compensation in the event of a poor financial performance by the Company.

The compensation packages are set in a comprehensive manner, taking into consideration all commitments given by the Company, including indemnities or benefits that are due or could be due for the take-up, termination or change of duties, or subsequent to exercising such duties. The compensation packages for the corporate officers are set in line with the duties assigned to them and take into account their experience and market practices.

The Board's objective is to define an appropriate level of compensation enabling the Company to attract, retain and motivate the best talent. To this end, the Compensation and Nominations Committee regularly examines benchmarking studies carried out by specialized independent firms based on panels of comparable French (CAC Mid 60) and European companies (2). These panels are reviewed regularly, in order to ensure that they are still relevant. The independent firms concerned may propose changing the companies included in the benchmarking panels if the structure or business of those companies change, or to take into account changes in Soitec's key performance indicators.

In 2022, the former Compensation Committee (which in September 2022 became the Compensation and Nominations Committee) reviewed the annual compensation of all of Soitec's executive and non-executive corporate officers, as well as of the salaried members of the Executive Committee, comparing the amounts against market benchmarks and practices. New studies were carried out in 2023 by the Compensation and Nominations Committee, concerning Executive Management and all Executive Committee members.

(1) The Chair of the Board of Directors (who is a non-executive director), the Chief Executive Officer and the other Board members (who are also non-executive directors) are collectively referred to as "corporate officers".

(2) Companies in the panels for the benchmarking studies performed in 2023.
European companies: Aixtron SE, AMS-OSRAM, ASM International, AT&S – Austria Technologie & SYS, Barco, BE Semiconductor Industries, Elmos Semiconductor, Eutelsat, Infineon Technologies, Iqe PLC, Jenoptik, Melexis, NCAB Group, Nordic Semiconductor, Siltronic, SMA Solar, STMicroelectronics N.V., Tecan Group, Technoprobe.
French companies (CAC Mid 60): Alten, Aperam, BIC, CGG, Eramet, Euroapi, Eutelsat Communic., GTT, Imerys, Ipsen, Ipsos, JC Decaux SA, Metropole TV, Neoen, OVH, Quadient, SES, Somfy, Sopra Steria Group, TF1, Vallourec, Verallia, Virbac.

C. The corporate officers' compensation takes into account the compensation and employment conditions of Soitec's employees

The Group's policy aims to give its employees a stake in its long-term growth in a number of different ways. In general, the compensation packages of the Group's employees are in line with market practices, taking into account local contexts, and various systems have been, or are being, put in place to reward both collective and individual performance (including free performance share plans for all employees and bonus schemes adapted to local performance and practices).

The Compensation and Nominations Committee, which includes an employee director, regularly reviews the Group's salary policy and ensures that the structure of the compensation packages for the Chief Executive Officer and the Chair of the Board of Directors is consistent with that of the Group's other key executives and all employees. It is highly attentive to the pay equity ratio, which is set out in section 4.2.2.3.

For the purposes of consistency and cohesion, the performance conditions underlying the free performance share plans currently in effect for all employees are the same as those applicable to the Chief Executive Officer and the Group's other key executives. Based on the recommendation of the Compensation and Nominations, since 2022 the Board has increased the weighting of sustainability-related criteria within the Chief Executive Officer's variable compensation and the different free performance share plans. More generally, sustainability-related objectives based on environmental and/or social performance have been set for all members of the Executive Committee, with varied weightings depending on each executive's scope of responsibility.

4.2.1.2 Measures in place for preventing and managing conflicts of interest

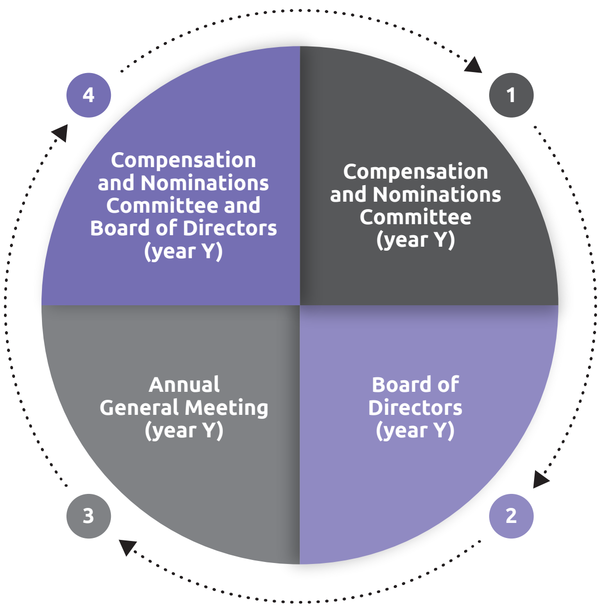
In order to prevent any potential conflicts of interest and in accordance with the recommendations of the AFEP-MEDEF Code, the Chief Executive Officer is not a member of the Compensation and Nominations Committee. Additionally, they do not participate in the Board of Directors' discussions or votes relating to their compensation.

The rules for managing conflicts of interest regarding members of the Board of Directors and Executive Management are set out in detail in section 1 of Chapter 4.

4.2.1.3 Decision-making process for setting, revising and implementing the compensation policies

Once a year, the Compensation and Nominations Committee reviews the various components of the compensation of the Chief Executive Officer and the members of the Board of Directors. Based on this work carried out by the Compensation and Nominations Committee, the Board determines the compensation policies to be put to the shareholders' vote at the next Annual General Meeting.

In addition, the Board of Directors, on the recommendation of the Compensation and Nominations Committee, may in exceptional circumstances depart from the application of the compensation policies (in particular in relation to the performance conditions underlying annual variable compensation and free performance share plans) during a particular year and until the amended compensation policies are approved at the next Annual General Meeting, provided that such departure is temporary, is in the Company's best interests, is necessary to ensure the Company's sustainability or viability and the new criteria adopted are stringent. For example, exceptional circumstances could arise from a significant change in the corporate officers' scope of responsibility, a major event affecting Soitec's markets and/or competitors (market downturn, pandemic, etc.), a significant change in the Group's scope of consolidation following a merger, acquisition or disposal, the creation or termination of a significant activity, or a change in accounting policy. In such a case, any adjustments made to the compensation policies will be published.



1 Issuance of recommendations concerning:
- The compensation policies for year Y (including a review of the general structure of compensation, an assessment of compensation levels, and an analysis of the performance conditions applicable to variable compensation).
- Variable compensation for year Y-1 (assessment of the achievement of the applicable performance criteria).

2
- Review of the Compensation and Nominations Committee's recommendations.
- Adoption of related decisions.

The assessment of the quantitative criteria related to financial or stock market indicators is carried out based on the consolidated financial statements as approved by the Board of Directors, or on market data. For the other criteria, including strategy-related conditions, this assessment is based on the report of the Compensation and Compensations Committee.

3
- *Ex-ante* vote on the compensation policies for year Y.
- *Ex-post* vote on the compensation and benefits paid during or granted for year Y-1 to (i) all corporate officers and (ii) each individual corporate officer.

4 Review of the Annual General Meeting, analysis of the voting results, and analysis of comments made by investors and voting advisory agencies.

As part of the process of drawing up the compensation policies, the Compensation and Nominations Committee and the Board of Directors can:

- use the services of reputed specialists, in particular for carrying out relevant benchmarking studies;
- hold meetings with the Group's Executive Vice President, People & Sustainability, for example to obtain information about the compensation and employment conditions of the Group's employees;
- hold meetings with investors and voting advisory agencies.

4.2.2 Corporate officers' compensation for fiscal year 2022-2023

This section contains the disclosures required pursuant to Article L. 22-10-9, I of the French Commercial Code (*Code de commerce*) in relation to the compensation of the Company's corporate officers for fiscal year 2022-2023, which will be submitted to Soitec's shareholders for approval in the 11th to 14th resolutions of the he Annual General Meeting to be held on July 25, 2023, in accordance with Article L. 22-10-34, I of the French Commercial Code.

For the Chair of the Board of Directors and the Chief Executive Officers, all of the compensation components described below are in line with the compensation policies that were approved by the shareholders at the July 26, 2022 Annual General Meeting in application of Article L. 20-10-8 of the French Commercial Code.

The compensation of the members of the Board of Directors was paid out of the aggregate budget approved at the July 26, 2022 Annual General Meeting, and complies with the principles of the compensation policy for directors approved at that meeting in application of Article L. 20-10-8 of the French Commercial Code.

4.2.2.1 Compensation of Paul Boudre, Chief Executive Officer until the close of the July 26, 2022 Annual General Meeting, and of Pierre Barnabé, Chief Executive Officer since the close of the July 26, 2022 Annual General Meeting (fiscal year 2022-2023)

The components of the compensation of Paul Boudre, who was Chief Executive Officer until the close of the July 26, 2022 Annual General Meeting, and of Pierre Barnabé, Chief Executive Officer since the close of the July 26, 2022 Annual General Meeting, were set by the Board of Directors based on the recommendation of the Compensation and Nominations Committee, in accordance with the compensation policies approved in the 19th and 20th resolutions of the July 26, 2022 Annual General Meeting, which were approved by a majority of 91.49% and 90.63% of the shareholders respectively. This policy meets the fundamental principles described in section 4.2.1.1 in that, among other things, it encourages demanding performance conditions that correspond to the key factors underlying the Company's long-term growth. It also takes into account the particular context of Paul Boudre not being reappointed as Chief Executive Officer.

In accordance with the compensation policy approved at the July 26, 2022 Annual General Meeting, the compensation of Paul Boudre and Pierre Barnabé, Chief Executive Officers, notably comprises fixed compensation, an annual variable compensation, and long-term compensation. No compensation was paid or granted to Paul Boudre or Pierre Barnabé by any entities controlled by the Company, and they did not receive any compensation in their capacity as directors of the Company.

Paul Boudre and Pierre Barnabé [1] are the beneficiaries of certain benefits and commitments, which are described below, and their employment contracts with the Company were voluntarily terminated in November 2020 and July 2022 respectively.

No exceptional compensation was paid or granted to Paul Boudre and Pierre Barnabé during fiscal year 2022-2023.

TABLE 1 (BASED ON THE TEMPLATE IN THE AFEP-MEDEF CODE AND THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – SUMMARY OF COMPENSATION AND PERFORMANCE SHARES ALLOCATED TO PAUL BOUDRE, CHIEF EXECUTIVE OFFICER UNTIL THE CLOSE OF THE JULY 26, 2022 ANNUAL GENERAL MEETING, AND TO PIERRE BARNABÉ, CHIEF EXECUTIVE OFFICER SINCE THE CLOSE OF THE JULY 26, 2022 ANNUAL GENERAL MEETING *(in €)*

Paul Boudre **Chief Executive Officer** *Start of first term of office: January 16, 2015* *End of term of office: July 26, 2022*	**Fiscal year 2022-2023**	**Fiscal year 2021-2022**
Compensation granted for the fiscal year (details in table 2 below) (1)	366,835.64	1,312,635.04
Valuation of stock options allocated during the fiscal year	None	None
Valuation of performance or preferred shares allocated during the fiscal year (2)	None	1,409,864.00
Valuation of other long-term compensation plans	None	None
TOTAL	**366,835.64**	**2,722,499.04**

Pierre Barnabé **Chief Executive Officer** *Start of first term of office: July 26, 2022* *End of current term of office: Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2026*	**Fiscal year 2022-2023**	**Fiscal year 2021-2022**
Compensation granted for the fiscal year (details in table 2 below) (1)	725,383.59	N/A
Valuation of stock options allocated during the fiscal year	None	N/A
Valuation of performance or preferred shares allocated during the fiscal year (2)	332,286.84	N/A
Valuation of other long-term compensation plans	None	N/A
TOTAL	**1,057,670.43**	**N/A**

(1) Gross amount.
(2) Shares valued in accordance with IFRS 2.

(1) Under his employment contract with the Company which was in force from May 1 until July 26, 2022, Pierre Barnabé received fixed and variable compensation that was exactly the same as the compensation approved for his duties as Chief Executive Officer, both in terms of the amount of compensation and the values of the performance criteria. Therefore, the compensation that he received as an employee prior to becoming Chief Executive Officer was identical to the compensation disclosed in this section, on a pro rata basis.

TABLE 2 (BASED ON THE TEMPLATE IN THE AFEP-MEDEF CODE AND THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – SUMMARY OF THE COMPENSATION OF PAUL BOUDRE, CHIEF EXECUTIVE OFFICER UNTIL THE CLOSE OF THE JULY 26, 2022 ANNUAL GENERAL MEETING, AND OF PIERRE BARNABÉ, CHIEF EXECUTIVE OFFICER SINCE THE CLOSE OF THE JULY 26, 2022 ANNUAL GENERAL MEETING *(in €)*

Paul Boudre	**Fiscal year 2022-2023**		**Fiscal year 2021-2022**	
Chief Executive Officer *Start of first term of office: January 16, 2015* *End of term of office: July 26, 2022*	**Amount granted**	**Amount paid**	**Amount granted**	**Amount paid**
Fixed compensation	**175,939.58** (5)	**175,939.58** (5)	**550,000**	**550,000**
Annual variable compensation	**176,291** (3)	**717,750** (1)	**717,750** (1)	**654,500** (2)
Percentage of variable compensation/fixed compensation	**100.20%**	**130.59%**	**130.5%**	**119%**
Exceptional compensation	**None**	**None**	**None**	**None**
Compensation granted in his capacity as a director and Board Committee member	**None**	**None**	**None**	**None**
Benefits in kind (4)	**14,604.60**	**14,604.60**	**44,885.04**	**44,885.04**
TOTAL	**366,835.18**	**908,294.18**	**1,312,635.04**	**1,249,385.04**

(1) Variable compensation for fiscal year 2021-2022 approved at the July 26, 2022 Annual General Meeting and paid in fiscal year 2022-2023.
(2) Variable compensation for fiscal year 2020-2021 paid in fiscal year 2021-2022.
(3) Variable compensation for fiscal year 2022-2023 pro-rated to the length of Paul Boudre's term of office during fiscal year 2022-2023, subject to approval at the July 25, 2023 Annual General Meeting, which will be paid in fiscal year 2023-2024.
(4) Corresponding to the use of a company car as well as private unemployment insurance and key-person insurance.
(5) Pro rata amount. The annual amount granted for the full fiscal year is €550,000.

Pierre Barnabé	**Fiscal year 2022-2023**		**Fiscal year 2021-2022**	
Chief Executive Officer *Start of first term of office: July 26, 2022* *End of current term of office: Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2026*	**Amount granted**	**Amount paid**	**Amount granted**	**Amount paid**
Fixed compensation	**325,714.29**	**325,714.29**	**N/A**	**N/A**
Annual variable compensation	**380,109** (2)	**N/A** (1)	**N/A**	**N/A**
Percentage of variable compensation/fixed compensation	**116.70%**	**N/A**	**None**	**None**
Exceptional compensation	**None**	**None**	**None**	**None**
Compensation granted in his capacity as a director and Board Committee member	**None**	**None**	**None**	**None**
Benefits in kind (3)	**19,560.72**	**19,560.72**	**None**	**None**
TOTAL	**725,384.01** (4)	**345,275.01** (4)	**NONE**	**NONE**

(1) No variable compensation for fiscal year 2021-2022, as he took office in fiscal year 2022-2023.
(2) Variable compensation for fiscal year 2022-2023 subject to approval at the July 25, 2023 Annual General Meeting.
(3) Corresponding to the use of a company car, accommodation and private unemployment insurance.
(4) Pro rata amount. The annual fixed compensation granted for the full fiscal year amounts to €480,000; the annual variable compensation corresponds to 116.70% of the variable compensation and will be paid during fiscal year 2023-2024. The amounts payable are pro-rated to the length of Pierre Barnabé's term of office during fiscal year 2022-2023. As a reminder, he was also paid an equivalent amount of compensation on a pro rata basis under his employment contract.

A. Fixed compensation

As part of his compensation policy, the annual fixed compensation payable to Paul Boudre was €550,000 (gross). For fiscal year 2022-2023, he received €175,939.58, calculated pro rata to the length of his term of office.

As part of his compensation policy, the annual fixed compensation payable to Pierre Barnabé was €480,000 (gross). For fiscal year 2022-2023, he received €325,714.29, calculated pro rata to the length of his term of office. For information purposes, Pierre Barnabé was a salaried employee of the Company, holding the role of advisor from May 1 to July 26, 2022, for which he received annual fixed compensation of €480,000 (gross), representing €114,285.71 on a pro rata basis.

B. Short-term variable compensation

Variable compensation paid in fiscal year 2022-2023, as per the policy approved at the July 26, 2022 Annual General Meeting

Based on the recommendation of the Compensation and Nominations Committee, the Board of Directors assessed the performance levels of the quantitative and discretionary criteria provided for in the compensation policy applicable to the new Chief Executive Officer as approved at the July 26, 2022 Annual General Meeting, and, at its meeting on June 7, 2023, it set the short-term variable compensation of Paul Boudre at 100.2% of his fixed compensation and that of Pierre Barnabé at 116.7% of his fixed compensation. These amounts were determined proportionately to Paul Boudre's and Pierre Barnabé's respective rates of achievement of the objectives set out in the tables below.

- **ASSESSMENT OF THE ACHIEVEMENT RATES OF THE PERFORMANCE CONDITIONS UNDERLYING THE ANNUAL VARIABLE COMPENSATION OF PAUL BOUDRE, CHIEF EXECUTIVE OFFICER UNTIL THE CLOSE OF THE JULY 26, 2022 ANNUAL GENERAL MEETING**

Type of objective	Description	Weighting	Maximum % in case of overperformance	% achieved
I. FINANCIAL OBJECTIVES	1. Level of revenue *(in € millions)* *US$1,195 million, i.e., 98.6% of the amount in the budget, corresponding to a 93.1% achievement rate*	20%	30%	18.6%
	2. Level of consolidated EBITDA *(as a % of revenue in € at constant exchange rates)* *36%, i.e., 100% of the % in the budget taking into account the adjustment to the currency effect modeling in the budget, corresponding to a 100% achievement rate*	20%	30%	20%
	3. Level of operating cash *(in € millions)* *€262 million, i.e., 88% of the figure in the budget after neutralizing a non-budgeted exceptional payment, corresponding to a 37.5% achievement rate*	20%	30%	7.5%
II. STRATEGIC OBJECTIVES	Strategic contract 1 (business) *Maximum rate achieved: SmartSiC contract with STMicro*	10%	15%	15%
	Strategic contract 2 (strategy) *Maximum rate achieved: Funding for the PR1 extension*	10%	15%	15%
	Governance: transition (new Chief Executive Officer) *Partially achieved (estimated by the Board of Directors)*	20%	30%	15%
Subtotal			**150%**	**91.1%**
Criterion for increase in variable portion	**Improvement in the ESG rating assigned by MSCI** *BBB in April 2023 vs. B in fiscal year 2021-2022*	**10% increase**		**x1.1**
TOTAL VARIABLE PORTION DUE FOR FISCAL YEAR 2022-2023 AFTER APPLYING THE 10% INCREASE				**100.2%**

The total gross amount of variable compensation payable to Paul Boudre for fiscal year 2022-2023 is therefore €176,291, calculated on a pro rata basis. Its payment is subject to the approval at the July 25, 2023 Annual General Meeting of the compensation paid during or granted for fiscal year 2022-2023 to Paul Boudre (13th resolution).

ASSESSMENT OF THE ACHIEVEMENT RATES OF THE PERFORMANCE CONDITIONS UNDERLYING THE ANNUAL VARIABLE COMPENSATION DUE FOR FISCAL YEAR 2022-2023 TO PIERRE BARNABÉ, CHIEF EXECUTIVE OFFICER SINCE THE CLOSE OF THE JULY 26, 2022 ANNUAL GENERAL MEETING

Type of objective	Description	Weighting	Maximum % in case of overperformance	% achieved
I. FINANCIAL OBJECTIVES	1. Level of revenue *(in € millions)* *US$1,195 million, i.e., 98.6% of the amount in the budget, corresponding to a 93.1% achievement rate*	20%	30%	18.6%
	2. Level of consolidated EBITDA *(as a % of revenue in € at constant exchange rates)* *36%, i.e., 100% of the % in the budget taking into account the adjustment to the currency effect modeling in the budget, corresponding to a 100% achievement rate*	20%	30%	20%
	3. Level of operating cash *(in € millions)* *€262 million, i.e., 88% of the figure in the budget after neutralizing a non-budgeted exceptional payment, corresponding to a 37.5% achievement rate*	20%	30%	7.5%
II. STRATEGIC OBJECTIVES	Innovation/commercial and technological wins *Maximum rate achieved (45%)* *Various commercial wins: the milestones required for the 5-year forecast (15%), SmartSiC business milestones on track (5%), filter and mmW business development on track (5%), FD SOI sub 20 nm business milestones on track (5%), stable RF SOI market share (5%), 200 mm SiC technology advancement plan on track (10%)*	30%	45%(1)	45%
	Strategy: structuring the M&A strategy *Maximum rate achieved: Assessed by the Board of Directors*	3%	5%(1)	5%
	ESG: governance, climate, water, diversity and inclusion *Maximum rate achieved: Assessed by the Board of Directors for governance (1/4), Scope 3 carbon footprint 795 $tCO_2eq./€m$ vs. 854 $tCO_2eq.$ (1/4), water 564 l/wafer vs. 611 l (1/4), 21% women in senior management positions > 20% (1/4)*	7%	10%(1)	10%
Subtotal			**150%**	**106.1%**
Criterion for increase in variable portion	**Improvement in the ESG rating assigned by MSCI** *BBB in April 2023, vs. B in fiscal year 2021-2022*	**10% increase**		**x1.1**
TOTAL VARIABLE PORTION DUE FOR FISCAL YEAR 2022-2023 AFTER APPLYING THE 10% INCREASE				**116.7%**

(1) *Correction of a material error made after filing with the AMF on the maximum percentage in the event of overperformance relating to the three strategic objectives of Pierre Barnabe's 2022-2023 variable compensation. This new version of the table is consistent with the table available in the compensation policy approved by the Annual General Meeting of July 26, 2022 for Pierre Barnabé in the 20th resolution and available on page 184 of the Universal Registration Document 2021-2022.*

The total gross amount of variable compensation granted to Pierre Barnabé for fiscal year 2022-2023 and payable in fiscal year 2023-2024 is therefore €380,109, calculated on a pro rata basis. Its payment is subject to the approval at the July 25, 2023 Annual General Meeting of the compensation paid during or granted for fiscal year 2022-2023 to Pierre Barnabé (14th resolution).

For information purposes, Pierre Barnabé was a salaried employee of the Company, holding the role of advisor from May 1 to July 26, 2022, for which he received €133,371 in variable compensation (gross) on a pro rata basis.

In accordance with the recommendations of the AFEP-MEDEF Code, Pierre Barnabé was not present when the Compensation and Nominations Committee discussed his compensation and did not participate in the vote by the Committee.

C. Long-term variable compensation

1. Concerning Pierre Barnabé: Free performance share plan (Onyx 2025 plan)

Pursuant to the authorization granted in the 27th resolution of the July 28, 2021 Annual General Meeting, the Board of Directors allocated Pierre Barnabé 9,612 performance shares, corresponding to ordinary shares of the Company and representing a value of €332,286.84. At the date of publication of this Universal Registration Document, these shares corresponded to 0.01% of the Company's capital.

This performance share allocation is in line with the compensation policy approved by the shareholders at the July 26, 2022 Annual General Meeting.

The ordinary performance shares allocated to Pierre Barnabé are subject to a vesting period running from July 26, 2022 to August 1, 2025 (inclusive). At the end of the vesting period, they will vest to Pierre Barnabé, subject to the fulfillment of the presence condition, assessed in thirds on three successive performance achievement dates, i.e., July 1, 2023, 2024 and 2025 (except in the event of (i) gross negligence or misconduct, in which case the presence condition is deemed not to be fulfilled, and (ii) death or invalidity, where the presence condition is deemed to be fulfilled), and based on the achievement rates placed on record by the Board of Directors for the objectives underlying the performance conditions, as follows:

- 30% of the shares will be subject to a performance condition based on consolidated EBITDA margin generated over the three years of the plan;
- 30% of the shares will be subject to a performance condition based on consolidated revenue generated over the three years of the plan;
- 20% of the shares will be subject to a performance condition based on the Total Shareholder Return (TSR) of the Company's ordinary shares compared to the Euro Stoxx 600 Technology index;
- 20% of the shares will be subject to an ESG performance condition based on (i) the Company's long-term objectives for Scope 3 carbon emissions (in line with the 1.5°C objectives validated by the SBTi), (ii) water withdrawal in line with the reduction commitments published by the Group and (iii) an increase in women in senior management positions and, more generally, in the number of women hired within the Group.

These performance conditions were set by the Board of Directors in line with the five-year business plan presented and approved in April 2022. They relate to the results of fiscal years 2022-2023 and 2023-2024, in particular:

- the EBITDA objective, measured at actual exchange rates and expressed as a percentage of reported revenue in euros, corresponds to a minimum value representing a 50% achievement rate, and a maximum value representing a 100% achievement rate;
- the consolidated revenue objective corresponds to a minimum value representing a 50% achievement rate, and a maximum value representing a 100% achievement rate;
- the objective based on the Total Shareholder Return (TSR) of the Company's ordinary shares compared to the Euro Stoxx 600 Technology index over the full duration of the plan corresponds to between 80% and 120%, representing a 0% and 100% achievement rate respectively.

2. Concerning Paul Boudre: Waiver of the presence condition for the performance shares allocated under the Onyx 2024 Plan on July 26, 2021 and the vesting and conversion conditions for the PS 2 (Topaz Plan)

With respect to the two-thirds of the shares allocated under the Onyx 2024 free share plan that have not yet vested (5,493 shares), the Chief Executive Officer's compensation policy, approved by the shareholders at the July 28, 2021 Annual General Meeting in the 14th resolution, and the Onyx 2024 plan provide that in the event of retirement with a full benefit, the Chief Executive Officer's performance shares will vest on a pro rata basis and that, where appropriate, the Board of Directors may waive the presence condition on the basis of a reasoned decision.

As described in the report on Paul Boudre's compensation set out on pages 169-170 of the 2021-2022 Universal Registration Document, the Board of Directors considered Paul Boudre's contribution to the Group's strategic plan, on which the performance conditions in the Onyx 2024 plan are based, and, having noted his intention to retire with a full state pension at the end of his term of office as Chief Executive Officer following the July 26, 2022 Annual General Meeting, decided to waive the presence condition, thereby allowing for the shares available on August 2, 2024 to vest, subject to the rate of achievement of the performance conditions provided for in the plan. This decision took into account the fact that Paul Boudre continued to work closely with the Board of Directors and the new Chief Executive Officer up until the July 26, 2022 Annual General Meeting. In addition, Paul Boudre did not receive any termination benefit or non-compete indemnity.

In accordance with Article L. 225-197-1 of the French Commercial Code, Paul Boudre was required to hold at least 10% of the vested ordinary shares delivered to him under this plan until the end of his term of office as Chief Executive Officer.

At its meeting on December 18, 2019, the Board of Directors used the delegation of authority granted at the July 26, 2019 Annual General Meeting to set up a co-investment plan. Under this plan, Paul Boudre was allocated 31,982 new preferred shares, not admitted to trading on Euronext Paris and convertible into ordinary shares of the Company ("PS 2").

On initial allocation, the Board of Directors decided that the PS 2 would vest, subject to compliance with the presence condition at the end of three vesting periods, as follows:

- 40% of the PS 2 allocated would vest on December 18, 2020;
- 30% of the PS 2 allocated would vest on August 1, 2021; and
- 30% of the PS 2 allocated would vest on August 1, 2022.

After the Board of Directors placed on record that the presence condition had been met, the following PS 2 allocated to Paul Boudre vested: (i) 12,792 on December 18, 2020 and (ii) 9,595 on August 2, 2021. The third portion (9,596 PS 2) vested on August 1, 2022. The plan rules provided that, in the event of the termination of his duties as Chief Executive Officer, Paul Boudre would receive the PS 2 whose vesting date was less than 12 months after the termination of his duties, unless the termination of his duties was due to (a) resignation for personal reasons or (b) dismissal for gross misconduct, in which cases he would lose his right to all the PS 2 which had not vested on the date of the termination of his duties.

All of these PS 2 were converted into ordinary shares of the Company on August 1, 2022 at a conversion ratio of, 2.06 ordinary shares for one PS 2, as decided by the Board of Directors at its meeting on July 26, 2022, after it had placed on record that 97.09% of the performance conditions had been achieved for the objectives relating to EBITDA, revenue and the Total Shareholder Return (TSR) of the Company's ordinary shares compared to the Euro Stoxx 600 Technology index. These performance conditions stipulated in the terms and conditions of the PS 2 were approved at the July 26, 2019 Annual General Meeting (in the 33rd resolution concerning the creation of the PS 2).

These conditions and, more generally, the characteristics of the PS 2 are described in Article 10 of the Company's by-laws. Details of the Topaz plan are provided in section 7.2.3 of this Universal Registration Document.

TABLE 6 (BASED ON THE TEMPLATE IN THE AFEP-MEDEF CODE AND THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – PERFORMANCE SHARES ALLOCATED IN FISCAL YEAR 2022-2023 TO PIERRE BARNABÉ, CHIEF EXECUTIVE OFFICER SINCE THE CLOSE OF THE JULY 26, 2022 ANNUAL GENERAL MEETING

Corporate officer	Plan	Number of shares allocated in fiscal year 2022-2023	Value of the shares in accordance with IFRS 2	Vesting date	End of lock-up period	Performance conditions
Pierre Barnabé	Onyx 2025 plan Allocation decided by the Board of Directors on July 26, 2022 Delegation granted at the July 26, 2022 AGM	9,612	€332,286.84	August 1, 2025	August 1, 2025 (1)	30% of the shares will be subject to a performance condition based on consolidated EBITDA margin generated over the three years of the plan. 30% of the shares will be subject to a performance condition based on consolidated revenue generated over the three years of the plan. 20% of the shares will be subject to a performance condition based on the Total Shareholder Return (TSR) of the Company's ordinary shares compared to the Euro Stoxx 600 Technology index. 20% of the shares will be subject to a performance condition relating to the greenhouse gas emissions reduction pathway for Scope 3 carbon emissions, the reduction of water withdrawal per plaque produced, and an increase in the number of women in senior management positions and in the number of women hired over the duration of the plan.

(1) On July 26, 2022, the Board of Directors decided that until the end of his term of office as Chief Executive Officer, Pierre Barnabé should hold a minimum number of shares that vest under this plan corresponding to 10% of his gross annual fixed compensation.

TABLE 7 (BASED ON THE TEMPLATE IN THE AFEP-MEDEF CODE AND THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – PERFORMANCE SHARES DELIVERED IN FISCAL YEAR 2022-2023 TO PAUL BOUDRE, CHIEF EXECUTIVE OFFICER UNTIL THE CLOSE OF THE JULY 26, 2022 ANNUAL GENERAL MEETING

Paul Boudre	Topaz plan Allocation decided by the Board of Directors on December 18, 2019	Number of shares that vested during the year: 9,596 PS 2 After the Board of Directors placed on record the achievement rates of the applicable performance criteria (see page 139 above), the PS 2 were converted into ordinary shares on August 1, 2022 at a ratio of 2.06 ordinary shares for one PS 2.

TABLE 9 (BASED ON THE TEMPLATE IN THE AFEP-MEDEF CODE AND THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – HISTORY OF PERFORMANCE SHARES ALLOCATED TO PAUL BOUDRE, CHIEF EXECUTIVE OFFICER UNTIL THE CLOSE OF THE JULY 26, 2022 ANNUAL GENERAL MEETING, AND TO PIERRE BARNABÉ, CHIEF EXECUTIVE OFFICER SINCE THE CLOSE OF THE JULY 26, 2022 ANNUAL GENERAL MEETING

	Paul Boudre			Pierre Barnabé
	Topaz plan (PS 2)	**Onyx 2023 plan (ordinary shares)**	**Onyx 2024 plan (ordinary shares)**	**Onyx 2025 plan (Ordinary shares)**
Date of Annual General Meeting	07/26/2019	07/26/2019	07/28/2021	07/28/2021
Date of Board of Directors' meeting	12/18/2019	11/18/2020	07/28/2021	07/26/2022
Total number of shares allocated	195,960	59,915	54,614	85,838
Total number of shares allocated to the Chief Executive Officer	31,982	13,306	8,240	9,612
Date of conditional allocation	12/18/2019 (1)	11/18/2020	08/02/2021	07/26/2022
Vesting date	40% of the PS 2 vested on 12/18/2020 30% of the PS 2 vested on 08/01/2021 30% of the PS 2 vested on 08/01/2022	08/01/2023	08/02/2024	08/01/2025
End of lock-up period	08/01/2022	08/01/2023	08/02/2024	08/01/2025
Performance conditions	Yes	Yes	Yes	Yes
Number of shares vested for the Chief Executive Officers at March 31, 2023	31,982 PS 2	-	-	-
Total number of canceled or forfeited shares	6,758	997	2,217	2,671
Performance shares outstanding at March 31, 2023	0	58,918	52,397	83,167

(1) Date of allocation of conditional rights to PS 2.

See section 7.2.3 of this Universal Registration Document for more information on the history of free performance shares allocated to all Group employees (including the executive corporate officers).

D. Other benefits and commitments given to Paul Boudre, Chief Executive Officer until the close of the July 26, 2022 Annual General Meeting, and to Pierre Barnabé, Chief Executive Officer since the close of the July 26, 2022 Annual General Meeting

The AFEP-MEDEF Code recommends that when an employee becomes a Chief Executive Officer, the employment contract between that employee and the Company or another Group entity should be terminated. Consequently, on November 24, 2020, Paul Boudre voluntarily terminated his employment contract that was entered into on January 15, 2007 (and which had been suspended since June 1, 2008), and, on July 26, 2022, Pierre Barnabé voluntarily terminated his employment contract that was entered into on May 1, 2022. Neither received any indemnity in respect of the suspension of their employment contracts.

TABLE 11 (BASED ON THE TEMPLATE IN THE AFEP-MEDEF CODE AND THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – SUMMARY OF THE BENEFITS APPLICABLE TO PAUL BOUDRE, CHIEF EXECUTIVE OFFICER UNTIL THE CLOSE OF THE JULY 26, 2022 ANNUAL GENERAL MEETING, AND TO PIERRE BARNABÉ, CHIEF EXECUTIVE OFFICER SINCE THE CLOSE OF THE JULY 26, 2022 ANNUAL GENERAL MEETING

Name	Employment contract	Supplementary pension plan	Indemnities or benefits for termination or change of duties	Non-compete indemnity
Paul Boudre **Chief Executive Officer** Start of first term of office: January 16, 2015 End of term of office: July 26, 2022	No (1)	Yes (2)	Yes (3)	Yes (4)
Pierre Barnabé **Chief Executive Officer** Start of first term of office: July 26, 2022 End of current term of office: Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2026	No (5)	Yes (6)	Yes	Yes

(1) Paul Boudre voluntarily terminated his employment contract on November 24, 2020.

(2) Paul Boudre was a member of an "Article 83" defined contribution pension plan and an "Article 39" defined benefit supplementary pension plan. The "Article 39" defined benefit plan has been closed to new entrants since July 2019, and no new entitlements have accrued under the plan since January 1, 2020.

(3) Paul Boudre did not receive a termination benefit as his departure occurred at the scheduled expiration of his term of office and he was entitled to claim his full-rate statutory pension.

(4) When the Board of Directors decided not to reappoint Paul Boudre as Chief Executive Officer, it confirmed that Paul Boudre was bound to his non-compete obligation. However, no financial consideration was payable, pursuant to Article R. 22-10-14 of the French Commercial Code, which provides that companies are not required to pay a non-compete indemnity when the person concerned is entitled to claim their pension.

(5) Pierre Barnabé voluntarily terminated his employment contract on July 26, 2022.

(6) Pierre Barnabé is only a member of the "Article 83" defined contribution plan, of which all employees of Soitec's Economic and Social Unit (ESU) are members.

1. Termination benefit and non-compete indemnity

When the Board of Directors decided not to reappoint Paul Boudre as Chief Executive Officer, it was noted that there was no obligation to pay a termination benefit, as (i) Paul Boudre's departure occurred at the scheduled expiration of his term of office, and (ii) the AFEP-MEDEF Code recommends that no termination benefit is to be paid if the corporate officer concerned is entitled to claim their pension.

Paul Boudre was eligible for a termination benefit only in case of forced departure, equivalent to one year's gross compensation and subject to the performance conditions (EBITDA) described in his compensation policy approved by the shareholders at the July 28, 2021 Annual General Meeting.

When the Board of Directors decided not to reappoint Paul Boudre as Chief Executive Officer, and after noting that he was able to claim his full-rate statutory pension, the Board of Directors acknowledged that Paul Boudre was bound to his non-compete obligation. However, no financial consideration was payable, pursuant to Article R. 22-10-14 of the French Commercial Code, which provides that companies are not required to pay a non-compete indemnity when the person concerned is entitled to claim their pension.

Paul Boudre would only have been eligible for a non-compete indemnity as consideration for the non-compete clause applicable for the 12-month period following the end of his term of office as Chief Executive Officer, as provided for in his compensation policy approved by the shareholders at the July 28, 2021 Annual General Meeting, if he had not claimed his full-rate statutory pension. The amount of this indemnity would have corresponded to 50% of the gross annual compensation paid to him in the previous fiscal year (i.e., fixed compensation and any bonuses or annual variable compensation).

2. Pension plans

Paul Boudre

As part of his compensation policy, Paul Boudre was a member of an "Article 83" defined contribution pension plan, as are all the employees of the Economic and Social Unit (ESU) comprising Soitec SA and Soitec Lab. The main components of this plan were presented in the compensation policy approved at the July 26, 2022 Annual General Meeting.

Under this pension plan, the expense recorded by the Company for fiscal year 2022-2023 for Paul Boudre amounted to €4,237.25.

Paul Boudre was also a member of an "Article 39" defined benefit supplementary pension plan applicable to certain senior managers (senior managers III C and corporate officers). The main components of this plan were presented in the compensation policy approved at the July 26, 2022 Annual General Meeting.

This plan has been closed to new entrants since July 4, 2019, and no entitlements have accrued under the plan since that date. The entitlements of the plan's beneficiaries were frozen as of December 31, 2019. No additional entitlements under the defined benefit supplementary pension plan will therefore accrue to Paul Boudre for any periods of employment subsequent to January 1, 2020.

The amount of the annuity that will be paid by an external fund to Paul Boudre under the "Article 39" defined benefit supplementary pension plan corresponds to approximately €103,000.

Pierre Barnabé

Pierre Barnabé is a member of an "Article 83" defined contribution pension plan, as are all the employees of the Economic and Social Unit (ESU) comprising Soitec SA and Soitec Lab. The main components of this plan were presented in the compensation policy approved at the July 26, 2022 Annual General Meeting and can also be consulted in section 4.2.4.3 B. 6 *Supplementary pension plans* of this Universal Registration Document.

Under this pension plan, the expense recorded by the Company for fiscal year 2022-2023 for Pierre Barnabé amounted to €5,748.99.

3. Benefits in kind

Paul Boudre

Paul Boudre received benefits in kind consisting of a company car and private unemployment insurance, representing a total amount of €10,396.80 for fiscal year 2022-2023.

In November 2018, the Company also took out a death and disability policy for Paul Boudre, representing a capital payment to his heirs and assigns of €1.5 million. This key-person insurance is tagged on to the collective key-person insurance policy taken out by the Company. The premiums paid for the death and disability insurance set up for the benefit of Paul Boudre's heirs and assigns amounted to €4,207.80 in fiscal year 2022-2023. The effects of this policy ceased on the departure of Paul Boudre, at no cost for the Company.

Pierre Barnabé

Pierre Barnabé received benefits in kind consisting of a company car and private unemployment insurance, representing a total amount of €9,160.72 for fiscal year 2022-2023.

4.2.2.2 Compensation of Éric Meurice, Chair of the Board of Directors, for fiscal year 2022-2023

The components of the compensation of the Chair of the Board of Directors presented below were set by the Board of Directors, based on the recommendation of the Compensation and Nominations Committee in application of the compensation policy approved in the 16th resolution of the July 26, 2022 Annual General Meeting (97.44% approval).

In accordance with this compensation policy and the Board decision taken on June 7, 2023, the Company granted Éric Meurice a total gross amount of €230,000 in compensation for the fiscal year. This amount does not include any variable compensation.

Travel costs incurred by the Chair in connection with his duties are reimbursed by the Company on presentation of receipts. The Chair does not receive any compensation for his duties as a director of the Company.

TABLE 1 (BASED ON THE TEMPLATE IN THE AFEP-MEDEF CODE AND THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – SUMMARY OF COMPENSATION AND PERFORMANCE SHARES ALLOCATED TO ÉRIC MEURICE, CHAIR OF THE BOARD OF DIRECTORS *(in €)*

Éric Meurice Chair of the Board of Directors	Fiscal year 2022-2023	Fiscal year 2021-2022
Compensation granted for the fiscal year (details in table 2 below) (1)	230,000	230,000
Valuation of multi-annual variable compensation granted during the fiscal year	N/A	N/A
Valuation of stock options allocated during the fiscal year	N/A	N/A
Valuation of performance or preferred shares allocated during the fiscal year (2)	N/A	N/A
Valuation of other long-term compensation plans	N/A	N/A
TOTAL	**230,000**	**230,000**

(1) Gross amount.
(2) Shares valued in accordance with IFRS 2.

TABLE 2 (BASED ON THE TEMPLATE IN THE AFEP-MEDEF CODE AND THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – SUMMARY OF THE COMPENSATION OF ÉRIC MEURICE, CHAIR OF THE BOARD OF DIRECTORS *(in €)*

Éric Meurice Chair of the Board of Directors	Fiscal year 2022-2023		Fiscal year 2021-2022	
	Gross amount granted	Gross amount paid	Gross amount granted	Gross amount paid
Fixed compensation	230,000 (1)	230,000 (1)	230,000 (1)	230,000 (1)
Annual variable compensation	N/A	N/A	N/A	N/A
Variable/fixed proportion	N/A	N/A	N/A	N/A
Exceptional compensation	N/A	N/A	N/A	N/A
Compensation granted in his capacity as a director and Board Committee member	N/A	N/A	N/A	N/A
Benefits in kind	N/A	N/A	N/A	N/A
TOTAL	**230,000**	**230,000**	**230,000**	**230,000**

(1) Amount not paid out of the aggregate budget for the compensation of the members of the Board of Directors.

TABLE 10 (BASED ON THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – SUMMARY OF THE BENEFITS APPLICABLE TO ÉRIC MEURICE, CHAIR OF THE BOARD OF DIRECTORS

Name	Employment contract	Supplementary pension plan	Indemnities or benefits for termination or change of duties	Non-compete indemnity
Éric Meurice **Chair of the Board of Directors** Start of first term of office: July 28, 2021 End of current term of office: Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024	No	No	No	No

4.2.2.3 Pay ratios – Changes in compensation, Company performance, and pay ratios

In accordance with Article L. 22-10-9, 6° and 7° of the French Commercial Code, the following section sets out the ratios between the compensation levels of the Chair of the Board of Directors and the Chief Executive Officer, and the average and median compensation of Soitec's employees, along with the annual change in compensation, Company performance, average employee compensation and the ratios, over the last five fiscal years.

A. Methodology

The ratios were established by applying the recommendations published by the AFEP in February 2021 in its guidelines on compensation multiples.

B. Scope

In accordance with the recommendations of the AFEP-MEDEF Code, the ratios were calculated based on Soitec's Economic and Social Unit (ESU) which is representative of the headcount, the Group's compensation policy and the different socio-professional categories of the Soitec Group in France. The Soitec ESU is composed of (i) Soitec SA and Soitec Lab, which up until March 31, 2020 together formed a single entity, and (ii) Frec|n|sys, which was merged into Soitec SA on March 1, 2023 *via* a transfer of all of Frec|n|sys' assets and liabilities. At March 31, 2023, the Soitec ESU represented 90.4% of the Group's headcount in France. The employees included in the calculations are the employees on permanent contracts who were "continuously present" over two consecutive fiscal years, for whom compensation changes reflect the compensation policy of the Group. As Soitec SA's headcount represents 97.9% of the ESU's total headcount, the ratios for Soitec SA are similar to those of the ESU.

C. Compensation components used for calculating the numerator and denominator

Soitec's ratios were calculated on a comparable basis between corporate officers and other employees by analyzing the following components:

- The compensation for the **Chief Executive Officer** includes the compensation paid during fiscal year Y. It includes fixed compensation, annual variable compensation paid during fiscal year Y for fiscal year Y-1, exceptional bonuses, benefits in kind (company car allowance) and shares allocated during fiscal year Y, valued under IFRS 2, as recommended by the AFEP.
- The compensation for the **Chair of the Board of Directors** includes the amounts defined in the compensation policy for the Chair of the Board, plus the amounts due for his attendance at meetings of the Board and the Committees (assuming an attendance rate of 100% at these meetings).
- For **employees**, the compensation is the full-time equivalent paid during fiscal year Y. It includes their base salary, seniority bonuses, other fixed bonuses, the exceptional purchasing power bonus paid in France, variable compensation paid during fiscal year Y, mandatory and voluntary profit-sharing, employer matching contribution paid during fiscal year Y, and shares allocated during fiscal year Y, valued under IFRS 2.

D. Ratios

1. Changes in compensation

In accordance with Article L. 22-10-9, 7° of the French Commercial Code, the compensation of corporate officers and employees is presented below:

	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Chair of the Board compensation	€230,000	€230,000	€230,000	€155,547	€119,000
Change compared to the previous fiscal year (Y/Y-1) (in %)	0%	0%	+48%	+31%	+35%
Annual compensation for the position of Chief Executive Officer	€2,393,853 (1)	€2,575,467	€2,480,314	€4,042,089	€1,051,255
Change compared to the previous fiscal year (Y/Y-1) (in %)	-7%	+4%	-39%	+285%	+4%
Annual compensation of Paul Boudre	€1,290,936	€2,575,467	€2,480,314	€4,042,089	€1,051,255
Change compared to the previous fiscal year (Y/Y-1) (in %)	-50%	+4%	-39%	+285%	+4%
Compensation of Pierre Barnabé	€1,651,135				
Change compared to the previous fiscal year (Y/Y-1) (in %)	N/A	N/A	N/A	N/A	N/A
Average compensation of Soitec employees	€70,076	€61,528	€69,417	€66,854	€76,994
Change compared to the previous fiscal year (Y/Y-1) (in %)	+14%	-11%	+4%	-13%	+23%

(1) The fiscal year 2022-2023 compensation taken into account for the calculation of the pay ratios corresponds to the compensation paid for the position of Chief Executive Officer, comprising the compensation paid to Paul Boudre and Pierre Barnabé for their duties as Chief Executive Officer during the fiscal year. Pierre Barnabe's theoretical compensation, assuming a bonus corresponding to 130.5% of his fixed compensation, would be €2,277,535.

2. Reminder of compensation paid to Chairs of the Board over the 2018-2023 period

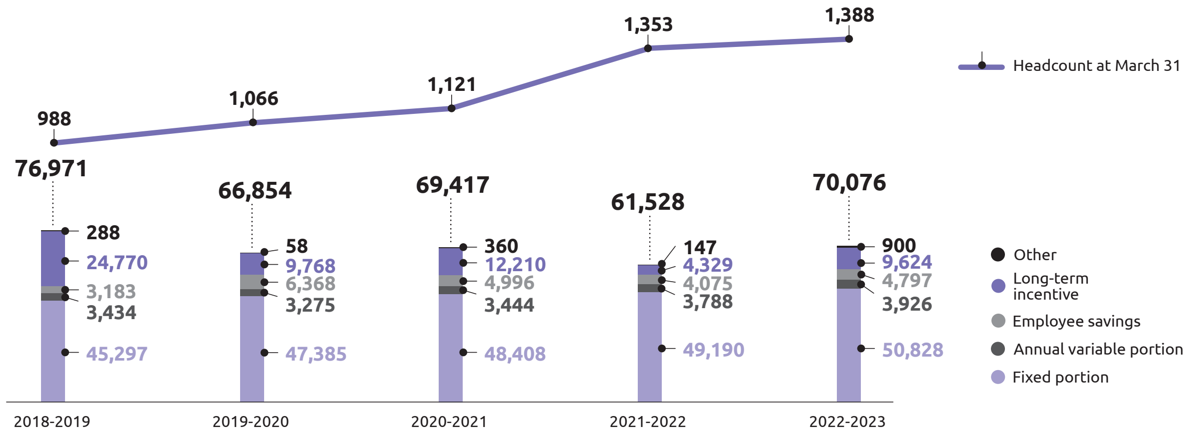
- During fiscal year 2018-2019, Thierry Sommelet (Chair of the Board from March 1, 2018 to March 27, 2019) waived his compensation of €96,629 due for that fiscal year. Based on compensation paid, the ratios were 0 compared to the average and median of annualized employee compensation.
- During fiscal year 2018-2019, Éric Meurice (Chair of the Board as of March 27, 2019) received total compensation of €152,574 due for that fiscal year. Based on compensation paid, the ratios were respectively 2.2 and 2.7 compared to the average and median of annualized employee compensation.

3. Reminder of compensation paid to Chief Executive Officers over the 2018-2023 period:

Paul Boudre's fixed compensation in his capacity as Chief Executive Officer was reviewed on January 1, 2019 as the previous increase dated from 2010.

When Pierre Barnabé was appointed, the amount of fixed compensation set for the position of Chief Executive Officer was revised downwards by 12.7%, from €550,000 to €480,000. On the basis of this new fixed compensation, the theoretical pay ratios for the Chief Executive Officer for fiscal year 2022-2023 compared to the average and median compensation of Soitec employees are 33 and 40 respectively, calculated on the basis of fixed compensation of €480,000, annual variable compensation representing 130.5% of the Chief Executive Officer's fixed compensation, and share-based payments valued at €1,155,535.

CHANGES IN AVERAGE EMPLOYEE COMPENSATION IN EUROS AND HEADCOUNTS OVER THE 2018-2023 PERIOD



The increase in the average compensation of employees in fiscal year 2018-2019 was the result of the implementation of a profit-sharing plan with very significant amounts for all Group employees.

During fiscal years 2018-2019, 2020-2021 and 2022-2023, Soitec implemented free share plans for all employees, including those employed in foreign entities for the plan allocated on July 26, 2018, which explains the increase in average compensation. This reflects the Group's strategy in terms of sharing value creation and fostering employees' performance over the long-term. The beneficiaries of the long-term management incentive plan (MIP), including the Chief Executive Officer, have waived their rights to receive the shares allocated in fiscal year 2018-2019. In addition, the co-investment plan implemented during fiscal year 2019-2020 was opened to all employees of wholly-owned entities in France and in Singapore. Free performance shares were allocated to all Group employees worldwide in 2020 and 2022.

During fiscal years 2018-2019, 2020-2021, 2021-2022 and 2022-2023, Soitec paid the exceptional purchasing power bonus to eligible employees, which could amount to €2,000. Lastly, fiscal year 2019-2020 was the first year with the payment of mandatory profit-sharing, in addition to the existing voluntary profit-sharing scheme.

The compensation policy for the scope concerned results from agreements with representative trade union organizations for each year. Voluntary profit-sharing, mainly based on the Group's financial performance (EBITDA), has been set up through three-year agreements signed by all the representative trade unions in 2016, 2019 and 2022.

The decrease in average employee compensation for fiscal year 2021-2022 is due to the non-renewal of the democratic performance share plan.

4. Compensation ratios: including the entire value of the long-term incentive allocated during the fiscal year

Chair of the Board of Directors	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Pay ratio compared to the average compensation of Soitec employees (excluding corporate officers)	3	4	3	2	2
Pay ratio compared to the median compensation of Soitec employees (excluding corporate officers)	4	5	4	3	2

Chief Executive Officer	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Pay ratio compared to the average compensation of Soitec employees (excluding corporate officers)	34	42	36	60	14
Pay ratio compared to the median compensation of Soitec employees (excluding corporate officers)	43	53	44	80	16

5. Company performance

Performance criteria selected for the comparison

Three criteria were selected in order to assess the Company performance in a way that is consistent with Soitec's variable compensation plans and financial communication:

- two internal criteria: revenue and EBITDA;
- one external relative criterion: the Total Shareholder Return (TSR) of the Company's ordinary shares compared to the Euro Stoxx 600 Technology index.

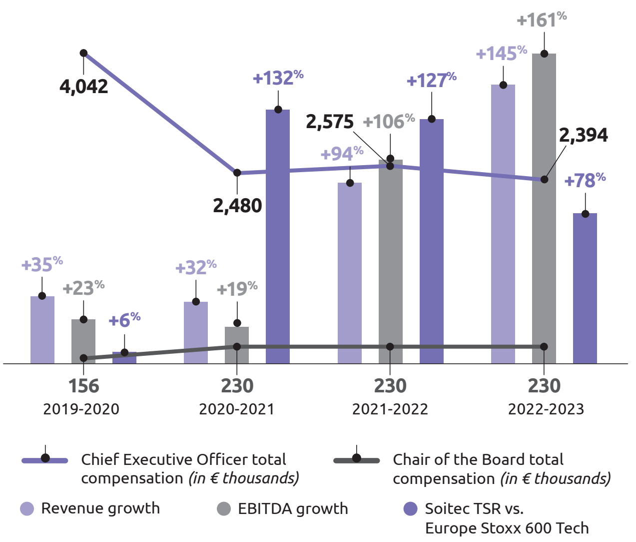
FIVE-YEAR FINANCIAL PERFORMANCE

	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
EBITDA *(in € millions)*	391.4	308.3	178.7	184.5	149.8
Change compared to the previous fiscal year (Y/Y-1) (in %)	+27%	+73%	-3%	+23%	+70%
Revenue *(in € millions)*	1,088.7	862.7	583.8	597.5	443.9
Change compared to the previous fiscal year (Y/Y-1) (in %)	+26%	+48%	-2%	+35%	+43%
Soitec TSR – Europe Stoxx 600 Technology TSR compared to April 1, 2018	+78%	+127%	+132%	+6%	+16%
Change compared to the previous fiscal year (Y/Y-1) (in %)	-38%	-4%	+2,228%	-63%	

Compensation of the Chief Executive Officers compared to the Group's performance

Over the 2018-2023 period, the increase in the total compensation of the Chief Executive Officer is correlated with Soitec's performance over the same period, with increases as follows:

- revenue up 145%;
- EBITDA up 161%;
- up 78% compared to the Europe Stoxx 600 Technology index.



4.2.2.4 Directors' compensation for fiscal year 2022-2023

The components of the directors' compensation (other than the Chair) presented below were set by the Board of Directors, based on the recommendation of the Compensation and Nominations Committee in application of the compensation policy approved in the 17th resolution of the July 26, 2022 Annual General Meeting (99.81% approval). This policy meets the fundamental principles in that, among other things, it encourages long-term growth.

In accordance with the rules governing the compensation of members of the Board of Directors, the total annual compensation granted to the directors (other than the Chair) in fiscal year 2022-2023 for their directorship duties was €752,718 compared with €692,074 for the previous fiscal year. Travel costs incurred by the directors in connection with their directorship duties are reimbursed by the Company on presentation of receipts.

The individual amounts of compensation paid or granted to the directors is presented in the table below and is fully proportional to the directors' attendance at meetings of the Board and the Committees of which they are a member. None of them receives fixed compensation, except for the Chair of the Board.

The compensation of the Chair of the Board of Directors is not included in the total annual budget for the compensation of directors.

TABLE 3 – (BASED ON THE TEMPLATE IN THE AFEP-MEDEF CODE AND THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – COMPENSATION RECEIVED BY NON-EXECUTIVE DIRECTORS *(in €)*

	Fiscal year 2022-2023		Fiscal year 2021-2022	
Director	**Amount granted**	**Amount paid**	**Amount granted**	**Amount paid**
Wissème Allali [(1)]				
Compensation for duties as a member of the Board of Directors and Board Committee(s)	N/A	N/A	N/A	N/A
Other compensation	-	-	-	-
Bpifrance Participations (represented by Sophie Paquin)				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	17,743 [(2)]	59,303	59,303	72,000
Other compensation	-	-	-	-
Bpifrance Participations (represented by Samuel Dalens)				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	66,482 [(2)]	N/A	N/A	N/A
Other compensation	-	-	-	-
CEA Investissement (represented by François Jacq)				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	24,741 [(2)]	N/A	N/A	N/A
Other compensation				
Françoise Chombar				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	64,336 [(2)]	72,000	72,000	58,200
Other compensation	-	-	-	-
Laurence Delpy				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	32,450 [(2)]	115,000	115,000	115,000
Other compensation	-	-	-	-
Fonds Stratégique de Participations (represented by Laurence Delpy)				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	82,550 [(2)]	N/A	N/A	N/A
Other compensation	-	-	-	-
Christophe Gégout				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	95,447	89,000	89,000	86,400
Other compensation	-	-	-	-
Didier Landru [(1)]				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	N/A	N/A	N/A	N/A
Other compensation	-	-	-	-
Satoshi Onishi				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	65,553	59,000	59,000	56,471
Other compensation	-	-	-	-
Guillemette Picard [(3)]				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	15,086 [(2)]	91,933	91,933	49,399
Other compensation	-	-	-	-
Maude Portigliatti				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	31,017 [(2)]	N/A	N/A	N/A
Other compensation	-	-	-	-

	Fiscal year 2022-2023		Fiscal year 2021-2022	
Director	Amount granted	Amount paid	Amount granted	Amount paid
Delphine Ségura-Vaylet				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	58,002 (2)	N/A	N/A	N/A
Other compensation			-	-
Kai Seikku				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	91,429	81,750	81,750	85,000
Other compensation	-	-	-	-
Thierry Sommelet				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	0 (2)(4)	0 (4)	0 (4)	0 (4)
Other compensation	-	-	-	-
Qingyu (Jeffrey) Wang				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	22,882 (2)	57,700	57,700	59,000
Other compensation	-	-	-	-
Shuo Zhang				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	85,000	66,388	66,388	78,956
Other compensation	-	-	-	-
TOTAL (5)	**752,718**	**692,074**	**692,074**	**695,144**

(1) The two employee directors appointed in 2021 do not receive any compensation in their capacity as members of the Board. They receive compensation under their employment contracts, which is not disclosed for confidentiality reasons.

(2) The terms of office of Laurence Delpy, Guillemette Picard, Thierry Sommelet and Qingyu (Jeffrey) Wang expired at the close of the July 26, 2022 Annual General Meeting and were not renewed. The term of office of Bpifrance Participations, represented by Sophie Paquin, which also expired at the close of the Annual General Meeting of July 26, 2022, was renewed. Since the renewal of its term, Bpifrance Participations has been represented on the Company's Board of Directors by Samuel Dalens. In addition, at the July 26, 2022 Annual General Meeting, the shareholders appointed the following new directors; CEA Investissement, represented by François Jacq, Fonds Stratégique de Participations, represented by Laurence Delpy, Delphine Ségura-Vaylet and Maude Portigliatti. The compensation granted to these directors has been calculated on a pro rata basis taking into account the duration of their terms of office during fiscal year 2022-2023.

(3) CEA Investissement resigned from the Board on September 23, 2020. Following this resignation, the Board of Directors co-opted Guillemette Picard as a director in her own name, to replace CEA Investissement for the remainder of its term of office (i.e., until the Annual General Meeting to be called to approve the financial statements for the fiscal year ended March 31, 2022). This co-optation was ratified at the July 28, 2021 Annual General Meeting.

(4) Thierry Sommelet waived his compensation for his duties as a member of the Board of Directors and Board Committee(s).

(5) The compensation of the Chair of the Board of Directors is not included in the budget for the compensation of directors. It is not included in the total amount granted.

4.2.3 Components of compensation paid during or granted for fiscal year 2022-2023 to the Chief Executive Officer and the Chair of the Board of Directors to be submitted for shareholder approval at the July 25, 2023 Annual General Meeting

This section describes the components of the compensation of Paul Boudre, Chief Executive Officer until the close of the July 26, 2022 Annual General Meeting, and Pierre Barnabé, Chief Executive Officer since the close of the July 26, 2022 Annual General Meeting, and the components of compensation of the Chair of the Board of Directors for fiscal year 2022-2023, which, in accordance with Article L. 22-10-34, II of the French Commercial Code, will be submitted for shareholder approval at the July 25, 2023 Annual General Meeting (in the 13th, 14th and 12th resolutions respectively).

• COMPENSATION OF PAUL BOUDRE, CHIEF EXECUTIVE OFFICER UNTIL THE CLOSE OF THE JULY 26, 2022 ANNUAL GENERAL MEETING, FOR FISCAL YEAR 2022-2023 (GROSS AMOUNTS) (TO BE SUBMITTED FOR SHAREHOLDER APPROVAL IN THE 13TH RESOLUTION OF THE JULY 25, 2023 ANNUAL GENERAL MEETING)

Compensation components submitted for shareholder approval	Amounts paid in fiscal year 2022-2023	Amounts granted or valuation of shares allocated for fiscal year 2022-2023	Description
Fixed compensation	**€175,939.58**	**€175,939.58 (1)**	Paul Boudre's fixed compensation for the fiscal year is in line with the compensation policy approved by the shareholders at the July 26, 2022 Annual General Meeting. The amount of his fixed compensation has remained unchanged since January 1, 2019. His fixed compensation for the fiscal year was calculated pro rata to the length of his term of office as Chief Executive Officer.
Annual variable compensation	€717,750 Amount granted for fiscal year 2021-2022 Compensation approved in the 23rd resolution of the July 26, 2022 AGM (130.5%)	€176,291 Amount granted for fiscal year 2022-2023 To be submitted for approval at the July 25, 2023 AGM (13th resolution)	**Annual variable compensation granted for 2022-2023:** the variable portion of Paul Boudre's compensation for fiscal year 2022-2023 could have represented between 0% and 165% of his fixed compensation, i.e., a maximum gross amount of €907,500. If the target values of the objectives set by the Board of Directors were achieved, the variable portion would have corresponded to 100% of his fixed compensation, with the achievement of the budget commitments representing 90% of the target amounts of the financial criteria. As was the case for the previous fiscal year, an EBITDA threshold was included for fiscal year 2022-2023, which had to be achieved in order for Paul Boudre's variable compensation to be able to exceed 100% of his fixed compensation. If this threshold was not reached, the variable portion of his compensation would have been capped at 100% of his fixed compensation, even if the achievement rates of his other objectives were such that the variable portion should have exceeded 100% of his fixed compensation. Any overperformance of the target values of the financial objectives could have been taken into account subject to a cap representing 150% of his fixed compensation. Lastly, the amount of Paul Boudre's variable compensation for fiscal year 2022-2023 could have been increased by a further 10% if an additional strategic objective was achieved, thereby bringing his total variable compensation to 165% of his fixed compensation. The three financial objectives (revenue, consolidated EBITDA and consolidated cash) each had a 20% weighting and therefore together accounted for 60% of all the objectives underlying the variable compensation. The strategic objectives described below had a 40% weighting, breaking down as: business contract (10%), growth strategy (10%), and governance (20%). Based on the recommendation of the Compensation and Nominations Committee, the Board of Directors noted an achievement rate of 100.2% for the objectives, corresponding to an aggregate €176,291, calculated pro rata to the length of his term of office as Chief Executive Officer. The payment of this compensation is subject to approval at the Annual General Meeting to be held on July 25, 2023. A breakdown of the achievement rates of the applicable quantitative and qualitative criteria is presented in section 4.2.2.1 B. of the Company's 2022-2023 Universal Registration Document.
Multi-annual variable compensation	N/A	N/A	Paul Boudre was not eligible for multi-annual variable compensation.
Exceptional compensation	N/A	N/A	Paul Boudre was not eligible for exceptional compensation.
Directors' compensation	N/A	N/A	Paul Boudre was not eligible for directors' compensation.
Stock options, performance shares or other long-term benefits	N/A	N/A	Paul Boudre did not receive any performance shares or any other long-term benefits in fiscal year 2022-2023.

Compensation components submitted for shareholder approval	Amounts paid in fiscal year 2022-2023	Amounts granted or valuation of shares allocated for fiscal year 2022-2023	Description
Termination benefit	€0	€0	In the event of the termination of his duties as Chief Executive Officer, Paul Boudre could have been entitled to a termination benefit and a non-compete indemnity. The termination benefit represented one year's worth of the gross compensation paid to him during the fiscal year preceding his departure (i.e., fixed compensation and any bonuses or variable compensation). It was due and payable for any type of forced departure (except in the event of gross misconduct), provided that 75% of the cumulative EBITDA amounts as approved in the budget were achieved for the two fiscal years preceding his departure. At its meeting of June 8, 2022, based on the recommendation of the Compensation Committee (now the Compensation and Nominations Committee), and taking into consideration that Paul Boudre's departure occurred at the end of his term of office and that he was entitled to claim his pension, the Board of Directors noted that he did not meet the conditions for payment of the termination benefit, pursuant to paragraph 4 of section 25.5.1 of the AFEP-MEDEF Code. Paul Boudre was eligible for a non-compete indemnity as consideration for the non-compete clause to which, unless the Board of Directors decided to waive his obligations at the time of his departure, he would subject for the 12-month period following the date on which he ceased to serve as Chief Executive Officer. The amount of this indemnity would have corresponded to 50% of the gross annual compensation paid to him in the previous fiscal year (i.e., fixed compensation and any bonuses or variable compensation) and would have been paid monthly over a period of 12 months. The Board of Directors could, however, have waived this non-compete clause, at its discretion and with no financial compensation. At its June 8, 2022 meeting, based on the recommendation of the Compensation Committee (now the Compensation and Nominations Committee), the Board of Directors decided not to waive Paul Boudre's non-compete clause. However, no related indemnity was paid in fiscal year 2022-2023 pursuant to Article R. 22-10-14 of the French Commercial Code, which provides that there is no obligation to pay a non-compete indemnity if the person concerned is entitled to claim their pension.
Supplementary pension plans	€4,237.25 under the "Article 83" defined contribution pension plan	€4,237.25 under the "Article 83" defined contribution pension plan	Paul Boudre was a member of an "Article 83" defined contribution pension plan, as are all the employees of the Economic and Social Unit (ESU) comprising Soitec SA and Soitec Lab. The main components of this plan were presented in the compensation policy approved at the July 26, 2022 Annual General Meeting. Under this pension plan, the expense recorded by the Company for fiscal year 2022-2023 for Paul Boudre amounted to €4,237.25. The benefits resulting from the contributions made during the year will be deducted from the defined benefit plan (Article 39), whose entitlements are frozen. Paul Boudre was also a member of an "Article 39" defined benefit supplementary pension plan applicable to certain senior managers (senior managers III C and corporate officers). The main components of this plan were presented in the compensation policy approved at the July 26, 2022 Annual General Meeting. This plan has been closed to new entrants since July 4, 2019, and the entitlements of the plan's beneficiaries were frozen as of December 31, 2019. At March 31, 2023, the annuity that could be paid to Paul Boudre under the "Article 83" defined contribution and "Article 39" defined benefit supplementary pension plans corresponded to a gross amount of approximately €103,000.
Benefits in kind	€14,604.60	€14,604.60	Benefits in kind included the use of a company car as well as private unemployment insurance and key-person insurance.

COMPENSATION OF PIERRE BARNABÉ, CHIEF EXECUTIVE OFFICER SINCE THE CLOSE OF THE JULY 26, 2022 ANNUAL GENERAL MEETING, FOR FISCAL YEAR 2022-2023 (GROSS AMOUNTS) (TO BE SUBMITTED FOR SHAREHOLDER APPROVAL IN THE 14TH RESOLUTION OF THE JULY 25, 2023 ANNUAL GENERAL MEETING)

Compensation components submitted for shareholder approval	Amounts paid in fiscal year 2022-2023	Amounts granted or valuation of shares allocated for fiscal year 2022-2023	Description
Fixed compensation	€325,714.29	€325,714.29	Pierre Barnabé's fixed compensation for the fiscal year is in line with the compensation policy approved by the shareholders at the July 26, 2022 Annual General Meeting. It was calculated pro rata to the length of his term of office as Chief Executive Officer.
Annual variable compensation	N/A	€380,109 Amount granted for fiscal year 2022-2023 To be submitted for approval at the July 25, 2023 AGM (14th resolution)	**Annual variable compensation granted for 2022-2023:** the variable portion of Pierre Barnabé's compensation for fiscal year 2022-2023 could have represented between 0% and 165% of his fixed compensation, i.e., a maximum gross amount of €792,000 for a full fiscal year and €537,428.58 on a pro rata basis. If the target values of the objectives set by the Board of Directors were achieved, the variable portion would have corresponded to 100% of his fixed compensation, with the achievement of the budget commitments corresponding to the target amounts of the financial criteria. An EBITDA threshold was included for fiscal year 2022-2023, which had to be achieved in order for Pierre Barnabé's variable compensation to be able to exceed 100% of his fixed compensation. If this threshold was not reached, the variable portion of his compensation would have been capped at 100% of his fixed compensation, even if the achievement rates of his other objectives were such that the variable portion should have exceeded 100% of his fixed compensation. Any overperformance of the target values of the financial objectives could have been taken into account subject to a cap representing 150% of his fixed compensation. Lastly, the amount of Pierre Barnabé's variable compensation for fiscal year 2022-2023 could have been increased by a further 10% if an additional strategic objective was achieved, thereby bringing his total variable compensation to 165% of his fixed compensation. The three financial objectives (revenue, consolidated EBITDA and consolidated cash) each had a 20% weighting and therefore together accounted for 60% of all the objectives underlying the variable compensation. The strategic objectives had a 40% weighting, breaking down as: innovation (30%), growth strategy (3%) and ESG (7%). Based on the recommendation of the Compensation and Nominations Committee, the Board of Directors noted an achievement rate of 116.7% for the objectives, corresponding to an aggregate €380,109, calculated pro rata to the length of his term of office as Chief Executive Officer. The payment of this compensation is subject to approval at the Annual General Meeting to be held on July 25, 2023. A breakdown of the achievement rates of the applicable quantitative and qualitative criteria is presented on section 4.2.2.1 B. of the Company's 2022-2023 Universal Registration Document.
Multi-annual cash-settled variable compensation	N/A	N/A	Pierre Barnabé is not eligible for multi-annual variable compensation.
Exceptional compensation	N/A	N/A	Pierre Barnabé is not eligible for exceptional compensation.
Directors' compensation	N/A	N/A	Pierre Barnabé is not eligible for directors' compensation.
Stock options, performance shares or other long-term benefits	N/A	€332,286.84 For the ordinary performance shares allocated in fiscal year 2022-2023	Pursuant to the authorization granted in the 27th resolution of the July 28, 2021 Annual General Meeting, at its July 26, 2022 meeting, the Board of Directors decided to allocate Pierre Barnabé 9,612 performance shares, corresponding to ordinary shares of the Company, and representing approximately 0.01% of the Company's share capital. The performance conditions that have to be met in order for these performance shares to vest are described in section 4.2.2.1 C. of this Universal Registration Document.

<table>
<tr><th>Compensation components submitted for shareholder approval</th><th>Amounts paid in fiscal year 2022-2023</th><th>Amounts granted or valuation of shares allocated for fiscal year 2022-2023</th><th>Description</th></tr>
<tr><td>Termination benefit</td><td>€0</td><td>€0</td><td>In the event of the termination of his duties as Chief Executive Officer, Pierre Barnabé could be eligible for a termination benefit, as well as for an indemnity for not working his notice period and a non-compete indemnity.
› The amounts payable to Pierre Barnabé include the following:
(i) If the Board of Directors waives all or part of the six-month notice period, an indemnity in lieu of notice for the portion of the notice period waived by the Board of Directors.
(ii) A termination benefit, except in the case of serious misconduct, representing an initial amount of up to 18 months' worth of compensation, calculated by reference to his annual fixed compensation (gross) on his last day of office and his most recent annual short-term variable compensation (gross) received in relation to the performance of his duties prior to the termination date thereof. This initial amount will be reduced if the remaining period between the termination date and the original expiration date of his term of office is less than 18 months (in which case it will correspond to the amount of compensation – calculated in the same way – for the number of months until the original expiration date of his term of office). In addition, the termination benefit will only be paid if cumulative EBITDA for the two fiscal years preceding his departure corresponds to at least 75% of the amounts provided for in the budgets for those two years.
(iii) A non-compete indemnity. As consideration for a non-compete clause, Pierre Barnabé will be entitled to an indemnity equal to 50% of his annual fixed compensation (gross) paid during the 12 months preceding the date on which his office is terminated (excluding any bonuses, benefits or additional compensation granted on top of his fixed compensation). The Board of Directors may waive the non-compete clause if it deems fit, in which case no financial indemnity would be payable to Pierre Barnabé.
› In all circumstances, the combined amount of the indemnity in lieu of notice, termination benefit and non-compete indemnity may not exceed 24 months' worth of Pierre Barnabé's compensation (fixed and short-term variable), in accordance with the recommendations of the AFEP-MEDEF Code.
No payments were made in relation to these commitments in fiscal year 2022-2023.</td></tr>
<tr><td>Supplementary pension plans</td><td>€5,748.99 under the "Article 83" defined contribution pension plan</td><td>€5,748.99 under the "Article 83" defined contribution pension plan</td><td>Pierre Barnabé is a member of an "Article 83" defined contribution pension plan, as are all the employees of the Economic and Social Unit (ESU) comprising Soitec SA and Soitec Lab. The main components of this plan were presented in the compensation policy approved at the July 26, 2022 Annual General Meeting and can also be consulted in section 4.2.4.3 B. 6 Supplementary pension plans of this Universal Registration Document.
Under this pension plan, the expense recorded by the Company for fiscal year 2022-2023 for Pierre Barnabé amounted to €5,748.99.</td></tr>
<tr><td>Benefits in kind</td><td>€19,560.72</td><td>€19,560.72</td><td>Benefits in kind include the use of a company car and company accommodation provided to Pierre Barnabé, as well as the contributions paid for the private unemployment insurance taken out with GSC.</td></tr>
</table>

COMPENSATION OF THE CHAIR OF THE BOARD OF DIRECTORS, ÉRIC MEURICE, FOR FISCAL YEAR 2022-2023 (GROSS AMOUNTS) (TO BE SUBMITTED FOR SHAREHOLDER APPROVAL IN THE 12TH RESOLUTION OF THE JULY 25, 2023 ANNUAL GENERAL MEETING

Compensation components submitted for shareholder approval	Amounts paid in fiscal year 2022-2023	Amounts granted for fiscal year 2022-2023 or accounting value	Description
Fixed compensation	**€230,000**	**€230,000**	Éric Meurice's fixed compensation for fiscal year 2022-2023 is in line with the compensation policy approved by the shareholders at the July 26, 2022 Annual General Meeting, and has remained unchanged since fiscal year 2020-2021.
Annual variable compensation	N/A	N/A	Éric Meurice does not receive any annual variable compensation.
Multi-annual variable compensation	N/A	N/A	Éric Meurice does not receive any multi-annual variable compensation.
Exceptional compensation	N/A	N/A	Éric Meurice does not receive any exceptional compensation.
Stock options, performance shares or other long-term benefits	N/A	N/A	Éric Meurice does not receive any stock options, performance shares or other long-term benefits.
Directors' compensation	N/A	N/A	Éric Meurice's compensation solely comprises an annual fixed amount of €230,000 (gross). This compensation is not paid out of the budget allocated for the compensation of the members of the Board of Directors.
Benefits in kind	N/A	N/A	Éric Meurice is not eligible for benefits in kind.
Termination benefit	N/A	N/A	Éric Meurice is not eligible for a termination benefit.
Supplementary pension plans	N/A	N/A	Éric Meurice is not a member of any supplementary pension plan.

4.2.4 Compensation policies for the Company's corporate officers for fiscal year 2023-2024

4.2.4.1 Compensation policy for the Chair of the Board of Directors (non-executive corporate officer)

The fiscal year 2023-2024 compensation policy for the Chair of the Board of Directors comprises fixed compensation. It does not include any variable or exceptional compensation, performance share allocations, termination benefits or a non-compete indemnity. This policy is unchanged compared with the compensation policy approved in the 16th resolution of the July 26, 2022 Annual General Meeting (97.44% approval).

A. Fixed compensation

The annual fixed compensation of the Chair of the Board of Directors has been set at a gross amount of €230,000, unchanged since fiscal year 2020-2021. This compensation is not paid out of the budget allocated for the compensation of the members of the Board of Directors, and the Chair does not receive any compensation for his duties as a director.

This level of compensation was benchmarked in March 2022 by an independent firm, based on two panels: one consisting of 33 comparable companies in the CAC Mid 60 index and the other comprising 20 comparable European companies operating in the semiconductor or technology sectors.

B. Reimbursement of expenses

The Chair of the Board of Directors is entitled to the reimbursement of any travel expenses incurred in connection with his directorship duties, on presentation of receipts.

C. Benefits in kind/Other commitments

The Chair of the Board of Directors does not receive any benefits in kind and has not been given any other commitments. In addition, no service agreement has been entered into between the Chair and the Company or any of its subsidiaries that provides for entitlement to benefits.

4.2.4.2 Compensation policy for the non-executive members of the Board of Directors (other than the Chair)

The fiscal year 2023-2024 compensation policy for the non-executive members of the Board of Directors (other than the Chair) is unchanged from that approved in the 17th resolution of the July 26, 2022 Annual General Meeting (99.80% approval).

A. Principles

The total amount that may be allocated to the directors as compensation for their work has been set at a gross amount of €820,000 (as approved by the July 26, 2022 Annual General Meeting in the 17th resolution), not including the compensation of the Chair of the Board of Directors.

The amounts due by the Company for any social contributions and charges levied on the payment of directors' compensation are not part of this budget. The social levy (*forfait social*) to be paid on directors' compensation (20%) by the Company is therefore above and beyond the budget voted by the Annual General Meeting.

B. Allocation principles

The compensation paid to each individual director is adapted to the specific roles and responsibilities of that director and the time they devote to their directorship. The overall amount of directors' compensation is allocated as follows:

- the directors receive compensation for their directorship duties, except for (i) directors who have an operational (such as employee directors) and/or executive role within the Group and (ii) the Chair of the Board of Directors, if they receive other compensation for their role as Chair;
- the total amount of compensation granted to each director is pro-rated to the actual time that they have held their directorship during the compensation period concerned;
- regular attendance at meetings of the Board of Directors and the Committees is rewarded (100% of directors' compensation is allocated in proportion to their actual attendance at meetings of the Board and the Committee(s) of which they are a member; and
- participation in meetings *via* conference call or video conferencing is considered equivalent to physical attendance;
- no specific compensation is allocated for the role of Lead Independent Director.

In accordance with the Company's by-laws, employee directors may not combine a salary under their employment contract with compensation for their directorship.

Each year, the Board of Directors places on record the aggregate budget and the individual amounts paid as a result of applying the allocation criteria described above.

The maximum amount of the budget for directors' compensation is allocated among the individual directors as follows:

Duties	Compensation based on a 100% attendance rate for all meetings over the full fiscal year
Seat on the Board of Directors	€46,000 (gross)
Seat on a Committee (other than restricted matters)	€13,000 (gross)
Chair of a Committee (1)	€17,000 (gross) (1)

(1) In addition to the amount received by the director in their capacity as a member of the Committee concerned.

C. Reimbursement of expenses

Each of the members of the Board of Directors is entitled to the reimbursement of any travel expenses incurred in connection with their directorship duties, on presentation of receipts.

D. Benefits in kind/Other commitments

The Board may allocate exceptional compensation to a director for a specific assignment commissioned in accordance with the applicable regulations.

The non-executive members of the Board of Directors (other than the employee directors) do not receive any other benefits in kind and have not been given any other commitments. In addition, no service agreement has been entered into between the non-executive Board members and the Company or any of its subsidiaries that provides for entitlement to benefits.

Employee directors have a permanent employment contract with the Company which can be terminated under the terms and conditions provided for by labor law and the applicable collective bargaining agreement, subject to the authorization of the Labor Inspectorate.

4.2.4.3 Compensation policy for the Chief Executive Officer

A. Generic policies

If a new executive corporate officer were to be appointed in fiscal year 2023-2024, the principles and criteria contained in the most recent compensation policy for executive corporate officers approved at the Annual General Meeting would apply to that new executive corporate officer. Based on the recommendation of the Compensation and Nominations Committee, the Board of Directors would then set the various components of the compensation of the executive concerned, depending on their individual situation and in line with the Company's existing practices. Such compensation components may not exceed the amounts provided for in said compensation policy. In exceptional circumstances, the Board of Directors may decide to offer a signing bonus to a new executive from outside the Soitec Group. This bonus, which may take various forms, is intended to compensate for the loss of benefits previously received by the executive in their former position. In accordance with section 25.4 of the AFEP-MEDEF Code, if such a bonus were to be granted, it would be explained and publicly disclosed when it was set, even if its payment is staggered or deferred.

The compensation of the Chief Executive Officer comprises the following components:

Compensation components	Comments
Fixed compensation	The amount of fixed compensation is set by the Board of Directors based on the recommendation of the Compensation and Nominations Committee, and corresponds to consideration for the duties and responsibilities inherent to the position of Chief Executive Officer. The Board reviews the amount of this compensation either annually or once every two years, based on benchmarking studies of the compensation paid by comparable companies, with a view to making any necessary changes, where applicable with the assistance of a specialist firm. The amount of Pierre Barnabé's fixed compensation for fiscal year 2023-2024 (unchanged since his appointment on July 26, 2022) is detailed below.
Short-term variable compensation	Short-term variable compensation is set based on the achievement of pre-determined financial and strategic objectives and may vary between 0% and 165% of the Chief Executive Officer's fixed compensation. Financial objectives, which account for the majority of the short-term variable compensation, have a 60% weighting and strategic objectives have a 40% weighting. The achievement of target objectives corresponds to a payment of 100% of the fixed compensation; any overperformance of the target can give rise to a payment of up to 150% of the fixed compensation. The amount of the variable compensation can be increased by 10% if an additional objective is achieved, for a total of up to 165% of the fixed compensation. This overall mechanism for short-term variable compensation is unchanged from that provided for in the compensation policy for the Chief Executive Officer approved in the 18th resolution of the July 26, 2022 Annual General Meeting.
Long-term variable compensation	Long-term variable compensation consists of performance share allocations representing up to 300% of annual fixed compensation (number of shares calculated at fair market value at the allocation date). For fiscal year 2023-2024, the vesting of the shares to be allocated is intended to be contingent on the achievement of performance conditions based on (i) financial criteria (e.g., revenue, profitability metrics such as EBITDA margin, and TSR) and (ii) non-financial sustainability criteria assessed based on milestones over a three-year period.
Commitments given by Soitec in relation to a termination or change of duties	If the Chief Executive Officer leaves the Company, provided certain conditions are met, they may be eligible for an indemnity in lieu of notice, a termination benefit and/or a non-compete indemnity, representing up to 24 months' worth of compensation (fixed and short-term variable compensation) as provided for in the AFEP-MEDEF Code. The specific characteristics of these mechanisms applicable to Pierre Barnabé (unchanged from fiscal year 2022-2023) are detailed below.
Benefits in kind	The benefits in kind granted to the Chief Executive Officer include a company car, company accommodation near Soitec's corporate office, and unemployment insurance taken out with GSC. They also have the same personal risk insurance and healthcare expense coverage as all the engineers and managerial employees of Soitec's Economic and Social Unit (ESU). In addition, they are provided with the material resources necessary for performing their duties and are entitled, on presentation of receipts, to the reimbursement of travel and other business-related expenses.
Supplementary pension plans	The Chief Executive Officer is eligible for the "Article 83" defined contribution pension plan applicable to all the employees of Soitec's Economic and Social Unit (ESU). He is not a member of any defined benefit supplementary benefit pension plan.
Exceptional compensation	The Company does not plan to pay any exceptional compensation to the Chief Executive Officer in fiscal year 2023-2024.
Directors' compensation	The Chief Executive Officer does not receive any compensation in their capacity as a director of the Company or any other compensation from any entities consolidated by Soitec.
Other benefits	Soitec may not grant any loans or guarantees to the Chief Executive Officer. In addition, no service agreements may be entered into between the Chief Executive Officer and the Company or any of its subsidiaries that provide for entitlement to benefits.

B. Compensation of Pierre Barnabé, Chief Executive Officer, for fiscal year 2023-2024

In his capacity as Chief Executive Officer, Pierre Barnabé's compensation policy provides for compensation comprising a fixed portion, an annual variable portion, a long-term variable portion and certain commitments and benefits.

After analyzing a benchmark study on peer company senior management compensation, both on a sectoral basis in Europe and on a national basis, comprising a panel of technical and industrial companies in the CAC mid 60 index, and based on the recommendation of the Compensation and Nominations Committee, at its June 7, 2023 meeting the Board of Directors set the compensation of Pierre Barnabé, Chief Executive Officer, as follows for the 2023-2024 fiscal year:

1. Fixed compensation

Pierre Barnabé's annual fixed compensation has been set at €480,000, unchanged from fiscal year 2022-2023 (representing around 60% of his maximum variable compensation). The level of his compensation will be benchmarked to the level of compensation of a group of Chief Executive Officers of similar European companies (peers) on an annual or semi-annual basis (benchmarks).

2. Variable compensation

On the recommendation of the Compensation and Nominations Committee, the Board decided to maintain the structuring and main weightings implemented during the previous fiscal year based on an analysis of market practices and a projection of earning expectations in view of the performance of the various companies of the panel, carried out by reputed independent consultants specialized in the compensation of corporate officers.

The objectives underlying Pierre Barnabé's variable compensation are both financial (60%) and strategic (40%), and the compensation policy also provides for the principle of an additional criterion allowing for a 10% increase in his total variable compensation. The strategic criteria cover the Company's main strategic issues, in line with what was put in place for the previous fiscal years, adapting the criteria to the roadmap for fiscal year 2023-2024 in the areas of (i) innovation, (ii) commercial challenges, (iii) leadership and organization and (iv) sustainable development. In accordance with the recommendations of the AFEP-MEDEF Code, three criteria relate to the Company's social and environmental responsibility (climate change roadmap, water stress, diversity and inclusion), representing a total weighting of 10%. The amount of variable compensation would increase by 10%, contingent on meeting a criterion corresponding to the Company's ESG performance, assessed externally by a rating agency.

Pierre Barnabé's short-term annual variable compensation, which will be subject to the achievement of pre-determined performance conditions defined by the Board of Directors based on recommendations issued by the Compensation and Nominations Committee, can represent between 0% and 165% of his annual fixed compensation.

He will be eligible for short-term variable compensation. The performance criteria for such variable compensation shall be as follows:

Objectives	Weighting	Overperformance
I. FINANCIAL OBJECTIVES	60%	90%
Of which:		
a. Revenue	a. 20%	a. 30%
b. EBITDA *(in %)*	b. 20%	b. 30%
c. Operating cash flow	c. 20%	c. 30%
II. STRATEGIC OBJECTIVES	40%	60%
Of which:		
a. Innovation	a. 10%	a. 15%
b. Business development	b. 10%	b. 15%
c. Leadership and organization	c. 10%	c. 15%
d. ESG (diversity, climate change, water)	d. 10%	d. 15%
Criterion for increase in the variable portion (external ESG rating)	**+10% of the total amount**	**N/A**

As was the case for the previous fiscal year:

- if the target values of the objectives set by the Board of Directors are achieved, the variable portion will correspond to 100% of Pierre Barnabé's fixed compensation;
- the achievement of the budget objectives will represent 100% of the target amounts of the financial criteria; and
- any overperformance of the target values of the financial objectives can be taken into account subject to a cap representing 150% of his fixed compensation.

Most of the strategic criteria include several sub-criteria, the cumulative achievement of which corresponds to an overperformance level of 150%. Under the environmental criteria (ESG), control over water use, which is a major challenge in our industry, has been added to the climate change criterion as of 2022.

The amount of Pierre Barnabé's variable compensation for fiscal year 2023-2024 based on the financial and strategic objectives can be increased by a further 10% if an additional objective is achieved related to improving the ESG rating assigned by MSCI.

The amount of compensation paid will be calculated on a gross basis.

Details of the assessment of the achievement rates of the performance criteria underlying the calculation of the Chief Executive Officer's annual variable compensation have not been disclosed in this Universal Registration Document for confidentiality reasons.

Pursuant to Article L. 22-10-34, II of the French Commercial Code, the payment of annual variable compensation is subject to prior approval at the Annual General Meeting (*ex-post* vote). Pierre Barnabé's compensation policy does not provide for the possibility for the Company to require variable compensation to be repaid.

3. Long-term variable compensation – Performance shares

At the July 28, 2021 Annual General Meeting, the Company's shareholders authorized performance shares to be allocated to the Chief Executive Officer and key Group executives.

The vesting of the performance shares to be allocated to the Chief Executive Officer will be subject to the achievement of performance criteria based on financial objectives and, non-financial objectives, assessed at the end of fiscal year 2025-2026. At the end of a vesting period of at least three years, the final number of shares that vest will be calculated based on the Board of Directors' assessment of several appropriate financial objectives (such as EBITDA, revenue and the Total Shareholder Return (TSR) of the Company's ordinary shares compared with the Euro Stoxx 600 Technology index) and sustainability-related performance criteria (diversity and inclusion, climate change roadmap and water stress). No lock-up period will apply at the end of the vesting period. However, the Chief Executive Officer is required to hold a certain number of vested shares in registered form, for the duration of his term of office. The value of these shares has been set by the Board of Directors at 10% of the Chief Executive Officer's annual fixed compensation at the vesting date.

The vesting of the performance shares allocated to the Chief Executive Officer is also subject to a pro rata presence condition, i.e., one-third of each allocation is subject to his continued presence per vesting year. In the event of retirement with a full benefit, the Chief Executive Officer's performance shares will vest on a pro rata basis (where appropriate, the Board of Directors may waive this condition on the basis of a reasoned decision). In the event of dismissal for gross misconduct, the Chief Executive Officer would lose all of the allocated shares. Any notice periods may not be taken into account for the purpose of assessing the applicable presence conditions.

4. Commitments given by the Company to the Chief Executive Officer in relation to a termination or change of duties

In the event of a forced departure from the Company (other than for gross negligence or misconduct), Pierre Barnabé would be eligible for certain benefits and indemnities, for which the main terms and conditions are as follows:

- The following situations will not be deemed to be a forced departure (i) if the Chief Executive Officer resigns (unless his resignation is not voluntary), (ii) if his duties in his role as Chief Executive Officer change, (iii) if he is not reappointed as Chief Executive Officer on the expiration of his term of office, or (iv) if it becomes impossible, for legal or regulatory reasons, for him to continue in his role as Chief Executive Officer. Also, in accordance with the AFEP-MEDEF Code, no termination benefit would be due if Pierre Barnabé is able to claim his full-rate statutory retirement pension within six months of the termination of his duties.
- The amounts payable to Pierre Barnabé include the following:
  - (i) If the Board of Directors waives all or part of the six-month notice period, **an indemnity in lieu of notice** for the portion of the notice period waived by the Board of Directors. The indemnity for each month waived would equal one-twelfth of Pierre Barnabé's annual compensation, calculated by reference to his annual fixed compensation (gross) on his last day of office and his most recent annual short-term variable compensation (gross) received prior to the termination date of his office. It is subject to the overall cap set out below, which applies to the indemnity in lieu of notice and the termination benefit and non-compete indemnity described below.
  - (ii) **A termination benefit** representing an initial amount of up to 18 months' worth of compensation, calculated by reference to his annual fixed compensation (gross) on his last day of office and his most recent annual short-term variable compensation (gross) received in relation to the performance of his duties prior to the termination date thereof. This initial amount will be reduced if the remaining period between the termination date and the original expiration date of his term of office is less than 18 months (in which case it will correspond to the amount of compensation – calculated in the same way – for the number of months until the original expiration date of his term of office). In other words, the termination benefit will decrease as from January 26, 2025 until it reaches 0 on July 26, 2026. In addition, the termination benefit will only be paid if cumulative EBITDA for the two fiscal years preceding his departure corresponds to at least 75% of the amounts provided for in the budgets for those two years as approved by the Board of Directors. It is subject to the overall cap set out below, which applies to the indemnity in lieu of notice described above, this termination benefit and the non-compete indemnity are described below.
  - (iii) **A non-compete indemnity.** As consideration for a non-compete clause, Pierre Barnabé will be entitled to an indemnity equal to 50% of his annual fixed compensation (gross) paid during the 12 months preceding the date on which his office is terminated (excluding any bonuses, benefits or additional compensation granted on top of his fixed compensation). This indemnity will be paid monthly over a period of 12 months (which may be extended by the Board of Directors for a further period of up to 12 months). It is subject to the overall cap set out below, which applies to the indemnity in lieu of notice and termination benefit described above and this non-compete indemnity. The Board of Directors may waive the non-compete clause if it deems fit, in which case no financial indemnity would be payable to Pierre Barnabé.
- In all circumstances, the combined amount of the indemnity in lieu of notice, termination benefit and non-compete indemnity may not exceed 24 months' worth of Pierre Barnabé's compensation (fixed and short-term variable), in accordance with the recommendations of the AFEP-MEDEF Code. If the aggregate amount of the three indemnities exceeds this cap, the amount of the termination benefit will be reduced so that the non-compete clause (if applied) and the corresponding non-compete indemnity remain in full force.

5. Specific benefits in kind

Pierre Barnabé has the use of a company car, corresponding to a benefit in kind representing a gross monthly amount of €264.72, as well as company accommodation located near the Company's head office, the monthly rent of which is around €1,300.

6. Supplementary pension plans

Pierre Barnabé is a member of the "Article 83" defined contribution pension plan applicable to all the employees of Soitec's Economic and Social Unit (ESU). Under the "Article 83" pension plan, entitlements accrue on an individual basis according to the contribution rate. The Company's commitment is limited to the payment of its share of the contributions to the insurance company which manages the plan.

The rights vest even in the event of resignation or dismissal. On retirement, payment of the annuity is compulsory. In case of death before retirement, the designated beneficiary receives a capital lump sum. In case of death after retirement, if the reversionary option has been chosen, all or part of the pension is paid to the spouse or to other beneficiaries if the agreement so provides.

The cost of this plan is borne 100% by the Company *via* contributions to compensation Tranches A, B and C (3.07%, 3.43% and 4.71% respectively). Pierre Barnabé is a beneficiary of this plan under the same conditions as the Company's employees, with contributions based on his compensation up to Tranche C, and as of six months' seniority (representing a total basis of €142,832), i.e., €5,748.99 for fiscal year 2022-2023.

4.2.5 Compensation and benefits of the Executive Committee (ExCom) members

At March 31, 2023, the Executive Committee (ExCom) had 11 members, excluding corporate officers, resulting in an average headcount of 11 over the year. The total gross compensation paid by the Group to members of the ExCom, excluding corporate officers, and including direct and indirect benefits of executives, was €10,537 thousand for the fiscal year ended March 31, 2023.

(in € thousands)	March 31, 2023	March 31, 2022
Short-term benefits	6,172 (1)	5,159 (1)
Post-employment benefits	-	-
Accounting value of share-based payments	1,598	7,162
TOTAL GROSS COMPENSATION PAID TO EXCOM MEMBERS	**10,537**	**12,321**

(1) The amounts indicated are calculated taking into account the maximum variable compensation to which members of the Executive Committee are entitled.

5

COMMENTS ON THE FISCAL YEAR

5.1 Analysis of the financial position and consolidated results for the fiscal year

This section forms part of the management report of our Company, Soitec SA. It should be read in conjunction with our Group's consolidated financial statements for the year ended March 31, 2023, which are presented in section 6.2 *Consolidated financial statements* below.

Pursuant to Regulation (EC) 1606/2002 of July 19, 2002 on the application of international accounting standards, our Group's consolidated financial statements have been prepared in accordance with the standards and interpretations published by the International Accounting Standards Board (IASB), adopted by the European Union and mandatory for consolidated financial statements.

These standards are available on the European Commission's website (https://finance.ec.europa.eu/capital-markets-union-and-financial-markets/company-reporting-and-auditing/company-reporting/financial-reporting_en) and include international accounting standards (IAS and IFRS), as well as the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Standards Interpretations Committee (IFRS IC).

The accounting rules and methods applied to prepare the consolidated financial statements are the same as those used to prepare the consolidated financial statements for the year ended March 31, 2022, with the exception of the new standards, amendments and interpretations described in Chapter 6, note 3 to our consolidated financial statements.

The "Other Business" segment, which includes discontinued operations and notably the solar energy business, is presented under discontinued operations in the consolidated financial statements, in accordance with IFRS 5.

5.1.1 Business review and consolidated results

5.1.1.1 Main business trends in fiscal year 2022-2023

Amid a complex macroeconomic environment, our Group recorded a strong financial performance in fiscal year 2022-2023 in line with the objectives announced, with revenue growth of 19% at constant scope and exchange rates and an EBITDA margin of 36%, together with a sustained level of investment, both in terms of innovation and expansion of industrial capacities.

The combined effects of Russia's invasion of Ukraine and the residual pandemic-related risk in certain parts of the world, particularly in Asia and China, continued to weigh on the global economy and exacerbated the inflationary pressures that have emerged during the post-Covid recovery.

Selling price pressures and volatility have increased, especially for energy and certain raw materials. The impact of the rising raw material prices seen on the international markets remained limited for our Group in fiscal year 2022-2023, mainly due to the long-term energy supply contracts that we have signed, as well as the low share of energy in our production costs. We do not have any sales activities in Russia or Ukraine. Our raw materials and gas purchases from these two countries remain limited.

The future consequences of geopolitical conflicts, as well as of rising inflation, may have greater impacts than currently anticipated, depending on how the situation evolves.

In fiscal year 2022-2023, revenue grew by 19% at constant scope and exchange rates compared to the previous fiscal year, led by growth in all our end markets.

The EBITDA margin reached 36%, driven by our robust level of activity, a higher utilization rate at our Singapore plant than in the previous fiscal year, the full loading of our Bernin 1 and Bernin 2 fabs and strict control of our costs, fully in line with our initial guidance, demonstrating the resilience of our model in a high inflationary environment.

As planned, our Group continued to accelerate investments in our industrial capacity in Singapore for 300 mm SOI wafers and refresh (materials recycling) production, as well as in France to complete the construction of our Bernin 4 fab and support the production of innovative silicon carbide (SiC) substrates.

In research and development (R&D), our Group continued to invest in our Silicon-on-Insulator (SOI) (new generations of products) and in new materials (in particular SiC and POI), which is key to the diversification of our products.

5.1.1.2 Income statement for fiscal year 2022-2023

(in € millions)	2022-2023	2021-2022	2020-2021
Revenue	1,089	863	584
Gross profit	402	316	184
as % of revenue	*37.0%*	*36.6%*	*31.4%*
Current operating income	267	195	90
as % of revenue	*24.5%*	*22.6%*	*15.4%*
Other operating income and expenses	0.4	9.6	0.4
Operating income (EBIT)	268	205	90
as % of revenue	*24.6%*	*23.7%*	*15.5%*
Electronics EBITDA	391	309	179
as % of revenue	*36.0%*	*35.8%*	*30.7%*
Net profit/(loss) from discontinued operations [1]	1.1	(0.3)	(1.4)
NET PROFIT – GROUP SHARE	**233**	**202**	**73**
as % of revenue	*21.4%*	*23.4%*	*12.4%*
Basic earnings per share *(in euros)*	6.63	5.98	2.19

(1) Restatement of the solar energy businesses in application of IFRS 5.

EBITDA represents operating income (EBIT) before depreciation, amortization, impairment of non-current assets, non-cash items relating to share-based payments, provisions for impairment of current assets and for contingencies and expenses, and disposal gains and losses.

Revenue
€1,089m
up 19%
at constant scope and exchange rates

EBITDA margin*
36%
of revenue
maintained at the same solid level as the previous fiscal year

* *EBITDA margin for the Electronics business.*

5.1.1.3 Revenue

(in € millions)	2022-2023	2021-2022	% change as reported	% change at constant scope and exchange rates
Mobile Communications	731	624	+17%	+10%
Automotive & Industrial	141	74	+89%	+77%
Smart Devices [1]	217	165	+32%	+26%
REVENUE	**1,089**	**863**	**+26%**	**+19%**

(1) Including revenue relating to Dolphin Design.

As announced, fiscal year 2022-2023 was marked by strong growth: consolidated revenue reached a high of €1,089 million, up 26% from €863 million in fiscal year 2021-2022, reflecting the combination of 19% growth at constant scope and exchange rates [(1)] and a positive currency impact of 7%.

All of our divisions saw strong growth, driven by momentum in our end markets.

In the context of a global smartphone market slowdown, we continued to benefit from the penetration of high-end 5G handsets and the growth of Soitec content within smartphones, which translated into higher sales of RF-SOI substrates for radiofrequency (RF) applications and therefore to growth in Mobile Communications revenue. Growth in Mobile Communications was driven by investments to increase capacity at our Singapore site dedicated to 300 mm SOI products.

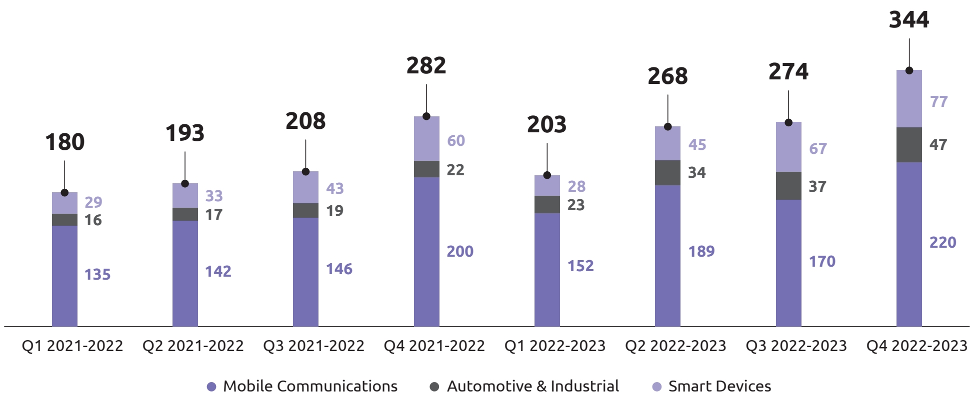
The automotive market, where we leverage increasing demand for digitalization and electrification, remained robust. Automobile & Industrial revenue grew by €67 million (up 77% at constant scope and exchange rates), thanks to higher sales of Power-SOI and FD-SOI substrates for automotive applications. Our Group also recorded its first SmartSiC technology revenue.

Sustained demand across our product portfolio developed for Smart Devices was also a key factor in driving our strong performance, with a significant increase in sales of Photonics-SOI, FD-SOI and Imager-SOI wafers for Internet of Things (IoT) and edge computing applications (up 26% at constant scope and exchange rates).

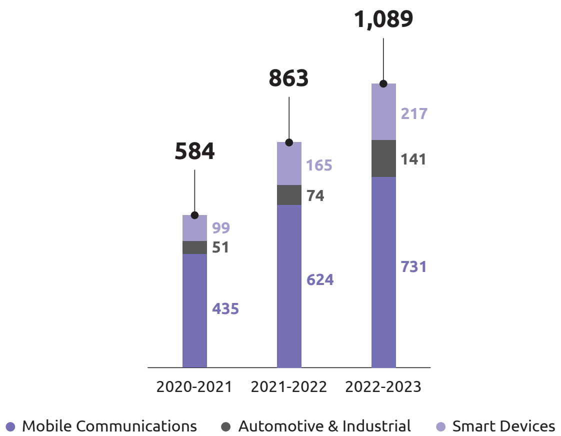
REVENUE

(in € millions)

CHANGE IN REVENUE BY QUARTER



YEAR-ON-YEAR CHANGE IN REVENUE



(1) *At constant exchange rates and comparable scope of consolidation: scope effects in fiscal year 2021-2022 related to the acquisition of the entire share capital of NOVASiC SAS in December 2021.*

Mobile Communications

Mobile Communications

up 10%
at constant scope and exchange rates

67%
of total revenue

In fiscal year 2022-2023, Mobile Communications revenue reached €731 million, up 10% at constant scope and exchange rates compared to fiscal year 2021-2022 (up 17% based on historical data).

Mobile Communications revenue continues to be supported by the ongoing adoption of 5G smartphones and WiFi6, as well as by the deployment of associated infrastructure. 5G standards require much higher semiconductor content in smartphones, which is directly reflected in higher demand for our products.

Led by the strength of our customer contracts and the ramp-up in production at our Singapore site, we saw growth in our **RF-SOI** wafers for RF chips during the year, essentially corresponding to an increase in volumes sold.

FD-SOI wafer sales for front-end modules continued to demonstrate their added value both on mmWaves and Sub 6 GHz.

The adoption phase of **Piezoelectric-on-Insulator (POI)** wafers dedicated to RF filters for 5G smartphones is still ongoing, and our Group continues to work with several customers on qualifying different design architectures. In this regard, our Group has signed a partnership with the foundry SAWNICS to provide a process design kit (PDK) based on our POI substrates to accelerate the design of high-performance RF filters for 5G smartphones.

Automotive & Industrial

Demand from the automotive industry continues to increase, in line with the growing demand for on-board semiconductors in the latest generations of vehicles, particularly linked to the shift to greener vehicles. Our Group continues to address rising demand for multimedia and infotainment, functional safety, autonomous and assisted driving, as well as increasing electrification.

Automotive & Industrial

up 77%
at constant scope and exchange rates

13%
of total revenue

Automotive & Industrial revenue was up €67 million to €141 million in fiscal year 2022-2023, representing a 77% increase at constant scope and exchange rates compared to fiscal year 2021-2022 (up 89% based on historical data).

Growth was mainly led by sales of **FD-SOI** substrates dedicated to automotive applications. Sales of **Power-SOI** wafers also recorded a significant increase.

Automotive & Industrial also benefited from its first **SmartSiC** technology revenue, in connection with the cooperation between our Group and STMicroelectronics on the qualification of our 200 mm SmartSiC™ substrate technology.

Smart Devices

The demand from the Smart Devices market is driven by the need for more complex sensors, higher connectivity functionalities and embedded intelligence, leading to more powerful and efficient artificial intelligence chips for edge artificial intelligence, data centers and cloud computing.

Smart Devices

up 26%
at constant scope and exchange rates

20%
of total revenue

The need to tailor smart devices to their users, develop their functions and ensure their suitability for their environment explains the evolution of smart devices toward – now and in the future – extremely complex, hyper-connected systems with embedded intelligence, such as robots.

In fiscal year 2022-2023, Smart Devices revenue reached €217 million, up 26% at constant scope and exchange rates compared to fiscal year 2021-2022 (up 32% based on historical data).

Sales of **FD-SOI** wafers grew sharply, confirming structural demand for edge computing devices across consumer and industrial sectors.

In addition, sales of **Imager-SOI** substrates for 3D imaging applications, as well as of **Photonics-SOI** wafers that provide high speed connectivity solutions for artificial intelligence in the cloud, delivered strong growth over the previous fiscal year.

BREAKDOWN OF REVENUE BY GEOGRAPHIC AREA [1]

	2022-2023	2021-2022	2020-2021
United States	15%	14%	14%
Europe	20%	25%	25%
Asia	65%	61%	61%

(1) The breakdown of revenue by geographic area is based on the delivery locations of the goods shipped by our Group.

BREAKDOWN OF REVENUE BY CUSTOMER

	2022-2023	2021-2022	2020-2021
Top 5 customers	61%	61%	66%
Next 5 customers	24%	23%	19%
Other customers/royalties	15%	16%	15%

The top five customers represented 61% of sales in fiscal year 2022-2023, unchanged from the previous fiscal year.

Other Business

This segment comprises the solar energy business and has not recorded any revenue over the last three fiscal years.

In accordance with IFRS 5 on discontinued operations, the income and expenses of the Other Business segment are presented in a single caption in the consolidated income statement, under "Net profit/(loss) from discontinued operations".

5.1.1.4 Gross profit

Gross profit corresponds to total revenue less the cost of sales.

Cost of sales comprises:

- **production costs**: including the cost of raw materials, mainly silicon, manufacturing costs including direct labor costs, depreciation and maintenance costs on production equipment and clean room infrastructure, and the share of general and administrative expenses allocated to production;
- **distribution costs**;
- **patent royalties** (mainly paid to CEA-Leti for the use of Smart Cut™ technology).

Gross profit came out at €402 million (37.0% of revenue) in fiscal year 2022-2023, compared to €316 million (36.6% of revenue) in fiscal year 2021-2022. Gross profit benefited from operating leverage due to the growth in revenue and the full loading of our production capacities at the Bernin 1 fab for the manufacturing of 200 mm wafers, and at the Bernin 2 and Singapore sites for 300 mm wafers, a robust industrial performance, and a favorable mix effect compared to the previous fiscal year. These favorable factors were partially offset by an inflationary effect on costs, including, as expected, raw material procurement costs as part of our long-term purchasing agreements, and by one-off items related to impairment of inventories. In addition, gross profit was impacted by an unfavorable effect from our currency hedges.

5.1.1.5 Increase in R&D costs

R&D costs essentially comprise:

- salaries and social security contributions, including share-based payments;
- operating costs of clean room and R&D equipment;
- materials consumed in finalizing and manufacturing prototypes;
- subcontracting to public research centers and private laboratories, as well as under cooperation agreements; and
- costs relating to maintaining and strengthening our Group's intellectual property rights.

Amounts received under subsidy agreements (including research income tax credits) are deducted from gross R&D costs when determining the net amount recognized in the income statement.

Net R&D costs increased to €64 million (5.9% of revenue) in fiscal year 2022-2023, from €57 million (6.6% of revenue) in fiscal year 2021-2022.

The €7 million increase was mainly due to:

Gross R&D costs*
11.3%
of fiscal year 2022-2023 revenue
** before capitalization of development costs*

- €123 million in gross costs before capitalization (up €15 million or 14%), reflecting our Group's commitment to significantly invest in R&D;
- partly offset by an increase in capitalized development costs (up €13 million versus the previous fiscal year), linked in particular to our silicon carbide (SiC) products;
- and by fewer subsidies and lower tax credits, owing to higher capitalization on development projects.

Our R&D expenditure reflects our innovation strategy to expand our product portfolio, with a view to consolidating our unique market positioning through next-generation silicon substrates for each of our three end markets and also developing products based on other substrates, in particular SiC, POI and GAN.

5.1.1.6 Sales and marketing expenses

Sales and marketing expenses were up by a slight €1 million year on year to €16 million, versus €15 million in fiscal year 2021-2022. They represented 1.5% of revenue in the year ended March 31, 2023, versus 1.8% in the year ended March 31, 2022.

5.1.1.7 General and administrative expenses

General and administrative expenses increased by a limited €6 million to €55 million in fiscal year 2022-2023, versus €49 million in the same year-ago period.

General and administrative expenses
5.0%
of revenue
5.6% in fiscal year 2021-2022

The increase was mainly due to the rise in personnel costs linked to continued hiring and, to a lesser extent, to higher depreciation and amortization expense for IT investments, partly offset by the reduction in share-based payments.

General and administrative expenses represented 5.0% of revenue in fiscal year 2022-2023, versus 5.6% in the same year-ago period. In view of our Group's growth, the rise in general expenses remains limited, thereby helping to lay the foundations for the growth expected in future years.

5.1.1.8 Current operating income

Current operating income is calculated by deducting net R&D costs, general and administrative expenses and sales and marketing expenses from gross profit.

Current operating income totaled €267 million (24.5% of revenue) in fiscal year 2022-2023, compared to €195 million (22.6% of revenue) in fiscal year 2021-2022, reflecting the increase in gross profit resulting from a controlled increase in our costs.

5.1.1.9 Operating income

Operating income is the sum of current operating income and other operating income and expenses.

Other operating income and expenses were not material.

In the prior fiscal year, other operating income and expenses represented net income of €10 million and chiefly included the reversal of the impairment loss recognized in the year ended March 31, 2016 on our Singapore industrial building for €9 million.

Operating income was €268 million, up €63 million from €205 million in the prior fiscal year.

5.1.1.10 EBITDA

EBITDA from continuing operations (Electronics) amounted to €391 million for the year ended March 31, 2023 (36.0% of revenue), in line with our guidance. EBITDA from continuing operations increased by €83 million, compared to €309 million in the previous fiscal year (35.8% of revenue).

EBITDA for the year ended March 31, 2023 benefited from leverage linked to higher business levels combined with excellent cost control despite the impact of inflation, in particular on our raw material procurement costs as part of our long-term supply contracts agreements, as expected.

5.1.1.11 Net financial expense

In fiscal year 2022-2023, our Group posted a net financial expense of €10 million, compared to a net expense of €1 million in fiscal year 2021-2022.

This net financial expense mainly includes:

- €8 million in financial expenses in connection with the OCEANE convertible bonds (versus €10 million in fiscal year 2021-2022). The decrease mainly reflects the conversion of our 2023 OCEANE bond finalized on October 8, 2021, which generated financial expense for fiscal year 2021-2022 only;
- interest expenses on our financing for €6 million;
- financial income related to cash investments for €1 million;
- a €1 million foreign exchange gain (versus a foreign exchange gain of €13 million in fiscal year 2021-2022) as a result of changes in the EUR/USD exchange rate over the period.

5.1.1.12 Net profit from discontinued operations

For fiscal year 2022-2023, net profit from discontinued operations was €1 million, mainly corresponding to reversals of provisions recognized by our Group for certain risks in connection with our discontinued solar energy business (operation and maintenance of photovoltaic installations) that are no longer relevant.

5.1.1.13 Net profit and income tax

Our Group recorded a €31 million increase in net profit to €233 million in fiscal year 2022-2023, versus €202 million one year earlier. The growth in net profit is mainly attributable to the rise in operating income, partially offset by higher net financial expense (notably linked to currency effects) and higher tax expenses.

Basic earnings per share came out at €6.63 (versus €5.98 in fiscal year 2021-2022). Diluted earnings per share were €6.41 (versus €5.63 in fiscal year 2021-2022).

5.1.1.14 Statement of financial position

(in € millions)	March 31, 2023	March 31, 2022	March 31, 2021
Non-current assets	985	770	559
Current assets	647	489	365
Cash and cash equivalents	788	728	644
TOTAL ASSETS	**2,420**	**1,986**	**1,568**
Total equity	1,306	1,044	677
Financial debt	648	586	648
Provisions and other non-current liabilities	80	79	42
Operating payables	386	278	200
TOTAL EQUITY AND LIABILITIES	**2,420**	**1,986**	**1,568**

Non-current assets mainly comprise non-current assets, financial assets (equity investments), the fair value of currency and interest rate hedges, and deferred tax assets. The €215 million increase in non-current assets versus March 31, 2022 is mainly attributable to:

- the €20 million net increase in intangible assets, reflecting:
  - €28 million in capitalized development expenses (mainly related to SmartSiC projects),
  - €14 million in software acquisitions,
  - partially offset by the €23 million amortization expense during the fiscal year;
- a €143 million net increase in property, plant and equipment, which can notably be attributed to:
  - €181 million in additions to property, plant, equipment, including:
    - industrial equipment for €100 million for our Singapore site, for the production of 300 mm SOI (RF-SOI and FD-SOI products), and for €22 million for our Bernin site (whose fabs manufacture our SOI products, as well as engineered POI and SiC substrates),
    - €53 million in fixtures and fittings for our clean rooms at the Bernin (all fabs) and Singapore sites,
    - R&D equipment,
  - €45 million in respect of leases:
    - of which €28 million in respect of new real estate leases, mainly concerning our new headquarters building in Bernin, office and production buildings at the Bernin site, and the land concession for the extension of our Singapore site,
    - €17 million in respect of leases for production equipment,
  - partially offset by the €83 million depreciation expense;
- an €8 million increase in non-current financial assets. Non-current financial assets comprise investments in non-consolidated companies and the fair value of currency and interest rate hedges with a maturity of more than 12 months;
- a €40 million increase in other non-current assets, primarily due to advances paid to our suppliers under multi-year raw material supply agreements and research tax credit receivables.

Changes in current assets and liabilities are described in section 5.1.1.15.

Financial debt amounted to €648 million at March 31, 2023, a year-on-year increase of €62 million that was mainly due to:

- new financing:
  - drawdowns in an amount of €29 million (i.e., €25 million net of repayments) on the IPCEI loan taken out with Caisse des Dépôts et Consignations as part of the Nano 2022 program,
  - a new loan agreement taken out by our subsidiary in Singapore to partly finance equipment investments, in the amount of €49 million (i.e., €28 million net of repayments during the year),
  - €29 million in new real estate leases, for our new headquarters and clean room at Bernin and the land concession where the Singapore extension is under construction (i.e., €19 million net of repayments),
  - new finance leases for production equipment arranged during the year, in the amount of €16 million (i.e., €2 million net of repayments);
- offset by the decrease in the financial liability corresponding to the negative fair value of derivative financial instruments, for €17 million.

The net cash position (cash and cash equivalents less financial debt) came to a positive €140 million at March 31, 2023 and was stable compared to the positive €142 million at March 31, 2022, thanks to the cash generated during the year, offset by the increase in gross debt as described above.

See note 6.13 to the consolidated financial statements of this Universal Registration Document for a breakdown of financial debt.

At the same time, Group equity increased from €1,044 million at March 31, 2022 to €1,306 million at March 31, 2023, lifted mainly by net profit for the year.

As a result of the increase in equity, gearing (net debt/equity) improved from a negative 13.6% at end-March 2022 to a negative 10.7% at end-March 2023.

5.1.1.15 Current assets and liabilities

(in € millions)	March 31, 2023	March 31, 2022	Change	Non-operating cash flows, changes in non-current operating assets and liabilities and reclassification between current assets and liabilities	Non-cash movements: Currency translation adjustments and foreign exchange gains/(losses)	Non-cash movements: Other	Change in working capital
Inventories	175	143	33	-	11	(8)	36
Trade receivables	363	280	83	25	2	2	112
Other current assets	105	62	44	-	(1)	0	44
Current financial assets	3	4	(1)	(1)	-	-	(1)
Current assets (1)	**647**	**489**	**159**	**26**	**12**	**(6)**	**191**
Trade payables	171	101	70	(25)	(4)	-	40
Other current liabilities	216	177	39	16	(1)	1	55
Operating payables (2)	**386**	**278**	**108**	**(10)**	**(5)**	**1**	**95**
CURRENT ASSETS NET OF OPERATING PAYABLES (1) - (2)	**261**	**210**	**51**	**35**	**17**	**(7)**	**96**

5.1.2 Investments

Our Group's investment policy is designed to maintain production capacity in line with the demand expressed by customers or inferred from market trends, while maintaining an appropriate return on investment.

Equipment of the same type is used both for R&D work on the development of new products and for the pre-industrialization of new products.

Lastly, capital expenditure on information systems remains high (automated production management, logistic flows, etc.) even though our Group has made extensive use of IT service hosting.

5.1.2.1 Main capital expenditure in fiscal year 2022-2023

Our Group recorded significant capital expenditure during the year, representing a €244 million cash outflow (including production equipment leases for €16 million).

- Capital expenditure was mainly dedicated to our production capacity for SOI wafers in Singapore, in order to respond to growth in demand and the gradual increase in our production capacity. Investments in our existing sites continued in fiscal year 2022-2023, including in equipment for the production of POI filters and our SOI products. We also began our first capital spending to address the need for new silicon carbide substrates (SmartSiC). In addition, our Group continued to invest in innovation and the development of IT infrastructure.

SOI	Filters	SiC	Capitalized development costs	Other
200 mm wafers 300 mm wafers	POI (engineered substrates for filters)	SiC and poly SiC	SmartSiC, pSiC and other technologies	IT, innovation, environment, etc.
New capacity investments and equipment renewals	Installation of clean rooms and production equipment	Preparation for the production of innovative silicon carbide (SiC) semiconductor substrates	Development projects (R&D)	Software and IS, fixtures, fittings and equipment for R&D and IT
€155 million [(1)] in capital expenditure	€25 million in capital expenditure	€11 million in capital expenditure	€28 million in capital expenditure	€25 million in capital expenditure

These capacity investments include production equipment, facilities dedicated to clean rooms (water, electricity, gas, etc.), and the land concession for the Pasir Ris extension.

In addition to these industrial investments, capital expenditure during the year related to capitalized development projects for €28 million, innovation, improving safety measures and protecting the environment.

(1) Including €118 million for Singapore (300 mm capacity extension) and €37 million for Bernin.

5.1.2.2 Main future capital expenditure

In fiscal year 2023-2024, our Group will continue its investment efforts, with the related outflows for the fiscal year expected to total around €300 million.

From an industrial standpoint:

- at Bernin:
  - continued investment in equipment to support the development of our first production capacities for SmartSiC™ innovative substrates, primarily to meet the growing demand linked to the shift toward the electrification of vehicles and industry,
  - the installation of refresh (raw materials recycling) capacity in our Bernin 4 fab, in order to address the additional demand for our 300 mm products,
  - continued investment in innovation to develop new generations of our products,
  - the completion of the construction of our fourth fab, which will increase overall production and be dedicated in particular to the manufacture of innovative SmartSiC™ wafers. The construction of the new fab is being financed through a property finance lease and will therefore have no impact on cash outflows;
- in Singapore:
  - continued investment in additional 300 mm wafer production capacity to meet the growing demand for our FD-SOI and RF-SOI products in all our end markets,
  - investments in the Pasir Ris extension, which will double the annual production of the fab to around two million 300 mm SOI wafers in Singapore.

At all our industrial facilities, we also plan to invest in developing our industrial infrastructure, reducing our energy consumption and our carbon footprint and improving security, IT and cybersecurity.

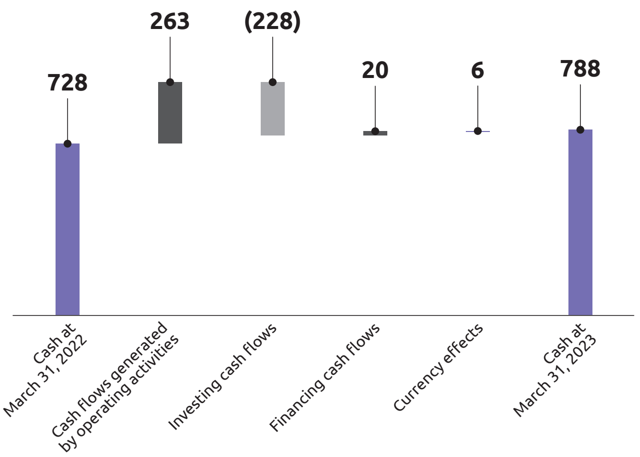
5.1.3 Cash flows and financial position

5.1.3.1 Cash flows

Our Group's available cash increased from €728 million at March 31, 2022 to €788 million at March 31, 2023, representing a change in the net cash position of €60 million. Free cash flow of €34 million was generated in fiscal year 2022-2023.

CHANGE IN THE NET CASH POSITION OVER FISCAL YEAR 2022-2023

(in € millions)



Net cash used in investing activities in the amount of €228 million as shown above corresponds to the presentation in the consolidated IFRS statement of cash flows and is net of finance leases for the period in the amount of €16 million. Net cash used in investing activities including investments financed through leases amounts to €244 million.

- **Net cash generated by operating activities during the fiscal year amounted to €263 million**, up €8 million from fiscal year 2021-2022. The improvement was driven by:
  - an €83 million increase in EBITDA, from €309 million in fiscal year 2021-2022 to €391 million in fiscal year 2022-2023;
  - partly offset by an increase in taxes paid over the period for €32 million, versus €2 million in fiscal year 2021-2022 (increase linked to higher net profit, as well as non-recurring effects in the previous fiscal year linked to free share allocation plans and tax refunds);
  - a €96 million increase in working capital (a €52 million increase in fiscal year 2021-2022).

  The increase in working capital chiefly reflects the strong growth in fiscal year 2022-2023 and was well controlled in view of the rise in revenue. It was attributable to:
  - a €36 million increase in inventories in connection with business growth;
  - a €112 million increase in trade receivables, linked to the significant uptick in business in fourth-quarter 2022-2023 (i.e., up 22% compared to fourth-quarter 2021-2022) and to lower prepayments from customers in fiscal year 2022-2023 compared to fiscal year 2021-2022 due to the timing of the renewal of multi-year customer contracts;
  - partially offset by an increase in trade payables and other liabilities in connection with subsidies received in Singapore.

- These operating cash flows financed investments over the period. **Net cash used in investing activities totaled €228 million for the year ended March 31, 2023**, versus €213 million in the prior fiscal year, mainly comprising:
  - capital expenditure during the year, as described in section 5.1.2;
  - our investments in non-controlling interests;
  - partially offset by interest received in connection with the cash investments during the year, for €4 million.
- **Net cash generated by financing activities totaled €20 million in fiscal year 2022-2023**, versus €38 million in the prior fiscal year, mainly comprising:
  - the €29 million drawdown on the IPCEI loan taken out with Caisse des Dépôts et Consignations in connection with the Nano 2022 program (i.e., €25 million net of repayments);
  - the bank loan taken out to finance equipment by our Singapore-based subsidiary in an amount of €49 million (i.e., €28 million net of repayments during the year);
  - partially offset by repayments of lease liabilities for €23 million and interest paid for €7 million.
- In total, our Group's cash and cash equivalents amounted to €788 million at March 31, 2023 versus €728 million at March 31, 2022.

5.1.3.2 Sources of financing

Our Group's primary objective is to have the necessary and sufficient financial resources to fund the growth of its business. As such, it reinvests a substantial portion of its earnings to promote an industrial growth and innovation-focused strategy.

At March 31, 2023, our Group had a comfortable liquidity position, comprising:

- available cash of €788 million;
- a net cash position of €140 million (versus €142 million at March 31, 2022);
- sufficient net cash from operating activities in fiscal year 2022-2023 to cover capital expenditure;
- access to different sources of financing, if needed (see below).

Our Group finances a portion of its industrial capital expenditure through:

- finance leases in France and Belgium;
- bank loans in Singapore with Asia-based banks to finance new equipment for our Singapore site. The loans have five-year terms and maturities from 2025 to 2027;
- government funding in the form of a €200 million long-term loan granted by Banque des Territoires (Caisse des Dépôts et Consignations): on March 27, 2020, our Group was granted a €200 million 12-year loan by Banque des Territoires pursuant to the *Programme d'investissements d'avenir* (PIA) as part of the Nano 2022 program. Drawdowns from this credit line are staggered to support both the financing of R&D programs and investments in infrastructure projects that will be industrialized for the first time in France. At March 31, 2023, €154 million had been drawn down. The balance may be used in the future subject to investments meeting eligibility criteria;
- subsidies and repayable advances, which are used to finance a portion of our R&D costs.

Our Group also has credit lines for a total of €95 million (not drawn down at March 31, 2023).

Our Group's cash is mainly invested in short-term, liquid and non-risky investments that can be accessed at any time without prior notice.

Further information on the financing of our Company and our Group is provided in note 6.13 to the consolidated financial statements (section 6.2.1.2 of this Universal Registration Document).

5.2 Subsequent events

None.

5.3 Trends and objectives

Outlook for fiscal year 2023-2024

Revenue stable
at constant scope and exchange rates

Electronics EBITDA
around
36%

CAPEX
around
€300m

As already communicated to the market, inventory digestion across the supply chain in the smartphone market is expected throughout first-half 2023-2024. In this context, our Group anticipates that revenue for full-year 2023-2024 will be stable at constant scope and exchange rates compared to fiscal year 2022-2023 and that EBITDA margin will remain around 36%.

The stability of our Group's revenue will reflect different dynamics across our three end markets, with strong demand anticipated for both Automotive & Industrial and Smart Devices, while a weaker smartphone market with a strong inventory correction, especially during first-half 2023-2024, is expected to weigh on Mobile Communications.

The stability of fiscal year 2023-2024 revenue will therefore also reflect a strong acceleration from the first half to the second half, with first-half 2023-2024 revenue expected to decline by around 15% year-on-year at constant scope and exchange rates.

Our Group anticipates that capital expenditure will reach around €300 million in fiscal year 2023-2024, essentially reflecting capacity investments to support the ramp-up of the 300 mm fab in Singapore, the additional 300 mm refresh capacity in France and purchases of equipment for innovative silicon carbide (SiC) semiconductor wafer production in France.

For more information on anticipated capital expenditure, see section 5.1.2.2 Main future capital expenditure.

Change in the financial calendar

For the coming fiscal year, our Group has decided to change its financial calendar and combine:

- the publication of second-quarter 2023-2024 revenue and first-half 2023-2024 results (mid-November 2023);
- the publication of fourth-quarter 2023-2024 revenue and full-year 2023-2024 results (second half of May 2024).

Existence of any known trends, uncertainties or demands or any commitments or events reasonably likely to affect our Company's outlook

Please refer to the different risk factors to which our Group is exposed, which are described in Chapter 2 of this Universal Registration Document.

5.4 Analysis of the financial position and results of our Company

This section forms part of the management report of our Company, Soitec SA. It should be read in conjunction with our Company financial statements for the year ended March 31, 2023, which are presented in section 6.3 *Statutory financial statements* of this Universal Registration Document.

The Company financial statements for the year ended March 31, 2023 have been prepared in accordance with the presentation rules and measurement methods pursuant to the regulations in force. The presentation rules and measurement methods used are the same as those for the previous fiscal year.

Our Company is the parent company of our Group.

Our Company, as a manufacturer, supplies some of its subsidiaries. It also operates sales activities worldwide in addition to supplying our subsidiaries and distributors.

The relations between our Company and our subsidiaries are formalized through agreements, both with regard to the distribution of our Company's products and the operation of the subsidiaries.

5.4.1 Accounting policies

The Company financial statements at March 31, 2023 are presented in accordance with the accounting principles generally accepted in France for annual financial statements.

5.4.2 Our Company's financial position

Despite a complex macroeconomic environment, our Company recorded a strong financial performance in fiscal year 2022-2023 in line with the objectives announced. Revenue increased to €1,038 million in fiscal year 2022-2023, versus €737 million in the previous fiscal year.

Selling price pressures and volatility have increased, especially for energy and certain raw materials. The impact of the rising raw material prices seen on the international markets remained limited for our Company in fiscal year 2022-2023, mainly due to the long-term energy supply contracts that we have signed, as well as the low share of energy in our production costs.

As planned, our Company continued to accelerate investments in our industrial capacity to complete the construction of our Bernin 4 fab and support the production of innovative silicon carbide (SiC) substrates.

In R&D, our Company continued to invest in our Silicon-on-Insulator (SOI) (new generations of products) and in new materials (in particular SiC and POI), which is key to the diversification of our products.

Please see section 5.1.1 of this Universal Registration Document for additional information on our Group's business operations during the fiscal year.

5.4.3 Main changes in our Company's balance sheet

5.4.3.1 Assets

Non-current assets

Non-current assets increased from €639 million at March 31, 2022 to €812 million at March 31, 2023, reflecting the high level of investments during fiscal year 2022-2023. Purchases of property, plant and equipment amounted to €72 million, and mainly comprised fixtures and fittings, industrial equipment and IT infrastructure for the three fabs at the Bernin site.

Intangible assets include €68 million in capitalized development projects at March 31, 2023.

Current assets

Current assets rose from €886 million at March 31, 2022, to €1,099 million at March 31, 2023.

The increase is mainly attributable to:

- an increase in trade receivables, linked to the significant uptick in business in fourth quarter 2022-2023 and to lower prepayments from customers in fiscal year 2022-2023 compared to fiscal year 2021-2022 due to the timing of the renewal of multi-year customer contracts;
- an increase in inventories in connection with business growth.

5.4.3.2 Equity and liabilities

Equity

Equity stood at €1,010 million at March 31, 2023, versus €798 million at March 31, 2022. The increase in equity is mainly attributable to the appropriation of net profit for the year of €212 million.

Provisions for contingencies and expenses

Provisions for contingencies and expenses amounted to €8 million at March 31, 2023, versus €7 million at March 31, 2022. The increase mainly reflects the provision for foreign exchange losses in an amount of €6 million at March 31, 2023 (compared to €5 million at March 31, 2022).

Liabilities

At March 31, 2023, €154 million of the €200 million long-term loan arranged with Banque des Territoires had been drawn down and was presented in financial debt, including an additional drawdown of €29 million during the year. The Company began repaying the loan during the year, and repaid €4 million.

5.4.4 Our Company's operating profit

Our Company's revenue amounted to €1,038 million, versus €737 million for fiscal year 2021-2022, representing an increase of 41%.

Total operating income amounted to €1,154 million, compared to €783 million for the previous fiscal year, representing an increase of 47%.

Operating expenses for the fiscal year amounted to €943 million, versus €630 million in fiscal year 2021-2022, and operating profit came out at €212 million, versus €154 million one year earlier.

Higher business levels combined with very good cost control enabled our Company to deliver solid operating profit in fiscal year 2022-2023, driven by revenue growth and a strong industrial performance reflected in the full loading of our production capacities at Bernin 1 (production of 200 mm wafers) and Bernin 2 (production of 300 mm wafers).

The financial statements for fiscal year 2022-2023 show net profit of €212 million, compared to net profit of €147 million for fiscal year 2021-2022.

For additional information on our Company's financial position for the two fiscal years preceding March 31, 2023, readers are invited to refer to the management reports drawn up by our Board of Directors for those fiscal years, particularly page 206 of the 2020-2021 Universal Registration Document filed with the French financial markets authority (*Autorité des marchés financiers* – AMF) under no. D.21-0681, and page 198 of the 2021-2022 Universal Registration Document, filed with the AMF under no. D.22-0523.

5.4.5 Proposed appropriation of net profit for fiscal year 2022-2023

Our Board of Directors will submit the following proposal for approval by the Annual General Meeting to be held on July 25, 2023:

- appropriate €87,767.40 to the "Legal reserve", bringing it up to 10% of the share capital, which would be increased from €7,030,116 to €7,117,883.40; and
- appropriate the balance of €211,759,292.56[(1)] to "Retained earnings", which would be increased from €467,784, 423.48[(1)] to €679,543,716.04.

5.4.6 Non-deductible expenses

In accordance with the provisions of Article 223 *quater* of the French Tax Code (*Code général des impôts*), the Company financial statements for fiscal year 2022-2023 include an amount of €63,278 corresponding to non-deductible expenses.

5.4.7 Disclosures pursuant to Article D. 441-6, I of the French Commercial Code (*Code de commerce*) on payment terms of suppliers and customers

Information on payment terms at March 31, 2023

- **PAST DUE INVOICES RECEIVED BUT NOT SETTLED AT THE REPORTING DATE**

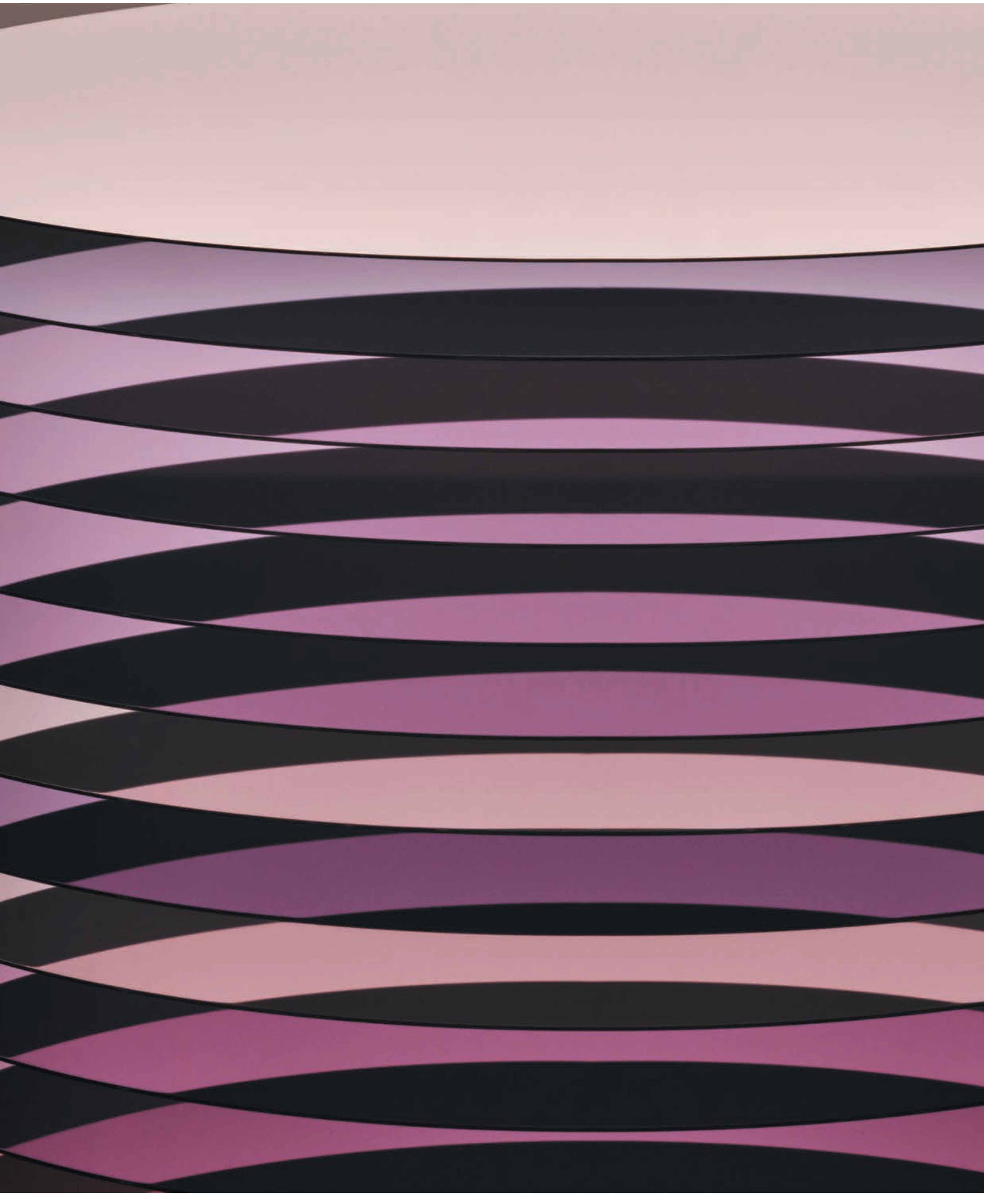
	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and beyond	Total (1 day and beyond)
(a) BREAKDOWN OF PAST DUE PAYMENTS						
Number of invoices concerned	2,981					1,394
Total amount of invoices concerned including VAT	165,474,599	40,450,236	8,462,110	3,395,846	4,084,369	56,392,561
% of total purchases in the fiscal year	20.42%	4.99%	1.04%	0.42%	0.50%	6.96%
% of revenue for the fiscal year						
(b) INVOICES EXCLUDED FROM (a) RELATING TO DISPUTED AND UNRECOGNIZED PAYABLES AND RECEIVABLES						
Number of invoices excluded						
Total amount of invoices excluded						
(c) REFERENCE PAYMENT TERMS USED						
Reference payment terms used to calculate past due payments	Contractual terms					

- **PAST DUE INVOICES ISSUED BUT NOT SETTLED AT THE REPORTING DATE**

	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and beyond	Total (1 day and beyond)
(a) BREAKDOWN OF PAST DUE PAYMENTS						
Number of invoices concerned	483					231
Total amount of invoices concerned including VAT	€228,484,613.57	€10,484,927.20	€3,577,579.85	€3,330,648.04	€20,064,480.96	€37,457,636.05
% of revenue for the fiscal year	20.43%	0.94%	0.32%	0.30%	1.79%	3.35%
(b) INVOICES EXCLUDED FROM (a) RELATING TO DISPUTED AND UNRECOGNIZED PAYABLES AND RECEIVABLES						
Number of invoices excluded	0					
Total amount of invoices excluded	€0					
(c) REFERENCE PAYMENT TERMS USED						
Reference payment terms used to calculate past due payments	Contractual terms					

Payments that are more than 90 days past due are comprised of intercompany receivables.

(1) *Correction of the amount of net profit for fiscal year 2022-2023 to be appropriated to "Retained earnings" as well as the total amount of "Retained earnings" before appropriation. The other amounts remain unchanged.*



6 FINANCIAL STATEMENTS

6.1 Historical financial information

Pursuant to Article 19 of Regulation (EU) 2017/1129 of the European Parliament and of the Council, the following information is incorporated by reference in this Universal Registration Document:

- our Company's annual financial statements at March 31, 2021 and the corresponding audit reports appearing on pages 258 *et seq.* and pages 280 *et seq.* of the Universal Registration Document filed with the French financial markets authority (*Autorité des marchés financiers* – AMF) on July 5, 2021 under no. D.21-0681;
- our Group's consolidated financial statements at March 31, 2021 and the corresponding audit reports appearing on pages 212 *et seq.* and pages 255 *et seq.* of the Universal Registration Document filed with the AMF on July 5, 2021 under no. D.21-0681;
- our Company's annual financial statements at March 31, 2022 and the corresponding audit reports appearing on pages 253 *et seq.* and pages 275 *et seq.* of the Universal Registration Document filed with the AMF on June 20, 2022 under no. D.22-0523;
- our Group's consolidated financial statements at March 31, 2022 and the corresponding audit reports appearing on pages 204 *et seq.* and pages 250 *et seq.* of the Universal Registration Document filed with the AMF on June 20, 2022 under no. D.22-0523.

The sections of these document that are not incorporated by reference are either not relevant for investors or are covered elsewhere in this Universal Registration Document.

The documents cited above are available on our Company's website (www.soitec.com) and the AMF's website (www.amf-france.org).

6.2 Consolidated financial statements

6.2.1 Consolidated financial statements

6.2.1.1 Consolidated financial statements at March 31, 2023

• CONSOLIDATED INCOME STATEMENT

(in € thousands)	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Revenue	4	**1,088,730**	**862,743**
Cost of sales		(686,310)	(547,166)
Gross profit		**402,420**	**315,577**
Sales and marketing expenses		(16,146)	(15,181)
R&D costs	7.2	(64,240)	(56,895)
General and administrative expenses		(54,808)	(48,570)
Current operating income		**267,226**	**194,931**
Other operating income	7.4	503	10,282
Other operating expenses	7.4	(55)	(645)
Operating income	**4**	**267,674**	**204,568**
Financial income	7.5	5,546	13,498
Financial expenses	7.6	(15,113)	(14,154)
Net financial expense		**(9,567)**	**(656)**
Profit before tax	**7.7**	**258,107**	**203,912**
Income tax	7.7	(26,198)	(1,683)
Net profit from continuing operations		**231,909**	**202,229**
Net profit/(loss) from discontinued operations	7.9	1,126	(267)
CONSOLIDATED NET PROFIT		**233,035**	**201,962**
NET PROFIT – GROUP SHARE		**233,035**	**201,962**
Basic earnings per share *(in euros)*	7.8	6.63	5.98
Diluted earnings per share *(in euros)*	7.8	6.41	5.63

Basic earnings per share amounted to €6.63, including earnings per share of €6.60 relating to continuing operations and of €0.03 per share attributable to discontinued operations.

Diluted earnings per share came out at €6.41, including earnings per share of €6.38 relating to continuing operations and of €0.03 per share attributable to discontinued operations.

• CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in € thousands)	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Consolidated net profit		**233,035**	**201,962**
Items that may be reclassified to the income statement		**12,009**	**5,316**
› of which: foreign exchange gains/(losses) on translation of foreign operations		1,095	12,061
› of which: changes in the fair value of hedging instruments		14,293	(9,487)
› of which: tax on items recognized in other comprehensive income		(3,379)	2,742
Items that may not be reclassified to the income statement		**2,589**	**(683)**
› of which: actuarial gains/(losses) on defined benefit plans	8.1	3,486	(897)
› of which: tax impact		(897)	214
Income and expenses recognized in other comprehensive income		**14,598**	**4,633**
TOTAL COMPREHENSIVE INCOME		**247,633**	**206,595**
Group share		*247,633*	*206,595*

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets *(in € thousands)*	**Notes**	**March 31, 2023**	**March 31, 2022**
NON-CURRENT ASSETS			
Intangible assets	6.1	128,432	108,037
Property, plant and equipment	6.2	705,375	562,314
Non-current financial assets	6.4	25,174	16,865
Other non-current assets	6.5	58,991	18,531
Deferred tax assets	7.7	66,757	64,243
Total non-current assets		**984,729**	**769,990**
CURRENT ASSETS			
Inventories	6.6	175,307	142,517
Trade receivables	6.7	363,118	280,235
Other current assets	6.8	105,482	61,597
Current financial assets	6.9	3,438	4,207
Cash and cash equivalents	6.10	787,915	727,822
Total current assets		**1,435,260**	**1,216,378**
TOTAL ASSETS		**2,419,989**	**1,986,368**

Equity and liabilities *(in € thousands)*	**Notes**	**March 31, 2023**	**March 31, 2022**
EQUITY			
Share capital	6.11	71,179	70,301
Share premium	6.11	228,734	229,612
Reserves and retained earnings		993,895	746,770
Other reserves	6.11	11,812	(2,749)
Equity – Group share		1,305,620	1,043,934
Total equity		**1,305,620**	**1,043,934**
NON-CURRENT LIABILITIES			
Long-term financial debt	6.13	578,312	518,104
Provisions and other non-current liabilities	6.14	80,396	78,597
Total non-current liabilities		**658,708**	**596,701**
CURRENT LIABILITIES			
Short-term financial debt	6.13	69,271	67,595
Trade payables	6.15	170,722	100,993
Provisions and other current liabilities	6.16	215,668	177,145
Total current liabilities		**455,661**	**345,733**
TOTAL EQUITY AND LIABILITIES		**2,419,989**	**1,986,368**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in € thousands)	Share capital	Share premium	Treasury shares	Reserves and retained earnings	Other reserves	Equity – Group share	Total equity
MARCH 31, 2021	**66,730**	**83,183**	**(369)**	**534,534**	**(7,382)**	**676,696**	**676,696**
Items that may be reclassified to the income statement	**-**	**-**	**-**	**-**	**5,316**	**5,316**	**5,316**
› of which: foreign exchange gains/(losses) on translation of foreign operations	-	-	-	-	12,061	12,061	12,061
› of which: changes in the fair value of hedging instruments	-	-	-	-	(9,487)	(9,487)	(9,487)
› of which: tax on items recognized in other comprehensive income	-	-	-	-	2,742	2,742	2,742
Items that may not be reclassified to the income statement	**-**	**-**	**-**	**-**	**(683)**	**(683)**	**(683)**
› of which: actuarial gains/(losses) on defined benefit plans	-	-	-	-	(897)	(897)	(897)
› of which: tax impact	-	-	-	-	214	214	214
Total income and expenses in the period recognized in other comprehensive income	**-**	**-**	**-**	**-**	**4,633**	**4,633**	**4,633**
Net profit from continuing operations	-	-	-	202,229	-	202,229	202,229
Net profit/(loss) from discontinued operations	-	-	-	(267)	-	(267)	(267)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-**	**-**	**-**	**201,962**	**4,633**	**206,595**	**206,595**
Vesting of shares (1)	699	(699)	-	-	-	-	-
Conversion of OCEANE 2023 convertible bonds (2)	2,872	147,128	-	(6,606)	-	143,394	143,394
Share-based payments and tax impact	-	-	-	13,727	-	13,727	13,727
Change in liabilities relating to put options granted to non-controlling interests	-	-	-	3,525	-	3,525	3,525
Other	-	-	-	(3)	-	(3)	(3)
MARCH 31, 2022	**70,301**	**229,612**	**(369)**	**747,139**	**(2,749)**	**1,043,934**	**1,043,934**

(1) Share capital increases include €560 thousand following the issue of 279,821 ordinary shares further to the vesting of free shares under the free share plan for all on July 27, 2021, €113 thousand following the issue of 56,712 new PS 2 shares further to the vesting of 56,712 free preferred shares under the Topaz 2019 plan on August 2, 2021, and €25 thousand following the issue of 12,553 new PS 2 shares further to the vesting of 12,553 PS 2 shares under the Topaz 2020 plan on January 10, 2022.

(2) 1,435,818 OCEANE 2023 bonds were converted into ordinary shares based on a ratio of one ordinary share for each OCEANE bond.

(in € thousands)	Share capital	Share premium	Treasury shares	Reserves and retained earnings	Other reserves	Equity – Group share	Total equity
MARCH 31, 2022	**70,301**	**229,612**	**(369)**	**747,139**	**(2,749)**	**1,043,934**	**1,043,934**
Items that may be reclassified to the income statement	**-**	**-**	**-**	**-**	**12,009**	**12,009**	**12,009**
› of which: foreign exchange gains/(losses) on translation of foreign operations	-	-	-	-	1,095	1,095	1,095
› of which: changes in the fair value of hedging instruments	-	-	-	-	14,293	14,293	14,293
› of which: tax on items recognized in other comprehensive income	-	-	-	-	(3,379)	(3,379)	(3,379)
Items that may not be reclassified to the income statement	**-**	**-**	**-**	**-**	**2,589**	**2,589**	**2,589**
› of which: actuarial gains/(losses) on defined benefit plans	-	-	-	-	3,486	3,486	3,486
› of which: tax impact	-	-	-	-	(897)	(897)	(897)
Total income and expenses in the period recognized in other comprehensive income	**-**	**-**	**-**	**-**	**14,598**	**14,598**	**14,598**
Net profit from continuing operations	-	-	-	231,909	-	231,909	231,909
Net profit/(loss) from discontinued operations	-	-	-	1,126	-	1,126	1,126
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-**	**-**	**-**	**233,035**	**14,598**	**247,633**	**247,633**
Vesting of shares (1)	878	(878)	-	-	-	-	-
Share-based payments and tax impact	-	-	-	14,079	-	14,079	14,079
Other	-	-	11	-	(37)	(26)	(26)
MARCH 31, 2023	**71,179**	**228,734**	**(358)**	**994,253**	**11,812**	**1,305,620**	**1,305,620**

(1) See note 6.11 "Issued capital and reserves" for information on the vesting of shares.

CONSOLIDATED STATEMENT OF CASH FLOWS

(in € thousands)	Notes	March 31, 2023	March 31, 2022
Net profit from continuing operations		231,909	202,229
Net profit/(loss) from discontinued operations		1,126	(267)
CONSOLIDATED NET PROFIT		**233,035**	**201,962**
Adjustments for:			
Depreciation and amortization expense	6.1, 6.2, 7.3	105,759	80,814
Impairment/(reversals of impairment) of non-current assets	6.2	-	(9,801)
Provisions (expense for the period/[reversals]), net	6.4, 6.6, 6.7	11,589	1,498
Provisions (expense for the period/[reversals)] for retirement benefit obligations, net	8.1	62	(4,207)
(Gains)/losses on disposals of assets	7.4	57	2,088
Income tax	7.7	26,198	1,683
Net financial expense	7.5, 7.6	9,567	657
Share-based payments		14,011	19,545
Other non-cash items		(7,767)	14,262
Non-cash items relating to discontinued operations		(1,384)	(159)
Changes in:			
Inventories		(35,535)	(31,005)
Trade receivables		(111,849)	(48,276)
Other receivables		(43,555)	6,072
Trade payables		39,969	14,764
Other liabilities		54,587	6,097
Changes in working capital and income tax paid relating to discontinued operations		(13)	96
Income tax paid		(32,376)	(1,889)
NET CASH GENERATED BY OPERATING ACTIVITIES		**262,355**	**254,201**
Of which continuing operations		*262,626*	*254,531*
Purchases of intangible assets		(41,675)	(23,970)
Purchases of property, plant and equipment		(185,820)	(180,960)
Proceeds from disposals of intangible assets and property, plant and equipment		212	1,444
Acquisitions of subsidiaries, net of cash acquired		-	(7,712)
Acquisitions of financial assets		(5,289)	(2,192)
Interest received		4,285	422
Investment/divestment flows related to discontinued operations		1	4
NET CASH USED IN INVESTING ACTIVITIES		**(228,286)**	**(212,964)**
Of which continuing operations		*(228,287)*	*(212,968)*
Loans and drawdowns on credit lines		79,936	64,222
Repayments of borrowings (including leases)		(48,265)	(24,889)
Non-controlling interests		(3,188)	1,900
Interest paid		(6,817)	(3,751)
Other financing flows		(1,283)	-
Financing flows related to discontinued operations		(17)	(1,550)
NET CASH GENERATED BY FINANCING ACTIVITIES		**20,366**	**35,932**
Of which continuing operations		*20,383*	*37,482*
Effects of exchange rate fluctuations		5,658	6,277
CHANGE IN NET CASH		**60,093**	**83,446**
Of which continuing operations		*60,380*	*85,322*
Cash and cash equivalents at beginning of the period		727,822	644,376
Cash and cash equivalents at end of the period		787,915	727,822

6.2.1.2 Notes to our consolidated financial statements at March 31, 2023

NOTE 1. OVERVIEW OF OUR COMPANY AND BUSINESS ACTIVITY

Soitec SA is a *société anonyme* (French joint-stock corporation) listed on Euronext Paris (Compartment A). Soitec SA and its subsidiaries are hereinafter referred to as "our Group". Soitec SA is hereinafter referred to as "our Company".

In fiscal year 2022-2023, our Group operated in two business segments:

- **Electronics**: our Group's historical activity in the semiconductor sector, producing and marketing substrates and components for the semiconductor industry;
- **Other Business**: operations that have largely been discontinued by our Group, mainly comprising the solar energy segment, whose outstanding activities were sold in fiscal year 2019-2020. Our Group no longer has any operations in this business segment and its accounts hold only provisions for activities sold or discontinued as well as costs of discontinuing the operations.

NOTE 2. SIGNIFICANT EVENTS OF THE YEAR

2.1 A new Chief Executive Officer

At the Annual General Meeting of July 26, 2022, Pierre Barnabé was appointed as a director for a four-year term. He succeeded Paul Boudre as Chief Executive Officer from that date.

2.2 Appointment of new directors

The Board of Directors decided to take advantage of the expiration of eight terms of office to restructure its composition and propose to the Annual General Meeting of July 26, 2022 the appointment of a majority of independent directors to the Board and its Committees.

The Annual General Meeting of July 26, 2022 decided, on the proposal of the Board of Directors, to appoint:

- as non-independent directors: Pierre Barnabé and CEA Investissement;
- as independent directors: Fonds Stratégique de Participations ("FSP"), Laurence Delpy, Delphine Ségura-Vaylet and Maude Portigliatti.

The composition of the Board of Directors complies with the recommendations of the AFEP-MEDEF Code.

2.3 Developments in SmartSiC technology

On May 4, 2022, the first 200 mm SmartSiC™ prototypes were released from our pilot line in our Substrate Innovation Center located at CEA-Leti in Grenoble. These products have enabled our Group to demonstrate the quality and performance of a 200 mm SmartSiC substrate.

On December 1, 2022, Soitec and STMicroelectronics announced their cooperation on the qualification of Soitec's technology for 200 mm SiC substrate production. This key semiconductor technology will help support the transition to electric mobility and improve the energy efficiency of industrial systems.

In March 2022, our Group started construction of a new production facility in France, Bernin 4. The fab will be primarily dedicated to the production of 150 mm and 200 mm SmartSiC™ substrates and should be operational by the second half of 2023.

2.4 Ground broken on Singapore fab extension

On December 9, 2022, our Group broke ground on a fab extension that will double annual production at our Pasir Ris site in Singapore, ultimately to around two million 300 mm SOI (Silicon-on-Insulator) substrates. These substrates are used to manufacture chips for smartphones (including for 5G communications), electric vehicles, infotainment and smart devices. Given the capacity of our Bernin 2 fab in France, the extension means that Soitec's total 300 mm SOI production capacity will ultimately reach 2.7 million wafers per year. The extension should be operational in first-half 2025-2026.

It is also due to include additional refresh and epitaxy capacities.

NOTE 3. ACCOUNTING POLICIES

3.1 Statement of compliance

Pursuant to Regulation (EC) 1606/2002 of July 19, 2002 on the application of international accounting standards, our Group's consolidated financial statements have been prepared in accordance with the standards and interpretations published by the International Accounting Standards Board (IASB), adopted by the European Union and mandatory for consolidated financial statements.

These standards are available on the European Commission's website, and include international accounting standards (IAS and IFRS), as well as the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Standards Interpretations Committee (IFRS IC).

The consolidated financial statements were prepared under the responsibility of our Group's Board of Directors at its meeting of June 7, 2023 and will be submitted for approval to the Annual General Meeting of July 25, 2023.

3.2 Basis of preparation of financial information

Presentation currency

The Company's functional currency is the euro. The consolidated financial statements of our Group are presented in thousands of euros and all amounts are rounded to the nearest thousand, unless otherwise stated.

The financial statements of foreign entities with functional currencies other than the euro, and which are not currencies of hyperinflationary economies, are translated into euros (our Group's presentation currency) as follows:

- assets and liabilities are translated at the closing rate;
- the income statement is translated at the average rate for the period;
- exchange differences resulting from the application of these different rates are recognized in other comprehensive income.

Change in accounting policies

The standards, amendments and interpretations used to prepare the consolidated financial statements at March 31, 2023 are those published in the Official Journal of the European Union before March 31, 2023, and mandatory on that date. The reference framework is available from the European Commission's website.

Our Group has applied the following standards, amendments and interpretations, published by the IASB and adopted by the European Union, and mandatory for our Group for reporting periods beginning on or after April 1, 2022:

- Amendments to IAS 16 – Proceeds before Intended Use

  The amendment prohibits a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use.
- Amendments to IAS 37 – Onerous Contracts – Cost of Fulfilling a Contract

  The amendment specifies the incremental costs of fulfilling a contract to be included when assessing whether a contract is onerous, namely direct labor and material costs, as well as an allocation of other costs that relate directly to fulfilling the contract, for example, an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract.
- IFRS IC agenda decision – Configuration and Customization Costs in a Cloud Computing Arrangement

  In its decision, the IFRS IC specifies the cases in which the costs of configuring or customizing software in a Software as a Service (SaaS) arrangement can be recognized as intangible assets. Only costs for services that result in the creation of additional code controlled by the customer may be capitalized. Other services should be recognized as expenses for the period or as prepaid expenses. The accounting method used by our Group of recognizing the configuration or customization costs of software in an SaaS arrangement in expenses complies with the accounting provisions set out by the IFRS IC in its decision, which had no material impact on our Group's consolidated financial statements.

These new standards, amendments and interpretations did not have a material impact on our Group's financial statements.

Standards, amendments and interpretations that may be early adopted for reporting periods beginning on or after April 1, 2022

The new standards, amendments and interpretations applicable to reporting periods beginning on or after April 1, 2022 that were not early adopted by our Group at March 31, 2023 concern:

- Amendments to IAS 1 – Disclosure of Accounting Policies;
- Amendments to IAS 8 – Definition of Accounting Estimates;
- Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction;
- IFRS 17 and IFRS 9 – Insurance Contracts;
- IFRS IC agenda decision – Demand Deposits with Restrictions on Use (IAS 7).

These new standards, amendments and interpretations are not expected to have a material impact on our Group's consolidated financial statements.

Standards, amendments and interpretations that may be early adopted for reporting periods beginning on or after April 1, 2022

- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current;
- Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback.

3.3 Significant accounting judgments

As part of the process of preparing consolidated financial statements, the determination of certain items requires Group management to make assumptions, estimates and assessments that affect the amounts reported for assets and liabilities, as well as the disclosures provided in certain notes at the reporting date and the amounts reported for income and expenses. In particular, they apply to:

- impairment of non-current assets;
- capitalization of development costs;
- the accounting value of share-based payments;
- impairment of inventories;
- the recognition of tax loss carryforwards;
- the amount of provisions for contingencies and expenses; and
- provisions for employee benefits and trade obligations.

These assumptions, estimates and assessments are prepared on the basis of available information or situations prevailing at the reporting date of the consolidated financial statements at March 31, 2023. In the event of changes in the underlying assumptions or in the prevailing economic conditions, the amounts presented in our Group's future financial statements could differ materially from the current estimates.

3.4 Consideration of risks related to climate change

As part of our financial reporting process, our Group has integrated the main risks related to climate change. These risks are notably taken into account in the assumptions used to support our commitment to our environmental strategy and integrated in the underlying business plans used for impairment tests of non-current assets. In addition, our Group believes that climate change issues do not have an impact on the useful life of intangible assets and that no revision is necessary.

Climate-related events such as fires or floods could damage some of our Group's assets or disrupt the production of raw materials at our main suppliers in Japan, resulting in a potential partial interruption of our production.

Our Group has integrated climate change risks into its business plans and environmental strategy, with the following objectives in particular:

- 25.2% reduction in Scope 1 and 2 greenhouse gas emissions in absolute terms, and a 35.3% reduction in Scope 3 greenhouse gas emissions per million euros of added value by 2026;
- 24% reduction in water consumption by 2025 and 50% increase in the volume of water reused at our Bernin site by 2023.

Our Group considers that its assessment of the impact of climate risks is properly reflected in the consolidated financial statements and that it is consistent with its commitments in this regard.

3.5 Significant accounting policies

Consolidation principles and scope

All entities controlled by our Group are consolidated.

Our Group considers that it has control over an investee when (i) it has power over the investee, (ii) it is exposed to or has rights to variable returns from its involvement with the investee, and (iii) it has the ability to affect those returns through its power over the investee.

The financial statements of subsidiaries are included in the consolidated financial statements from the date control is effectively transferred until the date that control ceases.

At March 31, 2023, the consolidated financial statements include the financial statements of our Company and our subsidiaries listed below:

Entity	Date of consolidation	Percentage interest	Country	Functional currency
Soitec USA LLC	1997	100.0%	United States	US dollar
Soitec Japan Inc.	June 2004	100.0%	Japan	Japanese Yen
Soitec Microelectronics Singapore Pte Ltd.	June 2006	100.0%	Singapore	US dollar
Soitec Korea LLC	July 2011	100.0%	South Korea	US dollar
Soitec Trading Shanghai Co. Ltd.	November 2013	100.0%	China	Yuan
Dolphin Design SAS	August 2018	100.0%	France	Euro
Dolphin Ltd.	August 2018	100.0%	Israel	Shekel
Dolphin Inc.	August 2018	100.0%	Canada	Canadian dollar
Dolphin Design Pte Ltd.	October 2021	100.0%	Singapore	Singapore dollar
Soitec Lab SAS	March 2019	100.0%	France	Euro
Soitec NewCo 2 SAS	March 2019	100.0%	France	Euro
Soitec NewCo 3 SAS	March 2019	100.0%	France	Euro
Soitec NewCo 4 SAS	March 2019	100.0%	France	Euro
Soitec Asia Holding Pte Ltd.	March 2019	100.0%	Singapore	US dollar
Soitec Belgium N.V. (1)	May 2019	100.0%	Belgium	Euro
NOVASiC SAS	December 2021	100.0%	France	Euro
SOLAR ENERGY SEGMENT ENTITIES				
Soitec USA Holding Inc.	December 2009	100.0%	United States	US dollar
Soitec Solar Industries LLC	December 2009	100.0%	United States	US dollar
Soitec Solar Development LLC	September 2010	100.0%	United States	US dollar
Soitec Solar RSA Ltd.	April 2011	100.0%	South Africa	Rand
Soitec Solar France SAS	October 2011	100.0%	France	Euro
Concentrix Holding SAS	March 2018	100.0%	France	Euro
PROJECT ENTITIES IN THE SOLAR ENERGY SEGMENT (2)				
CPV Power Plant No. 2 (Pty) Ltd.	September 2010	100.0%	South Africa	Rand

(1) 96.6% of the shares held, with a put option on the outstanding 3.4% of the share capital held by non-controlling interests.

(2) In the context of its solar energy business, our Group formed special purpose entities to hold the permits, administrative authorizations, costs and income associated with solar power plant projects. In general, the intention was to sell these legal entities to investors when the projects were sufficiently advanced.

Accounting principles

Balances and transactions between Group companies are eliminated in consolidation.

Business combinations are accounted for using the acquisition method. In the event of an acquisition, the acquiree's identifiable assets and liabilities that meet the IFRS 3 recognition criteria are carried at fair value as determined at the acquisition date, except non-current assets classified as assets held for sale which are recorded at fair value less costs to sell.

Accounting rules governing business combinations and transactions with non-controlling interests include the following:

- acquisition costs are expensed at the acquisition date;
- the impact of acquisitions of non-controlling interests in a subsidiary that is already controlled and of divestments of interests without loss of control is recognized directly within equity without impacting goodwill or income;
- changes in the value of assets and liabilities relating to acquisitions recognized on a provisional basis (due to independent appraisal reports or further analyses not yet having been completed) are recorded as a retrospective adjustment to goodwill if they occur within 12 months of the acquisition date. After this period, any changes are recorded directly in profit or loss. Any contingent consideration (earn-outs) is measured at acquisition-date fair value. If the obligation to pay contingent consideration meeting the definition of a financial instrument was classified in equity, it is not remeasured and is recognized in equity when settled. Otherwise, any contingent consideration is measured at fair value at the end of each period and any potential changes are taken directly to profit or loss. Changes in the value of liabilities relating to put options granted to non-controlling interests, other than the impact of accretion, are recorded within other comprehensive income.

NOTE 4. SEGMENT INFORMATION

Segment information is presented below:

- **BREAKDOWN OF THE CONSOLIDATED INCOME STATEMENT**

(in € thousands)	Year ended March 31, 2023			Year ended March 31, 2022		
	Electronics	Other Business	Total	Electronics	Other Business	Total
Revenue	**1,088,730**	**-**	**1,088,730**	**862,743**	**-**	**862,743**
Gross profit	**402,420**	**-**	**402,420**	**315,577**	**-**	**315,577**
Net R&D costs	(64,240)	-	(64,240)	(56,895)	-	(56,895)
of which Gross R&D operating costs	*(94,667)*	-	*(94,667)*	*(92,942)*	-	*(92,942)*
of which Subsidies and other income	*30,427*	-	*30,427*	*36,047*	-	*36,047*
Sales and marketing expenses	(16,146)	-	(16,146)	(15,181)	-	(15,181)
General and administrative expenses	(54,808)	-	(54,808)	(48,570)	-	(48,570)
Current operating income	**267,226**	**-**	**267,226**	**194,931**	**-**	**194,931**
Other operating income	*503*	-	*503*	*10,282*	-	*10,282*
Other operating expenses	*(55)*	-	*(55)*	*(645)*	-	*(645)*
Operating income (EBIT)	**267,674**	**-**	**267,674**	**204,568**	**-**	**204,568**
Neutralization of reconciliation items						
Depreciation and amortization expense	105,759	-	105,759	80,814	-	80,814
Impairment and accelerated depreciation/amortization of non-current assets	-	-	-	(9,801)	-	(9,801)
Share-based payments	14,011	-	14,011	19,545	-	19,545
Provisions, net	11,589	-	11,589	1,498	-	1,498
Provisions for retirement benefit obligations	62	-	62	(4,207)	-	(4,207)
Other non-cash items	(7,767)	-	(7,767)	14,262	-	14,262
Gains/(losses) on disposals of assets	57	-	57	2,088	-	2,088
EBITDA from discontinued operations	-	(258)	(258)	-	(426)	(426)
EBITDA	**391,385**	**(258)**	**391,127**	**308,767**	**(426)**	**308,341**

Accounting principles

Segment information is presented in accordance with IFRS 8 – Operating Segments.

The Chief Executive Officer (the chief operating decision maker) makes decisions about the resources to be allocated and assesses the performance of our Group's constituent components at the level of the operating segments, as described in the section *Overview of our Company and business activity*, based on the following operating segments:

- production and marketing of substrates and components for the semiconductor industry (Electronics);
- other discontinued operations of our Group (Other Business). These consist mainly of the solar energy business (operation and maintenance of photovoltaic installations).

Gross profit

Gross profit represents revenue less cost of sales. Cost of sales comprises:

- production costs: including the cost of raw materials, mainly silicon, manufacturing costs including direct labor costs, depreciation and maintenance costs on production equipment and clean room infrastructure, and the share of general and administrative expenses allocated to production;
- distribution costs;
- patent royalties (mainly paid to CEA-Leti for the use of Smart Cut™ technology).

EBITDA

The EBITDA figure reported in the segment analysis represents operating income (EBIT) before depreciation, amortization, impairment of non-current assets, non-cash items relating to share-based payments, provisions for impairment of current assets and for contingencies and expenses, and disposal gains and losses.

EBITDA is not a financial indicator defined by IFRS and may not be comparable to EBITDA as reported by other groups. It represents additional information and should not be considered as a substitute for operating income or net cash generated by operating activities.

Sales and marketing expenses

Sales and marketing expenses comprise costs incurred by the Sales & Business Development and Strategy departments. They primarily consist of personnel costs and expenses relating to trade fairs, consulting and travel.

General and administrative expenses

General and administrative expenses comprise costs incurred by support functions, less the portion allocated to production costs. These support functions include Executive Management, purchasing, finance, legal, strategy, human resources, communications, quality and IT.

BREAKDOWN OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	March 31, 2023			March 31, 2022		
(in € thousands)	Electronics	Other Business	Total	Electronics	Other Business	Total
Intangible assets	128,432	-	128,432	108,037	-	108,037
of which goodwill	*24,923*	-	*24,923*	*26,702*	-	*26,702*
Property, plant and equipment	705,375	-	705,375	562,314	-	562,314
Non-current financial assets	25,174	-	25,174	16,865	-	16,865
Other non-current assets	58,991	-	58,991	18,531	-	18,531
Non-current assets (1)	**917,972**	**-**	**917,972**	**705,747**	**-**	**705,747**
Inventories	175,307	-	175,307	142,517	-	142,517
Trade receivables	363,118	-	363,118	280,235	-	280,235
Other current assets	105,314	168	105,482	61,370	227	61,597
Current financial assets	3,438	-	3,438	4,207	-	4,207
Current assets (2)	**647,177**	**168**	**647,345**	**488,329**	**227**	**488,556**
Trade payables	(170,584)	(138)	(170,722)	(100,841)	(152)	(100,993)
Other current and non-current liabilities	(291,588)	(4,476)	(296,064)	(249,859)	(5,883)	(255,742)
Current and non-current liabilities (3)	**(462,172)**	**(4,614)**	**(466,786)**	**(350,700)**	**(6,035)**	**(356,735)**
CAPITAL EMPLOYED (1) + (2) + (3)	**1,102,977**	**(4,446)**	**1,098,531**	**843,376**	**(5,808)**	**837,568**

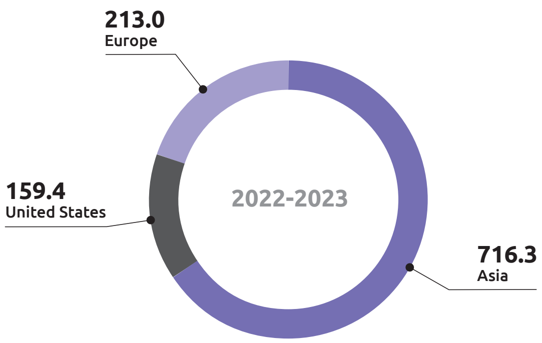
BREAKDOWN OF REVENUE

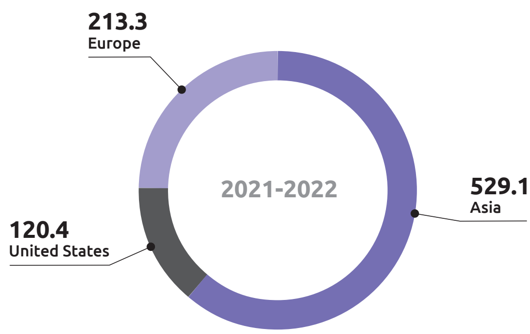
All revenue is generated by the Electronics segment, and breaks down as follows:

(in € thousands)	Year ended March 31, 2023	Year ended March 31, 2022
Mobile Communications	730,570	623,142
Automotive & Industrial	140,867	74,405
Smart Devices	217,293	165,196
REVENUE	**1,088,730**	**862,743**

Revenue by geographic area [(1)] breaks down as follows:

(in € millions)





Accounting principles

Revenue recognition

In accordance with IFRS 15 – Revenue from Contracts with Customers, revenue is recognized when control of goods or services is transferred to customers in exchange for the consideration to which our Group expects to be entitled. Recognition is based on a five-step analysis:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract;
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract;
- recognize revenue when (or as) the entity satisfies the performance obligations.

Revenue derives primarily from product sales and, to a lesser extent, from licensing and development arrangements. Revenue recognition conditions are as follows:

- silicon wafer sales:
  - they are recognized as revenue when control of the goods is transferred to the customer under the terms of sale set out in the customer contracts. Revenue is generally recognized when the customer accepts delivery of the goods at its facilities or when the goods leave the warehouses of our Group's entities, depending on the Incoterm in use,
  - any price changes are spread on a straight-line basis over the remaining performance obligations,
  - if services related to silicon wafer sales contracts are invoiced, the contracts are analyzed on a case-by-case basis to determine the appropriate accounting treatment and the timing of revenue recognition (e.g., whether or not the initial contract is modified);
- development sales (revenue from Dolphin Design SAS, mainly):
  - sales of intellectual property (virtual component)/off-the-shelf licenses with no or very few modifications. Revenue from these sales is recognized in full when the intellectual property is delivered,
  - sales of more complex intellectual property (virtual component) requiring a significant development effort. Revenue is recognized on a percentage-of-completion basis, calculated by reference to the costs incurred versus the total estimated costs,
  - sales of design services for components principally used in the aerospace and defense industries. Revenue from these contracts is recognized on a percentage-of-completion basis;
- other sales of services:

analyzed on a case-by-case basis.

Our Group may become involved in contracts in which invoicing does not take place when the products are delivered, but when they are consumed by our customers. In this case, our Group analyzes the control transfer criteria stipulated in IFRS 15, and, in particular:

- the reason for implementing such an arrangement (intention of the parties);
- storage and identification of the products within dedicated areas;
- products being ready for physical transfer to the customer within a very short period of time;
- impossibility of selling the products to other customers.

When these criteria are met, and control has been transferred, the revenue is recorded.

(1) *The breakdown of revenue by geographic area is based on the delivery locations of the goods shipped by our Group.*

NOTE 5. CHANGES IN SCOPE OF CONSOLIDATION

NOVASiC SAS acquisition

As a reminder, on December 29, 2021 our Group finalized the acquisition of a 100% stake in NOVASiC, an advanced technology company specialized in polishing and refreshing wafers, for an amount of €6,800 thousand. The acquisition will support the development of SmartSiC.

(in € thousands)	At the acquisition date
Purchase price	6,800
Cash acquired, net of acquisition costs	(525)
INVESTMENT, NET OF CASH ACQUIRED	**6,275**

In accordance with IFRS 3R – Business Combinations, the fair value measurement of the assets acquired and liabilities assumed was finalized in fiscal year 2022-2023. Goodwill of €4,158 thousand was recognized in respect of the NOVASiC SAS acquisition and allocated in full to the Electronics CGU.

The final purchase price allocation was as follows:

Purchase price (a)	**6,800**
Net assets acquired	834
Impacts of fair value measurement:	
Customer base	-
Technology [(1)]	2,438
Trademarks	-
Net deferred taxes	(630)
Remeasured net asset value (b)	**2,642**
GOODWILL (a) - (b)	**4,158**

(1) Technology amortized over 10 years.

The fair value of the identified technology was measured using the relief from royalty method.

Goodwill has been allocated to the Electronics CGU.

The acquisition of NOVASiC SAS did not have a material impact on our Group's consolidated financial statements at March 31, 2023: €1,222 thousand contribution to fiscal year 2022-2023 revenue and a €1,127 thousand contribution to consolidated net profit.

Acquisition of the remaining 20% of Dolphin Design SAS

On October 27, 2022, Soitec exercised its call option to increase its stake in Dolphin Design SAS to 100%, acquiring an additional 20% of the capital from its partner MBDA. Since Dolphin Design SAS is already fully consolidated in the consolidated financial statements due to the existence of a call option, the acquisition had no impact on our Group's consolidated financial statements.

Frec|n|sys SAS

In fiscal year 2022-2023, Frec|n|sys SAS was dissolved without liquidation and its assets were fully transferred to Soitec SA, with no impact on our Group's consolidated financial statements.

Accounting principles

Changes in scope of consolidation

Entities are fully consolidated if our Group:

- has power over the investee; and
- is exposed to, or has rights to, variable returns from its involvement with the investee; and
- has the ability to affect those returns through its power over the investee.

In accordance with IFRS 10 – Consolidated Financial Statements, our Group must exercise judgment in determining whether control exists and assess the existence of control on an ongoing basis.

Note 3.5, which lists the main consolidated companies, provides details on the percentage of control.

Acquisitions of controlling interests

Business combinations are accounted for using the acquisition method.

- the cost of an acquisition is measured at the fair value of the consideration transferred, including any contingent consideration arrangement at the date control is acquired. Any subsequent change in the fair value of contingent consideration is recognized in the income statement or in equity, depending on the applicable standards and the facts and circumstances analyzed;
- the difference between the consideration transferred plus non-controlling interests and the fair value of the identifiable assets acquired and liabilities assumed at the date control is acquired represents goodwill, which is recognized as an asset in the statement of financial position. Given the nature of our Group's business, fair value measurements of identifiable assets mainly concern technologies, customer bases and trademarks, with associated deferred taxes.

The fair value of these assets, which cannot be observed, is approximated using generally accepted methods, such as income- or cost-based methods.

For acquisitions of controlling interests involving equity investments of less than 100%, the non-controlling interest is measured:

- either at fair value, in which case goodwill is recognized for the portion relating to non-controlling interests;
- or at its share of the identifiable net assets of the acquired entity, in which case only goodwill in respect of the acquired portion is recognized.

Costs directly attributable to the acquisition are recognized as operating expenses for the period. When control is acquired in stages, the previously held interest is remeasured at its acquisition-date fair value, with the resulting gain or loss recognized in operating income. Any amounts previously recognized in comprehensive income in respect of the interest are reclassified in full to the income statement.

NOTE 6. NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

6.1 Intangible assets

Intangible assets break down as follows:

(in € thousands)	Gross value	Accumulated amortization	Impairment	Net value
Goodwill	39,997	-	(13,295)	26,702
Capitalized development projects	63,420	(13,027)	-	50,393
Concessions, patents and other rights	5,563	(5,563)	-	-
Software	98,546	(80,717)	(255)	17,574
Other intangible assets	19,910	(6,542)	-	13,368
MARCH 31, 2022	**227,436**	**(105,849)**	**(13,550)**	**108,037**
Goodwill	38,218	-	(13,295)	24,923
Capitalized development projects	91,416	(23,058)	-	68,358
Concessions, patents and other rights	5,595	(5,595)	-	-
Software	109,065	(87,032)	(244)	21,789
Other intangible assets	22,372	(9,010)	-	13,362
MARCH 31, 2023	**266,666**	**(124,695)**	**(13,539)**	**128,432**

For the year to March 31, 2023, changes in the net value of each intangible asset category can be analyzed as follows:

(in € thousands)	Goodwill	Capitalized development projects	Software	Other intangible assets	Total
MARCH 31, 2021	**20,765**	**42,476**	**20,366**	**15,519**	**99,126**
Changes in scope of consolidation	5,937	-	19	10	5,966
Acquisitions	-	15,100	7,682	-	22,782
Translation adjustments	-	-	142	-	142
Amortization (expense for the period)	-	(7,460)	(10,312)	(2,161)	(19,933)
Other movements	-	277	(323)	-	(46)
MARCH 31, 2022	**26,702**	**50,393**	**17,574**	**13,368**	**108,037**
Acquisitions	-	27,996	14,257	31	42,284
Translation adjustments	-	-	27	(3)	24
Amortization (expense for the period)	-	(10,031)	(10,040)	(2,472)	(22,543)
Other movements (1)	(1,779)	-	(29)	2,438	630
MARCH 31, 2023	**24,923**	**68,358**	**21,789**	**13,362**	**128,432**

(1) *Other movements correspond to technology identified in the context of the fair value measurement of the assets acquired from NOVASiC SAS (see note 5 "Changes in scope of consolidation").*

At March 31, 2023, intangible assets not yet commissioned amounted to €38,401 thousand and mainly included €25,419 thousand in capitalized development projects (versus respectively €14,061 thousand and €9,735 thousand at March 31, 2022).

During fiscal year 2022-2023, €10,763 thousand worth of intangible assets, including €6,057 thousand worth of software and €4,706 thousand worth of capitalized development projects, were commissioned.

During fiscal year 2021-2022, €22,814 thousand worth of intangible assets, including €16,347 thousand worth of capitalized development projects, were commissioned.

Accounting principles

Goodwill

After initial recognition, goodwill is measured at cost less accumulated impairment losses. For the purposes of impairment testing, goodwill is allocated to each of the cash-generating units (CGUs). Goodwill is not amortized but is tested for impairment at the end of each reporting period or whenever there is an indication that it may be impaired. Impairment losses recognized against goodwill cannot be reversed.

Other intangible assets

Intangible assets acquired separately by our Group are recognized at their acquisition cost, which corresponds to their acquisition-date fair value for assets acquired through business combinations. They mainly include software applications, which are accounted for at their purchase price and amortized using the straight-line method (one to five years) and project development costs (amortized over their estimated useful lives, typically between 8 and 10 years).

In accordance with IAS 38 – Intangible Assets, development costs are capitalized if the following criteria are met:

- our Group has the intention and technical ability to complete the development project;
- it is highly probable that the future economic benefits attributable to the development costs will flow to our Group, generally evidenced by current orders or contracts;
- the costs can be measured reliably;
- our Group has the capacity to use or sell the intangible asset;
- our Group has the necessary resources to complete the project.

Development costs that do not fully meet the above criteria are recognized in the income statement under "R&D costs" in the fiscal year in which they are incurred.

Our Group has defined an eight-stage life cycle for R&D projects. Upon the completion of each stage (milestone), a decision is made to either continue or discontinue the project. The first five stages cover exploratory research (evaluation of technologies), while the following two phases correspond to product development, generally in conjunction with a potential customer. The final stage involves high-volume industrialization of the product.

Costs incurred during exploratory research phases are recognized in the income statement, and development costs are capitalized if they meet the criteria of IAS 38, otherwise they remain expensed. Costs incurred in the industrialization phase are recognized in cost of sales.

Prototype sales and subsidies (including research tax credits) relating to capitalized development costs are initially recorded as deferred income and then taken to profit or loss as and when the associated development costs are amortized.

Acquisition costs

Acquisition costs are included in the value of property, plant and equipment and intangible assets, as the case may be. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use or sale (generally over six months) are included in the cost of that asset. All other borrowing costs are expensed as incurred.

6.2 Property, plant and equipment

Property, plant and equipment break down as follows:

(in € thousands)	Gross value	Accumulated depreciation	Impairment	Net value
Buildings	318,510	(198,404)	-	120,106
Equipment and tooling	882,567	(451,972)	(2,076)	428,519
Other property, plant and equipment	32,432	(18,743)	-	13,689
MARCH 31, 2022	**1,233,509**	**(669,119)**	**(2,076)**	**562,314**
Buildings	398,533	(215,046)	-	183,487
Equipment and tooling	1,019,413	(511,820)	(1,433)	506,160
Other property, plant and equipment	37,285	(21,558)	-	15,727
MARCH 31, 2023	**1,455,232**	**(748,424)**	**(1,433)**	**705,375**
Of which property, plant and equipment held under leases pursuant to IFRS 16	143,818	(45,392)	-	98,426

› Of which assets held under leases:

(in € thousands)	Gross value	Accumulated depreciation	Impairment	Net value
Buildings	23,981	(8,163)	-	15,818
Equipment and tooling	75,410	(23,186)	-	52,224
Other property, plant and equipment	1,715	(1,035)	-	680
MARCH 31, 2022	**101,106**	**(32,384)**	**-**	**68,722**
Buildings	50,112	(10,389)	-	39,723
Equipment and tooling	92,075	(33,763)	-	58,312
Other property, plant and equipment	1,631	(1,240)	-	391
MARCH 31, 2023	**143,818**	**(45,392)**	**-**	**98,426**

The increase in buildings held under leases relates mainly to new real estate leases at our Bernin, Paris and Pasir Ris sites (see the table presenting the change in the net value of right-of-use assets below).

For the year to March 31, 2023, changes in the net value of each category of property, plant and equipment can be analyzed as follows:

(in € thousands)	Buildings	Equipment and tooling	Other	Total
MARCH 31, 2021	**88,014**	**277,152**	**12,991**	**378,157**
Changes in scope of consolidation	350	670	28	1,048
Acquisitions	37,187	168,004	2,985	208,176
Leased assets (IFRS 16)	866	14,099	204	15,169
Translation adjustments	2,508	11,230	89	13,827
Depreciation (expense for the period)	(15,151)	(43,122)	(2,608)	(60,881)
Reversals of impairment	9,077	759	-	9,836
Disposals or retirements (net value)	(2,745)	(273)	-	(3,018)
MARCH 31, 2022	**120,106**	**428,519**	**13,689**	**562,314**
Acquisitions	51,419	124,339	5,084	180,843
Leased assets (IFRS 16)	27,736	16,666	72	44,474
Translation adjustments	919	1,071	39	2,029
Depreciation (expense for the period)	(15,818)	(64,217)	(3,151)	(83,187)
Disposals or retirements (net value)	(875)	(218)	(5)	(1,098)
MARCH 31, 2023	**183,487**	**506,160**	**15,728**	**705,375**

At March 31, 2023, property, plant and equipment not yet commissioned amounted to €141,428 thousand and primarily comprised €98,174 thousand in equipment and tooling (compared with €140,672 thousand in property, plant and equipment not yet commissioned, of which €123,108 thousand in equipment and tooling, at March 31, 2022).

During fiscal year 2022-2023, €174,812 thousand worth of property, plant and equipment were commissioned, the main items including €146,161 thousand euros of equipment and tooling and €26,228 thousand of fixtures and fittings for clean rooms and logistics facilities (versus respectively €143,235 thousand, €114,539 thousand and €26,597 thousand in the previous fiscal year).

Acquisitions mainly concern industrial investments for our Bernin (dedicated to 200 mm and 300 mm wafers and POI and SiC wafers) and Pasir Ris (dedicated to 300 mm SOI wafers) sites, intended to increase capacity in line with customer demand.

The following table presents the change in the net value of right-of-use assets by category of non-current asset:

(in € thousands)	Buildings	Equipment and tooling	Other non-current assets	Total
NET VALUE OF RIGHT-OF-USE ASSETS – MARCH 31, 2022	**15,818**	**52,224**	**679**	**68,722**
Increase (right-of-use assets recognized during the fiscal year)	27,736	16,666	72	44,474
Translation adjustments	(483)	-	-	(483)
Depreciation expense	(2,223)	(10,578)	(207)	(13,008)
Lease terminations	(1,125)	-	(153)	(1,278)
NET VALUE OF RIGHT-OF-USE ASSETS – MARCH 31, 2023	**39,723**	**58,312**	**391**	**98,426**

The €44,474 thousand increase in right-of-use assets primarily reflects administrative and technical leases for €27,736 thousand and equipment and tooling leases for €16,666 thousand. The new real estate leases are mainly related to our new headquarters in Bernin, France, administrative offices in Paris and Bernin, France, and the land for the extension of our Pasir Ris site in Singapore.

Accounting principles

Property, plant and equipment in accordance with IAS 16

Property, plant and equipment are measured at acquisition cost less accumulated depreciation and any impairment losses. Subsequent expenditure is included in the carrying amount of the asset or, where applicable, recognized as a separate asset when it is probable that the future economic benefits associated with the asset will flow to our Group and the cost of the asset can be measured reliably. The carrying amount of replaced components is derecognized. All repair and maintenance costs are recognized in the income statement.

Depreciation is calculated on a straight-line basis over the following estimated useful lives:

Buildings and fittings	15 to 30 years
Equipment	8 years
Other fixtures and fittings	5 to 10 years
Vehicles	5 years
IT and office equipment	3 to 7 years
Office furniture	5 to 10 years

Residual value may be recognized where appropriate. The assets' residual value, useful life and depreciation method are reviewed at the end of each annual reporting period and amended on a prospective basis where applicable.

Leases pursuant to IFRS 16

The value of the asset (corresponding to the right to use the underlying asset) and the lease liability (corresponding to the obligation to make lease payments) are initially measured at the present value of future lease payments, as well as estimated payments at the end of the contract. The lease term is defined contract by contract and corresponds to the non-cancellable period of the commitment, taking into account any optional periods where it is reasonably certain that they will be exercised.

Lease payments are apportioned between payments of the interest and of the principal of the lease liability. Right-of-use assets are depreciated over the term of the lease, plus any optional periods where it is reasonably certain that they will be exercised.

Our Group applies the exemptions provided for by IFRS 16 for leases with a lease term of 12 months or less and for leases whose underlying asset is of low value when new (less than US$5,000). These rents are recognized directly as expenses. When signing an agreement, our Group determines whether this constitutes or contains a lease. Any agreement which constitutes or contains a lease grants the right to control the use of the asset identified for a period of time, in exchange for consideration. To determine whether an agreement grants the right to control the use of an identified asset, our Group applies the definition of a lease provided by IFRS 16.

6.3 Value of non-current assets

Goodwill

Operational assumptions reflect the best estimate of the market outlook and anticipated developments. In March 2023, our Group updated its business plan for the next five years. The updated plan was approved by the Board of Directors. As a result, new business plans have been drawn up for both of our cash-generating units (CGUs).

The assumptions used for the March 31, 2023 impairment tests are as follows:

	March 31, 2023		March 31, 2022	
	Electronics	Integrated circuit design	Electronics	Integrated circuit design
Long-term growth rate	1.5%	1.5%	1.5%	1.5%
Discount rate	11.0%	15.0%	11.1%	15.0%

These tests did not show any impairment loss at March 31, 2023 and did not reveal any significant sensitivity to a reasonably possible change in key assumptions (notably the growth rate and discount rate).

Specific assets

Industrial plant in Singapore

In fiscal year 2021-2022, in view of the strong improvement in the level of utilization of the plant, its outlook and the visibility on its profitability, our Group reversed the impairment loss on our Singapore industrial plant recognized in fiscal year 2015-2016. Net of revised depreciation and amortization, the impairment reversal amounted to €9.1 million and was presented within "Other operating income" in the income statement.

Accounting principles

IAS 36 – Impairment of Assets defines the procedures that a company must apply to ensure that the carrying amount of its assets does not exceed their recoverable amount, which is the amount that is expected to be recovered from their use or sale. Besides goodwill and indefinite-lived intangible assets that are systematically tested for impairment each year, the recoverable amount of an asset is estimated whenever there is an indication that its value may be impaired.

Cash-generating units (CGUs)

A cash-generating unit is the smallest group of identifiable assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

In the Electronics segment, our Group has identified two CGUs, each of which is centrally managed and has its own customer base and production capacity organized so as to optimize utilization regardless of geographical location. These two CGUs are:

- *Electronics*: serving our Group's various substrate markets, leveraging the production capacity of the Bernin 1, Bernin 2, Bernin 3, Hasselt (Belgium) and Singapore sites;
- *Integrated circuit design*: design of low-power electronic circuits (Dolphin Design business).

The Electronics CGU includes the "Small diameter" and "300 mm" sub-groups. Our Group's business and investment decisions are managed at the level of the "Electronics" CGU.

Impairment indicators

Our Group regularly compares actual results to forecast results for all of its businesses in order to identify any impairment.

Determining the recoverable amount

When circumstances or events indicate that a non-current asset may be impaired, our Group reviews the recoverable amount of the asset (or the group of assets to which it belongs).

Goodwill, other indefinite-lived intangible assets and capitalized development costs (where the underlying asset has not yet been commissioned) are tested for impairment at least once a year.

The recoverable amount is the higher of its fair value less costs to sell and its value in use. It is estimated separately for each asset. Where this is not possible, assets are pooled into groups of CGUs for which the recoverable amount is then calculated.

Fair value less costs to sell is the amount that could be obtained from the sale of an asset in an arm's length transaction between knowledgeable willing parties, less costs to sell.

Value in use is the present value of the future cash flows expected to be derived from the continuous use of an asset and from its disposal at the end of its useful life. Value in use is determined using cash flows estimated using business plans or budgets typically drawn up over a five-year period, taking into account the specific risks inherent to the technological nature of our Group's business activity.

Impairment

An impairment loss is recognized as soon as the carrying amount of an asset or the CGU to which it belongs exceeds its recoverable amount. Impairment losses are expensed under "Other operating income and expenses".

Impairment losses recognized in prior periods for an asset other than goodwill may be reversed if, and only if, there is an indication that the previously recognized loss in value has ceased to exist or has reduced, and if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. However, the reversal of an impairment loss must not result in the carrying amount of the asset exceeding the carrying amount that would have been determined had no impairment been recognized for the asset in prior periods.

6.4 Non-current financial assets

Non-current financial assets break down as follows:

(in € thousands)	March 31, 2023	March 31, 2022
Investments	20,941	12,845
Derivative financial instruments (positive fair value)	4,775	3,128
Deposits and guarantees	107	104
Loans granted	11	1,051
Other financial assets	-	83
Gross value	**25,834**	**17,211**
Impairment of investments	(660)	(256)
Impairment of loans	-	(90)
Impairment, total	**(660)**	**(346)**
NON-CURRENT FINANCIAL ASSETS, NET	**25,174**	**16,865**

Non-current financial assets mainly comprise investments in companies over which our Group has neither exclusive or joint control nor significant influence (€20,941 thousand), as well as derivative instruments (€4,775 thousand). These instruments correspond mainly to our foreign exchange hedges (forward sales of dollars), and to our interest rate derivatives (only caps) hedging future interest payments on our floating-rate borrowings.

"Financial assets – Investments" breaks down as follows:

	March 31, 2023				March 31, 2022			
(in € thousands)	Gross value	Provisions	Net value	% held	Gross value	Provisions	Net value	% held
Greenwaves Technologies	7,546	-	7,546	17.79%	3,299	-	3,299	16.58%
Technocom	5,500	(560)	4,941	8.00%	4,350	(256)	4,094	8.00%
Shanghai Simgui Technology Co. Ltd.	4,441	-	4,441	2.70%	4,441	-	4,441	2.70%
Cambridge Electronics Inc.	1,974	-	1,974	13.38%	-	-	-	-
Supernova Ambition Industrie	1,475	(101)	1,375	3.50%	750	-	750	3.50%
Other	5	-	5		5	-	5	
TOTAL FINANCIAL ASSETS – INVESTMENTS	**20,941**	**(660)**	**20,281**		**12,845**	**(256)**	**12,589**	

In fiscal year 2022-2023, our Group increased its interest in Greenwaves Technologies by €4,247 thousand through the conversion of two convertible loans granted in September 2020 and July 2021 for a total of €2,000 thousand and through subscription to a capital increase for €2,247 thousand.

Our Group also acquired an interest in Cambridge Electronics Inc. for €1,974 thousand.

Accounting principles

In accordance with IFRS 9 – Financial Instruments, financial assets are classified into three categories on the basis of type and holding intention:

- assets measured at amortized cost;
- assets measured at fair value through profit or loss;
- assets measured at fair value through other comprehensive income.

IFRS 9 stipulates that financial assets are generally classified based on the business model for holding the asset and the characteristics of its contractual cash flows.

Financial assets	Classification according to IFRS 9
Non-consolidated investments	Fair value through profit or loss
Derivative financial instruments (positive fair value)	Fair value – hedging instrument
Deposits and guarantees	Amortized cost
Other	Amortized cost
Cash and cash equivalents	Fair value through profit or loss

A financial asset is measured at amortized cost if it meets both of the following criteria and if it is not designated at fair value through profit or loss:

- the asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows;
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are measured at amortized cost according to the effective interest rate. The amortized cost is net of impairment. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Gains and losses resulting from derecognition are recorded in profit or loss.

A financial instrument is measured at fair value through other comprehensive income if it meets both of the following criteria and if it is not designated at fair value through profit or loss:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets;
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are measured later at fair value. Interest income calculated by applying the effective interest rate method, foreign exchange gains or losses and impairment are recognized in profit or loss. The other gains and losses are recognized in other comprehensive income. At derecognition, the gains and losses cumulated in other comprehensive income are reclassified to profit or loss.

The term “principal” refers to the fair value of the financial asset when it was initially recognized. “Interest” refers to the consideration for the time value of money, the credit risk associated with the principal amount outstanding for a given period, and the other risks and expenses related to a base loan and a margin.

All financial assets that are not classified at amortized cost or at fair value through other comprehensive income are measured at fair value through profit or loss. Net gains and losses, including interest or dividends collected, are recognized in profit or loss.

All standard purchases and sales of financial assets are recognized at the settlement date.

6.5 Other non-current assets

Other non-current assets break down as follows:

(in € thousands)	March 31, 2023	March 31, 2022
Tax receivables	15,678	13,762
Prepayments on orders of non-current assets	18,743	3,259
Prepayments on orders of operating items	22,988	-
Deposits and guarantees	1,582	1,510
OTHER NON-CURRENT ASSETS, NET	**58,991**	**18,531**

At March 31, 2023, the non-current portion of tax receivables in the amount of €15,678 thousand corresponds to research tax credits (CIR) for €14,685 thousand and collaborative research tax credits (CICo) for €993 thousand (versus respectively €12,757 thousand and €1,005 thousand at March 31, 2022).

The total value of research tax credits (CIR) and collaborative research tax credits (CICo) receivable (current and non-current portions) amounted to €33,080 thousand at March 31, 2023 (€29,903 thousand at March 31, 2022).

At March 31, 2023, prepayments on orders of non-current assets correspond mainly to amounts paid in connection with the construction of the Bernin 4 fab.

Prepayments on orders of operating items correspond mainly to amounts paid to our raw materials suppliers under multi-year procurement contracts.

6.6 Inventories

Inventories break down as follows:

(in € thousands)	March 31, 2023	March 31, 2022
Raw materials	133,457	110,913
Work-in-progress	29,161	28,410
Finished products and goods	38,621	17,766
Gross value	**201,239**	**157,089**
Allowances	(25,932)	(14,572)
INVENTORIES, NET	**175,307**	**142,517**

Accounting principles

Inventories in accordance with IAS 2

Inventories of raw materials are measured at purchase cost and inventories of consumables at their weighted average price. An allowance for impairment is booked for obsolete or surplus items.

Finished products

Finished goods are carried at production cost except for those whose cost exceeds their selling price during the start-up phase of production and obsolete or surplus items. An impairment allowance is recognized to write down the carrying amount of finished goods to their realizable value less proportionate selling expenses.

Work-in-progress

Work-in-progress is measured using the same principles, in accordance with the percentage of completion of production.

6.7 Trade receivables

Trade receivables break down as follows:

(in € thousands)	March 31, 2023	March 31, 2022
Trade receivables	364,307	281,018
Allowances	(1,189)	(783)
TRADE RECEIVABLES, NET	**363,118**	**280,235**

At March 31, 2023, the aged analysis of trade receivables is as follows:

(in € thousands)	Total trade receivables	Not yet due	Less than 30 days past due	30-60 days past due	60-90 days past due	More than 90 days past due
Gross value	364,307	349,753	13,012	(164)	20	1,686
Allowances	(1,189)	-	-	-	-	(1,189)
Net value at March 31, 2023	**363,118**	**349,753**	**13,012**	**(164)**	**20**	**497**
Gross value	281,018	263,728	11,355	2,776	1,849	1,310
Allowances	(783)	-	-	-	-	(783)
Net value at March 31, 2022	**280,235**	**263,728**	**11,355**	**2,776**	**1,849**	**527**

Accounting principles

Trade receivables

Trade receivables, determined in accordance with IFRS 15, mainly correspond to wafer sales and are initially measured at the transaction price if they do not have a significant financing component. After initial recognition, they are carried at amortized cost using the effective interest rate method.

Trade receivables in foreign currencies are remeasured at the closing rate.

Impairment

In order to meet the requirements of IFRS 9, an allowance is recorded if there is an objective indication based on a case-by-case analysis that our Group might not be able to recover part or all of its receivables.

6.8 Other current assets

Other current assets break down as follows:

(in € thousands)	March 31, 2023	March 31, 2022
Tax and social security receivables	73,066	29,709
of which VAT and similar	*55,321*	*13,209*
of which research taxes (CIR and CICo)	*17,402*	*16,145*
Subsidies receivable	17,344	20,443
Prepayments on orders of current assets	8,801	5,657
Prepaid expenses	5,545	3,268
Deposits and guarantees	283	220
Receivables on disposals of assets	117	337
Other	326	1,964
Gross value	**105,482**	**61,597**
Allowances	-	-
OTHER CURRENT ASSETS, NET	**105,482**	**61,597**

Tax and social security receivables amounted to €73,066 thousand at March 31, 2023 (€29,709 thousand at March 31, 2022). The increase is mainly related to a VAT credit receivable from our subsidiary in Singapore, in connection with our ongoing investments.

At March 31, 2023, tax receivables include research tax credits (CIR) and collaborative research tax credits (CICo) amounting to €17,402 thousand (€16,145 thousand at March 31, 2022).

Prepaid expenses totaled €5,545 thousand at March 31, 2023 (€3,268 thousand at March 31, 2022). The increase is mainly due to higher insurance costs, linked to the development of our sites.

Changes in operating subsidies receivable break down as follows:

(in € thousands)	March 31, 2023	March 31, 2022
OPERATING SUBSIDIES RECEIVABLE AT BEGINNING OF PERIOD	**20,443**	**25,606**
Changes in scope of consolidation	-	183
Received during the period	(20,934)	(24,864)
Recognized in the income statement	17,551	19,425
Translation adjustments	110	384
Other reclassifications	174	(290)
OPERATING SUBSIDIES RECEIVABLE AT END OF PERIOD	**17,344**	**20,443**

Subsidies receivable mainly concern the Nano 2022 program for Soitec SA and Soitec Lab for €4,878 thousand at March 31, 2023 (€8,137 thousand at March 31, 2022), as well as programs financed by the Singapore Economic Development Board for €5,647 thousand (€5,613 thousand at March 31, 2022).

Accounting principles

See note 7.2 “R&D costs”.

6.9 Current financial assets

Current financial assets break down as follows:

(in € thousands)	March 31, 2023	March 31, 2022
Derivative financial instruments (positive fair value)	1,033	2,444
Accrued interest	853	264
Deposits and guarantees	157	75
Prepaid expenses	78	39
Loans	34	1,264
Other	1,283	301
Gross value	**3,438**	**4,387**
Allowances	-	(180)
CURRENT FINANCIAL ASSETS, NET	**3,438**	**4,207**

Derivative financial instruments with a positive fair value, amounting to €1,033 thousand, correspond mainly to the fair value of our foreign exchange hedges (mainly forward dollar sales), and to the fair value of our interest rate derivatives (caps only) hedging future interest payments on our floating-rate borrowings.

Accrued interest corresponds to interest receivable on bank accounts for fourth-quarter 2022-2023, and has increased in line with rising market rates.

Accounting principles

See note 6.4 "Non-current financial assets".

6.10 Cash and cash equivalents

Cash and cash equivalents break down as follows:

(in € thousands)	March 31, 2023	March 31, 2022
Cash	775,834	457,591
Cash equivalents	12,081	270,232
TOTAL CASH AND CASH EQUIVALENTS	**787,915**	**727,822**

Cash at bank is principally denominated in euros (73% of the total) and US dollars (21% of the total).

Accounting principles

Cash and cash equivalents

Cash and cash equivalents primarily consist of interest-bearing accounts and term deposits readily convertible into cash that are not exposed to a significant interest rate risk.

Investments with a maturity of more than three months with no early exit options, along with investments in money-market UCITS which do not meet the criteria for recognition as cash equivalents under IAS 7, are classified within other financial assets.

6.11 Issued capital and reserves

Share capital and share premium

At March 31, 2023, our Company's share capital comprised ordinary shares with a par value of €2.00 each. All preferred shares were converted into ordinary shares during the year.

(number of shares)	March 31, 2023	March 31, 2022
Ordinary shares	35,589,417	34,897,013
Preferred shares	-	253,567
TOTAL	**35,589,417**	**35,150,580**

Movements in our Company's share capital during fiscal year 2022-2023 were as follows:

	March 31, 2022	August 1, 2022	August 2, 2022	November 24, 2022	November 30, 2022	December 1, 2022	March 31, 2023
Ordinary shares	34,897,013	29,669	590,911	7,178	-	64,646	35,589,417
Preferred shares	253,567	56,629	(287,182)	-	8,369	(31,383)	-
TOTAL SHARES	**35,150,580**	**86,298**	**303,729**	**7,178**	**8,369**	**33,263**	**35,589,417**

- August 1, 2022: issue of 56,629 free preferred shares ("PS 2") further to the vesting of the third tranche of free PS 2 allocated on August 1, 2022 as part of the "Topaz" co-investment plans: capital increase of €113 thousand by deduction from issue premiums;
- August 1, 2022: issue of 17,062 free ordinary shares further to the vesting of the free shares allocated on August 1, 2022 as part of the free share allocation plan approved by the Board of Directors on December 18, 2019: capital increase of €34 thousand by deduction from the share premium;
- August 1, 2022: issue of 12,607 free ordinary shares further to the vesting of the free shares allocated on August 1, 2022 as part of the free share allocation plan approved by the Board of Directors on March 25, 2020: capital increase of €25 thousand by deduction from the share premium;
- August 2, 2022: conversion of 287,182 free preferred shares ("PS 2") into 590,911 new shares: net capital increase of €607 thousand by deduction from the share premium. Following the end of the Topaz co-investment plan, all preferred shares were converted into ordinary shares (1 PS 2 giving the right to 2.06 ordinary shares based on the achievement of the performance conditions);
- November 24, 2022: issue of 7,178 free ordinary shares further to the vesting of the free shares allocated on November 24, 2022 as part of the free share allocation plan approved by the Board of Directors on November 18, 2020: capital increase of €14 thousand by deduction from the share premium;
- November 30, 2022: issue of 8,369 free preferred shares ("PS 2") further to the vesting of the second tranche of free PS 2 allocated on August 1, 2022 as part of the "Topaz" co-investment plans: capital increase of €17 thousand by deduction from issue premiums;
- December 1, 2022: conversion of 31,183 free preferred shares ("PS 2") into 64,646 new shares: net capital increase of €67 thousand by deduction from the share premium.

Accounting principles

Equity instruments and compound instruments

Classification in equity depends on a specific analysis of the characteristics of each instrument issued.

Trading costs on equity instruments

External costs directly attributable to capital transactions or equity instruments are recognized net of tax as a deduction from equity. Other costs are expensed as incurred.

Comprehensive income

The main components of comprehensive income are actuarial gains or losses on defined benefit plans, changes in the fair value of cash flow hedges and changes in translation adjustments arising from subsidiaries whose financial statements are denominated in currencies other than the euro.

Other comprehensive income is broken down by distinguishing between components that may and may not be subsequently reclassified to the income statement.

Treasury shares

At March 31, 2023, our Company held 4,221 treasury shares.

	March 31, 2023	March 31, 2022
Number of treasury shares	4,221	4,351
Gross value *(in € thousands)*	358	369
Unrealized capital gain *(in € thousands)*	233	308

The gross value of these treasury shares, along with gains or losses on disposal, are deducted from equity.

Accounting principles

Purchases of treasury shares

Purchases of treasury shares are recorded as a deduction from equity based on their acquisition cost. Any gains or losses upon disposal or use are recognized in other reserves. When treasury shares are used as payment for an acquisition, the value used for accounting purposes corresponds to their market price at the transaction date.

Other reserves

Actuarial gains and losses on defined benefit plans are recorded in other comprehensive income against the provision for retirement benefit obligations.

(in € thousands)	Actuarial gains/(losses) on retirement benefit obligations	Change in fair value of foreign exchange hedges	Deferred taxes	Gains/(losses) on disposals of treasury shares	Other changes	Translation adjustments	Total other reserves
March 31, 2021	**(8,586)**	**(3,739)**	**2,724**	**1,001**	**(15,729)**	**16,947**	**(7,382)**
Changes during the period	(897)	(9,487)	2,956	-	-	12,061	4,633
March 31, 2022	**(9,483)**	**(13,226)**	**5,680**	**1,001**	**(15,729)**	**29,008**	**(2,749)**
Changes during the period	3,486	14,293	(4,276)	-	(37)	1,095	14,561
MARCH 31, 2023	**(5,997)**	**1,067**	**1,404**	**1,001**	**(15,766)**	**30,103**	**11,812**

The translation reserve includes all foreign exchange differences arising from the translation of the financial statements of foreign operations, as well as the foreign exchange differences arising from the translation of monetary items forming part of a net investment in a foreign operation.

Until March 31, 2022, our subsidiary Soitec Microelectronics Singapore Pte Ltd. had a current account with Soitec SA. As a result of the decision to not demand repayment of the loan made to Soitec Microelectronics Singapore Pte Ltd., in order to enable the subsidiary to finance its future investments, this current account, for which settlement is neither planned nor likely to occur in the foreseeable future, is, in substance, a part of our Company's net investment in a foreign operation. Since April 1, 2022, the investment in our Singapore subsidiary therefore qualifies as a net investment in a foreign operation, and the foreign exchange differences arising on this monetary item are presented in other comprehensive income.

Accounting principles

IAS 21: effects of changes in foreign exchange rates and translation of the financial statements of foreign subsidiaries

Our Group's presentation currency is the euro. Our Company's functional currency is the euro, and the functional currency of each subsidiary is specified note 5 "Changes in scope of consolidation".

Exchange differences resulting from the application of these different rates are recognized in other comprehensive income and accumulated in reserves under "Foreign exchange gains/(losses) on translation of foreign operations".

The financial statements of Group entities with functional currencies other than the euro are translated into euros as follows:

- assets and liabilities are translated at the closing rate at March 31, 2023;
- income statement items of each foreign operation are translated at the average exchange rate for the period or fiscal year, which is deemed to represent the rate applicable on the effective transaction date.

Monetary items forming part of a net investment in a foreign operation include debt, loans and receivables denominated in foreign currencies that relate to a foreign business and for which settlement is neither planned nor probable in the foreseeable future. Exchange differences relating to these items are recognized in other comprehensive income, under "Foreign exchange gains/(losses) on translation of foreign operations".

Dividends

Our Board of Directors will ask the Annual General Meeting to be held on July 25, 2023 to appropriate the net profit for the year to reserves and retained earnings, and not to pay a dividend.

6.12 Share-based payment

Impact of share-based payments on the consolidated income statement

"Topaz" co-investment plan

The Extraordinary General Meeting of July 26, 2019 authorized the Board of Directors to allocate free preferred shares ("PS 2") convertible into ordinary shares based on the achievement of objectives relating to EBITDA, revenue and the Total Shareholder Return (TSR) of our Company's ordinary shares compared to the Euro Stoxx 600 Technology index. The free PS 2 vested in tranches (40% on December 18, 2020, 30% on August 1, 2021 and 30% on August 1, 2022).

In fiscal year 2019-2020, 97,980 PS 2 were subscribed by employees and corporate officers at a unit price of €84.17, and our Board of Directors issued 97,980 PS 2.

Following the vesting of the third tranche, 56,629 PS 2 were issued on August 1, 2022. As a reminder, 75,861 PS 2 were issued on December 18, 2020, following the vesting of the initial tranche, and 56,712 PS 2 were issued on August 2, 2021, following the vesting of the second tranche. The plan is now therefore terminated.

The plan was reopened on November 18, 2020, and further to the subscription of 10,461 PS 2 by employees at a unit price of €88.90, our Board of Directors issued 10,461 PS 2 on November 30, 2020.

Following the vesting of the second tranche, 8,369 PS 2 were issued on November 30, 2022. As a reminder, 12,553 PS 2 were issued on January 10, 2022, following the vesting of the first tranche. The plan is now therefore terminated.

These plans gave rise to an expense of €2,442 thousand (including €559 thousand in social security contributions) in the income statement.

Free share allocation plan reserved for certain employees

Pursuant to the authorizations granted by the Annual General Meeting of July 26, 2019, our Board of Directors made the following allocations to certain employees:

- 23,953 ordinary shares at its meeting on December 18, 2019;
- 14,863 ordinary shares at its meeting on March 25, 2020;
- 7,394 ordinary shares at its meeting on November 18, 2020.

The primary objective of these plans was to enable the creation of a long-term incentive plan based on the results of our Group for certain Group employees.

Under the plans, subject to presence and performance conditions, a total of 38,816 ordinary shares were allocated to beneficiaries.

On August 1, 2022, the Board of Directors noted that the objectives set out in the rules of the plans approved by the Board of Directors at its meetings on December 18, 2019 and March 25, 2020 had been 97% achieved and that the performance conditions for these two plans had therefore been 97% met. The ordinary shares allocated under these plans vested to the beneficiaries of our Group on August 1, 2022 at the end of the vesting period. These plans are now terminated, and 29,669 ordinary shares were delivered to the beneficiaries.

On November 23, 2022, the Board of Directors noted that the objectives set out in the rules of the plan approved by the Board of Directors at its meeting on November 18, 2020 had been 97% achieved and that the performance conditions for these two plans had therefore been 97% met. The ordinary shares allocated under these plans vested to the beneficiaries of our Group on November 18, 2022 at the end of the vesting period. This plans is now terminated, and 7,178 ordinary shares were delivered to the beneficiaries.

These plans gave rise to an expense of €609 thousand (including €37 thousand in social security contributions) in the income statement for the year to March 31, 2023.

Pursuant to the authorizations granted by the Annual General Meeting of July 26, 2019, at its meeting of July 28, 2021 the Board of Directors decided to allocate certain employees along with management a free share plan subject to presence and performance conditions. The shares allocated represented approximately 0.2% of our Company's share capital at July 28, 2021.

A total of 54,614 ordinary shares were allocated under this plan, subject to a presence condition and performance conditions based on the achievement of objectives relating to EBITDA and revenue for the year ending March 31, 2024 and the Total Shareholder Return (TSR) of our Company's ordinary shares compared to the Euro Stoxx 600 Technology index between August 2, 2021 and the publication date of our Group's consolidated financial statements for the year ending March 31, 2024.

This plan gave rise to an expense of €1,383 thousand (including €205 thousand in social security contributions) in the income statement for the year to March 31, 2023.

Free share allocation plans for all employees and for management

Pursuant to the authorizations granted by the Annual General Meeting of July 26, 2019, at its meeting on November 18, 2020 the Board of Directors decided to allocate a free share plan to all employees of our Group, representing a maximum dilution of 0.43% of the share capital, subject to performance conditions.

At the same meeting, our Board of Directors also decided to allocate free shares subject to the same performance conditions to 22 executives, representing a maximum dilution of 0.18% of the share capital.

A total of 204,308 ordinary shares were allocated under these plans, subject to a presence condition and performance conditions based on the achievement of objectives relating to:

- EBITDA and revenue for the year ended March 31, 2023; and
- the Total Shareholder Return (TSR) of our Company's ordinary shares compared to the Euro Stoxx 600 Technology index between November 18, 2020, and the publication date of our Group's consolidated financial statements for the year ended March 31, 2023.

These plans gave rise to an expense of €6,650 thousand (including €1,273 thousand in social security contributions) in the income statement for the year to March 31, 2023.

Pursuant to the authorizations granted by the Annual General Meeting of July 28, 2021, at its meeting of July 26, 2022 the Board of Directors decided to allocate a free share plan to all employees of our Group. A total of 86,551 ordinary shares were allocated under this plan, representing approximately 0.2% of our Company's share capital at July 26, 2022. These shares will vest subject to a presence condition (presence in the Group until August 1, 2025) and performance conditions based on the achievement of objectives relating to:

- EBITDA and revenue for each year of the plan;
- sustainable development performance;
- and the Total Shareholder Return (TSR) of our Company's ordinary shares compared to the Euro Stoxx 600 Technology index.

At the same meeting, our Board of Directors also decided to allocate free shares subject to the same performance conditions to certain employees and executives. A total of 98,613 ordinary shares were allocated under these plans, subject to a presence condition and performance conditions based on the achievement of objectives identical to those for the plan for all employees, as described above.

These plans gave rise to an expense of €5,948 thousand (including €945 thousand in social security contributions) in the income statement for the year to March 31, 2023.

Free share allocation plan for certain employees of Dolphin Design SAS

On November 18, 2020, pursuant to the authorizations granted by the Annual General Meeting of July 26, 2019, our Board of Directors set up a free ordinary share allocation plan for certain employees of Dolphin Design SAS, a Group subsidiary. This plan is subject to a presence condition (presence in the Group until August 1, 2024) and performance conditions (revenue and EBITDA for fiscal years 2021-2022 to 2023-2024). A total of 9,500 ordinary shares were conditionally allocated to employees under the plan.

Share-based payments

SUMMARY TABLE OF FREE ORDINARY SHARE ALLOCATIONS IN FISCAL YEARS 2019-2020 AND 2020-2021

Date of Annual General Meeting	**07/26/2019**	**07/26/2019**	**07/26/2019**	**07/26/2019**	**07/26/2019**	**07/28/2019**	**07/26/2019**
Plan name	-	-	US 2022 convertible bonds	Opale	Onyx 2023	Onyx 2023 *bis*	Dolphin 2024
Date of Board of Directors' meeting	12/18/2019	03/25/2020	11/18/2020	11/18/2020	11/18/2020	03/31/2021	11/18/2020
Number of shares allocated by the Board of Directors	**23,953**	**14,863**	**7,394**	**143,122**	**59,915**	**1,271**	**9,500**
Of which number of shares for corporate officers	-	-	-	-	*13,306* (1)	-	-
Vesting period	From 12/18/2019 to 08/01/2022	From 03/25/2020 to 08/01/2022	From 11/18/2020 to 11/18/2022	From 11/18/2020 to 08/01/2023	From 11/18/2020 to 08/01/2023	From 03/31/2021 to 08/01/2023	From 11/18/2020 to 08/01/2024
Holding period	N/A	N/A	N/A	N/A	N/A	N/A	N/A
NUMBER OF SHARES VESTED	**17,062**	**12,607**	**7,178**	**130**	**-**	**-**	**-**
NUMBER OF SHARES OUTSTANDING	**-**	**-**	**-**	**126,840**	**57,921**	**1,271**	**8,273**

(1) Shares allocated to the former Chief Executive Officer, Paul Boudre.

SUMMARY TABLE OF FREE ORDINARY SHARE ALLOCATIONS IN FISCAL YEAR 2022-2023

Date of Annual General Meeting	**07/28/2021**	**07/28/2021**	**07/28/2021**	**07/28/2021**	**07/28/2021**	**07/28/2021**
Plan name	Onyx 2024	Agate 2025	Onyx 2025	Onyx 2025 *bis*	Onyx 2025 Dolphin Design	Onyx 2025 Dolphin Design *bis*
Date of Board of Directors' meeting	07/28/2021	07/26/2022	07/26/2022	09/28/2022	07/26/2022	09/28/2022
Number of shares allocated by the Board of Directors	**54,614**	**86,551**	**85,838**	**6,531**	**4,578**	**1,675**
Of which number of shares for corporate officers	*8,240* (1)	-	*9,612* (2)	-	-	
Vesting period	From 08/02/2021 to 08/01/2024	From 07/26/2022 to 08/01/2025	From 07/26/2022 to 08/01/2025	From 09/28/2022 to 08/01/2025	From 07/26/2022 to 08/01/2025	From 09/28/2022 to 08/01/2025
Holding period	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL NUMBER OF SHARES ALLOCATED	**53,453**	**76,129**	**83,167**	**6,531**	**3,597**	**1,436**

(1) Shares allocated to the former Chief Executive Officer, Paul Boudre.
(2) Shares allocated to the Chief Executive Officer, Pierre Barnabé.

Preferred shares: the table below shows the utilization of the authorizations granted by the Annual General Meeting relating to the allocation of preferred shares during the year ended March 31, 2023:

Date of Annual General Meeting	07/26/2019	07/26/2019
Date of Board of Directors' meeting	12/18/2019	11/18/2020
Number of preferred shares (PS) allocated	**195,960** (1)	**20,922** (2)
Of which number of preferred shares for corporate officers	31,982	-
Date of conditional allocation of PS	12/18/2019	11/18/2020
Date of vesting of PS	08/01/2022 (3)	11/30/2022 (4)
NUMBER OF SHARES VESTED	**189,202**	**20,922**
MAXIMUM NUMBER OF ORDINARY SHARES REMAINING TO BE ISSUED	**-**	**-**

(1) 97,980 PS purchased by employees and 195,960 PS allocated free of consideration.
(2) 10,461 PS purchased by employees and 20,922 PS allocated free of consideration.
(3) First tranche on December 18, 2020 (40%), second tranche on August 1, 2021 (30%) and third tranche on August 1, 2022 (30%).
(4) First tranche on January 10, 2022 (60%) and second tranche on November 30, 2022 (40%).

Accounting principles

Equity instruments

In accordance with IFRS 2 – Share-based Payment, equity-settled transactions are measured at the allocation date. The fair value of these instruments, determined by an independent expert, is calculated using a model that reflects the instrument's characteristics. This valuation model accounts for the exercise price and life of the option, the price of the underlying shares, the expected volatility of the share price and the risk-free interest rate over the life of the option. The value of these options is recognized on a straight-line basis in personnel costs between the allocation date and the vesting date, with a corresponding adjustment to equity, since the options relate to equity-settled plans.

Free shares

For free share allocations, fair value is also determined according to the characteristics of the plan, market data at the allocation date and an assumption of the employee's continued presence on the payroll at the end of the vesting period. If the plan does not specify the vesting arrangements, the expense is recognized in full as soon as the plan is allocated. Otherwise, the expense is recognized over the vesting period as and when the vesting conditions are met.

6.13 Borrowings and financial debt

Borrowings and financial debt break down as follows:

(in € thousands)	**Effective interest rate** *(in %)*	**Currency**	**Maturity** (1)	**March 31, 2023**	**March 31, 2022**
CURRENT					
Leases (IFRS 16)					
Equipment leases	0.10%-6.34%	EUR	2023-2029	13,815	12,914
Real estate leases	5.50%	SGD	2023	5,703	-
Real estate leases	0.60%-5.18%	EUR	2023-2047	2,412	1,724
Real estate leases	1.87%-3.48%	Other currencies	2023-2026	142	49
Other leases	0.60%-6.73%	EUR	2023-2029	164	294
Other leases	1.87%-3.48%	Other currencies	2023-2027	36	34
Loans					
France bank loans	0.45%-1.60%	EUR	2023-2026	686	295
Singapore bank loans	2.38%-3.86%	EUR	2024-2027	23,003	15,636
CDC loan	1.27%-4.28%	EUR	2032	10,071	4,011
Other					
Repayable advances	0.00%-2.60%	EUR	2023-2024	772	2,432
Derivative financial instruments (negative fair value)	-	EUR	2024	7,074	23,698
Drawn committed credit lines	0.80%-2.00%	EUR	2024-2025	4,539	3,197
Other financial liabilities		EUR	2023	853	3,310
CURRENT FINANCIAL DEBT				**69,271**	**67,595**
NON-CURRENT					
Leases (IFRS 16)					
Equipment leases	0.10%-6.34%	EUR	2024-2029	34,886	33,799
Real estate leases	0.60%-5.18%	EUR	2024-2047	21,837	9,331
Real estate leases	1.87%-3.48%	Other currencies	2024-2026	76	35
Other leases	0.60%-6.73%	EUR	2024-2029	129	349
Other leases	1.87%-3.48%	Other currencies	2024-2027	54	78
Loans					
Bonds: OCEANE 2025 convertible bonds	0.45%-0.75%	EUR	2025	305,015	297,353
France bank loans	2.38%-3.86%	EUR	2024-2026	303	1,307
Singapore bank loans	1.27%-4.28%	EUR	2024-2027	64,697	43,763
CDC loan	1.27%-2.05%	EUR	2032	140,410	121,952
Other					
Repayable advances	0.00%-2.60%	EUR	2025-2029	4,921	3,563
Drawn committed credit lines	0.80%-2.00%	EUR	2024-2025	5,217	4,614
Derivative financial instruments (negative fair value)	-	EUR	2023-2024	197	932
Other financial liabilities	-	EUR	2024	569	1,028
NON-CURRENT FINANCIAL DEBT				**578,312**	**518,104**
TOTAL FINANCIAL DEBT				**647,583**	**585,699**

(1) The maturities indicated correspond to the end-dates for the repayment of the financing concerned.

OCEANE 2025 convertible bonds

On October 1, 2020, our Company issued bonds convertible into and/or exchangeable for new and/or existing shares (OCEANE convertible bonds) maturing on October 1, 2025, for an amount of €325 million. Issue costs amounted to €3,942 thousand.

After initially measuring the debt component at €289,713 thousand, an amount of €35,287 thousand (gross, before deduction of issue costs) was recognized in equity in fiscal year 2020-2021. The amount recognized in the income statement for the year ended March 31, 2023 in respect of interest expenses relating to discounting the debt and amortizing issue costs amounted to €7,662 thousand.

Leases

Our Group signed new equipment finance leases (financing of production equipment) for a total amount of €15,892 thousand, with interest at rates of between 0.20% and 3.45%.

Long-term €200 million loan with Banque des Territoires

On March 27, 2020, our Group was granted a loan from Banque des Territoires (Caisse des Dépôts group) under the *Programme d'investissements d'avenir* (PIA), as part of the Nano 2022 program. Amounts have been drawn down from this credit line to support both the financing of R&D programs and investments in infrastructure projects that will be industrialized for the first time in France. The loan is for a maximum amount of €200 million and is subject to investment conditions. It is repayable in equal installments until the twelfth anniversary of its inception (2032) after an initial two-year capital amortization grace period. It bears interest at a rate equal to the yield on fixed-rate French treasury bonds (OAT) plus a spread of 1.43%.

At March 31, 2023, our Group had drawn down €154,481 thousand, of which €28,519 thousand in fiscal year 2022-2023.

Bank loans

Our Group concluded three syndicated loans with four Asia-based banks to finance new equipment for the Singapore site, for a total of €124,419 thousand.

The first two loans were taken out in November 2020 and January 2022 for initial amounts of €44,406 thousand and €30,956 thousand, respectively, and fall due in five years (2025 and 2026). The loans bear interest at 3-month Euribor plus an average spread of 1.93% and 1.61%.

In November 2022, our Group arranged a third loan for an initial amount of €49,057 thousand falling due in five years (2027). The loan bears interest at 3-month Euribor plus an average spread of 1.61%.

The three loans are subject to hedges (interest rate cap; see note 8.4) and guaranteed by the equipment financed.

Property finance lease

On March 22, 2022, our Group signed a property finance lease with six banks for a maximum amount of €90 million to finance the construction of our new production facility in Bernin, primarily intended for the manufacture of new silicon carbide (SiC) wafers. The lease includes two phases: (i) first, the pre-financing of the construction work; and (ii), once the building has been delivered, the leasing thereof over 12 years, with a purchase option at the end of the lease and an advance purchase option from the seventh year. The lease is not subject to any covenants.

The amount of the work financed by our Group was not material for fiscal year 2022-2023.

The work in respect of the first tranche is expected to be completed in first-quarter 2023-2024, when the related lease payments will begin.

Bank credit lines

At March 31, 2023, our Group had bank credit lines worth €95 million with eight banks, which are repayable at maturity no later than 2025. They bear a commitment fee of 0.20% or a non-utilization fee of 0.05%, and an interest rate ranging from Euribor +0.60% to +0.85%, depending on the credit line, and are not subject to any covenants.

At March 31, 2023, our subsidiary Dolphin Design had €9,756 thousand of drawn down credit lines, of which €7,378 thousand concerned the financing of research tax credits (€2,764 thousand of the 2021 research tax credit pre-financed over first-half 2022-2023) and €2,378 thousand obtained through factoring of export receivables (*mobilisation de créances nées sur l'étranger*) and other receivables.

Repayable advances

The liabilities corresponding to repayable advances collected under subsidy programs were recognized based on the best estimate of the repayments derived from the business plans (revenue generated by the new products developed under these subsidy programs) after discounting cash flows.

A significant upward revision of the long-term sales forecasts for radiofrequency, photonics, and spatial solar application products could result in the reclassification as debt of a portion of the repayable advances received under the Guépard program recognized in the income statement in previous fiscal years. The theoretical maximum amount that could be reclassified is €8,044 thousand, although the probability of reaching this level is extremely low.

Conversely, if sales forecasts are revised downwards, the maximum amount of advances recognized as debt in the statement of financial position that could be reclassified to the income statement is €1,398 thousand.

The repayment period for the repayable advance received under the Nanosmart program was definitively closed during fiscal year 2022-2023.

Put options

Soitec Belgium N.V.

At March 31, 2023, Soitec Belgium's co-founding directors held 3.39% of the share capital. The shareholder agreement provides for a cross put/call option for these directors at a price that will be determined according to the level of achievement of performance criteria. The fair value of this liability was measured based on best estimates of the achievement of the performance criteria by reference to the business plan over the contractual period.

Borrowings and debt fall due as follows:

(in € thousands)	March 31, 2023 Less than 1 year	1 to 5 years	More than 5 years	Total	March 31, 2022
LEASES (IFRS 16)					
Equipment leases	13,815	29,208	5,678	48,701	46,713
Real estate leases	8,257	8,040	13,874	30,171	11,139
Other leases	200	179	4	384	756
LOANS					
Bonds: OCEANE 2025 convertible bonds	-	305,015	-	305,015	297,353
Bank loans	33,760	133,168	72,242	239,170	186,964
OTHER BORROWINGS AND FINANCIAL DEBT					
Repayable advances	772	4,306	615	5,693	5,995
Derivative financial instruments (negative fair value)	7,074	197	-	7,271	24,630
Drawn committed credit lines	4,539	5,217	-	9,756	7,811
Other financial liabilities	853	569	-	1,422	4,338
TOTAL BORROWINGS AND DEBT	**69,271**	**485,898**	**92,414**	**647,583**	**585,699**

The following table presents changes in liabilities arising from financing activities:

(in € thousands)	March 31, 2022	Change in cash and cash equivalents	Non-cash movements Change	Translation adjustments	Changes in fair value	March 31, 2023
Borrowings and other financial debt – non-current portion	470,018	65,612	(16,639)	15	-	519,006
Borrowings and other financial debt – current portion	26,337	(14,296)	24,307	9	-	36,357
Financial debt in respect of leases (IFRS 16)	58,608	(22,699)	43,605	(258)	-	79,256
Derivative financial instruments	(542)	(816)	-	73	(3,765)	(5,050)
Other	199	(1,370)	-	-	-	(1,171)
TOTAL LIABILITIES ARISING FROM FINANCING ACTIVITIES	**554,620**	**26,431**	**51,273**	**(161)**	**(3,765)**	**628,398**

Leases pursuant to IFRS 16 are recorded under financial debt in the following categories:

(in € thousands)	Net carrying amount of lease liabilities at March 31, 2022	Increase in lease liabilities	Decrease in lease liabilities	Translation adjustments	Net carrying amount of lease liabilities at March 31, 2023
Equipment leases	46,713	15,903	(13,915)	-	48,701
Real estate leases	11,139	28,524	(9,234)	(258)	30,171
Other leases	756	61	(433)	-	384
TOTAL LEASES (IFRS 16)	**58,608**	**44,488**	**(23,582)**	**(258)**	**79,256**

Accounting principles

Financial liabilities are classified into two categories:

- financial liabilities at amortized cost;
- financial liabilities at fair value through profit or loss.

Financial liabilities	Classification according to IFRS 9
Derivative financial instruments (negative fair value)	Fair value – hedging instrument
Other financial debt	Amortized cost
OCEANE convertible bonds	Amortized cost
Drawn committed credit lines	Amortized cost
Other financial liabilities	Amortized cost
Trade payables	Amortized cost

Financial liabilities at amortized cost

Borrowings and other financial liabilities (including trade payables) are carried at amortized cost using the effective interest rate method. Issue costs, issue premiums and redemption premiums are included in the amortized cost of borrowings and financial debt. They are shown as reductions or increases in borrowings, as appropriate, and are amortized on an actuarial basis.

Financial liabilities at fair value through profit or loss

A financial liability is classified as a financial liability at fair value through profit or loss if it is held for trading, whether it is a derivative or is designated as such at the time of its initial recognition. Financial liabilities measured at fair value through profit or loss are measured at fair value, with the resulting net gains and losses, including interest expense, taken to profit or loss.

6.14 Provisions and other non-current liabilities

Provisions and other non-current liabilities break down as follows:

(in € thousands)	March 31, 2023	March 31, 2022
Deferred income	44,217	19,565
Advances from customers	20,736	39,232
Deferred tax liabilities	3,220	3,184
Non-current liabilities	**68,173**	**61,981**
Provisions	12,223	16,616
PROVISIONS AND OTHER NON-CURRENT LIABILITIES	**80,396**	**78,597**

At March 31, 2023, deferred income mainly comprises:

- subsidies to be recognized in the income statement for €31,818 thousand (€3,781 thousand at March 31, 2022), of which €25,160 thousand for our Pasir Ris site in Singapore;
- research tax credits/subsidies relating to capitalized development costs for €8,408 thousand (€9,983 thousand at March 31, 2022);
- sales of prototypes for €3,409 thousand (€4,396 thousand).

At March 31, 2023, provisions and other non-current liabilities also include advances from customers under multi-year sales contracts amounting to €20,736 thousand (€30,323 thousand at March 31, 2022).

Accounting principles

Contract liabilities mostly consist of prepayments from customers or credit notes to be drawn up, as well as goods sent to customers for which control has not been transferred before the fiscal year-end.

Changes in provisions

Provisions break down as follows:

(in € thousands)	March 31, 2022	Additions for the period	Reversals (utilized)	Reversals (surplus)	Translation adjustments	Other comprehensive income	March 31, 2023
CURRENT PROVISIONS							
Litigation	1,566	554	(153)	(471)	-	-	1,496
Restructuring	437	760	-	(115)	(27)	-	1,055
Total current	**2,003**	**1,314**	**(153)**	**(586)**	**(27)**	**-**	**2,551**
NON-CURRENT PROVISIONS							
Retirement benefit obligations	12,285	1,431	(68)	(1,054)	-	(3,486)	9,108
Total non-current	**12,285**	**1,431**	**(68)**	**(1,054)**	**-**	**(3,486)**	**9,108**
Provisions linked to the solar energy business	4,787	-	(222)	(1,090)	(61)	-	3,414
TOTAL PROVISIONS	**19,075**	**2,745**	**(443)**	**(2,730)**	**(88)**	**(3,486)**	**15,073**

Non-current provisions for contingencies and expenses mainly comprises €9,108 thousand in provisions for retirement benefit obligations (€12,285 thousand at March 31, 2022), as well as €3,115 thousand in provisions linked to commitments given in connection with the solar energy business (€4,331 thousand at March 31, 2022). The decrease in the provision for retirement benefit obligations is mainly due to the update of financial assumptions (increase in the discount rate from 1.8% to 3.6% between years).

Our Group believes that it has recognized adequate provisions for the risks currently incurred.

The provision for retirement benefit obligations is analyzed in note 8.1.

Provisions relating to discontinued or sold operations (solar energy business) and the underlying commitments amount to €3,414 thousand, of which a non-current portion for €3,115 thousand and a current portion for €299 thousand. These provisions break down as follows:

(in € thousands)	March 31, 2022	Additions for the period	Reversals (utilized)	Reversals (surplus)	Reclassification and other	Translation adjustments	March 31, 2023
Dismantling of solar power plants (excl. the US) and compensation	3,744	-	(64)	(1,049)	17	-	2,648
Cost of discontinuing operations	466	-	(36)	(41)	(17)	-	372
Freiburg site	**4,210**	**-**	**(100)**	**(1,090)**	**-**	**-**	**3,020**
Cost of discontinuing operations	148	-	(60)	-	-	6	94
San Diego site	**148**	**-**	**(60)**	**-**	**-**	**6**	**94**
Cost of discontinuing operations	429	-	(62)	-	-	(67)	300
South Africa site	**429**	**-**	**(62)**	**-**	**-**	**(67)**	**300**
TOTAL	**4,787**	**-**	**(222)**	**(1,090)**	**-**	**(61)**	**3,414**

A total of €1,312 thousand in provisions was reversed in fiscal year 2022-2023, mainly related to certain risks which are no longer relevant for which our Group had recognized provisions.

The cost of discontinued operations has been estimated mainly on the basis of forecasts of the maintenance expense to be incurred prior to extinguishing the current obligations.

The provisions for compensation are based on management's best estimates of the probability of contractual risks leading to an outflow of resources on ongoing disputes.

Accounting principles

Our Company and its subsidiaries may be subject to certain claims, legal or regulatory proceedings outside the ordinary course of business. The provision recognized is based on a case-by-case assessment of the level of risk and depends in particular on the assessment of the merits of the claims and the defense arguments, it being specified that any events occurring during the course of the proceedings may give rise to a reassessment of the risk. Provisions are set aside for any expenses arising from these proceedings only when such expenses are likely to arise and their amount is quantifiable or can be estimated within a reasonable range.

A provision is recognized when our Group has a present (legal or constructive) obligation arising from a past event, the amount of which can be estimated reliably, and the settlement of which is expected to result in an outflow of resources embodying economic benefits for our Group. Provisions are discounted where the impact of discounting is material.

A provision for restructuring costs is only recognized when there is a constructive obligation towards a third party arising from a decision by management prior to the reporting date evidenced by a detailed, formal plan that has been announced to the parties concerned.

Contingent liabilities consist of a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the control of the entity, or a present obligation for which an outflow of resources is unlikely. Contingent liabilities are not recognized, but are disclosed in the notes.

6.15 Trade payables

Trade payables break down as follows:

(in € thousands)	March 31, 2023	March 31, 2022
TRADE PAYABLES	**170,722**	**100,993**

Accounting principles

Trade payables correspond to short-term operating payables, and are measured at their nominal value.

6.16 Provisions and other current liabilities

Provisions and other current liabilities break down as follows:

(in € thousands)	March 31, 2023	March 31, 2022
Tax and social security payables	102,954	74,570
Payable to fixed asset suppliers	69,502	55,571
Prepayments received on customer orders	29,004	35,143
Deferred income	7,902	6,218
Other liabilities	3,456	3,184
Other current liabilities	**212,818**	**174,686**
Provisions	2,851	2,459
PROVISIONS AND OTHER CURRENT LIABILITIES	**215,668**	**177,145**

Tax and social security payables totaled €102,954 thousand at March 31, 2023 (€74,570 thousand at March 31, 2022). The increase is mainly related to tax payables in respect of our subsidiary in Singapore.

Provisions are set out in note 6.14 “Provisions and other non-current liabilities”.

Other liabilities mainly include subsidies concerning certain R&D projects for €2,021 thousand, and directors’ compensation (formerly known as directors’ fees) for €1,010 thousand.

Accounting principles

See note 6.14 “Provisions and other non-current liabilities”.

NOTE 7. NOTES TO THE CONSOLIDATED INCOME STATEMENT

7.1 Personnel costs

Personnel costs break down as follows:

(in € thousands)	Year ended March 31, 2023	Year ended March 31, 2022
Wages and salaries, including social security costs (1)	(185,402)	(159,187)
Pension costs	(62)	4,207
Share-based payment expenses (2)	(16,788)	(26,792)
TOTAL PERSONNEL COSTS	**(202,252)**	**(181,772)**

(1) Wages and salaries also include incentive and mandatory profit-sharing expenses.
(2) Including social security contributions.

During fiscal year 2022-2023, the increase in personnel costs was chiefly attributable to new hiring. The net addition to the provision for retirement benefit obligations included service costs of €744 thousand, offset by plan curtailments.

During fiscal year 2021-2022, the decrease in the provision for retirement benefit obligations was due to the reclassification of a portion thereof within social security payables, which led to the partial reversal of the provision.

Our Group's average number of employees measured on a full-time equivalent basis is as follows:

(full-time equivalent)	Year ended March 31, 2023	Year ended March 31, 2022
Production	1,269	1,172
R&D	431	392
Management and administrative staff	301	244
Sales and marketing	43	39
TOTAL FULL-TIME EQUIVALENT HEADCOUNT	**2,044**	**1,847**

7.2 R&D costs

R&D costs break down as follows:

(in € thousands)	Year ended March 31, 2023	Year ended March 31, 2022
Gross R&D costs before capitalization	**(122,664)**	**(108,042)**
Capitalized development costs	27,997	15,100
Gross R&D costs	**(94,667)**	**(92,942)**
of which cost of amortization of capitalized projects	*(10,031)*	*(7,461)*
Sales of prototypes	3,296	1,739
R&D subsidies recognized in the income statement	9,906	13,960
Research tax credit	17,225	18,761
Other income (1)	-	1,587
Total income deducted from gross R&D costs (1)	**30,427**	**36,047**
TOTAL R&D COSTS, NET	**(64,240)**	**(56,895)**

(1) €6,619 thousand in income from prototype sales, subsidies and research tax credits in respect of capitalized development projects was reclassified to deferred income in fiscal year 2022-2023, compared with €3,935 thousand in fiscal year 2021-2022.

In fiscal year 2022-2023, a total of €27,997 thousand in development costs were capitalized (€15,100 thousand in fiscal year 2021-2022), linked to capitalizing certain costs related primarily to the development of our SmartSiC products.

Accounting principles

R&D costs include costs that do not meet the criteria for recognition as intangible assets as defined in note 6.1 "Intangible assets". These costs are shown net of prototype sales made as part of R&D activities, any research tax credits, and subsidies recognized in profit or loss for the period.

Subsidies received, for which financing agreements have been signed and administrative authorizations obtained, are recorded as deferred income in the statement of financial position (if they relate to projects meeting IAS 38 criteria). Subsidies are invoiced to the relevant bodies following project reviews, based on the milestones set out in the subsidy agreements.

If they do not pertain to capitalized projects, subsidies are recognized immediately in profit or loss based on the stage of completion of the corresponding projects.

Support for R&D activities may also take the form of repayable advances. These advances are recognized within borrowings and financial debt if the corresponding projects meet the criteria for capitalization as R&D costs, or if it is likely that the advance will be repaid. If the criteria are not met, repayable advances are treated in the same way as subsidies received.

7.3 Depreciation and amortization expense

Depreciation and amortization expense in the income statement break down as follows:

(in € thousands)	Year ended March 31, 2023	Year ended March 31, 2022
Cost of sales	(79,331)	(59,470)
R&D costs	(23,720)	(19,040)
Sales and marketing expenses	(147)	(41)
Administrative expenses	(2,561)	(2,263)
TOTAL DEPRECIATION AND AMORTIZATION EXPENSE	**(105,759)**	**(80,814)**

The increase in depreciation and amortization expense reflects the high levels of investment over the past few years.

IFRS 16 – Leases

(in € thousands)	Depreciation of right-of-use assets for the year ended March 31, 2023	Interest expense on lease liabilities for the year ended March 31, 2023	Rental expenses for the year ended March 31, 2023
LEASES (IFRS 16)			
Buildings	(2,088)	(403)	(2,404)
Equipment	(10,890)	(323)	(14,242)
Other non-current assets	(438)	(31)	(467)
Total leases (IFRS 16)	**(13,416)**	**(757)**	**(17,113)**
Short-term or low-value leases (exemption)	-	-	(1,508)
Total leases not restated	**-**	**-**	**(1,508)**
TOTAL	**(13,416)**	**(757)**	**(18,621)**

Accounting principles

Depreciation and amortization are calculated based on the rate of consumption of the economic benefits expected for each asset item based on its acquisition cost, generally without deduction of a residual value. Accordingly, the straight-line method is generally used. The depreciation periods for property, plant and equipment are presented in note 6.2.

7.4 Other operating income and expenses

Other operating income and expenses in the income statement break down as follows:

(in € thousands)	Year ended March 31, 2023	Year ended March 31, 2022
Reversals of impairment on intangible assets	-	10,251
Other operating income	503	31
Total other operating income	**503**	**10,282**
Other operating expenses	(55)	(645)
Total other operating expenses	**(55)**	**(645)**
TOTAL OTHER OPERATING INCOME AND EXPENSES, NET	**448**	**9,637**

For the year to March 31, 2022, other operating income mainly included the reversal of the impairment loss on our Singapore industrial site for €9.1 million.

Accounting principles

Other operating income and expenses show the effects of major events occurring during the accounting period that are liable to skew analyses of our Group's recurring performance. They comprise a limited number of unusual, abnormal, infrequent and material income and expense items. They include non-recurring restructuring costs, impairment losses charged against non-current assets and goodwill, transaction costs related to acquisitions of equity interests, and gains and losses from disposals of non-current assets.

7.5 Financial income

Financial income breaks down as follows:

(in € thousands)	Year ended March 31, 2023	Year ended March 31, 2022
Other interest income	4,876	483
Other financial income	-	115
Reversal of provisions	156	72
Net foreign exchange gains (1)	514	12,828
TOTAL FINANCIAL INCOME	**5,546**	**13,498**

(1) Foreign exchange gains and losses are presented net.

For the year to March 31, 2023, financial income consists mainly of interest received for €4,876 thousand (€483 thousand for the year to March 31, 2022), related to the investment of a portion of our cash during fiscal year 2022-2023.

For the year to March 31, 2022, financial income chiefly represented a foreign exchange gain for €12,828 thousand, mainly attributable to the appreciation of the US dollar against the euro during fiscal year 2021-2022.

7.6 Financial expenses

Financial expenses break down as follows:

(in € thousands)	Year ended March 31, 2023	Year ended March 31, 2022
Interest on OCEANE convertible bonds	(7,662)	(9,804)
Interest on borrowings and bank current accounts	(4,474)	(2,357)
Other financial expenses	(1,018)	(930)
Interest on leases	(758)	(428)
Other interest expense	(641)	(469)
Impairment of investments	(560)	(166)
TOTAL FINANCIAL EXPENSES	**(15,113)**	**(14,154)**

For the year to March 31, 2023:

- interest on borrowings and bank current accounts increased due to the issuance of new financing in fiscal year 2022-2023;
- financial expenses related to convertible bonds decreased due to the conversion of OCEANE 2023 convertible bond on October 8, 2021.

For the year to March 31, 2022, financial expenses mainly included interest on our OCEANE 2023 and OCEANE 2025 convertible bonds.

Accounting principles

Financial income and expenses comprise the cost of financial debt, changes in the fair value of financial assets excluding cash and derivatives not eligible for hedge accounting, gains and losses on the disposal of financial assets, gains and losses on discounting, and foreign exchange gains and losses on items not included in net debt.

7.7 Income tax

For the year to March 31, 2023, the net tax expense for the fiscal year was €26,198 thousand, reflecting current tax expense of €33,293 thousand originating mainly from our Company, partially offset by the recognition of deferred tax assets of €10,031 thousand (of which €5,367 thousand in tax loss carryforwards recognized during the fiscal year).

The difference between the theoretical income tax calculated at the standard tax rate in France (25.83% for the year to March 31, 2023) and the effective tax expense in the income statement breaks down as follows:

(in € thousands)	Year ended March 31, 2023	Year ended March 31, 2022
Profit before tax	259,233	203,645
Tax rates in force in France	25.83%	28.41%
Theoretical income tax benefit/(expense) at the applicable rate	(66,960)	(57,856)
RECONCILIATION ITEMS		
Unrecognized deferred tax assets	(3,033)	(2,817)
Non-deductible provisions and expenses (permanent difference)	(198)	214
Non-taxable income	8,438	5,303
Utilization of tax loss carryforwards	27,270	27,115
Recognition of tax loss carryforwards	5,367	12,350
Reversals of impairment on non-current assets	-	1,443
Adjustments for differences in income tax rates	4,666	5,685
Share-based payments	(2,281)	6,803
Other differences	533	77
EFFECTIVE TAX	**(26,198)**	**(1,683)**

Deferred tax assets and liabilities chiefly break down as follows, by nature:

(in € thousands)	March 31, 2022	Income statement	Other comprehensive income	Translation adjustments and other reclassifications	March 31, 2023
DEFERRED TAX ASSETS					
Tax losses carried forward, net	64,883	1,764	-	224	66,871
Temporary differences (1)	6,354	(1,935)	-	-	4,419
Other items (2)	6,145	2,788	(833)	-	8,100
Total deferred tax assets	**77,382**	**2,617**	**(833)**	**224**	**79,390**
DEFERRED TAX LIABILITIES					
Net deferred taxes on leases	(4,225)	(466)	-	-	(4,691)
Deferred taxes on financial instruments	3,440	100	(3,379)	-	161
Other items (2)	(15,537)	4,845	-	(631)	(11,323)
Total deferred tax liabilities	**(16,322)**	**4,479**	**(3,379)**	**(631)**	**(15,853)**
NET DEFERRED TAXES	**61,060**	**7,096**	**(4,212)**	**(407)**	**63,537**

(1) Temporary differences mainly comprise non-tax-deductible provisions.

(2) Other items mainly include deferred tax on the free share allocation plans for a positive €4.7 million, retirement benefits recognized in assets for a positive €2.3 million, repayable advances recognized for a negative €2.0 million, the equity component of the OCEANE 2025 convertible bonds for a negative €4.6 million, as well as deferred tax liabilities on intangible assets identified during the acquisitions of Soitec Belgium, Dolphin Design SAS and NOVASiC SAS for a negative €3.4 million.

Deferred tax assets include an amount of €66,871 thousand relating to tax loss carryforwards in France which our Group expects to utilize in the coming years. Unrecognized tax loss carryforwards (base) in France (mainly attributable to Soitec SA) totaled €188,308 thousand at March 31, 2023.

Unrecognized tax loss carryforwards attributable to other Group entities amounted to US$294,745 thousand for Soitec USA Holding (to be utilized by March 31, 2027), €17,917 thousand for Soitec Belgium (to be utilized by March 31, 2027) and €5,069 thousand for NOVASiC SAS.

Accounting principles

In accordance with IAS 12, income tax expense represents the sum of income tax due by our Group's companies and deferred taxes. Income tax is recognized in the income statement except where it relates to items recognized in other comprehensive income, in which case it is also recognized in other comprehensive income.

Deferred tax is accounted for using the balance sheet liability method. The amount of tax expense calculated is influenced by the change in the receivable or liability attributable to the change in the income tax rate from one year to the next (liability method of tax allocation). Deferred tax assets are recognized only when it is probable that taxable profits will be available against which the deferred tax asset can be utilized. The recoverability of deferred tax assets is measured by reference to the business plans used for impairment testing over a three-year time horizon.

A deferred tax asset is recognized when the following conditions are met:

- the entity has sufficient taxable temporary differences involving the same tax authority and the same taxable entity or tax group, which will result in taxable amounts against which the unused tax credits or tax losses may be utilized before they expire;
- it is probable that the entity will generate taxable profits before the unused tax credits or tax losses expire.

No deferred tax asset is recognized to the extent that it is unlikely that the entity will report taxable profit against which the unused tax credits or tax losses can be utilized.

7.8 Earnings per share

The share data used to calculate basic and diluted earnings per share are as follows:

(number of shares)	Year ended March 31, 2023	Year ended March 31, 2022
Weighted average number of ordinary shares (excluding treasury shares) used to calculate basic earnings per share	35,133,150	33,753,666
Effects of dilution		
Preferred shares	-	631,826
OCEANE convertible bonds	1,864,173	2,610,059
Free shares	243,073	186,081
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES (EXCLUDING TREASURY SHARES) ADJUSTED FOR DILUTED EARNINGS PER SHARE	**37,240,396**	**37,181,632**

In addition to the dilutive shares described above, 200,770 equity instruments, potentially dilutive at March 31, 2023, are excluded from the calculation of diluted earnings per share for fiscal year 2022-2023 as they are either anti-dilutive or conditional on the achievement of performance conditions that had not been attained at the reporting date.

Accounting principles

Earnings per share are calculated based on the weighted average number of shares issued and outstanding during the fiscal year, less any treasury shares held. Diluted earnings per share are calculated using the treasury stock method, which adds to the denominator the number of shares that would result from dilutive instruments (options), less the number of shares that could be bought back at market price using the funds raised from exercising the relevant instruments. The number of shares used to calculate diluted earnings per share takes into account the weighted average number of ordinary shares outstanding during the period, adjusted for the impact of the potential ordinary shares that could result from the exercise of options, share warrants and other financial instruments that may be converted into ordinary shares, where their impact is dilutive.

Dilutive instruments are not taken into account in the calculation of diluted earnings per share when they lead to a reduction in the loss per share based on the average number of shares outstanding.

7.9 Net profit/(loss) from discontinued operations

(in € thousands)	Year ended March 31, 2023	Year ended March 31, 2022
Income/(expenses) for the period	1,053	(76)
Current operating income/(loss)	**1,053**	**(76)**
Other operating expenses, net	(3)	(1)
Operating income/(loss)	**1,050**	**(77)**
Net financial income/(expense)	78	(264)
Profit/(loss) before tax	**1,128**	**(341)**
Income tax	(2)	74
NET PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS	**1,126**	**(267)**

For the year to March 31, 2023, net profit from discontinued operations mainly corresponds to reversals of provisions recognized by our Group for certain risks in connection with our discontinued solar energy business that are no longer relevant.

Accounting principles

In accordance with IFRS 5, a discontinued operation is a component of an entity that has either been disposed of, or is classified as held for sale, and:

- represents either a separate major line of business or a geographical area of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

The discontinued operation classification must be used as soon as the operation has been sold or the business meets the conditions to be classified as held for sale.

Discontinued operations are presented separately in the income statement under “Net profit/(loss) from discontinued operations”.

The net cash flows attributable to operating, investing and financing activities of discontinued operations are calculated as the difference between these aggregate amounts and the amounts of continuing operations in the statement of cash flows, and are presented separately in the notes to the financial statements.

NOTE 8. OTHER INFORMATION

8.1 Retirement benefit obligations and other post-employment benefits

Benefit obligations

(in € thousands)	March 31, 2023	March 31, 2022
Retirement benefit obligations	9,104	12,281
Fair value of plan assets	(4)	(4)
BENEFIT OBLIGATIONS RECOGNIZED IN THE STATEMENT OF FINANCIAL POSITION	**9,108**	**12,285**

Our Group recognizes retirement benefit obligations in the statement of financial position based on the most likely estimated obligation using information available at the reporting date. The impact of changes in actuarial assumptions is recognized in other comprehensive income under “Actuarial gains/(losses) on defined benefit plans”.

Retirement benefit obligations

Retirement and other employee benefits granted to long-term personnel relate solely to active employees. Benefits are granted under either defined contribution or defined benefit plans.

Provisions are set aside only for defined benefit plans. These mainly consist of retirement indemnities plus other pension obligations and supplementary retirement gratuities.

In certain cases, obligations under defined benefit plans are covered by funds, which are regularly valued by independent actuaries. The value of any such funds is deducted from the corresponding liability. Plan assets include secure/dynamic investment vehicles, based on an analysis carried out with the entity of its obligations in light of the expected retirement dates of its employees.

	March 31, 2023	March 31, 2022
Retirement age	64-65 years depending on the category	62-65 years depending on the category
Turnover assumptions (average)	0.00% to 7.00% depending on age	0.00% to 5.75% depending on age
Annual inflation rate	2.10%	1.80%
Annual salary increase rate	2.00% to 3.50%	1.00% to 2.50%
Contribution rate	24%	24%
Annual discount rate	3.60%	1.80%

The sensitivity of the benefit obligation to the discount rate assumption (increase or decrease of 1 percentage point compared to the base rate) is indicated below:

		Annual discount rate	
PRESENT VALUE OF BENEFIT OBLIGATION	2.60%	3.60%	4.60%
	1-point decrease	Base scenario	1-point increase
	16%	**100%**	**-13%**

Change in retirement benefit obligations

(in € thousands)	March 31, 2023	March 31, 2022
Benefit obligation at beginning of the period	**12,285**	**15,352**
Service cost	744	2,072
Interest cost	240	123
Benefits paid	(62)	(6,260)
Other benefits	(613)	(59)
Changes in scope of consolidation	-	160
Actuarial gains/(losses) (assumptions and experience adjustments)	(3,486)	897
BENEFIT OBLIGATION AT END OF THE PERIOD	**9,108**	**12,285**

The decrease in retirement benefit obligations is mainly due to actuarial assumptions being updated (in particular, financial assumptions relating to the discount rate).

Change in fair value of plan assets

(in € thousands)	March 31, 2023	March 31, 2022
Fair value of plan assets at beginning of the period	**4**	**-**
Benefits paid net of contributions	0	-
Actuarial gains/(losses)	(0)	4
FAIR VALUE OF PLAN ASSETS AT END OF THE PERIOD	**4**	**4**

Change in provision recognized in the statement of financial position

(in € thousands)	March 31, 2023	March 31, 2022
Provision at beginning of the period	**12,281**	**15,352**
Service cost	744	2,072
Interest cost	240	123
Actuarial gains/(losses)	(3,486)	893
Benefits paid out of insurance fund	(62)	(6,260)
Changes in scope of consolidation	-	160
Other benefits	(613)	(59)
PROVISION AT END OF THE PERIOD	**9,104**	**12,281**

Expenses recognized in the income statement

(in € thousands)	March 31, 2023	March 31, 2022
Service cost	(744)	(2,072)
Interest cost	(240)	(123)
TOTAL EXPENSE RECOGNIZED IN THE INCOME STATEMENT	**(984)**	**(2,195)**

Accounting principles – IAS 19 – Employee Benefits

Retirement indemnities and related benefits

French law provides for the payment of a lump-sum indemnity on retirement. This indemnity is calculated based on the employee's length of service and level of compensation upon retirement. Rights only vest for employees who are still with our Company upon retirement.

Other pension plans

Our Group has entered into an agreement to supplement statutory retirement benefits. In addition to statutory benefits, our Group operates a supplementary pension plan for certain employees. This defined benefit plan is managed by an outside agency.

In the United States, Soitec USA LLC pays into a funded pension plan under section 401(k) of the US Internal Revenue Code. This defined contribution pension plan is exempt from tax and covers the majority of US employees.

Defined benefit plans are measured on an actuarial basis using the projected unit credit method, which factors in demographic (salary trends, age upon retirement, staff turnover, mortality rate) and financial (discount and inflation rate) assumptions. Actuarial gains and losses resulting from the revision of calculation assumptions are recognized immediately in other comprehensive income under "Actuarial gains/(losses) on defined benefit plans".

For defined contribution plans, payments are expensed as incurred, and do not give rise to a benefit obligation.

8.2 Contractual obligations and commitments

Contractual obligations and commitments break down as follows:

	March 31, 2023				March 31, 2022
(in € thousands)	Less than 1 year	1 to 5 years	More than 5 years	Total	Total
COMMITMENTS GIVEN SHOWN OFF-BALANCE SHEET					
Pledges	-	-	-	-	138
Guarantees given	5,391	90,154	23,778	119,323	99,806
Other commitments	6,628	29,240	-	35,868	64,040
TOTAL OFF-BALANCE SHEET CONTRACTUAL OBLIGATIONS	**12,019**	**119,394**	**23,778**	**155,191**	**163,984**
COMMITMENTS RECEIVED					
UNDRAWN COMMITTED CREDIT LINES	**26,666**	**68,334**	**-**	**95,000**	**85,000**

At March 31, 2023, guarantees, pledges and commitments given totaled €155,191 thousand, and mainly concern:

- guarantees given on equipment: €88,418 thousand financed by three syndicated loans in Singapore for an amount of €21,318 thousand, €22,955 thousand and €44,145 thousand, respectively;
- commitment to purchase raw materials under our multi-annual contracts, effective since April 1, 2020, for €35,868 thousand;
- guarantee given to ES Finance: for €3,917 thousand under two finance leases subscribed in Belgium;
- guarantee given to the project company for the Touwsrivier solar power plant (CPV Power Plant no. 1) for €20,000 thousand;
- guarantee given to the acquirers of the Desert Green solar power plant for €2,299 thousand.

8.3 Related-party disclosures

At March 31, 2023, the members of the Board of Directors were as follows:

- Éric Meurice, Chairman of the Board of Directors;
- Pierre Barnabé, who leads our Company as Chief Executive Officer;
- CEA Investissement, represented by François Jacq;
- Bpifrance Participations, represented by Samuel Dalens;
- Fonds Stratégique de Participations (FSP), represented by Laurence Delpy;
- Kai Seikku, on the proposal of NSIG;
- Françoise Chombar;
- Christophe Gégout;
- Satoshi Onishi;
- Maude Portigliatti;
- Delphine Ségura-Vaylet;
- Shuo Zhang;
- Wissème Allali, employee director;
- Didier Landru, employee director.

The terms of office of eight directors expired following the Annual General Meeting of July 26, 2022. The Board decided to take advantage of the expiration of these eight terms of office to restructure its composition and propose to the Annual General Meeting of July 26, 2022 the appointment of a majority of independent directors to the Board and its Committees, while ensuring that it retains diverse profiles and expertise both in the semiconductor sector and throughout Soitec's value chain, thereby ensuring that the Board of Directors and its Committees have the multidisciplinary, cross-cutting and complementary skills required to support our Group's development, meet its challenges and seize opportunities.

Accordingly, Pierre Barnabé, Fonds Stratégique de Participations ("FSP") represented by Laurence Delpy, CEA Investissement now represented by François Jacq, Delphine Ségura-Vaylet and Maude Portigliatti were appointed at the Meeting.

Among the 14 directors, seven are independent directors, namely Fonds Stratégique de Participations ("FSP") represented by Laurence Delpy, Françoise Chombar, Christophe Gégout, Éric Meurice, Maude Portigliatti, Delphine Ségura-Vaylet and Shuo Zhang. They have no executive mandate within our Company or Group, do not have a relationship of any nature whatsoever with our Company, our Group or our Executive Management that might compromise their judgment, and do not have any specific ties with the latter.

Our Board of Directors also includes two employee directors, Wissème Allali and Didier Landru.

The semiconductor market is known for its limited number of participants, meaning that our Group maintains, or is likely to maintain, business relationships with Bpifrance and Bpifrance Financement, Shin-Etsu Handotai, ST Microelectronics International N.V., Shanghai Simgui Technology Co. Ltd. ("Simgui"), and the French Alternative Energies and Atomic Energy Commission (*Commissariat à l'énergie atomique et aux énergies alternatives* – CEA). Some of our directors hold or have held positions within these companies, as described in the individual profiles presented in Chapter 4 of this Universal Registration Document.

Shin-Etsu Handotai Co. Ltd.

In the year ended March 31, 2023, purchases of raw materials from Shin-Etsu Handotai represented €249,357 thousand (€199,597 thousand in the year ended March 31, 2022). Our Group invoiced €4,964 thousand to Shin-Etsu Handotai in respect of fiscal year 2022-2023 (€4,674 thousand in respect of fiscal year 2021-2022).

ST Microelectronics International N.V.

On November 30, 2022, our Group signed a memorandum of understanding, the purpose of which is to define the main terms and conditions of future technical and commercial cooperation on SiC substrates with STMicroelectronics International N.V., subject to the qualification of Soitec's 200 mm SmartSiCTM substrate technology by ST, within 18 months following the date of signature. The objective of the cooperation is the adoption by STMicroelectronics, a global semiconductor leader serving customers across the spectrum of electronics applications, of Soitec's SmartSiCTM technology.

An initial fee of US$10 million was paid by ST to Soitec on March 23, 2023. Additional payments for the license granted to ST will be made subject to the successful achievement of the related milestones of the ongoing qualification process. The memorandum of understanding also establishes the preliminary purchase and sales conditions applicable for the initial prototypes and future purchase and sales conditions to be confirmed by a definitive agreement to be entered into at the end of the qualification phase. Subject to qualification and depending on the structure of the final agreement, the future purchase and sales conditions may lead to a project scope potentially worth several hundred million euros and spanning several years.

Our Group identified the following related parties:

- Nicolas Dufourcq, (i) Vice Chairman of the Supervisory Board of STMicroelectronics N.V. (sole shareholder of STMicroelectronics International N.V.); (ii) Chairman and Chief Executive Officer of Bpifrance Participations, a director and shareholder of Soitec holding more than 10% of the voting rights; and (iii) Chief Executive Officer of Bpifrance SA, sole shareholder of Bpifrance Participations;
- Samuel Dalens, (i) member of the Supervisory Board of STMicroelectronics Holding N.V. (shareholder of STMicroelectronics N.V.); and (ii) permanent representative of Bpifrance Participations, a director and shareholder of Soitec holding more than 10% of the voting rights as well as a shareholder of STMicroelectronics Holding N.V.

Other related parties

In fiscal year 2022-2023, our Group paid €3,863 thousand to CEA under the R&D agreement (€5,741 thousand in fiscal year 2021-2022), €1,122 thousand under the hosting agreement and €4,198 thousand under the collaboration agreement (respectively €876 thousand and €5,791 thousand in fiscal year 2021-2022) and €6,071 thousand in patent royalties (€5,694 thousand in fiscal year 2021-2022). In addition, our Group invoiced CEA €734 thousand, mainly in connection with the sale of 300 mm wafers (€2,125 thousand in fiscal year 2021-2022).

During the fiscal year, our Group paid Simgui US$91,800 thousand for the purchase of 200 mm SOI wafers (US$78,300 thousand in fiscal year 2021-2022).

Our Group invoiced Simgui US$43,400 thousand in silicon substrates (US$37,700 thousand in fiscal year 2021-2022).

During the fiscal year, our Group reimbursed €2.5 million in respect of programs subsidized by Bpifrance, and received €2.9 million from Bpifrance Investissement, chiefly under the Mobisic and Limpide programs. During the fiscal year, our Group obtained receivable financing from Bpifrance Financement in respect of research tax credits for €7.4 million.

At March 31, 2023, our Executive Committee (ExCom) had 11 members, excluding corporate officers (unchanged from March 31, 2022), resulting in an average membership of 11 over the fiscal year (unchanged from fiscal year 2021-2022). The total gross compensation paid by our Group to ExCom members, excluding corporate officers, and including direct and indirect benefits of executives, was €10,537 thousand for the year ended March 31, 2023 (€12,321 thousand for the year ended March 31, 2022).

(in € thousands)	March 31, 2023	March 31, 2022
Short-term benefits	6,172	5,159
Accounting value of free shares allocated during the fiscal year	4,365	7,162
TOTAL GROSS COMPENSATION GRANTED TO GROUP EXECUTIVES	**10,537**	**12,321**

During fiscal year 2022-2023, executives excluding corporate officers were allocated:

- 43,824 ordinary shares under the “Onyx 2025” plan, subject to presence and performance conditions;
- 2,552 ordinary shares under the “Agate 2025” plan, subject to presence and performance conditions.

The gross amount of compensation allocated to corporate officers and non-employee directors was as follows:

(in € thousands)	March 31, 2023	March 31, 2022
Short-term benefits	1,364	1,502
Accounting value of free shares allocated during the fiscal year	911	1,688
Total compensation granted to corporate officers	**2,275**	**3,190**
Compensation	1,010	1,010
Reimbursement of travel expenses	36	17
TOTAL COMPENSATION AWARDED TO CORPORATE OFFICERS AND NON-EMPLOYEE DIRECTORS	3,321	4,217

During fiscal year 2022-2023, 9,612 ordinary shares were allocated on a conditional basis to corporate officers under the “Onyx 2025” plan, subject to presence and performance conditions.

8.4 Financial risk management

Financial risk management objectives and policies

Foreign exchange risk management

Our Group's objectives are to hedge foreign exchange risk on commercial transactions recognized in the statement of financial position and on highly probable future transactions. During fiscal year 2022-2023, our Group's policy regarding exposure to foreign exchange risk on its future commercial transactions was to hedge a substantial portion of the risk for fiscal year 2022-2023 using derivatives (mainly futures) based on operating budgets. The useful lives of these instruments match our Group's payment flows. Our Group applies hedge accounting as defined by IFRS 9. Our Group's policy is not to use instruments for speculative purposes.

Our Group also hedges the foreign exchange risk related to purchases of equipment in foreign currencies by means of tunnel options. These economic trading derivatives do not qualify as hedges for accounting purposes. Changes in the fair value of these instruments are recognized directly in the income statement.

Interest rate risk management

Our Group aims to hedge interest rate risk on material financing arrangements. During fiscal year 2022-2023, our Group's policy regarding exposure to interest rate risk on floating-rate borrowings was to hedge a substantial portion of the exposure to interest rate risk using derivative financial instruments (caps) based on floating-rate agreements.

The table below summarizes the maturity profile of our Group's financial liabilities at March 31, 2022 and March 31, 2023:

(in € thousands)	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Borrowings and financial debt	18,284	49,189	438,356	79,748	585,577
Other financial liabilities	122	-	-	-	122
Trade payables	94,713	6,279	-	-	100,993
Other liabilities	83,521	93,624	58,602	16,811	252,558
MARCH 31, 2022	**196,640**	**149,092**	**496,958**	**96,559**	**939,249**
Borrowings and financial debt	23,588	45,683	485,899	92,413	647,583
Trade payables	168,221	2,501			170,722
Other liabilities	129,419	86,249	63,021	14,156	292,845
MARCH 31, 2023	**321,228**	**134,433**	**548,920**	**106,569**	**1,111,150**

	March 31, 2023				
(in € thousands)	Notes	Carrying amount	Fair value through other comprehensive income	Fair value through profit or loss	Amortized cost
NON-CURRENT FINANCIAL ASSETS					
Non-consolidated investments	6.4	20,281	-	20,281	-
Derivative financial instruments (positive fair value)	6.4	4,775	4,775	-	-
Deposits and guarantees	6.4	107	-	-	107
Other	6.4	11	-	-	11
Non-current financial assets		**25,174**	**4,775**	**20,281**	**118**
CURRENT FINANCIAL ASSETS					
Derivative financial instruments (positive fair value)	6.9	1,033	1,033	-	-
Other	6.9	2,405	-	-	2,405
Current financial assets		**3,438**	**1,033**	**-**	**2,405**
Trade receivables	6.7	363,118			363,118
Cash and cash equivalents	6.10	787,915	-	787,915	-
TOTAL FINANCIAL ASSETS	**-**	**1,179,645**	**5,808**	**808,196**	**365,641**
CURRENT AND NON-CURRENT FINANCIAL LIABILITIES					
Derivative financial instruments (negative fair value)	6.13	(7,271)	(7,271)	-	-
Other financial debt	6.13	(325,541)	-	-	(325,541)
OCEANE 2025 convertible bonds	6.13	(305,015)	-	-	(305,015)
Drawn committed credit lines	6.13	(9,756)	-	-	(9,756)
Current and non-current financial liabilities		**(647,583)**	**(7,271)**	**-**	**(640,312)**
Trade payables	6.15	(170,722)	-	-	(170,722)
TOTAL FINANCIAL LIABILITIES	**-**	**(818,305)**	**(7,271)**	**-**	**(811,034)**

Financial assets and liabilities were as follows at March 31, 2022:

		March 31, 2022			
(in € thousands)	Notes	Carrying amount	Fair value through other comprehensive income	Fair value through profit or loss	Amortized cost
NON-CURRENT FINANCIAL ASSETS					
Non-consolidated investments	6.4	12,589	-	12,589	-
Derivative financial instruments (positive fair value)	6.4	3,128	3,128	-	-
Deposits and guarantees	6.4	104	-	-	104
Other	6.4	1,044	-	-	1,044
Non-current financial assets		**16,865**	**3,128**	**12,589**	**1,148**
CURRENT FINANCIAL ASSETS					
Derivative financial instruments (positive fair value)	6.9	2,444	278	2,166	-
Other	6.9	1,763	-	-	1,763
Current financial assets		**4,207**	**278**	**2,166**	**1,763**
Trade receivables	6.7	280,235	-	-	280,235
Cash and cash equivalents	6.10	727,822	-	727,822	-
TOTAL FINANCIAL ASSETS		**1,029,129**	**3,406**	**742,577**	**283,146**
CURRENT AND NON-CURRENT FINANCIAL LIABILITIES					
Derivative financial instruments (negative fair value)	6.13	(24,630)	(16,418)	(8,212)	-
Other financial debt	6.13	(255,905)	-	-	(255,905)
OCEANE 2025 convertible bonds	6.13	(297,353)	-		(297,353)
Drawn committed credit lines	6.13	(7,811)	-	-	(7,811)
Current and non-current financial liabilities		**(585,699)**	**(16,418)**	**(8,212)**	**(561,069)**
Trade payables	6.15	(100,993)	-	-	(100,993)
TOTAL FINANCIAL LIABILITIES		**(686,692)**	**(16,418)**	**(8,212)**	**(662,062)**

Classification of financial instruments pursuant to IFRS 13

The breakdown of financial instruments by level in the fair value hierarchy is as follows:

(in € thousands)	Notes	Level 1	Level 2	Level 3	Carrying amount in the statement of financial position
ASSETS					
Non-consolidated investments	6.4	-	-	20,281	20,281
Cash and cash equivalents	6.10	787,915		-	787,915
Derivative financial instruments (positive fair value)	6.9	-	5,808	-	5,808
LIABILITIES					
Derivative financial instruments (negative fair value)	6.13	-	(7,271)	-	(7,271)
NET VALUE AT MARCH 31, 2023		**787,915**	**(1,463)**	**20,281**	**806,733**
ASSETS					
Non-consolidated investments	6.4	-	-	12,589	12,589
Cash and cash equivalents	6.10	727,822	-	-	727,822
Derivative financial instruments (positive fair value)	6.9	-	5,572	-	5,572
LIABILITIES					
Derivative financial instruments (negative fair value)	6.13	-	(24,630)	-	(24,630)
NET VALUE AT MARCH 31, 2022		**727,822**	**(19,059)**	**12,589**	**721,353**

The fair value hierarchy is described in the accounting principles below.

Financial instruments used

Foreign exchange risk

The table below shows the financial instruments contracted to hedge foreign exchange risk and the rates to which our Group is exposed at March 31, 2023:

	Risk hedged at March 31, 2023			
		Foreign exchange risk		Interest rate risk
(in € thousands)	Total	Forward contracts	Options	Interest rate caps
Hedging instruments	**(1,463)**	**(6,512)**	**-**	**5,050**
Positive fair value of derivatives	5,808	759	-	5,050
Negative fair value of derivatives	(7,271)	(7,271)	-	-
Change in cash flow hedge reserve	**3,035**	**1,016**	**(1,655)**	**3,674**
Gains/(losses) recognized in other comprehensive income	14,293	10,102	-	4,191
Reclassification to net financial expense	(2,172)	-	(1,655)	(517)
Reclassification to operating income	(9,086)	(9,086)	-	-
Item hedged		**Revenue**	**Capital expenditure (Equipment)**	**Floating-rate interest**

The main hedges outstanding at end-March 2022 and their impacts on the financial statements are presented below:

	Risk hedged at March 31, 2022			
		Foreign exchange risk		Interest rate risk
(in € thousands)	Total	Forward contracts	Options	Interest rate caps
Hedging instruments	**(19,058)**	**(19,582)**	**(18)**	**543**
Positive fair value of derivatives	5,572	4,177	852	543
Negative fair value of derivatives	(24,630)	(23,760)	(870)	-
Change in cash flow hedge reserve	**(16,641)**	**(16,929)**	**(18)**	**307**
Gains/(losses) recognized in other comprehensive income	(9,487)	(9,814)	-	327
Reclassification to net financial expense	1,313	1,351	(18)	(20)
Reclassification to operating income	(8,467)	(8,467)	-	-
Item hedged		**Revenue**	**Capital expenditure (Equipment)**	**Floating-rate interest**

Market value was estimated using one or more commonly used models.

The nominal value of the cash flow hedges outstanding at end-March 2023 are presented below:

	Nominal value of hedging instruments by maturity			
(in € thousands)	2023	2024	2025	2026 and beyond
Forward contracts, USD	225,747	96,092	-	-
Interest rate caps, EUR	1,822	3,222	2,488	10,157

Sensitivity analysis of net exposure after foreign exchange hedging

The exchange rates of our Group's main currencies at March 31, 2023 were as follows:

- EUR/USD: €1 for US$1.0875 (€1 for US$1.1101 at March 31, 2022);
- EUR/JPY: €1 for JPY 144.83 (€1 for JPY 135.17 at March 31, 2022).

The scope used to analyze sensitivity to exchange rate risks includes receivables and other assets, debts and other liabilities and cash, the portion of commercial cash flows falling within the hedged period as well as derivatives used to hedge foreign exchange exposures.

A 10% increase in the euro against these currencies at March 31 would reduce earnings in the amounts indicated below (based on the receivables and payables denominated in foreign currency presented in the statement of financial position at March 31, 2023). For the purposes of this analysis, all other variables (in particular interest rates) are assumed to have remained constant.

(in € thousands)	March 31, 2023	March 31, 2022
US dollar	(23,899)	(38,840)
Yen	(371)	4,373
Singapore dollar	358	21,397
Other currencies	(472)	(391)
Increase/(decrease) in earnings resulting from a 10% increase in the value of the euro	**(24,384)**	**(13,461)**

A 10% decrease in the euro against these currencies at March 31 would increase earnings in the amounts indicated below (based on the receivables and payables denominated in foreign currency presented in the statement of financial position at March 31, 2023). For the purposes of this analysis, all other variables (in particular interest rates) are assumed to have remained constant.

(in € thousands)	March 31, 2023	March 31, 2022
US dollar	29,209	47,471
Yen	453	(5,344)
Singapore dollar	(438)	(26,152)
Other currencies	577	478
Increase/(decrease) in earnings resulting from a 10% decrease in the value of the euro	**29,801**	**16,453**

Interest rate risk

Our Group's medium and long-term debt is partly contracted at floating rates and partly at fixed rates.

A significant portion of the exposure to interest rate risk attributable to the floating-rate loans in Singapore was hedged using a 0.25% cap for the loans taken out in November 2020 and January 2022, and using a 2.0% cap for the loan taken out in December 2022.

A significant portion of the exposure to interest rate risk attributable to the property finance lease signed to finance the new plant under construction at our Bernin 4 site, dedicated in particular to the development of new innovative silicon carbide (SiC) substrates, was hedged using a 1.50% cap.

A 1% increase in interest rates applied to the portion of debt at floating rates would have had no material impact on net financial income or expense.

A 1% decrease in interest rates applied to the portion of debt at floating rates would have had no material impact on net financial income or expense.

Credit risk

The financial instruments on which our Group potentially incurs a credit risk are mainly cash and trade receivables. Our Group has put in place a cash management policy to optimize its investments in liquid short-term and low-risk financial instruments. Our Group's cash and cash equivalents are deposited mainly with leading international financial institutions.

Our Group sells its products to customers within the semiconductor industry, located mainly in the US, Asia, and Europe. At March 31, 2023, eight customers individually represented more than 5% of Group revenue and together accounted for 83% of revenue. At March 31, 2022, seven customers individually represented more than 5% of Group revenue and together accounted for 75% of revenue.

Our Group periodically assesses the credit risk and financial position of its customers and books provisions for potential losses on uncollectible receivables. The amount of these losses has remained non-material in recent years.

Equity risk

Our Group does not hold any non-consolidated investments or investments traded on a regulated market.

Liquidity risk

- **CASH FLOW MATURITY SCHEDULE FOR FINANCIAL DEBT**

The following table shows the timing of repayment of financial liabilities recognized at March 31, 2023 at their nominal amount, including interest recognized and not discounted.

	Contract maturity date						
	Amount due						
(in € thousands)	Less than 1 year	1-2 years	2-3 years	3-5 years	More than 5 years	Total	Amount recognized in the statement of financial position at March 31, 2023
NON-DERIVATIVE FINANCIAL INSTRUMENTS WITH A NEGATIVE FAIR VALUE							
Leases (IFRS 16)	23,270	13,448	10,442	16,641	21,261	85,081	79,256
Bonds and other borrowings	42,411	41,842	371,342	65,051	76,228	596,874	581,041
Trade payables	170,584	-	-	-	-	170,584	170,584
Other payables (excluding tax and social security payables)	101,964	-	-	-	-	101,964	101,964
Total non-derivative financial instruments with a negative fair value	**338,229**	**55,290**	**381,784**	**81,692**	**97,489**	**954,483**	**932,845**
DERIVATIVE FINANCIAL INSTRUMENTS							
Interest rate derivatives	554	481	29	(0)	205	1,269	5,050
Currency derivatives	6,641	(129)	-	-	-	6,512	6,512
Total derivative financial instruments	**7,195**	**352**	**29**	**(0)**	**205**	**7,781**	**11,562**
TOTAL FINANCIAL LIABILITIES	**345,425**	**55,642**	**381,813**	**81,691**	**97,694**	**962,265**	**944,407**

Our Group has access to financing from the capital markets in the form of:

- long-term borrowings: convertible bond issues;
- specific debt instruments (loan from Banque des Territoires [Caisse des Dépôts group], bank loans in Singapore);
- lease financing in France and Belgium for capital spending purposes and certain buildings; and
- committed credit lines.

At March 31, 2023, in addition to cash and cash equivalents as presented in the statement of financial position (€788 million), our Group's liquidity was backed by:

- **Committed credit lines**

  At March 31, 2023, our Group had bank credit lines worth €95 million with eight banks, of which €85 million is repayable at maturity no later than June 2025. The remaining €10 million of credit lines is repayable in installments (€2.5 million every year since 2022). They bear a commitment fee of 0.20% or a non-utilization fee of 0.05%, and a utilization fee ranging from Euribor +0.60% to +0.85%, depending on the credit line, and are not subject to any covenants.

  These credit lines were entirely undrawn at March 31, 2023.

- **Residual drawdown rights on the €200 million long-term loan from Banque des Territoires**

  As explained in note 6.13 "Borrowings and financial debt", our Group was granted a 12-year loan for a maximum amount of €200 million from Banque des Territoires (Caisse des Dépôts group) under the *Programme d'investissements d'avenir* (PIA), as part of the Nano 2022 program. Other than the obligation to maintain the financed assets in France, the loan does not contain any covenants. The loan contains an early repayment clause that would be triggered in the event that the investments financed by the loan are sold (and not replaced).

  At March 31, 2023, €154 million of the €200 million loan had been drawn down and was presented in financial debt. A further €46 million can be drawn under the loan subject to investments meeting eligibility criteria (technologies covered by the Nano 2022 program).

Capital management

Our Group's primary objective is to have the necessary and sufficient financial resources to fund the growth of its business. Focusing on an industrial growth strategy geared towards strong product innovation, our Group reinvests a significant portion of its earnings in its business.

Our Company ownership structure is characterized by the presence of three strategic investors – Bpifrance Participations, CEA Investissement and NSIG Sunrise S.à.r.l., which hold 11.51%, 7.22% and 9.37%, respectively, of the share capital – plus a number of institutional investors.

Accounting principles

Hedging derivatives

Our Group hedges its foreign exchange risk on certain transactions denominated in US dollars using derivatives (forward sales, options). These derivative instruments only hedge foreign exchange risk arising from firm commitments or highly probable future transactions.

Our Group may also hedge interest rate risk on floating-rate borrowings.

Derivatives are initially recognized at fair value upon acquisition. Attributable transaction costs are recognized in the income statement when incurred. For derivatives not meeting hedge accounting criteria, following initial recognition, changes in fair value are taken immediately to profit or loss.

If the derivative is designated as a hedge of the fair value of assets or liabilities recognized in the consolidated statement of financial position, changes in the value of the derivative and of the hedged item are recognized in profit or loss in the same period.

If the derivative is designated as a cash flow hedge, changes in the value of the effective portion are recognized in other comprehensive income and are taken to profit or loss when the hedged item is recognized in the income statement. However, the ineffective portion is immediately recognized in net financial income and expense.

Fair value of derivatives

Our Group applies IFRS 13 regarding financial instruments measured at fair value in the statement of financial position. Fair value measurements are broken down by level in the fair value hierarchy, as follows:

- Level 1: the instrument is quoted in an active market;
- Level 2: fair value is determined using valuation techniques based on observable inputs, other than the prices quoted in Level 1, either directly (prices) or indirectly (pricing data);
- Level 3: at least one significant fair value component is based on non-observable inputs.

The fair value of financial instruments traded in an active market is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service or regulatory agency, and those prices represent regularly occurring market transactions. These instruments are classified in Level 1.

The fair value of financial instruments not quoted in an active market (e.g., over-the-counter derivatives) is calculated using valuation techniques. These valuation techniques maximize the use of observable market data, where available, and rely as little as possible on our Group's own estimates. If all inputs required to calculate the fair value of an instrument are observable, the instrument is classified in Level 2 of the fair value hierarchy.

If one or more of the principal inputs is not based on observable market data, the instrument is classified in Level 3.

NOTE 9. SUBSEQUENT EVENTS

None.

6.2.2 Statutory Auditors' report on the consolidated financial statements

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Year ended 31 March 2023

To the Annual General Meeting of Soitec

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of Soitec for the year ended 31 March 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 March 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit and Risks Committee

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code *(Code de commerce)* and the French Code of Ethics *(Code de déontologie)* for statutory auditors for the period from 1 April 2022 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Recognition of deferred tax assets relating to tax loss carryforwards in France

Risk identified	Our response
As at 31 March 2023, the Group recognized deferred tax assets amounting to 67 M€, only in respect of tax loss carryforwards in France. Tax loss carryfowards in France for which no deferred tax asset was recognized amount to 188 M€ as at 31 March 2023, as stated in Note 7.7 to the consolidated financial statements. A deferred tax asset relating to tax loss carry forwards is only recognized if the Group considers it probable that sufficient taxable profits will be available against which this tax loss carry forwards can be used, as described in Note 7.7 to the consolidated financial statements. We considered the recognition of deferred tax assets relating to tax loss carry forwards to be a key audit matter due to the materiality of these tax loss carry forwards and the level of judgment exercised by Management to determine the amount of the related deferred tax assets to be recognized.	We familiarized ourselves with the methodology used by Management to identify the tax loss carryforwards existing at year-end. We reviewed the calculations of taxable income, the positions adopted and the bases for French deferred tax with the assistance of our tax specialists included in the audit team. We then assessed the documentation enabling Management to estimate the probability of being able to use the tax loss carryforwards in the future, in particular with regards to: › the existing deferred tax liabilities that can be offset against the existing tax loss carryforwards; deferred tax liabilities that can be offset against the existing tax loss carryforwards; › the company's ability to generate sufficient future taxable profits in France against which the tax loss carryforwards can be used, within a reasonable timeframe. We reviewed the process used to forecast future taxable profits, by: › familiarizing ourselves with the procedure adopted to establish and approve the taxable income forecasts used for the estimates › comparing the assumptions used by Management to establish the taxable income forecasts with those used in the strategic plan.

Capitalization and measurement of development costs in the balance sheet

Risk identified	Our response
As at 31 March 2023, capitalized development costs represent a net amount of 68 M€ in the Group's consolidated balance sheet. As described in Note 6.1 to the consolidated financial statements, development costs incurred by the Group in the context of its new projects are capitalized when the capitalization criteria are met, in particular when it is probable that the development projects will generate future economic benefits for the Group. Capitalized development costs, if not yet commissioned, are tested annually for impairment. We identified the capitalization and valuation of development costs in the balance sheet as a key audit matter, due to the materiality of these intangible assets in the Group's consolidated financial statements and the judgment exercised by Management for their initial capitalization and their impairment testing.	We familiarized ourselves with the procedures relating to the initial capitalization of development costs, the identification of projects presenting an indication of impairment and the development of the estimates used to perform the impairment testing of these assets. For the projects we selected, our work notably consisted in: › assessing compliance with the capitalization criteria as defined in the notes to the consolidated financial statements; › testing, by sampling, the consistency of the amounts concerning development projects recorded in assets as at 31 March 2023 with the underlying supporting documentation; › evaluating the data and assumptions used by the Group for the impairment testing of capitalized development costs through inquiries of Management.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information relating to the Group given in the Board of Director's management report.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code (*Code de commerce*) is included in the information relating to the Group given in the management report, it being specified that, in accordance with Article L. 823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

Report on Other Legal and Regulatory Requirements

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the CEO, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Soitec by the annual general meeting held on 25 July 2016.

As at 31 March 2023, our firms were in the seventh year of total uninterrupted engagement.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit and Risks Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements.
- Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit and Risks Committee

We submit to the Audit and Risks Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit and Risks Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit and Risks Committee with the declaration provided for in Article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code *(Code de commerce)* and in the French Code of Ethics *(code de déontologie)* for statutory auditors. Where appropriate, we discuss with the Audit Committee and Risks Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

The Statutory Auditors

Paris-La Défense and Lyon, June 13, 2023

KPMG S.A.		Ernst & Young Audit	
Laurent Genin	Rémi Vinit-Dunand	Jacques Pierres	Benjamin Malherbe

6.3 Statutory financial statements

6.3.1 Company financial statements

6.3.1.1 Company financial statements at March 31, 2023

● **BALANCE SHEET – ASSETS**

(in € thousands)	Gross amount	Depr., amort., impair.	March 31, 2023	March 31, 2022
INTANGIBLE ASSETS				
Development costs	47,875	14,952	32,924	34,107
Concessions, patents and similar rights	70,378	63,831	6,547	7,854
Other intangible assets	23,558		23,558	7,771
PROPERTY, PLANT AND EQUIPMENT				
Land	6,033	522	5,511	2,191
Buildings	12,088	5,376	6,712	7,042
Technical installations, equipment, tooling	298,280	217,431	80,849	83,044
Other property, plant and equipment	92,321	49,232	43,089	31,578
Property, plant and equipment in progress	86,189		86,189	63,042
NON-CURRENT FINANCIAL ASSETS				
Other investments	474,260	660	473,600	203,037
Advances to equity investments	52,013		52,013	196,015
Other long-term investments	5		5	2,000
Other non-current financial assets	916		916	824
NON-CURRENT ASSETS	**1,163,916**	**352,004**	**811,912**	**638,506**
INVENTORY AND WORK-IN-PROGRESS				
Raw materials, supplies	91,110	10,236	80,874	62,549
Work-in-progress – goods	16,626	2,856	13,769	16,829
Semi-finished and finished products	23,529	10,549	12,981	9,019
Goods held for resale	316	182	135	263
Prepayments on orders of current assets	49,763		49,763	4,152
RECEIVABLES				
Trade receivables [(1)]	307,497	24	307,473	151,010
Other receivables [(1)]	51,126		51,126	31,075
MISCELLANEOUS				
Marketable securities	12,057		12,057	270,232
Cash at bank and at hand	567,190		567,190	339,036
ACCRUALS				
Prepaid expenses [(1)]	3,626		3,626	2,237
CURRENT ASSETS	**1,122,840**	**23,847**	**1,098,993**	**886,401**
Debt issue costs to be amortized	1,971		1,971	2,759
Unrealized foreign exchange losses	7,118		7,118	5,720
TOTAL	**2,295,845**	**375,851**	**1,919,994**	**1,533,386**
(1) Portion due in more than 1 year			*2,917*	*2,552*

BALANCE SHEET – EQUITY AND LIABILITIES

(in € thousands)	March 31, 2023	March 31, 2022
Share capital (of which paid up: 71,179)	71,179	70,301
Share, merger and contribution premiums	228,718	229,596
Legal reserve	7,030	6,673
Other reserves (including purchase of original works of art)	23,116	23,116
Retained earnings	467,784	321,141
NET PROFIT	**211,847**	**147,001**
Tax-driven provisions	179	154
EQUITY	**1,009,853**	**797,982**
Conditional advances	12,691	21,712
OTHER EQUITY	**12,691**	**21,712**
Provisions for contingencies	7,746	6,591
PROVISIONS	**7,746**	**6,591**
FINANCIAL DEBT		
Convertible bonds	325,000	325,000
Borrowings and debt with credit institutions (1) (2)	150,780	126,168
Prepayments received on outstanding orders (1)	22,571	35,019
OPERATING PAYABLES		
Trade payables	215,971	86,528
Tax and social security payables (1)	75,408	62,114
MISCELLANEOUS LIABILITIES		
Amounts due on fixed assets (1)	36,535	20,207
Other liabilities (1)	40,387	19,650
ACCRUALS		
Deferred income (1)	18,767	18,970
LIABILITIES	**885,419**	**693,656**
Unrealized foreign exchange gains	4,285	13,445
TOTAL	**1,919,994**	**1,533,386**
(1) Prepayments and deferred income due within 1 year	*131,635*	*141,296*
(2) Of which bank outstandings, bank credit balances, current accounts	*0*	*0*

INCOME STATEMENT

(in € thousands)	France	Export	Year ended March 31, 2023	Year ended March 31, 2022
Sales of goods	5,569	385,851	391,421	34,249
Sales of goods produced	78,208	518,407	596,615	698,751
Sales of services provided	530	48,965	49,495	4,316
Net revenue	**84,307**	**953,224**	**1,037,531**	**737,317**
Production in inventory			8,300	(14,252)
Stored production			19,495	8,056
Operating subsidies			18,065	14,129
Reversals of impairment and provisions, expense transfers (9)			2,338	9,286
Other income (1)(11)			68,587	28,794
Operating income (2)			**1,154,315**	**783,330**
Purchases of goods held for resale (including customs duties)			294,992	108,835
Changes in inventory (goods)			(53)	680
Purchases of raw materials and supplies (and customs duties)			296,055	257,901
Changes in inventory (raw materials and supplies)			(21,365)	(16,871)
Other purchases and external expenses (3)(6 *bis*)			118,039	91,525
Taxes and similar payments			5,415	5,989
Wages and salaries			90,320	83,610
Social security contributions (10)			41,417	39,951
OPERATING EXPENSES				
Fixed assets: depreciation and amortization expense			34,415	32,944
Fixed assets: impairment charge			6	449
Current assets: impairment charge			10,577	1,327
Additions to provisions			2,218	1,230
Other costs (12)			70,596	22,063
Operating expenses (4)			**942,630**	**629,634**
OPERATING PROFIT			**211,685**	**153,696**

(in € thousands)	France	Export	Year ended March 31, 2023	Year ended March 31, 2022
FINANCIAL INCOME				
Other interest income [5]			8,789	4,256
Reversals of impairment and provisions, expense transfers			5,194	2,882
Positive translation adjustments			22,197	2,368
Net income on disposals of marketable securities			107	
Financial income			**36,286**	**9,505**
Additions to amortization, impairment and provisions for financial assets			5,000	4,386
Interest and similar expense [6]			4,307	2,093
Negative translation adjustments			8,112	1,977
Financial expenses			**17,418**	**8,456**
NET FINANCIAL INCOME			**18,868**	**1,049**
RECURRING PROFIT BEFORE TAX			**230,553**	**154,745**
Non-recurring income on corporate actions			267,515	16,419
Reversals of impairment and provisions, expense transfers			122	129
Non-recurring income			**267,637**	**16,548**
Non-recurring expenses on management transactions [6 bis]			2	0
Non-recurring expenses on corporate actions			267,566	19,127
Non-recurring additions to depreciation, amortization, impairment and provisions			84	221
Non-recurring expenses			**267,652**	**19,348**
NET NON-RECURRING EXPENSE [7]			**(15)**	**(2,800)**
Employee profit-sharing plan			3,380	1,367
Income tax			15,311	3,578
Total income			**1,458,238**	**809,383**
Total expenses			**1,246,391**	**662,382**
NET PROFIT			**211,847**	**147,001**

(1) Of which net income on long-term transactions	-	-
(2) Of which:	-	-
- Income from real estate leases		
- Operating income from previous fiscal years		
(3) Of which:		
- Property leases		
- Equipment leases	*12,667*	*10,273*
(4) Of which operating costs from previous fiscal years [8]	-	-
(5) Of which income concerning related parties	*5,306*	*3,589*
(6) Of which interest concerning related parties	*411*	*155*
(6 bis) Of which charitable donations (Article 238 bis of the French Tax Code)	-	-
(7) Breakdown of non-recurring income and expenses	-	-
(8) Breakdown of income and expenses from previous fiscal years	-	-
(9) Of which expense transfers	*1,087*	*2,621*
(10) Of which owners' contributions	-	-
(11) Of which royalties for concessions, patents, licenses (income)	*7,044*	*6,372*
(12) Of which royalties for concessions, patents, licenses (expense)	*6,001*	*5,790*

6.3.1.2 Notes to our Company financial statements

NOTE 1. OVERVIEW OF OUR COMPANY AND BUSINESS ACTIVITY

The total balance sheet prior to appropriation for the fiscal year ended March 31, 2023 represents €1,919,993,912.90. The income statement, presented in list form, shows total expenses of €1,246,390,883.19, total income of €1,458,237,943.15 and net profit of €211,847,059.96.

The fiscal year runs from April 1, 2022 to March 31, 2023.

The notes and tables presented below are an integral part of the financial statements.

Our Board of Directors will submit the following proposal for approval by our shareholders at the Annual General Meeting to be held on July 25, 2023:

- appropriate €87,767.40 to the "Legal reserve", bringing it up to 10% of the share capital, which would be increased from €7,030,116 to €7,117,883.40; and
- appropriate the balance of €211,759,292.59 to "Retained earnings", which would be increased from €467,784,423.45 to €679,543,716.04.

Our financial statements were approved by the Board of Directors on June 7, 2023.

NOTE 2. SIGNIFICANT EVENTS OF THE YEAR

A new Chief Executive Officer

At the Annual General Meeting of July 26, 2022, Pierre Barnabé was appointed as a director for a four-year term. He succeeded Paul Boudre as Chief Executive Officer from that date.

Appointment of new directors

The Board of Directors decided to take advantage of the expiration of eight terms of office to restructure its composition and propose to the Annual General Meeting of July 26, 2022 the appointment of a majority of independent directors to the Board and its Committees.

The Annual General Meeting of July 26, 2022 decided, on the proposal of the Board of Directors, to appoint:

- as non-independent directors: Pierre Barnabé and CEA Investissement;
- as independent directors: Fonds Stratégique de Participations ("FSP"), Laurence Delpy, Delphine Ségura-Vaylet and Maude Portigliatti.

The new directors' profiles are presented in section 4.1.1.1 of the 2022-2023 Universal Registration Document. The composition of the Board of Directors complies with the recommendations of the AFEP-MEDEF Code.

Restructuring of our Soitec Singapore assets

On December 15, 2022, our Company sold to Soitec Asia Holding Pte Ltd. the receivable due from Singapore-based Soitec Microelectronics Singapore Pte Ltd. as a result of an advance granted to that subsidiary (€252,459 thousand).

The main objective of this restructuring operation is to recapitalize our Singapore-based subsidiary and thereby strengthen its balance sheet.

The result of this disposal is neutral, as the sale price is equal to the net carrying amount of the receivable.

Transfer of all of Frec|n|sys' assets and liabilities

On January 26, 2023, our Company decided to dissolve its wholly-owned subsidiary Frec|n|sys without liquidation, in order to simplify the Group's organizational structure and improve operational efficiency.

Tax inspection

An audit of the accounting and all of the tax returns of Soitec SA for the period from April 1, 2019 to March 31, 2022 began on February 23, 2023. No comments have yet been issued by the tax authorities.

DGCCRF inspection

During the year, our Company was subject to an inspection by the French Directorate General for Competition Policy, Consumer Affairs and Fraud Control (DGCCRF), which focused on supplier payment terms. The inspection began in October 2022 and ended on March 28, 2023. In view of the discussions and the information provided, we do not expect any significant impact.

NOTE 3. ACCOUNTING POLICIES

General accounting rules have been applied in accordance with the principle of prudence, pursuant to the following basic assumptions: going concern basis, consistency of accounting methods, except for the change in accounting policy described below, and the accruals basis of accounting, pursuant to the general rules of preparing and presenting annual financial statements.

The basic method used to measure accounting items is the historical cost method.

General principles and conventions

The financial statements were prepared in accordance with ANC Regulation no. 2014-03 on the French General Chart of Accounts (PCG), as supplemented and amended by subsequent regulations.

The assessment of environmental risks has been taken into account in the preparation of our Company's financial statements and is consistent with our Group's commitments in this area.

Significant accounting judgments

As part of the normal process of preparing financial statements, the determination of certain items requires Company management to make assumptions, estimates and assessments that affect the amounts reported for assets and liabilities, as well as the disclosures provided in certain notes at the reporting date and the amounts reported for income and expenses. In particular, they apply to:

- impairment of non-current assets;
- capitalization of development costs;
- impairment of inventories;
- the amount of provisions for contingencies and expenses.

These assumptions, estimates and assessments are prepared on the basis of available information or situations prevailing at the reporting date of the financial statements at March 31, 2023. In the event of changes in the underlying assumptions or in the prevailing economic conditions, the amounts presented in our Company's future financial statements could differ materially from the current estimates.

NOTE 4. NOTES TO THE BALANCE SHEET

4.1 Intangible assets and property, plant and equipment

Accounting principles

Development costs are capitalized if they meet the following criteria:

- our Company has the intention and technical ability to complete the development project;
- it is highly probable that the future economic benefits attributable to the development costs will flow to our Company, generally evidenced by current orders or contracts;
- the costs can be measured reliably;
- our Company has the capacity to use or sell the intangible asset;
- our Company has the necessary resources to complete the project.

R&D costs that do not fully meet the above criteria are expensed in the fiscal year during which they are incurred.

Our Company has defined an eight-stage life cycle for R&D projects. Upon the completion of each stage (milestone), a decision is made to either continue or discontinue the project. The first five stages cover exploratory research (evaluation of technologies), while the following two phases correspond to product development, generally in conjunction with a potential customer. The final stage involves high-volume industrialization of the product.

Costs incurred during exploratory research phases are expensed, and development costs are capitalized if they meet the criteria for recognition as an asset, otherwise they are expensed. Costs incurred in the industrialization phase are recognized in cost of sales.

Prototype sales and subsidies (including research tax credits) relating to capitalized development costs are initially recorded as deferred income and then taken to profit or loss as and when the associated development costs are amortized.

Capitalized development costs, even if the underlying asset has not yet been commissioned, are subject to impairment tests at least once a year.

They include development projects for a gross amount of €68,046 thousand, capitalized in accordance with Article 311-3.2 of the French General Chart of Accounts (PCG).

Intangible assets also include software, which is recognized at purchase price and amortized on a straight-line basis over its useful life, generally estimated at three years.

Accounting principles

Property, plant and equipment are measured at acquisition cost. Depreciation is calculated on a straight-line basis over the following estimated useful lives:

Buildings, fixtures and fittings	15 to 30 years
Production equipment	8 years
Other fixtures and fittings	5 to 10 years
Vehicles	5 years
IT and office equipment	3 to 5 years
Office furniture	5 to 10 years

FIXED ASSETS

		Increases	
(in € thousands)	Opening balance	Remeasurement	Acquisitions, contributions, transfers
Start-up and development costs	**43,170**		**4,706**
Other intangible assets	73,942		28,922
Land	2,529		3,504
Buildings on own land	11,963		125
Technical installations, equipment and industrial tooling	286,397		13,800
General installations, fixtures and fittings	59,193		14,813
Vehicles	366		229
Office, IT equipment and furniture	15,943		1,782
Property, plant and equipment in progress	63,042		72,512
Property, plant and equipment	**439,434**		**106,766**
Other investments	399,308		131,456
Other long-term investments	2,000		5
Loans and other non-current financial assets	1,004		229
Non-current financial assets	**402,311**		**131,691**
TOTAL	**958,856**		**272,084**

	Decreases			
(in € thousands)	Transfers	Disposals	Closing balance	Opening value
Start-up and development costs			**47,875**	
Other intangible assets	8,928		93,936	
Land			6,033	
Buildings on own land			12,088	
Technical installations, equipment and industrial tooling		1,918	298,280	
General installations, fixtures and fittings			74,006	
Vehicles		3	592	
Office, IT equipment and furniture		2	17,723	
Property, plant and equipment in progress	33,473	15,892	86,189	
Property, plant and equipment	**33,473**	**17,815**	**494,911**	
Other investments (change in net financial receivables)	0	4,491	526,273	
Other long-term investments	2,000		5	
Loans and other non-current financial assets	83	234	916	
Non-current financial assets	**2,083**	**4,725**	**527,194**	
TOTAL	**44,484**	**22,540**	**1,163,916**	

DEPRECIATION AND AMORTIZATION

(in € thousands)	Opening balance	Additions	Reversals	Closing balance
Start-up and development costs	**9,062**	**5,889**		**14,952**
Other intangible assets	58,061	5,520		63,581
Land	338	185		522
Buildings on own land	4,920	455		5,376
Technical installations, equipment and industrial tooling	201,275	16,599	1,878	215,997
General installations, fixtures and fittings	30,539	3,746		34,285
Vehicles	164	87	3	248
Office, IT equipment and furniture	13,222	1,481	2	14,700
Property, plant and equipment	**250,458**	**22,552**	**1,883**	**271,127**
TOTAL	**317,581**	**33,961**	**1,883**	**349,659**

The provision for accelerated depreciation and amortization amounted to €25 thousand for the year, mainly due to the deferral of transaction costs on acquisitions of securities.

4.2 Non-current financial assets

Accounting principles

Non-current financial assets include equity investments, advances to equity investments, deposits and bonds, and treasury shares.

Equity investments are measured at their historical acquisition price. At the end of the fiscal year, a review of the value of equity investments is conducted, consisting of comparing their historical value with their value in use, determined primarily based on their net asset value or on an estimate of their profitability. They are carried in the balance sheet at the lower of historical cost and value in use.

The main investments were tested for impairment based on the latest available business plans, the fair value of their assets (for equity funds) or their carrying amount. No impairment was necessary, with the exception of the equity investments in the Supernova Ambition Industrie and Technocom 3 funds.

In fiscal year 2022-2023, our Company:

- decided to transfer all of the assets and liabilities of its subsidiary Frec|n|sys (see *Highlights*);
- sold to Soitec Asia Holding the receivable due from Soitec Singapore for €252,459 thousand and recapitalized Soitec Singapore for the same amount;
- increased the capital of its subsidiary Soitec Belgium by €13,362 thousand, of which €4,000 thousand through a cash contribution, and €9,362 thousand by capitalization of the current account;
- invested in Cambridge Electronics Inc. for €1,974 thousand;
- increased its interest in Technocom 3 for €1,000 thousand, in Technocom 2 for €150 thousand and Supernova for €725 thousand;
- invested €4,247 thousand in the Greenwaves fund through a cash contribution of €2,000 thousand and the conversion of convertible bonds for €2,247 thousand;
- on October 27, 2022, exercised its call option to increase its stake in Dolphin Design SAS to 100%, acquiring an additional 20% of the capital from its partner MBDA.

Summary of our Company's equity investments

In accordance with French accounting standards, an impairment test has been carried out to ensure that the net carrying amount of equity investments is at least equal to their fair value (value in use).

The main investments were tested for impairment based on the latest available business plans, the fair value of their assets (for equity funds) or their carrying amount. No impairment was necessary, with the exception of the equity investments in the Supernova Ambition Industrie and Technocom 3 funds.

(in € thousands)	Gross value		Impairment		Net value
Company	**March 31, 2023**	**April 1, 2022**	**Change**	**March 31, 2023**	**March 31, 2023**
Soitec USA Holding Inc.	17				17
Soitec Japan Inc.	2,637				2,637
Soitec Korea LLC	328				328
Soitec Trading Shanghai Co. Ltd.	102				102
Concentrix Holding SAS	3,898				3,898
Dolphin Design SAS	5,300				5,300
Soitec Asia Holding Pte Ltd.	378,852				378,852
Soitec Lab SAS	7,166				7,166
Soitec NewCo 2 SAS	1				1
Soitec NewCo 3 SAS	1				1
Soitec NewCo 4 SAS	1				1
Soitec Belgium	47,803				47,803
NOVASiC	7,218				7,218
Innovacom gestion (1)	5,500	256	303	559	4,941
Shanghai Simgui Technology Co. Ltd.	4,441				4,441
Greenwaves Technologies	7,546				7,546
Supernova Ambition Industrie (2)	1,475		101	101	1,374
US – Cambridge Electronics Inc.	1,974				1,974
TOTAL	**474,260**	**256**	**404**	**660**	**473,600**

(1) *Additional impairment of €303 thousand was charged against the equity investment in Technocom 3, bringing the total impairment charged to €559 thousand.*
(2) *Impairment of €101 thousand was charged against the equity investment in Supernova given the value of the interest during the fiscal year ended December 31, 2022.*

Summary of advances to equity investments

(in € thousands)	Gross value		Impairment		Net value
Company	**March 31, 2023**	**April 1, 2022**	**Change**	**March 31, 2023**	**March 31, 2023**
Soitec Microelectronics Singapore Pte Ltd.	17,872				17,872
Soitec Lab SAS	10,241				10,241
Dolphin Design SAS	23,900				23,900
TOTAL	**52,013**	**-**	**-**	**-**	**52,013**

Treasury shares

At March 31, 2023, our Company had a portfolio of 4,221 treasury shares, which are recognized in other non-current financial assets.

During the year, 130 shares were allocated to the Opale free share plan, with the associated expense recognized in financial income and expenses for €11 thousand.

(in € thousands)	March 31, 2023
Number of treasury shares	4,221
Gross value *(in € thousands)*	358

4.3 Inventories

Inventories of raw materials, consumables and goods held for resale are stated at acquisition cost. An allowance for impairment is booked for obsolete or surplus items.

Inventories of finished goods are stated at production cost, except for those whose cost exceeds their selling price during the start-up phase of production and obsolete or surplus items.

An impairment allowance is recognized to write down the carrying amount of finished goods to their realizable value less proportionate selling expenses.

Work-in-progress is measured using the same principles, in accordance with the percentage of completion of production.

They are broken down as follows:

Inventory category *(in € thousands)*	Gross value March 31, 2023	Allowances	Net value March 31, 2023
Raw materials	62,449	5,278	57,171
Consumables	28,661	4,958	23,703
Work-in-progress	16,626	2,856	13,769
Finished products	23,529	10,549	12,981
Goods held for resale	316	182	135
TOTAL	**131,582**	**23,823**	**107,758**

4.4 Trade receivables

Trade receivables, which generally fall due between 30 and 90 days, are recognized at face value.

These receivables are subsequently carried at amortized cost, less any impairment losses on non-recoverable amounts. An allowance is recognized whenever there is an objective indication that our Company may not be able to recover its receivables. Identified non-recoverable receivables are written off in full.

Other receivables relate to tax and social security receivables and subsidies receivable, and amount to €51,126 thousand.

Subsidies receivable amount to €9,289 thousand, and mainly concern the Nano 2022 program for €4,816 thousand.

The “State and local authorities” item includes research tax credits (CIR) for €14,542 thousand, mainly concerning the 2022 research tax credit for €10,178 thousand, as well as the 2022 collaborative research tax credit (CICo) for €1,290 thousand.

Amounts due from suppliers represent €10,142 thousand, reflecting the special treatment of the work on the Bernin 4 building, financed by a property lease, and corresponding to the amounts still to be invoiced to the lessor.

4.5 Cash and marketable securities

Cash and cash equivalents primarily consist of interest-bearing accounts and term deposits readily convertible into cash that are not exposed to risks.

Cash at bank is principally denominated in euros (94% of the total) and US dollars (5% of the total).

At March 31, 2023, these items amounted to €12 million and €567 million for marketable securities and cash and cash equivalents, respectively, compared to €270 million and €339 million respectively at March 31, 2022.

4.6 Equity

Movements in the share capital during fiscal year 2022-2023 were as follows:

- August 1, 2022: issue of 56,629 free preferred shares (“PS 2”) further to the vesting of the third tranche of free PS 2 allocated on August 1, 2022 as part of the “Topaz” co-investment plans: capital increase of €113 thousand by deduction from issue premiums;
- August 1, 2022: issue of 17,062 free ordinary shares further to the vesting of the free shares allocated on August 1, 2022 as part of the free share allocation plan approved by the Board of Directors on December 18, 2019: capital increase of €34 thousand by deduction from the share premium;
- August 1, 2022: issue of 12,607 free ordinary shares further to the vesting of the free shares allocated on August 1, 2022 as part of the free share allocation plan approved by the Board of Directors on March 25, 2020: capital increase of €25 thousand by deduction from the share premium;
- August 2, 2022: conversion of 287,182 free preferred shares (“PS 2”) into 590,911 new shares: net capital increase of €607 thousand by deduction from the share premium;
- November 24, 2022: issue of 7,178 free ordinary shares further to the vesting of the free shares allocated on November 24, 2022 as part of the free share allocation plan approved by the Board of Directors on November 18, 2020: capital increase of €14 thousand by deduction from the share premium;
- November 30, 2022: issue of 8,369 free preferred shares (“PS 2”) further to the vesting of the second tranche of free PS 2 allocated on August 1, 2022 as part of the “Topaz” co-investment plans: capital increase of €16 thousand by deduction from issue premiums;
- December 1, 2022: conversion of 31,183 free preferred shares (“PS 2”) into 64,646 new shares: net capital increase of €65 thousand by deduction from the share premium.

Statement of changes in equity

(in € thousands)		
Opening balance		**Balance**
Equity before distribution of prior-year earnings		797,982
Dividends paid out on prior-year earnings		
Equity after distribution of prior-year earnings		797,982
Changes during the fiscal year	**Less**	**More**
Changes in the share capital		878
Changes in share premiums	878	
Changes in reserves		357
Changes in tax-driven provisions		25
Other changes	357	
Net profit for the period		211,847
Balance		211,872
Closing balance		**Balance**
Equity before appropriation		1,009,853

Other equity

During the year, our Company repaid €1,728 thousand of the advance received for the Nanosmart program and €800 thousand for the Allegro program, and made payments of €1,118 thousand to finance the Transform FR project and €75 thousand for the IT2 project.

On February 15, 2023, Bpifrance notified our Company that the repayment period for the Nanosmart program was closing. The end of this program resulted in the reversal of the remaining liability, with the corresponding recognition of final subsidy revenue of €7.7 million.

4.7 Borrowings and financial debt

Borrowings and financial debt consist mainly of bonds convertible into and/or exchangeable for new and/or existing shares (OCEANE convertible bonds) maturing on October 1, 2025, for an amount of €325 million.

Our Company was granted a 12-year loan for a maximum amount of €200 million from Banque des Territoires (Caisse des Dépôts et Consignations) under the *Programme d'investissements d'avenir* (PIA), as part of the Nano 2022 program. Other than the obligation to maintain the financed assets in France, the loan does not contain any covenants. The loan contains an early repayment clause that would be triggered in the event that the investments financed by the loan are sold (and not replaced).

At March 31, 2023, our Company had drawn down €154,481 thousand of the €200 million loan, of which €28,519 thousand in fiscal year 2022-2023.

4.8 Provisions and other current liabilities

A provision is recognized when our Company has a present (legal or constructive) obligation arising from a past event, the amount of which can be estimated reliably, and the settlement of which is expected to result in an outflow of resources embodying economic benefits for our Group. Provisions are discounted where the impact of discounting is material.

A provision for restructuring costs is only recognized when there is a constructive obligation towards a third party arising from a decision by management prior to the reporting date evidenced by a detailed, formal plan that has been announced to the parties concerned.

The other provisions correspond to specifically identified contingencies and expenses.

(in € thousands)	
Provisions for disputes	1,486
Provisions for foreign exchange losses	6,123
Other provisions for contingencies and expenses	137

(in € thousands)	Opening balance	Additions	Reversals	Closing balance
Accelerated depreciation/amortization	154	84	59	179
Tax-driven provisions	**154**	**84**	**59**	**179**
Provisions for disputes	1,534	535	582	1,486
Provisions for customer warranties				
Provisions for losses on forward markets	18		18	
Provisions for fines and penalties				
Provisions for foreign exchange losses	4,839	6,123	4,839	6,123
Other provisions for contingencies and expenses	200		63	137
Provisions for contingencies and expenses	**6,591**	**6,658**	**5,503**	**7,746**
Impairment of intangible assets	255	6	11	250
Impairment of property, plant and equipment	2,078		643	1,435
Impairment of investments in equity-accounted companies				
Impairment of equity investments	256	560	156	660
Impairment of other non-current financial assets	180		180	
Allowances for inventory and work-in-progress	13,205	10,619		23,823
Allowances for trade receivables	15	24	15	24
Impairment	**15,988**	**11,208**	**1,005**	**26,191**
TOTAL	**22,734**	**17,950**	**6,567**	**34,117**
Additions and reversals – operating items		12,801	1,251	
Additions and reversals – financial items		5,000	5,194	
Additions and reversals – non-recurring items		84	122	

Translation adjustments

Expenses and earnings in foreign currencies are recorded at their average exchange value at the date of the transaction of the previous month.

Payables, receivables and cash in foreign currencies are recorded on the balance sheet at the exchange rate at the end of the fiscal year.

The difference resulting from remeasuring payables and receivables in foreign currencies is recorded on the balance sheet under translation adjustments. Unrealized foreign exchange losses, which are not hedged, are subject to provisions for contingencies and expenses.

This provision amounted to €6,123 thousand at the fiscal year-end.

NOTE 5. NOTES TO THE INCOME STATEMENT

Revenue recognition

Revenue derives primarily from product sales and, to a lesser extent, from licensing arrangements.

The revenue recognition criteria vary depending on the nature of the services provided by our Company:

- sales of silicon wafers are recognized as revenue when the transfer of risks and benefits takes place pursuant to the terms and conditions of sale specified in customer contracts. Revenue is generally recognized when the customer accepts delivery of the goods or when the goods leave the warehouses of our Company's entities, depending on the Incoterm in use.

  For sales under consignment stock transfer agreements, our Company carries out an analysis of the criteria for the transfer of the related risks and benefits in order to ensure the sale is recognized when the customer consumes the products or as soon as the products are delivered to the consignment stock;
- licensing revenue is recognized on a straight-line basis over the period during which the rights are granted or may be recognized on the basis of a percentage of sales as defined in the contract.

For the year ended March 31, 2023, revenue also includes €10 million for the first stage of the SmartSiC technology transfer in accordance with the contract signed in December 2022. For more information, see the section on related parties.

Breakdown of revenue

(in € thousands)	Revenue – France	Revenue – Other	Total Year ended March 31, 2023	Total Year ended March 31, 2022	% 2022/2023
By geographic market	84,307	953,224	1,037,531	737,317	+41%
TOTAL	**84,307**	**953,224**	**1,037,531**	**737,317**	**+41%**

R&D costs

R&D costs are recorded either in the income statement or the balance sheet as intangible assets. Capitalized development costs are discussed under *Intangible assets*.

R&D costs recognized in the income statement are essentially made up of the following:

- salaries and social security contributions;
- operating costs of clean room and R&D equipment;
- materials consumed in finalizing and manufacturing prototypes;
- subcontracting to public research centers and private laboratories, as well as under cooperation agreements; and
- costs related to maintaining and strengthening our Company's intellectual property rights.

During the fiscal year, our Company recognized around €36,792 thousand in net R&D costs in the income statement.

Provided that agreements are signed and the administrative authorizations are obtained, the amounts received under subsidy contracts are recognized as operating subsidies.

Support for R&D activities may also take the form of repayable advances.

Our Company receives research tax credits (CIR).

The amount of the research tax credit granted is reduced by the subsidies collected during a calendar year for the projects concerned.

Research tax credits recorded in the financial statements for calendar year 2022 totaled €10,335 thousand (with an impact of €8,270 thousand on the income statement for the fiscal year).

Net financial income

Hedging derivatives

Our Company hedges its foreign exchange risk on certain transactions denominated in US dollars using derivatives (forward sales, options). These derivative instruments only hedge foreign exchange risk arising from firm commitments or highly probable future transactions.

Attributable transaction costs are recognized in the income statement when incurred.

In the absence of a hedging relationship, after initial recognition:

- realized gains and losses resulting from foreign exchange derivatives are recognized immediately in the income statement;
- net unrealized losses, calculated on an instrument-by-instrument basis, are fully provisioned; unrealized gains are not recognized in accordance with the principle of prudence.

If the instrument is used for hedging purposes, the income and expenses resulting from the use of these instruments are recorded symmetrically with the expenses and income from the hedged transactions:

- gains and losses resulting from derivatives used to hedge firm commitments or identifiable future transactions are deferred and included in the valuation of the transaction concerned when it is unwound.

The following table shows the portfolio of financial instruments at March 31, 2023 and March 31, 2022, used to hedge foreign exchange risks:

		March 31, 2023		March 31, 2022	
Type *(in € thousands)*	**Currency**	**Market value (net)**	**Position hedged**	**Market value (net)**	**Position hedged**
Hedging of balance sheet items		**(3,058)**		**(6,028)**	
of which eligible for hedge accounting (hedging of trade receivables):					
› Forward sales	USD to EUR	(3,058)	70,805	(6,028)	75,669
Cash flow hedges		**(3,453)**		**(13,573)**	
of which eligible for hedge accounting:					
› Forward sales	USD to EUR	(3,453)	251,034	(13,555)	499,955
of which not eligible for hedge accounting:					
› Options (tunnel)	JPY to EUR	-	-	(18)	39,979
TOTAL HEDGES		**(6,511)**		**(19,601)**	

The maturities of the financial hedging instruments fall within the upcoming fiscal year 2023-2024 and through to the end of the first half of calendar year 2024. Market value was estimated using one or more commonly used models.

Foreign exchange risk

Our Company's policy on exposure to foreign exchange risk on future trading transactions is to hedge a substantial portion of the foreign exchange risk at the end of the fiscal year by using derivative instruments on the basis of operating budgets.

All of our Company's future cash flows are subject to detailed forecasts for the coming fiscal year, and the next four years as part of the business plan. The foreign exchange risks identified are hedged by forward sales or options contracts, in order to minimize the currency position.

Our Company's Cash Management Department hedges the exchange rate based on cash flow forecasts using forward contracts or options.

The maturity of these instruments matches the settlement flows.

However, our policy is not to use instruments for speculative purposes.

The exchange rates of the two main currencies used by our Company at March 31, 2023 to remeasure assets and liabilities were as follows:

- EUR/USD: €1 for US$1.0875 (€1 for US$1.1101 at March 31, 2022);
- EUR/JPY: €1 for JPY 144.83 (€1 for JPY 135.17 at March 31, 2022).

Credit risk

The financial instruments on which our Company potentially incurs a credit risk are mainly cash and trade receivables. Our Company has put in place a cash management policy to optimize its investments in liquid short-term and low-risk financial instruments. Cash and cash equivalents are deposited mainly with leading international financial institutions.

Our Company markets its products to players in the semiconductor industry, mainly located in the United States, Asia and Europe. At March 31, 2023, six customers individually represented more than 3% of Company revenue and together accounted for 90% of revenue. At March 31, 2022, eight customers individually represented more than 3% of Company revenue and together accounted for 95% of revenue.

Our Company frequently assesses its customers' credit risk and financial position and allocates provisions for potential losses on receivables that cannot be recovered. The amount of these losses has remained non-material in recent years.

Equity risk

With the exception of its 4,221 treasury shares, our Company does not hold any other non-consolidated investments or marketable investments.

Liquidity risk

Our Company has access to financing from the capital markets in the form of:

- long-term borrowings: convertible bond issues;
- specific debt instruments (loan from Banque des Territoires [Caisse des Dépôts et Consignations]);
- lease financing for capital spending purposes;
- committed credit lines.

At March 31, 2023, in addition to cash and cash equivalents as presented in the balance sheet (€579 million), our Company's liquidity was backed by the following financing sources:

Committed credit lines

At March 31, 2023, our Company had bank credit lines worth €95 million with eight banks, a large portion of which (€75 million) is repayable at maturity no later than June 2025. The remaining €20 million of credit lines is repayable in equal installments over three years starting in 2022. They bear a commitment fee of 0.20% or a non-utilization fee of 0.05%, and a utilization fee ranging from Euribor +0.60% to +0.85%, depending on the credit line, and are not subject to any covenants.

These credit lines were entirely undrawn at March 31, 2023.

Residual drawdown rights on the €200 million long-term loan from Banque des Territoires

At March 31, 2023, an additional €45 million of the €200 million arranged with Banque des Territoires (see *Financial debt*) may be drawn down, subject to investments meeting eligibility criteria (technologies covered by the Nano 2022 program).

Debt issue costs

OCEANE 2025 convertible bonds

On October 1, 2020, our Company issued bonds convertible into and/or exchangeable for new and/or existing shares (OCEANE convertible bonds) maturing on October 1, 2025, for an amount of €325 million. Issue costs amounted to €3,942 thousand.

Issue costs are amortized on a straight-line basis over five years. Amortization recognized during the fiscal year in respect of these costs amounted to €788 thousand.

NOTE 6. OTHER INFORMATION

Receivables and payables

Schedule of receivables *(in € thousands)*	Gross amount	Up to 1 year	More than 1 year
Advances to equity investments	52,013	52,013	
Other non-current financial assets	916	34	882
Doubtful and disputed trade receivables	24	24	
Other trade receivables	307,473	307,473	
Employees and related accounts	76	76	
Social security and other agencies	4	4	
State and local authorities: income tax	14,542	11,625	2,917
State and local authorities: VAT	15,790	15,790	
State and local authorities: miscellaneous receivables	9,289	9,289	
Group and related parties			
Other debtors	11,425	11,425	
Prepaid expenses	3,626	3,626	
TOTAL	**415,178**	**411,379**	**3,799**

Schedule of payables *(in € thousands)*	Gross amount	Up to 1 year	More than 1 year and less than 5 years	More than 5 years
Convertible bonds	325,000	(0)	325,000	
Borrowings and debt due within 1 year at inception	141	141		
Borrowings and debt due beyond 1 year at inception	150,639	10,230	68,168	72,242
Trade payables	215,971	215,971		
Employees and related accounts	36,878	36,878		
Social security and other agencies	22,223	20,665	1,558	
State: income tax	7,194	7,194		
State: VAT	4,931	4,931		
State: other duties, taxes and related payments	4,182	4,182		
Amounts due on fixed assets	36,535	36,535		
Group and related parties	22,808	22,808		
Other liabilities	17,579	16,929	649	
Deferred income	18,767	3,457	12,074	3,236
TOTAL	**862,848**	**379,921**	**407,449**	**75,478**
Loans subscribed during the fiscal year	29,722			
Loans repaid during the fiscal year	14,261			

Accrued income

Accrued income *(in € thousands)*	**Amount**
Unbilled revenue	41,479
Credit notes receivable (including consigned stocks)	170
Manual accruals	3,230
Accrued interest receivable and other marketable securities	877
Employees and social agencies	73
TOTAL	**45,829**

Accrued income consists mainly (€39,755 thousand) of transfers of consigned stocks (see *Revenue recognition*) and margin adjustments in accordance with the transfer pricing policy (€1,687 thousand).

Accrued expenses

Accrued expenses *(in € thousands)*	**Amount**
Interest on debt with credit institutions	158
Credit notes payable	7,032
Personnel – accrued payables	98
Provision for expenses	305
Provision for vacation pay	9,695
Provision for investments	3,751
Personnel – Other accrued payables (1)	23,026
Social security contributions on vacation pay	4,654
Social security contributions – Other accrued payables (2)	13,319
Accrued tax payables	3,680
Agefiph – Financial contribution	47
Accrued expenses	1,011
Accrued invoices (inventory items, non-inventory items and miscellaneous)	35,188
TOTAL	**101,966**

(1) This caption includes a provision recognized in the previous fiscal year for a retirement benefit obligation for the former Chief Executive Officer in the amount of €5 million.
(2) "Social security contributions – Other accrued payables" includes a provision for social security contributions on free share plans for €5.5 million.

Deferred income

Deferred income *(in € thousands)*	Date/Period		Amount Operating	Financial	Non-recurring
Licensing agreement	April 1, 2023	June 30, 2024	476		
Capitalized income (research tax credit, subsidies, prototypes)	April 1, 2023	March 31, 2031	17,361		
Other	April 1, 2023	May 31, 2025	930		
TOTAL			**18,767**		

At March 31, 2023, deferred income stood at €18,767 thousand, and chiefly consisted of sales of prototypes, research tax credits and subsidies relating to capitalized development costs (for €5,166 thousand, €6,994 thousand and €5,149 thousand, respectively).

Prepaid expenses

Prepaid expenses *(in € thousands)*	Date/Period		Amount Operating	Financial	Non-recurring
Prepaid expenses – Miscellaneous	April 1, 2023	March 31, 2024	2,817,534		
Prepaid expenses – Leases	April 1, 2023	March 31, 2024	808,686		
TOTAL			**3,626,220**		

"Prepaid expenses – Miscellaneous" is mainly composed of production and IT maintenance contracts.

Non-recurring income and expenses

Type of expense *(in € thousands)*	Amount
Penalties and fines	2
Non-recurring expenses on management transactions	2
Disposals of operating assets (1)	15,932
Non-recurring expenses on asset disposals	251,634
Non-recurring expenses on corporate actions	267,566
Accelerated depreciation/amortization	84
Additions to provisions and expense transfers	84
TOTAL	**267,652**

(1) *Proceeds from and expenses on the disposal of assets correspond mainly to leaseback transactions, while those relating to financial assets are related to the restructuring of the receivable due to Soitec SA by Soitec Singapore.*

Type of income *(in € thousands)*	Amount
Proceeds from disposals of assets	15,892
Non-recurring proceeds from disposals of financial assets	251,623
Non-recurring income on corporate actions	267,515
Reversals of provisions for accelerated depreciation/amortization	59
Reversals of non-recurring provisions	63
Reversals of provisions and expense transfers	122
TOTAL	**267,637**

Deferred and unrealized tax position

(in € thousands)	Amount
TAX DUE ON:	
Unrealized foreign exchange losses	1,582
Total increases	**1,582**
PREPAID TAX ON:	
Temporary non-deductible costs (to be deducted the following fiscal year):	
Employee profit-sharing	969
"Organic" levy	76
Other	2,862
For later deduction:	
Other retirement costs	2,118
Total reductions	**6,025**
NET DEFERRED TAX POSITION	**(4,443)**
CREDIT TO BE CHARGED TO:	115,511
Tax loss carryforwards	115,511
Long-term capital losses	
NET UNDERLYING TAX POSITION	**115,511**

A rate of 25.83% has been used for all deferred tax position items.

Financial commitments and other information

Lease commitments

(in € thousands)	Land	Buildings	Equipment and tooling	Other non-current assets	Total
Opening value			**81,191**		**81,191**
DEPRECIATION AND AMORTIZATION					
Cumulative opening balance			40,204		40,204
Current fiscal year			12,469		12,469
Total			**52,674**		**52,674**
NET VALUE			**28,517**		**28,517**
LEASE PAYMENTS					
Cumulative opening balance			42,887		42,887
Current fiscal year			12,704		12,704
Total			**55,592**		**55,592**
FUTURE LEASE PAYMENTS					
Due within 1 year			12,948		12,948
Due in more than 1 year and less than 5 years			27,338		27,338
Due in more than 5 years			5,384		5,384
Total			**45,670**		**45,670**
RESIDUAL AMOUNT					
Amount accounted for in the fiscal year			12,667		12,667

Off-balance sheet commitments

Pension costs

Retirement indemnities and related benefits

French law provides for the payment of a lump-sum indemnity on retirement. This indemnity is calculated based on the employee's length of service and level of compensation upon retirement. Rights only vest for employees who are still with our Company upon retirement. Our Company has entered into an agreement to supplement statutory retirement benefits. The amount of the retirement commitment is treated as an off-balance sheet commitment.

Other pension plans

In addition to statutory benefits, our Company operates a supplementary pension plan for certain employees. This defined benefit plan is managed by an outside agency.

Defined benefit plans (Article 83 of the French Tax Code [*Code général des impôts*]) are measured on an actuarial basis using the projected unit credit method, which factors in demographic (salary trends, age upon retirement, staff turnover, mortality rate) and financial (discount and inflation rate) assumptions.

For defined contribution plans (Article 39 of the French Tax Code), payments are expensed as incurred, and do not give rise to a benefit obligation.

Pursuant to the publication on July 4, 2019 of the government Order on supplementary occupational pension plans, the rights related to this plan have been frozen at December 31, 2019.

The different calculations required to measure pension commitments were performed using a discount rate of 3.60%, social security contributions of 51% for managers and technicians and 46% for operators.

Retirement age assumptions range from 64 to 65 years, depending on the socio-professional category.

Our Company's retirement benefit obligation at March 31, 2023 amounted to €8.7 million, versus €11.5 million at March 31, 2022 (amount calculated based on the amended ANC no. 2013-02 recommendation).

Other off-balance sheet commitments

Contingent liabilities consist of a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the control of the entity, or a present obligation for which an outflow of resources is unlikely. Contingent liabilities are not recognized, but are disclosed in the notes.

(in € thousands)	**Off-balance sheet amount**
Guarantees and bonds	30
Pension obligations	8,747
Other commitments given	154,078
Long-term lease commitments	70
Guarantees given	118,139
Other commitments (1)	35,869
TOTAL	**162,855**

(1) A purchase commitment was signed on March 31, 2020 with SK Siltron, taking effect on April 1, 2020, under which a penalty (contractual compensation undertaking) was agreed in the amount of US$110,000,000. The amount of €35,869 thousand represents the outstanding purchase commitment to expiration of the contract on March 31, 2024.

At March 31, 2023, the main beneficiaries of guarantees/pledges/commitments given are:

- The project company for the Touwsrivier solar power plant (CPV Power Plant no. 1), for €20.0 million. The commitment expires on June 30, 2029 at the latest.
- The acquirers of the Desert Green and Rians solar power plants, for €3.3 million. The commitment expires on June 20, 2024 at the latest.
- A letter of intent given by our Company to Soitec Asia Holding Pte Ltd. for the purposes of negotiating and meeting commitments next year, for €92 thousand. The letter is renewable each year.
- A comfort letter given to our Company's subsidiary Dolphin Design, which had purchase orders with STMicroelectronics for €2 million as part of its framework agreement, expiring in June 2023.
- Three financial guarantees granted to Soitec Microelectronics Singapore Pte Ltd. for a €21.3 million loan, a €23 million loan and a €44.1 million loan from Société Générale, OCBC, HSBC and SMFL, expiring in November 2025, February 2027 and November 2027 respectively.
- A joint and several guarantee issued by the parent company to secure payment by Soitec Belgium N.V. to ES Finance in respect of two equipment leasing contracts, for €4 million, expiring in March 2026 and September 2028 respectively.
- A joint and several guarantee (in proportion to its ownership interest) given by our Company to its subsidiary Dolphin Design, in order to guarantee payment of all sums due (but still unpaid) in accordance with the lease for the new Dolphin Design headquarters building, for €0.5 million.
- Soitec signed a 12-year property lease with five banking partners (led by Natiocredibail) to finance the new SmartSiC plant. The maximum financial commitment is €90 million, consisting of two phases of work, for €58.5 million and €31.5 million respectively.

Principal commitments given to subsidiaries (guarantees and sureties)	**Amount** *(in € thousands)*
Soitec Solar US	3,264
Soitec Solar RSA	20,000
Dolphin Design	2,447
Soitec Belgium	3,917
Soitec Microelectronics Singapore	88,418

Principal commitments given on behalf of Soitec SA (guarantees and sureties)	**Amount** *(in € thousands)*
Contractual commitment with SK Siltron	35,869

Related-party disclosures

At March 31, 2023, the members of the Board of Directors were as follows:

- Éric Meurice, Chair of the Board of Directors;
- Pierre Barnabé, who leads our Company as Chief Executive Officer;
- Bpifrance Participations, represented by Samuel Dalens;
- Fonds Stratégique de Participations ("FSP"), represented by Laurence Delpy;
- CEA Investissement, represented by François Jacq;
- Kai Seikku, on the proposal of NSIG;
- Delphine Ségura-Vaylet;
- Maude Portigliatti;
- Christophe Gégout;
- Satoshi Onishi;
- Françoise Chombar;
- Shuo Zhang;
- Wissème Allali, employee director;
- Didier Landru, employee director.

The terms of office of eight directors expired following the Annual General Meeting of July 26, 2022. The Board decided to take advantage of the expiration of these eight terms of office to restructure its composition and propose to the Annual General Meeting of July 26, 2022 the appointment of a majority of independent directors to the Board and its Committees, while ensuring that it retains diverse profiles and expertise in the semiconductor sector.

Accordingly, Pierre Barnabé, Fonds Stratégique de Participations ("FSP") represented by Laurence Delpy, CEA Investissement now represented by François Jacq, Delphine Ségura-Vaylet and Maude Portigliatti were appointed at the Meeting.

Among the 14 directors, seven are independent directors, namely Éric Meurice, Fonds Stratégique de Participations ("FSP") represented by Laurence Delpy, Françoise Chombar, Christophe Gégout, Delphine Ségura-Vaylet, Maude Portigliatti and Shuo Zhang. They have no executive mandate within our Company or Group, do not have a relationship of any nature whatsoever with our Company or our Executive Management that might compromise their judgment, and do not have any specific ties to our Company or our Executive Management.

The semiconductor market is known for its limited number of participants, meaning that our Company maintains or is likely to maintain business relationships with Shin-Etsu Handotai, STMicroelectronics International N.V., Shanghai Simgui Technology Co. Ltd. ("Simgui"), and the French Atomic Energy and Alternative Energy Commission (*Commissariat à l'énergie atomique et aux énergies alternatives* – CEA). Some of our directors hold or have held positions within these companies, as described in the individual profiles presented in Chapter 4 of this Universal Registration Document.

Shin-Etsu Handotai Co. Ltd.

In the year ended March 31, 2023, purchases of raw materials from Shin-Etsu Handotai represented €177,076 thousand (€144,393 thousand in the year ended March 31, 2022). Our Company invoiced €4,964 thousand to Shin-Etsu Handotai in respect of fiscal year 2022-2023 (€4,674 thousand in respect of fiscal year 2021-2022).

STMicroelectronics International N.V.

On November 30, 2022, our Company signed a memorandum of understanding, the purpose of which is to define the main terms and conditions of future technical and commercial cooperation on SiC substrates with STMicroelectronics International N.V., subject to the qualification of Soitec's 200 mm SmartSiC™ substrate technology by ST, within 18 months following the date of its signature. The objective of the cooperation is the adoption by STMicroelectronics, a global semiconductor leader serving customers across the spectrum of electronics applications, of Soitec's SmartSiC™ technology.

An initial fee of US$10 million was paid by ST to Soitec on March 23, 2023, corresponding to the first milestone achieved in February 2023. The cooperation agreement provides for additional payments, subject to the successful achievement of the related milestones of the ongoing qualification process. The memorandum of understanding also establishes the preliminary purchase and sales conditions applicable for the initial prototypes and future purchase and sales conditions to be confirmed by a definitive agreement to be entered into at the end of the qualification phase. Subject to qualification and depending on the structure of the final agreement, the future purchase and sales conditions may lead to a project scope potentially worth several hundred million euros and spanning several years.

Our Company identified the following related parties:

- Nicolas Dufourcq, (i) Vice Chairman of the Supervisory Board of STMicroelectronics N.V. (sole shareholder of STMicroelectronics International N.V.); (ii) Chairman and Chief Executive Officer of Bpifrance Participations, a director and shareholder of Soitec holding more than 10% of the voting rights; and (iii) Chief Executive Officer of Bpifrance SA, sole shareholder of Bpifrance Participations;
- Samuel Dalens, (i) member of the Supervisory Board of STMicroelectronics Holding N.V. (shareholder of STMicroelectronics N.V.); and (ii) permanent representative of Bpifrance Participations, a director and shareholder of Soitec holding more than 10% of the voting rights as well as a shareholder of STMicroelectronics Holding N.V.

Other related parties

On December 21, 2022, our Company renewed the framework R&D partnership agreement and signed an amendment to its licensing agreement with the CEA. These new agreements contained the clauses from the previous agreements, with clarifications and a number of amendments, including related to our Company's financial commitments.

In fiscal year 2022-2023, our Company paid €3,224 thousand to CEA under the R&D agreement (€5,128 thousand in fiscal year 2021-2022) and €6,071 thousand in patent royalties (€5,694 thousand in fiscal year 2021-2022). In addition, our Company invoiced CEA €733.5 thousand, mainly in connection with the sale of 300 mm wafers (€2,125 thousand in fiscal year 2021-2022).

During the fiscal year, our Company paid Simgui Technology Co. Ltd. US$91.8 million for the purchase of 200 mm SOI wafers (US$78.3 million in fiscal year 2021-2022).

Our Company invoiced Simgui US$43.4 million in silicon substrates (versus US$37.7 million in fiscal year 2021-2022).

During the fiscal year, our Company reimbursed €2.5 million in respect of programs subsidized by Bpifrance and Bpifrance Financement, and received €1.9 million from Bpifrance Financement and Bpifrance Investissement under the Transform and IT2 programs.

Compensation and workforce

At March 31, 2023, our Executive Committee (ExCom) had 11 members, excluding corporate officers (unchanged from March 31, 2022), resulting in an average membership of 11 over the fiscal year (unchanged from fiscal year 2021-2022). The total gross compensation paid by our Company to ExCom members, excluding corporate officers, and including direct and indirect benefits of executives, was €10,575 thousand for the year ended March 31, 2023 (€12,321 thousand for the year ended March 31, 2022).

(in € thousands)	March 31, 2023	March 31, 2022
Short-term benefits	6,172	5,159
Accounting value of free shares allocated during the fiscal year	4,365	7,162
TOTAL GROSS COMPENSATION PAID TO EXECUTIVES OF OUR COMPANY	**10,537**	**12,321**

During fiscal year 2022-2023, executives excluding corporate officers were allocated:

- 43,824 ordinary shares under the “Onyx 2025” plan, subject to presence and performance conditions;
- 2,552 ordinary shares under the “Agate 2025” plan, subject to presence and performance conditions.

The gross amount of compensation allocated to corporate officers and non-employee directors was as follows:

(in € thousands)	March 31, 2023	March 31, 2022
Short-term benefits	1,364	1,502
Accounting value of free shares allocated during the fiscal year	911	1,688
TOTAL COMPENSATION GRANTED TO CORPORATE OFFICERS	**2,275**	**3,190**
Directors’ compensation paid	1,010	1,010
Reimbursement of travel expenses	36	17
TOTAL COMPENSATION GRANTED TO CORPORATE OFFICERS AND NON-EMPLOYEE DIRECTORS	**3,321**	**4,217**

During fiscal year 2022-2023, 9,612 ordinary shares were allocated on a conditional basis to corporate officers under the “Onyx 2025” plan, subject to presence and performance conditions.

Average headcount

Headcount	Employees
Operators	432
Technicians and office workers	449
Engineers and executives	546
TOTAL	**1,427**

List of subsidiaries and shareholdings

Company Registered office	Share capital Equity	% interest Dividends received	Gross value of equity investment Net value of equity investment	Loans, advances Guarantees	Revenue Net profit/(loss)
SUBSIDIARIES (MORE THAN 50%-OWNED)	LOCAL CURRENCY		€	€	€
Soitec USA Holding Inc. 11182 El Camino Real Suite 260,	1,000	100%	16,796		-
San Diego CA 92130, United States	317,960,176		16,796		14,315,191
Soitec Japan Inc. West Tower 20 F, Otemachi First Square,	300,500,000	100%	2,636,988		93,967,192
1-5-1 Otemachi, Chiyoda-Ku, 100-0004 Tokyo, Japan	1,751,593,838		2,636,988		1,683,026
Soitec Korea, Kyunggi-do hwasung-si Bansong	500,000,000	100%	328,483		1,758,171
Dong 93-10, Shinyoung Gwell, South Korea	2,616,103,720		328,483		609,988
Soitec Trading Co. Ltd.	860,594	100%	102,138		717,868
3261 Dong Fang Road, Shanghai, China	8,916,458		102,138		105,424
Concentrix Holding	100,000	100%	3,897,794		-
Parc Technologique des Fontaines, 38190 Bernin, France	(2,934,982)		3,897,794		(59,308)
Dolphin Design SAS	5,500,000	100%	5,300,001	23,900,000	20,862,399
1BA, Chemin du Pré Carré, 38240 Meylan, France	764,559		5,300,001		(3,796,708)
Soitec Asia Holding	1	100%	378,851,739		-
81 Pasir Ris Industrial Drive 1, Singapore 518220	410,891,000		378,851,739		(7,365)
Soitec Lab Parc Technologique des Fontaines,	6,000,000	100%	7,166,195	10,241,060	9,558,501
Chemin des Franques, 38190 Bernin, France	7,166,195		7,166,195		-
NewCo 2 Parc Technologique des Fontaines,	1,000	100%	1,000		-
Chemin des Franques, 38190 Bernin, France	802		1,000		(88)
NewCo 3 Parc Technologique des Fontaines,	1,000	100%	1,000		-
Chemin des Franques, 38190 Bernin, France	802		1,000		(88)
NewCo 4 Parc Technologique des Fontaines,	1,000	100%	1,000		-
Chemin des Franques, 38190 Bernin, France	806		1,000		(84)
Soitec Belgium Kempische Steenweg 293,	13,527,130	96.59%	47,803,410		1,851,251
3500 Hasselt, Belgium	10,060,048		47,803,410		(5,962,590)
NOVASiC SAS	833,972	100%	7,218,304		4,729,168
Technolac, 73370 Le Bourget du Lac Cedex, France	3,237,076		7,218,304		2,305,900

Company Registered office	Share capital Equity	% interest Dividends received	Gross value of equity investment Net value of equity investment	Loans, advances Guarantees	Revenue Net profit/(loss)
INVESTMENTS (10 TO 50%-OWNED)					
Greenwaves Technologies	2,452,711	20.35%	7,545,547		143,761
28, cours Jean Jaurès, 38000 Grenoble, France	15,490,497		7,545,547		(4,312,507)
Cambridge Electronics Inc. (Finwave)	20,151,288	13.38%	1,974,745		2,317,849
465 Waverley Oaks Rd, Suite 417, Waltham, MA 02452, United States	12,488,492		1,974,745		(2,259,864)
OTHER INVESTMENTS (LESS THAN 10%-OWNED)					
Technocom 2	47,466,306	8.0%	2,500,000		-
9, rue de Téhéran, 75008 Paris, France	47,204,934		2,500,000		(267,755)
Technocom 3	25,136,078	8.0%	3,000,000		-
9, rue de Téhéran, 75008 Paris, France	23,861,385		2,743,889		(1,248,813)
Supernova	54,585,000	3.5%	1,475,000		-
9, rue Duphot, 75001 Paris, France	50,859,916		1,374,340		(4,072,497)
Simgui	315,000,000	2.7%	4,440,962		144,156,224
200 Puhui Road, Jiading District, Shanghai, China	1,101,541,525		4,440,962		23,877,544

In the table presented above, the share capital and equity of subsidiaries and holdings are presented in local currencies:

- in US dollars for Soitec Asia Holding Pte Ltd., Soitec USA Holding Inc. and Cambridge Electronics Inc.;
- in Japanese yen for Soitec Japan Inc.;
- in Korean won for Soitec Korea LLC;
- in Chinese yuan for Soitec Trading (Shanghai) Co. Ltd. and Shanghai Simgui Technology Co. Ltd.;
- in euros for Soitec Lab SAS, Soitec NewCo 2 SAS, Soitec NewCo 3 SAS, Soitec NewCo 4 SAS, Concentrix Holding SAS, Dolphin Design SAS, Soitec Belgium N.V., NOVASiC SAS, Technocom 2 and 3, Greenwaves Technologies SAS and Supernova.

Concerning investments below 10%, no loan, advance or deposit was granted during the fiscal year.

Statutory Auditors' fees

The total amount of Statutory Auditors' fees recorded in the income statement for the fiscal year was €603 thousand. These fees include the audit of the consolidated financial statements and of the individual financial statements for €538 thousand and other non-audit services for €65 thousand.

NOTE 7. SUBSEQUENT EVENTS

None.

6.3.2 Statutory Auditors' report on the financial statements

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the year ended March 31,2023

To the annual general meeting of Soitec

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of Soitec for the twelve-month year ended March 31, 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at March 31, 2023, and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit & Risks Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors Responsibilities for the Audit" of the Financial Statements section of our report

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*code de commerce*) and the French Code of Ethics (code de déontologie) for statutory auditors for the period from April 1, 2022 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (*code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Valuation of non-current financial assets

Risk identified	Our response
At March 31, 2023, non-current financial assets represented a net amount of M€ 527 in the company's balance sheet. As described in note 6.3.1.2 "Non-current financial assets" of the financial statements, are valued at their historical acquisition price. At the end of the fiscal year, a review of the value of equity investments is conducted, consisting of comparing their historical value with their value in use, determined primarily based on their net asset value or on an estimate of their profitability. We have identified the valuation of non-current financial assets as a key audit matter due to the materiality in the balance sheet and the judgment exercised by the management to determine the value in use.	We analyzed the valuation method used and the figures on which it is based. For valuation based on historic elements, our work consisted primarily in examining the consistency of the net assets used with the accounts of the entities that have been audited or subjected to analytical procedures, and in checking whether any adjustments made were supported by meaningful documentation. For assessments based on provisional data, our work consisted primarily in: › obtaining the cash flow and operating forecasts for the activities of the entities concerned and in assessing their consistency with the forecast data presented by management as part of the budgeting process; › analyzing the consistency of the assumptions used with the economic environment at the closing and preparation date of the financial statements; › assessing the discount rate used for the discounting of cash flows.

Capitalization and valuation of development expenses

Risk identified	Our response
At March 31, 2023, capitalized development expenses represented a net amount of M€33 in the company's balance sheet. As described in note "Intangible and Tangible assets" of the financial statements, the development expenses incurred by the Company in the context of its new projects are capitalized when the capitalization criteria are complied with, notably whether it is probable that the development projects will generate future economic benefits for the Company. The capitalized development expenses are tested annually for impairment. We have identified the capitalization and valuation of development expenses as a key audit matter due to the materiality of these intangible assets in the balance sheet and the judgment exercised by the management for their initial capitalization and their impairment testing.	We obtained an understanding of the procedures relating to the initial capitalization of development expenses, the identification of projects presenting an indication of impairment, and the development of the estimates used to perform the impairment testing of these assets. For the projects we selected, our work notably consisted in: › assessing compliance with the capitalization criteria as defined in the notes to the financial statements; › testing, by sampling, the consistency of the amounts concerning development projects recorded in assets as at 31 March 2023 with the underlying supporting documentation; › evaluating the data and assumptions used by the Company for the impairment testing of capitalized development costs through inquiries of Management.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to Shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D.441-6 of the French Commercial Code (*Code de commerce*).

Report on coporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L.225-37-4, L22-10-10 and L.22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L.22-10-9 of the French Commercial Code (*code de commerce*) relating to remunerations and benefits received by or awarded to the directors and any other commitments made in their favour, we have verified the consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlled companies included in the scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a public takeover bid or exchange offer, provided pursuant to Article L.22-10-11 of the French Commercial Code, we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on Other Legal and Regulatory Requirements

Format of presentation of the financial statements intended to be included in the Annual Financial Report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (*code monétaire et financier*), prepared under the responsibility of the general manager (*Directeur general*), complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Soitec by your annual general meeting held on July 25, 2016.

As at March 31, 2023, our firms were in the seventh year of total uninterrupted engagement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit and Risks Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved the Board of Directors.

Statutory Auditors's Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (*code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit and Risks Committee

We submit to the Audit and Risks Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit and Risks Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit and Risks Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics *(code de déontologie)* for statutory auditors. Where appropriate, we discuss with the Audit and Risks Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris La Défense and Lyon, June 13, 2023

The statutory Auditors

French original signed by

KPMG Audit		**Ernst & Young Audit**	
Laurent Genin	Rémi Vinit-Dunand	Jacques Pierres	Benjamin Malherbe
Partner	*Partner*	*Partner*	*Partner*

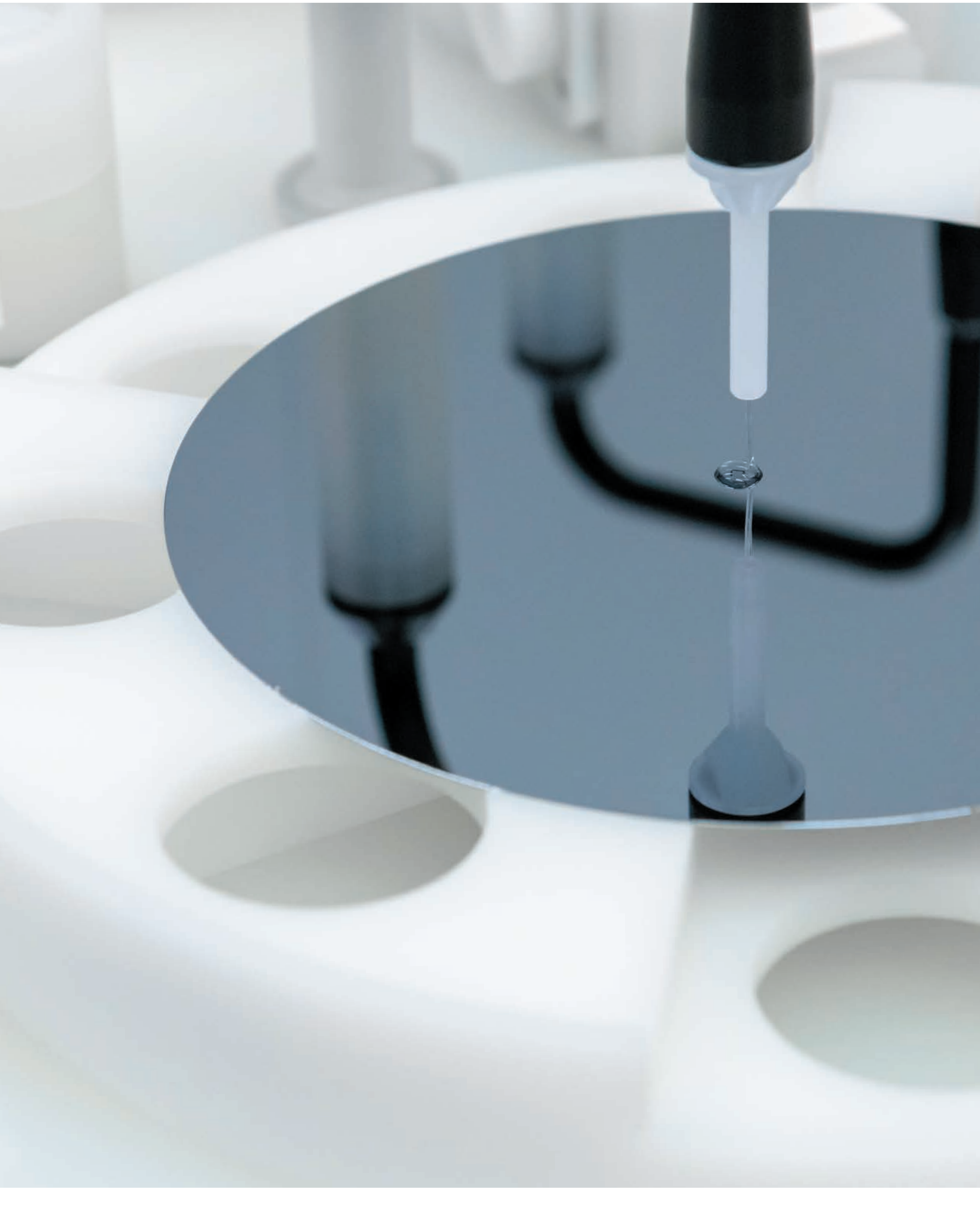
6.4 Other financial and accounting information

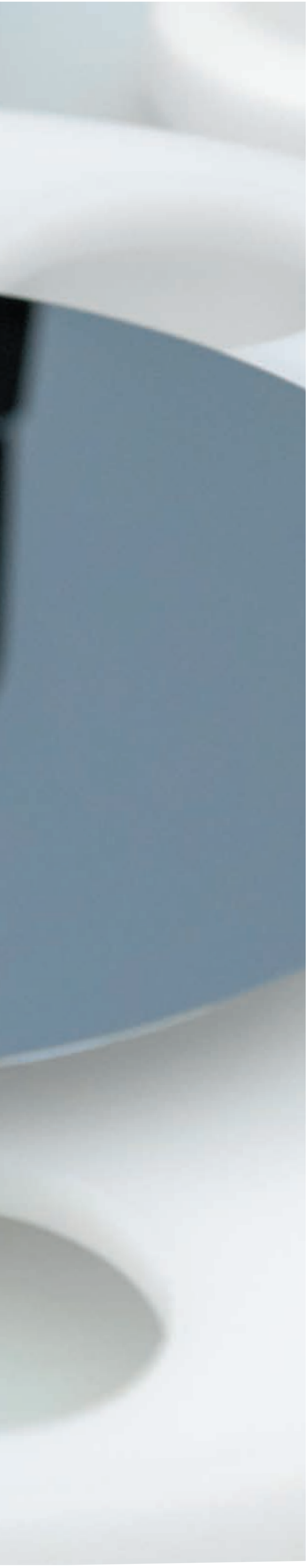
6.4.1 Five-year financial summary

Fiscal year ended *(in € thousands)*	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019
Duration of fiscal year *(in months)*	**12**	**12**	**12**	**12**	**12**
I. SHARE CAPITAL AT END OF FISCAL YEAR					
Share capital	71,179	70,301	66,730	66,558	62,762
Number of shares					
› ordinary shares	35,589,417	34,897,013	33,180,921	33,180,921	31,367,567
› preferred shares		253,567	184,302	97,980	269,365
Maximum number of shares to be issued					
› on conversion of bonds					
› on redemption of subscription rights					
II. EARNINGS					
Revenue before tax	1,037,531	737,317	550,043	577,355	448,694
Earnings before tax, employee profit-sharing, depreciation, amortization and impairment	276,270	182,826	97,701	54,136	103,216
Income tax	15,311	3,578	(1,352)	495	3,421
Employee profit-sharing	3,380	1,367	52	1,107	2,522
Additions to/(reversals from) depreciation, amortization and impairment	45,732	30,881	30,314	(47,194)	(11,186)
Net profit	211,847	147,001	68,686	99,727	108,460
Dividends paid					
III. EARNINGS PER SHARE					
Earnings after tax, employee profit-sharing, but before depreciation, amortization and impairment	7.24	5.10	2.98	1.58	3.1
Earnings after tax, employee profit-sharing, depreciation, amortization and impairment	5.95	4.21	2.07	3.01	3.46
Dividend paid					
IV. PERSONNEL					
Average headcount during the fiscal year	1,427	1,350	1,191	1,128	1,053
Payroll costs	90,320	83,610	64,453	63,738	55,896
Amounts paid in social charges (social security and other social agencies)	41,417	39,951	36,438	30,184	25,717

6.4.2 Inventory of marketable securities

Company *(in € thousands)*	**Book value March 31, 2023**
A. EQUITY INVESTMENTS	
Soitec USA Holding Inc.	17
Soitec Japan Inc.	2,637
Soitec Korea LLC	328
Soitec Trading Shanghai Co. Ltd.	102
Concentrix Holding SAS	3,898
Dolphin Design SAS	5,300
Soitec Asia Holding Pte Ltd.	378,852
Soitec Lab SAS	7,166
Soitec NewCo 2 SAS	1
Soitec NewCo 3 SAS	1
Soitec NewCo 4 SAS	1
Soitec Belgium	47,803
NOVASiC	7,218
Innovacom gestion	5,500
Shanghai Simgui Technology Co. Ltd.	4,441
Greenwaves Technologies	7,546
Supernova Ambition Industrie	1,475
US – Cambridge Electronics Inc.	1,974
B. ADVANCES TO EQUITY INVESTMENTS	
Soitec Microelectronics Singapore Pte Ltd.	17,872
Soitec Lab SAS	10,241
Dolphin Design SAS	23,900
C. OTHER LONG-TERM INVESTMENTS	
Transfer of all the assets and liabilities of Frec|n|sys	5
D. MARKETABLE SECURITIES	
Marketable securities	12,057
E. TREASURY SHARES	
4,351 Treasury shares	358
TOTAL	**538,693**

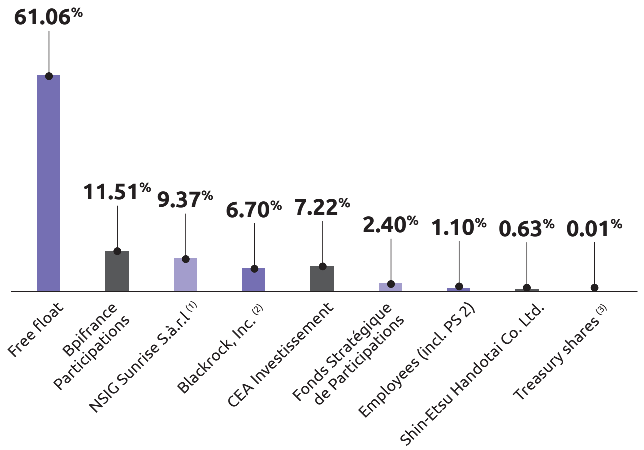




7 SHARE CAPITAL AND SHAREHOLDING STRUCTURE

7.1 Shareholding structure

7.1.1 Shareholders at March 31, 2023



(1) Threshold crossing declaration made by NSIG Sunrise S.à.r.l to the AMF on March 13, 2023 (for more information, see section 7.1.6.1 A. of this Universal Registration Document).

(2) Information provided by BlackRock to the Company by email dated April 26, 2023. BlackRock has maintained its interest in the Company's share capital above 5%, and holds approximately 6.70% of the Company's shares at March 31, 2023.

(3) Shares without voting rights.

Around 23.29% of the stock held by the general public and institutional investors

23.29%

Around 23.29% of the Company's shares are widely distributed among the public or held by institutional investors other than the 50 leading investors.

Slight decrease in employee shareholding

1.10%

Employee shareholding decreased slightly during the year due to the sale of shares by employees of the Company, partly offset by the vesting of Company shares to employees who are beneficiaries of co-investment programs with free share allocations and free performance share allocation plans.

Small portion of treasury shares

The **4,221** treasury shares represent around 0.01% of the total number of shares.

Three "strategic investors"

In May and June 2016, we completed two major capital increases, one of which was reserved for the Group's three "strategic investors".

Following these transactions, these companies each held 14.50% of the Company's share capital, totaling 43.50%.

On June 28, 2017, the companies each sold an identical number of shares to institutional investors. Following these transactions, their respective shareholdings represented around 12%.

On July 31, 2020, CEA Investissement sold 1,065,000 shares off-market through a placement to qualified investors via an accelerated book building process. Following this transaction, its shareholding represented around 7.71%.

On March 9, 2023, NSIG Sunrise S.à.r.l sold 300,000 shares off-market. Following this transaction, NSIG Sunrise S.à.r.l. held 9.37% of the Company's share capital at March 31, 2023.

During fiscal year 2022-2023, Bpifrance Participations increased its interest in the Company's share capital, holding 11.51% of the Company's shares at March 31, 2023.

28.10%

The three "strategic investors" continue to represent a significant portion of the Company's shareholding: Bpifrance Participations holds 11.51% of the shares comprising the Company's share capital, NSIG Sunrise S.à.r.l holds 9.37%, and CEA Investissement holds 7.22%, i.e., a total of 28.10%. Given that the three "strategic investors" do not act in concert, as described in section 7.1.6.2 *Absence of control over the Company* of this Universal Registration Document, the Company is not controlled.

A long-standing shareholder

Shin-Etsu Handotai, a long-standing Japanese partner and silicon supplier, is still one of the Company's shareholders.

0.63%

One of the first shareholders, Shin-Etsu Handotai holds approximately 0.63% of the share capital at the date hereof, 24 years after Soitec's initial public offering.

Growth of the top 50 institutional investors

48.13%

At March 31, 2023, the top 50 institutional investors hold 48.13% of the Company's share capital (compared to 47.59% in May 2022 and 45.88% in March 2021).

Primarily located in Europe, the United States and Asia, the majority have a long-only strategy.

7.1.2 Change in the main shareholders over the past three fiscal years

The table below shows the number of shares and voting rights, and the corresponding percentages, held by the main shareholders, long-standing shareholders and employee shareholders at March 31, 2023.

The development over the past three years of their respective positions in terms of percentages of shares and exercisable voting rights is also included.

The main shareholders are those who directly or indirectly hold more than 5% of the share capital. To the best of the Company's knowledge, no other shareholder holds, directly or indirectly, alone or in concert, more than 5% of the share capital or voting rights at March 31, 2023.

Employee shareholding has been calculated in accordance with Article L. 225-102 of the French Commercial Code (*Code de commerce*), as described in further detail in section 7.1.7 *Employee shareholding structure* of this Universal Registration Document.

	Situation at March 31, 2023						Situation at March 31, 2022		Situation at March 31, 2021	
Shareholders	Number of shares	Percentage of shares	Number of theoretical voting rights (1)	Percentage of theoretical voting rights (1)	Number of exercisable voting rights (2)	Percentage of exercisable voting rights (2)	Percentage of shares	Percentage of exercisable voting rights (2)	Percentage of shares	Percentage of exercisable voting rights (2)
Free float	21,731,175	61.06%	22,100,172	48.27%	22,100,172	48.31%	60.52%	48.78%	59.87%	50.62%
Bpifrance Participations	4,094,700	11.51%	7,730,707	16.89%	7,730,707	16.90%	10.35%	16.34%	10.90%	18.17%
NSIG Sunrise S.à.r.l.	3,336,008	9.37%	6,672,016	14.57%	6,672,016	14.59%	10.35%	13.84%	10.90%	15.39%
BlackRock, Inc. (5)	2,383,700	6.70%	2,383,700	5.21%	2,347,144	5.13%	8.91%	6.96%	9.05%	7.55%
CEA Investissement	2,571,007	7.22%	5,142,014	11.23%	5,142,014	11.24%	7.31%	11.56%	7.71%	6.42%
Fonds Stratégique de Participations	853,000	2.40%	853,000	1.86%	853,000	1.87%				
Employees:	392,977	1.10%	452,853	0.99%	452,853	0.99%	1.92% (6)	1.52% (6)	0.89%	0.74%
Of which freely allocated PS 2 (3)	-	-	-	-	-	-	*0.72%*	*0.57%*	*0.19%*	*0.16%*
Shin-Etsu Handotai	222,629	0.63%	445,258	0.97%	445,258	0.97%	0.63%	1.00%	0.67%	1.11%
Treasury shares (4)	4,221	0.01%	4,221	0.01%	0	0.00%	0.01%	0.00%	0.01%	0.00%
TOTAL	**35,589,417**	**100.00%**	**45,783,941**	**100.00%**	**45,743,164**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

*(1) The total number of theoretical voting rights (or "gross" voting rights) is used as the basis for calculating threshold crossings. In accordance with Article 223-11 of the General Regulation of the French financial markets authority (*Autorité des marchés financiers – AMF*), this number is calculated on the basis of all shares to which voting rights are attached at the information cut-off date, including shares without voting rights and shares entitled to double voting rights.*

(2) The total number of exercisable voting rights (or "net" voting rights) is calculated after taking into account, at the information cut-off date, the number of shares entitled to double voting rights, and after the deduction of shares without voting rights.

(3) All of the PS 2 comprising the Company's share capital, i.e., 31,383 existing PS 2 at the conversion date, were converted into ordinary shares on December 1, 2022 (for more information, see section 7.2.4.1 B. of this Universal Registration Document).

(4) Shares without voting rights.

(5) In accordance with Article L. 233-14 of the French Commercial Code, 36,556 shares have been stripped of their voting rights until May 31, 2023. In addition, by email dated April 26, 2023, BlackRock declared to the Company that it held 2,383,700 shares of the Company at March 31, 2023. Since the end of the fiscal year, there have been changes in BlackRock, Inc.'s interest in the Company's share capital (see section 7.1.6.1 A. of this Universal Registration Document for more information).

(6) The percentage of shares held by employees at March 31, 2022 and the percentage of voting rights have been updated, as the figures provided in the 2021-2022 Universal Registration Document did not take into account the shares held by the company mutual fund FCPE Soitec Jade 2020.

7.1.3 Stock market data

7.1.3.1 Company profile

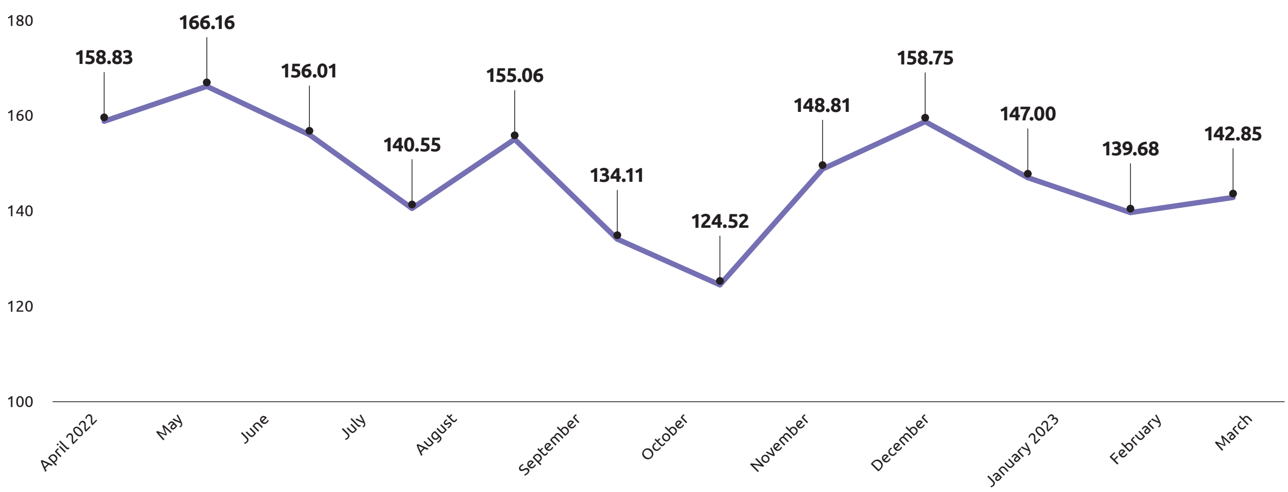
		Event
Stock market	EURONEXT	The Company has been listed on Euronext Paris since its initial public offering on February 9, 1999. Initially listed in Compartment B, it is now listed in Compartment A.
Indices	CAC Mid 60 SBF 120 CAC SBT 1.5	Following the quarterly review of the Euronext Paris indices on March 9, 2017, the Index Committee (*Conseil scientifique des indices*) decided to readmit the Company to the panels comprising the CAC Mid 60 and SBF 120 indices. This decision took effect on March 17, 2017 after market close. The Company has been a member since January 12, 2023.
Ticker symbol	SOI	Since February 9, 1999.
ISIN	FR0013227113	Since the reverse stock split effective February 8, 2017.

7.1.3.2 Summary table of the past two fiscal years

	2022-2023	2021-2022
Stock market capitalization at fiscal year-end *(in € billions)*	5.23	5.97
Number of listed shares	35,589,417	34,892,662
Highest price *(in €)*	176.400	243.000
Lowest price *(in €)*	110.950	127.100
Average closing price *(in €)*	140.711	187.648
Price at fiscal year-end *(in €)*	147.600	171.100

7.1.3.3 Changes in the share price over the past fiscal year *(in €)*

Year/month	Highest price *(in €)*	Lowest price *(in €)*	Average closing price *(in €)*	Number of shares traded	Value traded *(in € millions)*	Market capitalization on the basis of the average closing price *(in € millions)*
2022						
April	174.80	150.35	158.83	1,211,902	204.12	5,541.96
May	174.95	153.85	166.16	1,412,812	233.39	5,797.73
June	176.40	132.60	156.01	1,362,271	233.02	5,443.49
July	157.00	119.40	140.55	1,496,886	196.52	4,904.33
August	166.95	140.85	155.06	889,217	139.68	5,410.33
September	150.40	115.75	134.11	1,213,641	167.25	4,730.99
October	139.60	110.95	124.52	1,215,704	143.39	4,422.08
November	163.15	123.60	148.81	1,263,478	165.33	5,284.69
December	173.25	151.20	158.75	1,664,701	268.20	5,647.02
2023						
January	155.60	138.15	147.00	1,818,547	277.31	5,231.09
February	150.65	130.20	139.68	1,590,119	221.82	4,970.61
March	152.90	133.85	142.85	1,664,511	242.11	5,083.17



7.1.4 Dividend information

The Company has not distributed any dividends in respect of the past three fiscal years.

It does not plan to pay out any dividends for fiscal year 2022-2023, as it intends to reinvest its profits in order to finance its future growth.

7.1.5 Rights, preferences and restrictions attached to Company shares

7.1.5.1 One share class

Since December 1, 2022, the Company's share capital has comprised only one class of shares, i.e., ordinary shares with a par value of €2.00 each, listed on the Euronext Paris regulated market under the ISIN code FR0013227113 and ticker symbol "SOI", as all of the PS 2 comprising the Company's share capital, i.e., 31,383 existing PS 2 at the conversion date, were converted into ordinary shares on December 1, 2022 following a decision by the Board of Directors on November 23, 2022.

7.1.5.2 Different voting rights

Simple voting rights

Voting rights are proportional to the capital represented by shares. At Annual General Meetings, each ordinary share carries one vote.

Double voting rights

Since the resolution adopted by the Annual General Meeting of November 30, 1998, Article 22 of the Company's by-laws states that double voting rights are conferred on shares that have been held for at least two years by the same shareholder in the registered form.

In the event of a capital increase by incorporation of reserves, profits or issue premiums, double voting rights are conferred on the registered shares allocated free of charge to the shareholders as from the date of their issue, on the basis of the previous shares for which such right was also conferred.

This rule has applied since August 31, 2000.

The double voting right ceases for any share converted to bearer or subject to a transfer.

Voting rights of the main shareholders

Section 7.1.2 *Change in the main shareholders over the past three fiscal years* of this Universal Registration Document presents the exact number of voting rights held by the main and long-standing shareholders at March 31, 2023.

7.1.5.3 Amendments to shareholder rights under legal requirements

Decisions amending the Company's by-laws in general are adopted by the Extraordinary General Meeting under the legal majority conditions required.

7.1.6 Threshold crossings – Absence of control over the Company

7.1.6.1 Threshold crossings over the past fiscal year

A. Legal threshold crossings

During fiscal year 2022-2023, the following threshold crossings were declared in accordance with Article L. 233-7 of the French Commercial Code:

- **NSIG SUNRISE S.À.R.L.** (1)

Date of crossing	Crossing direction	Threshold(s) crossed	Number of shares held post-crossing	Percentage of capital declared	Number of voting rights held post-crossing	Percentage of voting rights declared
03/09/2023 (1)	↘	15% of voting rights 10% of capital	3,336,008	**9.37%**	6,672,016	**14.57%**

(1) By letters received on March 13, 2023, NSIG Sunrise S.à.r.l. declared that it had crossed below the thresholds of 15% of the voting rights and 10% of the Company's share capital, and that it held 3,336,008 shares representing 6,672,016 voting rights, i.e., 9.37% of the share capital and 14.57% of the voting rights of the Company.

Since the end of fiscal year 2022-2023, BlackRock, Inc., acting on behalf of clients and funds that it manages, declared to the Company and the AMF that it had crossed the following thresholds:

- **BLACKROCK, INC.**

Date of crossing	Crossing direction	Threshold(s) crossed	Number of shares held post-crossing	Percentage of capital declared	Number of voting rights held post-crossing	Percentage of voting rights declared
05/08/2023	↘	5% of voting rights	2,287,032	**6.43%**	2,287,032	**4.99%**
05/10/2023	↗	5% of voting rights	2,289,714	**6.43%**	2,289,714	**5.002%**
05/11/2023 (1)	↘	5% of voting rights	2,267,315	**6.37%**	2,267,315	**4.95%**

(1) Blackrock Inc. informed the Company that, together with its subsidiaries, it owns 2,290,764 shares.

B. Crossing of the thresholds set out in the by-laws

In accordance with Article 11 of the Company's by-laws, any crossing of the threshold of 3% of the capital or voting rights must be disclosed to the Company.

During fiscal year 2022-2023, GIC Private Limited, a company incorporated under Singapore law, declared to the Company by letter dated October 18, 2022 that it had exceeded the threshold of 3% set out in the Company's by-laws on October 11, 2022.

7.1.6.2 Absence of control over the Company

To the Company's knowledge, no shareholder directly or indirectly holds a portion of its share capital or voting rights granting it control over the Company.

7.1.6.3 Change of control over the Company

To the Company's knowledge, there is no agreement in place that could give rise to a change of control over the Company in the future.

Apart from the double voting rights described in section 7.1.5.2 *Different voting rights* of this Universal Registration Document and the factors presented in section 7.1.8 *Factors likely to have an impact in the event of a public offer* of this Universal Registration Document, no provisions in the Company's by-laws or any of its charters or regulations would have the effect of delaying, deferring or preventing a change of control over the Company.

7.1.7 Employee shareholding structure

All of the PS 2 comprising the Company's share capital, i.e., 31,383 existing PS 2 at the conversion date, were converted into ordinary shares on December 1, 2022, following a decision by the Board of Directors on November 23, 2022 (for more information, see section 7.2.4.1 B. of this Universal Registration Document).

Pursuant to Article L. 225-102 of the French Commercial Code, it is hereby specified that the proportion of the share capital held by the Company's employees at March 31, 2023 is approximately 1.10%, i.e., 392,977 ordinary shares. Employee shareholding is the result of the following two mechanisms:

- pursuant to the 31st resolution of the Annual General Meeting of July 26, 2019 and a decision of the Board of Directors on July 26, 2019, the Company has set up a company savings plan for the employees of the French and Singaporean entities of the Group via a company mutual fund ("FCPE Jade");
- in addition, the shares held in registered form by employees and included in the above calculation are the result of the free shares allocated under the plans described in section 7.2.4.1 *Type and characteristics of financial instruments issued* of this Universal Registration Document or of the Universal Registration Documents or Registration Documents for previous fiscal years. Share subscription offers against payment reserved for employees are excluded from the calculation.

7.1.8 Factors likely to have an impact in the event of a public offer

In application of Article L. 22-10-11 of the French Commercial Code, the factors likely to have an impact in the event of a public offer are as follows:

Structure of the Company's share capital	**See sections 7.1.1 and 7.1.2 of this Universal Registration Document.**
Restrictions on the exercise of voting rights and on transfers of shares provided for in the by-laws or clauses of agreements brought to the Company's attention pursuant to Article L. 233-11 of the French Commercial Code	In accordance with Article 11 of the by-laws, any shareholder, acting alone or in concert, who comes to hold, directly or indirectly, at least 3% of the capital or voting rights of the Company (or whose interest falls below this threshold) must inform the Company. Non-compliance with the requirement to declare the crossing of the thresholds set out in the by-laws gives rise to the removal of voting rights under the conditions laid down by Article L. 233-14 of the French Commercial Code at the request of one or several shareholders holding together at least 3% of the capital or voting rights of the Company. The Company's by-laws are available in full on the Group's website and are incorporated by reference in this Universal Registration Document.
Direct or indirect interests in the share capital of which the Company is aware pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code	See sections 7.1.2 and 7.1.6 of this Universal Registration Document.
Control mechanisms provided for in any employee shareholding scheme where control rights are not exercised by the employees	The Supervisory Board of the company mutual fund FCPE Soitec Jade 2020 exercises the voting rights attached to the Company's securities at its Annual General Meetings and decides on the attitude to be adopted and the management approach to be taken for the FCPE's assets in the event of a takeover or exchange bid for the Company's securities.
Agreements between shareholders of which the Company is aware and which may result in restrictions on the transfer of shares and the exercise of voting rights	N/A. The term of the Shareholders' Agreement entered into on March 7, 2016 between Bpifrance Participations, CEA Investissement and National Silicon Industry Group/NSIG Sunrise S.à.r.l. expired at the close of the Annual General Meeting of July 28, 2021.
Rules applicable to the appointment and replacement of members of the Board of Directors and to amendments of the by-laws	See sections 4.1.1 and 7.1.5.3 of this Universal Registration Document and Article 12 of the Company's by-laws.

Structure of the Company's share capital	See sections 7.1.1 and 7.1.2 of this Universal Registration Document.
Powers of the Board of Directors, in particular with respect to share issues and buybacks	In accordance with the resolution approved by the shareholders at the Annual General Meeting of July 26, 2022, the Board of Directors may not implement the Company's share buyback program during a public offer for the Company's shares. In addition, in accordance with the resolutions approved by the shareholders at the Annual General Meetings of July 28, 2021 and July 26, 2022, the Board of Directors may not decide to issue shares and securities with or with a waiver of preemptive subscription rights (except through capital increases reserved for members of company savings plans and free share allocations subject to performance conditions) during public offers for the Company's shares. The resolutions submitted to the vote of the Annual General Meeting of July 25, 2023 include the same conditions as those adopted in previous years. The Board of Directors' powers to issue or buy back shares are described in more detail in section 7.2.5.1 of this Universal Registration Document.
Agreements entered into by the Company that are subject to amendment or termination in the event of a change of control, unless such disclosure, other than in accordance with a legal obligation to disclose, would be seriously prejudicial to its interests	The Company may enter into agreements containing change of control clauses, such as the issue agreement for the 2025 OCEANE bond (see section 7.2.4.1 E. of this Universal Registration Document), which contain a clause providing for the possibility of early redemption, in cash, in the event of a change of control.
Agreements providing for compensation for members of the Board of Directors and employees if they resign or are dismissed without just cause or if their employment is terminated as a result of a public takeover and exchange bid	Commitments related to the termination of the duties of the Chief Executive Officer are described in section 4.2 of this Universal Registration Document. In addition, under certain free share allocation plans set up by the Company, a public takeover or exchange bid for the Company's securities may have the effect of reducing the vesting (or holding) period or of waving the presence conditions.

7.2 Share capital information

7.2.1 Changes in the share capital during fiscal year 2022-2023

7.2.1.1 Share capital at March 31, 2023

At March 31, 2023, the share capital, amounting to €71,178,834, comprised 35,589,417 ordinary shares with a par value of €2.00 each.

7.2.1.2 Changes since the last fiscal year

Since the last fiscal year, the Company's share capital has changed as indicated in the table in section 7.2.7 of this Universal Registration Document.

7.2.2 Treasury shares held by the Company

7.2.2.1 Number of treasury shares

In accordance with decisions taken on September 29, 2022, the Chief Executive Officer, acting under the powers delegated to him, decided to allocate 130 existing ordinary shares of the Company in advance, following the death of a beneficiary of the Opal Foreign Entities plan, and to deduct said shares from the Company's treasury shares, in accordance with the plan rules. As a result, the number of treasury shares held by the Company decreased from 4,351 to 4,221 ordinary shares.

At March 31, 2023, the Company held 4,221 ordinary treasury shares, representing 0.01% of the share capital. They have a par value of €2.00 each and would have a purchase price of €358,415.75.

7.2.2.2 Number of shares held by indirect subsidiaries

At March 31, 2023, none of its indirect subsidiaries held shares in the Company.

7.2.2.3 Declaration by the issuer of the transactions performed in its own shares during the fiscal year ended March 31, 2023

The Company did not make use of the share buyback program approved by the Annual General Meeting of July 26, 2022. Accordingly, no treasury shares were purchased or sold during the fiscal year ended March 31, 2023.

7.2.3 Description of the new share buyback program that will be submitted for the approval of the Annual General Meeting of July 25, 2023

7.2.3.1 Legal framework

The purpose of the following description of the Company's share buyback program is, pursuant to Article 241-2 of the AMF's General Regulation and Commission Delegated Regulation (EU) 2016/1052 of March 8, 2016, to describe the objectives and terms of the share buyback program that will be submitted to a shareholder vote at the Annual General Meeting to be held on July 25, 2023, under the 15th resolution.

7.2.3.2 Objectives of the new share buyback program

Acquisitions may be made for the purpose of:

- ensuring the liquidity of and making a market for the Company's shares through an investment services provider, under a liquidity agreement that complies with the market practices permitted by the AMF (as amended where appropriate); or
- allocating or selling shares to employees as part of their involvement in the performance of the Company or pursuant to a company or Group employee savings plan (or similar plan) in accordance with the law, notably Articles L. 3332-1 *et seq.* of the French Labor Code (*Code du travail*); or
- allocating free shares under the provisions of Articles L. 225-197-1 *et seq.*, L. 22-10-59 and L. 22-10-60 of the French Commercial Code; or
- in general, meeting obligations related to share option programs or other share allocations to employees or corporate officers of the issuer or of a related company; or
- covering securities giving rights to the allocation of Company shares through the delivery of shares on the exercise of rights attached to securities giving rights to the allocation of Company shares through redemption, conversion, exchange, presentation of a warrant, or any other means; or
- retaining and subsequently delivering shares (in exchange, as payment or other) for external growth operations, on the understanding that the maximum amount of shares acquired with a view to their retention and subsequent delivery as payment or in exchange for merger, demerger or capital contribution operations may not exceed 5% of the capital; or
- canceling some or all of the shares bought back, under the conditions provided for in Article L. 22-10-62 of the French Commercial Code; or
- allowing for the implementation of any market practices permitted or that may be permitted by the market authorities and, more generally, the completion of transactions that may be permitted, subject to notifying the shareholders thereof in a press release.

7.2.3.3 Maximum percentage of capital, maximum amount allocated to the program and maximum number and characteristics of equity securities the Company plans to acquire and the maximum purchase price

The number of shares that may be acquired during the share buyback program may not exceed 5% of the share capital at each buyback date. This limit would apply to the share capital as adjusted for any share capital transactions occurring after the Annual General Meeting of July 25, 2023.

For information purposes, this maximum number of shares would therefore stand at 1,779,470, as calculated based on the share capital at June 7, 2023, amounting to €71,178,834 (and comprising 35,589,417 shares).

Regarding the particular case of shares bought back under a liquidity contract, the number of shares taken into account for the calculation of the 5% limit corresponds to the number of shares purchased, less the shares re-sold during the term of the authorization.

The number of shares held by the Company at any time may not exceed 10% of the share capital. This percentage would apply to the share capital as adjusted for any share capital transactions occurring after the Annual General Meeting of July 25, 2023.

The maximum purchase price would be set at €230 per share. In the event of a share capital transaction, this amount would be adjusted accordingly.

The Annual General Meeting of July 25, 2023 will be asked to set the overall maximum amount that would be allocated to this program at €409,278,100. For information purposes, this limit was determined based on the share capital at June 7, 2023, amounting to €71,178,834.

The securities to which this program relates would be ordinary shares with a par value of €2.00 each, issued by the Company and listed on the Euronext Paris regulated market under ISIN code FR0013227113 and ticker symbol "SOI".

7.2.3.4 Duration of the buyback program

The buyback program would be valid for a period of 18 months from the Annual General Meeting of July 25, 2023.

It would supersede the program approved by the Annual General Meeting of July 26, 2022 in its 24th resolution.

7.2.4 Securities giving access to the Company's share capital at March 31, 2023

7.2.4.1 Type and characteristics of financial instruments issued

A. Co-investment program with free allocation of PS 2 (Topaz plans no. 1 and no. 2) and reserved issue of PS 2

Free PS 2 preferred share allocation plan (Topaz plans no. 1 and no. 2)

Pursuant to the 34th resolution of the Annual General Meeting of July 26, 2019, and in accordance with its powers under the former Article L. 225-197-1 of the French Commercial Code, the Board of Directors decided on December 18, 2019 to implement two free PS 2 allocation plans, namely:

- the free PS 2 Topaz no. 1 plan ("Topaz no. 1" plan) for employees, or certain categories of them, and for corporate officers, or certain categories of them, of the Company and/or affiliated companies within the meaning of Article L. 225-197-2 of the French Commercial Code; and
- the free PS 2 Topaz no. 2 plan ("Topaz no. 2" plan) for the former Chief Executive Officer, Paul Boudre.

For more information, see section 7.2.3.1 A. of the 2021-2022 Universal Registration Document.

Vesting of PS 2 during fiscal year 2022-2023 and corresponding issues

During fiscal year 2022-2023, the conditional allocations gave rise to the vesting of 30% of the PS 2 allocated under the Topaz no. 1 and no. 2 plans. Accordingly, on August 1, 2022, the Chief Executive Officer, under the authorization granted by the Board of Directors on July 26, 2022, placed on record:

- under the Topaz no. 1 plan, the issue of 47,033 new PS 2 with a par value of €2.00 each; and
- under the Topaz no. 2 plan, the issue of 9,596 new PS 2 with a par value of €2.00 each.

Date	Share capital before issue	Share capital after issue	New share capital breakdown
08/01/2022	€70,360,498	€70,473,756	35,236,878 shares divided into: › 34,926,682 ordinary shares of €2.00; › 310,196 PS 2 of €2.00.

SUMMARY TABLE OF PS 2 ALLOCATIONS UNDER THE TOPAZ NO. 1 AND NO. 2 PLANS

Date of Annual General Meeting	07/26/2019	07/26/2019
Plan name	Free PS 2 Topaz no. 1	Free PS 2 Topaz no. 2
Date of Board of Directors' meeting	12/18/2019	12/18/2019
Number of shares (PS 2) allocated by the Board of Directors	**163,978**	**31,982**
Of which number of shares for corporate officers of the Company	-	*31,982*
Of which number of shares for top ten employee beneficiaries of the Company	*110,624*	*31,982*
Number of initial beneficiaries	371	1
Three vesting periods:		
› Vesting of 40% of the PS 2 allocated	From 12/18/2019 to 12/18/2020	From 12/18/2019 to 12/18/2020
› Vesting of 30% of the PS 2 allocated	From 12/18/2019 to 08/01/2021	From 12/18/2019 to 08/01/2021
› Vesting of 30% of the PS 2 allocated	From 12/18/2019 to 08/01/2022	From 12/18/2019 to 08/01/2022
Holding period	Until the earliest of the following three dates: (i) the Conversion Date (2), (ii) the Repurchase Date (3), or (iii) July 26, 2029	Until the earliest of the following three dates: (i) the Conversion Date (2), (ii) the Repurchase Date (3), or (iii) July 26, 2029
Number of shares vested (1)	**157,220**	**31,982**
Number of canceled or lapsed shares (1)	**6,758**	**0**
Number of shares outstanding (1)	**0**	**0**

(1) At March 31, 2023.

(2) The conversion date of the PS 2 into new or existing ordinary shares of the Company (the "Conversion Date") was set at August 2, 2022 by the Board of Directors at its meeting of July 26, 2022.

(3) In the event that the performance objectives are not achieved and the number of ordinary shares to which the PS 2 would entitle the holder upon conversion, by applying the Conversion Ratio, equals zero, the PS 2 may be repurchased by the Company at its initiative no later than the 180th calendar day after the publication date of the Group's consolidated financial statements for the fiscal year ended March 31, 2022 (the "Repurchase Date"), at their par value, in accordance with the provisions of Article L. 228-12 III of the French Commercial Code. This was not the case in this instance.

Conversion into ordinary shares during fiscal year 2022-2023

In view of the achievement of the minimum and sufficient rate of the performance objectives under the conditions set by the Annual General Meeting of July 26, 2019, the Board of Directors, at its meeting of July 26, 2022, decided to convert 287,182 PS 2 by issuing 590,911 new ordinary shares with a par value of €2.00 each, in accordance with the provisions of Article 10.3.2 of the Company's by-laws, set the conversion date at August 2, 2022, and set the conversion ratio of the PS 2 at 2.06 ordinary shares per PS 2.

The conversion ratio was determined by the Board of Directors based on the rate of achievement of three objectives relating to:

(i) the Group's consolidated EBITDA as shown in the Group's consolidated financial statements for the fiscal year ended March 31, 2022;

(ii) the Group's consolidated revenue as shown in the Group's consolidated financial statements for the fiscal year ended March 31, 2022; and

(iii) the respective performance of the Total Shareholder Return (TSR) of the Company's ordinary shares and of the Euro Stoxx 600 Technology index between July 26, 2019 and the reporting date of the Group's consolidated financial statements for the fiscal year ended March 31, 2022.

These objectives were determined by the Annual General Meeting of July 26, 2019.

The Board of Directors delegated all powers to the Chief Executive Officer to carry out said conversion.

In accordance with a decision taken on August 2, 2022, the Chief Executive Officer placed on record the conversion of 287,182 PS 2 through the issue of 590,911 new ordinary shares with a par value of €2.00 each, in favor of the beneficiaries of the Topaz 2019 no. 1 and no. 2 plans, and the subsequent cancellation of all 287,182 PS 2 that had been converted into ordinary shares.

B. Reopening of the co-investment program with free allocation of PS 2 (Topaz 2022 plan) and reserved issue of PS 2

Free PS 2 allocation plan (Topaz 2022 plan)

Pursuant to the 34th resolution of the Annual General Meeting of July 26, 2019, and in accordance with its powers under the former Article L. 225-197-1 of the French Commercial Code, the Board of Directors decided on November 30, 2020 to implement a free PS 2 allocation plan ("Topaz 2022" plan) for employees, or certain categories of them, of the Company and/or affiliated companies within the meaning of Article L. 225-197-2 of the French Commercial Code.

For more information, see section 7.2.3.1 B. of the 2021-2022 Universal Registration Document.

Vesting of PS 2 during fiscal year 2022-2023 and corresponding issues

During fiscal year 2022-2023, the above-mentioned conditional allocations gave rise to the vesting of 40% of the PS 2 allocated under the Topaz 2022 plan. Accordingly, on December 1, 2022, the Chief Executive Officer, under the authorization granted by the Board of Directors on July 26, 2022, placed on record the issue of 8,369 new PS 2 with a par value of €2.00 each.

• SUMMARY TABLE OF PS 2 ALLOCATIONS UNDER THE TOPAZ 2022 PLAN

Date of Annual General Meeting	**07/26/2019**
Plan name	Free PS 2 Topaz 2022
Date of Board of Directors' meeting	11/30/2020
Number of shares (PS 2) allocated by the Board of Directors	**20,922**
Of which number of shares for corporate officers of the Company	-
Of which number of shares for top ten employee beneficiaries of the Company	*20,922*
Number of initial beneficiaries	3
Two vesting periods:	
› Vesting of 60% of the PS 2 allocated	From 11/30/2020 to 01/10/2022
› Vesting of 40% of the PS 2 allocated	From 11/30/2020 to 11/30/2022
Holding period	Until the earliest of the following three dates: (i) the Conversion Date (2), (ii) the Repurchase Date (3), or (iii) July 26, 2029
Number of shares vested (1)	**20,922**
Number of canceled or lapsed shares (1)	**0**
Number of shares outstanding (1)	**0**

(1) At March 31, 2023.

(2) The conversion date of the PS 2 into new or existing ordinary shares of the Company (the "Conversion Date") was set at December 2, 2022 by the Board of Directors at its meeting of November 23, 2022.

(3) In the event that the performance objectives are not achieved and the number of ordinary shares to which the PS 2 would entitle the holder upon conversion, by applying the Conversion Ratio, equals zero, the PS 2 may be repurchased by the Company at its initiative no later than the 180th calendar day after the publication date of the Group's consolidated financial statements for the fiscal year ended March 31, 2022 (the "Repurchase Date"), at their par value, in accordance with the provisions of Article L. 228-12 III of the French Commercial Code. This was not the case in this instance.

Conversion into ordinary shares during fiscal year 2022-2023

On December 1, 2022, the Chief Executive Officer, under the authorization granted by the Board of Directors on November 23, 2022, placed on record, by application of the PS 2 conversion ratio of 2.06 set by the Board of Directors, the conversion of 31,383 PS 2 (i.e., 20,992 PS 2 allocated free of charge under the Topaz 2022 plan and 10,461 PS 2 subscribed and issued under the co-investment program) through the issue of 64,646 new ordinary shares with a par value of €2.00 each, in favor of the beneficiaries of the Topaz 2022 plan and the co-investment program.

The conversion ratio was determined by the Board of Directors based on the rate of achievement of three objectives relating to:

(i) the Group's consolidated EBITDA as shown in the Group's consolidated financial statements for the fiscal year ended March 31, 2022;

(ii) the Group's consolidated revenue as shown in the Group's consolidated financial statements for the fiscal year ended March 31, 2022; and

(iii) the respective performance of the Total Shareholder Return (TSR) of the Company's ordinary shares and of the Euro Stoxx 600 Technology index between July 26, 2019 and the reporting date of the Group's consolidated financial statements for the fiscal year ended March 31, 2022.

These objectives were determined by the Annual General Meeting of July 26, 2019.

In addition, the Chief Executive Officer placed on record the subsequent cancellation of the 31,383 PS 2 that had consequently been converted into 64,646 ordinary shares.

C. Free ordinary share allocation plans approved in fiscal years 2019-2020 and 2020-2021

Legal framework

In accordance with the legal and regulatory provisions governing the allocation of free shares (in particular Articles L. 225-197-1 *et seq.*, L. 22-10-59 and L. 22-10-60 of the French Commercial Code), the Annual General Meeting of July 26, 2019, pursuant to its 32nd resolution, authorized the Board of Directors to allocate free ordinary shares in the Company with a par value of €2.00 each, on one or several occasions, to employees of the Group and corporate officers of the Company. The duration of this authorization was set at 38 months from the date of the Meeting.

The total number of free ordinary shares that may be allocated pursuant to this authorization may not exceed 5% of the share capital on the day the Board of Directors decides on the allocation.

Pursuant to this authorization, the Board of Directors approved 10 free ordinary share allocation plans in fiscal years 2019-2020 and 2020-2021, at its meetings on December 18, 2019, March 25, 2020, November 18, 2020 and March 31, 2021.

Purpose

The primary objective is to establish long-term incentive plans linked to Company profits for (i) employees of the Company or affiliated companies or groups in accordance with Article L. 225-197-2 of the French Commercial Code, and (ii) corporate officers of the Company or affiliated companies or groups that meet the conditions set out in Article L. 225-197-1, II of the French Commercial Code.

Conditional free allocation of ordinary shares during fiscal year 2019-2020

In accordance with the plan approved by the Board of Directors on December 18, 2019, subject to their presence over the period from December 18, 2019 to August 1, 2022, some employees and/or corporate officers were allocated 23,953 free performance shares, corresponding to ordinary shares of the Company. The former Chief Executive Officer, Paul Boudre, was not a beneficiary of this plan.

In accordance with the plan approved by the Board of Directors on March 25, 2020, subject to their presence over the period from March 25, 2020 to August 1, 2022, some employees and/or corporate officers were allocated 14,863 free performance shares, corresponding to ordinary shares of the Company. The former Chief Executive Officer, Paul Boudre, was not a beneficiary of this plan.

The number of ordinary performance shares that vested at the end of each of the vesting periods (i.e., August 1, 2022 for the two above-mentioned plans) was determined by the Board of Directors at its meeting of July 26, 2022 based on the rate of achievement of three objectives relating to (i) the Group's consolidated EBITDA, (ii) the Group's consolidated revenue, and (iii) the Total Shareholder Return (TSR) of the Company's ordinary shares compared to the Euro Stoxx 600 Technology index. In accordance with a decision taken on August 1, 2022, the Chief Executive Officer, acting under the delegation of authority granted by the Board of Directors, placed on record the vesting of 17,062 ordinary performance shares allocated under the December 18, 2019 plan and 12,607 ordinary performance shares allocated under the March 25, 2020 plan to their beneficiaries.

Conditional free allocation of ordinary shares during fiscal year 2020-2021

In accordance with the US 2022 plan approved by the Board of Directors on November 18, 2020, subject to their presence over the period from November 18, 2020 to November 18, 2022, an employee of the Group was allocated 7,394 free performance shares, corresponding to ordinary shares of the Company, subject to compliance with presence and performance conditions. In accordance with a decision taken by the Chief Executive Officer on November 24, 2022 under the authorization granted by the Board of Directors on July 26, 2022, 7,178 ordinary performance shares vested to their beneficiary under the plan, notably due to their compliance with the presence condition at the end of a vesting period which expired on November 18, 2022.

In accordance with the Opale France plan approved by the Board of Directors on November 18, 2020, subject to their presence over the period from November 18, 2020 to August 1, 2023, all employees of Soitec SA, Frec|n|sys SAS and Soitec Lab SAS were allocated 123,711 free performance shares, corresponding to ordinary shares of the Company.

In accordance with the Opale Foreign Entities plan approved by the Board of Directors on November 18, 2020, subject to their presence over the period from November 18, 2020 to August 1, 2023, some employees and/or corporate officers of the subsidiaries based outside of France were allocated 19,411 free ordinary shares in the Company.

In accordance with the Onyx 2023 plan approved by the Board of Directors on November 18, 2020, subject to their presence over the period from November 18, 2020 to August 1, 2023, some employees and/or corporate officers (including the former Chief Executive Officer, Paul Boudre; see the description in section 4.2.3 of this Universal Registration Document) were allocated 59,915 free performance shares, corresponding to ordinary shares of the Company (of which 13,306 to the former Chief Executive Officer, Paul Boudre).

In accordance with the Dolphin 2024 plan approved by the Board of Directors on November 18, 2020, subject to their presence over the period from November 18, 2020 to August 1, 2024, some employees and/or corporate officers of Dolphin Design SAS were allocated 9,500 free performance shares, corresponding to ordinary shares of the Company.

In accordance with the Onyx 2023 *bis* plan approved by the Board of Directors on March 31, 2021, subject to their presence over the period from March 31, 2021 to August 1, 2023, an employee was allocated 1,271 free performance shares, corresponding to ordinary shares of the Company.

With respect to the US 2022, Opale France, Opale Foreign Entities, Onyx 2023 and Onyx 2023 *bis* plans, the number of ordinary performance shares that will vest at the end of each of the vesting periods concerned will be determined by the Board of Directors based on the rate of achievement of three objectives relating to (i) the Group's consolidated EBITDA, (ii) the Group's consolidated revenue, and (iii) the Total Shareholder Return (TSR) of the Company's ordinary shares compared to the Euro Stoxx 600 Technology index.

With respect to the Dolphin 2024 plan, the number of ordinary performance shares that will vest at the end of the vesting period will be determined by the Board of Directors based on the rate of achievement of objectives specific to Dolphin Design SAS.

SUMMARY TABLE OF FREE ORDINARY SHARE ALLOCATIONS IN FISCAL YEARS 2019-2020 AND 2020-2021

Date of Annual General Meeting	07/26/2019	07/26/2019	07/26/2019	07/26/2019	07/26/2019	07/26/2019	07/26/2019	07/26/2019
Plan name	-	-	US 2022	Opale France	Opale Foreign Entities	Onyx 2023	Dolphin 2024	Onyx 2023 *bis*
Date of Board of Directors' meeting	12/18/2019	03/25/2020	11/18/2020	11/18/2020	11/18/2020	11/18/2020	11/18/2020	03/31/2021
Number of ordinary shares allocated by the Board of Directors	**23,953**	**14,863**	**7,394**	**123,711**	**19,411**	**59,915**	**9,500**	**1,271**
Of which number of shares for corporate officers of the Company	-	-	-	-	-	*13,306* (2)	-	-
Of which number of shares for top ten employee beneficiaries of the Company	*20,423*	*12,047*	*7,394*	*8,919*	*3,484*	*34,474*	*9,500*	*1,271*
Number of initial beneficiaries	16	20	1	1,218	172	22	10	1
Performance conditions	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Vesting period	From 12/18/2019 to 08/01/2022	From 03/25/2020 to 08/01/2022	From 11/18/2020 to 11/18/2022	From 11/18/2020 to 08/01/2023	From 11/18/2020 to 08/01/2023	From 11/18/2020 to 08/01/2023	From 11/18/2020 to 08/01/2024	From 03/31/2021 to 08/01/2023
Holding period	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of shares vested (1)	**17,062**	**12,607**	**7,178**	**-**	**130**	**-**	**-**	**-**
Number of canceled or lapsed shares (1)	**6,891**	**2,256**	**216**	**11,573**	**4,709**	**997**	**1,227**	**0**
Number of shares outstanding (1)	**0**	**0**	**0**	**112,138**	**14,702**	**58,918**	**8,273**	**1,271**

(1) At March 31, 2023.
(2) Shares allocated to the former Chief Executive Officer, Paul Boudre.

Future vesting of ordinary shares during fiscal years 2023-2024 and 2024-2025

These freely allocated ordinary performance shares will vest to their beneficiaries, subject to compliance with presence and performance conditions, and certain exceptions stipulated in the rules of each plan, at the end of a vesting period that will expire on the respective dates indicated for each plan in the summary table above.

D. Free ordinary share allocation plans approved in fiscal years 2021-2022 and 2022-2023

Legal framework

In accordance with the legal and regulatory provisions governing the allocation of free shares (in particular Articles L. 225-197-1 *et seq.*, L. 22-10-59 and L. 22-10-60 of the French Commercial Code), the Annual General Meeting of July 28, 2021, pursuant to its 27th resolution, authorized the Board of Directors to allocate free ordinary shares in the Company with a par value of €2.00 each, on one or several occasions, to employees of the Group and corporate officers of the Company. The duration of this authorization was set at 38 months from the date of the Meeting.

The total number of free ordinary shares that may be allocated pursuant to this authorization may not exceed 5% of the share capital on the day the Board of Directors decides on the allocation.

Pursuant to the 27th resolution of the Annual General Meeting of July 28, 2021, and in accordance with its powers resulting from Articles L. 225-197-1 *et seq.*, L. 22-10-59 and L. 22-10-60 of the French Commercial Code, the Board of Directors approved 13 free ordinary share allocation plans during fiscal years 2021-2022 and 2022-2023, at its meetings on July 28, 2021, March 31, 2022, July 26, 2022 and September 28, 2022.

Purpose

Like the free ordinary share allocation plans approved in fiscal years 2019-2020 and 2020-2021, the primary objective is to establish long-term incentive plans linked to Company profits for (i) employees of the Company or affiliated companies or groups in accordance with Article L. 225-197-2 of the French Commercial Code, and (ii) corporate officers of the Company or affiliated companies or groups that meet the conditions set out in Article L. 225-197-1, II of the French Commercial Code.

Conditional free allocation of ordinary shares during fiscal year 2021-2022

In accordance with the Onyx 2024 plan approved by the Board of Directors on July 28, 2021, subject to their presence in the Group, some employees and/or corporate officers (including the former Chief Executive Officer, Paul Boudre; see the description in section 4.2.3 of this Universal Registration Document) were allocated 54,614 free ordinary performance shares in the Company. The presence condition will be assessed in tranches, as follows: (i) one-third (33.33%) of the shares allocated will be contingent on the beneficiary being present in the Group on July 1, 2022 (inclusive) ("Tranche 1"); (ii) two-thirds (66.66%) of the shares allocated will be contingent on the beneficiary being present in the Group on July 1, 2023 (inclusive) ("Tranche 2"); and (iii) 100% of the shares will be contingent on the beneficiary being present in the Group on July 1, 2024 (inclusive) ("Tranche 3"). The number of ordinary performance shares that will vest at the end of the vesting period will be determined by the Board of Directors based on the rate of achievement of three objectives relating to (i) the Group's consolidated EBITDA, (ii) the Group's consolidated revenue, and (iii) the Total Shareholder Return (TSR) of the Company's ordinary shares compared to the Euro Stoxx 600 Technology index.

In accordance with the plan approved by the Board of Directors on March 31, 2022, subject to their presence in the Group over the period from March 31, 2022 to March 31, 2025 (inclusive), three employees were allocated 2,596 free performance shares, corresponding to ordinary shares of the Company. The number of ordinary performance shares that will vest at the end of the three-year vesting period will be determined by the Board of Directors based on the rate of achievement of three objectives relating to (i) the Group's consolidated EBITDA, (ii) the Group's consolidated revenue, and (iii) the Total Shareholder Return (TSR) of the Company's ordinary shares compared to the Euro Stoxx 600 Technology index.

Conditional free allocation of ordinary shares during fiscal year 2022-2023

In accordance with the Agate 2025 ESU plan with performance conditions, the Agate 2025 Foreign Entities, Agate 2025 Frec|n|sys and NOVASiC and Onyx 2025 plans, approved by the Board of Directors on July 26, 2022, and the Onyx 2025 *bis* plan, approved by the Board of Directors on September 28, 2022, certain Group employees and/or corporate officers (including the Chief Executive Officer, Pierre Barnabé; see the description in section 4.2.3 of this Universal Registration Document) were allocated free ordinary performance shares in the Company (see a breakdown of the allocations by plan in the *Summary table of free ordinary share allocations in fiscal years 2021-2022 and 2022-2023* below), subject to their presence in the Group over the period from the date of the allocation to August 1, 2025 (inclusive) and to the achievement of performance conditions. Under the Agate 2025 ESU plan with performance conditions, certain Company employees were allocated 48,995 free performance shares, corresponding to ordinary shares of the Company. With respect to the Onyx 2025 and Onyx 2025 *bis* plans, certain Company employees and/or corporate officers were allocated 92,369 free performance shares, corresponding to ordinary shares of the Company. The number of ordinary performance shares that will vest at the end of each of the vesting periods concerned will be determined by the Board of Directors based on the rate of achievement of four objectives: (i) the Group's consolidated EBITDA margin, for 30% of the performance shares allocated, (ii) the Group's consolidated revenue, for 30% of the performance shares allocated, (iii) the Total Shareholder Return (TSR) of the Company's ordinary shares compared to the Euro Stoxx 600 Technology index, for 20% of the performance shares allocated, and (iv) sustainable development performance, for 20% of the performance shares allocated. The last tranche will be structured as follows: (a) 7%: ESG – Scope 3 carbon footprint, (b) 6%: ESG – water stress, (c) 3.5%: ESG D&I – ratio of women hired over the three years covered by the plan, and (d) 3.5%: ESG D&I – proportion of women in the Company's senior management (professional category greater than or equal to 150).

With respect to the Agate 2025 ESU plan without performance conditions, approved by the Board of Directors on July 26, 2022, certain Company employees were allocated 8,334 free ordinary shares in the Company, subject to their presence in the Group from July 26, 2022 to August 1, 2025 (inclusive).

In accordance with the Agate Dolphin France, Agate 2025 Dolphin Foreign Entities and Onyx 2025 Dolphin Design plans, approved by the Board of Directors on July 26, 2022, and the Onyx 2025 Dolphin Design *bis* plan, approved by the Board of Directors on September 28, 2022, certain employees and/or corporate officers of Dolphin Design SAS and its foreign subsidiaries were allocated free ordinary performance shares in the Company (see a breakdown of the allocations by plan in the *Summary table of free ordinary share allocations in fiscal years 2021-2022 and 2022-2023* below), subject to their presence in the Group over the period from the date of the allocation to August 1, 2025 (inclusive) and to the achievement of performance conditions. The number of ordinary performance shares that will vest at the end of the vesting periods will be determined by the Company's Board of Directors based on the rate of achievement of objectives specific to Dolphin Design SAS and its subsidiaries.

In accordance with the Onyx 2025 B plan approved by the Board of Directors on March 29, 2023, subject to their presence in the Group over the period from March 29, 2023 to August 1, 2025 (inclusive), four employees were allocated 5,428 free performance shares, corresponding to ordinary shares of the Company. The number of ordinary performance shares that will vest at the end of the vesting period will be determined by the Board of Directors based on the rate of achievement of four objectives: (i) the Group's consolidated EBITDA margin, for 30% of the performance shares allocated, (ii) the Group's consolidated revenue, for 30% of the performance shares allocated, (iii) the Total Shareholder Return (TSR) of the Company's ordinary shares compared to the Euro Stoxx 600 Technology index, for 20% of the performance shares allocated, and (iv) sustainable development performance, for 20% of the performance shares allocated. The last tranche will be structured as follows: (a) 7%: ESG – Scope 3 carbon footprint, (b) 6%: ESG – water stress, (c) 3.5%: ESG D&I – ratio of women hired over the three years covered by the plan, and (d) 3.5%: ESG D&I – proportion of women in the Company's senior management (professional category greater than or equal to 150).

SUMMARY TABLE OF FREE ORDINARY SHARE ALLOCATIONS IN FISCAL YEARS 2021-2022 AND 2022-2023

Date of Annual General Meeting	**07/28/2021**	**07/28/2021**	**07/28/2021**	**07/28/2021**	**07/28/2021**	**07/28/2021**	**07/28/2021**	**07/28/2021**	**07/28/2021**	**07/28/2021**	**07/28/2021**	**07/28/2021**	**07/28/2021**
Plan name	Onyx 2024	-	Agate 2025 ESU	Agate 2025 ESU	Agate 2025 Foreign Entities	Agate 2025 Dolphin France	Agate 2025 Dolphin Foreign Entities	Agate 2025 Frec|n|sys and NOVASiC	Onyx 2025	Onyx 2025 Dolphin Design	Onyx 2025 *bis*	Onyx 2025 Dolphin Design *bis*	Onyx 2025 B
Date of Board of Directors' meeting	07/28/2021	03/31/2022	07/26/2022	07/26/2022	07/26/2022	07/26/2022	07/26/2022	07/26/2022	07/26/2022	07/26/2022	09/28/2022	09/28/2022	03/29/2023
Number of ordinary shares allocated by the Board of Directors	**54,614**	**2,596**	**8,334**	**48,995**	**19,629**	**6,690**	**1,197**	**1,706**	**85,838**	**4,578**	**6,531**	**1,675**	**5,428**
Of which number of shares for corporate officers ofthe Company	*8,240* (2)	-	-	-	-	-	-	-	*9,612* (3)	-	-	-	-
Of which number of shares for top ten employee beneficiaries of the Company	*24,916*	*2,596*	*60*	*1,976*	*2,610*	*1,110*	*1,002*	*1,096*	*34,410*	*3,519*	*6,531*	*933*	*5,428*
Number of initial beneficiaries	88	3	1,401	1,401	380	142	13	32	139	17	2	27	4
Performance conditions	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Vesting period	From 08/02/2021 to 08/01/2024	From 03/31/2022 to 03/31/2025	From 07/26/2022 to 08/01/2025	From 07/26/2022 to 08/01/2025	From 07/26/2022 to 08/01/2025	From 07/26/2022 to 08/01/2025	From 07/26/2022 to 08/01/2025	From 07/26/2022 to 08/01/2025	From 07/26/2022 to 08/01/2025	From 07/26/2022 to 08/01/2025	From 09/28/2022 to 08/01/2025	From 09/28/2022 to 08/01/2025	From 03/29/2023 to 08/01/2025
Holding period	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of shares vested (1)	-	-	-	-	-	-	-	-	-			-	-
Number of canceled or lapsed shares (1)	**1,161**	**694**	**677**	**2,945**	**5,204**	**1,412**	**175**	**9**	**2,671**	**981**	**0**	**239**	**0**
Number of shares outstanding (1)	**53,453**	**1,902**	**7,657**	**44,488**	**14,425**	**5,278**	**1,022**	**1,697**	**83,167**	**3,597**	**6,531**	**1,436**	**5,428**

(1) At March 31, 2023.
(2) Shares allocated to the former Chief Executive Officer, Paul Boudre.
(3) Shares allocated to the Chief Executive Officer, Pierre Barnabé.

Future vesting of ordinary shares during fiscal years 2024-2025 and 2025-2026

These freely allocated ordinary shares will vest to their beneficiaries, subject to compliance with presence and/or performance conditions, and certain exceptions stipulated in the rules of each plan, at the end of a vesting period that will expire on the respective dates indicated for each plan in the summary table above.

E. Issue of OCEANE 2025 convertible bonds for around €325 million

Legal framework of the bond issue

In line with the 2023 OCEANE placement, presented on pages 298 and 299 of the Company's 2020-2021 Universal Registration Document, which was redeemed early on October 18, 2021, the placement of new "2025 OCEANEs" was carried out, pursuant to Article L. 411-2 1° of the French Monetary and Financial Code (*Code monétaire et financier*), on the basis of the 14th resolution approved by the Extraordinary General Meeting of September 23, 2020. A private placement was carried out with institutional investors in France and abroad, with the exception of the United States, Canada, Australia and Japan.

Amount and maturity of 2025 OCEANEs

On September 28, 2020, the Company carried out a successful issue of bonds convertible into and/or exchangeable for new and/or existing ordinary shares (OCEANEs) maturing on October 1, 2025 (the "2025 OCEANEs"), by way of a private placement with institutional investors, for a nominal amount of €324,999,920.82.

The par value per 2025 OCEANE was set at €174.34.

It gave rise to a premium of 45% on the reference share price, equal to the volume-weighted average share price recorded on the Euronext Paris regulated market from the start of trading on September 28, 2020 until the setting of definitive terms and conditions for 2025 OCEANEs on the same day.

The 2025 OCEANEs were issued at par on October 1, 2020, the settlement-delivery date, and will be redeemed at par five years later, i.e., on October 1, 2025.

They shall not bear interest during this period (zero-coupon).

The 2025 OCEANEs may be redeemed early at the Company's discretion, subject to certain conditions. In particular, they may be redeemed on October 2, 2023 if the arithmetic average of the daily product of the volume-weight average share price on the Euronext Paris regulated market and the share conversion/exchange ratio in force, over a period of 20 consecutive trading days out of 40 consecutive trading days, exceeds 130% of the nominal value of the 2025 OCEANEs.

Right to allocation of ordinary shares

Holders of 2025 OCEANEs are entitled to the allocation of new and/or existing ordinary shares, which may be exercised at any time at the issue date (i.e., October 1, 2020) until the seventh business day (inclusive) prior to the planned or early repayment date.

The 2025 OCEANE conversion or exchange ratio is one ordinary share per 2025 OCEANE, subject to subsequent changes.

In the event that they exercise their right to the allocation of shares, holders of 2025 OCEANEs shall receive, at the Company's discretion, new and/or existing ordinary shares which, in any event, may be used and enjoyed at the delivery date.

7.2.4.2 Information on the potential dilution of the Company's capital

At March 31, 2023, the Company's share capital comprised a total of 35,589,417 ordinary shares with a par value of €2.00 each.

All of the Company's shares are subscribed and fully paid up.

Nature of the potentially dilutive instruments	Initial maximum number authorized /allocated	Maximum current number (1)	Exercise price	Conversion ratio into ordinary shares	Number of ordinary shares to which such instruments give right	Maximum potential dilution that may arise from the existence of these instruments (3)
OCEANE 2025 (Issue of October 1, 2020)	1,864,173	1,864,173	-	1 (3)	1,864,173	5.24%
Free ordinary performance shares (Opale France of November 18, 2020)	123,711	112,138	-	-	112,138	0.32%
Free ordinary performance shares (Opale Foreign Entities of November 18, 2020)	19,411	14,702	-	-	14,702	0.04%
Free ordinary performance shares (Onyx 2023 of November 18, 2020)	59,915	58,918	-	-	58,918	0.17%
Free ordinary performance shares (Dolphin 2024 of November 18, 2020)	9,500	8,273	-	-	8,273	0.02%
Free ordinary performance shares (Onyx 2023 *bis* of March 31, 2021)	1,271	1,271	-	-	1,271	0.004%
Free ordinary performance shares (Onyx 2024 of July 28, 2021)	54,616	52,397	-	-	52,397	0.15%
Free ordinary performance shares (March 31, 2022)	2,596	1,902	-	-	1,902	0.005%
Free ordinary performance shares (Agate 2025 ESU without performance conditions of July 26, 2022)	8,334	7,657	-	-	7,657	0.02%
Free ordinary performance shares (Agate 2025 ESU with performance conditions of July 26, 2022)	48,995	46,050	-	-	46,050	0.13%
Free ordinary performance shares (Agate 2025 Foreign Entities of July 26, 2022)	19,629	14,425	-	-	14,425	0.04%
Free ordinary performance shares (Agate 2025 Dolphin France of July 26, 2022)	6,690	5,278	-	-	5,278	0.01%
Free ordinary performance shares (Agate 2025 Dolphin Foreign Entities of July 26, 2022)	1,197	1,022	-	-	1,022	0.003%
Free ordinary performance shares (Agate 2025 Frec|n|sys and NOVASiC of July 26, 2022)	1,706	1,697	-	-	1,697	0.005%
Free ordinary performance shares (Onyx 2025 of July 26, 2022)	85,838	83,167	-	-	83,167	0.23%
Free ordinary performance shares (Onyx 2025 Dolphin Design *bis* of July 26, 2022)	4,578	3,597	-	-	3,597	0.10%
Free ordinary performance shares (Onyx 2025 *bis* of September 28, 2022)	6,531	6,531	-	-	6,531	0.02%
Free ordinary performance shares (Onyx 2025 Dolphin Design *bis* of September 28, 2022)	1,675	1,436	-	-	1,436	0.004%
Free ordinary performance shares (Onyx 2025 B of March 29, 2023)	5,428	5,428			5,428	0.02%
TOTAL MAXIMUM POTENTIAL DILUTION	**-**	**-**	**-**	**-**	**2,290,062**	**6.43%**

(1) At March 31, 2023.
(2) See section 7.2.4.1 E. Issue of OCEANE 2025 convertible bonds for around €325 million above with respect to the ratio for the conversion of the 2025 OCEANEs into ordinary shares.
(3) Based on the number of shares at March 31, 2023.

7.2.5 Rights to purchase and obligations related to the subscribed, but not paid-up, capital

7.2.5.1 Review of existing authorizations and their use

SUMMARY TABLE OF CURRENT AUTHORIZATIONS

Transactions/shares concerned (date of Annual General Meeting and resolution number)	Maximum amount	Use (date)	Duration of the authorization (expiry date)
Allocation of free ordinary shares to employees and corporate officers, with a waiver of preemptive subscription rights (PSR) Annual General Meeting of July 28, 2021 – 27th resolution	5% of the share capital [(1)] The shares allocated to corporate officers may not exceed 20% of the total allocation	Thirteen conditional ordinary share (OS) allocation plans: › Onyx 2024: 54,614 OS allocated (Board meeting of July 28, 2021) › March 31, 2022 plan: 2,596 OS allocated (Board meeting of March 31, 2022) › Agate 2025 ESU without performance conditions: 8,334 OS allocated (Board meeting of July 26, 2022) › Agate 2025 ESU with performance conditions: 48,995 OS allocated (Board meeting of July 26, 2022) › Agate 2025 Foreign Entities: 19,629 OS allocated (Board meeting of July 26, 2022) › Agate 2025 Dolphin Foreign Entities: 1,197 OS allocated (Board meeting of July 26, 2022) › Agate 2025 Dolphin France: 6,693 OS allocated (Board meeting of July 26, 2022) › Agate 2025 Frec|n|sys and NOVASiC: 1,706 OS allocated (Board meeting of July 26, 2022) › Onyx 2025: 85,838 rights to OS allocated (Board meeting of July 26, 2022) › Onyx 2025 Dolphin Design: 4,578 rights to OS allocated (Board meeting of July 26, 2022) › Onyx 2025 *bis*: 6,531 rights to OS allocated (Board meeting of September 28, 2022) › Onyx 2025 Dolphin Design *bis*: 1,675 rights to OS allocated (Board meeting of September 28, 2022) › Onyx 2025 B: 5,428 OS allocated (Board meeting of March 29, 2023)	38 months (September 28, 2024)
Authorization to grant free PS 2 Annual General Meeting of July 26, 2019 – 34th resolution	400,000 PS 2 The shares allocated to corporate officers may not exceed 54,000 PS 2	Three conditional PS 2 allocation plans: › Topaz 2019 no. 1: 163,978 PS 2 allocated (Board meeting of December 18, 2019) › Topaz 2019 no. 2: 31,982 PS 2 allocated (Board meeting of December 18, 2019) › Topaz 2022: 20,922 PS 2 allocated (Board meeting of November 30, 2020) Three series of capital increases to issue the vested PS 2: 1st series: › Topaz 2019 no. 1: 63,069 PS 2 issued (Board meeting of November 18, 2020) › Topaz 2019 no. 2: 12,792 PS 2 issued (Board meeting of November 18, 2020) › Topaz 2022: 12,553 PS 2 issued (Board meeting of November 30, 2020) › 2nd series: › Topaz 2019 no. 1: 47,118 PS 2 issued (Board meeting of August 2, 2021) › Topaz 2019 no. 2: 9,594 PS 2 issued (Board meeting of August 2, 2021) › Topaz 2022: 12,553 PS 2 issued (Board meeting of January 10, 2022) › 3rd series: › Topaz 2019 no. 1: 47,033 PS 2 issued (Board meeting of August 1, 2022) › Topaz 2019 no. 2: 9,596 PS 2 issued (Board meeting of August 1, 2022) › Topaz 2022: 8,369 PS 2 issued (Board meeting of December 1, 2022)	38 months (September 26, 2022)

Transactions/shares concerned (date of Annual General Meeting and resolution number)	Maximum amount	Use (date)	Duration of the authorization (expiry date)
Company's share buyback program Annual General Meeting of July 26, 2022 – 24th resolution	5% of the share capital Maximum buyback price: €250 per share with a par value of €2	None	Annual General Meeting called to approve the financial statements for the fiscal year ended March 31, 2023 (within 18 months at the latest)
Capital increase, all securities included, with PSR Annual General Meeting of July 28, 2021 – 17th resolution	In share capital (6) = €32.5 million (2) In debt securities (7) = €395 million (3)	None	26 months (September 28, 2023)
Capital increase, all securities included, with a waiver of PSR – offer to the public Annual General Meeting of July 28, 2021 – 18th resolution	In share capital (6) = €6.5 million (4) In debt securities (7) = €395 million (3)	None	26 months (September 28, 2023)
Capital increase, all securities included, with a waiver of PSR – offer referred to in Article L. 411-2, II of the French Monetary and Financial Code (private placement) Annual General Meeting of July 28, 2021 – 19th resolution	In share capital (6) = €6.5 million (4) In debt securities (7) = €395 million (3)	None	26 months (September 28, 2023)
Increase in the number of shares to be issued, with a waiver of PSR – reserved for categories of persons meeting defined requirements Annual General Meeting of July 26, 2022 – 26th resolution	In share capital (6) = €6.5 million (4) In debt securities (7) = €395 million (3)	None	For the residual period of validity provided for in the 17th resolution of the Annual General Meeting of July 28, 2021 (September 28, 2023)
Increase in the number of securities to be issued, with or with a waiver of PSR, in case of excess demand (Greenshoe) Annual General Meeting of July 28, 2021 – 21st resolution	Up to (i) 15% of the initial issue, and (ii) the ceilings defined in the resolution used for the initial issue	None	26 months (September 28, 2023)
Capital increase, all securities included, with a waiver of PSR – derogation rules for setting the issue price (unrestricted price) Annual General Meeting of July 28, 2021 – 22nd resolution	Up to (i) 10% of the share capital in a 12-month period, and (ii) the ceilings defined in the resolution used for the initial issue	None	26 months (September 28, 2023)
Capital increase as consideration for contributions in kind consisting of shares or securities giving access to the capital Annual General Meeting of July 28, 2021 – 23rd resolution	In share capital (6) = 10% of the share capital up to €6.5 million (4) In debt securities (7) = €395 million (3)	None	26 months (September 28, 2023)

Transactions/shares concerned (date of Annual General Meeting and resolution number)	Maximum amount	Use (date)	Duration of the authorization (expiry date)
Capital increase by capitalizing premiums, reserves, profits, or any other funds that may be capitalized Annual General Meeting of July 28, 2021 – 24th resolution	Within the limit (i) of the total reserves, premiums, or profits, and (ii) of €32.5 million (2) (in carrying amount)	None	26 months (September 28, 2023)
Capital increase as consideration for contributions of shares as part of a public exchange offer initiated by the Company Annual General Meeting of July 28, 2021 – 25th resolution	In share capital (6) = €6.5 million (4) In debt securities (7) = €395 million (3)	None	26 months (September 28, 2023)
Capital increase by issue of shares or securities giving access to the capital reserved for members of company savings plans, with a waiver of PSR Annual General Meeting of July 28, 2021 – 26th resolution	In share capital (6) = €700,000 (5) and within the limit of 350,000 shares In debt securities (7) = €395 million (3)	None	26 months (September 28, 2023)
Cancellation of shares acquired pursuant to the authorizations to buy back Company shares Annual General Meeting of July 26, 2022 – 25th resolution	10% of the share capital per 24-month period	None	18 months (January 26, 2024)

(1) *Ceiling of 5% of the share capital (as recorded on the date of the allocation decision by the Board of Directors) independent from the overall ceiling and sub-ceiling described in notes (2) and (4) below.*

(2) *Overall ceiling of €32.5 million in nominal value, applicable to all capital increase transactions that may result from the implementation of the 17th to 26th resolutions (with the exception of the 20th resolution) of the Annual General Meeting of July 28, 2021 and the 26th resolution of the Annual General Meeting of July 26, 2022. To this ceiling of €32.5 million is added the nominal amount of any capital increases that may be carried out via the issue of additional ordinary shares in order to preserve the rights of holders of securities giving access to the Company's share capital.*

(3) *Overall ceiling of €395 million in nominal value, applicable to all capital increase transactions described in note (7) below that may result from the implementation of the 17th to 26th resolutions (with the exception of the 20th and 24th resolutions) of the Annual General Meeting of July 28, 2021 and the 26th resolution of the Annual General Meeting of July 26, 2022. This limit shall be increased, if applicable, by any redemption premium in excess of the par value.*

(4) *Overall sub-ceiling of €6.5 million in nominal value, applicable to all capital increase transactions with a waiver of preemptive subscription rights that may result from the implementation of the 18th to 25th resolutions (with the exception of the 20th and 24th resolutions) of the Annual General Meeting of July 28, 2021 and the 26th resolution of the Annual General Meeting of July 26, 2022. To this sub-ceiling of €6.5 million is added the nominal amount of any capital increases that may be carried out via the issue of additional ordinary shares in order to preserve the rights of holders of securities giving access to the Company's share capital. This overall sub-ceiling of €6.5 million is deducted from the overall limit of €32.5 million described in note (2) above.*

(5) *Maximum amount of €700,000 charged against the overall ceiling of €32.5 million described in note (2) above.*

(6) *Shares.*

(7) *Debt securities or similar securities giving access, immediately or in the future, to the Company's capital.*

7.2.5.2 Special report on stock option transactions during fiscal year 2022-2023

Pursuant to Article L. 225-184 of the French Commercial Code, we hereby disclose the stock option transactions (allocation, exercise and cancellation) undertaken during fiscal year 2022-2023.

I. Allocation of stock options during fiscal year 2022-2023

During fiscal year 2022-2023, no stock options were allocated to employees or corporate officers, neither by the Company nor by the companies under its control within the meaning of Article L. 233-16 of the French Commercial Code, nor by any companies or groups affiliated with the Company under the conditions set forth by Article L. 225-180 of the French Commercial Code.

II. Exercise of stock options during fiscal year 2022-2023

1. Exercise of stock options under plans allocated in fiscal year 2022-2023

Not applicable.

2. Exercise of stock options under plans previously allocated

Not applicable.

III. Cancellation of stock options during fiscal year 2022-2023

Not applicable.

7.2.5.3 Special report on free share transactions during fiscal year 2022-2023

Pursuant to Article L. 225-197-4 of the French Commercial Code, we hereby disclose the free share transactions (allocation, vesting and cancellation) undertaken during fiscal year 2022-2023.

I. Free share allocations during fiscal year 2022-2023

Under the authorization adopted by the Annual General Meeting of July 28, 2021, the Board of Directors used the delegation of authority granted in the 27th resolution to allocate free ordinary shares.

To that end, at its meetings on July 26, 2022 and September 28, 2022, the Board of Directors set up free ordinary share allocation plans. The shares allocated under the plans will vest to their beneficiaries subject to compliance with presence and performance conditions (see section 7.2.4.1 D. of this Universal Registration Document).

The table in section 7.2.4.1 D. of this Universal Registration Document summarizes the information relating to these free share allocation plans.

II. Vesting during fiscal year 2022-2023 of shares allocated during previous fiscal years

During fiscal year 2022-2023, several waves of the free shares allocated during previous fiscal years vested.

Vesting of free ordinary shares allocated under the December 18, 2019 and March 25, 2020 plans

In accordance with a decision taken by the Chief Executive Officer on August 1, 2022 under the authorization granted by the Board of Directors on July 26, 2022, 17,062 ordinary shares allocated under the December 18, 2019 plan and 12,607 ordinary shares allocated under the March 25, 2020 plan vested to their beneficiaries due to their compliance with the presence condition at the end of a vesting period which expired on August 1, 2022.

Vesting of PS 2 allocated free of charge under the Topaz 2019 no. 1 and Topaz 2019 no. 2 plans and conversion into ordinary shares

In accordance with a decision taken by the Chief Executive Officer on August 1, 2022 under the authorization granted by the Board of Directors on July 26, 2022, 47,033 PS 2 allocated under the Topaz 2019 no. 1 plan and 9,596 PS 2 granted under the Topaz 2019 no. 2 plan vested to their beneficiaries due to their compliance with the presence condition at the end of a vesting period which expired on August 1, 2022.

In accordance with a decision taken on August 2, 2022 under the authorization granted by the Board of Directors on July 26, 2022, and in accordance with the provisions of Article 10.3.2 of the Company's by-laws, the Chief Executive Officer decided to issue 590,911 new ordinary shares with a par value of €2.00 each to the beneficiaries of the 287,182 PS 2 that had vested and become convertible at August 2, 2022, and placed on record the subsequent cancellation of all 287,182 PS 2 that had been converted into ordinary shares. At its meeting of July 26, 2022, the Board of Directors set the conversion ratio at 2.06 ordinary shares per PS 2.

Vesting of ordinary shares allocated free of charge under the US 2022 plan

In accordance with a decision taken by the Chief Executive Officer on November 24, 2022 under the authorization granted by the Board of Directors on July 26, 2022, 7,178 ordinary shares allocated under the US 2022 plan vested to their beneficiary due to their compliance with the presence condition at the end of a vesting period which expired on November 18, 2022.

Vesting of PS 2 allocated free of charge under the Topaz 2022 plan and conversion of PS 2 into ordinary shares (Topaz 2022 plan and co-investment program)

On December 1, 2022, the Chief Executive Officer, under the authorization granted by the Board of Directors on November 23, 2022, placed on record the vesting of 8,369 PS 2 to their beneficiaries due to their presence in the Company's workforce at December 1, 2022, as provided for in the Topaz 2022 plan rules.

The Chief Executive Officer also placed on record, by application of the PS 2 conversion ratio of 2.06 set by the Board of Directors on November 23, 2022, the conversion of 31,383 PS 2 (i.e., 20,992 PS 2 allocated free of charge under the Topaz 2022 plan and 10,461 PS 2 subscribed and issued under the co-investment program) through the issue of 64,646 new ordinary shares with a par value of €2.00 each, in favor of the beneficiaries of the Topaz 2022 plan and the co-investment program. In addition, he placed on record the subsequent cancellation of the 31,383 PS 2 that had consequently been converted into 64,646 ordinary shares (see section 7.2.4.1 B. of this Universal Registration Document).

7.2.6 Information about the share capital of Group companies which is under option or agreed conditionally or unconditionally to be put under option

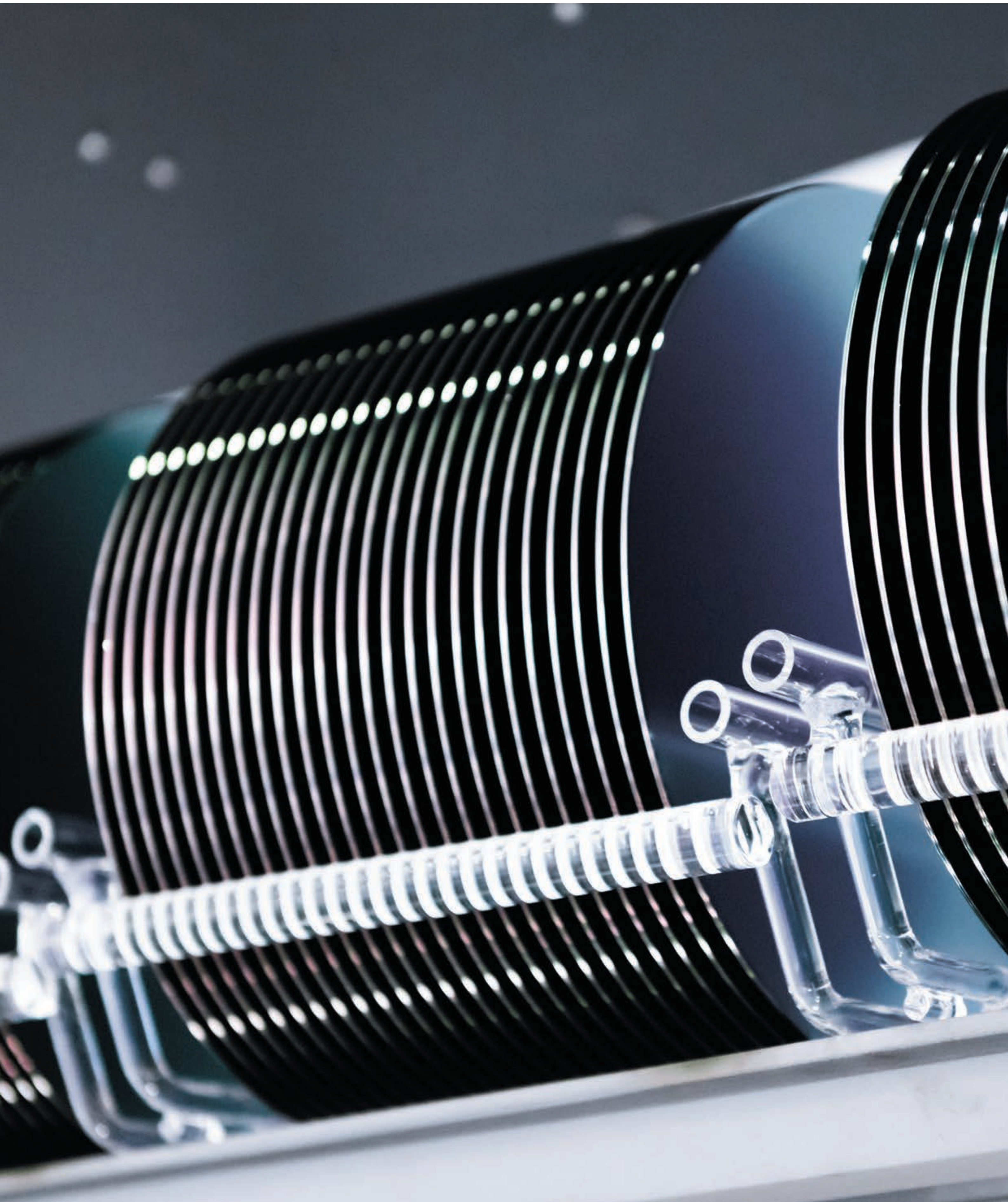
To the Company's knowledge, at the date of this Universal Registration Document, there were no options on the capital of a Group company or a conditional or unconditional agreement providing for the capital of such companies to be put under option.

7.2.7 Changes in the share capital during the last five years

The table below summarizes all of the changes in the Company's share capital during the last five years.

Date	Type of transaction	Changes in the share capital *(in €)*	Issue premium and capital contributions *(in €)*	Change in number of outstanding shares	Par value *(in €)*	Cumulative structure of the share capital *(in €)*	*(in shares)*
07/26/2017	Capital increases through the vesting of free preferred shares	23,615.70	-	236,157	0.10	60,646,635.70	30,547,667
08/08/2017	Capital increases through the conversion of OCEANE 2018 bonds	2,112,114.00	-	1,056,057	2.00	62,758,749.70	31,603,724
12/06/2017	Capital increases through the vesting of free preferred shares	379.80	-	3,798	0.10	62,759,129.50	31,607,522
03/30/2018	Capital increases through the vesting of free preferred shares	2,941.00	-	29,410	0.10	62,762,070.50	31,636,932
07/29/2019	Capital increase through the conversion of PS 1 into ordinary shares (MIP)	2,472,422.30	-	1,011,862	2.00	65,234,492.80	32,648,794
12/06/2019	Capital increase through the conversion of PS 1 into ordinary shares (MIP)	64,060.20	-	28,422	2.00	65,298,553.00	32,677,216
12/18/2019	Capital increase through the issue of reserved PS 2	195,960.00	8,051,016.60	97,980	2.00	65,494,513.00	32,775,196
02/28/2020	Cash capital increase reserved for the company mutual fund FCPE Soitec Jade 2020	412,014.00	13,600,582.14	206,007	2.00	65,906,527.00	32,981,203
03/30/2020	Capital increase through the vesting of free ordinary shares (PAT no. 1 and PAT no. 2)	340,494.00	-	170,247	2.00	66,247,021.00	33,151,450
03/30/2020	Capital increase through the conversion of PS 1 into ordinary shares (MIP)	310,781.00	-	127,451	2.00	66,557,802.00	33,278,901
11/30/2020	Capital increase through the issue of reserved PS 2	20,922.00	909,060.90	10,461	2.00	66,578,724.00	33,289,362
12/18/2020	Capital increase through the vesting of free PS 2 (Topaz 2019 no. 1 and no. 2)	151,722.00	-	75,861	2.00	66,730,446.00	33,365,223
07/09/2021	Capital increase through the conversion of OCEANE 2023 bonds	89,000.00	4,559,915.00	44,500	2.00	66,819,446.00	33,409,723
07/27/2021	Capital increase through the vesting of ordinary shares (PAT no. 3.1 and PAT no. 3.2)	559,642.00	-	279,821	2.00	67,379,088.00	33,689,544
08/02/2021	Capital increase through the vesting of free PS 2 (Topaz 2019 no. 1 and no. 2)	113,424.00	-	56,712	2.00	67,492,512.00	33,746,256
08/10/2021	Capital increase through the conversion of OCEANE 2023 bonds	24,000.00	1,229,640.00	12,000	2.00	67,516,512.00	33,758,256
08/25/2021	Capital increase through the conversion of OCEANE 2023 bonds	120,000.00	6,148,200.00	60,000	2.00	67,636,512.00	33,818,256
09/27/2021	Capital increase through the conversion of OCEANE 2023 bonds	9,000.00	461,115.00	4,500	2.00	67,645,512.00	33,822,756
10/11/2021	Capital increase through the conversion of OCEANE 2023 bonds	2,212,312.00	113,347,805.32	1,106,156	2.00	69,857,824.00	34,928,912
10/18/2021	Capital increase through the conversion of OCEANE 2023 bonds	417,324.00	21,281,595.14	208,662	2.00	70,275,148.00	35,137,574
11/23/2021	Capital increase through the vesting of ordinary shares (PAT no. 3.2)	906.00	-	453	2.00	70,276,054.00	35,138,027

Date	Type of transaction	Changes in the share capital *(in €)*	Issue premium and capital contributions *(in €)*	Change in number of outstanding shares	Par value *(in €)*	Cumulative structure of the share capital *(in €)*	Cumulative structure of the share capital *(in shares)*
01/10/2022	Capital increase through the vesting of free PS 2 (Topaz 2022)	25,106.00	-	12,553	2.00	70,301,160.00	35,150,580
08/01/2022	Capital increase through the vesting of free ordinary performance shares (December 18, 2019 and March 25, 2020 plans)	59,338	-	29,669	2.00	70,360,498.00	35,180,249
08/01/2022	Capital increase through the vesting of free PS 2 (Topaz 2019 no. 1 and no. 2 plans)	113,258	-	56,629	2.00	70,473,756.00	35,236,878
08/02/2022	Capital increase through the conversion of PS 2 into ordinary shares (Topaz 2019 no. 1 and no. 2 plans)	607,458	-	303,729	2.00	71,081,214.00	35,540,607
11/24/2022	Capital increase through the vesting of free ordinary performance shares (US 2022 plan)	14,356	-	7,178	2.00	71,095,570.00	35,547,785
12/01/2022	Capital increase through the vesting of free PS 2 (Topaz 2022 plan)	16,738	-	8,369	2.00	71,112,308.00	35,556,154
12/01/2022	Capital increase through the conversion of PS 2 into ordinary shares (Topaz 2022 plan and co-investment program)	66,526	-	33,263	2.00	71,178,834.00	35,589,417



8 ANNUAL GENERAL MEETING

8.1 Agenda

At its meeting on June 7, 2023, the Board of Directors decided to convene an Annual General Meeting on:

Tuesday, July 25, 2023 at 9:30 a.m., Paris time,

Centre de Conférences VERSO, 52 rue de la Victoire, 75009 Paris, France

in order to submit the 31 draft resolutions relating to the agenda below for shareholders' approval.

RESOLUTIONS WITHIN THE COMPETENCE OF THE ORDINARY GENERAL MEETING

First resolution:	Approval of the statutory financial statements for the fiscal year ended March 31, 2023
Second resolution:	Approval of the consolidated financial statements for the fiscal year ended March 31, 2023
Third resolution:	Appropriation of net profit for the fiscal year ended March 31, 2023
Fourth resolution:	Approval of the memorandum of understanding entered into with STMicroelectronics International N.V., pursuant to Articles L. 225-38 *et seq.* of the French Commercial Code
Fifth resolution:	Approval of the multi-year framework R&D partnership agreement entered into with the French Alternative Energies and Atomic Energy Commission (CEA), pursuant to Articles L. 225-38 *et seq.* of the French Commercial Code
Sixth resolution:	Approval of the amendment to the agreement on patent licensing and the provision of know-how for the manufacture and sale of substrates entered into with the French Alternative Energies and Atomic Energy Commission (CEA), pursuant to Articles L. 225-38 *et seq.* of the French Commercial Code
Seventh resolution:	Approval of the compensation policy for the Chair of the Board of Directors
Eighth resolution:	Approval of the compensation policy for the members of the Board of Directors
Ninth resolution:	Approval of the generic compensation policy for any future Chief Executive Officer and/or any future Deputy Chief Executive Officer
Tenth resolution:	Approval of the compensation policy for Pierre Barnabé in his capacity as Chief Executive Officer
Eleventh resolution:	Approval of the information relating to the compensation of the Company's corporate officers* referred to in Article L. 22-10-9, I of the French Commercial Code
Twelfth resolution:	Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during or granted for the fiscal year ended March 31, 2023 to Éric Meurice in his capacity as Chair of the Board of Directors
Thirteenth resolution:	Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during or granted for the fiscal year ended March 31, 2023 to Paul Boudre in his capacity as Chief Executive Officer until the close of the Annual General Meeting of July 26, 2022
Fourteenth resolution:	Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during or granted for the fiscal year ended March 31, 2023 to Pierre Barnabé in his capacity as Chief Executive Officer as from the close of the Annual General Meeting of July 26, 2022
Fifteenth resolution:	Authorization to be granted to the Board of Directors to carry out transactions on the Company's shares

RESOLUTIONS WITHIN THE COMPETENCE OF THE EXTRAORDINARY GENERAL MEETING

Sixteenth resolution:	Amendment of Article 7 of the Company's by-laws to remove references to preferred shares
Seventeenth resolution:	Amendment of Article 9 of the Company's by-laws to remove references to PS 2
Eighteenth resolution:	Amendment of Article 10 of the Company's by-laws to remove references to PS 2
Nineteenth resolution:	Deletion of Article 25 of the Company's by-laws relating to preferred shares and renumbering of the following articles of the Company's by-laws
Twentieth resolution:	Delegation of authority to be granted to the Board of Directors for the purpose of carrying out a capital increase by way of the issue of shares and/or securities giving access, immediately or in the future, to the Company's share capital, with shareholders' preemptive subscription rights
Twenty-first resolution:	Delegation of authority to be granted to the Board of Directors for the purpose of carrying out a capital increase by way of the issue of shares and/or securities giving access, immediately or in the future, to the Company's share capital, with a waiver of shareholders' preemptive subscription rights, through a public offer other than offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code
Twenty-second resolution:	Delegation of authority to be granted to the Board of Directors for the purpose of issuing, by way of a public offer referred to in Article L. 411-2, 1° of the French Monetary and Financial Code, shares and/or securities giving access, immediately or in the future, to the Company's share capital, with a waiver of shareholders' preemptive subscription rights
Twenty-third resolution:	Delegation of authority to be granted to the Board of Directors for the purpose of issuing shares and/or securities giving access, immediately or in the future, to the Company's share capital, reserved for categories of persons meeting defined requirements, with a waiver of shareholders' preemptive subscription rights
Twenty-fourth resolution:	Delegation of authority to be granted to the Board of Directors for the purpose of increasing the issue amount, with or with a waiver of shareholders' preemptive subscription rights, within the limit of 15% of the initial issue
Twenty-fifth resolution:	Authorization to be granted to the Board of Directors in the event of the issue, with a waiver of shareholders' preemptive subscription rights, of shares and/or securities giving access, immediately or in the future, to the Company's share capital, for the purpose of setting the issue price within the limit of 10% of the Company's share capital under the terms and conditions adopted by the Annual General Meeting
Twenty-sixth resolution:	Delegation of powers to be granted to the Board of Directors for the purpose of issuing shares and/or securities giving access, immediately or in the future, to the Company's share capital as consideration for contributions in kind consisting of shares or securities giving access to the Company's share capital
Twenty-seventh resolution:	Delegation of authority to be granted to the Board of Directors for the purpose of increasing the share capital by capitalizing premiums, reserves, profits, or any other funds that may be capitalized
Twenty-eighth resolution:	Delegation of authority to be granted to the Board of Directors for the purpose of carrying out a capital increase by way of the issue of shares and/or securities giving access, immediately or in the future, to the Company's share capital as consideration for securities contributed as part of a public exchange offer initiated by the Company
Twenty-ninth resolution:	Delegation of authority to be granted to the Board of Directors for the purpose of carrying out one or more share capital increases by way of the issue of shares and/or securities giving access to the Company's share capital reserved for members of a company savings plan, with a waiver of shareholders' preemptive subscription rights
Thirtieth resolution:	Authorization to be granted to the Board of Directors to reduce the share capital by canceling shares acquired by the Company pursuant to Article L. 22-10-62 of the French Commercial Code, up to a maximum of 10% of the share capital

RESOLUTION WITHIN THE COMPETENCE OF THE ORDINARY GENERAL MEETING

Thirty-first resolution:	Powers for formalities

8.2 Report of the Board of Directors on the resolutions submitted to the Annual General Meeting of July 25, 2023

This report presents to the shareholders the resolutions that will be submitted to the Annual General Meeting to be held on July 25, 2023. It was approved by the Board of Directors at its meeting on June 7, 2023.

Prior to exercising their voting rights, the shareholders are invited to read this report carefully (including the text of the draft resolutions), together with the Statutory Auditors' comments and observations as presented in their reports.

During this meeting, the Board of Directors unanimously recommended that the shareholders adopt all of the draft resolutions as presented in this report.

8.2.1 Information about the Company's business since the beginning of the current fiscal year

In accordance with the applicable regulations, information about the Company's business since the beginning of the year is presented in the 2022-2023 Universal Registration Document, particularly in Chapter 5.

8.2.2 Resolutions within the competence of the Ordinary General Meeting

Resolutions no. 1 to 3
Approval of the financial statements and appropriation of net profit

In the **1st to 3rd resolutions**, the shareholders are asked to:

- approve the statutory financial statements for the fiscal year ended March 31, 2023, which show revenue of €1,037,530,957.57 and profit of €211,847,059.96, and to approve the overall amount of non-deductible expenses and charges subject to corporate income tax standing at €62,278 for the fiscal year, as well as the related tax charge estimated at €15,570;
- approve the consolidated financial statements for the fiscal year ended March 31, 2023, which show revenue of €1,088,730 thousand and net profit (Group share) of €233,035 thousand;
- approve the transactions reflected in these financial statements or summarized in the Board of Directors' management report and in the Statutory Auditors' reports;
- note that the profit available for distribution in respect of the fiscal year ended March 31, 2023, comprising the profit for said fiscal year plus retained earnings of € 467,784,423.48(1), amounts to €679,631,483.44;
- appropriate distributable profit for the fiscal year ended March 31, 2023 as follows:
  - €87,767.40 to the "Legal reserve", increasing it from €7,030,116.00 to €7,117,883.40, so that it would reach an amount at least equal to 10% of the Company's share capital, and
  - the balance of €211,759,292.56(1) to "Retained earnings", which would be increased from €467,784, 423.48(1) to €679,543,716.04.

The statutory and consolidated financial statements were approved by the Board of Directors on June 7, 2023.

The statutory and consolidated financial statements, the Board of Directors' management report and the Statutory Auditors' reports are presented in the 2022-2023 Universal Registration Document.

The shareholders are also invited to note that no dividends have been paid out in respect of the last three fiscal years.

First resolution – Approval of the statutory financial statements for the fiscal year ended March 31, 2023

The Annual General Meeting, under the conditions of *quorum* and majority required for Ordinary General Meetings, having considered the statutory financial statements for the fiscal year ended March 31, 2023, the Board of Directors' management report and the Statutory Auditors' report on said financial statements, approves the statutory financial statements for the fiscal year ended March 31, 2023, including the balance sheet, the income statement and the notes, as well as the transactions reflected in these financial statements or summarized in these reports, as they are presented, showing revenue of €1,037,530,957.57 and profit of €211,847,059.96.

In accordance with the provisions of Article 223 *quater* of the French Tax Code (*Code général des impôts*), the Annual General Meeting also approves the overall amount of expenses and charges referred to in Article 39-4 of said Code, amounting to €62,278 in respect of the fiscal year ended March 31, 2023, which generated an estimated tax charge of €15,570.

Second resolution – Approval of the consolidated financial statements for the fiscal year ended March 31, 2023

The Annual General Meeting, under the conditions of *quorum* and majority required for Ordinary General Meetings, having considered the consolidated financial statements for the fiscal year ended March 31, 2023, the Board of Directors' management report and the Statutory Auditors' report on said financial statements, approves the consolidated financial statements for the fiscal year ended March 31, 2023, including the statement of financial position, the income statement and the notes, as well as the transactions reflected in these financial statements or summarized in these reports, as they are presented, showing revenue of €1,088,730 thousand and net profit (Group share) of €233,035 thousand.

(1) *Correction of the amount of net profit for fiscal year 2022-2023 to be appropriated to "Retained earnings" as well as the total amount of "Retained earnings" before appropriation. The other amounts remain unchanged.*

Third resolution – Appropriation of net profit for the fiscal year ended March 31, 2023

The Annual General Meeting, under the conditions of *quorum* and majority required for Ordinary General Meetings, having considered the Board of Directors' report and the Statutory Auditors' report on the annual financial statements for the fiscal year ended March 31, 2023:

- notes that, as a result of the profit for the fiscal year of €211,847,059.96 and retained earnings at March 31, 2023 of € 467,784,423.48(1), the profit available for distribution in respect of the fiscal year amounts to €679,631,483.44;
- resolves to appropriate the profit for the fiscal year ended March 31, 2023, amounting to €211,847,059.96, as follows:
  - €87,767.40 to the "Legal reserve", increasing it from €7,030,116.00 to €7,117,883.40, so that it reaches an amount at least equal to 10% of the Company's share capital, and
  - the balance, representing €211,759,292.56(1) to "Retained earnings", increasing it from €467,784, 423.48(1) to €679,543,716.04.

The Annual General Meeting places on record that no dividends have been paid over the past three fiscal years.

Resolutions no. 4 to 6

Approval of related-party agreements

In the **4th to 6th resolutions**, the shareholders are asked to take note of the information contained in the Statutory Auditors' special report on related-party agreements, and, in accordance with Article L. 225-40 of the French Commercial Code (*Code de commerce*), to approve the agreements described therein.

The **4th resolution** concerns the conclusion of a memorandum of understanding between the Company and STMicroelectronics International N.V. (ST) dated November 30, 2022. The memorandum of understanding was authorized by the Board of Directors at its meeting on November 23, 2022, pursuant to Article L. 225-38 of the French Commercial Code.

The purpose of the memorandum of understanding is to define the main terms and conditions of future technical and commercial cooperation on SiC substrates between STMicroelectronics International N.V. and the Company, subject to the qualification of Soitec's 200 mm SmartSiC™ substrate technology by ST, within 18 months following the date of signature. The objective of the cooperation is the adoption by STMicroelectronics, a global semiconductor leader serving customers across the spectrum of electronics applications, of Soitec's SmartSiC™ technology.

The financial terms of the memorandum of understanding are as follows: an initial fee of US$10,000,000 was paid by ST to Soitec on March 23, 2023, corresponding to the first milestone achieved in February 2023. Additional payments for the license granted to ST will be made subject to the successful completion of the related milestones of the ongoing qualification process.

The memorandum of understanding also establishes the preliminary purchase and sales conditions applicable for the initial prototypes and future purchase and sales conditions to be confirmed by a definitive agreement to be entered into at the end of the qualification phase. Subject to qualification and depending on the structure of the final agreement, the future purchase and sales conditions may lead to a project scope potentially worth several hundred million euros and spanning several years.

The **5th resolution** concerns the renewal of the multi-year framework R&D partnership agreement with the French Alternative Energies and Atomic Energy Commission (*Commissariat à l'énergie atomique et aux énergies alternatives* – CEA) dated December 21, 2022, with an effective date of January 1, 2023. The agreement was authorized by the Board of Directors at its meeting on September 28, 2022.

The multi-year framework R&D partnership agreement has been renewed for a period of five years. Its purpose is to define the terms and conditions for performing R&D work. The main terms and conditions of the existing partnership have been maintained. The financial terms will be determined each year and will depend on various conditions, such as the scope of the R&D work. The benefits of the agreement for the Company are that it gives the Company continued access to CEA research expertise and facilities for R&D projects.

The **6th resolution** concerns the conclusion of an amendment to the agreement on patent licensing and the provision of know-how for the manufacture and sale of substrates with the French Alternative Energies and Atomic Energy Commission (*Commissariat à l'énergie atomique et aux énergies alternatives* – CEA) on December 21, 2022, with an effective date of January 1, 2023. The amendment was also authorized by the Board of Directors at its meeting on September 28, 2022.

The purpose of the amendment is to renew and amend the financial terms of the agreement on patent licensing and the provision of know-how for the manufacture and sale of substrates, notably sub-licensing royalties. Royalties are calculated on the basis of (i) Soitec's revenue from the sale of substrates pursuant to the agreement, and (ii) financial income from the Company's sub-licenses. The benefits of the amendment for the Company are that it adjusts the rate of royalties paid to CEA for use of its patents and know-how and the share of sub-licensing income received by Soitec and paid to CEA.

Pursuant to the law, the Board of Directors completed the annual review of all related-party agreements authorized and entered into during previous fiscal years, the performance of which continued during the fiscal year ended March 31, 2023. These agreements are described in section 8.4 *Agreements with interested or related parties* of the 2022-2023 Universal Registration Document.

The Statutory Auditors' special report, which can be found in section 8.5.1 *Statutory Auditors' special report on related-party agreements* of the 2022-2023 Universal Registration Document, contains information on (i) the related-party agreements that were entered into and approved in prior years and which remained in force during fiscal year 2022-2023, and (ii) the new related-party agreements authorized and entered into during fiscal year 2022-2023.

For further details, please see section 8.4.2 *Related-party agreements* of the 2022-2023 Universal Registration Document, and the Statutory Auditors' special report on related-party agreements presented in section 8.5.1 *Statutory Auditors' special report on related-party agreements.*

Bpifrance Participations and CEA Investissement, indirect interested parties in relation to the agreements, may not take part in the vote on these resolutions, and their shares will not be taken into account in the calculation of the voting majority, in accordance with Article L. 225-40 paragraph 4 of the French Commercial Code.

(1) *Correction of the amount of net profit for fiscal year 2022-2023 to be appropriated to "Retained earnings" as well as the total amount of "Retained earnings" before appropriation. The other amounts remain unchanged.*

Fourth resolution – Approval of the memorandum of understanding entered into with STMicroelectronics International N.V., pursuant to Articles L. 225-38 *et seq.* of the French Commercial Code

The Annual General Meeting, under the conditions of *quorum* and majority required for Ordinary General Meetings, having considered the report of the Board of Directors and the Statutory Auditors' special report on related-party agreements, approves the memorandum of understanding entered into with STMicroelectronics International N.V. (ST), dated November 30, 2022, and authorized by the Board of Directors on November 23, 2022, and which is referred to in said reports.

Fifth resolution – Approval of the multi-year framework R&D partnership agreement entered into with the French Alternative Energies and Atomic Energy Commission (CEA), pursuant to Articles L. 225-38 *et seq.* of French Commercial Code

The Annual General Meeting, under the conditions of *quorum* and majority required for Ordinary General Meetings, having considered the report of the Board of Directors and the Statutory Auditors' special report on related-party agreements, approves the multi-year framework R&D partnership agreement entered into with the French Alternative Energies and Atomic Energy Commission (*Commissariat à l'énergie atomique et aux énergies alternatives* – CEA), dated December 21, 2022, and authorized by the Board of Directors on September 28, 2022, and which is referred to in said reports.

Sixth resolution – Approval of the amendment to the agreement on patent licensing and the provision of know-how for the manufacture and sale of substrates entered into with the French Alternative Energies and Atomic Energy Commission (CEA), pursuant to Articles L. 225-38 *et seq.* of the French Commercial Code

The Annual General Meeting, under the conditions of *quorum* and majority required for Ordinary General Meetings, having considered the report of the Board of Directors and the Statutory Auditors' special report on related-party agreements, approves the amendment to the agreement on patent licensing and the provision of know-how for the manufacture and sale of substrates entered into with the French Alternative Energies and Atomic Energy Commission (*Commissariat à l'énergie atomique et aux énergies alternatives* – CEA), dated December 21, 2022, and authorized by the Board of Directors on September 28, 2022, and which is referred to in said reports.

Resolutions no. 7 to 10
Approval of the compensation policies for the corporate officers (1) (*ex-ante* say-on-pay)

In accordance with Article L. 22-10-8, II of the French Commercial Code, the shareholders are invited to approve the compensation policies for the corporate officers, as approved by the Board of Directors at its meeting on June 7, 2023, on the recommendation of the Compensation and Nominations Committee.

The compensation policy for the Chair of the Board of Directors, submitted in the **7th resolution**, is identical to that approved by the Annual General Meeting of July 26, 2022, which provided that the compensation paid to the Chair would solely comprise an annual fixed portion, and would not include any variable compensation, performance share allocations, termination benefits or a non-compete indemnity. It is presented in sections 4.2.1 and 4.2.4.1 of the 2022-2023 Universal Registration Document.

The compensation policy for the members of the Board of Directors (excluding the Chair of the Board of Directors), which is being submitted for approval in the **8th resolution**, is unchanged from the resolution covering the same purpose which was approved at the Annual General Meeting of July 26, 2022. It is presented in sections 4.2.1 and 4.2.4.2 of the 2022-2023 Universal Registration Document.

The compensation policy for any future Chief Executive Officer and/or any future Deputy Chief Executive Officer of the Company is being submitted for approval in the **9th resolution**. It is presented in sections 4.2.1 and 4.2.4.3 A. of the 2022-2023 Universal Registration Document.

The compensation policy for Pierre Barnabé in his capacity as Chief Executive Officer (**10th resolution**) is also unchanged from the resolution covering the same purpose which was approved at the Annual General Meeting of July 26, 2022. It is presented in detail in sections 4.2.1 and 4.2.4.3 B. of the 2022-2023 Universal Registration Document.

Pursuant to Article L. 22-10-34, II of the French Commercial Code, the payment of annual variable compensation will be subject to prior approval at the Annual General Meeting (*ex-post* say-on-pay vote).

Seventh resolution – Approval of the compensation policy for the Chair of the Board of Directors

The Annual General Meeting, under the conditions of *quorum* and majority required for Ordinary General Meetings, having considered the corporate governance report referred to in Article L. 225-37 of the French Commercial Code, approves, in accordance with Article L. 22-10-8, II of the French Commercial Code, the compensation policy for the Chair of the Board of Directors, as presented in sections 4.2.1 and 4.2.4.1 of the 2022-2023 Universal Registration Document.

Eighth resolution – Approval of the compensation policy for the members of the Board of Directors

The Annual General Meeting, under the conditions of *quorum* and majority required for Ordinary General Meetings, having considered the corporate governance report referred to in Article L. 225-37 of the French Commercial Code, approves, in accordance with Article L. 22-10-8, II of the French Commercial Code, the compensation policy for the members of the Board of Directors (excluding the Chair of the Board of Directors), as presented in sections 4.2.1 and 4.2.4.2 of the 2022-2023 Universal Registration Document.

(1) *The Chair of the Board of Directors (who is a non-executive director), the Chief Executive Officer and the other Board members (who are also non-executive directors) are collectively referred to as "corporate officers".*

Ninth resolution – Approval of the generic compensation policy for any future Chief Executive Officer and/or any future Deputy Chief Executive Officer

The Annual General Meeting, under the conditions of *quorum* and majority required for Ordinary General Meetings, having considered the corporate governance report referred to in Article L. 225-37 of the French Commercial Code, approves, in accordance with Article L. 22-10-8, II of the French Commercial Code, the generic compensation policy for any future Chief Executive Officer and/or any future Deputy Chief Executive Officer, as presented in sections 4.2.1 and 4.2.4.3 A. of the 2022-2023 Universal Registration Document.

Tenth resolution – Approval of the compensation policy for Pierre Barnabé in his capacity as Chief Executive Officer

The Annual General Meeting, under the conditions of *quorum* and majority required for Ordinary General Meetings, having considered the corporate governance report referred to in Article L. 225-37 of the French Commercial Code, approves, in accordance with Article L. 22-10-8, II of the French Commercial Code, the compensation policy for Pierre Barnabé in his capacity as Chief Executive Officer, as presented in sections 4.2.1 and 4.2.4.3 B. of the 2022-2023 Universal Registration Document.

Resolutions no. 11 to 14
Compensation of the corporate officers for fiscal year 2022-2023

Approval of the information relating to the compensation of the Company's corporate officers required by Article L. 22-10-9, I of the French Commercial Code

Under the **11th resolution**, in accordance with Article L. 22-10-34, I of the French Commercial Code, the shareholders are invited to approve the information referred to in Article L. 22-10-9, I of the said Code relating to the compensation of the Company's corporate officers for fiscal year 2022-2023, including information establishing a link between the Chief Executive Officer's and the Chair's compensation, employees' compensation and the Company's performance.

This information is presented in section 4.2.2 of the 2022-2023 Universal Registration Document.

Approval of the compensation paid during or granted for the fiscal year ended March 31, 2023 to the Chair of the Board of Directors and the Chief Executive Officer (*ex-post* say-on-pay)

In application of Article L. 22-10-34, II of the French Commercial Code, the shareholders are invited to approve the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during or granted for the fiscal year ended March 31, 2023 to:

- Éric Meurice, Chair of the Board of Directors, pursuant to the **12th resolution** (see third table of section 4.2.3 of the 2022-2023 Universal Registration Document);
- Paul Boudre, Chief Executive Officer during the period from April 1, 2022 until the close of the Annual General Meeting of July 26, 2022 (end of term of office), pursuant to the **13th resolution** (see first table of section 4.2.3 of the 2022-2023 Universal Registration Document); and
- Pierre Barnabé, Chief Executive Officer as from the close of the Annual General Meeting of July 26, 2022, pursuant to the **14th resolution** (see second table of section 4.2.3 of the 2022-2023 Universal Registration Document).

The components of their compensation were paid or granted in compliance with the compensation policy approved by the shareholders on July 26, 2022, pursuant to the **16th and 20th resolutions**. The payment of annual variable compensation to Paul Boudre in his former capacity as the Chief Executive Officer, described in section 4.2.3 of the 2022-2023 Universal Registration Document, is subject to the approval of the **13th resolution**, and the payment of annual variable compensation to Pierre Barnabé in his capacity as Chief Executive Officer, as described in section 4.2.3 of the 2022-2023 Universal Registration Document, is subject to the approval of the **14th resolution**.

Eleventh resolution – Approval of the information relating to the compensation of the Company's corporate officers referred to in Article L. 22-10-9, I of the French Commercial Code

The Annual General Meeting, under the conditions of *quorum* and majority required for Ordinary General Meetings, having considered the corporate governance report referred to in Article L. 225-37 of the French Commercial Code, approves, in accordance with Article L. 22-10-34, I of the French Commercial Code, the information relating to the compensation of the Company's corporate officers for the fiscal year ended March 31, 2023 referred to in Article L. 22-10-9, I of the French Commercial Code, as presented to the Annual General Meeting in section 4.2.2 of the 2022-2023 Universal Registration Document.

Twelfth resolution – Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during or granted for the fiscal year ended March 31, 2023 to Éric Meurice in his capacity as Chair of the Board of Directors

The Annual General Meeting, under the conditions of *quorum* and majority required for Ordinary General Meetings, having considered the corporate governance report referred to in Article L. 225-37 of the French Commercial Code, approves, in accordance with Article L. 22-10-34, II of the French Commercial Code, the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during or granted for the fiscal year ended March 31, 2023 to Éric Meurice, Chair of the Board of Directors, as presented in the third table of section 4.2.3 of the 2022-2023 Universal Registration Document.

Thirteenth resolution – Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during or granted for the fiscal year ended March 31, 2023 to Paul Boudre in his capacity as Chief Executive Officer until the close of the Annual General Meeting of July 26, 2022

The Annual General Meeting, under the conditions of *quorum* and majority required for Ordinary General Meetings, having considered the corporate governance report referred to in Article L. 225-37 of the French Commercial Code, approves, in accordance with Article L. 22-10-34, II of the French Commercial Code, the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during or granted for the fiscal year ended March 31, 2023 to Paul Boudre in his capacity as Chief Executive Officer of the Company for the period from April 1, 2022 until the close of the Annual General Meeting of July 26, 2022, as presented in the first table of section 4.2.3 of the 2022-2023 Universal Registration Document.

Fourteenth resolution – Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during or granted for the fiscal year ended March 31, 2023 to Pierre Barnabé in his capacity as Chief Executive Officer as from the close of the Annual General Meeting of July 26, 2022

The Annual General Meeting, under the conditions of *quorum* and majority required for Ordinary General Meetings, having considered the corporate governance report referred to in Article L. 225-37 of the French Commercial Code, approves, in accordance with Article L. 22-10-34, II of the French Commercial Code, the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during or granted for the fiscal year ended March 31, 2023 to Pierre Barnabé in his capacity as Chief Executive Officer of the Company as from the close of the Annual General Meeting of July 26, 2022, as presented in the second table of section 4.2.3 of the 2022-2023 Universal Registration Document.

Resolution no. 15
Authorization to be granted to the Board of Directors to carry out transactions on the Company's shares

In the 24th resolution of the Annual General Meeting of July 26, 2022, the shareholders authorized the Board of Directors, with the right to sub-delegate, to acquire Company shares, either directly or indirectly, on one or more occasions, at such times as it deems appropriate, up to 5% of the share capital at the date of each buyback. This authorization was valid for a maximum period of 18 months.

Please see section 7.2.2.3 *Share buyback program in force, adopted by the Combined Ordinary and Extraordinary General Shareholders' Meeting of July 26, 2022* of the 2021-2022 Universal Registration Document, which describes the main terms and conditions of the share buyback program approved by the Annual General Meeting of July 26, 2022.

The Company did not acquire any treasury shares using this authorization during the fiscal year ended March 31, 2023.

At March 31, 2023, the Company held 4,221 treasury shares with a par value of €2.00 each or approximately 0.01% of the Company's share capital.

In the **15th resolution** of this Meeting, the shareholders are asked to renew the authorization to the Board of Directors, in accordance with Article L. 22-10-62 of the French Commercial Code, Articles 241-1 to 241-5 of the General Regulation of the French financial markets authority (*Autorité des marchés financiers* – AMF), the EU regulation on market abuse and the market practices permitted by the AMF, which would supersede the authorization granted by the Annual General Meeting of July 26, 2022 for the same purpose.

In accordance with the previous program authorized by the shareholders at the Annual General Meeting of July 26, 2022, the new share buyback program would be authorized for the following purposes:

- ensuring the liquidity of and making a market for the Company's shares through an investment services provider, under a liquidity agreement that complies with the market practices permitted by the AMF (as amended where appropriate); or
- allocating or selling shares to employees as part of their involvement in the performance of the Company or pursuant to a company or Group employee savings plan (or similar plans) in accordance with the law, notably Articles L. 3332-1 *et seq.* of the French Labor Code (*Code du travail*); or
- allocating free shares under the provisions of Articles L. 225-197-1 *et seq.*, L. 22-10-59 and L. 22-10-60 of the French Commercial Code; or
- in general, meeting obligations related to share option programs or other share allocations to employees or corporate officers of the issuer or of a related company; or
- covering securities giving rights to the allocation of Company shares through the delivery of shares on the exercise of rights attached to securities giving rights to the allocation of Company shares through redemption, conversion, exchange, presentation of a warrant, or any other means; or
- retaining and subsequently delivering shares (in exchange, as payment or other) for external growth operations, it being specified that the maximum amount of shares acquired with a view to their retention and subsequent delivery as payment or in exchange for merger, demerger or capital contribution operations may not exceed 5% of the capital; or
- subject to the adoption of the **30th resolution**, subsequently canceling all or some of the shares bought back, under the conditions provided for in Article L. 22-10-62 of the French Commercial Code; or
- allowing for the implementation of any market practices permitted or that may be permitted by the market authorities, and more generally, the completion of transactions that may be permitted, subject to notifying the shareholders thereof in a press release.

The number of shares that may be acquired during the share buyback program may not exceed 5% of the share capital at each buyback date. This ceiling would apply to the share capital as adjusted for any share capital transactions occurring after the Annual General Meeting. Regarding shares bought back under a liquidity contract, the number of shares taken into account for the calculation of this 5% limit corresponds to the number of shares purchased, less the shares re-sold during the term of the authorization.

For information purposes, this maximum number of shares would therefore stand at 1,779,470, as calculated based on the Company's share capital at June 7, 2023, amounting to €71,178,834.

The number of shares held by the Company at any time may not exceed 10% of the share capital. This percentage would apply to the share capital as adjusted for any share capital transactions occurring after this Meeting.

The maximum purchase price per share would be set at €230 (excluding acquisition costs). In the event of a share capital transaction, this amount would be adjusted accordingly.

The overall amount of this share buyback program may not exceed €409,278,100.

Shares may be purchased on one or more occasions, by any means, on a regulated market, a multilateral trading facility, from a systematic internalizer or over the counter, including by public offer or via block trades (which may represent the entire program).

The Company does not intend to use derivatives.

This authorization would not be able to be used during a public offer for the Company's securities without the prior approval of the shareholders. This authorization would be valid for a period of 18 months as from the date of this Meeting and would supersede the 24th resolution of the Annual General Meeting of July 26, 2022.

Fifteenth resolution – Authorization to be granted to the Board of Directors to carry out transactions on the Company's shares

The Annual General Meeting, under the conditions of *quorum* and majority required for Ordinary General Meetings, having considered the Board of Directors' report, and in accordance with (i) the French Commercial Code, notably Articles L. 22-10-62 *et seq.* and L. 225-210 *et seq.*, and (ii) Articles 241-1 to 241-5 of the General Regulation of the AMF, (iii) Regulation (EU) 596/2014 of the European Parliament and of the Council on market abuse dated April 16, 2014, (iv) Commission Delegated Regulation (EU) 2016/1052 of March 8, 2016, (v) the market practices permitted by the AMF, and (vi) any other legal and/or regulatory provisions that may be applicable in the future, authorizes the Board of Directors, with the right to sub-delegate in accordance with the conditions set by the law and in the Company's by-laws, to acquire Company shares, either directly or indirectly, for the purposes of:

- ensuring the liquidity of and making a market for the Company's shares through an investment services provider, under a liquidity agreement that complies with the market practices permitted by the AMF (as amended where appropriate); or
- allocating or selling shares to employees as part of their involvement in the performance of the Company or pursuant to a company or Group employee savings plan (or similar plans) in accordance with the law, notably Articles L. 3332-1 *et seq.* of the French Labor Code; or
- allocating free shares under the provisions of Articles L. 225-197-1 *et seq.*, L. 22-10-59 and L. 22-10-60 of the French Commercial Code; or
- in general, meeting obligations related to share option programs or other share allocations to employees or corporate officers of the issuer or of a related company; or
- covering securities giving rights to the allocation of Company shares through the delivery of shares on the exercise of rights attached to securities giving rights to the allocation of Company shares through redemption, conversion, exchange, presentation of a warrant, or any other means; or
- retaining and subsequently delivering shares (in exchange, as payment or other) for external growth operations, it being specified that the maximum amount of shares acquired with a view to their retention and subsequent delivery as payment or in exchange for merger, demerger or capital contribution operations may not exceed 5% of the capital; or
- subject to the adoption of the 30th resolution, subsequently canceling all or some of the shares bought back, under the conditions provided for in Article L. 22-10-62 of the French Commercial Code; or
- allowing for the implementation of any market practices permitted or that may be permitted by the market authorities, and more generally, the completion of transactions that may be permitted, subject to notifying the shareholders thereof in a press release.

The number of shares purchased will be subject to the following limits:

- the number of shares acquired during the term of the buyback program may not exceed 5% of the Company's share capital (for information purposes, a maximum of 1,779,470 shares, as calculated based on the share capital at June 7, 2023, amounting to €71,178,834) at the date of each buyback. This percentage applies to the share capital as adjusted for any share capital transactions occurring after this Meeting, it being specified that for the particular case of shares bought back under a liquidity contract, the number of shares taken into account for the calculation of this 5% limit corresponds to the number of shares purchased, less the shares re-sold during the term of the authorization;
- the number of shares that the Company holds at any time may not exceed 10% of its share capital, with this percentage applying to the share capital as adjusted for any share capital transactions occurring after this Meeting.

Shares may be purchased on one or more occasions, by any means, on a regulated market, a multilateral trading facility, from a systematic internalizer or over the counter, including by public offer or via block trades (which may represent the entire program). However, the Company will not use derivatives. These transactions may be carried out at any time, pursuant to the legal provisions in force, except during a public offer for the Company's securities.

The Annual General Meeting resolves that the maximum purchase price per share will be €230 (excluding transaction costs). This maximum purchase price will only apply to acquisitions decided on after the date of this Meeting and not to forward transactions entered into under an authorization given by a previous Annual General Meeting and providing for the acquisition of shares subsequent to the date of this Meeting. In the event of share capital transactions, notably stock splits or reverse stock splits or free share allocations, or equity transactions, the aforementioned amount will be adjusted accordingly (adjustment coefficient equal to the ratio between the number of shares comprising the capital prior to the transaction and the number of shares after the transaction).

The Annual General Meeting notes, for information purposes, that based on the number of shares making up the Company's share capital at June 7, 2023, the total amount allocated to the share buyback program may not exceed €409,278,100.

The Annual General Meeting grants full powers to the Board of Directors, with the right to sub-delegate in accordance with the conditions set by law, to implement this authorization, notably, for the purpose of carrying out the share buyback program, to specify, if necessary, the related terms and conditions, and to place any and all market orders, enter into any and all agreements, allocate or reallocate the acquired shares to the objectives pursued under the applicable legal and regulatory conditions, set the terms and conditions under which, where applicable, the rights of holders of securities giving access to the share capital or other rights giving access to the share capital will be preserved, in accordance with the legal and regulatory provisions, and, where appropriate, with the contractual provisions providing for other adjustments, conduct any and all formalities with and make any and all declarations to all relevant organizations and, generally, do all that is necessary.

This authorization is valid for a period of eighteen (18) months as from the date of this Meeting and supersedes, as from the date hereof, any previous authorization with the same purpose, and specifically, the 24th resolution of the Annual General Meeting of July 26, 2022.

8.2.3 Resolutions within the competence of the Extraordinary General Meeting

Resolutions no. 16 to 19
Amendment of Articles 7, 9 and 10 and deletion of Article 25 of the Company's by-laws to remove references to preferred shares and PS 2

The shareholders are reminded that the Board of Directors' meeting of November 30, 2020 and the Annual General Meeting of September 23, 2020 authorized the allocation of free preferred shares (PS 2) under the Topaz 2022 plan and the allocation and issue of PS 2 under the co-investment program.

At its meeting on November 23, 2022, the Board of Directors decided to convert the PS 2 into ordinary shares by issuing new ordinary shares, in accordance with Article 10.4 of the Company's by-laws, on December 1, 2022, and delegated all the powers required to carry out this conversion to the Company's Chief Executive Officer.

On December 1, 2022, all of the PS 2 comprising the share capital were converted into ordinary shares. The Company's share capital now comprises 35,589,417 ordinary shares.

Since all the allocations have been completed and the PS 2 have been converted, the Topaz 2022 plan and the co-investment program have expired, and the references to preferred shares and PS 2 in the Company's by-laws are no longer relevant.

Accordingly, the shareholders are invited to delete all references to preferred shares and PS 2 in the Company's by-laws, from Articles 7 – *Form of the Shares* **(16th resolution)**, 9 – *Sale of Shares* **(17th resolution)**, 10 – *Rights and Obligations Attached to Shares* **(18th resolution)** and 25 – *Special Meetings* **(19th resolution)**.

Sixteenth resolution – Amendment of Article 7 of the Company's by-laws to remove references to preferred shares

The Annual General Meeting, under the conditions of *quorum* and majority required for Extraordinary General Meetings, having considered the Board of Directors' report, resolves to delete the third sentence of Article 7 of the Company's by-laws, entitled *Form of the Shares*, relating to preferred shares, which shall henceforth read as follows:

Previous wording	New wording
"***Article 7 – FORM OF THE SHARES*** *Ordinary shares, fully paid up, can be registered or bearer shares, at the option of the shareholder, subject to applicable legal and regulatory provisions. They are recorded in a shareholder's account in accordance with applicable legal and regulatory terms and conditions.* ~~*Preference shares are registered shares, recorded in an account opened by the Company in the name of the shareholder under the conditions set out by applicable laws and regulations.*~~ *The Company or its representative may, at any time, take the necessary steps to identify the holders of shares or securities granting the right to vote, either immediately or at a future date, at its Shareholders' General Meetings, in accordance with the regulations."*	"***Article 7 – FORM OF THE SHARES*** *Ordinary shares, fully paid up, can be registered or bearer shares, at the option of the shareholder, subject to applicable legal and regulatory provisions. They are recorded in a shareholder's account in accordance with applicable legal and regulatory terms and conditions.* *The Company or its representative may, at any time, take the necessary steps to identify the holders of shares or securities granting the right to vote, either immediately or at a future date, at its Shareholders' General Meetings, in accordance with the regulations."*

Seventeenth resolution – Amendment of Article 9 of the Company's by-laws to remove references to PS 2

The Annual General Meeting, under the conditions of *quorum* and majority required for Extraordinary General Meetings, having considered the Board of Directors' report, resolves to delete the second paragraph of Article 9 of the Company's by-laws, entitled *Sale of Shares*, relating to the PS 2, which shall henceforth read as follows:

Previous wording	New wording
"***Article 9 – SALE OF SHARES*** *Ordinary shares are transferred between accounts according to the terms and conditions as provided by applicable legal and regulatory provisions.* ~~*The PS 2 cannot be transferred before the earliest of the three following dates: (i) the Conversion Date, (ii) the Repurchase Date and (iii) July 26, 2029, unless converted early in the case of death or a Complex Major External Growth Transaction or a Substantial Equity Investment."*~~	"***Article 9 – SALE OF SHARES*** *Ordinary shares are transferred between accounts according to the terms and conditions as provided by applicable legal and regulatory provisions."*

Eighteenth resolution – Amendment of Article 10 of the Company's by-laws to remove references to PS 2

The Annual General Meeting, under the conditions of *quorum* and majority required for Extraordinary General Meetings, having considered the Board of Directors' report, resolves to delete Article 10.3 *Rights attached to PS 2* of the Company's by-laws, and, for consistency, to delete titles 10.1 *Provisions applicable to both ordinary and preference shares* and 10.2 *Rights attached to ordinary shares*. Article 10 of the Company's by-laws will read as follows:

Previous wording	New wording
"***Article 10 – RIGHTS AND OBLIGATIONS ATTACHED TO SHARES*** ***~~10.1 – Provisions applicable to both ordinary and preference shares~~*** *Every shareholder has the right to be informed of the Company's business and to receive certain Company documents at certain times and under the conditions set out by law and these by-laws.* *Shareholders are only liable for Company losses up to the limit of their contributions.* *Subject to statutory provisions and these by-laws, a majority vote cannot compel them to increase their commitments. The rights and obligations attached to a share follow said share into whichever hands it falls.* *Share possession implies, as of right, support for the decisions made by the General Meeting and these by-laws.* *The heirs, creditors, successors or other representatives of a shareholder cannot, under any pretext whatsoever, require Company's assets or documents to be sealed, request that these assets be divided or sold, or interfere with the running of the Company.* *To exercise their rights, they must refer to corporate records and resolutions of the General Meeting.* *Every time that a certain number of shares is required to exercise any right whatsoever, in case of an exchange, pooling or allotment of shares, or in case of an increase or reduction in share capital, a merger, or any other operation, those shareholders with less than the required number of shares can only exercise their rights if they personally ensure that they have the required number of shares.* ***~~10.2 – Rights attached to ordinary shares~~*** *Each ordinary share confers the right to the profits and ownership of the corporate assets in proportion to the amount of share capital represented by said share and confers the right to vote and to be represented at General Meetings, according to the conditions set forth by law and in these by-laws.* *Assignment shall include all dividends that are due and/or paid and/or to become due, as well as any share in the reserve funds, unless the Company is informed otherwise.* ***~~10.3 – Rights attached to PS 2~~*** ***~~10.3.1 – General provisions applicable to PS 2~~*** *~~The PS 2 and the rights of their holders are governed by the applicable provisions of the French Commercial Code, in particular, Articles L. 228-11~~* ~~et seq.~~ *~~The PS 2 grant the holder a voting right identical to that of an ordinary share at General Meetings.~~* *~~PS 2 bear dividends and the same right to the liquidation payout as ordinary shares, and carry preferential subscription rights in the event of a capital increase or any transaction with preferential subscription rights to new ordinary shares in the Company.~~* *~~Dividend and liquidation bonus rights attached to the PS 2 and identical to that of ordinary shares shall be extended to the earlier of the following two dates: (i) the Conversion Date or (ii) the Repurchase Date.~~* ***~~10.3.2 – Conversion of PS 2~~*** *~~All PS 2 issued or to be issued at the Conversion Date (as defined below) may be converted into a variable number of ordinary shares in the Company, depending on the achievement of targets based on the EBITDA, Revenue and Total Shareholder Return (**TSR**) criteria as detailed below; the total number of ordinary shares resulting from the PS 2 conversion, provided that the performance targets have been achieved, cannot under any circumstances be higher than a number of ordinary shares calculated as follows (the "**Max OS**"):~~* *~~Max OS = 3.75% x OS Capital~~*	"***Article 10 – RIGHTS AND OBLIGATIONS ATTACHED TO SHARES*** *Every shareholder has the right to be informed of the Company's business and to receive certain Company documents at certain times and under the conditions set out by law and these by-laws.* Shareholders are only liable for Company losses up to the limit of their contributions. Subject to statutory provisions and these by-laws, a majority vote cannot compel them to increase their commitments. *The rights and obligations attached to a share follow said share into whichever hands it falls.* *Share possession implies, as of right, support for the decisions made by the General Meeting and these by-laws.* *The heirs, creditors, successors or other representatives of a shareholder cannot, under any pretext whatsoever, require Company's assets or documents to be sealed, request that these assets be divided or sold, or interfere with the running of the Company.* *To exercise their rights, they must refer to corporate records and resolutions of the General Meeting.* *Every time that a certain number of shares is required to exercise any right whatsoever, in case of an exchange, pooling or allotment of shares, or in case of an increase or reduction in share capital, a merger, or any other operation, those shareholders with less than the required number of shares can only exercise their rights if they personally ensure that they have the required number of shares.* *Each ordinary share confers the right to the profits and ownership of the corporate assets in proportion to the amount of share capital represented by said share and confers the right to vote and to be represented at General Meetings, according to the conditions set forth by law and in these by-laws.* *Assignment shall include all dividends that are due and/or paid and/or to become due, as well as any share in the reserve funds, unless the Company is informed otherwise."*

Previous wording | **New wording**

~~*where:*~~

- ~~*"**OS Capital**" means all of the ordinary shares that make up the share capital of the Company as of the date of the Shareholders' General Meeting of July 26, 2019, plus the ordinary shares created as a result of (i) free share allocation plans applicable as of the date of the Shareholders' General Meeting of July 26, 2019, (ii) the conversion of the PS 1, and (iii) the conversion of the PS 2, with it being stipulated that this ceiling has been set without taking into account any legal, regulatory, or contractual adjustments necessary for the protection of the rights of beneficiaries of PS 2.*~~

~~*The maximum number of PS 2 that can be issued shall be calculated by the Board of Directors and be equal to the total value of the PS 2 as calculated by an independent appraiser, divided by the unit price per PS 2 (the "**Max PS 2**") and cannot in any case be greater than 600,000, it being stipulated that this cap has been set without taking into account any legal, regulatory, or contractual adjustments necessary for the protection of the rights of beneficiaries of PS 2.*~~

~~*Subject to the early conversions provided for in this article, the date of the PS 2 conversion into new or existing ordinary shares in the Company (the "**Conversion Date**") shall be set by the Board of Directors; the Conversion Date must be no later than the one hundred and eightieth (180th) calendar day following the Shareholders' General Meeting's approval of the Group consolidated financial statements for the fiscal year ending on March 31, 2022.*~~

~~*The Board of Directors is authorized to temporarily suspend conversion rights.*~~

~~*The conversion ratio used to calculate the number of ordinary shares resulting from the conversion of existing PS 2 at the Conversion Date will be determined by the Board of Directors and based on three targets as follows:*~~

~~***I. Rate of achievement of the EBITDA target***~~

~~*The rate of achievement of the EBITDA target is determined based on the Group's consolidated EBITDA presented in the consolidated financial statements for the financial year ending March 31, 2022 ("**2022 EBITDA**") as follows,*~~

i. ~~*the rate of achievement of the EBITDA target will be zero percent (0%) if 2022 EBITDA is strictly less than two hundred and five million euros (€205,000,000),*~~

ii. ~~*the rate of achievement of the EBITDA target will be fifty percent (50%) if 2022 EBITDA is strictly equal to two hundred and five million euros (€205,000,000),*~~

iii. ~~*the rate of achievement of the EBITDA target will be one hundred percent (100%) if 2022 EBITDA is strictly equal to or greater than three hundred and ten million euros (€310,000,000),*~~

~~*it being specified that (a) the rate of achievement of the EBITDA target shall be determined by linear interpolation if 2022 EBITDA falls between the levels indicated above, that (b) the achievement of the targets described in this section (i) shall be determined on the basis of a constant exchange rate set at one euro (€1.00) for one U.S. dollar and thirteen cents (USD 1.13), and (c) that in the event of any change in IFRS having an impact (negative or positive) on the achievement of the targets set out in this section (i), the Board of Directors shall take all measures necessary in order to neutralize this impact.*~~

~~***II. Rate of achievement of the revenue target***~~

~~*The rate of achievement of the revenue target is determined based on the Group's consolidated revenues presented in the consolidated financial statements for the year ending March 31, 2022 ("**2022 Revenue**"), it being specified that:*~~

i. ~~*the rate of achievement of the revenue target will be zero percent (0%) if 2022 Revenue is strictly less than seven hundred and seventy one million U.S. dollars ($771,000,000),*~~

ii. ~~*the rate of achievement of the revenue target will be fifty percent (50%) if 2022 Revenue is strictly equal to seven hundred and seventy one million U.S. dollars ($771,000,000),*~~

iii. ~~*the rate of achievement of the revenue target will be one hundred percent (100%) if 2022 Revenue is strictly equal to or greater than one billion, one hundred and twenty nine million U.S. dollars ($1,129,000,000),*~~

~~*it being specified that (a) the rate of achievement of the revenue target shall be determined by linear interpolation if 2022 Revenue falls between the levels indicated above, that (b) the achievement of the targets described in this section (ii) shall be determined on the basis of a constant exchange rate set at one euro (€1.00) for one U.S. dollar and thirteen cents (USD 1.13), and (c) that in the event of any change in IFRS having an impact (negative or positive) on the achievement of the targets set out in this section (ii), the Board of Directors shall take all measures necessary in order to neutralize this impact.*~~

~~**III. *Rate of achievement of the Company's total shareholder return ("TSR") target***~~

~~*The rate of achievement of the TSR target shall be determined based on the respective performance of the TSR of the Company's ordinary share and the Euro Stoxx 600 Technology index between July 26, 2019 and the publication date of the Group consolidated financial statements for the year ending on March 31, 2022 as follows:*~~

i. ~~*the rate of achievement of the TSR target will be zero percent (0%) if the TSR of the Company's share is strictly less than eighty percent (80.00%) of the Euro Stoxx 600 Technology index performance;*~~

ii. ~~*the rate of achievement of the TSR target will be one hundred percent (100%) if the TSR of the Company's share is strictly greater than or equal to one hundred and twenty percent (120.00%) of the Euro Stoxx 600 Technology index performance;*~~

~~*it being specified that the rate of achievement of the TSR target will be determined via linear interpolation if the TSR of the Company share falls between the levels indicated above.*~~

~~*The TSR of the Company's shares will be determined as follows:*~~

~~*Final Reference Price + Dividends - Initial Reference Price*~~

~~*Initial Reference Price*~~

~~*where:*~~

- ~~*the Initial Reference Price is the average of the last twenty (20) closing prices of the Company's ordinary share before the General Meeting of July 26, 2019;*~~
- ~~*Dividends are equal to the dividends paid during the period in question;*~~
- ~~*the Final Reference Price is the average of the last twenty (20) closing prices of the Company's ordinary share following the publication date of the Group's consolidated financial statements for the year ending March 31, 2022.*~~

~~*If the Euro Stoxx 600 Technology index no longer exists, the Board of Directors may decide or delegate the decision to replace it with any substitute index that, in the Board's opinion, would be suitable for assessing TSR performance;*~~

~~*The conversion ratio, stated as the total number of ordinary shares in the Company resulting from the conversion of all PS 2 issued or to be issued (the "**Conversion Ratio**") shall be calculated using the following formula:*~~

~~*Conversion Ratio = Max OS x Actual PS 2 / Max PS 2 x Achievement Rate*~~

~~*where:*~~

- ~~*"**Max OS**" is as defined above;*~~
- ~~*"**Max PS 2**" is as defined above;*~~
- ~~*"**Actual PS 2**" means the maximum number of PS 2 issued and to be issued as of the Conversion Date;*~~
- ~~*"**Rate of Achievement**" means the global rate of achievement of those targets described in (i), (ii) and (iii) above and calculated using the following formula:*~~

  ~~*Rate of Achievement = 1/3 x (EBITDA Rate + Revenue Rate + TSR Rate)*~~
- ~~*"**EBITDA Rate**" is the rate of achievement of the EBITDA calculated in accordance with the detailed methods set out in (i) above, it being stipulated that (x) in the event of the achievement of a theoretical Revenue Rate of between 100% and 110% (calculated on a linear basis), and (y) in the event of the achievement of an EBITDA Rate of between 80% and 100%, the EBITDA Rate shall then be increased by that fraction of the theoretical Revenue Rate percentage falling between 100% and 110% without this resulting in an EBITDA Rate in excess of 100%;*~~
- ~~*"**Revenue Rate**" us the rate of achievement of revenues calculated in accordance with the detailed methods set out in (ii) above, it being stipulated that (x) in the event of the achievement of a theoretical EBITDA Rate of between 100% and 110% (calculated on a linear basis), and (y) in the event of the achievement of a Revenue Rate of between 80% and 100%, the Revenue Rate shall then be increased by the fraction of the theoretical EBITDA Rate percentage falling between 100% and 110% without this resulting in a Revenue Rate in excess of 100%;*~~
- ~~***TSR Rate** is the rate of achievement of the TSR target, according to the terms set out in (iii) above.*~~

~~*The number of ordinary shares resulting from the conversion must be determined for each PS 2 holder by applying the Conversion Ratio to the number of PS 2 held by each holder on the Conversion Date over the number of Actual PS 2 on this date.*~~

~~*If the total number of ordinary shares to be received by a PS 2 holder by applying the Conversion Ratio to the number of PS 2 they hold is not a whole number, the holder will receive the immediately lower number of ordinary shares.*~~

~~*All ordinary shares resulting from the conversion of PS 2 will be the same as outstanding ordinary shares at the Conversion Date and will bear dividends with immediate effect.*~~

~~*As an exception in the event of the death of a holder of PS 2 prior to the Date of Conversion, the PS 2 held by the deceased may, at the request of the heir(s) or other beneficiaries of the deceased, and within a maximum of six (6) months following the death, be converted in advance (the "Date of Early Conversion") into a number of ordinary shares in the Company calculated by applying the Conversion Ratio set out above to the number of PS 2 held by the deceased on the Date of Early Conversion over the number of Actual PS 2 on the Date of Early Conversion, considering however that:*~~

- ~~*the Rate of Achievement is equal to 1, and that*~~
- ~~*the number of Actual PS 2 means the maximum number of PS 2 issued or to be issued on the Date of Early Conversion (considering in particular any potential condition regarding continued employment stipulated in the context of any free allocation of PS 2 as being met).*~~

~~*The Company's Board of Directors may, in the event of a Simple External Growth Transaction, a divestment or exceptional capital expenditure (CAPEX) lower or higher than that set out in the business plan, make adjustments to performance objectives as follows:*~~

i. ~~*the revenue and EBITDA levels presented in the Group's consolidated financial statements for the fiscal year ending on March 31, 2022 will be restated to neutralize the impact of these operations, and*~~

ii. ~~*TSR targets will remain unchanged,*~~

~~*with "**Simple External Growth Transaction**", which shall mean any acquisition transaction not classified as a Complex Major External Growth Transaction,*~~

~~*In the event of a Complex Major External Growth Transaction or Substantial Equity Investment:*~~

a. ~~*the Conversion Ratio will be determined on the date of the Complex Major Acquisition or Substantial Investment, mutatis mutandis, it being specified that the Rate of Achievement shall have the meaning set out above, except that:*~~

   - ~~*the Revenue Rate and the EBITDA Rate (i) shall be determined based on the last consolidated financial statements available at the date of the Complex Major External Growth Transaction or of the Substantial Equity Investment and (ii) shall be assessed based on the EBITDA and Revenue targets calculated on the date of such financial statements,*~~ prorata temporis ~~*and by linear interpolation between (i) the Group consolidated EBITDA or Revenue level (as the case may be) as presented in the Group's consolidated financial statements for the fiscal year ending on March 31, 2019 and (ii) firstly (x) the 2022 EBITDA and 2022 Revenue targets enabling an EBITDA Rate and Revenue Rate, as applicable, of 50% to be achieved, and secondly (y) the 2022 EBITDA and 2022 Revenue targets enabling an EBITDA Rate and Revenue Rate of 100%, as applicable, to be achieved,*~~
   - ~~*the TSR Rate (i) will be assessed on the date of the Complex Major External Growth Transaction or of the Substantial Equity Investment, as the case may be, and (ii) by taking as the Final Reference Price, as applicable, either the exchange ratio approved for a Complex Major External Growth Transaction, or the price offered by the third party as part of a Substantial Equity Investment,*~~
   - ~~*the number of Actual PS 2 means the maximum number of PS 2 issued or to be issued on the Conversion Date defined in paragraph b) below (considering any potential condition regarding continued employment stipulated in the context of any free allocation of PS 2 to be fulfilled).*~~

   ~~*with:*~~

   - ~~*"**Complex Major External Growth Transaction**" which means any acquisition completed via merger by absorption,*~~
   - ~~*"**Substantial Equity Investments**" means any public takeover or exchange bid launched with regard to the Company's shares, further (i) to the transfer by one or several Strategic Investor(s) of their ordinary shares in the Company to the initiator of the bid or to whom this Strategic Investor(s) may have contributed their ordinary shares in the Company or (ii) to the acquisition of an equity interest resulting in the initiator of the bid crossing the threshold of 30% of the share capital or voting rights of the Company,*~~
   - ~~*"**Strategic Investor**" refers to Bpifrance Participations, CEA Investissement and NSIG Sunrise S.à.r.l taken individually.*~~

b. ~~*as an exception, the PS 2 may be converted as follows:*~~

- ~~*if the date of the Complex Major External Growth Transaction or of the Substantial Equity Investment falls prior to the date of the Shareholders' General Meeting called to approve the Group's consolidated financial statements for the fiscal year ending on March 31, 2021, then (i) seventy five percent (75%) of the PS 2 issued or to be issued shall be converted into ordinary shares within six (6) months following the date of the Shareholders' General Meeting approving the Group's consolidated financial statements for the fiscal year ending on March 31, 2021, and (ii) the remaining twenty five percent (25%) shall be converted on the Conversion Date,*~~
- ~~*if the date of the Complex Major External Growth Transaction or of the Substantial Equity Investment falls between the date of the Shareholders' General Meeting called to approve the Group's consolidated financial statements for the fiscal year ending on March 31, 2021 and the date of the Shareholders' General Meeting approving the Group's consolidated financial statements for the fiscal year ending March 31, 2022, then (i) seventy five percent (75%) of the PS 2 issued or to be issued shall be converted into ordinary shares within two (2) months following the date of completion of the Complex Major External Growth Transaction or of the Substantial Equity Investment, as applicable, and (ii) the remaining twenty five percent (25%) shall be converted on the Conversion Date.*~~

~~*Where applicable, the Board of Directors may make adjustments to the ratio for converting the PS 2 into ordinary shares in order to protect the rights of beneficiaries, depending on potential transactions on the Company's share capital, specifically in the case of a change of the par value of ordinary shares, a capital increase by capitalization of reserves through an increase in the number of ordinary shares, the capitalization of reserves, earnings, premiums or other amounts allowed to be capitalized by increasing the par value of the ordinary shares, the granting of bonus (free) shares to all shareholders, the issuance of new shares or securities giving access to the Company's share capital with preferential subscription rights reserved for shareholders, a stock split or reverse stock split, the distribution of reserves, issue premiums or any other assets, share capital redemption, changes to the appropriation of earnings, share capital reduction due to losses via a reduction in the number of ordinary shares, or any other operation impacting shareholders' equity (including by way of a takeover bid and/or in the event of a change of control).*~~

~~*The PS 2 outstanding at the Conversion Date may be converted to new or existing ordinary shares held under the share repurchase program, and notes that the conversion of PS 2 to new ordinary shares entails the waiver by shareholders of their preferential subscription rights to new ordinary shares resulting from the conversion. In any event, the conversion of PS 2 into ordinary shares cannot take place between the mandatory publication in the so-called Bulletin Officiel des Annonces Légales Obligatoires (French official legal gazette) of prior notice of any general meeting, and the holding of this meeting. If this is the case, the Conversion Date would be postponed until after the Shareholders' General Meeting.*~~

~~***10.3.3 – PS 2 repurchase***~~

~~*In the event that the performance targets are not achieved and the number of ordinary shares to which the conversion of the PS 2 would give right, by applying the Conversion Ratio, equals zero, the PS 2 may be purchased by the Company at its initiative no later than the one hundred and eightieth (180th) calendar day following the publication date of the Group's consolidated financial statements for the fiscal year ending on March 31, 2022 (the "**Repurchase Date**"), at their par value, in accordance with the provisions of Article L. 228-12 III of the French Commercial Code.*~~

~~*The PS 2 thus repurchased would be canceled and the share capital would be proportionally reduced, pursuant to Articles L. 225-205 and 228-12-1 of the French Commercial Code, within sixty (60) calendar days as from the Repurchase Date.*~~

~~*The Board of Directors must take note, where applicable, of the number of PS 2 repurchased and canceled by the Company, and shall make the necessary changes to the bylaws relating to the share capital amount and the number of shares comprising the share capital."*~~

Nineteenth resolution –
Deletion of Article 25 of the Company's by-laws relating to preferred shares and renumbering of the following articles of the Company's by-laws

The Annual General Meeting, under the conditions of *quorum* and majority required for Extraordinary General Meetings, having considered the Board of Directors' report, resolves to delete Article 25 of the Company's by-laws relating to special meetings of holders of preferred shares, and, consequently, to renumber the articles of the Company's by-laws that follow.

Resolutions no. 20 to 29
Financial resolutions

General considerations

In order to have available the appropriate resources for the Group's development, the shareholders are invited to approve the renewal and adaptation of various resolutions whose purpose is to grant the Board of Directors the necessary delegations of authority or powers in order to be able to carry out various issues of shares or securities (**20th to 29th resolutions**).

The new delegations would supersede the unused portions of the delegations granted for the same purpose by the Annual General Meetings of July 28, 2021 and July 26, 2022.

The resolutions aim to provide the Board of Directors with sufficient flexibility to decide the type of issues to be carried out and to adapt, when appropriate, the type of financial instruments to be issued, based on potential financing and/or external growth opportunities.

The resolutions entailing an increase in the Company's share capital can be divided into two broad categories: those which would give rise to capital increases with shareholders' preemptive subscription rights and those which would give rise to capital increases with a waiver of shareholders' preemptive subscription rights.

For some of the resolutions submitted for shareholders' approval, we are asking you to grant the Board of Directors the right to waive your preemptive subscription rights. According to market conditions, the type of investors concerned by the issue and the type of shares issued, it may be preferable, or even necessary, to cancel shareholders' preemptive subscription rights. This would provide the Board of Directors with flexibility and the option of carrying out placements of securities on the financial markets under optimal conditions. Furthermore, the cancellation of shareholders' preemptive subscription rights would increase the speed of the transactions, which is sometimes an essential condition for their success.

In accordance with the applicable laws, we are also submitting for shareholders' approval a resolution giving the Company the means to involve employees and senior executives in its success, through a share capital increase reserved for employees who are members of a company savings plan (**29th resolution**).

The **20th to 29th resolutions** aim to renew and adapt the delegations of authority and powers granted to the Board of Directors in 2021 and 2022 in order to carry out share capital increases by issuing ordinary shares and/or securities of any kind giving access by whatever means, immediately and/or in the future, at any time or on a fixed date, by subscription, conversion, exchange, redemption, presentation of a warrant, or in any other manner, to the share capital of the Company.

These authorizations and delegations would be limited in time and subject to ceilings.

Ceilings and limitations

The financial authorizations and delegations subject to shareholders' approval would be limited by ceilings which are determined, in particular, by taking into account the amount of the Company's share capital.

Pursuant to the **20th resolution**, the maximum nominal amount of the capital increases that may be carried out pursuant to the **20th to 29th resolutions** may not therefore exceed an overall ceiling of €35 million in nominal value. For information, this overall ceiling would represent approximately 49.17% of the share capital at June 7, 2023.

Within this overall ceiling of €35 million (€32.5 million in 2021), the shareholders are asked to set a sub-ceiling of €7 million in nominal value (€6.5 million in 2021) for transactions entailing a waiver of shareholders' preemptive subscription rights (**21st resolution**), which would be deducted from the overall ceiling of €35 million. For information purposes, this sub-ceiling would represent approximately 9.83% of the Company's share capital at June 7, 2023. This sub-ceiling of €7 million would apply to the **21st to 28th resolutions**, with the exception of the **27th resolution**.

To these ceilings of €35 million and €7 million would be added the nominal amount of any capital increases that may be carried out via the issue of additional ordinary shares in order to take into account the impact of any transactions on the Company's share capital and preserve the rights of holders of securities and holders of other rights giving access to the Company's share capital.

The maximum nominal amount of debt securities or related securities giving access to the Company's share capital that may be issued pursuant to the **20th to 29th resolutions** (with the exception of the **27th resolution**) may not exceed an overall ceiling of €500 million (€395 million in 2021). This amount would be increased, where appropriate, by any reimbursement premium over the par value.

The €500 million ceiling would be independent from the amount of debt securities that may be issued or authorized by the Board of Directors in accordance with Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6 and L. 228-94 paragraph 3 of the French Commercial Code.

The Board of Directors may not, except with the prior authorization of the shareholders, make use of these delegations as from the filing of a public offer for the Company's securities by a third party, until the end of the offer period (except for the **29th resolution**).

These authorizations and delegations would be granted with the right to sub-delegate in accordance with the conditions set by law.

They would each be valid for a period of 26 months as from the date of this Meeting, with the exception of the **23rd resolution**, which would be valid for a period of 18 months.

Should the Board of Directors use the authorizations and/or delegations granted in the **20th to 29th resolutions**, it must prepare the additional reports required by law and give an account on the use thereof to the next Annual General Meeting, in accordance with the applicable laws and regulations.

You are invited to consult (i) the table summarizing the utilization of the delegations previously granted by the Annual General Meeting in section 7.2.5.1 *Review of existing authorizations and their use* of the 2022-2023 Universal Registration Document, and (ii) the table summarizing all the delegations requested at this Meeting in section 8.2.5 *Summary table of delegations and authorizations requested at the Annual General Meeting of July 25, 2023* of the 2022-2023 Universal Registration Document.

You may also refer to the reports issued by the Company's Statutory Auditors on these resolutions, presented in section 8.5 of the 2022-2023 Universal Registration Document.

Resolution no. 20
Delegation of authority to be granted to the Board of Directors for the purpose of carrying out a capital increase by way of the issue of shares and/or securities giving access, immediately or in the future, to the Company's share capital, with shareholders' preemptive subscription rights

Grounds for the possible use of the resolution

In the **20th resolution**, the shareholders are asked to grant the Board of Directors a new delegation of authority to increase the share capital, with preemptive subscription rights for shareholders to be exercised in direct proportion to their rights and within the limit of their requests.

Term

This delegation of authority would be valid for a period of 26 months as from the date of this Meeting and would supersede the delegation of authority granted in the 17th resolution of the Annual General Meeting of July 28, 2021. This delegation would be renewed under the same terms as the delegation granted by the Annual General Meeting of July 28, 2021.

Detailed implementation conditions

Under this mechanism, the Board of Directors would be authorized to issue, on one or more occasions, in such amount and at such times as it deems appropriate, in euros, foreign currencies, or any accounting unit established by reference to a basket of currencies, in France and/or abroad, against payment or free of charge, ordinary shares and/or securities giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities).

These ordinary shares and/or securities may be paid-up in cash, or by offsetting against liquid and due receivables, or by capitalization of reserves, earnings or premiums.

The issue(s) would be reserved by preference for Company shareholders who would have the right to subscribe in direct proportion to the number of shares held. Nevertheless, you would grant the Board of Directors the power to grant shareholders the right to subscribe to shares or securities in excess of the number of shares to which they are entitled as of right, proportionally to their subscription rights, and in any event, within the limit of their request. In this context, if the subscriptions as of right and, where appropriate, excess subscriptions do not cover the entire amount of the issue of shares or securities as defined above, the Board of Directors may exercise, as provided by law, and in the order of its choosing, one and/or any of the following options:

- freely distributing all or part of the unsubscribed securities between the individuals of its choice;
- offering all or part of the unsubscribed securities to the public, on the French market and/or internationally; and/or
- limiting the capital increase to the amount of subscriptions, subject to the condition, in the event of the issue of shares or securities whose main security is a share, of said amount reaching at least three-quarters of the agreed issue after use of the two options indicated above, where applicable.

We also propose that you resolve that issues of warrants giving access to the Company's ordinary shares may be carried out by subscription offer, but also by a free allocation to shareholders. In this context, the Board of Directors would have the option to decide that rights forming fractional shares would not be negotiable and that the corresponding securities would be sold in accordance with the applicable laws and regulations.

The Board of Directors would have all powers, with the right to sub-delegate in accordance with the conditions set by the law, to decide on the aforementioned issues and to carry them out in accordance with the terms and conditions that it will determine in accordance with the law.

The final terms of the transactions carried out under this delegation will be subject to an additional report, pursuant to Article L. 225-129-5 of the French Commercial Code, drawn up by the Board of Directors when it decides to use this delegation of authority.

Should the Board of Directors decide to exercise its right to sub-delegate in accordance with the provisions of Article L. 22-10-49 of the French Commercial Code, the Chief Executive Officer would report thereto on the use made of the power to decide on the capital increase(s) and draw up, upon using this sub-delegation, the additional report required by Article L. 225-129-5 of the French Commercial Code.

The Board of Directors may not, except with the prior authorization of the shareholders, make use of this delegation as from the filing of a public offer for the Company's securities by a third party, until the end of the offer period.

Ceilings

The maximum nominal value of the capital increases that may be carried out pursuant to the **20th resolution** may not exceed the nominal ceiling of €35 million.

To this ceiling would be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve the rights of holders of securities and holders of other rights giving access to the Company's share capital.

This ceiling of €35 million would apply to all capital increases that may be carried out pursuant to this **20th resolution** and the **21st to 29th resolutions**.

The maximum nominal amount of debt securities or related securities giving access to the Company's share capital that may be issued pursuant to this **20th resolution** may not exceed the ceiling of €500 million or the equivalent of this figure in any other currency. This ceiling would, where appropriate, be increased by any redemption premium in excess of the par value. Please note that this ceiling of €500 million would apply to all debt securities or related securities giving access to the Company's capital that may be issued pursuant this **20th resolution** and the **21st to 29th resolutions** (with the exception of the **27th resolution**, which would not be affected by this).

In addition, it would be independent from the amount of any debt securities issued or authorized by the Board of Directors in accordance with Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6, and L. 228-94 paragraph 3 of the French Commercial Code.

Twentieth resolution – Delegation of authority to be granted to the Board of Directors for the purpose of carrying out a capital increase by way of the issue of shares and/or securities giving access, immediately or in the future, to the Company's share capital, with shareholders' preemptive subscription rights

The Annual General Meeting, under the conditions of *quorum* and majority required for Extraordinary General Meetings, having considered the Board of Directors' report and the Statutory Auditors' special report, and pursuant to the provisions of Articles L. 225-129 *et seq.* of the French Commercial Code and specifically Articles L. 225-129, L. 225-129-2, L. 225-132 to L. 225-134, L. 228-91 *et seq.* and L. 22-10-49 of the French Commercial Code:

1. delegates to the Board of Directors, with the right to sub-delegate in accordance with the conditions set by law, its authority to issue, on one or more occasions, in such amount and at such times as it deems appropriate, in euros, foreign currencies, or any accounting unit established by reference to a basket of currencies, in France and/or abroad, with preemptive subscription rights, against payment or free of charge, ordinary shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities), it being specified that these ordinary shares and/or securities may be paid-up in cash, or by offsetting against liquid and due receivables, or by capitalization of reserves, earnings or premiums;
2. resolves that any issue of preferred shares and securities giving access to preferred shares is expressly excluded;
3. sets the period of validity of this delegation at twenty-six (26) months as from the date of this Meeting, it being specified that this delegation supersedes all other delegations of authority previously granted in a resolution with the same purpose, and specifically the 17th resolution of the Annual General Meeting of July 28, 2021;
4. resolves to set the following limits on the issue amounts authorized in the event that the Board of Directors decides to use this delegation of authority:
   a) the maximum nominal amount of capital increases that may be carried out, immediately or in the future, pursuant to this delegation of authority, may not exceed the ceiling of €35 million in nominal value, or the equivalent of this amount in any other currency or any monetary unit established by reference to a basket of currencies, it being specified that:
      (i) the aggregate nominal amount of capital increases that may be carried out via ordinary shares issued directly or indirectly pursuant to this resolution and the 21st, 22nd, 23rd, 24th, 25th, 26th, 27th, 28th and 29th resolutions, subject to their adoption by this Meeting, and pursuant to any issues authorized in resolutions with the same purpose superseding the aforementioned resolutions during the validity period of this authorization, may not exceed the overall ceiling of €35 million in nominal value, or the equivalent of this amount in any other currency or any monetary unit established by reference to a basket of currencies, and
      (ii) to this ceiling will be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve, in accordance with the law, and, where appropriate, contractual provisions providing for other adjustments, the rights of holders of securities and holders of other rights giving access to the Company's capital,
   b) the maximum nominal amount of debt securities or related securities giving access, immediately or in the future, to the Company's share capital that may be issued pursuant to this delegation of authority may not exceed the ceiling of €500 million, or the equivalent of this amount in any other currency or monetary unit established by reference to a basket of currencies, it being specified that this amount will be increased, where appropriate, by any redemption premium in excess of the par value and decreased by the nominal amount of any debt securities or related securities giving access to the Company's share capital that may be issued pursuant to this resolution and the 21st, 22nd, 23rd, 24th, 25th, 26th, 27th, 28th and 29th resolutions, subject to their adoption by this Meeting, and pursuant to any issues authorized in resolutions with the same purpose superseding the aforementioned resolutions during the validity period of this authorization. This ceiling is independent from the amount of debt securities that may be issued or authorized by the Board of Directors in accordance with Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6 and L. 228-94 paragraph 3 of the French Commercial Code;
5. in the event that this delegation of authority is used by the Board of Directors, it:
   - resolves that the issue(s) will be reserved for Company shareholders who will have the right to subscribe in direct proportion to the number of shares they hold,
   - grants, nevertheless, the Board of Directors the power to grant shareholders the right to subscribe to ordinary shares or securities in excess of the minimum number to which they are entitled as of right, proportionally to their subscription rights, and in any event, within the limit of their request,
   - resolves that if the subscriptions as of right and, where appropriate, excess subscriptions do not cover the entire amount of the issue of ordinary shares or securities as defined above, the Board of Directors may exercise, as provided by law, and in the order of its choosing, one and/or any of the following options:
     - freely distributing all or part of the unsubscribed securities between the individuals of its choice,
     - offering all or part of the unsubscribed securities to the public, on the French market and/or internationally, and/or
     - limiting the capital increase to the amount of subscriptions, subject to the condition, in the event of the issue of ordinary shares or securities whose main security is an ordinary share, of said amount reaching at least three-quarters of the agreed issue after use of the two options indicated above, where applicable;
6. resolves that the warrants giving access to the Company's ordinary shares may be issued through a subscription offer, but also through free allocation to the Company's shareholders, it being specified that the Board of Directors may decide that the resulting fractional shares will not be negotiable and that the corresponding securities will be sold in compliance with applicable legal and regulatory provisions;
7. delegates all powers to the Board of Directors, with the right to sub-delegate in accordance with the conditions set by the law, to decide on the aforementioned issues and to carry them out in accordance with the terms and conditions that it will determine in accordance with the law, and to suspend said issues.

The Board of Directors may not, except with the prior authorization of the Annual General Meeting, make use of this delegation as from the filing of a public offer for the Company's securities by a third party, until the end of the offer period.

Resolution no. 21
Delegation of authority to be granted to the Board of Directors for the purpose of carrying out a capital increase by way of the issue of shares and/or securities giving access, immediately or in the future, to the Company's share capital, with a waiver of shareholders' preemptive subscription rights, through a public offer other than offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code

Grounds for the possible use of the resolution

In the **21st resolution**, the shareholders are asked to grant the Board of Directors a new delegation of authority to increase the share capital, with a waiver of shareholders' preemptive subscription rights. This delegation would be renewed under the same terms as the delegation granted by the Annual General Meeting of July 28, 2021.

Term

This delegation of authority would be valid for a period of 26 months as from the date of this Meeting and would supersede the delegation granted in the 18th resolution of the Annual General Meeting of July 28, 2021.

Detailed implementation conditions

Under this mechanism, the Board of Directors would be authorized to issue, on one or more occasions, in such amount and at such times as it deems appropriate, in euros, foreign currencies, or any accounting unit established by reference to a basket of currencies, in France and/or abroad, through public offers, against payment or free of charge, ordinary shares and/or securities giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities). These ordinary shares and/or securities may be paid-up in cash, or by offsetting against liquid and due receivables, or by capitalization of reserves, earnings or premiums.

Issues would be carried out through a public offer other than offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code (*Code monétaire et financier*). Furthermore, they may be carried out in conjunction with offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code carried out pursuant to the **22nd resolution**.

Shareholders' preemptive subscription rights to the shares and/or securities that may be issued pursuant to this delegation would be canceled.

In this context, the Board of Directors could grant a priority subscription period to shareholders, not leading to the creation of negotiable rights, for all or part of the issue carried out pursuant to this resolution, and for a term to be set by the Board of Directors in accordance with the law and regulations. This subscription right would be exercised in direct proportion to the number of shares held by each shareholder and could potentially be supplemented by an excess subscription right. If the subscriptions do not absorb the total issue of shares or securities, the Board of Directors may exercise one and/or the other of the following options:

- limiting the capital increase to the amount of subscriptions, subject to said amount reaching at least three-quarters of the decided issue;
- freely distributing all or part of the unsubscribed securities between the individuals of its choice;
- offering all or part of the unsubscribed securities to the public, on the French market and/or internationally.

In addition, this delegation would, to the benefit of holders of any securities giving access to shares that may be issued pursuant to this resolution, automatically result in the cancellation of shareholders' preemptive subscription rights to the new shares to which these securities would give right.

The Board of Directors would have all powers, with the right to sub-delegate in accordance with the conditions set by the law, to decide on the aforementioned issues and to carry them out in accordance with the terms and conditions that it will determine in accordance with the law.

Should this delegation be used, the supplementary reports required by law would be drawn up by the Board of Directors and the Statutory Auditors, respectively, and presented to the next Annual General Meeting.

The Board of Directors may not, except with the prior authorization of the shareholders, make use of this delegation as from the filing of a public offer for the Company's securities by a third party, until the end of the offer period.

Price

The issue price of the ordinary shares to be issued pursuant to this resolution or to which securities to be issued pursuant to this resolution may grant entitlement would be at least equal to the minimum price authorized by the applicable laws and regulations at the date of the issue. Please note that, in accordance with the provisions of Article R. 22-10-32 of the French Commercial Code, as of the date hereof, the minimum authorized price is the weighted average of the listed prices of the share during the last three stock market trading sessions preceding the beginning of the public offer, within the meaning of Regulation (EU) 2017/1129 of June 14, 2017, less a discount of 10% where applicable. Moreover, the issue price of the securities giving access to the capital and the number of shares to which each security may potentially grant entitlement would be such that the amount immediately received by the Company (increased, where appropriate, by any amount received subsequently) would, for each share issued as a result of the issue of these securities, be at least equal to the minimum price defined above.

Ceilings

The maximum nominal amount of capital increases that may be carried out, immediately or in the future, pursuant to this **21st resolution** may not exceed the ceiling of €7 million in nominal value, or the equivalent of this amount in any other currency.

Please note that this ceiling of €7 million would apply to all share capital increases carried out, immediately or in the future, via shares issued pursuant to this **21st resolution** and the **22nd to 28th resolutions** (with the exception of the **27th resolution**, which would not be affected by this). This nominal amount of €7 million would be deducted from the overall ceiling of €35 million in nominal value referred to in "4. a. (i)" of the 20th resolution. To these ceilings would be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve the rights of holders of securities and holders of other rights giving access to the Company's share capital.

The maximum nominal amount of debt securities or related securities giving access, immediately or in the future, to the Company's share capital that may be issued pursuant to this **21st resolution** may not exceed the ceiling of €500 million or the equivalent of this figure in any other currency. This ceiling would, where appropriate, be increased by any redemption premium in excess of the par value. Please note that this amount of €500 million would be deducted from the overall ceiling of €500 million referred to in "4. b." of the 20th resolution. In addition, it would be independent from the amount of any debt securities issued or authorized by the Board of Directors in accordance with Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6, and L. 228-94 paragraph 3 of the French Commercial Code.

Twenty-first resolution – Delegation of authority to be granted to the Board of Directors for the purpose of carrying out a capital increase by way of the issue of shares and/or securities giving access, immediately or in the future, to the Company's share capital, with a waiver of shareholders' preemptive subscription rights, through a public offer other than offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code

The Annual General Meeting, under the conditions of *quorum* and majority required for Extraordinary General Meetings, having considered the Board of Directors' report and the Statutory Auditors' special report, and pursuant to the provisions of Articles L. 225-129 *et seq.* of the French Commercial Code and specifically Articles L. 225-129, L. 225-129-2, L. 225-135 to L. 225-136, L. 22-10-51, L. 22-10-52 and L. 228-91 *et seq.* of the French Commercial Code:

1. delegates to the Board of Directors, with the right to sub-delegate in accordance with the conditions set by law, the authority to issue, on one or more occasions, in such amount and at such times as it deems appropriate, in euros, foreign currencies, or any accounting unit established by reference to a basket of currencies, in France and/or abroad, with a waiver of shareholders' preemptive subscription rights, against payment or free of charge, by way of a public offer other than offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code, ordinary shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities), it being specified that these ordinary shares and/or securities may be paid-up in cash, or by offsetting against liquid and due receivables, or by capitalization of reserves, earnings or premiums;
2. resolves that any issue of preferred shares and securities giving access to preferred shares is expressly excluded;
3. sets the period of validity of this delegation at twenty-six (26) months as from the date of this Meeting, it being specified that this delegation supersedes all other delegations of authority previously granted in a resolution with the same purpose, and specifically the 18th resolution of the Annual General Meeting of July 28, 2021;
4. sets the following limits on the issue amounts in the event that the Board of Directors decides to use this delegation of authority:
   a) the maximum nominal amount of capital increases that may be carried out, immediately or in the future, pursuant to this delegation of authority, may not exceed the ceiling of €7 million in nominal value, or the equivalent of this amount in any other currency or any monetary unit established by reference to a basket of currencies, it being specified that:
      (i) this ceiling applies to this resolution and to the 22nd, 23rd, 24th, 25th, 26th and 28th resolutions,
      (ii) this amount shall be deducted from the overall ceiling of €35 million in nominal value referred to in "4. a. (i)" of the 20th resolution of this Meeting or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation,
      (iii) to these ceilings will be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve, in accordance with the law, and, where appropriate, contractual provisions providing for other adjustments, the rights of holders of securities and holders of other rights giving access to the Company's capital,
   b) the maximum nominal amount of debt securities or related securities giving access, immediately or in the future, to the Company's share capital that may be issued pursuant to this resolution may not exceed the ceiling of €500 million, or the equivalent of this amount in any other currency or monetary unit established in reference to several currencies, it being specified that this amount, increased, where appropriate, by any reimbursement premium over the par value, shall be deducted from the overall ceiling of €500 million referred to in "4. b." of the 20th resolution of this Meeting or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation. This ceiling is independent from the amount of debt securities that may be issued or authorized by the Board of Directors in accordance with Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6 and L. 228-94 paragraph 3 of the French Commercial Code;
5. resolves that the issues resulting from this delegation will be made by way of a public offer other than offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code, it being specified that they may be carried out in conjunction with offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code carried out pursuant the 22nd resolution of this Meeting;
6. resolves to cancel shareholders' preemptive subscription rights to the ordinary shares and/or securities that may be issued pursuant to this delegation;
7. resolves that the Board of Directors may grant a priority subscription period to shareholders, that does not give rise to the creation of negotiable rights, of a duration that it shall set in accordance with the law and regulations, for all or part of the issue carried out pursuant to this resolution and in proportion to the number of shares held by each shareholder, in application of the legal and regulatory provisions, and may also grant excess subscription rights, it being specified that any securities that are not subscribed within the priority subscription period will be subject to a public offer in France or abroad, other than offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code;
8. resolves that if the subscriptions do not cover the entire amount of the issue of ordinary shares or securities as defined above, the Board of Directors may exercise, as provided by law, and in the order of its choosing, one and/or any of the following options:
   - limiting the capital increase to the amount of subscriptions, subject to said amount reaching at least three-quarters of the decided issue,
   - freely distributing all or part of the unsubscribed securities between the individuals of its choice,
   - offering all or part of the unsubscribed securities to the public, on the French market and/or internationally;
9. acknowledges and resolves, where necessary, that this delegation shall, to the benefit of holders of any securities giving access to the Company's ordinary shares that may be issued pursuant to this delegation, automatically result in the waiver by the shareholders of their preemptive subscription rights to the new ordinary shares to which these securities would give right;
10. resolves that (i) the issue price of the ordinary shares to be issued pursuant to this resolution, or those to which the securities to be issued pursuant to this resolution may give right, shall be at least equal to the minimum price permitted by the legal and regulatory provisions applicable on the date of issue (to date, the weighted average of the listed prices of the share during the last three stock market trading sessions preceding the beginning of the public offer, within the meaning of Regulation (EU) 2017/1129 of June 14, 2017, less a discount of 10% where applicable), after, where appropriate, adjusting this average to take into account any difference between the maturity dates, and (ii) the issue price for the securities giving

access to the share capital and the number of ordinary shares to which the conversion, reimbursement or more generally the transformation of each security giving access to the share capital may give the right, shall be such that the amount immediately received by the Company (increased, where appropriate, by any amount received subsequently) is, for each share issued as a result of the issue of these securities, at least equal to the price defined in (i) of this paragraph;

11. delegates all powers to the Board of Directors, with the right to sub-delegate in accordance with the conditions set by the law, to decide on the aforementioned issues and to carry them out in accordance with the terms and conditions that it will determine in accordance with the law, and to suspend said issues.

The Board of Directors may not, except with the prior authorization of the Annual General Meeting, make use of this delegation as from the filing of a public offer for the Company's securities by a third party, until the end of the offer period.

Resolution no. 22

Delegation of authority to be granted to the Board of Directors for the purpose of issuing, by way of a public offer referred to in Article L. 411-2, 1° of the French Monetary and Financial Code, shares and/or securities giving access, immediately or in the future, to the Company's share capital, with a waiver of shareholders' preemptive subscription rights

Grounds for the possible use of the resolution

In the **22nd resolution**, the shareholders are asked to grant the Board of Directors a new delegation of authority in order to increase the share capital, with a waiver of their preemptive subscription rights, in the context of the offers described in Article L. 411-2, 1° of the French Monetary and Financial Code, also formerly known as "private placements", that do not require the publication of a prospectus. This delegation would be renewed under the same terms as the delegation granted by the Annual General Meeting of July 28, 2021.

Term

This delegation of authority would be valid for a period of 26 months as from the date of this Meeting and would supersede the delegation granted in the 19th resolution of the Annual General Meeting of July 28, 2021.

Detailed implementation conditions

Under this mechanism, the Board of Directors would be authorized to issue, on one or more occasions, in such amount and at such times as it deems appropriate, in euros, foreign currencies, or any accounting unit established by reference to a basket of currencies, in France and/or abroad, through public offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code, against payment or free of charge, ordinary shares and/or securities giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities). These ordinary shares and/or securities may be paid-up in cash, or by offsetting against liquid and due receivables, or by capitalization of reserves, earnings or premiums. If the subscriptions do not absorb the total issue, the Board of Directors may limit the amount of the transaction to the amount of subscriptions received, provided (for issues of shares or securities whose main security is a share) that they reach at least three-quarters of the issued agreed.

The Board of Directors would have all powers, with the right to sub-delegate in accordance with the conditions set by the law, to decide on the aforementioned issues and to carry them out in accordance with the terms and conditions that it will determine in accordance with the law. Should this delegation be used, the supplementary reports required by law would be drawn up by the Board of Directors and the Statutory Auditors, respectively, and presented to the next Annual General Meeting. The Board of Directors may not, except with the prior authorization of the shareholders, make use of this delegation as from the filing of a public offer for the Company's securities by a third party, until the end of the offer period.

Price

The issue price of the ordinary shares to be issued pursuant to this resolution or to which securities to be issued pursuant to this resolution may grant entitlement would be at least equal to the minimum price authorized by the applicable laws and regulations at the date of the issue. Please note that, in accordance with the provisions of Article R. 22-10-32 of the French Commercial Code, as of the date hereof, the minimum authorized price is the weighted average of the listed prices of the share during the last three stock market trading sessions preceding the beginning of the public offer, within the meaning of Regulation (EU) 2017/1129 of June 14, 2017, less a discount of 10% where applicable. Moreover, the issue price of the securities giving access to the capital and the number of shares to which each security may potentially grant entitlement would be such that the amount immediately received by the Company (increased, where appropriate, by any amount received subsequently) would, for each share issued as a result of the issue of these securities, be at least equal to the minimum price defined above.

Ceilings

The maximum nominal amount of capital increases that may be carried out, immediately or in the future, pursuant to this **22nd resolution** may not, within those limits imposed by the regulations applicable at the date of the issue, exceed the nominal ceiling of €7 million, or the equivalent of this amount in any other currency. For information purposes, at June 7, 2023 (in accordance with the provisions of Articles L. 225-136 and L. 22-10-52 of the French Commercial Code), the issue of equity securities via an offer referred to in Article L. 411-2, 1° of the French Monetary and Financial Code is capped at 20% of the share capital per year as determined at the date of the Board of Directors' decision to carry out the issue (if the issue is decided by the Board) or on the day that the Chief Executive Officer decides to carry out the issue pursuant to an authorization granted by the Board of Directors.

Please note that this ceiling of €7 million would be deducted:

- from the shared ceiling of €7 million in nominal value referred to in "4. a. (i)" of the 21st resolution; and
- from the overall ceiling of €35 million in nominal value referred to in "4. a. (i)" of the 20th resolution.

To these ceilings would be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve the rights of holders of securities and holders of other rights giving access to the Company's share capital.

The maximum nominal amount of debt securities or related securities giving access, immediately or in the future, to the Company's share capital that may be issued pursuant to this **22nd resolution** may not exceed the ceiling of €500 million or the equivalent of this figure in any other currency. This ceiling would, where appropriate, be increased by any redemption premium in excess of the par value. Please note that this amount of €500 million would be deducted from the overall ceiling of €500 million referred to in "4. b." of the 20th resolution. In addition, it would be independent from the amount of any debt securities issued or authorized by the Board of Directors in accordance with Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6, and L. 228-94 paragraph 3 of the French Commercial Code.

Twenty-second resolution – Delegation of authority to be granted to the Board of Directors for the purpose of issuing, by way of a public offer referred to in Article L. 411-2, 1° of the French Monetary and Financial Code, shares and/or securities giving access, immediately or in the future, to the Company's share capital, with a waiver of shareholders' preemptive subscription rights

The Annual General Meeting, under the conditions of *quorum* and majority required for Extraordinary General Meetings, having considered the Board of Directors' report and the Statutory Auditors' special report, and pursuant to the provisions of Articles L. 225-129 *et seq.* and L. 228-91 *et seq.* of the French Commercial Code, specifically Articles L. 225-129-2, L. 22-10-49, L. 225-135, L. 225-136, L. 22-10-51, L. 22-10-52 and L. 228-91 *et seq.* of the French Commercial Code, and Article L. 411-2 of the French Monetary and Financial Code:

1. delegates to the Board of Directors, with the right to sub-delegate, in accordance with the conditions set by law, its authority to issue, on one or more occasions, in such amount and at such times as it deems appropriate, in France and/or abroad, by way of public offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code, in euros, foreign currencies, or any monetary unit established by reference to a basket of currencies, against payment or free of charge, ordinary shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities), it being specified that these ordinary shares and/or securities may be paid-up in cash, or by offsetting against liquid and due receivables, or by capitalization of reserves, earnings or premiums;
2. resolves that any issue of preferred shares and securities giving access to preferred shares is expressly excluded;
3. resolves to cancel shareholders' preemptive subscription rights to the securities that may be issued pursuant to this resolution;
4. resolves that the maximum nominal amount of capital increases that may be carried out, immediately or in the future, pursuant to this resolution may not, within the limits set out by the applicable regulations at the issue date (for information purposes, at June 7, 2023, the issue of equity securities through a public offer referred to in Article L. 411-2, 1° of the French Monetary and Financial Code is capped at 20% of the Company's share capital per year as determined at the date on which the Board of Directors implements this delegation, if the issue is decided by the Board, or on the day that the Chief Executive Officer decides to carry out the decision pursuant to an authorization granted by the Board of Directors), exceed the ceiling of €7 million, or the equivalent of this amount in any other currency or monetary unit established by reference to a basket of currencies, it being specified that:
   - (i) this ceiling applies to this resolution and to the 21st, 23rd, 24th, 25th, 26th and 28th resolutions,
   - (ii) this amount shall be deducted from the shared ceiling of €7 million in nominal value referred to in "4. a. (i)" of the 21st resolution of this Meeting, or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation, it being specified that, in any event, issues of securities made in this framework are limited according to the legal provisions in force on the issue date,
   - (iii) and from the overall ceiling of €35 million in nominal value referred to in "4. a. (i)" of the 20th resolution or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation.

   To these ceilings will be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve, in accordance with the law, and, where appropriate, contractual provisions providing for other adjustments, the rights of holders of securities and holders of other rights giving access to the Company's capital;
5. resolves that the nominal amount of debt securities or related securities giving access, immediately or in the future, to the Company's share capital that may be issued pursuant to this delegation may not exceed €500 million, or the equivalent of this amount in any other currency or any monetary unit established by reference to a basket of currencies, it being specified that this amount, increased, where appropriate, by any reimbursement premium over the par value, will be deducted from the overall ceiling of €500 million referred to in "4. b." of the 20th resolution or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation. This ceiling is independent from the amount of debt securities that may be issued or authorized by the Board of Directors in accordance with Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6 and L. 228-94 paragraph 3 of the French Commercial Code;
6. acknowledges that if the subscriptions do not absorb the total issue, the Board of Directors may use, under the conditions set by the law and in such order as it shall determine, one and/or any of the options provided by Article L. 225-134 of the French Commercial Code, or only some of these options, and in particular those to limit the amount of the transaction to the amount of subscriptions received, provided that, in the event of the issue of ordinary shares or securities whose main security is an ordinary share, that they reach at least three-quarters of the agreed issue;
7. resolves that (i) the issue price of the ordinary shares to be issued pursuant to this resolution, or those to which the securities to be issued under this resolution may give right, shall be at least equal to the minimum price permitted by the legal and regulatory provisions applicable on the date of issue (to date, the weighted average of the listed prices of the share during the last three stock market trading sessions preceding the beginning of the public offer, within the meaning of Regulation (EU) 2017/1129 of June 14, 2017, less a discount of 10% where applicable), after, where appropriate, adjusting this average to take into account any difference between the maturity dates, and (ii) the issue price for the securities giving access to the share capital and the number of ordinary shares to which the conversion, reimbursement or more generally the transformation of each security giving access to the share capital may give the right, shall be such that the amount immediately received by the Company (increased, where appropriate, by any amount received subsequently) is, for each share issued as a result of the issue of these securities, at least equal to the price defined in (i) of this paragraph;
8. delegates all powers to the Board of Directors, with the right to sub-delegate in accordance with the conditions set by the law, to decide on the aforementioned issues and to carry them out in accordance with the terms and conditions that it will determine in accordance with the law, and to suspend said issues;
9. sets the period of validity of this delegation at twenty-six (26) months as from the date of this Meeting, it being specified that this delegation supersedes all other delegations of authority previously granted in a resolution with the same purpose, and specifically the 19th resolution of the Annual General Meeting of July 28, 2021.

The Board of Directors may not, except with the prior authorization of the Annual General Meeting, make use of this delegation as from the filing of a public offer for the Company's securities by a third party, until the end of the offer period.

Resolution no. 23
Delegation of authority to be granted to the Board of Directors for the purpose of issuing shares and/or securities giving access, immediately or in the future, to the Company's share capital, reserved for categories of persons meeting defined requirements, with a waiver of shareholders' preemptive subscription rights

In the **23rd resolution**, the shareholders are asked to grant the Board of Directors a new delegation of authority to increase the share capital, with a waiver of their preemptive subscription rights, for the benefit of those meeting the following criteria: (i) financial institutions or French or foreign investment funds or any placement vehicles focused on providing support in the medium term to growth companies in the technology sector or investing on a regular basis or exercising a significant part of their activity in the technology sector, or (ii) French or foreign investment service providers, or any foreign institution with equivalent status, that can guarantee the completion of an issue intended to be placed with the persons referred to in the (i) above and, in this context, to subscribe to the securities issued.

Term

Unlike the others, this delegation of authority would be valid for a period of 18 months as from the date of this Meeting. Like the others, it would supersede the delegation of authority granted in the 26th resolution of the Annual General Meeting of July 26, 2022.

Detailed implementation conditions

Under this mechanism, the Board of Directors would be authorized to issue, on one or more occasions, in such amount and at such times it deems appropriate, in euros, foreign currencies, or any accounting unit established by reference to a basket of currencies, against payment or free of charge, in France and/or abroad, ordinary shares and/or securities giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, redemption, presentation of a warrant, or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities), reserved for (i) financial institutions or French or foreign investment funds or any placement vehicles focused on providing support in the medium term to growth companies in the technology sector or investing on a regular basis or exercising a significant part of their activity in the technology sector, or (ii) French or foreign investment service providers, or any foreign institution with equivalent status, that can guarantee the completion of an issue intended to be placed with the persons referred to in (i) above and, in this context, to subscribe to the securities issued.

We therefore propose that the shareholders waive their preemptive subscription rights, in favor of the categories of persons indicated above.

These ordinary shares and/or securities may be paid-up in cash, or by offsetting against liquid and due receivables, or by capitalization of reserves, earnings or premiums.

The Board of Directors would have authority to set the definitive list of beneficiaries of the waiver of preemptive subscription rights and the number of shares and/or securities to be allocated to each such beneficiary.

This delegation would automatically lead to the waiver by shareholders, in favor of said beneficiaries, of their preemptive subscription rights to the new shares to which the securities that may be issued pursuant to this resolution would give right.

The Board of Directors would have all powers, with the right to sub-delegate in accordance with the conditions set by the law, to decide on the aforementioned issues and to carry them out in accordance with the terms and conditions that it will determine in accordance with the law.

Should this delegation be used, the supplementary reports required by law would be drawn up by the Board of Directors and the Statutory Auditors, respectively, and presented to the next Annual General Meeting.

The Board of Directors may not, except with the prior authorization of the shareholders, make use of this delegation as from the filing of a public offer for the Company's securities by a third party, until the end of the offer period.

Price

The issue price of the ordinary shares to be issued or to which the securities to be issued pursuant to this resolution would grant entitlement would be equal to:

- the last closing price of the Company's shares during the last trading session preceding the setting of the price, with a maximum discount of 10%; or
- the volume-weighted average price of the Company's shares on the market, during the last three trading sessions preceding the setting of the issue price, with a maximum discount of 10%.

Moreover, the issue price of the securities giving access to the capital and the number of shares to which each security may potentially grant entitlement would be such that the amount immediately received by the Company (increased, where appropriate, by any amount received subsequently) would, for each share issued as a result of the issue of these securities, be at least equal to the price determined by the Board of Directors from those defined above.

Ceilings

The maximum nominal amount of capital increases that may be carried out, immediately or in the future, pursuant to this 23rd resolution may not, within those limits imposed by the regulations applicable at the date of the issue, exceed the nominal ceiling of €7 million, or the equivalent of this amount in any other currency.

Please note that this ceiling of €7 million would be deducted:

- from the shared ceiling of €7 million in nominal value referred to in "4. a. (i)" of the 21st resolution; and
- from the overall ceiling of €35 million in nominal value referred to in "4. a. (i)" of the 20th resolution.

To these ceilings would be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve the rights of holders of securities and holders of other rights giving access to the Company's share capital.

Moreover, the maximum nominal amount of debt securities or related securities giving access, immediately or in the future, to the Company's share capital that may be issued pursuant to this **23rd resolution** may not exceed the ceiling of €500 million or the equivalent of this figure in any other currency.

This ceiling would, where appropriate, be increased by any redemption premium in excess of the par value.

Please note that this amount of €500 million would be deducted from the overall ceiling of €500 million referred to in "4. b." of the 20th resolution.

In addition, it would be independent from the amount of any debt securities issued or authorized by the Board of Directors in accordance with Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6, and L. 228-94 paragraph 3 of the French Commercial Code.

Twenty-third resolution – Delegation of authority to be granted to the Board of Directors for the purpose of issuing shares and/or securities giving access, immediately or in the future, to the Company's share capital, reserved for categories of persons meeting defined requirements, with a waiver of shareholders' preemptive subscription rights

The Annual General Meeting, under the conditions of *quorum* and majority required for Extraordinary General Meetings, having considered the Board of Directors' report and the Statutory Auditors' special report, and pursuant to the provisions of Articles L. 225-129 *et seq.*, L. 22-10-49, L. 228-91, L. 228-93, L. 225-135 to L. 225-138, L. 22-10-51 and L. 22-10-52 of the French Commercial Code:

1. delegates to the Board of Directors, with the right to sub-delegate in accordance with the conditions set by law, its authority to carry out on one or more occasions, in such amount and at such times as it deems appropriate, in euros, or in foreign currency or any accounting unit established by reference to a basket of currencies, the issue, with a waiver of shareholders' preemptive subscription rights, in France and/or abroad, against payment or free of charge, ordinary shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities), it being specified that these ordinary shares and/or securities may be paid-up in cash, or by offsetting against liquid and due receivables, or by capitalization of reserves, earnings or premiums;
2. resolves that any issue of preferred shares and securities giving access to preferred shares is expressly excluded;
3. resolves to waive shareholders' preemptive subscription rights to shares and/or securities giving access to the Company's share capital to be issued and to reserve, as it pertains to this delegation, the right to subscribe to these ordinary shares and/or securities for categories of persons meeting the following requirements: (i) financial institutions or French or foreign investment funds or any placement vehicles focused on providing support in the medium term to growth companies in the technology sector or investing on a regular basis or exercising a significant part of their activity in the technology sector, or (ii) French or foreign investment service providers, or any foreign institution with equivalent status, that can guarantee the completion of an issue intended to be placed with the persons referred to in the (i) above and, in this context, to subscribe to the securities issued;
4. delegates to the Board of Directors the authority to set the definitive list of beneficiaries of the waiver of preemptive subscription rights, as well as the authority to set the number of ordinary shares and/or securities that may be allocated to each of them;
5. acknowledges and resolves, where necessary, that this delegation automatically entails, in favor of the beneficiaries on the list approved by the Board of Directors, a waiver by the shareholders of their preemptive subscription rights to the new ordinary shares to which the securities that may be issued pursuant to this resolution would give right;
6. sets the following limits on the issue amounts in the event that the Board of Directors decides to use this delegation of authority:
   a) the maximum nominal amount of capital increases that may be carried out, immediately or in the future, pursuant to this delegation of authority, may not exceed the ceiling of €7 million in nominal value, or the equivalent of this amount in any other currency or any monetary unit established by reference to a basket of currencies, it being specified that:
      (i) this ceiling applies to this resolution and to the 21st, 22nd, 24th, 25th, 26th and 28th resolutions,
      (ii) this amount shall be deducted from the shared ceiling of €7 million in nominal value referred to in "4. a. (i)" of the 21st resolution of this Meeting, or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation, it being specified that, in any event, issues of securities made in this framework are limited according to the legal provisions in force on the issue date,
      (iii) and from the overall ceiling of €35 million in nominal value referred to in "4. a. (i)" of the 20th resolution of this Annual General Meeting or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation.

      To these ceilings will be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve, in accordance with the law, and, where appropriate, contractual provisions providing for other adjustments, the rights of holders of securities and holders of other rights giving access to the Company's capital,
   b) the maximum nominal amount of debt securities or related securities giving access, immediately or in the future, to the Company's share capital that may be issued pursuant to this resolution may not exceed the ceiling of €500 million, or the equivalent of this amount in any other currency or monetary unit established in reference to several currencies, it being specified that this amount, increased, where appropriate, by any reimbursement premium over the par value, shall be deducted from the overall ceiling of €500 million referred to in "4. b." of the 20th resolution of this Meeting or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation. This ceiling is independent from the amount of debt securities that may be issued or authorized by the Board of Directors in accordance with Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6 and L. 228-94 paragraph 3 of the French Commercial Code;

7. resolves that (i) the issue price of the ordinary shares to be issued pursuant to this resolution, or those to which the securities to be issued under this resolution may give right, shall, at the Board of Directors' discretion, be equal to (x) the last closing price of the Company's shares during the last trading session preceding the setting of the price of the shares to be issued, with a maximum discount of 10%, or (y) the volume-weighted average price of the Company's shares on the market, during the last three trading sessions preceding the setting of the issue price, with a maximum discount of 10%, and (ii) the issue price of securities giving access to the share capital shall be such that the amount immediately received by the Company (increased, where appropriate, by any amount received subsequently) is, for each share issued as a result of the issue of these securities, at least equal to the price defined in (i) of this paragraph;
8. delegates all powers to the Board of Directors, with the right to sub-delegate in accordance with the conditions set by the law, to decide on the aforementioned issues and to carry them out in accordance with the terms and conditions that it will determine in accordance with the law, and to suspend said issues;
9. sets the period of validity of this delegation at eighteen (18) months as from the date of this Meeting, it being specified that this delegation supersedes all other delegations of authority previously granted in a resolution with the same purpose, and specifically the 26th resolution of the Annual General Meeting of July 26, 2022.

The Board of Directors may not, except with the prior authorization of the Annual General Meeting, make use of this delegation as from the filing of a public offer for the Company's securities by a third party, until the end of the offer period.

Resolution no. 24
Delegation of authority to be granted to the Board of Directors for the purpose of increasing the issue amount, with or with a waiver of shareholders' preemptive subscription rights, within the limit of 15% of the initial issue

The shareholders are asked to authorize the Board of Directors to increase, in accordance with the provisions of Article L. 225-135-1 of the French Commercial Code, the number of securities to be issued in the event that subscriptions for an issue decided pursuant the **20th to 23rd resolutions** were to exceed the amount offered. The purpose of this delegation is to give the Board of Directors the flexibility to increase the number of securities offered (as part of an issue of subscription rights, a public offering or a private placement, etc.), for example if demand warrants or to grant an over-allotment option.

Also known as a Greenshoe, this over-allocation option would state that the additional issue would have to be completed within 30 days following the close of the subscription period.

Term

This delegation of authority would be valid for a period of 26 months as from the date of this Meeting and would supersede the delegation granted in the 21st resolution of the Annual General Meeting of July 28, 2021.

Detailed implementation conditions

Furthermore, it would be completed within the limit:

(i) of the ceiling or ceilings defined by the applicable resolutions; and

(ii) of a maximum of 15% of the initial issue, and at the same price as that applied to the initial issue.

The Board of Directors would have all powers, with the right to sub-delegate in accordance with the conditions set by law, to implement this delegation of authority.

Should this delegation be used, the supplementary reports required by law would be drawn up by the Board of Directors and the Statutory Auditors, respectively, and presented to the next Annual General Meeting.

Twenty-fourth resolution – Delegation of authority to be granted to the Board of Directors for the purpose of increasing the issue amount, with or with a waiver of shareholders' preemptive subscription rights, within the limit of 15% of the initial issue

The Annual General Meeting, under the conditions of *quorum* and majority required for Extraordinary General Meetings, having considered the Board of Directors' report and the Statutory Auditors' special report, and pursuant to the provisions of Articles L. 225-135-1 of the French Commercial Code:

1. delegates to the Board of Directors, with the right to sub-delegate in accordance with the conditions set by law, the authority to decide to increase the number of securities to be issued, in the event of an issue of ordinary shares or securities giving access to the Company's share capital, with or with a waiver of shareholders' preemptive subscription rights, decided pursuant to the 20th, 21st, 22nd and 23rd resolutions of this Annual General Meeting, at the same price as the initial issue and with the same time periods and limits as those provided for by the applicable legal and regulatory provisions at the issue date (to date, within 30 days of the subscription and limited to 15% of the initial issue), subject to the ceiling(s) under which the issue is decided, notably for the purpose of granting an over-subscription option in accordance with market practices, in case of excess demand;
2. sets the period of validity of this delegation at twenty-six (26) months as from the date of this Meeting, it being specified that this delegation supersedes all other delegations of authority previously granted in a resolution with the same purpose, and specifically the 21st resolution of the Annual General Meeting of July 28, 2021;
3. delegates to the Board of Directors, with the right to sub-delegate, all powers necessary to implement this delegation of authority in accordance with the conditions set by law and the Company's by-laws.

The Board of Directors may not, except with the prior authorization of the Annual General Meeting, make use of this delegation as from the filing of a public offer for the Company's securities by a third party, until the end of the offer period.

Resolution no. 25
Authorization to be granted to the Board of Directors in the event of the issue, with a waiver of shareholders' preemptive subscription rights, of shares and/or securities giving access, immediately or in the future, to the Company's share capital, for the purpose of setting the issue price within the limit of 10% of the Company's share capital under the terms and conditions adopted by the Annual General Meeting

Grounds for the possible use of the resolution

Also known as "free price resolution", the shareholders are asked in the **25th resolution** to grant a new authorization to the Board of Directors to approve the methods to be used on an exceptional basis for setting the issue price.

Term

This authorization would be valid for a period of 26 months as from the date of this Meeting and would supersede the authorization granted in the 22nd resolution of the Annual General Meeting of July 28, 2021.

Detailed implementation conditions

The Board of Directors would have all powers, with the right to sub-delegate, to implement this authorization.

In accordance with Articles L. 225-136 and L. 22-10-52 of the French Commercial Code, in the event of the use of this authorization, the Board of Directors would have to produce an additional report, certified by the Statutory Auditors, describing the final conditions applicable to the transaction and providing the necessary information for the assessment of the actual impact on the situation of the shareholders.

The other supplementary reports required by law would be drawn up by the Board of Directors and the Statutory Auditors respectively and presented to the next Annual General Meeting.

Price

Under this mechanism, the Board of Directors would be authorized in the event of an issue, with a waiver of shareholders' preemptive subscription rights, of ordinary shares and/or securities carried out by virtue of the **21st resolution** (share capital increases, with a waiver of shareholders' preemptive subscription rights, via offers to the public of all securities) and the **22nd resolution** (private placements), to derogate from the price conditions stipulated in these resolutions and to set the issue price in such a way as to be equal to either:

- the last closing price of the Company's shares during the last trading session preceding the setting of the price, with a maximum discount of 10%; or
- the volume-weighted average price of the Company's shares on the market, during the last three trading sessions preceding the setting of the issue price, with a maximum discount of 10%.

Moreover, the issue price of the securities giving access to the capital and the number of shares to which each security may potentially grant entitlement would be such that the amount immediately received by the Company (increased, where appropriate, by any amount received subsequently) would, for each share issued as a result of the issue of these securities, be at least equal to the price determined by the Board of Directors from those defined above.

Ceilings

The maximum amount of this increase in the Company's share capital may not exceed 10% of the share capital per period of 12 months.

This 10% limit would apply to the share capital as adjusted for any share capital transactions occurring after this Meeting and would be determined at the date of the implementation of the delegation by the Board of Directors.

On the date of each share capital increase, the total number of shares issued in application of this resolution over the 12-month period preceding said share capital increase, including any shares issued under said share capital increase, shall not exceed 10% of the shares comprising the share capital as of such date.

Twenty-fifth resolution – Authorization to be granted to the Board of Directors in the event of the issue, with a waiver of shareholders' preemptive subscription rights, of shares and/or securities giving access, immediately or in the future, to the Company's share capital, for the purpose of setting the issue price within the limit of 10% of the Company's share capital under the terms and conditions adopted by the Annual General Meeting

The Annual General Meeting, under the conditions of *quorum* and majority required for Extraordinary General Meetings, having considered the Board of Directors' report and the Statutory Auditors' special report, and pursuant to the provisions of Articles L. 225-136, 1° and L. 22-10-52 of the French Commercial Code:

1. authorizes the Board of Directors, with the right to sub-delegate in accordance with the conditions set by law, in the event of an issue, with a waiver of shareholders' preemptive subscription rights, of ordinary shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, pursuant to the 21st and 22nd resolutions submitted for approval to this Meeting, to cancel the price conditions set out in these resolutions and to set the issue price according to the following modalities:
   a) the issue price of the ordinary shares to be issued pursuant to this issue shall, at the Board of Directors' discretion, be equal to (i) the last closing price of the Company's shares on the last trading session preceding the setting of the price of the shares to be issued, with a maximum discount of 10%, or (ii) the volume-weighted average price of the Company's shares on the market, during the last three trading sessions preceding the setting of the issue price, with a maximum discount of 10%,
   b) the issue price for the securities other than ordinary shares shall be such that the amount immediately received by the Company (increased, where appropriate, by any amount received subsequently) is, for each ordinary share issued as a result of the issue of these securities, at least equal to the amount determined by the Board of Directors in "1. a." above;

2. resolves that the maximum nominal amount of the increases in the Company's share capital carried out under the conditions provided by this resolution, immediately or in the future, pursuant to this resolution, may not exceed 10% of the share capital per twelve-month (12) period (this percentage applies to the share capital as adjusted for any share capital transactions occurring after this Meeting and as determined on the date of implementation of this delegation by the Board of Directors), nor the ceilings set forth in the 20th and/or 21st resolutions on the basis of which the issues are carried out, it being specified that at the date of each capital increase, the total number of ordinary shares issued under this resolution during the twelve-month (12) period preceding said capital increase, including the shares issued under said capital increase, may not exceed 10% of the shares comprising the Company's share capital at that date;
3. acknowledges that the Board of Directors shall draft an additional report, certified by the Statutory Auditors, describing the final terms of the transaction and providing criteria for assessing the actual impact on the shareholder's position;
4. sets the period of validity of this delegation at twenty-six (26) months as from the date of this Meeting, it being specified that this delegation supersedes all other delegations of authority previously granted in a resolution with the same purpose, and specifically the 22nd resolution of the Annual General Meeting of July 28, 2021;
5. delegates to the Board of Directors, with the right to sub-delegate, all powers necessary to implement this authorization in accordance with the conditions set by law.

Resolution no. 26
Delegation of powers to be granted to the Board of Directors for the purpose of issuing shares and/or securities giving access, immediately or in the future, to the Company's share capital as consideration for contributions in kind consisting of shares or securities giving access to the Company's share capital

Grounds for the possible use of the resolution

In the **26th resolution**, the shareholders are asked to grant the Board of Directors a new delegation of powers for the purpose of issuing shares or securities giving access to the share capital, up to a limit of 10% of the total, as consideration for contributions in kind consisting of equity securities or marketable securities granted to the Company.

Term

This delegation of powers would be valid for a period of 26 months as from the date of this Meeting and would supersede the delegation granted in the 23rd resolution of the Annual General Meeting of July 28, 2021.

Detailed implementation conditions

The Board of Directors would have the powers required to carry out, upon the contribution auditors' report, increases in the share capital, through the issue of ordinary shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities), as consideration for contributions in kind granted to the Company and consisting of equity securities or securities giving access to the share capital, when the provisions of Article L. 22-10-54 of the French Commercial Code are not applicable.

The Board of Directors would have all powers, with the right to sub-delegate in accordance with the conditions set by the law, to decide on the aforementioned issues and to carry them out in accordance with the terms and conditions that it will determine in accordance with the law.

In accordance with the provisions of Articles L. 225-147 and L. 22-10-53 of the said Code, the Board would vote on the report by the contribution auditor(s).

Should this delegation be used, the supplementary reports required by law would be drawn up by the Board of Directors and the Statutory Auditors, respectively, and presented to the next Annual General Meeting.

The Board of Directors may not, except with the prior authorization of the shareholders, make use of this delegation as from the filing of a public offer for the Company's securities by a third party, until the end of the offer period.

Ceilings

The maximum nominal amount of capital increases that may be carried out, immediately or in the future, pursuant to this resolution may not, within those limits imposed by the regulations applicable at the date of the issue, exceed the nominal ceiling of €7 million, or the equivalent of this amount in any other currency.

Please note that this ceiling of €7 million would be deducted:

- from the shared ceiling of €7 million in nominal value referred to in "4. a. (i)" of the 21st resolution; and
- from the overall ceiling of €35 million in nominal value referred to in "4. a. (i)" of the 20th resolution.

To these ceilings would be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve the rights of holders of securities and holders of other rights giving access to the Company's share capital.

In any event, the issues carried out pursuant to this delegation of authority may not exceed 10% of the share capital at the date of the Board of Directors' decision to implement this delegation.

Moreover, the maximum nominal amount of debt securities or related securities giving access, immediately or in the future, to the Company's share capital that may be issued pursuant to this resolution may not exceed the ceiling of €500 million or the equivalent of this figure in any other currency.

This ceiling would, where appropriate, be increased by any redemption premium in excess of the par value.

Please note that this amount of €500 million would be deducted from the overall ceiling of €500 million referred to in "4. b." of the 20th resolution.

In addition, it would be independent from the amount of any debt securities issued or authorized by the Board of Directors in accordance with Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6, and L. 228-94 paragraph 3 of the French Commercial Code.

Twenty-sixth resolution – Delegation of powers to be granted to the Board of Directors for the purpose of issuing shares and/or securities giving access, immediately or in the future, to the Company's share capital as consideration for contributions in kind consisting of shares or securities giving access to the Company's share capital

The Annual General Meeting, under the conditions of *quorum* and majority required for Extraordinary General Meetings, having considered the Board of Directors' report and the Statutory Auditors' special report, and in accordance with the provisions of the French Commercial Code and specifically Articles L. 225-129, L. 225-129-2, L. 225-147, L. 22-10-53 and L. 228-91 *et seq.*:

1. delegates to the Board of Directors, with the right to sub-delegate in accordance with the conditions set by law and the Company's by-laws, the powers required to carry out, upon the contribution auditors' report, increases in the share capital, through the issue of ordinary shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities), as consideration for contributions in kind granted to the Company and consisting of equity securities or securities giving access to the share capital, when the provisions of Article L. 22-10-54 of the French Commercial Code are not applicable;
2. resolves that any issue of preferred shares and securities giving access to preferred shares is expressly excluded;
3. resolves that the maximum nominal amount of capital increases that may be carried out, immediately or in the future, pursuant to this delegation of powers may not exceed the ceiling of €7 million, or the equivalent of this amount in any other currency or any monetary unit established by reference to a basket of currencies, it being specified that:
   (i) this ceiling applies to this resolution and to the 21st, 22nd, 23rd, 24th, 25th and 28th resolutions,
   (ii) this amount shall be deducted from the shared ceiling of €7 million referred to in "4. a. (i)" of the 21st resolution of this Meeting, or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation, it being specified that, in any event, issues of securities made in this framework are limited according to the legal provisions in force on the issue date; and
   (iii) and from the overall ceiling of €35 million referred to in "4. a. (i)" of the 20th resolution or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation.

   To these ceilings will be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve, in accordance with the law and, where appropriate, contractual provisions providing for other adjustments, the rights of holders of securities and holders of other rights giving access to the Company's capital.

   In any event, the issue of ordinary shares and securities giving access to the share capital pursuant to this delegation of powers shall not exceed 10% of the share capital at the date of the Board of Directors' decision to implement the delegation;
4. resolves that the maximum nominal amount of debt securities or related securities giving access, immediately or in the future, to the Company's share capital that may be issued pursuant to this resolution may not exceed the ceiling of €500 million, or the equivalent of this amount in any other currency or monetary unit established in reference to several currencies, it being specified that this amount, increased, where appropriate, by any reimbursement premium over the par value, shall be deducted from the overall ceiling of €500 million referred to in "4. b." of the 20th resolution of this Meeting or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation. This ceiling is independent from the amount of debt securities that may be issued or authorized by the Board of Directors in accordance with Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6 and L. 228-94 paragraph 3 of the French Commercial Code;
5. sets the period of validity of this delegation at twenty-six (26) months as from the date of this Meeting, it being specified that this delegation supersedes all other delegations of powers previously granted in a resolution with the same purpose, and specifically the 23rd resolution of the Annual General Meeting of July 28, 2021;
6. delegates all powers to the Board of Directors, with the right to sub-delegate, to decide on the aforementioned issues and to carry them out in accordance with the terms and conditions it will determine in accordance with the law, and in particular to:
   - vote on the contribution auditors' report, on the valuation of the contributions and, if applicable, the amount of any cash portion to be paid,
   - decide on the issue of ordinary shares and/or securities giving access, immediately or in the future, to the Company's share capital, as consideration for the contributions,
   - establish the list of equity securities and securities giving access to the share capital that are contributed, approve the valuation of the contribution, set the conditions for the issue of ordinary shares and/or securities as consideration for the contributions, approve the grant of specific benefits, and reduce, if the contributors agree, the valuation of the contributions or the consideration for the specific benefits,
   - determine the number, modalities and features of the ordinary shares and/or securities to be issued as consideration for the contributions, as well as their terms and conditions, and if applicable, the amount of the premium, and make a decision on the valuation of the contribution and the granting of any specific benefits,
   - set the terms and conditions under which the Company would have, if applicable, the right to purchase or exchange the securities giving access to the share capital on the stock market, at any time or during set periods, for the purpose of canceling them or not, depending on the legal provisions,
   - suspend, where appropriate, the exercise of rights attached to these securities for a maximum time period of three (3) months under the conditions and the limits provided by laws and regulations,
   - at its sole discretion, deduct the costs of capital increases from the amount of related premiums and take from this amount the sums required to bring the legal reserve to one-tenth of the new share capital after each increase,

- determine and carry out all adjustments to take into account the impact of the transactions on the Company's capital or equity, notably in the event of modifications to the par value of ordinary shares, capital increases by capitalization of reserves, earnings or premiums, the allocation of free shares, stock splits or reverse stock splits, distribution of dividends, reserves or premiums or all other assets, capital amortization, or all other transactions in the capital or equity (including in the event of a public offer and/or change of control), and set all other modalities to ensure, where appropriate, the preservation of the rights of holders of securities giving access to the share capital or other rights giving access to the share capital (including by way of cash adjustments),
- generally, take all appropriate measures, conclude all agreements, obtain all authorizations, carry out all formalities and do all that is necessary to ensure the successful completion of the issue or suspend the implementation thereof, and notably record the completion of any capital increases resulting from any issue carried out under this delegation, amend the by-laws accordingly, and request the listing of any securities issued as a result of this delegation.

The Board of Directors may not, except with the prior authorization of the Annual General Meeting, make use of this delegation as from the filing of a public offer for the Company's securities by a third party, until the end of the offer period.

Resolution no. 27
Delegation of authority to be granted to the Board of Directors for the purpose of increasing the share capital by capitalizing premiums, reserves, profits, or any other funds that may be capitalized

Grounds for the possible use of the resolution

In the **27th resolution**, the shareholders are asked to grant a new delegation of authority to the Board of Directors for the purpose of increasing the share capital by the successive or simultaneous incorporation of all premiums, reserves, profits, or any other funds that may be capitalized.

Term

This delegation of authority would be valid for a period of 26 months as from the date of this Meeting and would supersede the delegation granted in the 24th resolution of the Annual General Meeting of July 28, 2021.

Detailed implementation conditions

The Board of Directors would be authorized to carry out one or more increases in the share capital, on one or more occasions, in such amount and at such times it deems appropriate, by way of the successive or simultaneous incorporation of premiums, reserves, profits, or any other funds that may be capitalized.

Such capital increases would be in the form of the issue of free shares or by way of an increase in the par value of existing shares, or a combination of these two methods.

In the event of a capital increase by way of the allocation of free shares, any rights leading to the creation of fractional shares would not be negotiable. The corresponding securities would be sold, it being specified that all amounts generated by the sale would be allocated to holders of rights under the conditions defined by law.

The Board of Directors would have all powers, with the right to sub-delegate in accordance with the conditions set by the law, to decide on the aforementioned issues and to carry them out in accordance with the terms and conditions that it will determine in accordance with the law.

Should this delegation be used, the supplementary reports required by law would be drawn up by the Board of Directors and the Statutory Auditors, respectively, and presented to the next Annual General Meeting.

The Board of Directors may not, except with the prior authorization of the shareholders, make use of this delegation as from the filing of a public offer for the Company's securities by a third party, until the end of the offer period.

Ceilings

The maximum amount of capital increases that may be carried out, immediately or in the future, pursuant to this resolution may not exceed the total amount of funds that may be incorporated or a nominal ceiling of €35 million, or the equivalent of this amount in any other currency.

This nominal amount of €35 million would be deducted from the overall ceiling of €35 million in nominal value referred to in "4. a. (i)" of the 20th resolution.

To these ceilings would be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve the rights of holders of securities and holders of other rights giving access to the Company's share capital.

Twenty-seventh resolution – Delegation of authority to be granted to the Board of Directors for the purpose of increasing the share capital by capitalizing premiums, reserves, profits, or any other funds that may be capitalized

The Annual General Meeting, under the conditions of *quorum* and majority required for Extraordinary General Meetings, having considered the Board of Directors' report and the Statutory Auditors' special report, and pursuant to the provisions of Articles L. 225-129, L. 225-129-2, L. 225-130 and L. 22-10-50 of the French Commercial Code:

1. delegates to the Board of Directors, with the right to sub-delegate in accordance with the conditions set by law and the Company's by-laws, the authority to carry out a share capital increase, on one or more occasions, in such amount and at such times it deems appropriate, by the successive or simultaneous capitalization of premiums, reserves, earnings, or any other funds that may be capitalized, in the form of the issue of new ordinary shares or the increase in the nominal value of existing ordinary shares or the combination of the two methods;
2. sets the period of validity of this delegation at twenty-six (26) months as from the date of this Meeting, it being specified that this delegation supersedes all other delegations of authority previously granted in a resolution with the same purpose, and specifically the 24th resolution of the Annual General Meeting of July 28, 2021;
3. resolves that the maximum nominal amount of capital increases that may be carried out, immediately or in the future, pursuant to this delegation of authority, may not exceed the total value of the amounts which can be capitalized or a ceiling of €35 million in nominal value, or the equivalent of this amount in any other currency or any monetary unit established by reference to a basket of currencies, it being specified that this amount shall be deducted from the overall ceiling of €35 million referred to in "4. a. (i)" of the 20th resolution of this Meeting or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation. To these ceilings will be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve, in accordance with legal and regulatory provisions, and, where appropriate, contractual provisions providing for other adjustments, the rights of holders of securities and holders of other rights giving access to the share capital;

4. resolves that, in case of an increase in capital in the form of an allocation of free shares and in accordance with Articles L. 225-130 and L. 22-10-50 of the French Commercial Code, the rights to fractional shares shall not be negotiable and the corresponding securities shall be sold, with the stipulation that the proceeds of the sale shall be allocated to the holders of these rights under legal conditions;
5. delegates all powers to the Board of Directors, with the right to sub-delegate, to decide on the aforementioned issues in accordance with the terms it will determine in compliance with the law, and to suspend said issues.

The Board of Directors may not, except with the prior authorization of the Annual General Meeting, make use of this delegation as from the filing of a public offer for the Company's securities by a third party, until the end of the offer period.

Resolution no. 28
Delegation of authority to be granted to the Board of Directors for the purpose of carrying out a capital increase by way of the issue of shares and/or securities giving access, immediately or in the future, to the Company's share capital as consideration for securities contributed as part of a public exchange offer initiated by the Company

Grounds for the possible use of the resolution

In the **28th resolution**, the shareholders are asked to grant the Board of Directors a new delegation of authority for the purpose of increasing the share capital as consideration for securities contributed as part of a public exchange offer (PEO) initiated by the Company.

Term

This delegation of authority would be valid for a period of 26 months as from the date of this Meeting and would supersede the delegation granted in the 25th resolution of the Annual General Meeting of July 28, 2021.

Detailed implementation conditions

The Board of Directors would be authorized to decide on the issue, on one or more occasions, in such amount and at such times it deems appropriate, in euros, foreign currencies or in any other accounting unit established by reference to a basket of currencies, of ordinary shares and/or securities giving access, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, redemption, presentation of a warrant or in any other manner, to the share capital of the Company, against payment or free of charge, as consideration for any shares that could be contributed in the context of a PEO launched in France or abroad, in accordance with the local regulations, by the Company for its shares or the shares of any other company admitted to trading on one of the regulated markets described in Article L. 22-10-54 of the French Commercial Code.

This delegation would be valid for any other transaction having the same effect as a public exchange offer initiated by the Company for its own securities or the securities of another company whose shares are admitted for trading on a regulated market governed by foreign law, or which may be assimilated therewith.

The shareholders would not have preemptive subscription rights to any shares and/or securities that may be issued under this delegation. These would in fact be intended solely to provide compensation for any securities contributed to a PEO initiated by the Company.

The Board of Directors would have all powers, with the right to sub-delegate in accordance with the conditions set by the law, to decide on the aforementioned issues and to carry them out in accordance with the terms and conditions that it will determine in accordance with the law.

Should this delegation be used, the supplementary reports required by law would be drawn up by the Board of Directors and the Statutory Auditors, respectively, and presented to the next Annual General Meeting.

The Board of Directors may not, except with the prior authorization of the shareholders, make use of this delegation as from the filing of a public offer for the Company's securities by a third party, until the end of the offer period.

Price

The price of the shares and/or securities potentially issued under this delegation would be set in accordance with the laws governing PEOs.

Ceilings

The maximum nominal amount of capital increases that may be carried out, immediately or in the future, pursuant to this **28th resolution** may not, within those limits imposed by the regulations applicable at the date of the issue, exceed the nominal ceiling of €7 million, or the equivalent of this amount in any other currency.

Please note that this ceiling of €7 million would be deducted:

- from the shared ceiling of €7 million in nominal value referred to in "4. a. (i)" of the 21st resolution; and
- from the overall ceiling of €35 million in nominal value referred to in "4. a. (i)" of the 20th resolution.

To these ceilings would be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve the rights of holders of securities and holders of other rights giving access to the Company's share capital.

Moreover, the maximum nominal amount of debt securities or related securities giving access, immediately or in the future, to the Company's share capital that may be issued pursuant to this resolution may not exceed the ceiling of €500 million or the equivalent of this figure in any other currency.

This ceiling would, where appropriate, be increased by any redemption premium in excess of the par value.

Please note that this amount of €500 million would be deducted from the overall ceiling of €500 million referred to in "4. b." of the 20th resolution.

In addition, it would be independent from the amount of any debt securities issued or authorized by the Board of Directors in accordance with Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6, and L. 228-94 paragraph 3 of the French Commercial Code.

Twenty-eighth resolution – Delegation of authority to be granted to the Board of Directors for the purpose of carrying out a capital increase by way of the issue of shares and/or securities giving access, immediately or in the future, to the Company's share capital as consideration for securities contributed as part of a public exchange offer initiated by the Company

The Annual General Meeting, under the conditions of *quorum* and majority required for Extraordinary General Meetings, having considered the Board of Directors' report and the Statutory Auditors' special report, in accordance with Articles L. 225-129, L. 22-10-54, and L. 228-91 of the French Commercial Code:

1. delegates to the Board of Directors, with the right to sub-delegate in accordance with the conditions set by law, its authority to decide, on one or more occasions, in such amount and at such times it deems appropriate, in euros, or a foreign currency, or any accounting unit established by reference to a basket of currencies, the issue of ordinary shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, giving access, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital, against payment or free of charge, as consideration for securities that may be contributed as part of a public exchange offer initiated in France or abroad, according to local regulations, by the Company on its securities or the securities of another company admitted to trading on one of the regulated markets indicated in Article L. 22-10-54 of the French Commercial Code (including all other transactions with the same impact as a public exchange offer initiated by the Company on its own securities or the securities of any other company admitted to trading on a regulated market under foreign law, or equivalent);
2. resolves that any issue of preferred shares and securities giving access to preferred shares is expressly excluded;
3. sets the period of validity of this delegation at twenty-six (26) months as from the date of this Meeting, it being specified that this delegation supersedes all other delegations of authority previously granted in a resolution with the same purpose, and specifically the 25th resolution of the Annual General Meeting of July 28, 2021;
4. resolves that the maximum nominal amount of capital increases that may be carried out, immediately or in the future, pursuant to this delegation of authority, may not exceed the ceiling of €7 million, or the equivalent of this amount in any other currency or any monetary unit established by reference to a basket of currencies, it being specified that:
   (i) this ceiling applies to this resolution and to the 21st, 22nd, 23rd, 24th, 25th and 26th resolutions,
   (ii) this amount shall be deducted from the shared ceiling of €7 million referred to in "4. a. (i)" of the 21st resolution of this Meeting or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation, it being specified that these capital increases shall not be subject to the issue price rules set out in the 19th resolution, and
   (iii) and from the overall ceiling of €35 million referred to in "4. a. (i)" of the 20th resolution of this Meeting or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation.

   To these ceilings will be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve, in accordance with the law, and, where appropriate, contractual provisions providing for other adjustments, the rights of holders of securities and holders of other rights giving access to the Company's capital;
5. resolves that the maximum nominal amount of debt securities or related securities giving access, immediately or in the future, to the Company's share capital that may be issued pursuant to this resolution may not exceed the ceiling of €500 million, or the equivalent of this amount in any other currency or monetary unit established in reference to several currencies, it being specified that this amount, increased, where appropriate, by any reimbursement premium over the par value, shall be deducted from the overall ceiling of €500 million referred to in "4. b." of the 20th resolution of this Meeting or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation. This ceiling is independent from the amount of debt securities that may be issued or authorized by the Board of Directors in accordance with Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6 and L. 228-94 paragraph 3 of the French Commercial Code;
6. acknowledges that the shareholders of the Company will not be entitled to preemptive subscription rights to the ordinary shares and/or securities that would be issued under this delegation, the latter solely being issued as consideration for shares contributed within the framework of a public exchange offer initiated by the Company;
7. acknowledges that the price of the ordinary shares and/or securities that would be issued pursuant to this resolution shall be set in accordance with the laws and regulations concerning public exchange offers;
8. delegates all powers to the Board of Directors, with the right to sub-delegate, to carry out the aforementioned issues in accordance with the terms it will determine in compliance with the law, and to suspend said issues.

The Board of Directors may not, except with the prior authorization of the Annual General Meeting, make use of this delegation as from the filing of a public offer for the Company's securities by a third party, until the end of the offer period.

Resolution no. 29
Delegation of authority to be granted to the Board of Directors for the purpose of carrying out one or more share capital increases by way of the issue of shares and/or securities giving access to the Company's share capital reserved for members of a company savings plan, with a waiver of shareholders' preemptive subscription rights

In the **29th resolution**, the shareholders are asked to delegate authority to the Board of Directors to carry out one or more capital increases reserved for members of a company or group savings plan, up to a total maximum nominal amount of €710,000, i.e., approximately 1% of the share capital at March 31, 2023, it being specified that this amount would be deducted from the overall ceiling of €35 million in nominal value referred to in "4. a. (i)" of the 20th resolution of this Meeting. We therefore propose that the shareholders waive their preemptive subscription rights to the shares or securities giving access to the share capital issued under this delegation of authority, in favor of the beneficiaries indicated above.

The issue price of the new shares or securities giving access to the share capital would be determined under the conditions stipulated in Articles L. 3332-18 *et seq.* of the French Labor Code and would be equal to at least 70% of the average listed price of the share on the Euronext Paris market during the 20 trading sessions prior to the decision setting the opening date for the subscription period to the capital increase reserved for members of a company savings plan, in accordance with Article L. 3332-19 of the French Labor Code, or to 60% of this value when the lock-up period provided by the plan and in application of Articles L. 3332-25 and L. 3332-26 of the French Labor Code is greater than or equal to ten years.

This resolution is proposed subject to Article L. 225-129-6 of the French Commercial Code, under which the Extraordinary General Meeting must vote on a draft resolution to carry out a capital increase pursuant to Articles L. 3332-18 to L. 3332-24 of the French Labor Code, when the Annual General Meeting also delegates authority to carry out a capital increase in cash.

This delegation of authority would be valid for a period of 26 months as from the date of this Meeting and would supersede the delegation granted in the 27th resolution of the Annual General Meeting of July 26, 2022.

Twenty-ninth resolution – Delegation of authority to be granted to the Board of Directors for the purpose of carrying out one or more share capital increases by way of the issue of shares and/or securities giving access to the Company's share capital reserved for members of a company savings plan, with a waiver of shareholders' preemptive subscription rights

The Annual General Meeting, under the conditions of *quorum* and majority required for Extraordinary General Meetings, having considered the Board of Directors' report and the Statutory Auditors' special report, in accordance with the provisions of Articles L. 225-129, L. 225-129-2 to L. 225-129-6, L. 225-138, L. 225-138-1, L. 228-91 and L. 228-92 of the French Commercial Code, and Articles L. 3332-18 *et seq.* of the French Labor Code:

1. delegates to the Board of Directors, with the right to sub-delegate in accordance with the conditions set by law, its authority to decide on an increase of the share capital, on one or more occasions, in such amount and at such times as it deems appropriate, in euros, foreign currency or any accounting unit established by reference to a basket of currencies, on the issue, with a waiver of shareholders' preemptive subscription rights, in France and/or abroad, against payment or free of charge, in a maximum nominal amount of €710,000, through the issue of shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities), reserved for members of one or several company savings plans (or any other plan for the members of which a share capital increase may be reserved under equivalent conditions pursuant to Article L. 3332-18 *et seq.* of the French Labor Code) that may be set up within the Group comprised of the Company and the French or foreign companies within the scope of consolidation of the Company's financial statements in application of Article L. 3344-1 of the French Labor Code, it being specified that (i) the maximum nominal amount of capital increases that may be carried out, immediately or in the future, pursuant to this delegation shall be deducted from the overall ceiling of €35 million in nominal value referred to in "4. a. (i)" of the 20th resolution of this Meeting, or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation (to which will be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve, in accordance with the law, and, where appropriate, contractual provisions providing for other adjustments, the rights of holders of securities and other rights giving access to the Company's capital) and (ii) the maximum nominal amount of debt securities or related securities giving access, immediately or in the future, to the Company's capital, likely to be issued under this delegation, shall be increased, if applicable, by any redemption premium above par and shall be deducted from the overall ceiling of €500 million defined in "4. b." of the 20th resolution of this Meeting, or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation;
2. resolves that the issue price of the new shares or securities giving access to the share capital will be determined under the conditions stipulated in Articles L. 3332-18 *et seq.* of the French Labor Code and will be equal to at least 70% of the average listed price of the share on the Euronext Paris market during the 20 trading sessions prior to the decision setting the opening date for the subscription period to the capital increase reserved for members of a company savings plan, in accordance with Article L. 3332-19 of the French Labor Code, or to 60% of this value when the lock-up period provided by the plan and in application of Articles L. 3332-25 and L. 3332-26 of the French Labor Code is greater than or equal to ten years (the "Reference Price") however, the Annual General Meeting expressly authorizes the Board of Directors, if it sees fit, to reduce or eliminate the aforementioned discount, under the legal and regulatory limits, to take into account, notably, locally applicable legal, accounting, tax and social regimes and market practices;

3. authorizes the Board of Directors to allocate, free of charge, to the beneficiaries listed above, in addition to the cash subscription for shares or securities giving access to the share capital, shares or securities giving access to the share capital to be issued or already issued, as full or partial compensation for any decrease versus the Reference Price and/or the employer's contribution, it being acknowledged that the advantages arising out of this allocation may not exceed the legal or regulatory limits in application of Articles L. 3332-18 *et seq.* and L. 3332-11 *et seq.* of the French Labor Code;
4. resolves to waive, for the benefit of the aforementioned beneficiaries, shareholders' preemptive subscription rights to shares and securities giving access to the share capital, the issue of which is the subject of this delegation, said shareholders waiving, in case of a free allocation to the aforementioned beneficiaries of shares and securities giving access to the share capital, all rights to said shares and securities giving access to the share capital, including the portion of the reserves, profits or premiums incorporated in the share capital, in proportion to the number of free shares allocated pursuant to this resolution;
5. authorizes the Board of Directors, under the conditions of this delegation, to carry out sales of shares to members of a company savings plan as provided by Article L. 3332-24 of the French Labor Code, it being specified that the nominal amount of the shares sold with a discount for the benefit of members of one or more employee savings plans indicated in this resolution shall be deducted from and subject to the amount of the ceilings indicated in paragraph 1 above;
6. delegates all powers to the Board of Directors, with the right to sub-delegate, to carry out the aforementioned issues in accordance with the terms it will determine in compliance with the law, and in particular to:
   - establish in accordance with the law, the list of companies for which the members of one or more company savings plans may subscribe to the shares or securities giving access to the share capital that are issued and benefit, where appropriate, from the shares and securities giving access to the share capital allocated free of charge,
   - resolve that the subscriptions may be made directly by the beneficiaries, members of a company savings plan, or through a company mutual fund or other structures or entities permitted under applicable legal or regulatory provisions,
   - determine the conditions, in particular seniority, that the beneficiaries of the share capital increases provided for in this delegation must meet,
   - set subscription opening and closing dates,
   - set the amount of the capital increases that will be carried out under this delegation of authority and in particular, to set the issue price, dates, periods, procedures and conditions of subscription, payment, delivery and enjoyment of shares (even retroactive), reduction rules to be applied in case of over subscription, and all other terms and conditions for the issue, within the applicable legal and regulatory limits,
   - determine and carry out all adjustments to take into account the impact of the transactions on the Company's capital or equity, notably in the event of modifications to the par value of shares, capital increases by capitalization of reserves, earnings or premiums, the allocation of free shares, stock splits or reverse stock splits, distribution of dividends, reserves or premiums or all other assets, capital amortization, or all other transactions in the capital or equity (including in the event of a public offer and/or change of control), and set all other modalities to ensure, where appropriate, the preservation of the rights of holders of securities giving access to the share capital or other rights giving access to the share capital (including by way of cash adjustments),
   - in the case of a free allocation of shares or securities giving access to the share capital, determine the type, the characteristics and the number of shares or securities giving access to the share capital to be issued, the number to be allocated to each beneficiary, and to determine the dates, periods, terms and conditions for the allocation of these shares or securities giving access to the share capital, within the applicable legal and regulatory limits and, in particular, to choose either to fully or partially substitute the allocation of these shares or securities giving access to the share capital for a discount on the Reference Price provided for herein, or to charge the equivalent value of these shares against the total amount of the employer's contribution, or to combine these two options,
   - in the event of an issue of new shares being allocated free of charge, where appropriate, deduct the sums necessary to pay up said shares from reserves, profits or premiums,
   - acknowledge the completion of capital increases with the number of shares subscribed (after reductions in the event of over subscription),
   - where appropriate, deduct the costs of capital increases from the amount of related premiums and take from this amount the sums required to bring the legal reserve to one-tenth of the new share capital after each increase,
   - enter into any agreements, carry out all transactions directly or indirectly through an agent, including completing all necessary formalities further to the capital increases and the corresponding amendments to the by-laws, and, generally, enter into any agreement, in particular to ensure the successful conclusion of the planned issues, take all measures and decisions, and carry out all formalities appropriate for the issue, admission to trading and financial servicing of the shares issued by virtue of this delegation, as well as the exercise of the rights attached thereto or resulting from the completed capital increases.

This delegation of authority is valid for a period of twenty-six (26) months as from the date of this Meeting, it being specified that this delegation supersedes all other delegations of authority previously granted in a resolution with the same purpose, and specifically the 27th resolution of the Annual General Meeting of July 26, 2022.

Resolution no. 30
Authorization to be granted to the Board of Directors to reduce the share capital by canceling shares acquired by the Company

The purpose of the **30th resolution** is to authorize the Board of Directors, with the right to sub-delegate in accordance with the conditions set by law, to reduce the Company's share capital, on one or more occasions, by canceling all or a portion of the shares acquired by the Company pursuant to Article L. 22-10-62 of the French Commercial Code, within the limits allowed by law. Should this authorization be used, the supplementary reports required by law would be drawn up by the Board of Directors and the Statutory Auditors, respectively, and presented to the next Annual General Meeting.

The Company may wish to cancel its own shares for various financial reasons such as active capital management, balance sheet optimization or offsetting the dilutive impacts of capital increases. The number of Company shares that may be canceled would be subject to the ceiling indicated below.

At the date of each cancellation, the total number of shares canceled by the Company in the 24-month period prior to said cancellation (including those to be canceled in said cancellation) may not exceed 10% of the shares making up the Company's share capital at that date. This authorization is being sought for a period of 18 months as from the date of this Meeting and would supersede the 25th resolution of the Annual General Meeting of July 26, 2022 (which was not used in fiscal year 2022-2023).

Thirtieth resolution –
Authorization to be granted to the Board of Directors to reduce the share capital by canceling shares acquired by the Company pursuant to Article L. 22-10-62 of the French Commercial Code, up to a maximum of 10% of the share capital

The Annual General Meeting, under the conditions of *quorum* and majority required for Extraordinary General Meetings, having considered the Board of Directors' report and the Statutory Auditors' special report, authorizes the Board of Directors, pursuant to Articles L. 22-10-62 *et seq.* and Article L. 225-213 of the French Commercial Code, to reduce the share capital, on one or more occasions, in the proportions and at the intervals it deems fit, by canceling all or a portion of the ordinary shares acquired as treasury shares under authorizations granted by the Annual General Meeting pursuant to Article L. 22-10-62 of the French Commercial Code.

At the date of each cancellation, the total number of shares canceled by the Company over the 24-month period prior to the cancellation (including those to be canceled in the aforementioned cancellation) may not exceed 10% of the share capital on that date; it being specified that this limit applies to the Company's share capital adjusted as necessary to take into account transactions affecting the share capital after this Meeting.

The Annual General Meeting grants all powers to the Board of Directors, with the option to sub-delegate, to cancel treasury shares and reduce the share capital under this authorization, set the final amount of the capital reduction and its terms and conditions, deduct from the available reserves and premiums of its choice the difference between the buyback value and par value of the canceled shares, allocate the fraction of the legal reserve newly available as a result of the capital reduction, amend the by-laws accordingly, and more generally, complete all necessary formalities.

The Annual General Meeting resolves to set the period of validity of this authorization at eighteen (18) months as from the date of this Meeting, it being specified that this authorization supersedes all other authorizations previously granted in a resolution with the same purpose, and specifically the 25th resolution of the Annual General Meeting of July 26, 2022.

8.2.4 Resolution within the competence of the Ordinary General Meeting

Resolution no. 31
Powers

The **31st resolution** aims to grant all powers to bearers of an original, copy or extract of the minutes of the Annual General Meeting so as to comply with all procedures required by the law and/or regulations in force.

Thirty-first resolution –
Powers for formalities

The Annual General Meeting grants all powers to the bearer of an original, copy or excerpt of the minutes of this Meeting for the purpose of carrying out any and all filing and other formalities as and when required.

8.2.5 Summary table of delegations and authorizations requested at the Annual General Meeting of July 25, 2023

Reason for the resolution Resolution number	Ceilings *(nominal value and euros)*	Percentage of the share capital	Duration of the authorization (expiry date)
1. Resolution within the competence of the Ordinary General Meeting			
Company's share buyback program Resolution no. 15	5% of the share capital Maximum €230 per share (excluding acquisition costs)	5% of the share capital** i.e., 1,779,470 shares** Overall maximum amount allocated to the program: €409,278,100	18 months (01/24/2025)
2. Resolutions within the competence of the Extraordinary General Meeting			
2.1 Resolutions that may be deducted from the overall ceilings of €35 million in nominal share capital (1) and €500 million in nominal debt securities (2)			
Capital increase, all securities included, with PSR Resolution no. 20	In share capital = €35 million In debt securities* = €500 million	~49.17% of the share capital** i.e., 17,500,000 shares**	26 months (09/24/2025)
Capital increase by capitalizing premiums, reserves, profits, or any other funds that may be capitalized Resolution no. 27	Within the limit: i. of the amount of the total reserves, premiums, or profits; and ii. of €35 million	~49.17% of the share capital** i.e., 17,500,000 shares** (to be issued at par without share issue premium)	26 months (09/24/2025)
Capital increase by issue of shares or securities giving access to the capital reserved for members of company savings plans, with a waiver of PSR Resolution no. 29	In share capital = €710,000	~1% of the share capital**	26 months (09/24/2025)
2.2 Resolutions that may be simultaneously deducted from the overall sub-ceiling of €7 million in nominal share capital (3), and the overall ceilings of €35 million in share capital (1) and €500 million in debt securities (2)			
Capital increase, all securities included, with a waiver of PSR – offers to the public Resolution no. 21	In share capital = €35 million and €7 million In debt securities* = €500 million	~49.17% and ~9.83% of the share capital** i.e., 17,500,000 shares and i.e., 3,500,000 shares**	26 months (09/24/2025)
Capital increase, all securities included, with a waiver of PSR – offers referred to in Article L. 411-2, I° of the French Monetary and Financial Code Resolution no. 22	In share capital = €35 million and €7 million In debt securities* = €500 million	~49.17% and ~9.83% of the share capital** i.e., 17,500,000 shares and i.e., 3,500,000 shares**	26 months (09/24/2025)
Capital increase, all securities included, with a waiver of PSR – reserved for categories of persons meeting specific criteria Resolution no. 23	In share capital = €35 million and €7 million In debt securities* = €500 million	~49.17% and ~9.83% of the share capital** i.e., 17,500,000 shares and i.e., 3,500,000 shares**	18 months (01/24/2025)
Capital increase as consideration for contributions in kind consisting of shares or securities giving access to the capital Resolution no. 26	In share capital = €35 million and €7 million (and within the limit of 10% of the share capital) In debt securities* = €500 million	~49.17% and ~9.83% of the share capital** i.e., 17,500,000 shares and i.e., 3,500,000 shares**	26 months (09/24/2025)
Capital increase as consideration for contributions of shares as part of a public exchange offer initiated by the Company Resolution no. 28	In share capital = €35 million and €7 million In debt securities* = €500 million	~49.17% and ~9.83% of the share capital** i.e., 17,500,000 shares and i.e., 3,500,000 shares**	26 months (09/24/2025)

Reason for the resolution Resolution number	Ceilings *(nominal value and euros)*	Percentage of the share capital	Duration of the authorization (expiry date)
2.3 Resolutions covered by the ceilings determined by reference to those set by the resolutions used for the initial issues			
Increase in the number of securities to be issued with or with a waiver of PSR in case of excess demand (Greenshoe) Resolution no. 24	Within the limit: i. of 15% of the initial issue, and at the same price as that applied to the initial issue; and ii. of the ceiling(s) specified in the resolution used for the initial issue	-	26 months (09/24/2025)
Capital increase, all securities included, with a waiver of PSR – derogation rules for setting the issue price (unrestricted price) Resolution no. 25	Within the limit: (i) of 10% of the share capital per period of 12 months; and (ii) of the ceiling(s) specified in the resolution used for the initial issue	-	26 months (09/24/2025)
2.4 Resolutions subject to independent ceilings			
Cancellation of shares acquired pursuant to the authorizations to buy back the Company's treasury shares Resolution no. 30	10% of the share capital over a period of 24 months	N/A	18 months (01/24/2025)

(1) Overall ceiling of €35 million in nominal value, applicable to all capital increase transactions that may result from the implementation of the 20th to 29th resolutions of the Annual General Meeting of July 25, 2023. To this ceiling of €35 million is added the nominal amount of any capital increases that may be carried out via the issue of additional ordinary shares in order to preserve the rights of holders of securities giving access to the Company's share capital.

(2) Overall ceiling of €500 million in nominal value, applicable to all issues of shares described in note (**) below that may result from the implementation of the 20th to 29th resolutions of the Annual General Meeting of July 25, 2023 (with the exception of the 27th resolution). This limit shall be increased, if applicable, by any redemption premium in excess of the par value.

(3) Overall sub-ceiling of €7 million in nominal value, applicable to all capital increase transactions with a waiver of preemptive subscription rights that may result from the implementation of the 21st to 28th resolutions of the Annual General Meeting of July 25, 2023 (with the exception of the 27th resolution). To this sub-ceiling of €7 million is added the nominal amount of any capital increases that may be carried out via the issue of additional ordinary shares in order to preserve the rights of holders of securities giving access to the Company's share capital. This overall sub-ceiling of €7 million is charged against the overall ceiling of €35 million described in note (1) above.

* *Debt securities or similar securities giving access, immediately or in the future, to the Company's capital.*

** *For information purposes, based on the Company's share capital at June 7, 2023, amounting to €71,178,834.*

8.3 Material contracts

To the best of the Group's knowledge, no material contracts have been entered into by Group companies in the last two fiscal years that are still in force at the date of this Universal Registration Document and which provide for obligations or commitments that could have, in the event of their suspension or termination, a significant impact on the Group's business, financial position or cash flow, other than the following contracts:

(i) the memorandum of understanding between STMicroelectronics International N.V. (ST) and Soitec, the purpose of which is to define the main terms and conditions of future technical and commercial cooperation on SiC substrates, subject to the qualification of Soitec's 200 mm SmartSiC™ substrate technology by ST, within 18 months following the date of signature, as described in section 8.4.2 of this Universal Registration Document;

(ii) the multi-year framework R&D partnership agreement with the French Alternative Energies and Atomic Energy Commission (*Commissariat à l'énergie atomique et aux énergies alternatives* – CEA) renewing the said framework agreement for a period of five years, the purpose of which is to define the terms and conditions for performing R&D work, as described in section 8.4.2 of this Universal Registration Document;

(iii) the agreement on patent licensing and the provision of know-how with CEA granting the Company the rights to manufacture and/or sell certain materials-related products, as described in section 8.4.2 of this Universal Registration Document;

(iv) the pSiC take-or-pay supply agreement between Coorstek and the Company, which was necessary for the conclusion of the memorandum of understanding with STMicroelectronics International N.V.;

(v) a partnership agreement between the Company and Simgui Technology Co. Ltd. for the manufacture by Simgui Technology Co. Ltd. of 200 mm SOI wafers, as described in section 1.6.4 of this Universal Registration Document;

(vi) contracts with SEH for the supply of wafers, as described in section 1.9 of this Universal Registration Document;

(vii) other contracts which are variously described in Chapters 1 to 5 of this Universal Registration Document, in note 8 to the consolidated financial statements for the fiscal year ended March 31, 2023 (notes 8.2 "Contractual obligations and commitments" and 8.3 "Related-party disclosures"), in section 8.4.2, and in the credit agreements described in note 6 to the consolidated financial statements;

(viii) contracts entered into in the ordinary course of business, including operational contracts such as the equipment financing agreement between SMFL, Société Générale, HSBC, OCBC and Soitec Microelectronics Singapore Pte Ltd., the government subsidy agreement granted by the Singapore Economic Development Board to Soitec Microelectronics Singapore Pte Ltd. for the financing of the Pasir Ris (Singapore) fab extension and the sales agreement between Tower Semiconductor Ltd, Tower Partners Semiconductor Co. Ltd and Soitec USA LLC.

Significant off-balance sheet commitments and guarantees granted by the Company or its subsidiaries are presented in note 8 to the consolidated financial statements for the fiscal year ended March 31, 2023 (note 8.2 "Contractual obligations and commitments") in this Universal Registration Document.

8.4 Agreements with interested or related parties

8.4.1 Procedure for reviewing agreements with "interested parties"

In accordance with Article L. 22-10-12 of the French Commercial Code, at a meeting held on June 10, 2020, following discussions with the Statutory Auditors, the Board of Directors adopted a procedure for reviewing agreements concerning ordinary transactions and entered into on arm's length terms. This procedure – which is described in the Company's 2019-2020 Universal Registration Document – was applied for the first time in the fiscal year ended March 31, 2021. As part of its annual review of this procedure, and in light of the fact that it was the first year that it was implemented, at its June 9, 2021 meeting, the Board of Directors decided (after discussion with the Statutory Auditors) to align it more closely with how the Company operates.

This internal procedure describes the methods used by the Group to identify, classify, and regularly monitor and control agreements entered into between the Company and any "interested party" within the meaning of the applicable regulations.

The review procedure for such agreements takes into consideration the Guide published by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) on related-party agreements dated February 2014. AMF Recommendation 2012-05 is used to define the notion of "interested party".

Any person who is aware of an agreement between the Company and an interested party must inform the Company's General Secretary prior to the conclusion, amendment or execution of said agreement, even where it is likely to be classified as a related-party agreement entered into in the ordinary course of business.

Moreover, in accordance with the applicable regulations, any person that may directly or indirectly benefit from a related-party agreement is required to disclose their interests to the Board of Directors as soon as they become aware of such agreement.

The General Secretary performs an analysis, in conjunction with the Finance Department and/or any other department concerned, of the specific circumstances and terms and conditions of the agreement in question, in order to determine whether it is a related-party agreement requiring prior authorization by the Company's Board of Directors, a related-party agreement entered into in the ordinary course of business or a prohibited agreement. If the agreement concerns ordinary transactions and is entered into on arm's length terms, it may be signed without the prior authorization of the Board of Directors, unless such prior authorization is required under the Board's Internal Regulation or applicable laws for other reasons.

If, upon completion of her assessment, the General Secretary considers that the agreement qualifies as a related-party agreement requiring prior authorization, said agreement must be submitted to the authorization of the Board of Directors in accordance with the Company's by-laws, the Board of Directors' Internal Regulation, and, more generally, the provisions of Articles L. 225-38 *et seq.* of the French Commercial Code (see section 8.4.2 *Related-party agreements* of this Universal Registration Document).

The General Secretary holds a list of related-party agreements entered into the ordinary course of business with interested parties, which is based on either the information to which she has access or on the disclosures provided to her.

A list of related-party agreements entered into the ordinary course of business is also drawn up on March 31 each year, is reviewed in detail by the General Secretary and the Finance Department, and is provided annually to the Company's Statutory Auditors and then the Audit and Risks Committee.

The Audit and Risks Committee reports once a year to the Board of Directors on the application of the procedure and proposes updates where required. Interested parties are not involved at any stage of the process when deciding whether or not to reclassify agreements with interested parties as related-party agreements entered into the ordinary course of business.

8.4.2 Related-party agreements

Where a related-party agreement requires prior authorization of the Board of Directors as per the above described procedure (and is not prohibited within the meaning of Article L. 225-43 of the French Commercial Code), interested parties – i.e., those persons who stand to benefit from the agreement directly or indirectly – are not allowed to take part in the Board of Directors' vote on whether to grant the authorization.

In compliance with Article L. 225-40 of the French Commercial Code, the Chair of the Board of Directors shall advise the Statutory Auditors of all agreements authorized and shall submit them to the Annual General Meeting for approval. The Statutory Auditors present a special report on the agreements submitted to the shareholders for their approval.

The person directly or indirectly concerned by the agreement may not take part in the vote on the resolution put to the shareholders at the Annual General Meeting and their shares are not taken into account for the purposes of calculating the quorum and majority for said resolution.

Pursuant to Article L. 225-40-1 of the French Commercial Code, related-party agreements subject to prior authorization that were authorized in prior years and remained in force during the year under review are examined by the Board of Directors and described in a special report issued by the Statutory Auditors.

8.4.2.1 Related-party agreements subject to prior authorization entered into during the fiscal year ended March 31, 2023

I. With STMicroelectronics International N.V. (ST)

On November 30, 2022, the Company entered into a memorandum of understanding (the "Memorandum of Understanding") with ST, the main features of which are as follows:

- **Purpose:** The purpose of the Memorandum of Understanding is to define the main terms and conditions of future technical and commercial cooperation on SiC substrates between STMicroelectronics International N.V. (ST) and Soitec, subject to qualification of Soitec's 200 mm SmartSiC™ substrate technology by ST, within 18 months following the date of signature.
- **Financial terms:** An initial fee of US$10,000,000 was paid by ST to Soitec on March 23, 2023, corresponding to the first milestone achieved in February 2023. Additional payments for the license granted to ST will be made subject to the successful completion of the related milestones of the ongoing qualification process.

The Memorandum of Understanding also establishes the preliminary purchase and sales conditions applicable for the initial prototypes and future purchase and sales conditions to be confirmed by a definitive agreement to be entered into at the end of the qualification phase.

Subject to qualification and depending on the structure of the final agreement, the future purchase and sales conditions may lead to a project scope potentially worth several hundred million euros and spanning several years.

Interested party(ies):

- Nicolas Dufourcq, (i) Vice Chairman of the Supervisory Board of STMicroelectronics N.V. (sole shareholder of STMicroelectronics International N.V.); (ii) Chairman and Chief Executive Officer of Bpifrance Participations, a director and shareholder of Soitec holding more than 10% of the voting rights; and (iii) Chief Executive Officer of Bpifrance SA, sole shareholder of Bpifrance Participations;
- Samuel Dalens, (i) member of the Supervisory Board of STMicroelectronics Holding N.V. (shareholder of STMicroelectronics N.V.); and (ii) permanent representative of Bpifrance Participations, a director and shareholder of Soitec holding more than 10% of the voting rights as well as a shareholder of STMicroelectronics Holding N.V.

Benefits of the Memorandum of Understanding for the Company: The objective of the cooperation is the adoption by STMicroelectronics, a global semiconductor leader serving customers across the spectrum of electronics applications, of Soitec's SmartSiC™ technology.

The Memorandum of Understanding was authorized, prior to its signature, by the Board of Directors at its meeting on November 23, 2022.

II. With the French Alternative Energies and Atomic Energy Commission (*Commissariat à l'énergie atomique et aux énergies alternatives* – CEA)

On December 21, 2022, the Company renewed the multi-year framework R&D partnership agreement with CEA (the "Agreement"), with an effective date of January 1, 2023.

The main features of the Agreement are as follows:

- **Purpose:** The purpose of the Agreement is to renew the multi-year framework R&D partnership agreement with CEA for a period of five years, the purpose of which is to define the terms and conditions for performing R&D work. The main terms and conditions of the existing partnership have been maintained.
- **Financial terms:** The financial terms will be determined each year and will depend on various conditions, such as the scope of the R&D work.

Interested party(ies):

- CEA, the company controlling CEA Investissement, a shareholder of Soitec holding more than 10% of voting rights.

Benefits of the Agreement for the Company: The objective of this Agreement is to give the Company continued access to CEA research expertise and facilities for R&D projects.

The Agreement was authorized, prior to its signature, by the Board of Directors at its meeting on September 28, 2022.

The amount invoiced by CEA to the Company during the fiscal year ended March 31, 2023 was €3,224,000, corresponding to the costs of CEA experts and facilities dedicated to R&D projects, it being specified that this amount was invoiced under this Agreement as well as the previous agreement which expired on December 31, 2022.

III. With the French Alternative Energies and Atomic Energy Commission (*Commissariat à l'énergie atomique et aux énergies alternatives* – CEA)

On December 21, 2022, the Company signed an amendment to the agreement on patent licensing and the provision of know-how for the manufacture and sale of substrates (the "Amendment") with CEA, with an effective date of January 1, 2023.

The main features of the Amendment are as follows:

- **Purpose:** The purpose of the Amendment is to renew and amend the financial terms of the agreement on patent licensing and the provision of know-how for the manufacture and sale of substrates, notably sub-licensing royalties.
- **Financial terms:** Royalties are calculated on the basis of (i) Soitec's revenue from the sale of substrates pursuant to the agreement, and (ii) financial income from the Company's sub-licenses.

Interested party(ies):

- CEA, the company controlling CEA Investissement, a shareholder of Soitec holding more than 10% of voting rights.

Benefits of the Amendment for the Company: The objective of this Amendment is to adjust the rate of royalties paid to CEA for the use of its patents and know-how and the share of sub-licensing income received by Soitec and paid to CEA.

The Amendment was authorized, prior to its signature, by the Board of Directors at its meeting on September 28, 2022.

During calendar year 2022, CEA invoiced €6,070,938 to the Company, under the terms of this Amendment and the agreement on patent licensing and the provision of know-how for the manufacture and sale of substrates, which expired on December 31, 2022, for the use of its patents and know-how, as well as the share of sub-licensing income received by Soitec and paid to CEA.

8.4.2.2 Related-party agreements subject to prior authorization entered into and authorized in prior fiscal years which remained in force in the fiscal year ended March 31, 2023

Pursuant to Article L. 225-40-1 of the French Commercial Code, the related-party agreements subject to prior authorization that were authorized in prior years and remained in force during the year (as listed below) have been reviewed by the Board of Directors and are described in the Statutory Auditors' special report in section 8.5.1 *Statutory Auditors' special report on related-party agreements* of this Universal Registration Document.

I. With Shanghai Simgui Technology Co. Ltd. (Simgui)

On December 27, 2018, the Company signed an Amended and Restated License and Technology Transfer Agreement with Simgui. The purpose of this agreement was to enable Simgui – in connection with the increased production capacity for 200 mm SOI wafers – to manufacture those products in China and sell them exclusively to the Company for resale to the global market using the Company's Smart Cut™ technology. It was concluded with effect as of January 1, 2019, for a duration of six years, i.e., until December 31, 2024. This agreement, which was authorized, prior to its signature, by the Board of Directors at its November 28, 2018 meeting, was approved by the Annual General Meeting of July 26, 2019. The term of this agreement has been extended to nine years, under the terms of an amendment entered into on September 30, 2021, i.e., until December 31, 2027. This amendment was authorized, prior to its signature, by the Board of Directors at its September 15, 2021 meeting, and then approved by the Annual General Meeting of July 26, 2022.

Interested party(ies):

- NSIG, which controls one of the shareholders of the Company holding more than 10% of the voting rights (NSIG Sunrise S.à.r.l.) as well as Simgui. NSIG and NSIG Sunrise S.à.r.l. are indirect interested parties in relation to the Amendment.
- Kai Seikku, a member of the Company's Board of Directors, is an indirect interested party in relation to the Amendment owing to his position as Executive Vice President of NSIG.

The Company did not invoice any amounts to Simgui under this agreement during the fiscal year ended March 31, 2023.

II. With Shanghai Simgui Technology Co. Ltd. (Simgui)

On December 27, 2018, the Company signed an Amended and Restated SOI Supply Agreement with Simgui relating to the supply to the Company of SOI wafers manufactured by Simgui in accordance with the terms and conditions of the license and technology transfer agreement referred to in section 3 above. It was concluded with effect as of January 1, 2019, for a duration of six years, i.e., until December 31, 2024. This agreement, which was authorized, prior to its signature, by the Board of Directors at its November 28, 2018 meeting, was approved by the Annual General Meeting of July 26, 2019. The term of this agreement has been extended to nine years, under the terms of an amendment entered into on September 30, 2021, i.e., until December 31, 2027. This amendment was authorized, prior to its signature, by the Board of Directors at its September 15, 2021 meeting, and then approved by the Annual General Meeting of July 26, 2022.

Interested party(ies):

- NSIG, which controls one of the shareholders of the Company holding more than 10% of the voting rights (NSIG Sunrise S.à.r.l.) as well as Simgui. NSIG and NSIG Sunrise S.à.r.l. are indirect interested parties in relation to the Amendment.
- Kai Seikku, a member of the Company's Board of Directors, is an indirect interested party in relation to the Amendment owing to his position as Executive Vice President of NSIG.

Pursuant to the agreement, Simgui invoiced the Company US$91,807,354 (i.e., €88,238,592) during the fiscal year ended March 31, 2023.

III. With Shanghai Simgui Technology Co. Ltd. (Simgui)

On December 27, 2018, the Company signed an Amended and Restated Bulk Supply Agreement with Simgui relating to the supply by the Company to Simgui of raw materials for the production of SOI wafers in accordance with the terms and conditions of the abovementioned license and technology transfer agreement. It was concluded with effect as of January 1, 2019, for a duration of six years, i.e., until December 31, 2024. This agreement, which was authorized, prior to its signature, by the Board of Directors at its November 28, 2018 meeting, was approved by the Annual General Meeting of July 26, 2019. The term of this agreement has been extended to nine years, under the terms of an amendment entered into on September 30, 2021, i.e., until December 31, 2027. This amendment was authorized, prior to its signature, by the Board of Directors at its September 15, 2021 meeting, and then approved by the Annual General Meeting of July 26, 2022.

Interested party(ies):

- NSIG, which controls one of the shareholders of the Company holding more than 10% of the voting rights (NSIG Sunrise S.à.r.l.) as well as Simgui. NSIG and NSIG Sunrise S.à.r.l. are indirect interested parties in relation to the Amendment.
- Kai Seikku, a member of the Company's Board of Directors, is an indirect interested party in relation to the Amendment owing to his position as Executive Vice President of NSIG.

Pursuant to the agreement, the Company invoiced Simgui US$43,429,183 (i.e., €41,817,294) during the fiscal year ended March 31, 2023.

8.4.3 Agreements between the Company's corporate officers and/or shareholders with over 10% of the Company's voting rights and any Soitec subsidiary – Related parties

In accordance with Article L. 225-37-4, 2° of the French Commercial Code, please note that during the fiscal year ended March 31, 2023, there were no agreements on non-current transactions or transactions concluded under abnormal conditions, either directly or by way of an intermediary, between any of the Company's corporate officers or shareholders with more than 10% of its voting rights and one of its subsidiaries, with the exception of those mentioned above.

For information purposes, agreements entered into (or renewed) in fiscal year 2022-2023, either directly or through an intermediary, between the Company's corporate officers or shareholders holding more than 10% of its voting rights and any of its subsidiaries, gave rise to cash flows involving the Company's subsidiaries.

The amounts of these cash flows are set out in note 8.3 "Related-party disclosures" to the 2022-2023 consolidated financial statements in section 6.2.1.2 *Notes to our consolidated financial statements at March 31, 2023* of this Universal Registration Document (which present the main transactions entered into with the Company's related parties in the fiscal years ended March 31, 2022 and March 31, 2023).

8.5 Statutory Auditors' reports

8.5.1 Statutory auditors' report on related party agreements

This is a translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users.

This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Annual General Meeting held to approve the financial statements for the year ended 31 March 2023

To the Annual General Meeting of Soitec,

In our capacity as statutory auditors of your Company, we hereby present to you our report on related party agreements.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements indicated to us, or that we may have identified in the performance of our engagement, as well as the reasons justifying why they benefit the Company. We are not required to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility, in accordance with Article R.225-31 of the French Commercial Code (*Code de commerce*), to assess the relevance of these agreements prior to their approval.

We are also required, where applicable, to inform you in accordance with Article R.225-31 of the French Commercial Code (*Code de commerce*) of the continuation of the implementation, during the year ended 31 March 2023, of the agreements previously approved by the Annual General Meeting.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this type of engagement. These procedures consisted in verifying the consistency of the information provided to us with the relevant source documents.

Agreements submitted for approval to the Annual General Meeting

In accordance with Article L. 225-40 of the French Commercial Code (*Code de commerce*), we have been notified of the following related party agreements which received prior authorization from your Board of Directors.

With STMicroelectronics International N.V. (ST)

Persons concerned

MM. Samuel Dalens and Nicolas Dufourcq.

Nature and purpose

On November 30, 2022, the Company entered into a memorandum of understanding (the "Memorandum of Understanding") with ST. The purpose of the Memorandum of Understanding is to define the main terms and conditions of future technical and commercial cooperation on SiC substrates between STMicroelectronics International N.V. (ST) and Soitec, subject to qualification of Soitec's 200 mm SmartSiC™ substrate technology by ST, within 18 months following the date of signature.

The Memorandum of Understanding also establishes the preliminary purchase and sales conditions applicable for the initial prototypes and future purchase and sales conditions to be confirmed by a definitive agreement to be entered into at the end of the qualification phase. The Memorandum of Understanding was authorized, prior to its signature, by the Board of Directors at its meeting on November 23, 2022.

Conditions

An initial fee of US$10,000,000 was billed by Soitec to ST on March 23, 2023.

Reasons justifying why the Company benefits from this agreement

Your Board of Directors gave the following reasons: The objective of the cooperation is the adoption by STMicroelectronics, a global semiconductor leader serving customers across the spectrum of electronics applications, of Soitec's SmartSiC™ technology.

With the French Alternative Energies and Atomic Energy Commission (Commissariat à l'énergie atomique et aux énergies alternatives – CEA), the company controlling CEA Investissement, a shareholder of Soitec holding more than 10% of voting rights

1. Nature and purpose

On 27 July 2018, upon authorization by the Board of Directors dated 14 December 2017, your Company signed a new multiyear framework agreement on research and development collaboration with the CEA. Its purpose is to set the conditions for the performance of research and development work in collaboration between the CEA and Soitec. It was entered into with retroactive effect as of 1 January 2018 for a duration of five years, i.e. until 31 December 2022.

On December 21, 2022, the Company renewed the multi-year framework R&D partnership agreement with CEA (the "Agreement"), with an effective date of January 1, 2023. The purpose of the Agreement is to renew the multi-year framework R&D partnership agreement with CEA for a period of five years, the purpose of which is to define the terms and conditions for performing R&D work. The main terms and conditions of the existing partnership have been maintained. The Agreement was authorized, prior to its signature, by the Board of Directors at its meeting on September 28, 2022.

Conditions

The amount invoiced by CEA to the Company during the fiscal year ended March 31, 2023 was €3,224,000.

Reasons justifying why the Company benefits from this agreement

Your Board of Directors gave the following reasons: The objective of this Agreement is to give the Company continued access to CEA research expertise and facilities for R&D projects.

2. Nature and purpose

On 27 July 2018, upon authorization by the Board of Directors dated 14 December 2017, your Company signed an agreement with the CEA on patent licensing and the provision of know-how for the manufacture and sale of substrates. Its purpose is to set the conditions for the utilisation of patents and knowledge. It was entered into with retroactive effect as of 1 January 2017 and will expire no later than 31 December 2027 or on the date of expiry of the last patent or last element of knowledge that is the subject of this agreement.

On December 21, 2022, the Company signed an amendment to the agreement on patent licensing and the provision of know-how for the manufacture and sale of substrates (the "Amendment") with CEA, with an effective date of January 1, 2023. The Amendment was authorized, prior to its signature, by the Board of Directors at its meeting on September 28, 2022.

Conditions

The amount invoiced by CEA to the Company during the fiscal year ended March 31, 2023 was €6,070,938.

Reasons justifying why the Company benefits from this agreement

Your Board of Directors gave the following reasons: The objective of this Amendment is to adjust the rate of royalties paid to CEA for the use of its patents and know-how and the share of sub-licensing income received by Soitec and paid to CEA.

Agreements previously approved by the Annual General Meeting

In accordance with Article R.225-30 of the French Commercial Code (*Code de commerce*), we have been notified that the implementation of the following agreements, which were approved by the Annual General Meeting in prior years, continued during the year ended 31 March 2023.

With Shanghai Simgui CO. Ltd (Simgui)

Persons concerned

NSIG, which controls one of the shareholders of the Company holding more than 10% of the voting rights (NSIG Sunrise S.à.r.l.) as well as Simgui. NSIG and NSIG Sunrise S.à.r.l. are indirect interested parties in relation to the Amendment and M.Kai Seikku, a member of the Company's Board of Directors, is an indirect interested party in relation to the Amendment owing to his position as Executive Vice President of NSIG.

1. Nature and purpose

On December 27, 2018, the Company signed an Amended and Restated License and Technology Transfer Agreement with Simgui. The purpose of this agreement was to enable Simgui – in connection with the increased production capacity for 200 mm SOI wafers – to manufacture those products in China and sell them exclusively to the Company for resale to the global market using the Company's Smart CutTM technology. It was concluded with effect as of January 1, 2019, for a duration of six years, i.e., until December 31, 2024.

This agreement was approved by the Annual General Meeting of July 26, 2019. The term of this agreement has been extended to nine years, under the terms of an amendment entered into on September 30, 2021, i.e., until December 31, 2027. This amendment was authorized, prior to its signature, by the Board of Directors at its September 15, 2021 meeting, and then approved by the Annual General Meeting of July 26, 2022.

Conditions

The Company did not invoice any amounts to Simgui under this agreement during the fiscal year ended March 31, 2023.

2. Nature and purpose

On December 27, 2018, the Company signed an Amended and Restated SOI Supply Agreement with Simgui relating to the supply to the Company of SOI wafers manufactured by Simgui in accordance with the terms and conditions of the license and technology transfer agreement referred to in section 3 above. It was concluded with effect as of January 1, 2019, for a duration of six years, i.e., until December 31, 2024.

This agreement was approved by the Annual General Meeting of July 26, 2019. The term of this agreement has been extended to nine years, under the terms of an amendment entered into on September 30, 2021, i.e., until December 31, 2027. This amendment was authorized, prior to its signature, by the Board of Directors at its September 15, 2021 meeting, and then approved by the Annual General Meeting of July 26, 2022.

Conditions

Pursuant to the agreement, Simgui invoiced the Company €88,238,592 during the fiscal year ended March 31, 2023.

3. Nature and purpose

On December 27, 2018, the Company signed an Amended and Restated Bulk Supply Agreement with Simgui relating to the supply by the Company to Simgui of raw materials for the production of SOI wafers in accordance with the terms and conditions of the abovementioned license and technology transfer agreement. It was concluded with effect as of January 1, 2019, for a duration of six years, i.e., until December 31, 2024.

This agreement was approved by the Annual General Meeting of July 26, 2019. The term of this agreement has been extended to nine years, under the terms of an amendment entered into on September 30, 2021, i.e., until December 31, 2027. This amendment was authorized, prior to its signature, by the Board of Directors at its September 15, 2021 meeting, and then approved by the Annual General Meeting of July 26, 2022.

Conditions

Pursuant to the agreement, the Company invoiced Simgui €41,817,294 during the fiscal year ended March 31, 2023.

Paris-La Défense and Lyon, June 13, 2023

The Statutory Auditors

French original signed by

KPMG S.A.		ERNST & YOUNG Audit	
Laurent Genin	Rémi Vinit-Dunand	Jacques Pierres	Benjamin Malherbe

8.5.2 Statutory Auditors' report on the issue of shares and/or securities with or with a waiver of shareholders' preemptive subscription rights

Annual General Meeting of July 25, 2023 – 20th, 21st, 22nd, 24th, 25th, 26th and 28th resolutions

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Soitec and in accordance with the provisions of Articles L. 228-92 and L. 225-135 *et seq.* of the French Commercial Code (*Code de commerce*), as well as Article L. 22-10-52 of the said Code, we hereby report to you on the proposed delegations of authority to the Board of Directors to carry out various issues of shares and/or securities, which are submitted to you for approval.

On the basis of the Board of Directors' report, the shareholders are invited to:

- delegate to the Board of Directors, for a 26-month period, the authority to decide and set the final terms and conditions of the following issues, where applicable, with a waiver of shareholders' preemptive subscription rights:
  - the issue, with shareholders' preemptive subscription rights (20th resolution), in France and/or abroad, against payment or free of charge, of ordinary shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities),
  - the issue, with a waiver of shareholders' preemptive subscription rights, by way of a public offer other than offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code (*Code monétaire et financier*) (21st resolution), in France and/or abroad, of ordinary shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities),
  - the issue, with a waiver of shareholders' preemptive subscription rights, by way of public offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code, and up to a maximum limit of 20% of the Company's share capital per year (22nd resolution), in France and/or abroad, against payment or free of charge, of ordinary shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities),
  - the issue, as part of a public exchange offer initiated by the Company (28th resolution), of ordinary shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, giving access, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital, against payment or free of charge, as consideration for securities that may be contributed as part of a public exchange offer initiated in France or abroad, according to local regulations, by the Company on its securities or the securities of another company admitted to trading on one of the regulated markets indicated in Article L. 22-10-54 of the French Commercial Code (including all other transactions with the same impact as a public exchange offer initiated by the Company on its own securities or the securities of any other company admitted to trading on a regulated market under foreign law, or equivalent);
- authorize the Board of Directors, for a 26-month period, in the 25th resolution and under the delegations of authority sought in the 21st and 22nd resolutions, to derogate from the price conditions stipulated in said resolutions, in accordance with the modalities defined, up to a maximum limit of 10% of the Company's share capital per 12-month period;
- delegate to the Board of Directors, for a 26-month period, the powers required to carry out an issue of ordinary shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities), as consideration for contributions in kind granted to the Company and consisting of equity securities or securities giving access to the share capital, when the provisions of Article L. 22-10-54 of the French Commercial Code are not applicable (26th resolution), up to a maximum limit of 10% of the share capital at the date of the Board of Directors' decision to implement the delegation.

The maximum nominal amount of the capital increases that may be carried out, immediately or in the future, may not exceed the overall ceiling of €35 million in nominal value referred to in the 20th resolution and applicable to the 20th, 21st, 22nd, 23rd, 26th, 27th, 28th and 29th resolutions, it being specified that the aggregate maximum nominal amount of the capital increases that may be carried out, immediately or in the future, may not exceed the sub-ceiling of €7 million in nominal value referred to in the 21st resolution and applicable to the 21st, 22nd, 23rd, 26th and 28th resolutions.

The maximum nominal amount of debt securities or related securities giving access to the Company's share capital that may be issued may not exceed the ceiling of €500 million referred to in the 20th resolution and applicable to the 20th, 21st, 22nd, 23rd, 26th, 28th and 29th resolutions.

These ceilings take into account the additional securities to be issued under the delegations of authority sought in the 20th, 21st, 22nd and 23rd resolutions, in accordance with the provisions of Article L. 225-135-1 of the French Commercial Code, in the event that the shareholders adopt the 24th resolution.

It is the Board of Directors' responsibility to prepare a report in accordance with Articles R. 225-113 *et seq.* of the French Commercial Code. Our role is to express an opinion on the fairness of the information taken from the financial statements, on the proposed waiver of shareholders' preemptive subscription rights and on other information relating to the issues, presented in this report.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying the information provided in the Board of Directors' report relating to these issues and the methods used to set the issue price of the securities to be issued.

Subject to a subsequent examination of the terms and conditions of the proposed issues, we have no matters to report as regards the information provided in the Board of Directors' report on the methods used to set the issue price of the equity securities to be issued pursuant to the 21st, 22nd and 25th resolutions.

Furthermore, as this report does not specify the methods used to set the issue price of the equity securities to be issued pursuant to the 20th, 26th and 28th resolutions, we do not express an opinion on the components used to calculate the issue price.

As the final terms and conditions of the issues have not been set, we do not express an opinion thereon or, consequently, on the waiver of shareholders' preemptive subscription rights, as proposed in the 21st and 22nd resolutions.

In accordance with Article R. 225-116 of the French Commercial Code, we will prepare an additional report if and when the Board of Directors uses these delegations of authority to issue securities that are equity securities giving access to other equity securities or giving the right to the allocation of debt securities, securities giving access to equity securities to be issued, or shares with a waiver of shareholders' preemptive subscription rights.

The Statutory Auditors

Paris La Défense and Lyon, June 13, 2023

KPMG SA		**Ernst & Young Audit**	
Laurent Genin	Rémi Vinit-Dunand	Jacques Pierres	Benjamin Malherbe
Partner	*Partner*	*Partner*	*Partner*

8.5.3 Statutory Auditors' report on the issue of ordinary shares and/or securities giving access, immediately or in the future, to the Company's share capital, reserved for categories of persons meeting defined requirements, with a waiver of shareholders' preemptive subscription rights

Annual General Meeting of July 25, 2023 – 23rd resolution

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Soitec and in accordance with the provisions of Articles L. 228-92 and L. 225-135 *et seq.* of the French Commercial Code (*Code de commerce*), as well as Article L. 22-10-52 of the said Code, we hereby report to you on the proposed delegation of authority to the Board of Directors to decide on the issue of shares and/or securities, with a waiver of shareholders' preemptive subscription rights, in France and/or abroad, reserved for categories of persons meeting the following requirements: (i) financial institutions or French or foreign investment funds or any placement vehicles focused on providing support in the medium term to growth companies in the technology sector or investing on a regular basis or exercising a significant part of their activity in the technology sector, or (ii) French or foreign investment service providers, or any foreign institution with equivalent status, that can guarantee the completion of an issue intended to be placed with the persons referred to in the (i) above and, in this context, to subscribe (23rd resolution) to ordinary shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities), which is submitted for your approval.

The aggregate maximum nominal amount of the capital increases that may be carried out, immediately or in the future, pursuant to this delegation of authority may not exceed the ceiling of €7 million in nominal value applicable to the 21st, 22nd, 23rd, 26th and 28th resolutions, it being specified that this amount will be deducted from the overall ceiling of €35 million in nominal value referred to in the 20th resolution and applicable to the 20th, 21st, 22nd, 23rd, 26th, 27th, 28th and 29th resolutions.

The maximum nominal amount of debt securities or related securities giving access to the Company's share capital that may be issued may not exceed the ceiling of €500 million referred to in the 20th resolution and applicable to the 20th, 21st, 22nd, 23rd, 26th, 28th and 29th resolutions.

These ceilings take into account the additional securities to be issued under the delegations of authority sought in the 20th, 21st, 22nd and 23rd resolutions, in accordance with the provisions of Article L. 225-135-1 of the French Commercial Code, in the event that the shareholders adopt the 24th resolution.

On the basis of the Board of Directors' report, the shareholders are invited to delegate to the Board of Directors, for an 18-month period, the authority to decide to carry out an issue and to waive the shareholders' preemptive subscription rights in respect of the securities to be issued. The Board of Directors will set, where appropriate, the final terms and conditions of the issue.

It is the Board of Directors' responsibility to prepare a report in accordance with Articles R. 225-113 *et seq.* of the French Commercial Code. Our role is to express an opinion on the fairness of the information taken from the financial statements, on the proposed waiver of shareholders' preemptive subscription rights and on other information relating to the issue, presented in this report.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying the information provided in the Board of Directors' report relating to this issue and the methods used to set the issue price of the securities to be issued.

Subject to a subsequent examination of the terms and conditions of the proposed issue, we have no matters to report as regards the methods used to set the issue price of the equity securities to be issued, as provided in the Board of Directors' report.

As the final terms and conditions of the issue have not been set, we do not express an opinion thereon or, consequently, on the proposed waiver of shareholders' preemptive subscription rights.

In accordance with Article R. 225-116 of the French Commercial Code, we will prepare an additional report if and when the Board of Directors uses this delegation of authority.

The Statutory Auditors

Paris La Défense and Lyon, June 13, 2023

KPMG SA		**Ernst & Young Audit**	
Laurent Genin	Rémi Vinit-Dunand	Jacques Pierres	Benjamin Malherbe
Partner	*Partner*	*Partner*	*Partner*

8.5.4 Statutory Auditors' report on the issue of ordinary shares and/or securities reserved for members of a company savings plan

Annual General Meeting of July 25, 2023 – 29th resolution

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Soitec and in accordance with the provisions of Articles L. 228-92 and L. 225-135 *et seq.* of the French Commercial Code (*Code de commerce*), we hereby report to you on the proposed delegation of authority to the Board of Directors to decide on the issue of shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities), with a waiver of shareholders' preemptive subscription rights, reserved for members of one or several company savings plans (or any other plan for the members of which a share capital increase may be reserved under equivalent conditions pursuant to Article L. 3332-18 *et seq.* of the French Labor Code [*Code du travail*]) that may be set up within the Group comprised of the Company and the French or foreign companies within the scope of consolidation of the Company's financial statements in application of Article L. 3344-1 of the French Labor Code, which is submitted for your approval.

The maximum nominal amount of the capital increases that may be carried out, immediately or in the future, may not exceed€710,000 in nominal value, through the issue of shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, it being specified that this amount will be deducted from the overall ceiling of €35 million in nominal value referred to in the 20th resolution, or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation. The maximum nominal amount of debt securities or related securities giving access, immediately or in the future, to the Company's capital, likely to be issued under this delegation, may not exceed the overall ceiling of €500 million referred to in the 20th resolution, or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation.

This issue is submitted to the shareholders for approval in accordance with the provisions of Article L. 225-129-6 of the French Commercial Code and Articles L. 3332-18 *et seq.* of the French Labor Code.

On the basis of the Board of Directors' report, the shareholders are invited to delegate to the Board of Directors, for a 26-month period, the authority to decide to carry out an issue and to waive the shareholders' preemptive subscription rights in respect of the securities to be issued. The Board of Directors will set, where appropriate, the final terms and conditions of the issue.

It is the Board of Directors' responsibility to prepare a report in accordance with Articles R. 225-113 *et seq.* of the French Commercial Code. Our role is to express an opinion on the fairness of the information taken from the financial statements, on the proposed waiver of shareholders' preemptive subscription rights and on other information relating to the issue, presented in this report.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying the information provided in the Board of Directors' report relating to this issue and the methods used to set the issue price of the equity securities to be issued.

Subject to a subsequent examination of the terms and conditions of the proposed issue, we have no matters to report as regards the methods used to set the issue price of the equity securities to be issued, as provided in the Board of Directors' report.

As the final terms and conditions of the issue have not been set, we do not express an opinion thereon or, consequently, on the proposed waiver of shareholders' preemptive subscription rights.

In accordance with Article R. 225-116 of the French Commercial Code, we will prepare an additional report if and when the Board of Directors uses this delegation of authority to issue shares and securities that are equity securities giving access to other equity securities, and to issue securities giving access to equity securities to be issued.

The Statutory Auditors

Paris La Défense and Lyon, June 13, 2023

KPMG SA		Ernst & Young Audit	
Laurent Genin	Rémi Vinit-Dunand	Jacques Pierres	Benjamin Malherbe
Partner	*Partner*	*Partner*	*Partner*

8.5.5 Statutory Auditors' report on the share capital reduction

Annual General Meeting of July 25, 2023 – 30th resolution

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Soitec and in accordance with the provisions of Article L. 22-10-62 of the French Commercial Code (*Code de commerce*) applicable in the event of a share capital reduction through the cancellation of shares acquired by the Company, we hereby report to you on our assessment of the reasons for and terms and conditions of the proposed share capital reduction.

The shareholders are invited to delegate to the Board of Directors, for an 18-month period from the date of this Annual General Meeting, full powers to cancel shares acquired pursuant to an authorization for the Company to buy back its own shares granted in accordance with the provisions of the aforementioned article, up to a maximum limit of 10% of the share capital per 24-month period, it being specified that this authorization supersedes all other authorizations previously granted in a resolution with the same purpose, and specifically the 25th resolution of the Annual General Meeting of July 26, 2022.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying that the reasons for and terms and conditions of the proposed share capital reduction, which is not considered to affect shareholder equality, comply with the applicable legal provisions.

We have no matters to report on the reasons for and terms and conditions of the proposed share capital reduction.

The Statutory Auditors

Paris La Défense and Lyon, June 13, 2023

KPMG SA		**Ernst & Young Audit**	
Laurent Genin	Rémi Vinit-Dunand	Jacques Pierres	Benjamin Malherbe
Partner	*Partner*	*Partner*	*Partner*

8.6 Conditions for holding, convening and admission to Annual General Meetings

8.6.1 Procedures for shareholder participation in the Annual General Meeting of July 25, 2023

On June 7, 2023, the Board of Directors decided to convene the shareholders of the Company to an Annual General Meeting to be held on July 25, 2023 at Centre de Conférences VERSO, 52 rue de la Victoire, 75009 Paris, France.

Shareholders are notified of these meeting procedures and the voting procedures through the convening notice that will be published in accordance with the regulatory deadlines.

One or more shareholders representing at least the percentage of share capital required by the law and regulations may request that items or draft resolutions be included on the agenda, in accordance with Articles L. 225-105, R. 225-71 and 225-73 of the French Commercial Code. Requests must be sent to the Company's registered office, for the attention of the General Secretary, "AGM July 25, 2023", Parc Technologique des Fontaines – Chemin des Franques – 38190 Bernin – France, by registered letter with acknowledgement of receipt, and must be received no later than the 25th day prior to the date of the Annual General Meeting, i.e., Friday, June 30, 2023.

Requests for inclusion of an item on the agenda must state the reasons for the request. Requests for the inclusion of draft resolutions must be accompanied by the text of the proposed resolutions, together with a brief explanatory statement.

At the date of the request, the authors thereof must provide proof that they hold or represent the percentage of share capital required under Article R. 225-71 of the French Commercial Code. Requests must be accompanied by a shareholding certificate.

The consideration of items or draft resolutions is subject to the submission, by the authors, of a new certificate justifying the registration of their shares in the same conditions as those referred to above on the second business day preceding the Annual General Meeting, i.e., midnight (Paris time) on Friday, July 21, 2023.

The list of items added to the agenda and the text of the draft resolutions submitted by the Company's shareholders will be published without delay on the Company's website (www.soitec.com), in the "Investors – Shareholders' Information – Annual General Meeting – 2023 – AGM July 25, 2023" section.

8.6.2 Convening and holding of Annual General Meetings

Articles 21 to 25 of the Company's by-laws govern Annual General Meetings.

Annual General Meetings are convened by the Board of Directors, in accordance with the conditions provided by the law.

Meetings are held either at the registered office or at any other place specified in the notice.

Annual General Meetings are chaired by the Chair of the Board of Directors or, in their absence, by a member of the Board of Directors specially delegated for this purpose by the Board. Failing this, the Annual General Meeting elects its chair.

The role of scrutineer is performed by the two members of the Annual General Meeting who have the highest number of votes and who are present and agree to act in this capacity. The meeting officers appoint a secretary, who may be chosen from outside the body of shareholders.

An attendance sheet is kept under the conditions provided by the law.

Copies or extracts of the minutes of the Annual General Meeting are validly certified by the Chair of the Board, by a director performing the duties of Chief Executive Officer or by the secretary of the Meeting.

The agent in charge of holding the Company's shares and organizing Annual General Meetings is: Uptevia.

8.6.3 Documents made available to the shareholders

The documents required to be made available to shareholders at this Annual General Meeting will be available at the Company's registered office, in accordance with the applicable laws and regulations.

In accordance with Article R. 225-88 of the French Commercial Code, shareholders may also obtain the documents provided for in Articles R. 225-81 and R. 225-83 of the French Commercial Code, as well as the single postal voting or proxy form, by making a request no later than five days before the date of the Meeting, i.e., no later than Thursday, July 20, 2023.

Requests should be sent to the Company's registered office, for the attention of the General Secretary, "AGM July 25, 2023", Parc Technologique des Fontaines – Chemin des Franques – 38190 Bernin – France, by e-mail to the following address: shareholders-gm@soitec.com, or by simple request addressed to Uptevia.

All the documents and information referred to in Article R. 22-10-23 of the French Commercial Code that will be presented at the Annual General Meeting will be made available to shareholders on the Company's website at the following address: www.soitec.com, in the "Investors – Shareholders' Information – Annual General Meeting – 2023 – AGM July 25, 2023" section, as from the 21st day preceding the Meeting, i.e., Tuesday, July 4, 2023.

8.6.4 Written questions

All shareholders have the right to submit written questions from the date on which the Meeting is convened (i.e., Wednesday, July 5, 2023), in accordance with Articles L. 225-108 and R. 225-84 of the French Commercial Code.

These questions must be sent to the Company's registered office, by registered letter with acknowledgement of receipt, to the following address: for the attention of the General Secretary, "AG 25 juillet 2023", Parc Technologique des Fontaines – Chemin des Franques – 38190 Bernin – France, or by e-mail to the following address: shareholders-gm@soitec.com, no later than the fourth business day prior to the date of the Annual General Meeting, i.e., Wednesday, July 19, 2023.

To be taken into account, they must be accompanied by a shareholding certificate. A written question will be deemed to have been answered as soon as it appears on the Company's website (www.soitec.com), in the "Investors – Shareholders' Information – Annual General Meeting – 2023 – AGM July 25, 2023" section. Written questions may be answered together if they cover the same content.

8.6.5 Prior formalities to be carried out in order to participate and vote in Annual General Meetings

All shareholders, irrespective of the number of shares they own, are entitled to attend to the Annual General Meeting.

Shareholders must provide proof of ownership of their shares by the second business day prior to the Annual General Meeting, i.e., by midnight (Paris time) on Friday, July 21, 2023:

- For registered shareholders (pure and administered): by the book-entry of their shares in the registered share account held for the Company by its centralizing agent Uptevia (Service Assemblées Générales – 12 place des Etats-Unis CS 40083 – 92549 Montrouge Cedex).
- For bearer shareholders: by book-entry of their shares in the bearer share account held by the authorized banking or financial intermediary ("the financial intermediary"). This registration must be evidenced by a shareholding certificate issued by the financial intermediary, where applicable by electronic means under the conditions set out in Article R. 225-61 of the French Commercial Code, and attached to the single postal voting or proxy form ("Single Voting Form"), or to the request for an admission card.

8.6.6 Procedures for participation in Annual General Meetings

Shareholders may attend the Annual General Meeting:

- by attending in person;
- by voting by post;
- by giving their proxy to the Chair of the Meeting, to their spouse or civil partner, to another shareholder, or to any person (natural or legal) of their choice under the conditions laid down in Articles L. 225-106 and L. 22-10-39 of the French Commercial Code, or without specifying a proxy. In the latter case, the Chairman of the Meeting will vote in favor of the draft resolutions presented or approved by the Board, and against all other draft resolutions.

I. Shareholders wishing to attend the Annual General Meeting in person may request an admission card as follows:

- For registered shareholders (pure and administered): holders of registered shares should complete the Single Voting Form attached to the notice of meeting, which will be sent to them by post, specifying that they wish to attend the Annual General Meeting and obtain an admission card. The registered shareholders should then return it signed, using the prepaid envelope enclosed with the notice of meeting.
- For bearer shareholders: holders of bearer shares should ask their financial intermediary to send them an admission card.

Requests for admission cards from shareholders wishing to attend the Annual General Meeting in person must be received by Uptevia in accordance with the procedures indicated above no later than three days before the Meeting, i.e., Saturday, July 22, 2023.

Shareholders who have made a request and have not received their admission card within two business days prior to the Annual General Meeting, i.e., midnight (Paris time) on Friday, July 21, 2023, are invited to :

- For registered shareholders (pure and administered): present themselves on the day of the Annual General Meeting, directly at the counters specifically set up for this purpose, with proof of identity.
- For bearer shareholders: ask their financial intermediary to issue a certificate of ownership proving their status as shareholders by the second business day prior to the Annual General Meeting, i.e., midnight (Paris time) on Friday, July 21, 2023.

II. Shareholders not attending the Annual General Meeting in person and wishing to vote by proxy or post should do as follows:

- For registered shareholders (pure and administered): holders of registered shares should complete the Single Voting Form attached to the notice of meeting, which will be sent to them by post, specifying that they wish to vote by proxy or post, and return it, dated and signed to Uptevia, using the prepaid envelope attached to the notice of meeting.
- For bearer shareholders: bearer shareholders must request the Single Voting Form from their financial intermediary, as from the date on which the Annual General Meeting is convened (i.e., Wednesday, July 5, 2023) and no later than six days before the date of the Meeting (i.e., Wednesday, July 19, 2023), complete it, specifying that they wish to vote by proxy or post, and return it, dated and signed, to their financial intermediary, which will forward it, together with the shareholding certificate issued by it, to Uptevia, Service Assemblées Générales – 12 place des Etats-Unis CS 40083 – 92549 Montrouge Cedex.

The Single Voting Form must be sent to Uptevia, in accordance with the above-mentioned procedures, no later than three days before the Annual General Meeting, i.e., Saturday, July 22, 2023, failing which it will not be taken into account.

In accordance with the provisions of Articles R. 225-79 and R. 22-10-24 of the French Commercial Code, notification of the appointment and revocation of a proxy may also be made electronically, by sending an e-mail bearing an electronic signature, resulting from a reliable identification process guaranteeing its link with the remote voting form, to the following e-mail address: ct-mandataires-assemblees@uptevia.com, specifying their surname, first name, and address and the surname, first name and address of the appointed or revoked proxy, as well as (i) for pure registered shareholders, their Uptevia identifier, (ii) for administered registered shareholders, their identifier available from their financial intermediary, or (iii) for bearer shareholders, their bank references available from their financial intermediary, it being specified that written confirmation of instructions must be sent to Uptevia through the financial intermediary.

Only notifications of appointment or revocation of proxies duly signed, completed and received no later than three days before the date of the Annual General Meeting, i.e., Saturday, July 22, 2023, will be taken into account. In addition, only notifications of appointment or revocation of proxies may be sent to the above-mentioned e-mail address; any other request or notification relating to another subject may not be taken into account and/or processed.

It is specified that, for all proxies without indication of a proxy, the Chair of the Meeting will vote in favor of the adoption of the draft resolutions presented or approved by the Board of Directors, and against the adoption of all other draft resolutions. In order to cast any other vote, shareholders must choose a proxy who agrees to vote as directed by the shareholder.

The proxy granted for the Annual General Meeting is valid for any subsequent meetings convened with the same agenda, and may be revoked in the same way as for the appointment of the proxy.

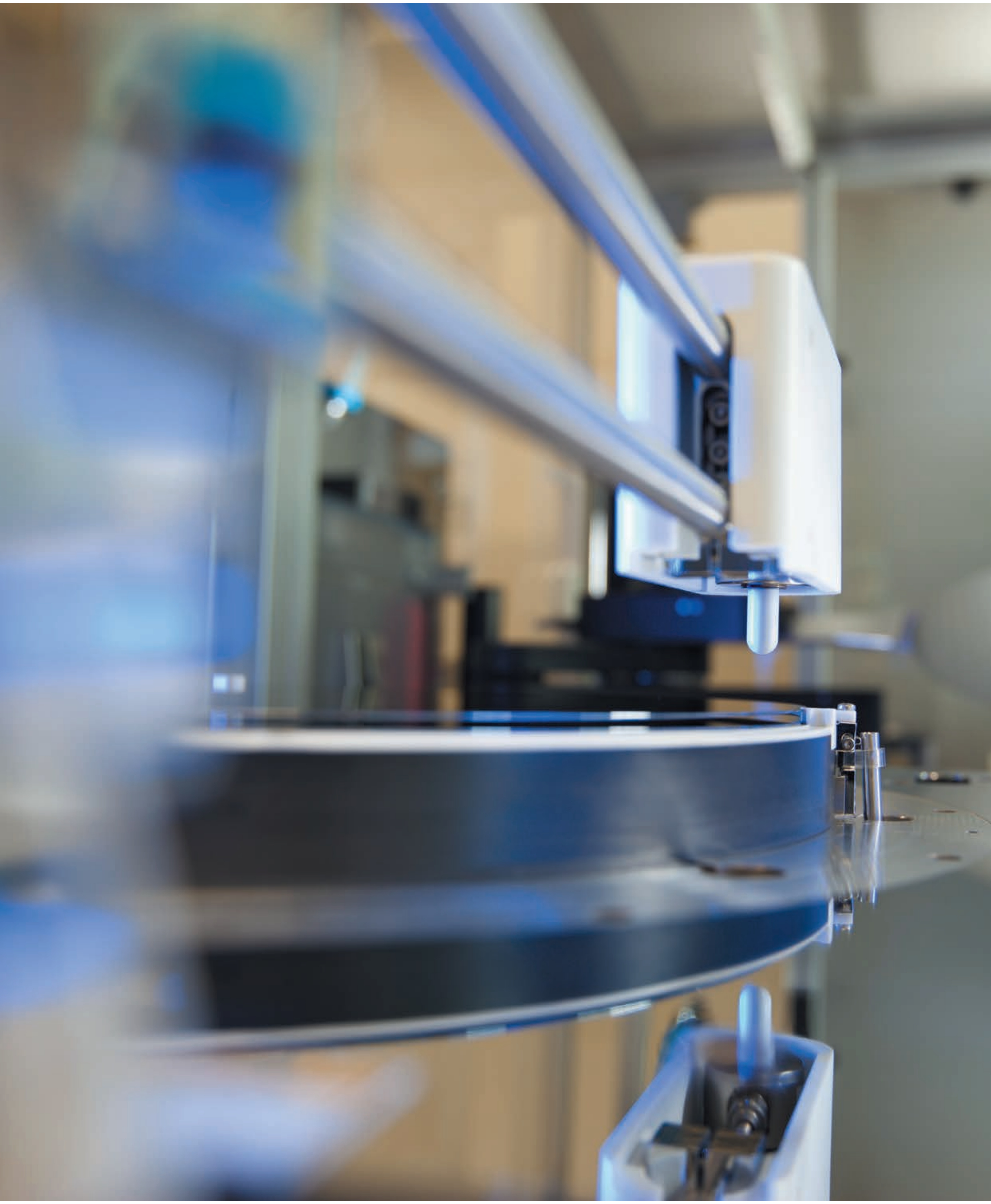
Under no circumstances may a shareholder return to the Company both a notification of appointment of a proxy and the Single Voting Form. Should this be the case, the notification of appointment of a proxy will be taken into consideration.

In accordance with the provisions of Article R. 22-10-28 of the French Commercial Code, once a shareholder has already cast a postal vote, requested an admission card or a shareholding certificate in order to attend the Annual General Meeting, he/she will no longer be able to choose another means of participation in the Meeting, although they may sell some or all of their shares.

However, if the transfer takes place before the second business day prior to the Annual General Meeting, i.e., before midnight (Paris time) on Friday, July 21, 2023, the Company will invalidate or amend, as appropriate, the postal vote, proxy, admission card or shareholding certificate. To this end, the financial intermediary will notify the Company or its agent of the transfer and send it the necessary information.

No transfer or other transaction carried out after midnight (Paris time) on Friday, July 21, 2023, by whatever means, will be notified by the financial intermediary or taken into consideration by the Company, notwithstanding any agreement to the contrary.

Voting by videoconference or by telecommunication and teletransmission is not planned for this Annual General Meeting and, consequently, no website referred to in Article R. 225-61 of the French Commercial Code will be set up for this purpose.



9 ADDITIONAL INFORMATION

9.1 Legal information

Company name	Soitec
Trading name	Soitec
Grenoble Trade and Companies Register	SIREN: 384 711 909 SIRET: 384 711 909 00034 APE: 26.11Z – Manufacture of electronic components
Legal entity identifier (LEI)	969500ZR92SQCU9TST26
Legal form	Joint-stock corporation (*société anonyme*) with a Board of Directors
Governing law	French law – legal provisions applicable to joint-stock corporations
Date of incorporation – Term	The Company was incorporated on March 11, 1992. The term of the Company has been set at 80 years, i.e., until March 11, 2072.
Registered office	Parc Technologique des Fontaines, Chemin des Franques, 38190 Bernin, France Tel.: +33 (0)4 76 92 75 00
Fiscal year	April 1 through March 31
Corporate purpose	As defined in Article 2 of the by-laws, the Company's purpose, in France and in all countries, is: › to develop, research, manufacture and market materials for the microelectronics sector and for the industry as a whole; › to provide diverse technological assistance, developing specific machines and applications; › to perform any industrial and commercial transactions relating to: › the creation, acquisition, leasing, taking under lease management of all goodwill, the leasing, installation, operation of all establishments, goodwill, factories, workshops, relating to one of these specified activities, › the seizing, acquisition, operation or sale of any processes and patents concerning said activities, › the direct or indirect involvement of the Company in any financial, movable or immovable transactions or commercial or industrial companies which might be linked to the corporate purpose or to any similar or related purpose; › any transactions contributing towards the achievement of said purpose.
Website	www.soitec.com NB: The information provided on the website is not part of the Universal Registration Document, except where such information is incorporated by reference.
By-laws	The Company's by-laws are available in full on the website and are incorporated by reference in this Universal Registration Document.

9.2 Documents on display

All regulatory information within the meaning of Article 221-1 of the General Regulations of the French financial markets authority (*Autorité des marchés financiers* – AMF) is available on the Company's website (www.soitec.com/en/investors). The other information and documents made available to shareholders under the legal and regulatory requirements may also be consulted on the website and downloaded.

In particular, the following documents may be consulted and downloaded:

Type of information	Where
Company by-laws	Company website, in the "Company – Investors – By-laws, Internal Regulation and AFEP-MEDEF Code" section
Financial reports, registration documents and universal registration documents	Company website, in the "Company – Investors – Financial reports" section
Statements on the number of voting rights and shares	Company website, in the "Company – Investors – Regulated notices" section
Documents relating to Annual General Meetings	Company website, in the "Company – Investors – Annual General Meeting" section
Financial press releases	Company website, in the "Company – Investors – Financial releases" section

To get the latest financial news about Soitec, you can subscribe to the Company's press releases at www.soitec.com/en/subscribe.

9.3 Declaration by the person responsible for the Universal Registration Document serving as the Annual Financial Report [(1)]

"I hereby declare that the information contained in this Universal Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I further declare that, to the best of my knowledge, the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and of all the companies included in the scope of consolidation, and that the management report (see the cross-reference table on page 353) presents a fair view of the business developments, results and financial position of the Company and of all the companies included in the scope of consolidation, and also describes the main risks and uncertainties to which they are exposed."

June 14, 2023

Pierre Barnabé

Chief Executive Officer

9.4 Persons responsible for financial information and Statutory Auditors

Person responsible for financial information

Léa Alzingre

Chief Financial Officer, member of the Executive Committee

Tel.: +33 (0)4 76 92 75 00

Principal Auditors

KPMG SA, represented by Laurent Genin and Rémi Vini-Dunand

Tour EQHO, 2, avenue Gambetta, Paris La Défense, 92066 Courbevoie Cedex

- Date of first appointment: July 25, 2016.
- Date of expiration of term of office: Annual General Meeting to be called to approve the financial statements for the year ending March 31, 2028.

Ernst & Young Audit, represented by Benjamin Malherbe and Jacques Pierres

1-2, place des Saisons, Paris La Défense, 92400 Courbevoie Cedex

- Date of first appointment: July 25, 2016.
- Date of expiration of term of office: Annual General Meeting to be called to approve the financial statements for the year ending March 31, 2028.

Furthermore, it is specified that the terms of Salustro Reydel and Auditex, alternate Statutory Auditors, expired at the close of the Annual General Meeting of July 26, 2022. In accordance with law no. 2016-1691 of December 9, 2016, the terms of office of the alternate Statutory Auditors were not renewed.

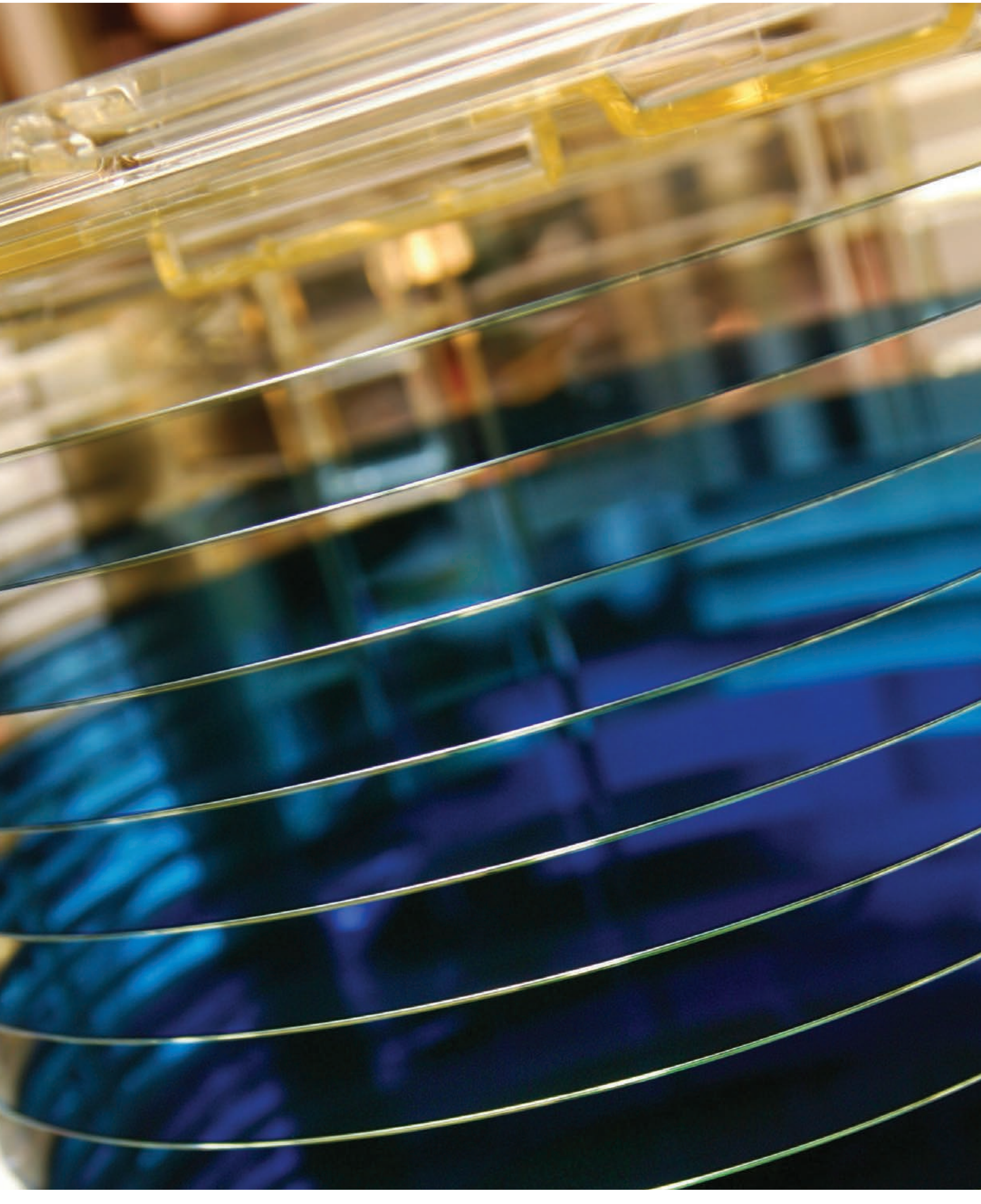
(1) *In accordance with the template provided in Appendix 1 of AMF Instruction – DOC-2019-21 – Procedures for filing and publishing prospectuses.*

9.5 Statutory Auditors' fees

Fees paid to the Statutory Auditors and the members of their networks by the Company and its subsidiaries.

For the fiscal years ended March 31, 2022 and March 31, 2023, the fees break down as follows:

	2022-2023				2021-2022			
	KPMG Audit		Ernst & Young Audit		KPMG Audit		Ernst & Young Audit	
	Amount (VAT excluded) *(in € thousands)*	%	Amount (VAT excluded) *(in € thousands)*	%	Amount (VAT excluded) *(in € thousands)*	%	Amount (VAT excluded) *(in € thousands)*	%
Statutory audit, certification and review of the individual and consolidated financial statements								
› Issuer	182	58%	219	76%	168	31.62%	212	39.90%
› Fully consolidated subsidiaries	123	39%	14	5%	119	22.40%	13.6	2.56%
Other work and services directly related to the statutory audit engagement								
› Issuer	11	3%	54	19%	10.8	2.03%	54.8	9.48%
› Fully consolidated subsidiaries	-	0%	-	0%	-	0%	-	0%
Subtotal	**316**	**100%**	**287**	**100%**	**297.8**	**100%**	**280.4**	**100%**
Other services provided by the networks to the fully consolidated subsidiaries								
Legal, tax, employment	-	0%	-	0%	-	0%	-	0%
Other (specify if > 10% of audit fees)	-	0%	-	0%	-	0%	-	0%
Subtotal	**-**	**0%**	**-**	**0%**	**-**	**0%**	**-**	**0%**
TOTAL	**316**	**100%**	**287**	**100%**	**297.8**	**100%**	**280.4**	**100%**



CROSS-REFERENCE TABLES

Cross-reference table for the headings in Annexes 1 and 2 of Delegated Regulation (EU) 2019/980

The cross-reference table below helps to identify, within this Universal Registration Document, the information referred to in the headings of Annex 1 and Annex 2 of Commission Delegated Regulation (EU) 2019/980 of March 14, 2019, supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council dated June 14, 2017, and repealing Annex I of Commission Regulation (EC) 809/2004. It gives reference to the sections and pages of this Universal Registration Document where information relating to each of these headings can be found.

No.	Headings of Annex 1 of European Regulation 2019/980	Section	Pages
15.	**Employees**		
15.1	Number of employees	3.8.1	81
15.2	Shareholding and stock options	7.1.7	277
15.3	Arrangements for involving the employees in the capital of the issuer	3.6.2.2, 7.1.7, 7.2.4.1	74, 277, 280
16.	**Major shareholders**		
16.1	Shareholders with more than 5% of the share capital or voting rights	7.1.1	272
16.2	Existence of different types of voting rights	7.1.5.2	276
16.3	Control of the issuer	7.1.6.2	277
16.4	Arrangements which may result in a change of control	7.1.6.3	277
17.	**Related-party transactions**	**6.2.1.2 (note 8.3)**	**239**
18.	**Financial information concerning the issuer's assets and liabilities, financial position and profits and losses**		
18.1	Historical financial information		
18.1.1	*Audited historical financial information*	6.2, 6.3	187, 241
18.1.2	*Change of accounting reference date*	N/A	N/A
18.1.3	*Accounting standards*	6.2.1.2 (note 3)	194
18.1.4	*Change of accounting framework*	N/A	N/A
18.1.5	*Financial information audited according to national accounting standards*	6.2, 6.3	187, 241
18.1.6	*Consolidated financial statements*	6.2	187
18.1.7	*Age of financial information*	March 31, 2023	N/A
18.2	Interim and other financial information		
	Quarterly or half-year financial information published since the date of the last audited financial statements	N/A	N/A
	Interim financial information from the first six months of the fiscal year after the end of the last audited fiscal year	N/A	N/A
18.3	Auditing of historical annual financial information		
18.3.1	*Audit report*	6.2.2, 6.3.2	238, 265
18.3.2	*Other information in the Universal Registration Document that has been audited by the Statutory Auditors*	3.11, 8.5	103, 334
18.3.3	*Indication of the source of the financial information contained in the Universal Registration Document that is not extracted from the issuer's audited financial statements and statement that said information is not audited*	N/A	N/A
18.4	Pro forma financial information	N/A	N/A
18.5	Dividend policy	7.1.4	276
18.5.1	*Description of the policy on dividend distributions*	7.1.4	276
18.5.2	*Dividend amount*	6.11 (note 6), 7.1.4	211, 276
18.6	Legal and arbitration proceedings	2.4.2	54
18.7	Significant change in the issuer's financial position	N/A	N/A

No.	Headings of Annex 1 of European Regulation 2019/980	Section	Pages
19.	**Additional information**		
19.1	Share capital		
19.1.1	*Amount of issued capital*	7.2.1.1	278
19.1.2	*Shares not representing capital*	7.2.1.1	278
19.1.3	*Shares held by or on behalf of the issuer itself, or by subsidiaries of the issuer (number, book value and face value)*	7.2.2	278
19.1.4	*Amount of any convertible securities, exchangeable securities or securities with warrants, and an indication of the conditions governing and the procedures for conversion, exchange or subscription*	7.2.4	280
19.1.5	*Information about and terms of any acquisition rights and/or obligations over authorized but unissued capital, or an undertaking to increase the capital*	7.2.4	280
19.1.6	*Information about any capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option*	7.2.6	291
19.1.7	*History of the share capital*	7.2.7	292
19.2	Articles of incorporation and by-laws		
19.2.1	*Brief description of the issuer's objects and purposes and where they can be found in the articles of incorporation and by-laws*	9.1	348
19.2.2	*Description of the rights, preferences and restrictions attached to each class of shares*	9.1	348
19.2.3	*A brief description of any provisions which could delay, defer or prevent a change in control of the issuer*	N/A	N/A
20.	**Material contracts**	**8.3**	**330**
21.	**Documents available**	**9.2**	**349**

No.	Headings of Annex 2 of European Regulation 2019/980	Section	Pages
1.	Disclosures requirements	Cross-reference table above	
2.	Filing with the competent authority	AMF insert page	1

Cross-reference table for the Annual Financial Report

The cross-reference table below helps to identify, within this Universal Registration Document, the information that makes up the Annual Financial Report in accordance with Article L. 451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and Article 222-3 of the General Regulations of the French financial markets authority (*Autorité des marchés financiers* – AMF).

	Section	Pages
1. Management report	**See details in the management report cross-reference table**	
2. Consolidated financial statements	**6.2**	**187**
3. Annual financial statements	**6.3**	**241**
4. Statutory Auditors' reports on the consolidated and annual financial statements		
› on the consolidated financial statements	6.2.2	238
› on the annual financial statements	6.3.2	265
5. Statutory Auditors' fees	**9.5**	**350**
6. Statement by the persons responsible for the Annual Financial Report	**9.3**	**349**

Cross-reference table for the management report

The cross-reference table below helps to identify, within this Universal Registration Document, the information that makes up the Board of Directors' management report to the Annual General Meeting required under the provisions of the French Commercial Code (*Code de commerce*) applicable to joint-stock corporations (*sociétés anonymes*) with a Board of Directors and to companies whose securities are admitted to trading on a regulated market or on a multilateral trading facility.

The management report was approved by the Board of Directors of the Company on June 7, 2023, and presents a review of the below-mentioned items, in accordance with the applicable legal and regulatory provisions.

Applicable provisions		Information	Section	Pages
I. POSITION AND BUSINESS OF THE COMPANY AND THE GROUP				
French Commercial Code	L. 225-100-1 I, 1° L. 232-1 II L. 233-26	Position of the Company and of the Group during the past fiscal year and objective, complete analysis of developments in the business, results and financial position of the Company and of the Group, particularly its debt position, considering the volume and complexity of its business	5.1	170
French Commercial Code	L. 225-100-1 I, 2°	Key financial performance indicators	5.1.1	170
French Commercial Code	L. 225-100-1 I, 2°	Key non-financial performance indicators relating to the specific activity of the Company and of the Group, including information relating to environmental and employee matters	3.2, 3.5, 3.6, 3.7, 3.8	59, 66 , 72, 77, 81
French Commercial Code	L. 232-1 II L. 233-26	Foreseeable developments in the position of the Company and of the Group and future prospects	5.3	180
French Commercial Code	L. 233-13	Identity of main shareholders and holders of voting rights at Annual General Meetings, and changes during the fiscal year	7.1.1, 7.1.2	272, 274
French Commercial Code	L. 232-1 II L. 233-26	Material events between the end of the fiscal year and the date on which the management report is prepared	5.2	179
French Commercial Code	L. 232-1 II	Branches	N/A	N/A
French Commercial Code	L. 233-6, paragraph 1	Acquisitions of material holdings in companies having their registered office in France	N/A	N/A
French Commercial Code	L. 233-29 L. 233-30 R. 233-19	Disposals of cross-holdings	N/A	N/A
French Commercial Code	L. 232-1 II L. 233-26	Research and development activities of the Company and the Group	5.4.2	181
French Commercial Code	R. 225-102	Table showing the Company's financial results for each of the last five fiscal years	6.4.1	268
French Commercial Code	L. 441-14 D. 441-6	Information relating to supplier and customer payment terms	5.4.7	182
French Monetary and Financial Code	L. 511-6 R. 511-2-1-3	Amount of inter-company loans granted and statement by the Statutory Auditor	N/A	N/A
French Commercial Code	L. 233-6, paragraph 2	Business and results of the Company as a whole, of its subsidiaries and of companies under its control by industry sector	5.1, 5.4	170, 180
II. INTERNAL CONTROL AND RISK MANAGEMENT				
French Commercial Code	L. 225-100-1 I, 3°	Description of the main risks and uncertainties faced by the Company and the Group	2.1	34
French Commercial Code	L. 22-10-35, 1°	Information on the financial risks linked to the effects of climate change and presentation of the measures the Company is taking to reduce them by implementing a low-carbon strategy in all areas of its activity	2.1.2, 3.2.2, 3.2.3, 3.3, 3.5.2, 3.7.2.3, 3.9	34, 60, 61, 64, 65, 67, 79, 92
French Commercial Code	L. 22-10-35, 2°	Main characteristics of the internal control and risk management procedures implemented by the Company relating to the preparation and processing of accounting and financial information	2.2	47

Applicable provisions		Information	Section	Pages
French Commercial Code	L. 225-100-1 I, 4°	Information on the objectives and policies regarding the hedging of each major category of transactions and on the exposure to price, credit, liquidity and cash flow risks, including the use of financial instruments	2.3, 6.2.1.2 (note 8.4)	53, 231
Law no. 2016-1691 of December 9, 2016 ("Sapin II")		Anti-corruption system	3.7.1, 3.9.2	77, 94
French Commercial Code	L. 225-102-4	Duty of care plan and report on its implementation	N/A	N/A
III. SHAREHOLDING STRUCTURE AND SHARE CAPITAL				
French Commercial Code	L. 233-13	Structure, changes in the Company's share capital and threshold crossings	7.1.1, 7.1.2, 7.1.6.1	272, 274, 276
French Commercial Code	L. 225-211	Acquisition and disposal by the Company of its own shares	7.2.2	278
French Commercial Code	L. 225-102	Employee shareholding on the last day of the fiscal year (proportion of capital represented)	7.1.1, 7.1.2	272, 274
French Commercial Code	R. 228-90 R. 228-91	Information on potential adjustments made for securities giving access to the share capital in the event of share buybacks or of financial transactions	N/A	N/A
AMF General Regulations French Monetary and Financial Code	L. 621-18-2	Information on transactions in the Company's securities by senior executives and related persons	4.1.1	108
French Tax Code (*Code général des impôts*)	243 *bis*	Amount of dividends distributed for the last three fiscal years	7.1.4, 8.2.2	276, 298
IV. ADDITIONAL INFORMATION REQUIRED FOR THE PREPARATION OF THE MANAGEMENT REPORT				
French Tax Code	223 *quater* 223 *quinquies*	Additional tax information	5.4.6	182
French Commercial Code	L. 464-2 I, paragraph 10 amended by Order no. 2021-649 of May 26, 2021	Injunctions or financial sanctions imposed for anti-competitive practices	N/A	N/A
V. STATEMENT OF NON-FINANCIAL PERFORMANCE AND DUTY OF CARE PLAN				
French Commercial Code	L. 225-102-1 L. 22-10-36 R. 225-105	Business model	3.1	58
French Commercial Code	L. 225-102-1 L. 22-10-36 R. 225-105 I, 1°	Description of the main risks relating to the activity of the Company or of the Group, including – if relevant and proportionate – the risks created by its business relationships, products or services	2.1	34
French Commercial Code	L. 225-102-1 III L. 22-10-36 R. 225-104 R. 225-105 I, 2°	Information on how the Company takes into account the social and environmental consequences of its business and the impacts of its business regarding respect for human rights and the prevention of corruption and tax evasion (description of the policies implemented to prevent, identify and mitigate the main risks relating to the activity of the Company or of the Group)	3.2, 3.5, 3.6, 3.7	59, 66, 72, 77
French Commercial Code	L. 225-102-1 L. 22-10-36 R. 225-105 I, 3°	Outcomes of the policies applied by the Company or the Group, including the key performance indicators	3.8	81
French Commercial Code	L. 225-102-1 L. 22-10-36 R. 225-105 II, A, 1°	Social information (employment, health and safety, employee relations, training, equal treatment)	3.6 and 3.8.1	72, 81

Applicable provisions		Information	Section	Pages
French Commercial Code	R. 225-105-1 I	Presentation of data for the fiscal year ended and, where applicable, for the prior fiscal year, in order to enable comparisons to be made between said data, where appropriate, with cross-references to amounts shown in the annual financial statements, the consolidated financial statements, the management report and the Group management report	3.8	81
French Commercial Code	R. 225-105-1 II	If the Company voluntarily complies with national or international social or environmental guidelines, a statement indicating which of the guidelines' recommendations have been adopted and how the guidelines can be consulted	3.2.4	62
French Commercial Code	L. 225-102-1 L. 22-10-36 R. 225-105 II, A, 2°	Environmental information (general environmental policy, pollution, circular economy, climate change)	3.2, 3.5, 3.6, 3.8.2	59, 66, 72, 87
French Commercial Code	L. 225-102-1 L. 22-10-36 R. 225-105 II, A, 3°	Societal information (societal commitments in favor of sustainable development, subcontracting, fair practices)	3.8.3	91
French Commercial Code	L. 225-102-1 L. 22-10-36 R. 225-105 II, B, 1°	Information on anti-corruption	3.7.1	77
French Commercial Code	L. 225-102-1 L. 22-10-36 R. 225-105 II, B, 2°	Information on actions in favor of human rights	3.7	77
French Commercial Code	L. 225-102-1 III L. 22-10-36 R. 225-105	Collective agreements entered into by the Company, its subsidiaries and its controlled companies, and their impact on the economic performance of the Company, its subsidiaries and its controlled companies, as well as working conditions for employees	3.8.1 and 3.10.1.1	81, 98
French Commercial Code	L. 225-102-2	Specific information on SEVESO facilities	N/A	N/A
French Commercial Code	L. 225-102-1 V L. 22-10-36 R. 225-105-2	Report by the independent third party on the Statement of Non-Financial Performance	3.11	103
Regulation (EU) 2020/852 of June 18, 2020 (the "Taxonomy Regulation"), supplemented by Delegated Regulation (EU) 2021/2178 of July 6, 2021 (amended by Delegated Regulation (EU) 2022/1214 of March 9, 2022, applicable from January 1, 2023)		Information required by Regulation (EU) 2020/852 of June 18, 2020 (the "Taxonomy Regulation"), supplemented by Delegated Regulation (EU) 2021/2178 of July 6, 2021 (amended by Delegated Regulation (EU) 2022/1214 of March 9, 2022, applicable from January 1, 2023)	3.9	92
VI. APPENDICES TO THE MANAGEMENT REPORT				
French Commercial Code	R. 225-102	Table showing the Company's financial results for the last five fiscal years	6.4.1	268

Cross-reference table for the corporate governance report

The cross-reference table below helps to identify, within this Universal Registration Document, the information that makes up the Board of Directors' corporate governance report required in accordance with Article L. 225-37 of the French Commercial Code.

The corporate governance report was approved by the Board of Directors of the Company on June 7, 2023, and presents a review of the below-mentioned items, in accordance with the applicable legal and regulatory provisions.

The Statutory Auditors' report on the Board of Directors' corporate governance report is included in their report on the annual financial statements.

Applicable provisions		Information	Section	Pages
French Commercial Code	L. 22-10-8 I, paragraph 2	Information on the compensation policy for corporate officers for fiscal year 2023-2024	4.2.1, 4.2.4	140, 161
French Commercial Code	L. 22-10-9 I, 1°	Total compensation and benefits of any kind paid during fiscal year 2022-2023 or granted in respect of their term of office for fiscal year 2022-2023 to each corporate officer of the Company	4.2.2, 4.2.3	142
French Commercial Code	L. 22-10-9 I, 2°	Relative proportion of corporate officers' fixed and variable compensation	4.2.4	161
French Commercial Code	L. 22-10-9 I, 3°	Use of the option to request repayment of variable compensation from corporate officers	4.2.4.3 B.	181
French Commercial Code	L. 22-10-9 I, 4°	Commitments of all kind made by the Company to its corporate officers, corresponding to components of compensation, indemnities, or benefits due or likely to be due for the take-up, termination or change in their duties, or subsequent to exercising such duties, particularly retirement benefits and other life annuity benefits	4.2.2, 4.2.3	142
French Commercial Code	L. 22-10-9 I, 5°	Compensation paid or granted to corporate officers by a company included in the scope of consolidation within the meaning of Article L. 233-16 of the French Commercial Code	4.2.4.1 C., 4.2.4.2 D., 4.2.4.3 A.	180, 181, 181
French Commercial Code	L. 22-10-9 I, 6°	Ratios between the compensation of each corporate officer (the Chairman of the Board of Directors, the Chief Executive Officer and each Deputy Chief Executive Officer) and the average and median compensation of Company employees	4.2.2.3	151
French Commercial Code	L. 22-10-9 I, 7°	Annual change in compensation, Company performance, average compensation based on full-time equivalent for Company employees other than senior executives, and ratios during the five most recent fiscal years	4.2.2.3 D.	152
French Commercial Code	L. 22-10-9 I, 8°	Description of the way in which the total compensation complies with the adopted compensation policy, including the way in which it contributes to the Company's long-term performance, and the way in which the performance criteria have been applied	4.2.2, 4.2.3	142
French Commercial Code	L. 22-10-9 I, 9°	Information on how the vote of the most recent Ordinary General Meeting required under Article L. 22-10-34, I of the French Commercial Code has been taken into account	4.2.2, 4.2.3	142
French Commercial Code	L. 22-10-9 I, 10°	Disparity between the procedure for implementing the compensation policy and any exemption applied in accordance with the second paragraph of Article L. 22-10-8, III of the French Commercial Code, including a description of any exceptional circumstances and an indication of the specific components that do not apply	4.2.1.3	141
French Commercial Code	L. 22-10-9 I, 11°	Enforcement of the provisions of the second paragraph of Article L. 225-45 of the French Commercial Code	N/A	N/A
French Commercial Code	L. 225-197-1 II L. 22-10-59	Allocation and holding of free shares to the Chairman of the Board of Directors and the Chief Executive Officer	4.2.2.1 C., 4.2.3, 4.2.4	146, 157, 161
French Commercial Code	L. 225-185	Allocation and retention of options by corporate officers	N/A	N/A

Applicable provisions		Information	Section	Pages
French Commercial Code	L. 225-37-4, 1° L. 22-10-10	List of all corporate offices and duties performed within any company by each corporate officer during fiscal year 2020-2021	4.1.1	108
French Commercial Code	L. 225-37-4, 2° L. 22-10-10	Agreements entered into between one of the corporate officers or a significant shareholder of the Company and a subsidiary of the Company	8.4.2, 8.4.3	331
French Commercial Code	L. 225-37-4, 3° L. 22-10-10	Summary table of financial authorizations currently in force granted by the Annual General Meeting	7.2.5.1	288
French Commercial Code	L. 225-37-4, 4° L. 22-10-10	Executive Management procedures	4.1.3	138
French Commercial Code	L. 22-10-10, 1°	Composition, preparation and organization of the work of the Board	4.1.1, 4.1.2	108
French Commercial Code	L. 22-10-10 R. 225-104	Application of the principle of gender balance within the Board of Directors	4.1.1 B. 4	130
French Commercial Code	L. 22-10-10, 3°	Limits potentially imposed by the Board of Directors on the powers of the Chief Executive Officer	4.1.3.3	138
French Commercial Code	L. 22-10-10, 4°	Reference to a corporate governance code and application of the principle of "comply or explain"	4.1	108
French Commercial Code	L. 22-10-10, 5°	Specific conditions for shareholder participation in the Annual General Meeting	8.6	342
French Commercial Code	L. 22-10-10, 6° L. 22-10-12	Procedure for reviewing agreements entered into in the ordinary course of business and its implementation	8.4.1	331
French Commercial Code	L. 22-10-11	Factors likely to have an impact in the event of a public offering	7.1.8	277
French Commercial Code	L. 22-10-71	Statutory Auditors' report on the Board of Directors' corporate governance report	Included in the report on the annual financial statements presented in section 6.3.2 (page 265)	

Documents for the Annual General Meeting

The documents and information required by Article R. 225-88 of the French Commercial Code (other than those listed above), as well as any additional information required in preparation for the Annual General Meeting of July 25, 2023, included in this Universal Registration Document, are listed below.

The other documents required by Article R. 225-88 of the French Commercial Code are included in the convening notice sent by mail or electronically to registered shareholders. These documents, as well as this Universal Registration Document, are available on the Company's website (www.soitec.com), in the "Company – Investors – Annual General Meeting – 2023 – AGM July 25, 2023" section.

Information	Section	Pages
› Group management report	See details in the management report cross-reference table	
› Special report on stock option transactions for fiscal year 2022-2023	7.2.5.2	290
› Special report on free share transactions for fiscal year 2022-2023	7.2.5.3	291
› Volume of transactions and change in share price	7.1.3.3	275
› Volume of transactions and change in value of OCEANE convertible bonds	N/A	N/A
› Proposal for appropriating net profit for fiscal year 2022-2023	5.4.5 and 8.2.2 (3rd resolution)	182, 298
› Description of the Company's share buyback program that will be submitted to the vote of the Annual General Meeting of July 25, 2023	7.2.3, 8.2.2.	279, 298
› Text of the resolutions submitted to the Annual General Meeting of July 25, 2023	8.2	298
› Board of Directors' report to the Annual General Meeting of July 25, 2023	8.2	298
› Statutory Auditors' special report on related-party agreements and commitments	8.5.1	334

Please note that for any proxy granted by one of the shareholders without stating the proxy holder, the Chair of the Annual General Meeting shall vote in favor of adopting the draft resolutions presented or approved by the Board of Directors, and vote against adopting any other draft resolutions. To cast any other vote, the shareholder must select a proxy who agrees to vote in the manner specified by the shareholder.

No electronic vote (by videoconference or any other means of telecommunication) or remote transmission will be set up for this Annual General Meeting. As a consequence, no website as mentioned in Article R. 225-61 of the French Commercial Code will be set up to this effect.

GLOSSARY

Key words in electronics

Compound products

Unlike silicon (which is made from a single element), compound semiconductors are semiconductors made from several elements. They combine elements from groups 3 and 5 or groups 2 and 6 of the periodic table. GaN (gallium nitride), GaAs (gallium arsenide), InP (indium phosphide), ZnSe (zinc selenide), SiC (silicon carbide), InGaN (indium gallium nitride), etc. are examples of compound semiconductor materials typically used for power devices, radio frequency and optical devices.

In recent years, InGaN has attracted attention as a material for blue LEDs and laser diodes, while SiC and GaN have been recognized and brought to market as power semiconductor materials.

Nanometer (nm)

One billionth of a meter.

Piezoelectric material

A material that changes shape upon application of an electric current and, inversely, produces an electric current when placed under mechanical stress. Natural piezoelectric materials such as lithium tantalate and lithium niobate are used in the production of filters using acoustic waves generated by the piezoelectric effect.

Transistor

A transistor is a semiconductor device with three active electrodes, which can control a current. They are found in high numbers in processors (smartphones, computers, etc.).

Wafer

A semiconductor plate, slice or wafer used as a support for manufacturing microstructures. These microstructures are a major component in the manufacture of integrated circuits, transistors, power semiconductors, and electromechanical and acoustic microsystems.

Components

Application-specific integrated circuit (ASIC)

An integrated circuit (IC) includes all the functions required for a specific application on the same chip.

Bulk silicon

Bulk silicon in "basic" form (unlike advanced substrates such as SOI), whose semiconductor properties allowed for the creation of transistors and then integrated circuits ("chips").

Digital signal processor (DSP)

A microprocessor designed to run digital signal processing applications (screening, signal extraction, etc.) as quickly as possible.

Microcontroller unit (MCU)

An MCU is a small computer on a single integrated circuit (IC) chip, generally based on metal-oxide-semiconductor (MOS) transistors (field effect transistor, with a gate insulated by a layer of silicon oxide). An MCU contains one or more processor cores along with memory and programmable input.

Microelectromechanical systems (MEMS)

Ranging in size from a few microns to a few tens of nanometers, MEMS usually incorporate mechanical components coupled to electronic components, hence their name. They play on electromagnetic, thermal or fluidic phenomena.

Power management integrated circuit (PMIC)

A PMIC is used to control the flow and direction of electrical power. A PMIC can refer to any electrical circuit that is an individual power related function, but generally refers to integrated circuits (ICs) that incorporate more than one function, such as power conversions and power controls (e.g., voltage supervision and undervoltage protection).

Silicon-on-Insulator (SOI)

SOI is a semiconductor structure consisting of a layer of silicon (from a few dozen nm to a few µm thick) on a layer of insulator.

Substrate

A physical base, support or stand on which a circuit is printed or various components of a circuit or any other system are built.

Industrial applications

Epitaxy

A process whereby a semiconductor material layer is grown on a substrate, with the layer having the same crystalline orientation as the substrate.

Fabless

Fabless are companies that design and sell chips, but outsource their manufacture to foundries.

Foundries

Foundries are semiconductor companies that manufacture processed wafers according to their clients' designs.

Fully-Depleted Silicon-on-Insulator (FD-SOI)

FD-SOI is a type of Soitec substrate.

Gallium nitride (GaN)

GaN is a core compound material used to make various types of Soitec substrate.

Imager-SOI

Imager-SOI is a type of Soitec substrate.

Integrated device manufacturer (IDM)

IDMs are semiconductor companies that perform every step of the chip-making process themselves, from design to manufacture to sales.

Multisourcing

Practice of working with multiple suppliers.

Photonics-SOI

Photonics-SOI is a type of Soitec substrate.

Piezoelectric-on-Insulator (POI)

POI is a type of Soitec substrate.

Power-SOI

Power-SOI is a type of Soitec substrate.

Radio Frequency Silicon-on-Insulator (RF-SOI)

RF-SOI is a type of Soitec substrate.

Smart Cut™

Smart Cut™ technology combines light ion implantation and molecular adhesion bonding to transfer ultra-thin monocrystalline material layers from one substrate to another. It works like a scalpel at the atomic scale and makes it possible to position a perfect crystalline layer on any type of material. The application of this technological process is used mainly in Silicon-on-Insulator (SOI). The role of SOI is to electronically insulate a thin layer of monocrystalline silicon from the rest of the silicon plate. An ultra-thin silicon film is transferred to a mechanical support, following ionic implantation, which introduces an intermediary, insulator layer between the film and the support. Semiconductor manufacturers can then manufacture integrated circuits (ICs) on the upper layer of SOI wafers by using the same processes that they would use on raw silicon wafers.

Smart Stacking™

Soitec's Smart Stacking™ technology enables the transfer of thin layers of substrates or circuits to other substrates, in an efficient industrial environment. It opens up new prospects for 3D applications.

Supplier managed inventory (SMI)

Supplier-driven replenishment and planning process. With the SMI module, suppliers can view and manage inventory levels, shipping as required to maintain the expected inventory level at the customer site. SMI reduces the customer's responsibility to monitor inventory and contact the supplier.

Corporate social responsibility

Carbon Disclosure Project (CDP)

The CDP is a non-profit organization that works to drive greenhouse gas emissions reductions for companies and governments.

Carbon footprint

A carbon footprint measures the quantity of greenhouse gases emitted into (or captured by) the atmosphere over a year by the activities of an organization or country. The emissions of a given entity are ranked in predefined categories, enabling the areas where the carbon constraint is the greatest to be identified (source: Ademe).

The greenhouse gas emissions of the organization or product in question are divided into three scopes:

- Scope 1 covers direct greenhouse gas emissions, i.e., emissions directly related to the manufacture of the product.
- Scope 2 covers greenhouse gas emissions linked to the energy consumption required for the manufacture of the product.
- Scope 3 covers all other greenhouse gas emissions not directly related to the manufacture of the product but linked to other stages in the product lifecycle (supply, transport, usage, end of life, etc.).

Economic and social unit (ESU)

An ESU between multiple, separate companies is characterized by the establishment between the companies of an economic unit (joint management, complementary business activities) and a social unit (similar legal form and joint corporate management).

IATF 16949

IATF 16949 is a quality management standard in the automotive industry. It sets out procedures for the development and manufacture of automotive components.

ISO 9001

ISO 9001 sets out the criteria for a quality management system.

ISO 14001

ISO 14001 sets out the criteria for an environmental management system. It maps out a framework that a company or organization can follow to set up an effective environmental management system.

ISO 26000

ISO 26000 provides guidance on corporate social responsibility.

ISO 27001

ISO 27001 sets out the criteria for an information security management system.

ISO 45001

ISO 45001 sets out the criteria for an occupational health and safety management system in order to improve employee safety, reduce risks in the workplace, and create better and safer work conditions.

ISO 50001

ISO 50001 sets out the criteria for an energy management system. It maps out a framework that a company or organization can follow to set up an effective energy management system.

LGBTQIA+

Abbreviation used to refer to lesbian, gay, bisexual, trans, queer, intersex and asexual people (i.e., non-heterosexual, non-cisgender or non-binary people) and any other variant of gender identity, sexual characteristic or sexual orientation.

Preferred shares

A category of shares carrying rights and obligations distinct from ordinary shares.

Science-Based Targets initiative (SBTi)

The SBTi is a partnership between CDP, the United Nations Global Compact, the World Resources Institute (WRI) and the World Wildlife Fund (WWF). It provides companies with a path to follow in order to reduce their greenhouse gas emissions in line with the Paris Climate Agreement signed in November 2016.

Social and economic committee (SEC)

The SEC is a single employee representative body comprising the employer and an elected employee delegation, the number of members of which is determined based on the size of the company. Its responsibilities concern economic, environmental and corporate matters and the management of social and cultural activities (source: French Ministry of Labor, Employment and Economic Inclusion).

Financial

CAPEX

CAPEX refers to investments in intangible assets and property, plant and equipment. CAPEX is not a financial indicator defined by IFRS and may not be comparable to CAPEX as reported by other groups.

Cash-generating unit (CGU)

According to IFRS, a CGU is the smallest group of identifiable assets that generates independent cash flows. Assets are allocated to each of the CGUs. Impairment tests are performed on CGUs whenever there is an indication that their value has decreased, or every year if they include goodwill.

EBITDA

EBITDA represents operating income (EBIT) before depreciation, amortization, impairment of non-current assets, non-cash items relating to share-based payments, provisions for impairment of current assets and for contingencies and expenses, and disposal gains and losses. EBITDA is not a financial indicator defined by IFRS and may not be comparable to EBITDA as reported by other groups. It represents additional information and should not be considered as a substitute for operating income or net cash generated by operating activities.

Goodwill

The concept of goodwill corresponds to a financial valuation of the reputation, know-how and performances of a company, as well as its positioning and potential synergies.

IFRS standards

International Financial Reporting Standards (IFRS) are accounting standards that are defined by the International Accounting Standards Board (IASB) and applied internationally. The IFRS standards concern the summary documents (balance sheet, income statement and notes) published by companies but also, more generally, all published financial information.

Net debt

Net debt represents financial debt, less cash and cash equivalents.

OCEANE convertible bonds

Bonds that can be converted into new or existing shares. An OCEANE gives its holder the option of converting on given dates or at maturity. An OCEANE may also sometimes be converted when the issuer so wishes, depending on the terms of the issue agreement.

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