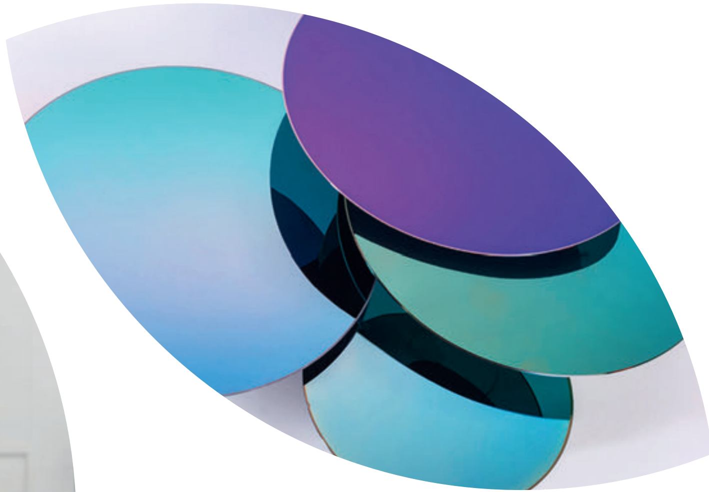
UNIVERSAL REGISTRATION DOCUMENT 2023-2024

Including the Annual Financial Report



soitec

UNIVERSAL REGISTRATION DOCUMENT 2023-2024

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AUTORITÉ DES MARCHÉS FINANCIERS

AMF

The Universal Registration Document in French was filed on June 5, 2024 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 2023-2024 Annual Financial Report of the Company 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).

A value creation strategy for sustainable growth

Resources

HUMAN RESOURCES

over **2,300** employees of more than **50** nationalities, with **35%** women

INNOVATION

over **4,100** active patents, including **377** filed in fiscal year 2023-2024. Soitec comes **25th** in INPI's 2023 ranking of patent filers, and is also the top-ranked mid-sized company

ECOSYSTEM BASED ON RELATIONSHIPS

over **10** co-development partnerships with research centers, universities, manufacturers and suppliers

PRODUCTION

7 production lines worldwide and **1** fab extension under construction

FINANCIAL STRENGTH

€1,495m in equity at March 31, 2024

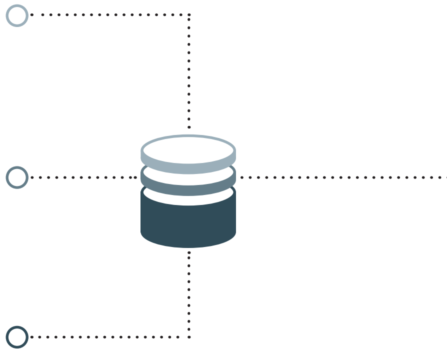
Expertise

Developing INNOVATIVE SEMI-CONDUCTOR MATERIALS to miniaturize chips, boost performance and reduce energy consumption

Thin active layer

Functional or insulating layer

Base wafer: easy-to-handle mechanical support that can incorporate additional functionalities (silicon or other materials)



For three end markets

MOBILE COMMUNICATIONS

AUTOMOTIVE & INDUSTRIAL

SMART DEVICES

CORPORATE PURPOSE

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

Soitec's corporate purpose, adopted in 2021, embodies our commitment to make our products the cornerstone of a more sustainable, more responsible future.

more performance

10x faster
5G powered by Soitec substrates is up to 10 times faster than 4G

2x faster charge time
SiC systems support 800V architectures, enabling faster charge times for electric vehicles vs. Si 400V systems

Enabling EDGE AI
FD-SOI substrates improve the efficiency of AI training and inference for smart devices

and more energy efficiency

-25% energy consumption
enabled by Soitec's latest generation of RF-SOI in 4G/5G smartphones vs. previous generation HR-SOI

>10% additional battery range
in EVs enabled by powertrains based on Soitec's SmartSiC™ substrates, vs. IGBT Si systems

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

Value creation

EMPLOYEE SHAREHOLDING STRUCTURE

100% of employees eligible for free performance share plans

PLANET

1,064 $ktCO_2eq.$ (+/- 35%) of GHG emissions avoided through energy savings generated by Soitec products in their end-use applications (FD-SOI, RF-SOI and Photonics-SOI)

32% reduction in water consumption per unit of production during fiscal year 2023-2024 compared with the 2020-2021 baseline

CUSTOMERS

14% of revenue invested in R&D (before capitalization)

LOCAL COMMUNITIES

237 young people under 26 hired across the Group in fiscal year 2023-2024

SHAREHOLDERS

€978m in revenue

34% EBITDA margin in fiscal 2023-2024

"Soitec has laid the foundations for its successful expansion into new compound semiconductor substrates."

Éric Meurice

Chair of the Board of Directors

When it comes to successfully presiding over the future of a company like Soitec – which must navigate the complexity of the semiconductor industry – strong, balanced and efficient governance is key. Strategic decisions must be carefully planned and implemented to build and maintain a long-term competitive advantage, prepare for future technological disruptions and constantly provide the microelectronics industry with the best solutions. Defining a strategy and monitoring its implementation lie at the very heart of the Board of Directors' work.

Soitec is proud of the ongoing improvements made to its corporate governance in recent years. During fiscal year 2023-2024, an independent external consultant carried out an in-depth evaluation of the Board of Directors and its conclusions were mainly positive. Since fiscal year 2020-2021, two-thirds of the Board of Directors has been renewed. As a result, its composition has been significantly strengthened by raising the level of independence, integrating two employee directors, and broadening the range of skills represented.

The diverse mix of profiles, skills and experience fuels rich and constructive discussions across the Board and its four Committees, whose work also received positive feedback. Soitec's recently created ESG Committee is a fine illustration of the importance that the directors attach to the Company's sustainable development, one of the pillars of its strategy in favor of a sustainable roadmap for the semiconductor industry.
To conclude, the Board of Directors supported the renewal of Soitec's Executive Management, with the appointment of Pierre Barnabé as Chief Executive Officer in 2022 to lead Soitec through the process of scaling up that is already underway. I am delighted to report that the relationship between the Board and the management team is working smoothly.

As I prepare to step down from my duties as Director and Chair of the Board of Directors at the close of the next Annual General Meeting scheduled for July 2024, and look back on the last six years, I am grateful and proud of these solid achievements. Christophe Gégout, who is currently Referent Director, will replace me for a transitional period. He has my full support and I am confident that he will work closely with Pierre Barnabé to ensure Soitec's continued success. In the meantime, I look forward to supporting Soitec in my new role as strategic advisor to the Chief Executive Officer for a one-year period.

This change comes as Soitec faces a period of transition. While absorbing surplus RF-SOI inventory has been ongoing since the start of fiscal year 2023-2024, it is taking longer than expected and temporarily slowing down our growth. However, the Board expects Soitec to resume its long-term growth trajectory as soon as the inventory surplus is absorbed. While preserving its leading position in SOI products, Soitec has already laid the foundations for its successful expansion into new compound semiconductor substrates such as POI and SmartSiC™ – which will play a key role in Soitec's future growth – and continues to develop new solutions to meet its customers' various technical challenges thanks to SmartCut™ technology.

Pierre Barnabé

Chief Executive Officer

"We maintain high profitability and an EBITDA margin of 34%."

How would you describe the performance achieved by Soitec in the past fiscal year?
Pierre Barnabé — After record performances over the past two years, fiscal year 2023-2024 marked a pause in our growth trajectory. This was mainly due to the weakening of the smartphone market and the considerable build-up of inventories across the supply chain since 2021, which affected sales of our flagship RF-SOI technology. The successful diversification of our product portfolio, achieved in just two years, has enabled us to reduce our dependence on RF-SOI, limiting the impact of this phenomenon. We are now a recognized player in the world of connected objects and automotive, as demonstrated by the commercial performance of POI and the penetration of FD-SOI and Power-SOI. The successes of Photonics, GaN and SmartSiC™ are very encouraging for the near future. The diversification of our customer base is also remarkable. In 2021-2022, 90% of our revenue was based on seven customers, compared with a dozen this year. In two years' time, this number will have grown to more than 25. Despite a 10% decline in sales, and whilst pursuing investments in innovation, we maintain high profitability and an EBITDA margin of 34%, allowing us to continue investing in R&D, our plants and our future.

How does sustainability fit into Soitec's strategy?
P. B. – As a major player in microelectronics, Soitec has been developing innovative technologies for more than 30 years, reconciling performance and energy efficiency. Our energy-efficient technologies help reduce the environmental footprint of electronic equipment. As head of a responsible and committed Group with a strong corporate culture, I wanted to make sustainability one of the pillars of our strategy. On the Board of Directors, the ESG Committee defines our approach to sustainable development and the milestones that will mark our progress. Among our main commitments is our climate plan, which aims to considerably reduce the carbon footprint of our industrial facilities by 2030. Another key commitment is to efficiently manage natural resources, especially water. Water is a rare and precious resource. Our objective is to reduce water consumption by 50% between 2020 and 2030, and to recycle 30% of water by fiscal year 2029-2030. Our main social challenge is to ensure a better gender balance among our employees. I firmly believe in the importance of a truly inclusive and diverse social policy. In short, sustainable development concerns everyone and must be a shared responsibility. I am particularly pleased that the recently launched process of defining our corporate values, to which most of our employees contributed, gave rise to four unifying, engaging and meaningful slogans: *We win as one team; We are responsible entrepreneurs; We innovate together with customers and partners; We care for people.*

Can you give us an update on Soitec's outlook?
P.B. – We are beginning to see the initial signs of improvement in RF-SOI inventory levels, although they will continue to impact the first half of fiscal year 2024-2025. We expect nonetheless to resume our growth rapidly, as soon as the inventory has been absorbed and thanks to our rich product portfolio. Our mid- and long-term outlook remains unaffected. Among the powerful growth drivers in years to come, we see ever-increasing 5G adoption, vehicle electrification, the rise of edge computing and artificial intelligence. We can also count on our industrial capabilities and unique portfolio of products to take full advantage of these trends. While we expect our SOI substrates to continue to meet the specific needs of our three end markets, we also anticipate that POI, SiC and GaN will gradually become new industry standards and constitute strong growth drivers.

Trends & opportunities

Digitalization and artificial intelligence along with 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)].

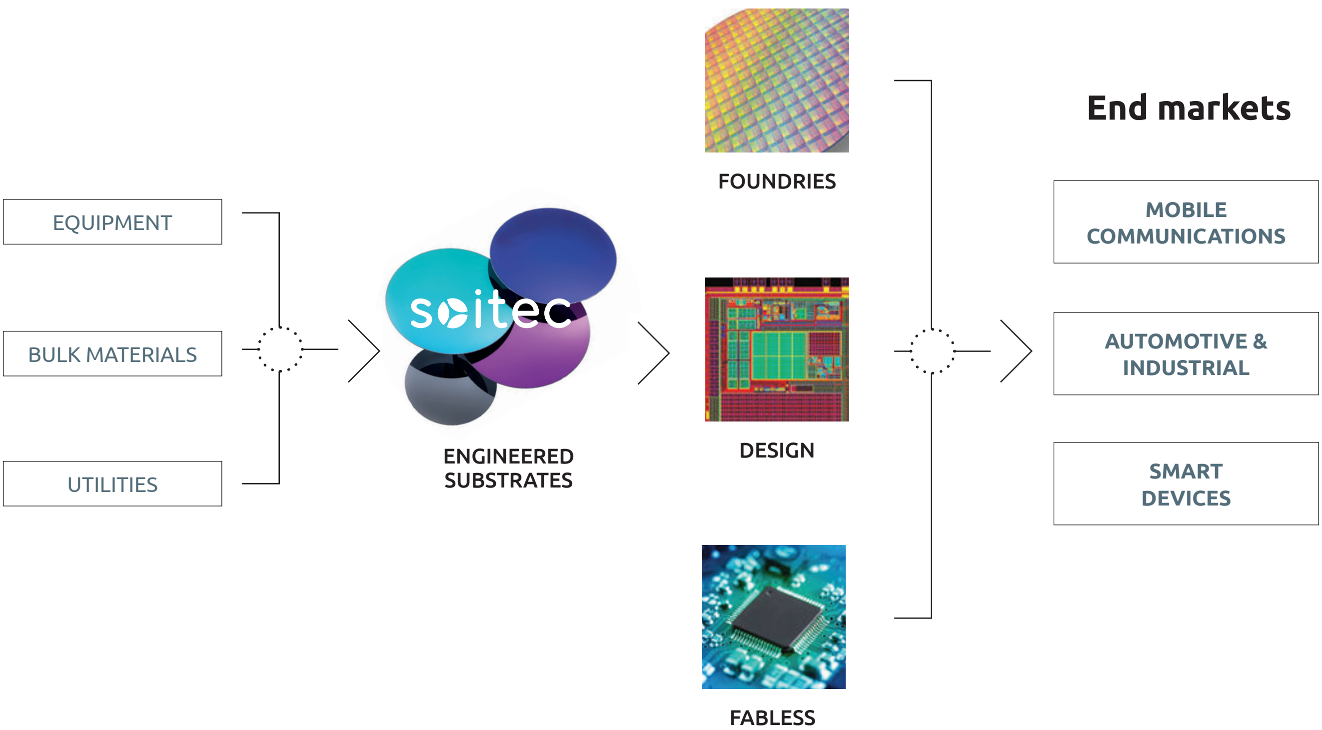
The fast-paced development of **AI**, driven by exponential data growth and computing capacity, is expected to **change the economy and transform our lives**.

ENVIRONMENTAL PROTECTION

Limiting the increase in global temperature to 1.5 degrees by 2050 means **tripling renewable energy capacity and doubling the pace of energy efficiency improvements by 2030**[(2)]. The use of increasingly energy-efficient technologies and **the adoption of electric vehicles**, where market share could grow from around 18% in 2023 to **50% by 2035**[(3)], will play a critical role in achieving this major objective.

SOITEC HAS A UNIQUE POSITION IN THE SEMICONDUCTOR VALUE CHAIN

Global semiconductor industry sales totaled $527 billion in 2023, according to the Semiconductor Industry Association's (SIA) annual industry review. This represents a decrease of 8% compared with 2022, mainly due to high inventory levels. The SIA anticipates a rebound to double-digit growth by 2024. In terms of the long-term outlook, the semiconductor market is expected to exceed US$1,000 billion by 2030.



(1) IDC, IDC FutureScape: Worldwide Digital Transformation 2021 Predictions: www.idc.com
(2) World Energy Outlook, IEA report 2023: www.iea.org
(3) Global EV Outlook 2024, IEA: www.iea.org

Addressing market demand through three divisions

MOBILE COMMUNICATIONS

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

This is Soitec's core market. While the smartphone market is now mature, the share of 5G-compatible models is growing steadily.

From 200 million units in 2020 to around 700 million units in 2023[(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

- CONNECT RF-SOI
- CONNECT FD-SOI
- CONNECT POI
- CONNECT SMARTGAN

AUTOMOTIVE & INDUSTRIAL

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

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

Cars will become a smartphone, a supercomputer and a power station all rolled into one. With a compound annual growth rate estimated to exceed 10% between 2020 and 2030, the automotive electronics segment is one of the fastest growing markets in the semiconductor industry[(3)], mainly driven by electrification and autonomous driving[(4)].

The share of electric vehicles is set to rise from 18% of global sales in 2023 to 50% by 2035[(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.

SOITEC PRODUCTS

- AUTO POWER-SOI
- AUTO FD-SOI
- AUTO SMARTSIC™
- AUTO SMARTGAN

SMART DEVICES

Smart devices, initially equipped with simple sensors and connectivity functionalities, are proliferating and evolving toward extremely complex, hyperconnected systems with embedded intelligence, such as smart robots. This trend is set to become even more pronounced in the future.

As we progress in the digital transformation, processing data as close to the object as possible, or even within the object itself in real-time – Edge AI – is becoming a fundamental objective. According to Grand View Research, the Edge AI market estimated at around US$15 billion in 2022 will swell to over US$65 billion by 2030[(6)].

In parallel, the cloud infrastructure powering the most advanced AI models is expanding at a sustained growth. It is notably supported by the development of photonics, which, by replacing electrical interconnections with optical interconnections, enables faster data transfers as close to the chip as possible, while also delivering a greater energy efficiency.

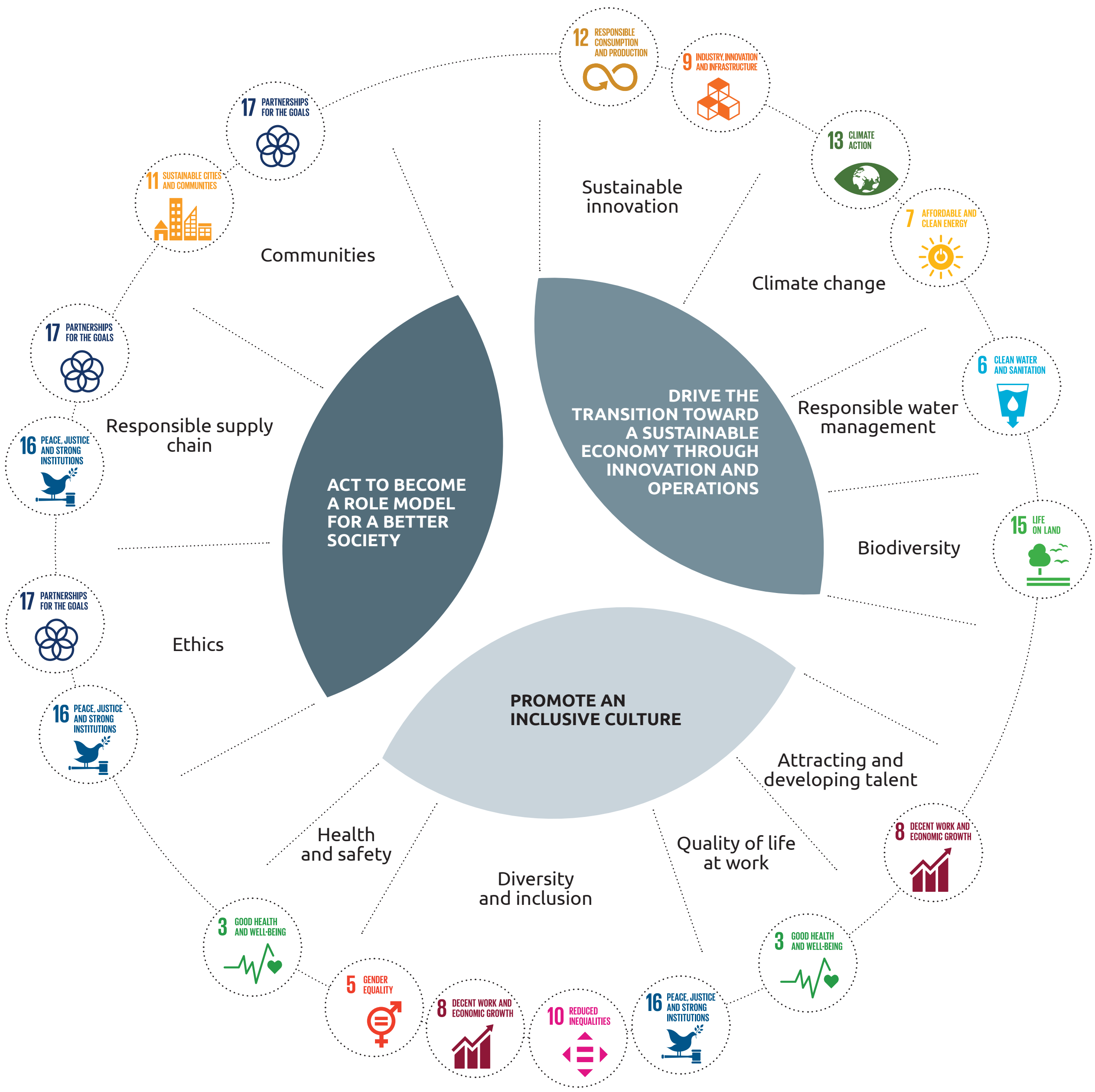
SOITEC PRODUCTS

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

(1) IDC, Soitec estimates.
(2) Yole, 5G impact on RF front-end module content, 2020.
(3) Deloitte, Semiconductor – The Next Wave: www2.deloitte.com
(4) Bain, Electric and Autonomous Vehicles – The Future is Now: www.bain.com
(5) Global EV Outlook 2024, IEA: www.iea.org
(6) Grand View Research, Edge AI Market Size, Share, Growth & Trends Report, 2030 : www.grandviewresearch.com

Sustainability Strategy

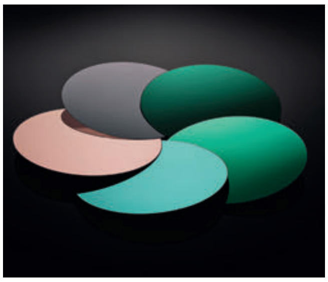
Soitec's sustainability policy is placed at the heart of its strategy. To set the course, we defined a roadmap for 2026, which was then extended to 2030 with longer-term objectives. The roadmap is based on three pillars and 11 concrete, measurable commitments, in line with the United Nations Sustainable Development Goals.



Non-financial performance and objectives

	2023-2024	2022-2023	OBJECTIVES
ENVIRONMENT			
GHG emissions avoided through energy savings generated by Soitec products in their end-use applications	**1,064 $ktCO_2eq.$ (+/- 35%) for 60% of 2023 revenue**	1,464 $ktCO_2eq.$ for 75% of 2022 revenue	Regularly measure the GHG emissions avoided through the energy savings generated by Soitec products in their end-use applications
Change in Scopes 1 and 2 emissions compared to the 2020 baseline	**+2.9%**	+20.8%	-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	**-13%**	-16%	-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	**-32.4%**	-30.5%	-50% between fiscal year 2020-2021 and fiscal year 2029-2030
HUMAN RESOURCES			
Workforce at March 31	**2,327**	2,157	-
Percentage of women in the Group's workforce	**34.6%**	35.3%	40% of women in the Group's workforce by fiscal year 2029-2030
Percentage of women on the Executive Committee	**36.4%**	27.3%	30% of 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	**83%**	72%	100% of employees by fiscal year 2025-2026
Percentage of strategic suppliers that have signed the Supplier Quality Policy	**90%**	100%	Maintain 100%

SIGNIFICANT EVENTS IN 2023-2024



LIFE CYCLE ANALYSES

Six Life Cycle Analyses (LCA) carried out on RF-SOI, FD-SOI, and Photonics-SOI products

WATER PRESERVATION

Commissioning of Europe's first water reuse plant

WOMEN@SOITEC

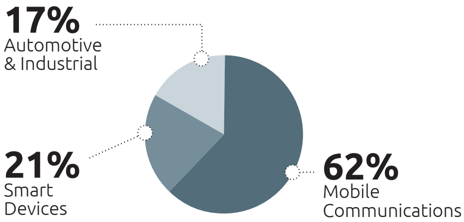
Launch of WomEn@Soitec, Soitec's first women's network

CLIMATE FRESK

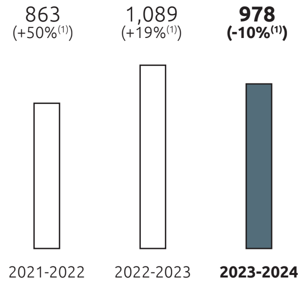
Climate Fresk training for over a hundred employees

Financial performance

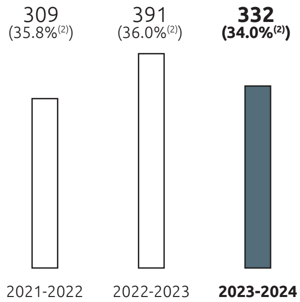
€978M
REVENUE
in fiscal year 2023-2024



Revenue
(in € millions)

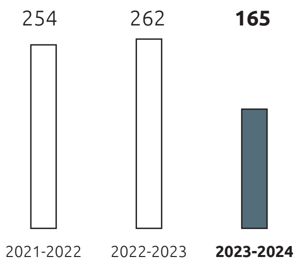


EBITDA (continuing operations)
(in € millions)

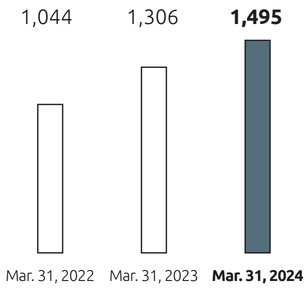


(1) Annual growth calculated at constant exchange rates.
(2) Proportion of turnover.

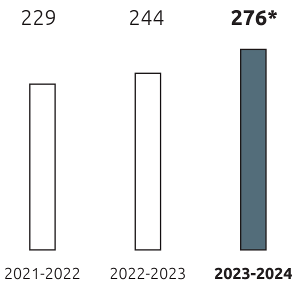
Cash flow generated by operating activities
(in € millions)



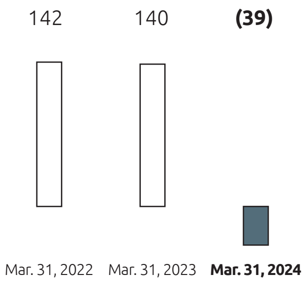
Equity
(in € millions)



CAPEX
(in € millions)



Net cash position
(in € millions)



* €225m net of finance leases.

Léa Alzingre

Chief Financial Officer

"Managing the seasonality of our business with agility and continuing to control costs will be key to increasing our EBITDA margin to around 35% over 2024-2025 while maintaining stable revenue."

Following a year of robust growth in 2022-2023, fiscal year 2023-2024 proved more challenging, with a 10% decline in revenue at constant exchange rates. The smartphone market slowed more sharply than initially expected, resulting in our customers finding themselves with high RF-SOI inventories. In contrast, we achieved strong growth for most of our other products, notably those dedicated to the automotive and filter (POI) markets. This underscores the soundness of our diversification strategy.

Despite the slowdown in our activity, we achieved very strong operating performance. Indeed, even while continuing to invest significantly in research and development, our EBITDA margin reached 34% through excellent industrial performance combined with strict cost control. Furthermore, to pave the way for future growth, we continued to invest in industrial capacity while remaining on an extremely sound financial footing.

Looking ahead, we anticipate our customers' RF-SOI inventory adjustments to continue in the first half of fiscal year 2024-2025. The diversification of our business, with new products such as the POI, and new end markets such as Smart Devices and Automotive & Industrial, notably thanks to ramped-up production of our SmartSiC™ products in the second half of 2024-2025, enables us to anticipate stable revenues in fiscal year 2024-2025 compared with 2023-2024, with significant seasonal effects between the first half and second half of the year. Managing our business with agility and continuing to control costs will be key to increasing our EBITDA margin to around 35%. The second half of the 2024-2025 fiscal year will be transitional, marking a return to growth in subsequent years.

We have every confidence in the value of our products and in growth drivers such as high 5G penetration, the shift toward vehicle electrification and the rise of artificial intelligence, as well as in our expanding product portfolio of SOI and compound semiconductor substrates. This profitable growth will also be responsible growth, reflecting Soitec's commitment to sustainability, and includes an ambitious action plan for our non-financial objectives.

Executive Committee

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 actions taken by all the reporting entities, and decides on action plans to be implemented.

Pierre Barnabé
Chief Executive Officer

Christophe Maleville
Senior Executive Vice President, Innovation, and Chief Technology Officer

Cyril Menon
Senior Executive Vice President, Operations Excellence & Quality and Chief Operations Officer

René Jonker
Smart Devices Division

Jean-Marc Le Meil
Mobile Communications Division

Emmanuel Sabonnadière
Automotive & Industrial Division

Yvon Pastol
Customer Group

36%
WOMEN

11
MEMBERS OF THE EXECUTIVE COMMITTEE

Léa Alzingre
Finance

Steve Babureck
Strategy & Investor Relations

Emmanuelle Bely
General Secretary and Secretary to the Board of Directors

Caroline Sasia
Communications & Chief of Staff to the Chief Executive Officer

Jeannette Schuh
Chief Human Resources Officer

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, the Referent Director and the two employee directors, as required by law. Of the 14 members, seven are independent and five are women (excluding the female employee director and as required by law).

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. Accordingly, the Board of Directors, acting on the recommendations of the Compensation and Nominations Committee and the ESG Committee, ensures for itself and its Committees the complementarity of skills and expertise, the promotion of gender balance, the maintenance of Board member independence at the demanding levels recommended in the AFEP-MEDEF Code, and seeks to ensure that its composition reflects as much as possible the Group's geographical reach and diverse nationalities.

14
BOARD MEMBERS including 2 employee directors

42%*
WOMEN

58%*
INDEPENDENT MEMBERS

FOUR SPECIALIZED COMMITTEES

STRATEGIC COMMITTEE

Composition:
14 members
Role: **defining and regularly reviewing Soitec's strategy**
Independence: **58%***

AUDIT AND RISKS COMMITTEE

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

COMPENSATION AND NOMINATIONS COMMITTEE

Composition:
7 members
Role: **making recommendations on compensation and Board members' and Committee members' successions**
Independence: **67%***

ESG COMMITTEE

Composition:
6 members
Role: **analyze and propose guidelines on environmental, social and governance matters**
Independence: **60%***

Éric Meurice
Chair of the Board of Directors *until the Annual General Meeting of July 23, 2024*

Pierre Barnabé
Chief Executive Officer
Non-independent director

Christophe Gégout
Referent Director
Chair of the Board of Directors from July 23, 2024

Wissème Allali
Employee director

Françoise Chombar
Independent director
Reappointment proposed at the Annual General Meeting

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

Didier Landru
Employee director

Maude Portigliatti
Independent director

Samuel Dalens
Permanent representative of Bpifrance Participations
Non-independent director

François Jacq
Permanent representative of CEA Investissement
Non-independent director

Kai Seikku
Non-independent director

Delphine Segura-Vaylet
Independent director

Satoshi Onishi
Non-independent director
Reappointment proposed at the Annual General Meeting

Shuo Zhang
Independent director
Reappointment proposed at the Annual General Meeting

Frédéric Lissalde
Appointment proposed at the Annual General Meeting

* Excluding the employee directors.

1

OVERVIEW OF SOITEC AND ITS BUSINESSES

1.1 About Soitec

Soitec was founded over 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 semiconductor industry. Soitec's products are found in virtually all of today's smartphones, and increasingly in the Automotive & Industrial, Smart Devices and Artificial Intelligence sectors. Applying advanced materials engineering expertise, the Group has developed processes for transferring very fine layers of material onto any other material, without altering its crystallographic properties. The resulting multi-layer substrates enhance the capabilities and performance of its customers' integrated circuits (ICs). The proprietary Smart Cut™[(1)] technology is the best-known technology in Soitec's portfolio, and most of the Group'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 absolute control of thickness uniformity for the various layers at the atomic mesh. The Group's know-how extends from silicon to compound materials. Soitec has 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 its customers.

Soitec produces these innovative substrates at manufacturing units equipped with technologies at the cutting edge of quality control and productivity. The Group sells its engineered substrates to semiconductor foundries and integrated device manufacturers worldwide for them to develop the most cutting-edge products. Customers use the engineered substrates that Soitec develops and makes in order to manufacture electronic chips for applications including mobile telecommunications (smartphones, 5G infrastructure), automotive and industrial applications, and smart devices. With a presence across the globe, the Group is one of the world's leading producers of Silicon-on-Insulator (SOI) wafers. The product portfolio also includes semiconductor based substrates such as gallium nitride (GaN) and silicon carbide (SiC), on which Soitec applies its Smart Cut™ technology to improve their performance and make their production more efficient, as well as Piezoelectric-on-Insulator (POI) substrates. Soitec's innovation and products are backed by a total commitment toward a fairer and more sustainable world. Consequently, the Group's ESG strategy and corporate culture are central to its operations. The ESG 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

1.2 Markets

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

We operate in an increasingly digitalized world and data has become the focus of attention.

This trend is continuing to gain momentum, with the proliferation of increasingly smart and more autonomous objects powered by high artificial intelligence content. Such objects are key features of the current applications that we use every day, including self-driving cars and augmented and virtual reality glasses as well as technologies for industry, that will continue to grow. In the second half of the decade, design tools (in the broadest sense) will reach a new milestone, with the arrival of digital twin modeling and emulation technologies.

The development of a multitude of artificial intelligence (AI) applications using machine learning (ML), including the recent rise of "generative AI" functionalities, is continuing to fuel the increased exchange of data between individual users and machines. Artificial intelligence has already begun to transform our daily lives, from content creation to virtual assistants, climate research, smart mobility, and health and life sciences. The artificial intelligence revolution we are experiencing begins at the hardware level, with:

- cloud Infrastructure: "hyperscaler" data centers and company servers powered by AI catalysts that run large models for highly complex tasks;
- EdgeAI embedded intelligence devices: embedded AI chips that run optimized AI models at low power for tasks of lower complexity.

We are witnessing an exponential growth in the inputs processed by "Large Language Models", leading to revolutionary AI applications. Regarding Cloud AI, this growth in computing power capacity is set to continue, creating a fundamental challenge: the urgent need to reduce energy consumption with new data center infrastructures. Regarding EdgeAI, delivering more embedded intelligence will deliver better performance through reduced latency, improved power consumption, enhanced user experience and increased privacy.

The penetration of artificial intelligence in Soitec's markets continues to grow.

With smartphones, EdgeAI capabilities will enable new uses that could trigger the next smartphone renewal cycle:

- advanced computational photography;
- smartphone games with PC-like performance;
- an augmented reality virtual companion;
- real-time language translation;
- text and image generation directly on the device.

As for the automotive sector, artificial intelligence could transform the car beyond autonomous driving:

- enhanced on-board experience, as it increasingly becomes a connected hub with in-cabin detection and computation;
- increased safety thanks to driver monitoring systems.

In addition, the development of EdgeAI functionalities with smarter sensors and increasing in-vehicle computing capabilities enables:

- better smartphones, with new features such as noise recognition, air quality management, facial authentication, etc.;
- optimized smart devices, with voice recognition, touch and proximity sensors, noise cancellation and health monitoring capabilities;
- laptops with longer battery life, speech translation and voice recognition capabilities, and eye gaze detection for improved privacy.

Lastly, developments in artificial Intelligence are driving major changes in Cloud Infrastructure:

- the exponential increase in the volume of data exchanged between AI chips will require the introduction of optical, rather than electrical, connections, forcing the industry to address issues of power and cost;
- co-integrated optics seem to offer a sustainable solution to the investment, cost and energy consumption challenges of future data centers. This technology is 40% less expensive per bit, and offers energy savings of 30%;
- the development of new infrastructure should enable AI acceleration (by offering reduced latency, improved bandwidth, lower energy consumption, real-time processing and optimized parallelism) while limiting energy consumption.

1.2.2 Protecting the environment requires powerful technological innovations

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. 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 its 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. The use of increasingly energy-efficient technologies and the growing adoption of electric vehicles (driven by highly incentivizing policies in terms of greenhouse gas emissions regulations), whose market share could grow to 35% by 2030, 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, which will generate five times more data by 2025 compared to 2018, while reducing overall electricity consumption. 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.

1.2.3 Global semiconductor market

Global semiconductor industry sales totaled US$527 billion in 2023, an 8% decrease compared to 2022, according to the annual WSTS review. This slowdown, which weighed on global consumption, can be explained by a number of factors, including geopolitical tensions and continued high inflation. Just like last year, the markets underpinning the growth were 5G, artificial intelligence, connected objects and electric vehicles. Following a decline in smartphone sales of almost 3% in 2023, this market should see a rebound of around 3% in 2024. As semiconductor content in everyday products continues to rise, driven by rapidly growing needs for connectivity and energy efficiency, and increasingly powerful artificial intelligence applications, the industry is set to see strong levels of growth. The ubiquity of AI is fueling innovations in chip design, manufacturing and integration, amplifying the need for advanced semiconductor solutions to power next-generation technologies and keep pace with constantly evolving consumer demands.

Geopolitical and economic developments related to the consequences of the wars in Ukraine and the Middle East, and growing global geopolitical tensions, 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 their strategic independence. These programs are helping to build the production capacity needed to meet growing demand and strengthen the resilience of supply chains[1]. In terms of the long-term outlook for 2030, the semiconductor market is estimated to top US$1,000 billion[2][3].

1.2.4 Mobile Communications

Demand for mobile data, driven mainly by video, continues to grow by 30% every year[4] and shows no signs of slowing down. 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. Growth in the number of smartphones slowed in 2022 and 2023, in particular due to deteriorated macroeconomic conditions and protracted anti-Covid policies in China, leading to a significant overstocking effect in the mobile value chain. There has been a rapid advance of 5G compatible smartphone models, which is the key market driver. From 200 million units in 2020 to around 730 million units in 2023[5], 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[6], 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 and 5G smartphones). A first-generation 5G phone requires approximately twice the amount of RF-SOI content than a 4G phone[7].

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) Gartner: https://www.gartner.com/en/articles/what-s-ahead-for-semiconductor-shortages
(2) IBS, Global Semiconductor Industry Service Report (volume 31, No. 1, January 2022).
(3) VLSI: https://www.techinsights.com/blog/semiconductor-sales-are-expected-surpass-06t-2022-and-track-hit-1t-2030
(4) Ericsson Mobility Report, November 2022: https://www.ericsson.com/en/reports-and-papers/mobility-report/reports/november-2022
(5) Soitec consensus, based on industry data and sell-side analyst reports.
(6) Yole, RF Front-End for Mobile 2023: https://www.yolegroup.com/product/report/rf-front-end-for-mobile-2023/
(7) Soitec's engineered substrates for 5G, 2020: https://www.soitec.com/media/files/soitec_5g_march_2020.pdf

1.2.5 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 market in the semiconductor industry[(1)]. Whereas car sales look to remain within single-digit growth, the automotive semiconductor content will at least double, depending on the level of electrification and automation of driving[(2)].

In 2030, around half of cars sold will be either fully electric or hybrid (almost 10% in 2022)[(3)]. Although there are several, mainly technological and legal, obstacles to be removed in order for fully autonomous cars to be able to drive on our roads, 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 an annual rate of more than 10% between 2020 and 2030[(4)]. 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. In this way, Soitec has developed a portfolio of products for automotive and industrial applications that meet the needs of energy, connectivity and the smart industry.

1.2.6 Smart Devices

The emergence of the smart devices industry is driven by the need to tailor the device to its user. That explains the evolution of smart devices, initially equipped with simple sensors and connectivity functionalities, toward 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[(5)].

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, imaging beyond the visible, at the level of the infinitesimally small, etc. 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 – Edge AI – 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 the trend comes new semiconductor opportunities in ever more powerful and efficient artificial intelligence chips. According to Grand View Research, the global market for Edge AI, estimated at around US$15 billion in 2022,is expected to exceed US$65 billion by 2030[(6)].

With an explosion in smart object data, together with artificial intelligence and 5G, cloud infrastructure will continue to expand. The number of larger hyperscale datacenters will double in the next five years[(7)]. To enable the transfer of massive quantities of data from server to server within the cloud network, optical solutions are replacing copper networks, driving expansion in the optical transceiver market to US$17 billion[(8)]. Soitec's current positioning is in the fields of embedded artificial intelligence (EdgeAI), artificial intelligence, data centers, wireless connectivity and sensors.

(1) *Deloitte, Semiconductor – The Next Wave: https://www2.deloitte.com/tw/en/pages/technology-media-and-telecommunications/articles/semiconductor-next-wave.html*
(2) *Infineon, ATV Roadshow and Call: https://www.infineon.com/dgdl?fileId=5546d46174dd743b0174f89228fe001d*
(3) *Jabil, Electrified Vehicles – The Race to Mass Adoption: https://www.emsnow.com/electrified-vehicles-the-race-to-mass-adoption/*
(4) *Source: UBS Analyst Report.*
(5) *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*
(6) *Grand View Research, Edge AI Market Size, Share, Growth & Trends Report, 2030: https://www.grandviewresearch.com/industry-analysis/edge-ai-market-report*
(7) *Bloomberg, SK Hynix Chief Executive Officer 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*
(8) *Yole, Optical Transceiver Industry: https://www.yolegroup.com/press-release/optical-transceiver-industry-new-applications-drive-expanding-data-center-infrastructure/*

1.3 Strategy

A value creation strategy for sustainable growth

Resources

HUMAN RESOURCES

over **2,300** employees of more than **50** nationalities, with **35%** women

INNOVATION

over **4,100** active patents, including **377** filed in fiscal year 2023-2024. Soitec comes **25th** in INPI's 2023 ranking of patent filers, and is also the top-ranked mid-sized company

ECOSYSTEM BASED ON RELATIONSHIPS

over **10** co-development partnerships with research centers, universities, manufacturers and suppliers

PRODUCTION

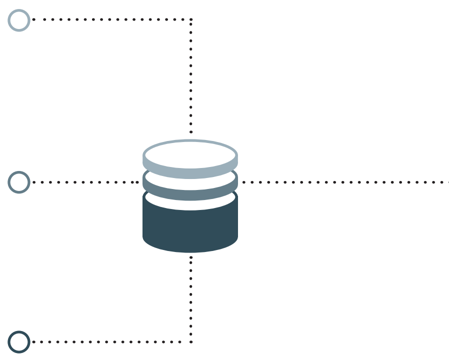
7 production lines worldwide and **1** fab extension under construction

FINANCIAL STRENGTH

€1,495m in equity at March 31, 2024

Expertise

Developing INNOVATIVE SEMI-CONDUCTOR MATERIALS to miniaturize chips, boost performance and reduce energy consumption



For three end markets

MOBILE COMMUNICATIONS

AUTOMOTIVE & INDUSTRIAL

SMART DEVICES

CORPORATE PURPOSE

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

Soitec's corporate purpose, adopted in 2021, embodies our commitment to make our products the cornerstone of a more sustainable, more responsible future.

more performance

10x faster
5G powered by Soitec substrates is up to 10 times faster than 4G

2x faster charge time
SiC systems support 800V architectures, enabling faster charge times for electric vehicles vs. Si 400V systems

Enabling EDGE AI
FD-SOI substrates improve the efficiency of AI training and inference for smart devices

and more energy efficiency

-25% energy consumption
enabled by Soitec's latest generation of RF-SOI in 4G/5G smartphones vs. previous generation HR-SOI

>10% additional battery range
in EVs enabled by powertrains based on Soitec's SmartSiC™ substrates, vs. IGBT Si systems

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

Value creation

EMPLOYEE SHAREHOLDING STRUCTURE

100% of employees eligible for free performance share plans

PLANET

1,064 ktCO$_2$eq. (+/- 35%) of GHG emissions avoided through energy savings generated by Soitec products in their end-use applications (FD-SOI, RF-SOI and Photonics-SOI)

32% reduction in water consumption per unit of production during fiscal year 2023-2024 compared with the 2020-2021 baseline

CUSTOMERS

14% of revenue invested in R&D (before capitalization)

LOCAL COMMUNITIES

237 young people under 26 hired across the Group in fiscal year 2023-2024

SHAREHOLDERS

€978m in revenue

34% EBITDA margin in fiscal 2023-2024

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 ESG impact objectives over the long term.

For more than 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 the Group's 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 its products via partnerships and investments in the value chain.

Soitec products deliver significant energy savings through the billions of chips and electronic devices which therefore function more efficiently.

Soitec's expects the addressable market to triple by 2030. Its strategy aimed at taking full advantage of these new opportunities is based on three main objectives:

- Strengthen its leadership in SOI: Soitec is committed to consolidating its leading position in the market through continuous innovation and strategic collaborations.
- Expand its product portfolio in compound semiconductors beyond silicon-based: Soitec is expanding its product range to meet the evolving needs of its growing customer base.
- Increase its market presence: Soitec will continue to develop new products by leveraging its expertise and capabilities to seize growth opportunities.

With an unwavering focus on innovation, Soitec continues to develop its product portfolio to take full advantage of its addressable market tripling by 2030, to deliver sustainable financial growth and create value for all its stakeholders.

1.3.1 Reinforcing 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 ensuring 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 in section 1.4.1 A of this Universal Registration Document).

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 signing of partnership agreements following positive feedback received during the testing and prototyping phase, Soitec was able to build a new factory in Bernin, in order to produce SmartSiC™ substrates and increase its SOI capabilities.

Soitec's 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.

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 expand its core business, engineered substrates.

As part of this strategy, in April 2018 Soitec purchased EpiGaN N.V., a European leader in the supply of GaN epitaxial wafers, which was renamed Soitec Belgium N.V. 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, recycling and polishing services for high-performance semiconductors 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, based on Soitec's unique and patented technology. The acquisition will drive the development of semiconductors for power supply systems in electromobility and industrial applications.

In addition to developing its core business, the Soitec'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 various industrial and automotive applications.

The acquisition of Frec|n|sys has enabled Soitec 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.*

The goal 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 Dolphin Design's 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. 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 Soitec's privileged position at the apex of the microelectronics value chain and the industry standards that it is relentlessly creating worldwide, Soitec has a special mission and responsibility that extends beyond developing and producing substrates. The products that Soitec designs make possible new opportunities for interaction while ensuring better energy efficiency.

This has naturally inspired and structured the way that the Group conducts its business and its behavior with its stakeholders and the planet. Sustainable development is an integral part of Soitec's core business, with energy-efficient products spearheading its innovation. The Group's sustainability strategy is based on three pillars:

- supporting the transition toward a sustainable low-carbon economy through innovation and operations, while preserving the planet through proactive, concrete measures;
- leveraging an inclusive company culture to foster the long-term commitment of all employees;
- being exemplary in its 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.

In fiscal year 2023-2024, Soitec strengthened its environmental commitments by announcing the commissioning of a new water reuse facility, the first of its kind in Europe. This industrial facility allows treated wafer rinse water to be reused to produce the ultra-pure water used in the clean rooms of its manufacturing units in France.

Thanks to this innovation, which is a first in Europe on this scale, Soitec plans to significantly increase the proportion of reused water in its manufacturing processes. The rate of wastewater reuse at its historic site in Bernin (Isère), which came to 19% in 2023, is expected to reach over 35% in 2024.

This solution, developed by Soitec in Bernin, is an important step in Soitec's continuous improvement of resource management, making it one of the major pillars of its sustainable development strategy.

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, as well as products with high added-value 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 infrared spectrum.
- **Photonics-SOI**: For the integration of high-performance silicon optical components.
- **POI**: For 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 circuit size 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 energy efficiency, control over electrical characteristics depending on process and temperature variations, and the integration of connectivity and digital calculation functions. Its performance is down to the unique design of Soitec's FD-SOI substrate, with its extremely thin and uniform silicon and oxide layers. Today, several foundries and integrated device manufacturers (IDMs) use 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. Since October 2021 and the release of Google's 5G PixelTM 6 Pro smartphone, the use of FD-SOI in mmWave modules has seen a major turning point. Six ranges of phones are now equipped with this type of module, and the main fabless RF players have adopted 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 applications. In order to meet growing demand in smart FD-SOI substrates, 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 substrates 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.

In 2023, Soitec presented the development of a new product, SmartGaN, through which the Group aims to accelerate the adoption of GaN. For RF applications, this translates directly into significant savings and a lower power factor. For power applications, this allows a thicker layer of gallium nitride on top of the GaN seed layer while avoiding the risk of the substrate breaking during cooling. SmartGaN therefore opens the way to circuits that can operate at voltages in excess of 1,200 volts.

C. Imager-SOI

Soitec's Imager-SOI substrates were specially designed to manufacture the 3D image sensors used in facial recognition applications. The Group's products are mature and delivered in large volumes for the smartphone market. Soitec is currently preparing the next generation of Imager-SOI products with the Imager ecosystem, to which it has already started sending samples.

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 modules and previous-generation optical solutions using III-V compound 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 the integration of silicon photonics into very high speed componants (co-packaged optics). SOI technology offers a unique structure enabling the integration of optical devices monolithically on standard CMOS platforms. Soitec’s photonics-SOI plays a major role in devices’ final optical performance, so Soitec is continually innovating and improving their features to support the technological developments of latest-generation datacenters. In fiscal year 2023-2024, Soitec supplied several international foundries in 200 mm and 300 mm wafers. The resulting products were specifically designed to meet the needs of the latest generation of integrated optics and photonics applications. Soitec puts special emphasis on the replicability and quality of its manufacturing process, to keep abreast of application needs and the shift of optical interconnections towards co-integration solutions between photonic functions and advanced electronic chips (GPU, CPU, HBM) to support the growth of Cloud AI. Soitec has also broadened its contacts to extend the reach of its substrates into innovative applications in emerging segments such as quantum computing and LiDARs, in addition to datacenters and AI.

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 Soitec’s 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. Soitec’s 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, Soitec announced a sales agreement with Qualcomm Technologies to supply POI substrates for new-generation RF filters to feature in smartphone front-end modules. Now that the first smartphones with acoustic filters on POI substrates are on the market, Soitec is responding to growing demand, with seven customers in production, and around ten in the qualification phase. The Group will continue to increase production capacity to meet the growing demand for 4G and 5G RF filters. The partnership launched in 2023 with SAWNICS to supply a Process Design Kit based on Soitec's Connect POI substrates is also generating new opportunities for the Group.

F. Power-SOI

Power-SOI is an engineered substrate that supports the development of energy-efficient automotive and industrial power ICs that offer high-performance at high voltage. 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 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. Power-SOI traction continues to grow, making this product an important growth driver for the Automotive & Industrial division. This growth is driven by demand for battery management system (BMS) applications and explains the evolution of the roadmap for Power-SOI products towards higher added-value 300 mm products.

G. RF-SOI

RF-SOI substrates are found in virtually all of the smartphones sold all over the world. In the last few years, Soitec's 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 components. 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. The Group's RF-SOI product family provides better performance than competing technologies by meeting the 4G and new 5G cellular and WiFi 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.

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 therefore continues to invest in, and follow, its roadmap on the development of new RF-SOI products addressing these challenges.

The downturn in the smartphone market over the past two years has led to high inventory levels in the RF-SOI value chain. The correction of these stocks is underway, driven by the expected rebound of the smartphone market, and the return of Fabless stocks to more reasonable levels. However, the persistence of inventories at some of Soitec's direct customers (foundries) should continue to impact the performance of its RF-SOI business for several quarters. Once this inventory correction has been made across the entire value chain, RF-SOI will return to sustained growth, linked in particular to the growth of content in smartphones.

H. SmartSiC™

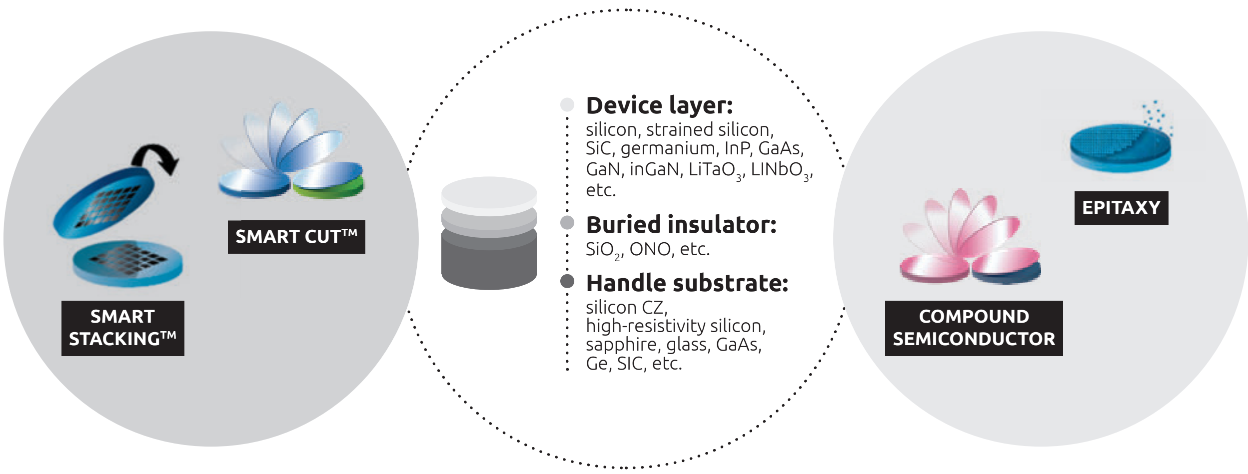
Silicon carbide (SiC) is a strategic material for the wide-spread adoption of electric vehicles. Its properties improve the performance of devices such as diodes and metal oxide semiconductor field effect transistors (MOSFET), bringing competitive advantages for energy conversion over diodes and insulated 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. Soitec continues to roll out its SmartSiC roadmap in line with its expectations, securing the industrial (inauguration of a new production line in Bernin dedicated to SmartSiC™), procurement (commitment with three monocrystalline SiC and three polycrystalline SiC suppliers) and commercial aspects (following the first partnership with STMicroelectronics announced at the end of 2022, Soitec announced a second SmartSiC™ customer, for which production is expected before the end of 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.

Soitec's 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 14% of annual revenue (gross R&D costs before capitalization at March 31, 2024), enabling the Group to maintain the necessary level of development to keep its product offering in line with market needs.



1.5.2 A worldwide patent portfolio to maintain Soitec's competitive advantage through differentiation

With a portfolio of over 4,000 active patents worldwide, Soitec's innovation strategy is based on disruptive solutions to address the Group's 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.

Soitec dedicates a significant portion of its resources and revenue to developing groundbreaking manufacturing processes and improving current ones. The Group's strategy is in line with the industry's technological innovation trends. The average age of Soitec's patents is less than five years. The Group files over 400 patent applications each year, and for the seventh consecutive year, ranks among France's top 50 patent filers in France, alongside very large industrial groups. With 62 applications filed in 2023, Soitec is ranked 25th for the first time, up 10 places on 2022, putting Soitec in first place among medium-sized French companies.

Soitec's 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. Soitec also files numerous patents each year on advanced and innovative substrates and other proprietary technologies.

In addition to its portfolio of patents, Soitec licenses patents from its industrial and research partners, thereby strengthening the protection afforded to its key technologies. This proactive industrial property strategy is intended to protect the unique nature of the Group's technologies, which Soitec can then make available to its licensees in the context of technology transfers. The license agreements that were entered 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

Soitec has established a unique position in the semiconductor sector thanks to its various partnerships throughout the value chain. To be an active player in innovation, Soitec collaborates with world-class research centers (including IMEC, Fraunhofer, CEA-Leti, A*STAR-IME, CNRS, etc.), universities (including Stanford, University of California – Berkeley, NUS, NTU, UCL, Grenoble INP-Phelma, UGA, etc.), international equipment manufacturers and industrial innovation platforms.

Soitec is also developing unique initiatives around the world with its 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.

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 as well as 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. Either 3D sequential integration – which involves stacking layers to produce different components on a single chip (memories, logics, ASICs) – or 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.

1.6 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 PRODUITS

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

Soitec has manufacturing facilities, R&D centers and offices in Europe, the United States and Asia to serve its customers on a global scale. Soitec's agile manufacturing model is tailored to support profitable growth. The Group focuses on operational excellence and seeks to create value for all its stakeholders. It delivers 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 Soitec has a significant share that the Group 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 support Soitec's SOI business growth, 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. Soitec is 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, Soitec has significantly expanded the manufacturing potential of its 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 its customers.

In September 2023, Soitec inaugurated its new plant, Bernin 4. Covering an area of 2,500 sq.m. the plant will eventually have the capacity to produce 500,000 SmartSiC™ wafers a year. It will contribute to Soitec's sustainable growth strategy, helping to triple the size of its addressable markets by 2030, strengthening its leadership position in the strategic semiconductor materials market.

1.6.2 Singapore

Since the launch of the pilot line in September 2017, Pasir Ris' production capacity has increased to more than 600,000 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 the strategy of expanding capacity to meet the growing demand for its products, Soitec announced the expansion of its 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

Soitec's 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 subsequent worldwide distribution.

1.7 Customers: key strategic partners

Soitec sells its engineered substrates to integrated circuit designers and manufacturers called integrated device manufacturers (IDMs) or to semiconductor manufacturers called foundries. Its customers are located all over the world.

Soitec liaises closely with its 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 the Group's customers design, manufacture and test the devices built using Soitec's substrates. The Group is a key strategic partner to its customers, through firm commitments on innovation, value creation and rigor.

Soitec's expanding product portfolio enables it to address a growing number of customers. By the end of fiscal year 2023-2024, the number of customers with which Soitec formally interacts is 40% up on fiscal year 2020-2021. This increase in the number of customers offers significant cross-selling opportunities for the deployment of other products in the portfolio.

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 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. In 2023, a special effort was made to raise awareness of the importance of customer satisfaction among all staff. This was conducted through a campaign based on real customer experiences, anonymized and transcribed into an "everyday life" situation to enable every employee, whatever their position in the company, to understand and empathize with the customer's lived experience.
- 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 its entire production line (from the raw material to the products delivered to customers) with the aim of guaranteeing the stability of our delivered products. new initiatives were launched in 2023, and will be rolled out over the next two years;
- ensuring quality from all actors in the supply chain, from suppliers and partners, through manufacturing processes and logistics operations, to customers, which is vital for continuous improvement. To underline this commitment, Soitec took part in World Quality Week in November 2023.

Guaranteeing the quality of its products and services is key to supporting Soitec's long-term growth drive. This is underpinned by the sustained development of innovative new products with an uncompromising emphasis on customer satisfaction, quality, and timely delivery, which is fundamental for the Group.

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 GaN 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 GaN competitors including IQE. SmartSiC™ wafers compete with producers of monocrystalline silicon. In Smart Devices, FD-SOI, Photonics-SOI and Imager SOI products compete with companies such as SEH and GlobalWafers.

Soitec has licensed its SmartCut™ SOI patents to SEH.

SEH is a major player in the Group's 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;
- Soitec continues to license Simgui to exclusively manufacture and sell certain 200 mm and 150 mm SOI products to the Group using SmartCut™ technology;
- GlobalWafers had previously licensed Soitec's SmartCut™ SOI patents. Soitec terminated the agreements with GlobalWafers on October 31, 2023, including the license for the SmartCut™ SOI patent. GlobalWafers is challenging the termination in court, and Soitec has responded by petitioning the court to uphold the legal termination and in debt action for the agreed sums owed to Soitec by GlobalWafers. Soitec has offered to enter into a new licensing agreement if GlobalWafers agrees to pay what it previously owes Soitec and agrees to fair and balanced licensing terms going forward.

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 counting on its Belgian subsidiary's capacity to innovate. The latter has extensive expertise in high-volume production which will allow Soitec to take a leading position once the market matures.

Soitec 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 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. In February 2024, Soitec announced a partnership with a second customer for SmartSiC™.

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, the Group's ambition is to make Piezoelectric-on-Insulator (POI) a new standard in its market, just as it did with the RF-SOI.

1.10 Group objectives

Soitec is well positioned to continue to structurally grow much faster than the global semiconductor market. In the short term, the Group's growth will be impacted by inventory corrections in the smartphone value chain. Several successive years of outperformance in the Mobile Communications division, combined with the decline in the smartphone market in 2022 and 2023, has led to an overstocking effect for RF-SOI throughout the value chain. As of March 31, 2024, while the smartphone market, expected to grow by 3% in 2024, is showing signs of recovery, and so-called Fabless companies seem to have finished correcting their inventories, foundries, Soitec's direct customers, continue to clear inventories that are still too high, impacting Soitec's RF-SOI income. In this regard, during fiscal year 2023-2024, the Group's revenue decreased by approximately 10% (at constant exchange rates and scope), and a similar level is expected for the 2024-2025 fiscal year.

Supportive structural 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.

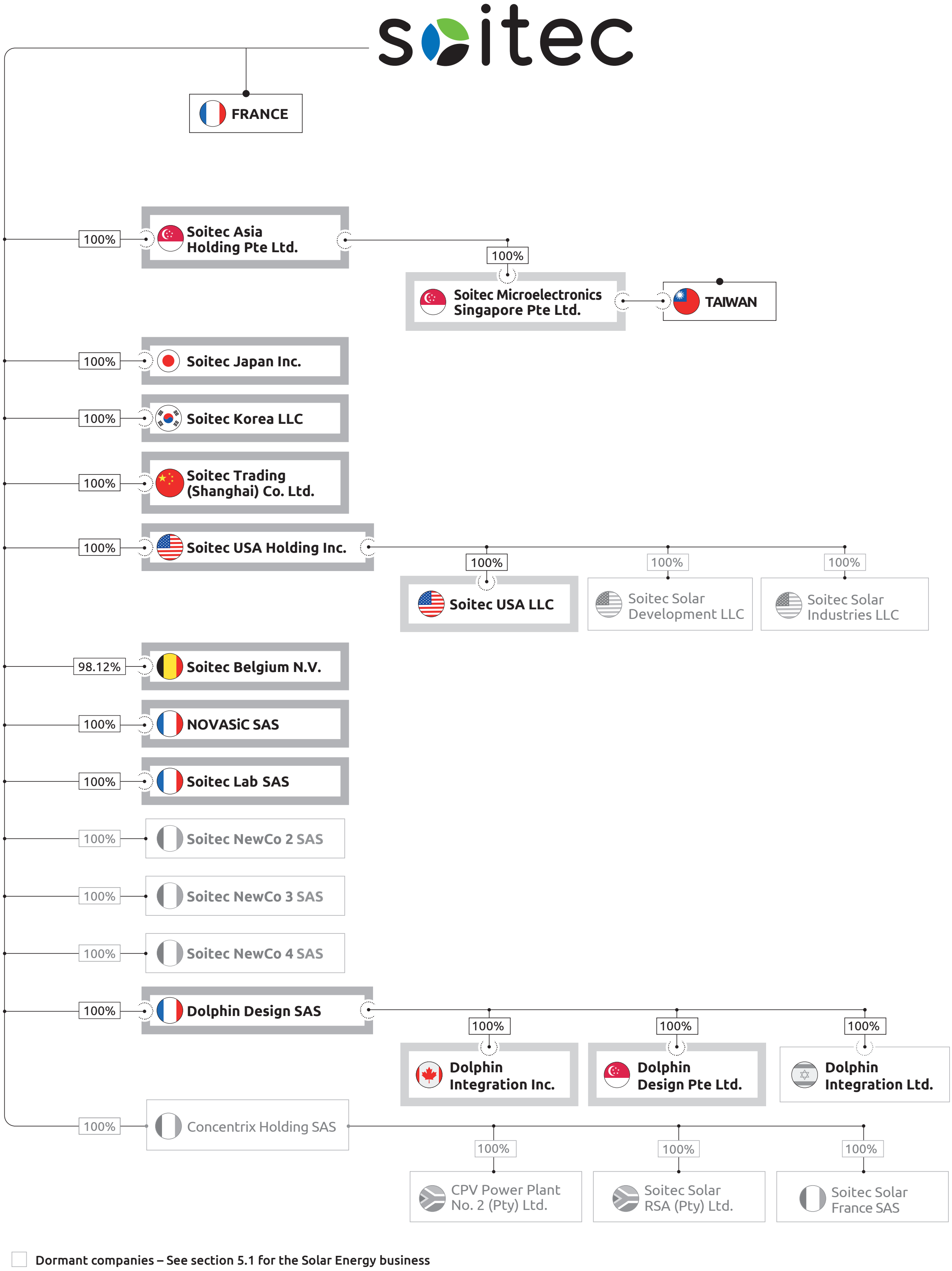
In addition, Soitec maintains a solid advantage in the engineered substrates market, thanks to highly differentiated innovation and business development activities, along with strong relationships with strategic partners in the semiconductor ecosystem (research centers, suppliers and customers). Soitec’s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

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. Soitec remains highly agile as it continues to roll out its industrial model, adjusting the pace of its manufacturing capacity development in line with customer demand.

Sustainable development is one of the four major pillars of the Group's strategy. In light of this, Soitec has defined a corporate purpose for the Group, which is enshrined in its by-laws. This corporate purpose effectively illustrates the Group’s contribution in the value chain to all its internal and external stakeholders from both environmental and social perspectives, whether through the Group’s products or its role as players in its value chain.

1.11 Group organization chart

The organization chart below presents the Group, including the Company and its subsidiaries within the meaning of Article L. 233-1 of the French Commercial Code (*Code de commerce*), 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 operates in an environment that is constantly changing. It is therefore 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 its activities to the extent possible and to achieve its 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 the 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 the annual review of the Company 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 nevertheless 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 geopolitical tensions, 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 current inflationary cycle (rising raw materials and energy prices, high interest rates, currency volatility and weakened banking structures) could have a direct financial impact on the Group's business.

The Russia-Ukraine war has notably created energy supply tensions and inflation in electricity and gas prices. This context has highlighted a form of dependency on certain supplies (notably electricity) and their potential impacts on the Group's business in terms of both availability and costs. This factor has been taken into account in the Group's risk analysis, and all the actions being taken in the short and medium term are helping limit the financial impact on its business. In parallel, the Group has reviewed its energy needs and supply sources, in order to ensure alignment with its commitments on climate and the energy transition.

The Group constantly monitors these events and trends and their potential operational and/or financial impacts on the Group's business is taken into account in projections and risk analyses.

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, taking into account both exogenous and endogenous risks.

At the date of publication of the Universal Registration Document, one risk with a specific material impact was identified: the availability of water. This risk is described in section 2.1.5.7 *Environmental risks*.

At the same time, taking action on sustainable development, whether at the regulatory level or in terms of the Group's commitments and the achievement thereof, is becoming a challenge for the years ahead, and could have an impact on Soitec's image if the Group is not in step with these 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 5 in section 6.3.1.2 *Notes to the Company financial statements* provides additional information on how risks and impacts are taken into account in the consolidated financial statements.

The non-financial impacts of climate change are 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 by the Group during the risk review process, with reference to the risk management and control environment (see section 2.2.2 *Risk management and control environment*).

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 – Soitec's 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.

IMPACT	x	PROBABILITY	x	LEVEL OF CONTROL	=	NET RISK
1 Non-material		**1** Unlikely (May occur at least once after 10 years)		**0.5** Strong		**>9** Critical
2 Low		**2** Possible (May occur once every 5 to 10 years)		**0.7** Partial		**5-9** Major
3 Moderate		**3** Probable (May occur once every 3 to 5 years)		**0.9** Low		**3-4** Moderate
4 Major		**4** Certain (May occur at least once within 3 years)		**1** Non-existent or impossible		**<3** Low
5 Critical						

2.1.3.3 Specific risk map

Based on the Group's risk mapping, a total of 84 risks were identified for fiscal year 2023-2024.

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 84 risks, only three risks have been assessed as critical and nine as major, given their potential impact, 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 12 risks that are specific to the Group, in the industry and business environment, grouped into seven categories:

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

The risk map was reviewed and validated by the Audit and Risks Committee and the Board of Directors at their meeting on March 27, 2024.

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 could 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.

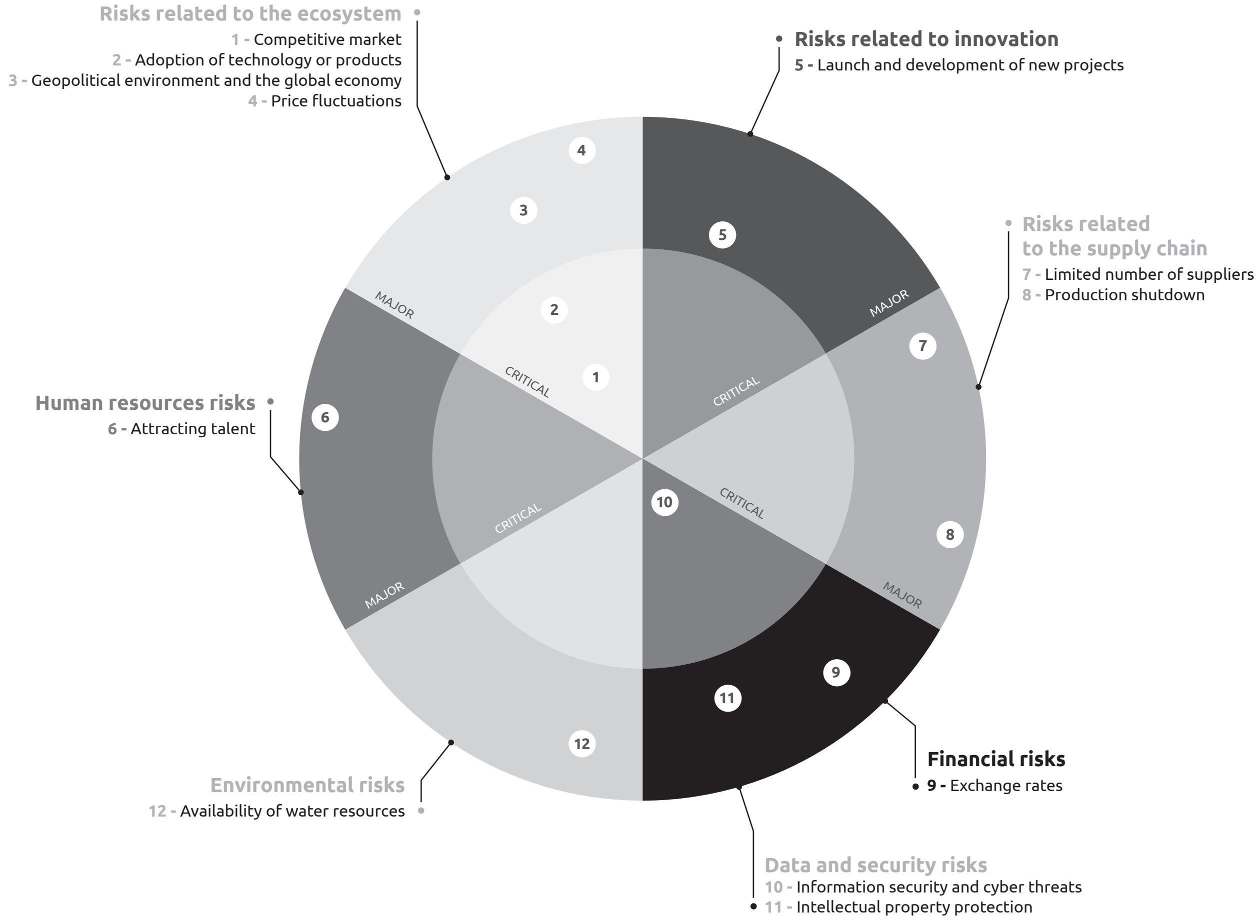
As a reminder, at the date of filing of this Universal Registration Document, other risks may exist that have not yet been identified, or whose occurrence is not considered likely to have a significant adverse impact on the Group. The information below contains assumptions and estimates that by definition 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 the seven 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, significant 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 specific risks by category and criticality

For each of the seven 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 EFPD 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	Competitive market	→
		Adoption of technology or products	→
		Geopolitical environment and the global economy	→
		Price fluctuations	→
Innovation	2.1.5.2	Launch and development of new products EFPD	→
Supply chain	2.1.5.3	Limited number of suppliers	↘
		Production shutdown	→
Finance	2.1.5.4	Exchange rates	→
Data and security	2.1.5.5	Information security and cyber threats EFPD	↗
		Intellectual property protection	↘
Social	2.1.5.6	Attracting talent EFPD	↘
Environment	2.1.5.7	Availability of water resources EFPD **NEW**	↗

→ *Stable* ↗ *Upward* ↘ *Downward*

Following the update of the risk analysis:

- Three risk factors are no longer included in the risk map: customer concentration, technological or product obsolescence, and pandemics, as these risk factors are now categorized as moderate.
- The "Availability of water resources" risk factor has now been assessed as major and is therefore included in the risk map.
- The risk factor "Disruption of supplier site production" has been integrated into the risk factor "Limited number of suppliers", and therefore no longer appears individually in the risk map.

2.1.5.1 Risks related to the ecosystem

Description of the risk	Potential impacts	Trend	Main control mechanisms
COMPETITIVE MARKET			
Competition in the semiconductor sector is strong and can affect the Group's position if product design technologies, processes and products themselves do not meet market requirements (see section 1.9. *Competitive landscape* of this Universal Registration Document). In addition, the vertical and horizontal concentration of players in the sector, at the level of suppliers, competitors and customers, continues to impact the sector's competitive environment, which could affect the Group's position and require a restructuring of its businesses. 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, SIC, 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. Diversification of the customer base with the arrival of new products and the development of new markets. An organization aligned with the Group's strategy of diversifying into several market segments with three divisions serving the three main target markets: › Mobile Communications; › Smart Devices; › Automotive & Industrial. These three divisions, with the support of Business Units by product line and the Customer Group Department, are charged with promoting a diversified portfolio of products responding to several end-user applications. Close collaboration with direct customers and end users to align Soitec product 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 competitive advantage. A cutting-edge product offering helps retain a technological advance that is an important differentiating factor compared to 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 represent the equivalent of around 14% of annual revenue (gross R&D costs before capitalization at March 31, 2024), enabling the Group to maintain a sufficient level of development to keep its product offering in line with market needs and to develop new generations of products in order to be at the cutting edge of technology, remain competitive and integrate future technological breakthroughs. 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.

Description of the risk	Potential impacts	Trend	Main control mechanisms
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. 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 Soitec 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 Soitec products and the origin of the components, equipment or intellectual property used in their manufacture; › raise awareness and provide training for the Group's employees. Permanent interaction with 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.
PRICE FLUCTUATIONS			
Competition between Soitec 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 could have an impact on the Group's margins.	Projects based on Soitec 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 Soitec's selling prices.	→	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 EFPD			
The launch and development of new products must meet various criteria such as: › aligning technological and innovative solutions for Soitec products with future market trends; › keeping the product offering in step with customers' specific expectations; › positioning Soitec 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 Soitec 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 (SmartSIC™ 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 14% of revenue for fiscal year 2023-2024 (see section 5.1.1.5 *Operating income*, subsection *Gross R&D costs* of this Universal Registration Document). Possible delay in bringing new Soitec 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 the 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 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 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.

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 four 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; › disruption to the production capacities of some suppliers due, for example, to the geographical location of a plant exposing it to environmental risks (such as earthquakes in Japan), international conflicts forcing changes in supply routes, lockdown policies linked to the pandemic (particularly in China) or cyberattacks that can temporarily paralyze operations.	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 multi-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 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. Obtaining a business continuity plan (BCP) from suppliers identified as being at risk. 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.
PRODUCTION SHUTDOWN			
The Group has seven main production facilities of varying capacity: › Bernin 1, 2, 3 & 4 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 Group's business does not allow for the transfer of 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. Potentially significant costs may be incurred to restart production after a prolonged shutdown, which could affect the Group's results if the shutdown leads to a loss of revenue or delayed revenue generation. Potential damage to the Group's image.	→	Capacity expansion program underway at Pasir Ris in 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, implementation of recommendations on the risk prevention system issued by technical experts of site insurers, 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. Property damage and business interruption insurance to provide coverage in the event of damage or 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 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 the subsidiaries' financial statements included in the Group's consolidated financial statements.	→	Limiting exposure to other foreign currency fluctuations by balancing costs (higher costs in USD, mainly linked to the growth of business in Singapore) 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 5 *Foreign exchange risk* of section 6.3.1.2 *Notes to the Company financial statements* of this Universal Registration Document).

2.1.5.5 Data and security risks

Description of the risk	Potential impacts	Trend	Main control mechanisms
INFORMATION SECURITY AND CYBER THREATS EFPD			
The Group operates on a global stage that has seen a rise in cyber threats, and increasingly sophisticated cyberattacks. The digital environment exposes the Group to these risks. A cyber attack could paralyze the 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. Cyberattacks 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 more mature, robust, and proactive response to the risk factor – a significant increase in the number of cyberattacks 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 actors and the cybersecurity network responsible for IT and data security (ANSSI, major companies, etc.) and the implementation of their recommendations to protect against cyber risk (e.g., risks of cyberwar with certain states). Reinforcement of the cyber defense unit (IT and overall 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 information systems and computer networks, backed up by a Disaster Recovery Plan. Information provided to "at-risk" employees (best practices in terms of business trips and focus on at-risk countries) and operations carried out to test reactions. Development of appropriate rules and security tools for equipment used by the growing number of employees working from home. "Cybersecurity" 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 leakage of know-how (see section 1.5.2 *A worldwide patent portfolio to maintain a 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 Soitec's 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 Human capital risks

Description of the risk	Potential impacts	Trend	Main control mechanisms
ATTRACTING TALENT EFPD			
To support the medium-term growth plan, the Group is strengthening its organization and carrying out an ambitious recruitment plan in sectors where the job market is very tight. To fulfill its ambitions, the Group needs 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.	Possible delays in implementing the recruitment plan needed to support business growth and shortage of key profiles.	↘	Targeted communication program launched by the Group in order to disseminate an attractive image of Soitec's 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 this approach and foster buy-in from 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 (individual and collective bonuses, profit-sharing) and training programs. 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* EFPD of this Universal Registration Document).

2.1.5.7 Environmental risks

Description of the risk	Potential impacts	Trend	Main control mechanisms
AVAILABILITY OF WATER RESOURCES EFPD NEW			
Despite the Group's ongoing efforts to reduce its water consumption, an acceleration in climate change, in particular an increase in droughts, and/or the implementation of different regulatory requirements, could jeopardize the availability of water needed for Soitec's activities.	A lack of sufficient water could potentially jeopardize the Group's business plan.	↗	The Group has a strong roadmap to reduce water consumption per wafer produced, as described in section 3.5.3 *Ensure reasonable water use* 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. The 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 electricity;
- 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 uses 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 accordance with the applicable standards and regulations, this mechanism contributes to the management of the Group's activities, the effectiveness of its operations and the efficient use of its 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. The Company is committed to complying with the principles set out therein when implementing its internal control and risk management mechanism. It applies to all entities in the consolidation scope, including the Company. It includes:

- internal control procedures applicable to all Group entities that are aimed at safeguarding assets and guaranteeing the reliability of accounting and financial information;
- IT system access rules tailored to the roles and responsibilities of 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 operations and business processes more efficient, while also preventing and managing the major risks inherent in the Group's business.

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

However, these systems cannot definitively guarantee 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 Risk management and control environment

2.2.2.1 Purpose and definition

This internal control and risk management mechanism 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 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:

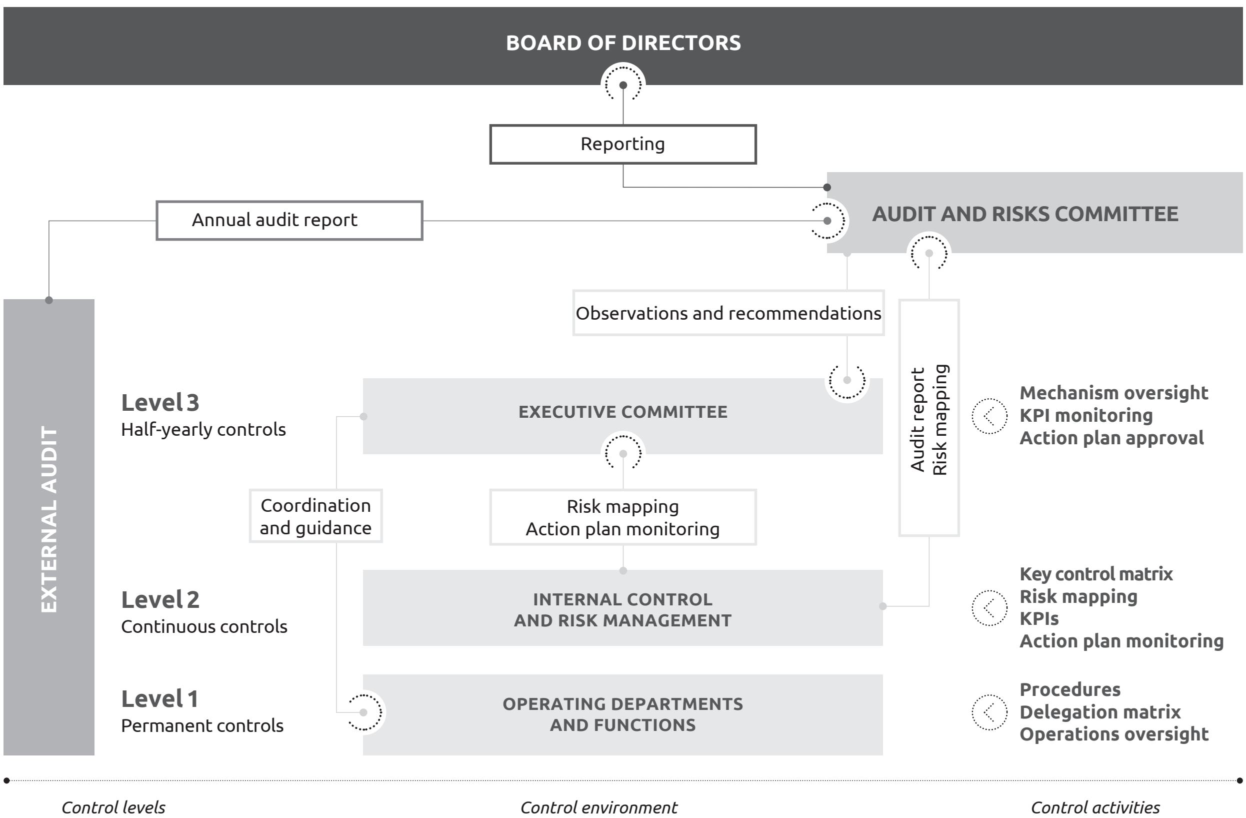
- an organizational structure that contributes to the implementation and continuous improvement of the mechanism;
- tools to help monitor and ensure that risks are controlled; and
- key players who help coordinate and curb identified risks.

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 the 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.

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 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 Group risk map.

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

2.2.3.4 General Secretary's Office

The General Secretary's Office covers the governance bodies, the Legal Department, the Public Affairs Department and the Information Security, Security, Cybersecurity and Data Protection Department.

The General Secretary is responsible for strengthening and developing assets and operating licenses, contributing to the growth of the Group and increasing its value for all stakeholders.

It fosters dialogue and cooperation between the Company and its stakeholders (employees, customers, suppliers, shareholders, opinion leaders, public authorities, NGOs) to create a climate of trust with respect to Soitec's ecosystem.

It helps ensure that decisions made throughout the organization are coherent, aligned, and take account of risks across the organization.

It informs the Company's decisions and strategies by addressing future challenges and opportunities.

It creates an optimal legal framework and ensures full compliance with Soitec's regulations and policies.

It creates and maintains a safe, secure and cyber-secure working environment where employees can reach their full potential. Employing excellence, knowledge, and leadership in business, cybersecurity, and security, it responds promptly and decisively to potential incidents and the increasing demands of the regulatory framework.

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

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 Board and, if applicable, submitted for their prior approval and/or subsequent ratification.

The Legal Department 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, along with policies and procedures, and also sets up training courses for the Group's employees. The Legal Department is also responsible for defining the Group's insurance policy and for underwriting and managing all insurance policies.

The Public Affairs Department ensures that Soitec anticipates and understands societal and public authority expectations and regulatory trends, is prepared to effectively manage issues that are likely to have a significant impact on the Company's sustainability, and fosters positive changes that can contribute to the Company's growth. It identifies and implements appropriate financing strategies to accelerate Soitec's growth.

The Information Security, Security, Cybersecurity and Data Protection Department aims to reduce the risk of malicious acts against the Company (crime, terrorism, sabotage, theft, destabilization, etc.). Security and cybersecurity protection encompasses individuals, products and resources, as well as tangible and intangible assets. Furthermore, economic intelligence is a necessary and ethical discipline that provides decision-makers with relevant information about external risks in order to protect and support the Company. This combined approach enhances the overall protection of the Company's activities and growth.

2.2.3.5 Human Resources Department

The Human Resources Department, represented on the Executive Committee by the Chief Human Resources Officer, oversees all aspects of human resources policy, from attracting, developing and retaining talent, through quality of life at work and compensation policies, to labor union relations.

In this context, the Human Resources Department formulates and implements policies to attract and retain employees and develop their skills to meet technological and business growth challenges by offering dynamic career paths, facilitating employee development and well-being 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 responsible and profitable growth over the short and medium term.

The Human Resources Department ensures compliance with the rules and regulations applicable at all its locations – notably labor law and social security law. It also ensures compliance with collective agreements struck with employee representatives as well as unilateral undertakings by the Company – such as the Code of Conduct. The Human Resources Department also ensures proper social dialogue, safeguards people's health, promotes continuous improvement in terms of reducing industrial risks and enhancing quality of life in the workplace, and fosters diversity, equity and inclusion.

In terms of risk management, the Human Resources Department is particularly involved in managing the risks in the field of recruitment and skills development, key to ensuring the Company's growth. It is also involved in managing whistleblowing rights and the whistleblowing procedure, in conjunction with the Legal Department, represented by the General Secretary.

2.2.3.6 The Operations, Operational Excellence and Quality Department

The Operations, Operational Excellence and Quality Department, represented on the Executive Committee by the Chief Operations Officer, oversees plant production, tactical and strategic industrial planning, purchasing, quality and IT. It provides a framework to prevent industrial and workstation risks. It coordinates the Group’s environmental policy, manages the environmental programs and, together with the various operating departments concerned, assesses their results, particularly in terms of climate change and water consumption.

The Operations, Operational Excellence and Quality Department ensures compliance with the rules and regulations applicable at all its locations – notably environmental law.

2.2.3.7 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.

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 risk exposure, as well as to develop a system in line with the Group’s business, organization and environment.

Continuous improvement involves:

- implementing a Risk & Compliance Governance tool to automate controls on critical processes, and assess the robustness and reliability of the processes, which are expressed in periodic indicators monitored by the Internal Control and Risk Department and communicated to the Finance Department;
- reviewing and communicating policies and procedures in line with changes in the organization and tools, as well as regulatory requirements (general Group 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 the IT systems (segregation of duties, approval flows, tolerance thresholds, access restrictions, etc.) in line with Soitec’s control environment;
- strengthening segregation of duties measures;
- 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;
- deploying awareness programs on the risks of fraud and cyberattacks in partnership with the General Secretary, and more specifically with the Information Security, Security, Cybersecurity and Data Protection Department, for exposed people.

2.2.4.2 Assessment of internal control

Specific information on the assessment of the internal control mechanism is presented to the Audit and Risks Committee at least once a year.

This presentation includes monitoring actions carried out during the fiscal year, key risk areas, areas for improvement, and setting objectives for the upcoming year, including the action plan.

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

The 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 the internal control processes;
- present their observations, if any, on the description of the 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 the Company’s 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 Group updates its risk mapping at least once a year and then has it reviewed and validated by the Audit and Risks Committee and Board of Directors.

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 the plan is to define the actions to be taken in order to control or limit the impact on 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 the 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 the environment or on the activity of third parties.

2.2.5.2 Risk mapping – Soitec's approach

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

The risk review is conducted with input from the process and department managers who are involved in identifying and analyzing 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 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 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 the governance bodies (Executive Committee, Audit and Risks Committee and Board of Directors).

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 the 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 and Board of Directors.

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

The 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 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 Stakeholders in the accounting and financial organization management process

The 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 the 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.

The Group's Statutory Auditors attend the meetings of 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.

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 the entire Group. At each quarter, 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.

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 and Board of Directors 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. 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 the subsidiaries is checked by the Consolidation unit at the Company's headquarters. The Chief Financial Officer is provided with a detailed analysis of changes in results and of specific key indicators.

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.

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

B. Monitoring financial performance

The Chief Financial Officer and the Executive Committee are provided with a detailed analysis of changes in results and 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 budget variances;
- monthly review of forecasts to manage annual performance;
- regular review of objectives in the event of significant changes in market conditions.

The results and forecasts are reviewed on a monthly 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. 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.

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.

Financial information and press releases 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.

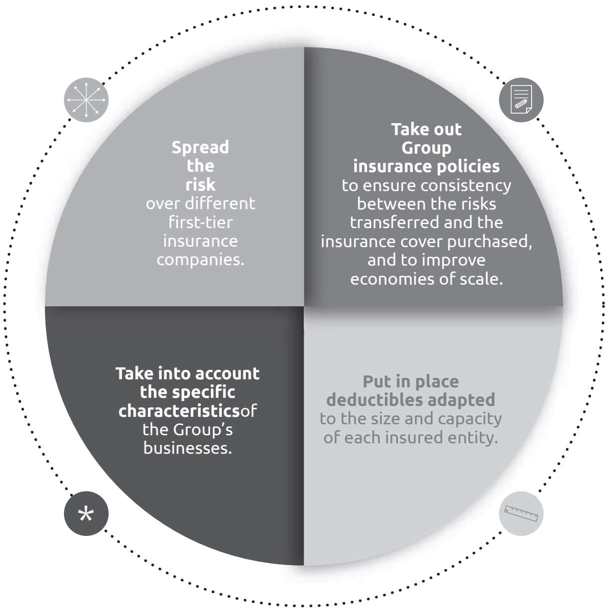
All of the Company's financial documents are published on the website in the "Investors/Financial reports" section (www.soitec.com/en/investors). They are made available for a minimum period of five years.

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 the Group 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 Group's 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, almost all of which are included in an international program. These policies are tailored to the Group's various production sites, which are regularly inspected by the 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 the suppliers to the customers.
Environmental liability	"Environmental liability" insurance covers the Group's liability for damage caused to third parties by its activities in the event of pollution, ecological harm or environmental damage.
Civil liability	"Civil liability" insurance is intended to cover the liability of the Group for damage caused to third parties as a result of its activities (operating risk) or its products.
Civil liability of senior executives and corporate officers	"Directors and officers (D&O)" insurance aims to cover executives and corporate officers of the Group against the financial consequences of third party civil liability incurred while carrying out their duties.
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.

3

SUSTAINABILITY

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

3.1 Business model

3.1.1 Soitec's corporate purpose and values

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. In 2021, the Company made sustainability one of the pillars of its strategy, and 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 Soitec's products 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.

Following on from its deliberations regarding the corporate purpose, and with the firm belief that a company's values form the basis of its culture, the entire Executive Committee decided to initiate deliberations on this topic within the Company. A participatory process was rolled out at the end of 2023 to determine these values. Around one hundred employees – operators, technicians and managers – met in workshops in Bernin, Singapore, China, Belgium and the United States, to discuss these issues. Three options emerged from this collective and collaborative effort. They were then put to the vote of all employees, in February 2024, via the Company's intranet. More than 1,000 employees voted in favor of the following four values, which were unveiled in March 2024:

- We win as one team.
- We are responsible entrepreneurs.
- We innovate together with customers and partners.
- We care for people.

3.1.2 Soitec's businesses EFPD

Soitec is a major global player that develops and manufactures innovative semiconductor materials, providing enabling solutions to key challenges in the mobile communications, automotive 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, the Group plays a key role in providing key technologies for 5G, artificial intelligence and energy management.

Significant, ongoing investment in R&D, numerous patents filed each year and the development of a rich ecosystem with a number of partnerships allow Soitec to remain at the cutting edge of innovation.

The development of innovative technologies 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 of this document.

3.2 Sustainability commitments

3.2.1 Over 30 years of commitment

Sustainability has been central to Soitec's activities from the outset. The 2021-2026 roadmap has been extended to 2030. It is 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 (LPO)**

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

2022
- **Creation of an ESG Committee** within the Board of Directors
- Winner of the SEMI **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 shares allocated to** all employees based on ESG criteria

2023
- **Singapore site** certified ISO 50001
- Soitec joins the **newly created** Water Observatory in the Grésivaudan valley
- Launch of "Greenovation" **the Group's eco-design approach**

2024
- **Official opening of a new plant dedicated to the production of SmartSiC™ substrates in Bernin (France) with iso-consumption of water for the entire site**
- An innovative new industrial facility at Bernin (France), to increase the proportion of water that can be reused in industrial processes
- Four meetings of the ESG Committee of **the Group's** Board of Directors
- Launch of WomEn@Soitec, Soitec's first women's network

3.2.2 Double materiality principle EFPD

Supported by an external firm, Soitec carried out a double materiality analysis from December 2023 to March 2024, to improve its understanding of its environmental impact as well as its ESG risks and opportunities. This analysis was carried out with a view to preparing the Group's system to ensure it complies with the European Directive (EU) 2022/2464 on corporate sustainability reporting and French implementing order no. 2023-1142 of December 6, 2023, and its reporting in line with requirements for the management report for the next fiscal year, 2024-2025. The results of this assessment will further enable Soitec to refine its strategy with regard to ESG issues. Double materiality has two closely-related dimensions:

- impact materiality: Soitec's actual or potential environmental or social impacts, whether positive or negative, on its ecosystem;
- financial materiality: risks and opportunities that could have an impact on Soitec's financial performance (financial results, brand image, company valuation, etc.).

This double materiality analysis was carried out at the end of fiscal year 2023-2024. The sustainability strategy, associated commitments and main risks outlined in the Extra-Financial Performance Declaration (EFPD) for fiscal year 2023-2024 are based on the materiality analysis carried out in 2021.

MAJOR DOUBLE MATERIALITY ISSUES (impact 3 and above, financial impact 1.25 and above)	*Related ESRS*	**OTHER MATERIAL FINANCIAL ISSUES** (impact 1.25 and above)	*Related ESRS*	**OTHER MATERIAL IMPACTS** (impact 3 and above)	*Related ESRS*
Innovation and durable products	**S4 + sector specific**	Gender equality	**S2**	Health and safety	**S1**
Climate change	**E1**	Attracting and retaining talent	**S2**	Energy	**E1**
Cybersecurity	**sector specific**	Skills development	**S2**	Waste	**E5**
Raw materials	**S2**			Human rights and working conditions in the supply chain	**S2**
Ethics	**G1**			Management of supplier relations	**G1**
Quantity of water	**E3**			Pollution	**E2**
				Quality of life at work	**S1**
				Biodiversity	**E4**
				Impact on communities	**S3**

The double materiality analysis follows on from the materiality matrix conducted in 2021. In the 2021 matrix, all "major" and "critical" challenges, whether in terms of impact or financial materiality, were categorized as "major" or "strategic," except for "supply of raw materials" and "water management", which have become more important in the updated 2023 matrix.

Some challenges are considered "major" or "critical" in terms of impact, even though they were not identified as major challenges in 2021 because the previous materiality analysis did not consider impact in the same way. Lastly, gender equality and skills development are major challenges from a financial point of view in the 2023 analysis, a change from the 2021 analysis where this was not the case.

Presenting challenges in this way not only reinforces strategic decisions regarding sustainability but also helps identify emerging challenges for regular reassessment and allocation of resources in the short, medium, and long term.

Methodological approach

Phase 1

Preliminary analysis: The first step involved defining a complete list of ESG challenges that could be pertinent to Soitec. Various sources were consulted to create this extensive list, using both internal and external data, and the materiality analysis carried out in 2021. All these challenges have been placed on an initial double materiality matrix. The identified challenges concerned "cross-sector" sustainability topics, the assessment of which is required by the Corporate Sustainability Reporting Directive (CSRD), as well as topics specific to Soitec's business sector (identified through benchmarking with peers and the sector), and sustainability topics specific to Soitec itself. The analysis also examined issues that could impact Soitec's value chain.

Phase 2

This initial analysis was then shared with and reviewed by nine internal stakeholders through individual 60-90 minute interviews (Executive Committee members and directors).

Phase 3

These interviews helped to identify the impacts, risks, and opportunities considered significant for the Company and to refine the double materiality matrix. This revised version was reviewed over two workshops at Soitec to validate the findings and ensure alignment with the Group's risk analysis.

Phase 4

The final consistency check with the Group's risk analysis was carried out by the Internal Control and Risk Management Unit on January 29, 2023 and then approved by the relevant Executive Committee members with regard to the identified inconsistencies.

3.2.3 Soitec's sustainability strategy EFPD

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

This strategy complies 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). The 2030 Agenda for Sustainable Development, adopted by the member states of the United Nations in September 2015, is an action plan to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. It is structured around 17 sustainable development goals, which are broken down into 169 targets that take into account the three aspects of sustainable development: economic, social and environmental. These are aimed at all players: states, local authorities, civil society, economic and financial players. Through its activities and commitments, Soitec contributes to 13 of the 17 SDGs.

3.2.3.1 THREE PILLARS AND TWELVE COMMITMENTS, CORRESPONDING TO THE SECTIONS OF THE EFPD

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. *Supply of raw materials*	3.7.2.1 and 3.7.2.2	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	7 Affordable and clean energy; 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. Gender equality	3.6.2	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	3.6.1.5 3.8.1	3 Good health and well-being
	Ensure the health and safety of employees	***9. Health and safety***	3.6.3	3 Good health and well-being
Act to become a role model for a better society	Manage business ethically and responsibly	***15. Ethics***	3.7.1	16 Peace, justice and strong institutions; 17 Partnerships for the goals
	Build a responsible, sustainable supply chain	***16. Responsible supply chain***	3.7.2	16 Peace, justice and strong institutions; 17 Partnerships for the goals
	Commit to local communities and young people	***17. Community roots***	3.7.3	11 Sustainable cities and communities; 17 Partnerships for the goals
	Ensure the cybersecurity of the Group's activities	***18. Cybersecurity***(2)	3.7.4	-

(1) The major risks requiring disclosure in the EFPD 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. It is, however, included in the EFPD, 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 CSR guidelines and standards aimed at supporting or regulating the environmental, human capital and social practices of companies:

- ISO 14001, environmental management system standard;
- ISO 14040, life cycle assessment (LCA) standard;
- ISO 27001, information security management system standard;
- ISO 45001, occupational health and safety system standard;
- ISO 50001, energy 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);
- the Global Reporting Initiative (GRI), with a cross-reference table which can be found at the end of Chapter 3.

Soitec's non-financial performance is assessed annually by **leading international non-financial rating agencies** using publicly available and disclosed information. These rating agencies include CDP, Gaïa, ISS, MSCI, S&P Global and Sustainalytics.

Soitec's low-carbon objectives have been validated by the Science-Based Targets initiative (SBTi). The SBTi specifies the extent to which and the pace at which companies should reduce their GHG emissions to limit the increase in global temperature to 1.5°C or 2°C above pre-industrial levels (see 3.5.2.2).

3.2.5 Objectives and outcomes EFPD

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.

Commitments	Key performance indicators	Outcomes		Objectives	Achievement of objective
		At March 31, 2024	At March 31, 2023		
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)	14%	11.3%	Maintain and extend its technological edge through R&D, patenting and synergies with its partners	
	Number of patents filed during the year	377	391		
	GHG emissions avoided through the energy savings generated by products in their end-use applications	1,064 $ktCO_2eq.$ (+/-35%) for 60% of 2023 revenue	1,464 $ktCO_2eq.$ for 75% of 2022 revenue	Regularly measure the GHG emissions avoided through the energy savings generated by products in their end-use applications	
	Number of life cycle assessments	6	-	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	+1.63%	+21%	-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	-13%	-16%	-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	-32.44%	-30.54%	-50% in fiscal year 2029-2030	
	Total percentage of water recycled and reused	36.2%	24.4%	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	Bernin	Bernin	Raise employee awareness	-

Commitments	Key performance indicators	Outcomes		Objectives	Achievement of objective
		At March 31, 2024	At March 31, 2023		
Attract and develop talent	Number of hires during the year	566	542		
	Internal promotion rate	17.5%	17.9%	13% on average per year until fiscal year 2025-2026	
	Training hours per employee per year	23.8	18.6		
	Resignation rate	7.4%	8.5%		
Promote diversity and inclusion	Percentage of women in the Group's workforce	35%	35.3%	≥ 40% by fiscal year 2029-2030	
	Percentage of senior management positions held by women (job grade ≥ 150)	23%	23%	≥ 20% by fiscal year 2024-2025/ ≥ 30% by fiscal year 2029-2030	
	Percentage of women on the Executive Committee	36%	27.3%	≥ 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	72 discussion groups organized	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	4.5	3.1	< 2.9	
Manage business ethically and responsibly	Percentage of employees that have completed the e-learning module on the Code of Conduct	83%	72%	100% by fiscal year 2025-2026	
	Number of incidents reported through the whistleblowing system (Sapin II law)	8	N/A		
Build a responsible, sustainable supply chain	Percentage of strategic suppliers that have signed the Supplier Quality Policy	90%	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	237	135	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: 68.9% › CAPEX: 59.5% › OPEX: 31.3%	Eligibility: › Revenue: 74.7% › CAPEX: 63.9% › OPEX: 35.8%		

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

3.3 Highlights of the fiscal year EFPD

"Greenovation", the Group's eco-design approach

Soitec continued to roll out its "Greenovation" eco-design approach. Resolutely ambitious, it places environmental criteria at the heart of the Group's innovation and decision-making processes for all product developments. It aims to ensure that environmental issues are included in selection criteria at every stage of the product design and manufacturing process.

Innovation

The production of the new SmartSiC™ product has begun at the new Bernin plant (France). These substrates are produced using Soitec's SmartCut™ technology, which can reduce CO_2 emissions by up to 70% during wafer production. Demonstrating Soitec's ongoing commitment to innovation, 377 patents were filed in fiscal year 2023-2024, following the 391 filed in the previous year.

Climate change

The energy savings facilitated by the use of Soitec's new-generation products have been estimated at 1,064 GWh (+/-35%) equivalent to the annual consumption of a city with 1.2 million inhabitants.

Soitec has also carried out life cycle assessments (LCA) on the Group's flagship products. These results will help assess their environmental impact (particularly climate-related) and plan appropriate reduction initiatives.

Finally, for the first time, Soitec calculated its greenhouse gas footprint using two methodologies: location-based and market-based.

Water

Soitec has joined the newly-created Water Observatory in the Grésivaudan valley to engage in dialogue with all the stakeholders in its local ecosystem and to develop virtuous solutions to use less and reuse more water. The Group has also continued to invest in recycling the water used in its environmentally friendly production processes.

Attracting and developing talent

Given Soitec's exceptional growth in recent years, and future challenges and projects, attracting talent is one of the pillars of the Company's human resources strategy, both locally, in Isère, and worldwide.

To promote the Group to the general public, events are organized throughout the year to meet potential candidates. The highlight is the annual Job Dating event, which takes place every fall in Grenoble. Last year, more than 200 candidates attended the event. Encouraged by a co-optation bonus for Soitec employees, more than 35 people were recruited on this day alone.

Soitec is committed to offering its employees rich and varied career paths. For example, in fiscal year 2023-2024, the Human Resources Department launched its second round of training to help operators become technicians. Four female operators and two male operators began a three-year training cycle.

Diversity, equity and inclusion

WomEn@Soitec, a women's network was launched within the Company in January 2024. Also open to men, it aims to serve as a platform for exchange and inspiration, helping to *empower* women within the company, and, more generally, raising awareness on diversity, equity and inclusion.

Ethics

During the year Soitec updated its mapping of ethical risks relating to corruption and competition law, and carried out a number of initiatives to raise awareness of business ethics, notably through mandatory training on the Code of Conduct and the prevention of corruption, which concerns all of the Group's employees.

Responsible supply chain

Soitec has continued to work on integrating its ESG ambitions into its supply chain. The Group continued to work with its suppliers on their ESG practices and the ongoing plan for ISO 20400 certification on responsible purchasing. A key aspect of the responsible supply chain has been the shift from air freight to sea freight.

Community engagement

During the year, the Soitec Group also signed the INR's French Sustainable IT Charter (Charte du Numérique Responsable). This charter includes five commitments (on environment, accessibility, ethics, resilience and values), and encourages Soitec to self-assess and strive for continuous improvement.

New certifications and awards

The Pasir Ris site (Singapore) is now ISO 50001 certified. This certification acknowledges the site's initiatives in managing its energy consumption, highlighting the Soitec Group's continuous commitment to combating climate change.

3.4 ESG governance

Environmental, social and governance (ESG) issues are at the heart of Soitec's activities and integrated throughout its organization, as reflected in the Group's ESG governance framework.

This robust, structured governance aims to support Soitec in its sustainability approach. It enables them to ensure that the Group complies with the relevant standards and regulations, that the overall approach is consistent and that decision-making is efficient.

3.4.1 Board of Directors

ESG issues are regularly addressed by Soitec SA's Board of Directors and its four specialized Committees, which are responsible for (i) making recommendations to the Board of Directors in areas that concern them, taking into account the Group's ESG issues (including climate issues), and (ii) contributing to the development and monitoring of the ESG strategy.

More precisely, each Committee's role in ESG issues is as follows:

- The Strategic Committee makes recommendations to the Board of Directors regarding the Group's strategic directions, taking into account ESG issues, including those related to climate change, impacting the Group.
- The ESG Committee oversees the Group's actions and strategies to take sustainable development into account in the management of the Group's objectives, activities, strategy and product policy over the short, medium and long term, and to comply with applicable laws.
- The Audit and Risks Committee ensures that the non-financial information disclosed by the Company, including the Extra-Financial Performance Declaration (EFPD), is complete, accurate and consistent with the information presented in the Company's financial statements. It also regularly assesses, in collaboration with the ESG Committee, the main non-financial risks and their impact on the Company's activities (including the effects of climate change), and annually reviews the verification by the independent third party of the quantitative performance indicators in the Extra-Financial Performance Declaration.
- The Compensation and Nominations Committee takes ESG issues into account when determining the compensation policy for corporate officers and reviewing the compensation principles applicable to all Group employees, and also while selecting profiles of potential Board member candidates. It recommends these candidates to the Board of Directors, ensuring they have environmental, social or governance skills designed to enhance the existing range of skills on the Board.

  The Chief Executive Officer's short- and long-term variable compensation includes financial performance targets and ESG performance targets such as diversity, equity and inclusion, climate change and water stress, as described in section 4.2 of this Universal Registration Document.

  With the authorization of the Annual General Meeting and the Board of Directors, since 2022, the Company has offered all its employees an annual allocation of free shares, subject to a three-year presence condition and the achievement of financial and ESG targets such as diversity, equity and inclusion, climate change and water stress. These targets correspond to those applicable to the Chief Executive Officer as part of his long-term compensation. Current plans are described in Chapter 7 of this Universal Registration Document.

A description of the tasks assigned to the Board of Directors and the four Committees, together with details of the subjects dealt with during fiscal year 2023-2024, can be found in section 4.1 of this Universal Registration Document.

The effective functioning of ESG governance within the Board of Directors and its Committees relies on the expertise of Soitec’s directors and the diversity and complementary nature of their skills in environmental, social and governance issues. The directors’ profiles are presented in section 4.1 of this Universal Registration Document.

Committed to supporting directors in developing their skills, and to facilitate their contributions to the discussions of the Board of Directors and the Committees, during fiscal year 2023-2024, the Company offered them training on the new requirements introduced by the CSRD. Directors also took part in a Climate Fresk workshop, which aims to rapidly raise awareness of climate change issues.

3.4.2 Chief Executive Officer and Executive Committee

The Executive Committee and Chief Executive Officer work together to formulate, implement and monitor strategic directions in terms of ESG.

Within the Executive Committee, the Chief Operations Officer is responsible for environmental issues, the Group Chief Human Resources Officer for human capital issues, and the General Secretary for governance issues. The Senior Vice President, Head of Communications & Chief of Staff to the Chief Executive Officer is in charge of non-financial reporting and ensuring its quality and reliability through cooperation with the various internal stakeholders. It also ensures the strategy’s consistency with Soitec’s objectives and action plan, and coordinates the actions of the various departments in their work on the relevant ESG topics (environment, climate, energy, purchasing, HSE, human resources, etc.).

Every month, an ESG Steering Committee, made up of the Senior Vice President, Head of Communications & Chief of Staff to the Chief Executive Officer, the General Secretary, the Group Chief Human Resources Officer, the Group Chief Financial Officer, and the Chief Operations Officer, meets to review objectives, outcomes and action plans. Decisions taken by this Committee are presented to the Executive Committee during quarterly reviews, providing the basis for discussions with the Board of Directors, the ESG Committee and the Audit and Risks Committee.

To implement the ESG strategy, the Chief Executive Officer relies on the environmental, social and governance expertise of each member of the Executive Committee, alongside their commitments and actions. In addition, to highlight the Group's commitment to ESG, the Chief Executive Officer and members of the Executive Committee will be speaking at a number of conferences during fiscal year 2023-2024 (Semicon West 2023/SOI Consortium, Semicon Europa 2023, LETI Innovation Days Japan and Grenoble, ISS Europe 2023, ICSCRM 2023) and to various media outlets (Le Monde, Les Echos, Le Figaro, la Tribune, Nikkei, Usine Nouvelle, EETimes, Semiwiki).

- Environment: Environmental issues are at the heart of Soitec's DNA, with its products making a positive impact on the entire value chain, helping to reduce the carbon footprint of the final products they are used in. It also underpins the actions and decisions made by Executive Committee members in areas such as financial investments and innovation. The environment also plays a key role in Soitec's dialogue with its stakeholders, striving, for example, to encourage more environmentally-friendly means of transportation, such as sea freight.
- Human capital: All members of the Executive Committee are committed to promoting issues relating to diversity, equity, inclusion and working conditions, ensuring that they are given top priority within the organization. Certain members of the Executive Committee have considerable experience in social dialogue, and actively participate in certain meetings with trade unions or in SEC meetings.
- Governance: The majority of Soitec’s Executive Committee members have strong expertise in corporate governance, gained through their experience as directors both internally and externally.

3.4.3 A strategic transformation led by all employees

The ESG strategy must be supported and led by all Soitec employees.

To that end, all Soitec employees are encouraged to learn about environmental, social and governance issues. During fiscal year 2023-2024, the Company enabled all employees to take part in Climate Fresk workshops. 231 employees have been educated and six have become team leaders, enabling them to raise awareness among their colleagues of the causes and consequences of climate change.

In addition, during fiscal year 2023-2024, a community called "Women empowerment" was launched by Soitec employees from various departments. Sponsored by the Chief Human Resources Officer, it aims to promote diversity, equity and inclusion.

3.4.4 Performance verified by an independent third party

The Group’s Extra-Financial Performance Declaration presented in the Universal Registration Document is externally verified by an independent third party, ensuring that the Company complies with the applicable regulatory provisions and that the information, taken as a whole, is presented fairly. Its conclusions are presented at the end of this chapter.

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

In a sector with high technological added value, responsible innovation is at the heart of the Group's growth strategy.

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 EFPD

Objectives	Achievements	Outcome at March 31, 2024
Maintain and extend its technological edge through R&D, patenting and synergies with its partners	The production of the new SmartSiC™ product has started at the new Bernin plant (France) Rollout of the "Greenovation" project	14% of revenue dedicated to gross R&D (before capitalization) 377 patents filed in fiscal year 2023-2024 18% of employees in R&D
Regularly measure the GHG emissions avoided through the energy savings generated by products in their end-use applications	Analysis of CO_2 savings	1,064 ktCO_2eq. avoided (with a degree of uncertainty of +/-35%) through the use of three of its products, representing 60% of 2023 revenue
Assess products throughout their life cycle	Life cycle assessments carried out to assess the environmental performance of Soitec's main product ranges	6 LCAs carried out on RF-SOI, FD-SOI, Photonics-SOI products

Designed to meet the ever-growing functionalities and performance requirements of the technologies used every day, Soitec's products have become an integral part of the daily lives of billions of people.

To remain a leader in innovative semiconductor products, Soitec anticipates its customers' expectations and offers products that combine technical performance with energy efficiency. Soitec's products are essential for innovations such as 5G, autonomous cars and artificial intelligence embedded in smart devices. But while these innovations help society 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.

3.5.1.1 Innovation, a major challenge (see Chapter 1.5)

The Innovation Department has two key focuses: developing future products, and implementing and preparing the business plan for the next five years. There are five steps to this approach:

1. Identify and analyze market needs
2. Define new innovations
3. Verify that these innovations have outlets in the target markets
4. Set up production processes with new tools
5. Launch the industrial production of a commercially-viable product protected by patents

Innovation is managed by the Chief Technology Officer and Senior Executive Vice President of Soitec's Innovation, a member of the Executive Committee. He assesses the feasibility of field feedback, prioritizes it and ensures its effective rollout. At Soitec, innovation is present everywhere, from operators to the Executive Committee. The Group aims to ensure that innovation benefits end-users, and that every employee contributes to this objective. Operational teams are trained to integrate innovation into their processes. Each year, an awards ceremony honors employees who share observations and ideas that lead to new innovations.

The Group has developed a step-by-step approach that enables it to follow the development of a promising idea all the way to the manufacturing of the pilot product, at which point it is transferred to the production teams. Those responsible for designing, defining, and producing prototypes receive support and guidance from teams dedicated to future customer and market demands. A dedicated team works on building partnerships and incubators, aimed at shaping the future business lines and divisions of the Group. Lastly, the legal and IT teams work together to ensure that the Group's intellectual property is protected.

3.5.1.2 Innovate to reduce the energy consumption of products

Innovative technology to reduce the environmental impact of semiconductor production

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

This innovation has led to the marketing of the new SmartSiC™ product (which applies patented SmartCut™ technology to silicon carbide (SiC) substrates). Thanks to SmartCut™ technology, each SiC substrate can be used ten times, instead of just once for traditional technologies. With SmartSiC™, electric vehicles can travel autonomously for distances exceeding 500 km, compared to the current average of 350 km for those using silicon IGBT technologies, while also reducing CO_2 emissions during the wafer manufacturing process by 70% compared to monocrystalline SiC substrates. Its manufacturing process emits four times less CO_2 than SIC products, by using a less energy-intensive base substrate and reusing the initial SIC substrate ten times.

This operational efficiency enables Soitec to consume less energy and materials, and Soitec's customers to reduce their Scope 3 greenhouse gas emissions. SmartSiC™ provides energy savings of around 10%. These savings enable electric vehicles to extend their range and cut down their charging time.

3.5.1.3 Greenhouse gas emissions avoided

As was the case the previous year, in 2023-2024 Soitec conducted a study to measure the greenhouse gas emissions avoided thanks to energy savings achieved in the end-use applications of Soitec's products. Three product families were selected for this study: FD-SOI, RF-SOI and Photonics-SOI substrates, which represent 60% of 2023 revenue. These energy savings are translated into "avoided" greenhouse gas emissions using a conversion factor that depends on the energy mix of the various countries of sale. Alternative scenarios based on modified calculation assumptions have been added. In total, 1,064 ktCO_2 eq. were avoided, with a degree of uncertainty of +/-35%, through the use of Soitec products, with energy savings of 1,927 GWh, down 27% on 2022, due to a more detailed study of the scenarios. This represents the equivalent of the annual domestic electricity consumption of a city of 1.2 million people in energy savings. Details of these results, broken down by product family, are set out below.

Photonics-SOI:

Photonics-SOI is a substrate used to manufacture optical connectors for data transmission in data centers. By taking into account the number of optical connector sales in the year by generation, the type of sales (retrofits or new installations) and Soitec's market segment, the number of connectors resulting from Soitec's substrate production can be calculated. Additional data on the distribution of data centers around the world can be used to apply localized emissions factors.

Overall, based on the reference scenarios (type of retrofit, market segment), FD-SOI substrate use is estimated to have saved 436 GWh, with a degree of uncertainty of +/-3.45%, i.e., 155 ktCO_2eq. with a degree of uncertainty of +/-3.4%.

RF-SOI:

RF-SOI is a substrate mainly used to manufacture electronic chips for receiving and transmitting radio waves. The main target market is 4G/5G communications. The avoided emissions therefore concern this market. A series of calculations is used to define the energy consumption resulting from the RF module in a smartphone throughout its life cycle. This consumption depends on the RF electronic chip integrated in the smartphone, and therefore on the type of smartphone. Based on knowledge of Soitec's market segment, the energy savings enabled over the life cycle can be calculated by comparing with the previous-generation product. The distribution of sales around the world means that localized emissions factors can be applied.

Overall, based on the reference scenarios (smartphone lifespan), RF-SOI substrate use is estimated to have saved 448 GWh, with a degree of uncertainty of +/-20%, i.e., 233 ktCO_2eq. with a degree of uncertainty of +/-20%.

FD-SOI:

FD-SOI is a substrate used to manufacture electronic chips with a particularly sound consumption/performance ratio. These chips are used for a wide range of products, from automotive image detection to Wi-Fi chip integration. The avoided emissions calculated concern the automotive and communications markets. By taking into account the consumption of each chip during its end-use application, the usage scenarios of the finished products, and their lifespan, the overall consumption of a chip throughout its life cycle can be calculated. By comparing the application with previous applications, the equivalent consumption for the same issue can be determined and the energy savings resulting from the use of Soitec substrates can also be calculated. The emissions factors applied correspond to global averages.

Based on knowledge of the consumption of each chip during its end-use application, the usage scenarios of the finished products, and their lifespan, the overall consumption of a chip during its end-use application can be calculated. A reference scenario can be modeled based on knowledge of the consumption of chips meeting the same needs. The emissions factors applied correspond to global averages.

Overall - based on the reference scenarios (generation of chip made without SOI substrates) - FD-SOI substrate use is estimated to have saved 1,043 GWh, with a degree of uncertainty of +/-34%, i.e., 676 ktCO_2eq. with a degree of uncertainty of +/-34%.

Disclaimer:

It is crucial to stress that the energy savings mentioned are thanks both to the specific features of Soitec substrates and to the efforts of players downstream in the value chain, from production to use of new-generation chips.

Furthermore, it is important to note that a large proportion of these sectors have not seen a net reduction in total energy consumption, despite a reduction in energy consumption per functional unit. In fact, in some cases, this has had the opposite effect. This study does not take into account the increase in data consumption linked to the boom in high-speed connections or 5G, nor the increasing integration of electronics in vehicles (a phenomenon known as Jevons' paradox or the rebound effect).

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

Soitec is continuing to roll out the Greenovation project, which aims to ensure that environmental issues are included in decision-making criteria at every stage of product design and manufacturing process. In addition to performance, power and cost criteria, the environment is now a key consideration.

The Greenovation project is based on three main pillars:

1. **Adapting the eco-design strategy of its products to the needs of future markets.** Soitec conducts life cycle analyses (LCA) on its product ranges in order to evaluate their current environmental performance and guide their future performance (see section 3.5.1.5 for more information). The results are used to establish innovation strategies and to adapt eco-design to the purpose of the Group's products: reducing energy consumption, extending product lifespan, using fewer materials, etc. The LCAs were carried out for FD-SOI, RF-SOI and Photonics technologies. These products accounted for around 60% of revenue in 2023.

2. **Integrating an environmental dimension into the Group's decision-making processes** so that the environment is a systematic criterion in product design. While energy savings have long been an objective for Soitec, the Group now sets itself environmental performance obligations based on quantified and objective criteria, applicable to Soitec's operating processes and the use of its products. These criteria are integrated into the decision trees used to define the Group's investments, and Executive Management's decision-making processes.
3. **Equipping teams to manage environmental performance in real time.** The Group has installed tools and sensors on its equipment to monitor consumption in real time (notably its water, electricity, gas and chemical consumption). The data extracted will be used to obtain more accurate consumption measurements, assess equipment performance and identify potential malfunctions. These sensors currently cover 100% of water consumption and 75% of electrical and gas installations. They have already led to the identification and implementation of process efficiency improvements.

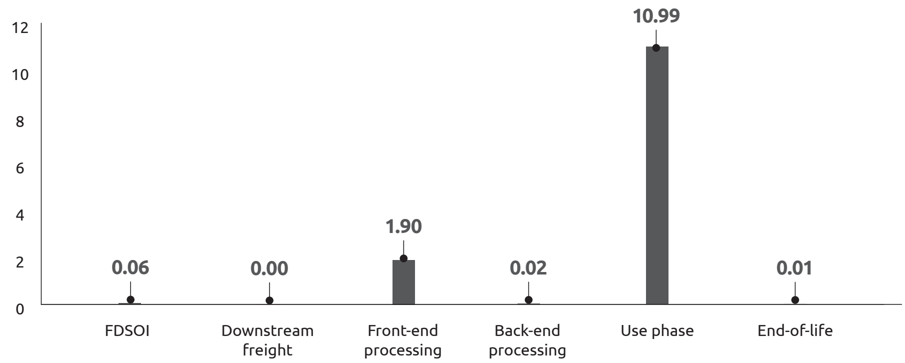
3.5.1.5 Results of the life cycle analyses

In partnership with a specialist firm, Soitec carried out comprehensive life cycle analyses for the first time in 2023, in compliance with ISO 14040 and ISO 14044 requirements. These analyses covered the entire life cycle of Soitec products (see graphics below). After defining the scope of the study, Soitec collected data for each phase of the life cycle (either directly from Soitec teams or from the EcoInvent database). These data were then modeled in SimaPro software, the results of which are presented below.

EyeQ4

integrating FD-SOI

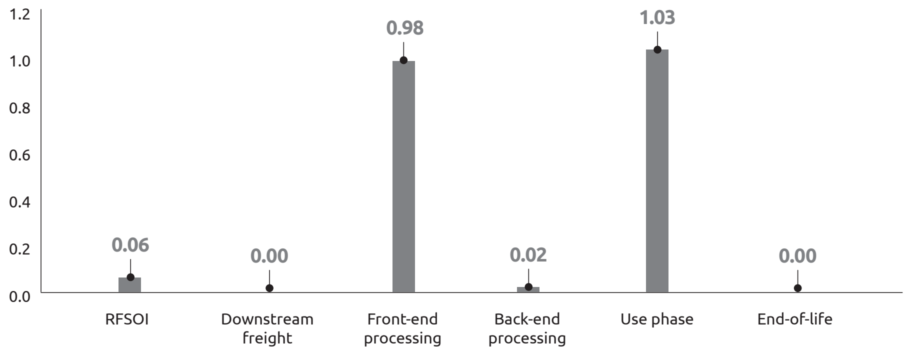
13 kg CO_2 eq



Front-end chip

integrating RF-SOI

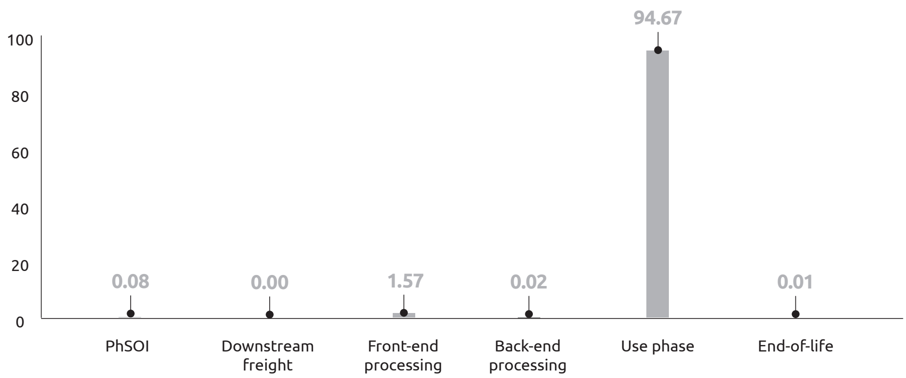
2.1 kg CO_2 eq



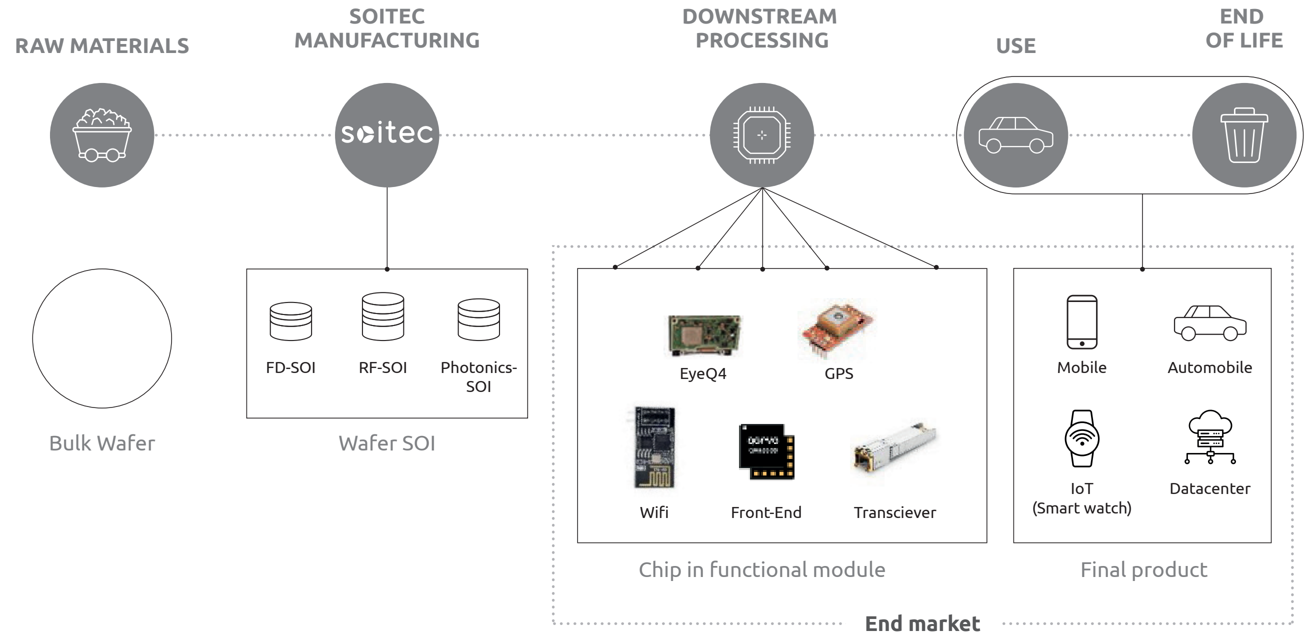
Pluggable transceiver 400 Gb/s

integrating Photonics-SOI

96 kg CO_2 eq



The following analyses were carried out in 2023:



Outcomes:

LCA title

FD-SOI
EyeQ4 – Automotive

FD-SOI
Wifi module – Smartphone

FD-SOI
GPS – Smartwatch

FD-SOI
Front End Module – Smartphone

Photonics-SOI
400GO Transciever – Datacenter

Photonics-SOI
800GO Transciever – Datacenter

Compliant with ISO standards   Certified by 3rd party

Interpreting the results:

The impact of Soitec's manufacturing processes is therefore negligible at the life cycle level of the products studied. The end-use application of the products is, however, predominant in the overall impact.

Soitec's strategy of designing energy-efficient substrates therefore greatly reduces the environmental impact of the products studied.

3.5.1.6 Forge alliances and partnerships to build a semiconductor ecosystem

As a major player in microelectronics and semiconductors, Soitec continues to work 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, its new SmartSiC™ silicon carbide technology, which went into production in fiscal year 2023-2024, was created in collaboration with the Substrate Innovation Center, founded with CEA-Leti in Grenoble. 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 enable not only innovations in materials, but also the testing of the use of its products in final products, before they go into production, in order to best respond to customers' technological challenges. Replicating the Bernin model (France), an innovation platform – Singapore Technology Center– 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' future technologies within the platform, alongside engineers and technicians with local partners.

Soitec is also committed to reinforcing the sovereignty of the European semiconductor industry, particularly regarding silicon carbide. 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. 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 EFPD

Objectives	Achievements	Outcome at March 31, 2024
25.2% reduction in Scope 1 and 2 GHG emissions between 2020 and 2026 and 37% reduction by 2030	› Increase the proportion of renewable energy used to power the Pasir Ris site (Singapore)	› Scopes 1 and 2: 21,621 tCO_2eq
35.3% reduction in Scope 3 GHG emissions between 2020 and 2026, and 50.9% reduction by 2030	› Eliminate domestic freight following the increase in wafer refreshing capacity at the Bernin site › Widespread use of sea freight for procurement	› Scope 3: 325,545 tCO_2eq › 42% year-on-year reduction in domestic freight between sites › 43% of business freight transported by sea in 2023

3.5.2.1 An organization and teams focused on ambitious objectives

During the year, Soitec made changes to the governance tasked with managing greenhouse gas emissions. Management is carried out by the Executive Committee and its ESG Steering Committee (see section 3.4.2). Environmental issues are overseen by the Operations Excellence & Quality Chief Operations Officer, with the support of his teams (HSE, Facilities, etc.). The aim of this organization is to integrate energy and climate change issues into the Company's day-to-day operations, and to facilitate the achievement of Soitec's ambitious commitments.

3.5.2.2 Reduce greenhouse gas emissions while pursuing growth

Soitec has been a member of the Science-Based Targets initiative (SBTi) for over three years. The Group is committed to aligning its activities with a pathway aimed at limiting global warming to 1.5°C above pre-industrial levels. It was the fourth semiconductor company worldwide to have objectives validated by the SBTi. 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.

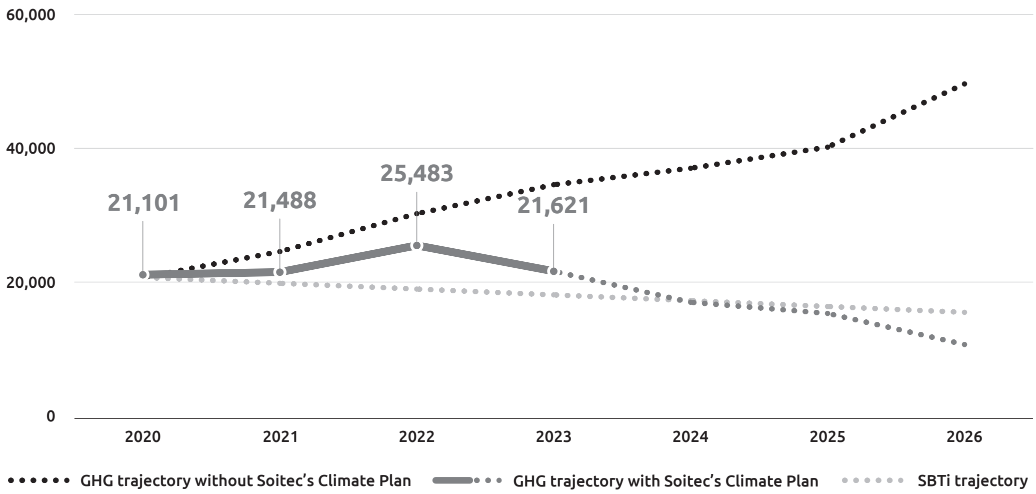
A major change in the calculation of greenhouse gas emissions took place in fiscal year 2023-2024. Direct and indirect emissions for Scopes 1, 2 and 3 are now calculated using both market-based and location-based methodologies.

These two methods can be used to calculate GHG emissions according to:

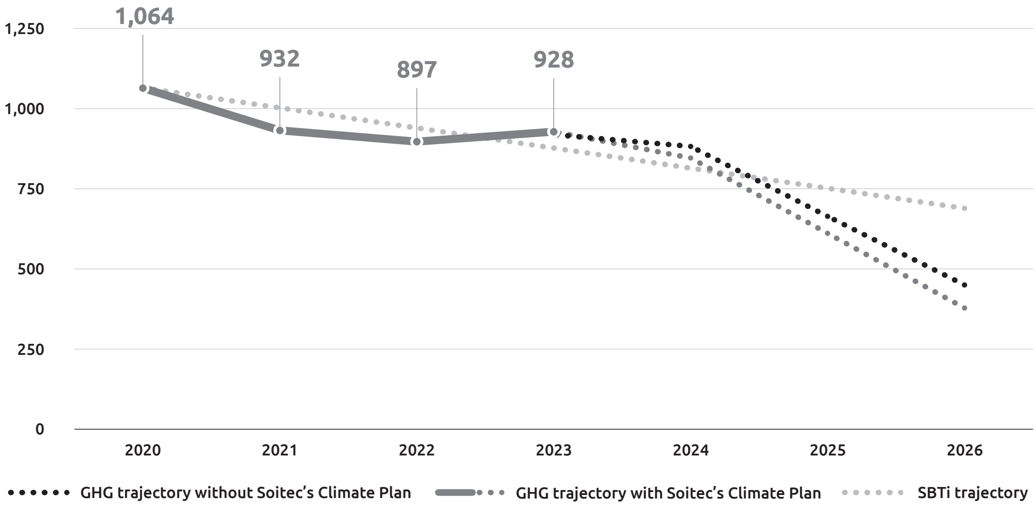
- the location of the Group's sites (= location-based, which uses the national average of the countries in which the Group operates)
- emissions factors for energy purchased by Soitec from suppliers (=market-based, which takes into account the nature of the energy purchased, including if it is renewable)

The Group has set the objectives for its greenhouse gas emissions assessments using the market-based method to take into account the results of renewable energy procurement policies. Soitec is proud to have reduced its GHG emissions in absolute terms for the first time in its history, for both Scopes 1 and 2. This achievement is the result of the work of teams at Bernin (France), with lower consumption and the consumption of lower-emission energy, and Pasir Ris (Singapore), which has decarbonized the electricity it consumes and improved its energy performance.

- **SCOPE 1 AND 2 EMISSIONS**



- **SCOPE 3 EMISSIONS – ECONOMIC INTENSITY VALUE**



3.5.2.3 Implement the Climate Plan in operations

Soitec is continuing to roll out its Climate Plan, which is built on seven pillars:

1. **Enhancing the energy performance of industrial facilities.**

   Soitec's approach to energy management is aligned with best practices, and the Bernin (France) and Pasir Ris (Singapore) sites are ISO 50001 certified. This certification is the result of ongoing work, and means that sites have a plan for measuring consumption and making investments to improve their energy efficiency. The Group plans to invest over €30 million by the end of 2026 to reduce its energy consumption.

   Current investments mainly aim to optimize cold production processes, heating plants and air processing units. A heat pump was installed at the B3 fab in fiscal year 2023-2024. It is four to five times more efficient than gas-powered boilers. Two thermodynamic heat pumps will soon be installed at the Bernin site (France). In total, the energy savings achieved will save over 1,500 metric tons of CO_2eq. per year, equivalent to the total annual carbon footprint of around 190 French people (source: Ademe). Energy efficiency and savings measures are regularly applied to production equipment.

   Soitec also aims to improve the environmental quality of its buildings over their entire life cycle to ensure they meet the best environmental standards. The Group's headquarters in Bernin (France) are certified HQE® excellent, and the extension of the Pasir Ris plant (Singapore) is certified "Green Mark", a label awarded by the Singapore government to buildings that comply with environmental criteria. The Group's buildings located in France are subject to a national decree regarding commercial buildings ("la loi ELAN"), which calls for a 40% reduction in building consumption by 2030. An initial investment was made during the year to measure and control consumption, and will be deployed over the coming year.

2. **Prioritize low-carbon energy.**

   The Group is fully committed to decarbonizing the energy that it consumes. All of the energy consumed at the Bernin site (France) is renewable and covered by guarantees of origin. It comes from hydroelectric power stations located in the Auvergne-Rhône-Alpes region in France. It is also developing the use of biogas at the site. At the Pasir Ris site (Singapore), the goal is for 50% of the site's energy to be low-carbon by December 31, 2024. At the end of March 2024, the site was 34% supplied by green energy, thanks to the signature of a power purchase agreement with guarantees of renewable origin and the installation of solar panels on the site. This agreement is intended to cover around 60% of Pasir Ris' estimated energy needs by 2026.

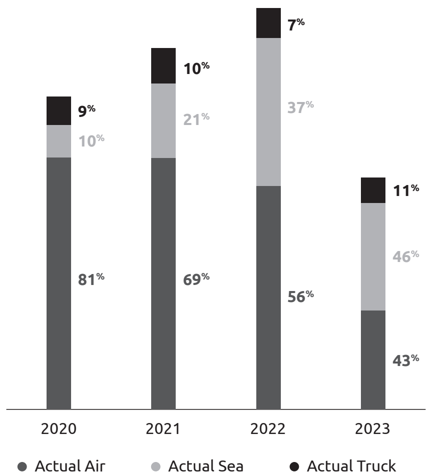
3. **Reduce the consumption of GHG-emitting process gases.**

   This focus area complements the previous two, and involves reducing the use of GHG-emitting gases in Soitec's industrial processes, by replacing the process gases currently used in the machines with lower-emission gases.

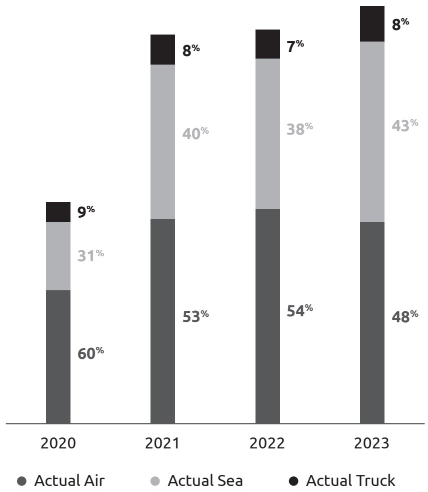
4. **Favor low-carbon freight.** Soitec initiates measures to encourage its suppliers and service providers to reduce their carbon footprint. Freight accounts for 7% of Soitec's Scope 3 emissions, and the Group is working to reduce it in two ways. The first is to systematically favor sea freight in its logistics flows. In fiscal year 2023-2024, the Group entered into contracts with its two main suppliers to procure silicon by sea freight. The second is to eliminate the need for domestic freight. The Group has invested in its 300 mm wafer refreshing capacity at Bernin (France), making the site self-sufficient. This new organization avoids the transport of wafers between Bernin and Pasir Ris. This strategic decision is a practical example of the implementation of short circuits in the Group's activities.

   Soitec is also working with its customers to promote the use of sea freight for deliveries. A study is underway to ensure that the change in delivery method does not affect the quality of the products delivered.

INTERNAL FREIGHT



CORPORATE FREIGHT



5. **Engage suppliers in a low-carbon approach.** This topic is covered in the section on responsible purchasing (3.7.2.3).

6. **Reduce emissions from subcontracting.** Soitec subcontracts part of its SOI wafer production to an external service provider located in China. To ensure that subcontracting does not hinder the achievement of its SBTi objective, Soitec has asked the subcontractor to comply with the best practices in place at Soitec where applicable. The subcontractor is in the process of obtaining ISO 50001 certification, which should be in May 2024.

7. **Engage employees in low-carbon initiatives**. Soitec promotes climate change awareness and training programs for its employees, so that each and every one of them is aware of how they can take action within the Group and at work. Employees are trained to coordinate Climate Fresk workshops, and have raised the awareness of more than 200 of their colleagues in Bernin (France) and Pasir Ris (Singapore) over the past year. The Group also has a "Green IT" policy, which aims to reduce the environmental impact of the use of its IT equipment.

   Soitec also encourages its employees to use soft mobility and invests to accelerate its development. The investment program deployed in Bernin (France) during fiscal year 2023-2024 has, for example, increased the number of electric vehicle charging stations (40 are currently in place) and promoted the use of bicycles. This last point has been addressed in two ways: by increasing the number of bicycle parking spaces, and renewing the electric bike lending system for commuting. A commuting survey was carried out at the end of the year to give us a better understanding of employee habits and enable us to adapt measures accordingly. At the Pasir Ris site (Singapore), buses transport employees to and from work, facilitating their commute and reducing the Company's carbon footprint.

3.5.3 Ensure reasonable water use

Objectives	Achievements	Outcome at March 31, 2024
50% reduction in water withdrawals per unit of production (L/sq.cm.) between fiscal year 2020-2021 and fiscal year 2029-2030	› Monitoring and managing of water consumption, with consumption modeling for each product range	› 67.6 liters of water consumed per sq.cm of wafer produced (normalized value) › 32% reduction in water consumption per sq.cm. versus fiscal year 2020-21
30% of water recycled in fiscal year 2029-2030	› Entry into service of a new rise water treatment industrial facility	› 36% of water reused in Group processes

3.5.3.1 Water use at Soitec

Water is essential for Soitec's operations. Industrial use accounts for 99% of water consumption, of which 89% is ultra-pure water for wafer cleaning, an essential stage in the manufacture of Soitec's products. Managing its use has therefore been a priority in Soitec's sustainability commitments for many years now.

The Chief Executive Officer is responsible for the Group's water management strategy and performance. The Executive Committee conducts performance reviews relating to water use, as well as quarterly reviews of the related objectives and the issue is included in the performance criteria on which bonus share and profit-sharing plans are calculated.

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 99% NEWater (water 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.

The Group's two main production sites are located in low to medium water stress zones.

3.5.3.2 Preserve water resources by limiting withdrawals

Soitec Group's water preservation policy has 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 mobilized to reduce water withdrawals required for production and to maximize its reuse. "Water officers" have been appointed in each department: facilities, process, equipment, etc. Their role is to monitor consumption and identify potential savings using a consumption monitoring tool set up during the previous year. The data from this tool were used in fiscal year 2023-2024 to build a model of water consumption by product range.

To increase the proportion of recycled water in its operations, Soitec deployed an innovative new industrial facility at its Bernin site (France) in early 2024. It reinjects wafer rinsing water into the raw water used in the production of ultra-pure water for clean rooms (reuse). This is the first innovation on this scale in Europe, and has enabled the Group to considerably increase the proportion of water reused (to 36%).

Water consumption per sq.cm. of wafers produced was halved between 2015 and 2021, and Soitec aims to halve it again between 2021 and 2030. Thanks to the implementation of its reuse system (water recycled and reinjected into processes) at Bernin, Soitec achieved its target of 30% recycled water by 2030, six years ahead of schedule. A new target of 50% by 2030 has therefore been set. This success is the result of cooperation between the facilities department, which installed efficient ultra-pure water installations, and the maintenance and production teams, who worked to reduce the water consumption of equipment (notably by using closed circuits for the SiC Grind equipment).

3.5.3.3 Engage with all stakeholders to improve water management

Soitec is involved in a project to deploy a water recycling solution in the Grésivaudan intermunicipal authority (communauté de communes). This solution would allow pre-treated wastewater to be recovered, filtered to a quality comparable to municipal water, and then used in ultra-pure water plants. The technical feasibility of such a solution has already been demonstrated at the Pasir Ris site (Singapore), where the Group benefits from local infrastructure resulting from a nationwide policy.

Another of Soitec's aims is to engage in dialogue with all stakeholders in order to take a holistic approach to the issue. In France, for example, the Group is one of the first members of the Water Observatory created by the Grésivaudan intermunicipal authority in France, whose objective is to take a scientific and documented approach to water and all its uses throughout the region. Joining this observatory when it was created in March 2023 enabled Soitec to exchange information and best practices with the local ecosystem. The aim is to ensure transparent and equitable use of water between the region's population and its industries, and to devise solutions for withdrawing less and recycling more water.

The Group's water management policy is assessed by the CDP rating agency using the Water Security questionnaire.

3.5.4 Preserve biodiversity to maintain a healthy and balanced local ecosystem

Objectives	Achievements	Outcome at March 31, 2024
Implementation of initiatives to promote biodiversity at the Company's sites	› Ecological Quality Index (EQI) analysis › Retention of the LPO Refuge label › Continuation of the no phytosanitary product policy	› EQI analysis performed › The Bernin site is a no phytosanitary product site

In fiscal year 2023-2024, Soitec carried out an Ecological Quality Index (EQI) analysis at its Bernin site (France). This French method was created by the French Biodiversity Office, the French Natural History Museum and the CNRS. This is a biodiversity assessment standard, the aim of which is to quantify the presence of animal and plant species, assess fragile or invasive species, map the habitats present on the site and the movement of these species. This EQI analysis was completed at the end of the fiscal year and, on the basis of around ten criteria, enabled the establishment of an effective action plan to promote biodiversity on the Bernin site. The first measures will be rolled out during 2024-2025.

At the Pasir Ris site (Singapore), phytosanitary treatments are carried out by government departments to combat species carrying tropical diseases.

Soitec is committed to preserving and enhancing the natural ecosystem of the regions where the Group operates. Although 79% of the site's surfaces are sealed (factories, parking lots, etc.), the Bernin site (France) has almost three hectares of unsealed land, which Soitec and its local partners are taking steps to protect. A 1,700 sq.m. area features dry hedges and plant species adapted to local flora and fauna. Several beehives are also on the site and are looked after by a beekeeper with the help of volunteer employees who are given special training. The bees contribute to pollination and the growth of nearby trees, and produce over 100 kilos of honey every year.

The Bernin site, which uses no phytosanitary products, has held the French League for the Protection of Birds (Ligue de Protection des Oiseaux – LPO) Refuge label since 2020. Where expansion is required, Soitec prioritizes building on land that is already sealed to avoid encroaching on natural soil, and optimizes existing land to avoid any unnecessary construction. During the work, consultations are regularly held with the French League for the Protection of Birds to consider the best ways to minimize the impact on biodiversity.

3.5.5 Reduce pollution and waste

Objectives	Achievements	Outcome at March 31, 2024
Limit air and water pollution	› Segregate a maximum of concentrated water discharges › Reduce chemical consumption › Treatment and overrun of thresholds	› Singapore: No aqueous exceedances, one atmospheric exceedance (no associated risks) › Bernin, France: Two atmospheric exceedances, 18 aqueous exceedances (no associated risks)
Reduce and recycle waste	› Recycle, recover or regenerate hazardous (HW) and non-hazardous waste (NHW)	› 14% of NHW recycled › 54% of NHW recovered › 69% of HW recovered or recycled

3.5.5.1 Limit atmospheric emissions

Soitec's atmospheric emissions come from its production activities (fluorides, ammonia) and its boilers (NO_x, CO). These emissions 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). These scrubbers neutralize effluents by spraying water and reagent. Their emissions are analyzed by an external laboratory, in compliance with regulations. No pollutant thresholds were exceeded in Singapore during the year. In Bernin (France), one ammonia measurement was exceeded. The cause was immediately identified and corrected (the process responsible was automated to prevent any further overruns), and subsequent analysis showed a return to standard. To ensure regular monitoring, Soitec will install a continuous ammonia analyzer on all scrubbers at the Bernin site during fiscal year 2024-2025. A slight overrun of the regulatory threshold for fluoride was observed during the year. Corrective measures were also put in place once the cause had been identified.

A number of boilers were replaced by heat pumps during the year, as part of measures to reduce greenhouse gas emissions. Gaseous emissions from combustion in the remaining boilers (kept as a precautionary measure) are treated via, for example, the Low NO_x burner technology at Bernin.

3.5.5.2 Limit water discharges

Industrial water discharges come from production activities: they are collected and a reagent is injected at neutralization stations to bring them back to a neutral pH level before being discharged into the natural environment. Analyses of these discharges are carried out internally or by an external laboratory (depending on the factors).

3.5.5.3 Reduce production waste

A total of 8,514 tons of waste were produced in 2023-2024, down 200 tons on the previous year. Soitec is making major investments to reduce the amount of waste. Therefore, in France, the investments required to install a vacuum evaporator at the Bernin 3 site have been carried out, in addition to those already carried out at the Bernin 1 and Bernin 2 sites. The aim is to evaporate the water from liquid waste, so that only the essential part of the waste is transported to the treatment plant, thereby reducing waste tonnage by a factor of four and avoiding greenhouse gas emissions from logistics and waste. An additional vacuum evaporator is planned for the Bernin 4 plant and will be installed in fiscal year 2025-2026.

Hazardous waste, which accounts for a bit less than 90% of the Group's total waste, is treated appropriately. In all, almost 70% was treated (recycled, converted into energy or regenerated). The hazardous waste produced is not directly linked to production: it mainly comes from machine purges or maintenance operations. Soitec is working to reduce chemical consumption without compromising the quality of finished products, in order to reduce the quantity of chemicals leaving the plant.

Non-hazardous waste, which represents a bit more than 10% of the waste volume, mainly consists of glass, cardboard, wood or plastic arising from the Group's logistics. This waste is recovered when the service provider has the capacity to do so: Soitec requires the service provider at the Bernin site (France) to send waste to a dedicated waste recycling and recovery site (however, the service provider decides to which specific site the waste is sent).

3.6 Leverage an inclusive corporate culture

Thanks to employees who have been loyal to the Group for many years, Soitec has a strong corporate culture 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. Soitec's human resources policy is based on four pillars that respond to challenges that Soitec has identified and on employee expectations.

3.6.1 Attract and develop talent EFPD

Objectives	Achievements	Outcome at March 31, 2024
Improve the Group's reputation and attractiveness	Employer branding initiatives and relations with schools and universities expanded to Singapore	Continuation of established partnerships (Bordeaux INP, ESSEC business school in Singapore, etc.)
Hire 270 people in fiscal year 2023-2024	Continuous recruitment during the year	274 permanent hires
	Implementation of a new Applicant Tracking System	
	Implementation of a new employee referral program	
Maintain an average promotion rate of 13% per year until fiscal year 2025-2026	Continuation of existing action plans	17.5% promotion rate in fiscal year 2023-2024
Train employees	Annual skills reviews and training programs (one-off sessions and longer-term programs)	› Start of training for the second cohort of production operators on the technician training course set up in partnership with IUT1 Grenoble › 24 hours of training per person during the year

Attracting new employees is an essential component of Soitec's ability to innovate and meet customer expectations in a context of sustained growth.

This ensures that there is no shortage of the profiles needed to support the Group's business and growth over the long term. Despite a company profile that is attractive to applicants, Soitec sometimes faces difficulties in recruiting technicians due to a shortage at national level, and more particularly, in the Grenoble employment catchment area. There may also be recruitment difficulties for expertise related to the semiconductor field.

3.6.1.1 Increase talent attraction

In order to make its employer brand an asset for attracting employees, the issue of talent attraction is steered by a Talent Acquisition Manager, who has been in charge of this function at Group level. He is supported in this function by a team of employees in France and Asia. Generally speaking, the HR department contributes to and supports Soitec's growth and talent attraction strategy.

3.6.1.2 Pursue and strengthen the employer brand policy and initiatives

Soitec's ongoing efforts to improve the attractiveness of its employer brand have continued, with the reinforcement of initiatives that began in previous years.

In 2023, Soitec strengthened its policy of attracting talent and developing its employer brand. The Group recruited 274 employees on permanent contracts during the year.

Hires in 2023-2024	Number of hires and % of men and women
Permanent hires	274 (women: 32%, men: 68%)
Fixed-term hires	292 (women: 37%, men: 63%)
Young people under 26	237 (women: 32%, men: 68%)

In France, the Group continued to strengthen 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 a greater number of candidates with more varied educational backgrounds. In this context, a partnership with INP Bordeaux was signed this year. A total of five partnerships were in place at March 31, 2024.

Soitec is particularly proud of expanding its work-study program in France this fiscal year. The number of work-study students doubled in 2023. The Group therefore increased the number of work-study students from 29 in 2022 to 58 in 2023. Soitec aims to use these work-study contracts as springboards to permanent positions. This approach will be continued in the future, bolstered by the success recorded in 2023: the conversion rate between work-study courses and permanent contracts was close to 30%. The partnership with IUT Grenoble in France is a success: Soitec has become the leading employer of work-study students at the school.

A partnership with the ESSEC business school in Singapore has also been in place since December 2022. Among the notable opportunities created by the partnership, the Pasir Ris site (Singapore) organized job dating events throughout the year, during which candidates for permanent and apprenticeship positions were able to meet and talk to Soitec employees. At the regional level in Bernin (France), Soitec organized several theme-based after-work events and open houses that helped build contacts with potential candidates and create an applicant pool. These events also provided candidates with an opportunity to immerse themselves in the Group's businesses and discover the working environment at Soitec.

All these partnerships and initiatives are testament to Soitec's growing attractiveness on the job market.

3.6.1.3 Tools to improve Soitec's attractiveness and recruitment process

The Group has been equipped with an Applicant Tracking System (ATS) since 2023. This collaborative tool allows all teams to use the same recruitment management application, more easily track applications and therefore better steer the Group's recruitment performance. In 2023, the Group continued to deploy this tool. It is now used by everyone in the HR department. Soitec is currently working on a new module for employee onboarding. Candidates can now create their own profile in the ATS to facilitate the recruitment process and their integration if they are hired.

Soitec continues to roll out the employee referral program, launched in 2022. A bonus of €1,000 is allocated to any employee who refers an applicant who is successfully hired, paid when the new hire arrives.

Lastly, when these new employees arrive, they are offered an onboarding program so that everyone understands their role in the Group, their department and their team, learns about the rules they are expected to respect, and identifies the value they can bring to Soitec. This integration process will be strengthened in 2024 by standardizing it across the Group.

3.6.1.4 Develop talent and careers

In addition to the need to attract talent to support its growth, Soitec seeks to develop the technical and managerial skills of all employees in order to anticipate the skills that will be necessary for the Group's long-term growth and innovation. The Learning & Development (L&D) team was restructured during the year, with L&D managers assigned to certain areas of activity: finance, operations, etc. The team is split between France and Singapore. Soitec's objective is to offer global content to all the Group's countries and subsidiaries, to ensure consistent content quality. In its industry, the Group is a pioneer in terms of training, providing training programs for its technicians that lead to diplomas. As part of the partnership entered into three years ago 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 such as process and maintenance technicians. The operators are 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 class, which started in September 2022, completed the first half of the course at the end of the fiscal year. The first phase enabled them to acquire the status of process or maintenance agent, and the second to progress to process or maintenance technician positions. A second class was formed in 2023 with six students, including four women. For the time being, this training only concerns employees at the Bernin site (France).

At Group level, career support is governed by an employment and career management (GEPP) agreement within Soitec's Economic and Social Unit (ESU). It was revised in 2023 to specify the use of the personal training account (compte personnel de formation – CPF), which can be mobilized at the manager's request, if the training requested does not fall within a framework useful to the employee's position (otherwise, the training is paid for by Soitec).

Every year, Soitec carries out people reviews to map the skills that exist or need developed 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 covering a range of topics such as compliance, antitrust, Code of Conduct, anti-corruption, life cycle analysis and water management.

Employees who wish to develop their careers at Soitec also have the opportunity to do so thanks to a new internal mobility policy implemented in fiscal year 2022-2023. In a context of strong growth, it enables candidates to change positions within the Company. During fiscal year 2023-2024, 41% of positions filled at Group level were filled through internal transfers (rising to 48% in France). In terms of promotion, 17.5% 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.

Soitec intends to continue its career and skills development initiatives for its teams. The Group plans to develop an e-learning platform, with standard content (e.g., English and other language courses). The aim is to diversify skills, particularly in leadership and management, to create a community of managers within the Group. They will, for example, receive training in psychosocial risks.

Lastly, as Soitec is an international Group, a platform to raise awareness and provide training on how to work with people from different cultures has been launched. It raises cultural awareness to understand, accept and overcome cultural differences. This initiative is based on our desire to provide a fulfilling and rewarding work environment and to promote employee well-being.

Objectives	Achievements	Outcome at March 31, 2024
Improve quality of life at work through intra-team discussions	Creation of discussion groups within teamsto improve quality of life at work	72 discussion groups organized during the year
Share value with employees	Free performance share allocations	100% of Group employees

3.6.1.5 Improve quality of life and working conditions

After several years of measuring its employees' work-related satisfaction by means of a regular questionnaire (the 2021-2022 survey showed that 72% were satisfied), Soitec, in collaboration with its employee representatives, organized discussion groups last year concerning working conditions. These discussion groups are made up of volunteer employees, managers, employee representatives and HR representatives. The process is supported by an external expert, who is an occupational psychologist. The aim is to exchange views freely and collectively on all topics related to working conditions, such as work content and organization, management, material resources, labor relations and HR policy. At the ground level, the discussion group's role is to identify and deal with issues raised by Soitec's teams, particularly everyday inconveniences, using a multidimensional methodology and approach. To align this approach with the reality on the ground, the exercise was first carried out in Soitec's production units last year. These discussion groups were then rolled out in other departments across the Company.

To achieve the best possible work-life balance, the Group allows eligible employees to work remotely up to two days a week. An agreement regulating remote working, signed after the health crisis, is renewed every year. Some agreements also allow eligible employees to work part-time.

The Group also offers a time savings account that gives employees flexibility, allowing them to convert money into days off, or save time off to be taken or paid at a later date.

Soitec also offers support for parenthood, in the form of financial assistance for childcare, and for employees who are caregivers, who can take additional days of leave to support a loved one (for example, parents of a child with disabilities).

3.6.1.6 Share the fruits of growth with employees

To recognize employee engagement and share the fruits of its growth at all levels, Soitec formalized an innovative approach to value sharing over the past few years.

Every year, Soitec employees are allocated free shares to the value of around two months' salary. Vesting of these shares is subject to the achievement of financial (revenue, EBITDA, share price) and ESG (diversity, water and climate) performance targets over a three-year period, and on the employee's continued presence in the Company at the end of the plan. Performance targets are identical for all Group employees, 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. **In fiscal year 2023-2024, 100% of the Group's eligible employees were allocated rights to shares** under a plan expiring in August 2025.

Finally, in order to retain and engage its employees, Soitec also offers a particularly advantageous supplementary pension scheme for ESU entities. This scheme is available to all categories of employees and contributions are covered in full by Soitec. The contributions paid by Soitec throughout employees' careers are allocated to an account registered in their name. These sums will enable employees to benefit from an additional annuity on top of the basic pension plan. Soitec also offers a long-term time savings account that enables employees to save days of paid leave and convert money into leave to enable early retirement.

3.6.2 Promote diversity, equity and inclusion

<table>
<tr><th>Objectives</th><th>Achievements</th><th colspan="2">Outcome at March 31, 2024</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>34.6%</td><td rowspan="3">Gender equality index:
› Bernin: 94/100
› Dolphin Design Meylan: 83/100</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>36%</td></tr>
</table>

3.6.2.1 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, 2024, women made up 34.6% of Soitec's workforce. The Company's objective is to increase the proportion of women at all levels. Regarding the proportion of women on the Executive Committee and in senior management positions, the objectives set for fiscal year 2024-2025 were met as early as fiscal year 2022-2023.

In order to promote a representative and inclusive work environment, various policies and actions are implemented:

- 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 just as often as they are to men, as international exposure is an important lever for career development.

The idea of a women's network came about as early as 2022 and was officially launched in January 2024. This network is concerned with gender equality and diversity, and is open to both men and women. It aims to provide a platform for exchange and inspiration, help to empower women within the Company, and, more generally, raise awareness on diversity, equity and inclusion. Communication campaigns are also regularly conducted to highlight the importance of gender equality.

Furthermore, 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.

Soitec also aims to ensure that all promotion campaigns (together with pay rise campaigns) strike a balance in terms of gender and workforce at all levels of the Group. Promotions are only approved if women are included. In fiscal year 2023-2024, 16% of men and 21% of women at Soitec received a promotion.

As a sign of the importance that Soitec places on diversity, equity and inclusion, these feature in the three ESG performance criteria applicable to the free performance shares allocated to employees as well as the compensation of the Chief Executive Officer.

	Gender pay gap by category
Operators	-6.66%
Technicians	-3.62%
Engineers and executives	-12.73%

3.6.2.2 Commit to fighting discriminatory behavior

The fight against discrimination in all its forms is at the heart of the Group's values. In particular, the Group 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 gender equality agreement extended to an inclusive, non-binary approach to gender issues in the workplace was accordingly signed in 2021 between Soitec and its employee representatives.

Four liaison officers received specific training on the concepts of sexist behavior and sexual harassment within the Group. The new anonymous whistleblowing platform launched in March 2023 introduces an additional channel for reporting these situations. 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. When such conduct is reported and the incident confirmed, rigorous investigations are carried out and action plans are put in place.

Soitec is also a signatory of the United Nations "Free & Equal" code of conduct, which attests to the commitment applied in all Group entities worldwide. A conference and workshops were held on this subject during the sustainable development week organized by Soitec in June 2023.

Finally, Soitec supports people with disabilities in gaining access to the workplace. The proportion of employees with disabilities has risen to 5.6% versus 5.1% in the previous year.

In France, a disability officer has been appointed and awareness-raising events have been organized with workshops, conferences and quizzes on the theme of disability, and more specifically invisible disability.

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 also 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.

3.6.3 Ensure the health and safety of employees EFPD

Objectives	Achievements	Outcome at March 31, 2024
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: 4.5% Severity rate: 0.12%
Conduct 850+ safety tours (Bernin + Pasir Ris)	Monthly monitoring of safety tours conducted	828 tours conducted

Soitec is a major industrial player and safety is an essential consideration in the conduct of its activities. Soitec's aim is to anticipate health and safety risks by identifying them, raising awareness among all employees and implementing appropriate preventive measures. The Group strives to achieve excellence and to reach zero work-related accidents for its employees and all site visitors.

Soitec pays particular attention to national legislation and directives, while regularly monitoring and assessing risks in accordance with national requirements. The Group exceeds regulatory expectations and has been implementing health and safety awareness and prevention initiatives for many years. Thanks to their aim of continuous improvement, both the Bernin (France) and Pasir Ris (Singapore) sites hold ISO 45001 certification.

3.6.3.1 Promote a safety policy and culture in the Group through prevention and awareness with the Culture Safe program

The Culture Safe program is the cornerstone of Soitec's safety policy. 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. This program includes a training and awareness-raising component, as well as a Group performance monitoring component.

All new Soitec employees are required to complete a compulsory e-learning program, rolled out at all sites and available in the Group's main languages. Health and safety awareness continues throughout the employee's career. Soitec regularly communicates the Group's Golden Safety Rules to its employees. To diversify previous messages and maximize their reach, a different theme is presented approximately every two months. This communication campaign took place for the first time at the Pasir Ris site during the year.

On-site managers also carry out safety tours on a regular basis, with a dual objective: to identify any workplace health and safety risks by creating a dialogue between managers and their employees concerning safety issues, and to remind everyone of management's commitment to preserving the health and safety of employees. These safety tours take place at the Bernin site (France), are currently being rolled out at Pasir Ris (Singapore) and are planned to be introduced for the Hasselt and Aix-les-Bains sites (NOVASiC).

In addition to these initiatives to promote awareness and prevention, 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. This platform is rolled out in Bernin and Pasir Ris. An increase in reports was noted this year, mainly in the maintenance and production areas. Necessary improvements have been studied and assigned for each feedback.

3.6.3.2 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. The new Bernin plant has been built in accordance with the latest safety standards. For example, floor-mounted access hatches, which pose a fall hazard to employees if left open, now close automatically after opening.

In terms of ergonomics, €1.7 million have been invested in employee comfort and health for fiscal year 2023-2024. The main projects involved fitting acoustic panels to reduce noise disturbance, installing an unpacking assistance machine, and optimizing parking lot lighting.

3.6.3.3 Monitor the Group's health and safety performance through dedicated information and committees

Soitec's performance in terms of the health and safety of its employees and external workers is monitored and steered by dedicated governance bodies. It 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. The main indicators and information are presented to Soitec's Executive Management at regular reviews.

In Bernin, a safety committee is held every month. The site director and the various departments (maintenance, occupational medicine, production, etc.) work together to create and implement health and safety measures. The committee also reviews performance and the progress made on commitments against annual targets. Presentations and project reviews are organized, where necessary. At the Pasir Ris site, data and progress are also reviewed by site management, and weekly reviews are carried out with the Group's HSE manager, who is based at the Bernin site.

3.6.3.4 Extend health and safety to all on-site personnel

Health and safety concerns at our sites do not stop with our employees. Soitec pays particular attention to the health and safety of external workers, as they are particularly vulnerable according to national accident statistics. Two supervisors have joined the HSE team on a full-time basis to ensure the safety of the 250 external workers present on the Group's construction sites, and compliance with the rules (audits, safety visits, prevention and awareness-raising among external companies, etc.). Its objective is to reduce the accident frequency rate for non-site workers by 50%. This effort is particularly visible in relation to the Bernin and Pasir Ris extension projects and the construction of the new clean room at Bernin (which represents different risks from the Group’s other activities). Soitec is particularly proud of the safety results achieved during phase 1 of the project, and has continued its operations during phase 2, which took place between October 2023 and March 2024.

3.6.3.5 Promote health, physical activity and sports

Soitec approaches health in its broadest sense. An occupational physician is present at the Bernin site (France) and runs a number of safety events and campaigns together with site teams. First-aid training and awareness-raising and prevention campaigns, particularly on breast cancer and blood donation, were provided during the fiscal year.

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. At Pasir Ris, the site is equipped with its own gym, featuring weight machines, ping-pong tables and more. The Soitec Recreation Committee organizes events such as yoga sessions, participation in marathons and regional sports championships. Last but not least, the importance of maintaining an active lifestyle is discussed with each employee during medical check-ups, and teams working shifts receive training in sleep and nutrition, which includes a physical activity component.

3.7 Act to become a role model for a better society

3.7.1 Manage business ethically and responsibly EFPD

Objectives	Achievements	Outcome at March 31, 2024
Updating ethics policies and tools	Updating anti-corruption, competition law and money laundering risk mapping	More than 80% of interviews conducted by March 31, 2024, completion scheduled by April 30, 2024
Strengthening the system for awareness-raising	Mandatory presentation of the Code of Conduct and the whistleblowing system during the induction day for new employees	100% of new employees made aware of the Code of Conduct and the whistleblowing system
	Raising awareness among managers about risks related to corruption, competition law and money laundering as part of the ongoing mapping exercise	50 interviews scheduled with exposed Group managers and employees
	Regular distribution of communication media, quarterly newsletters, etc.	3 newsletters distributed and numerous news items shared on the Intranet
Reinforcing mandatory training	Compulsory training on the Code of Conduct for all new employees: this year, the follow-up system has been improved, with a presentation of the system during the induction day (see above)	90% of new employees trained on the new Code of Conduct 83% of Group employees trained on the new Code of Conduct
	Mandatory e-learning training on corruption risk for exposed employees	92% of exposed employees trained in anti-corruption rules
	New online training module on export control rules	70.3% of exposed employees trained in export control rules
	New online training module on personal data protection and cybersecurity	93.2% of exposed employees trained in data protection and cybersecurity
Assessment of third parties on risks related to corruption and international sanctions	Rollout of a permanent screening tool for third parties	3,000 third parties (suppliers, customers, partners, etc.) entered on the electronic evaluation platform
	In countries with a high risk of corruption, on-site investigations may be carried out	

3.7.1.1 Ethics governance and organization

A specific governance structure has been set up at various levels within the Group to optimize the management of the compliance program:

- 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 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, more specifically, the General Secretary, 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.
- Directors ensure that procedures are properly adopted and that the compliance program is rolled out within the legal entities they manage.
- A team of experts, including the Group's Legal Department, assists Executive Management and Group managers in rolling out the compliance program throughout the Group's organization and legal entities. The team is structured around Soitec's five compliance pillars (see section 3.7.1.2), with a manager for each pillar.

Each year, an action plan is defined and presented to the Executive Committee and the Company's Board of Directors, and then rolled out across the Group. At the end of the fiscal year, a report on the successful deployment thereof is presented to the same bodies. If warranted by new legal or regulatory requirements, or by the development of the Group's activities, new actions are proposed to reinforce or adapt the system as closely as possible to the risks to which it is exposed, as part of a continuous improvement process.

As the audit of our compliance action plan is key to measuring the effectiveness of our actions in this area, an internal audit will be conducted during the 2024-2025 fiscal year.

3.7.1.2 Code of Conduct and ethics policies

The Group 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. The Group makes sure that it only enters into business relationships with stakeholders who adhere to the same rules. These 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.

In addition to the Code of Conduct, the Soitec Group's ethical risk prevention system is based on five policies, which correspond to the five pillars of the Group's compliance policy:

- 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);
- fight against corruption (including a gifts and entertainment procedure and a third-party assessment procedure);
- compliance with competition rules (including market sharing, price fixing and abuse of a dominant position);
- prevention of insider trading;
- personal data protection.

3.7.1.3 Employee awareness and training

Awareness-raising campaigns and training sessions are essential to ensure that the challenges, rules, policies, tools and other means of prevention are known and understood by employees exposed to risks throughout the Group.

Each year, in addition to the Code of Ethics, at least one compulsory training session on one of the Group's main ethical risks is organized. Last year the focus was on compliance with competition law; this year it was compulsory training on corruption risks.

The following mandatory training campaigns have also been rolled out to exposed employees:

- **Code of Conduct**: in addition to the presentation during the induction day, online training on the Group's Code of Conduct is compulsory for all new employees, without exception (including part-time employees, interns, work-study students, etc.), and must be completed within one month of their arrival. This requirement is designed to ensure that all employees know and understand the rules, policies, principles and values set out in the Code of Conduct.

  By March 31, 2024, 83% of all employees had been trained, including 90% of new employees joining the Group during fiscal year 2023-2024.

  In fiscal year 2024-2025, a new, updated Code of Conduct training module will be rolled out across the Group, covering all Code of Conduct topics, including business ethics and will concern all of the Group's employees.
- **Preventing corruption**: during fiscal year 2023-2024, 93.05% of employees exposed to the risk of corruption in the course of their duties (management, sales, purchasing, marketing, finance, logistics, HR, etc.) took part in mandatory anti-corruption training, to ensure good understanding of the risks of corruption (covering in particular the topics of conflicts of interest, bribes, gifts and invitations, etc.) and a good knowledge of the Group's anti-corruption policy. This training course culminated in a knowledge assessment test passed by all those who completed it.
- **Competition law**: during fiscal year 2022-2023, 75.5% of employees exposed to the risk of breaching competition law (sales staff, buyers, etc.) received awareness-raising training through mandatory face-to-face sessions provided by a specialized international law firm;
- **Insider trading**: all employees exposed to the risk of insider trading are regularly made aware of this risk;
- **Personal data protection**: an online module on personal data protection and cybersecurity was rolled out;
- **Export control**: an online training module on export control rules was rolled out in the first half of fiscal year 2023-2024 to all exposed employees. Specific face-to-face training sessions have also been organized for around 300 people during fiscal year 2023-2024.

Soitec has set up an internal communication process concerning its compliance system, and regularly shares relevant information on its Intranet on the risks to which the Group is exposed. Through its external communications, Soitec also reiterates the Group's values and commitments, as well as the applicable policies and procedures. The Company provides all employees and stakeholders with access to the Code of Conduct, anti-corruption and competition law procedures and the whistleblowing system.

In addition, updating the mapping of anti-corruption, competition law and money laundering risks, which is currently being finalized, also provides an opportunity to raise in-depth awareness among Group managers, and to clarify as far as necessary the operation of the prevention tools in place to deal with these risks.

Lastly, Soitec supports commitment to the reserves by allowing each reservist to take ten days paid leave per calendar year. An internal communication on this subject is planned for 2024.

3.7.1.4 Whistleblowing system and handling of reports

The Soitec Group is committed to building a culture of trust and fair, honest communication. It encourages everyone, including external stakeholders, to report, in good faith, any suspected breaches of the Code of Conduct or any other type of breach eligible for reporting under the applicable laws.

In line with this, in March 2023, Soitec launched a new online whistleblowing platform, "Maât". The platform allows all Soitec employees and external Group stakeholders (candidates, shareholders, customers, suppliers, partners, etc.) to report (anonymously if they wish) suspected breaches of the Code of Conduct, Group procedures or the law in a secure way. This is in addition to the reporting process through hierarchical channels already in place. In particular, the Maât platform can be used to report any suspected breaches of individuals' rights (sexual harassment, verbal bullying, discrimination, human rights), ethical rules (corruption, conflicts of interest, insider trading, fraud, money laundering, theft), applicable regulations (competition law, export control, personal data protection) and HSE rules (health and safety, safety of persons and property, environmental protection).

The whistleblowing procedure, which was drawn up in consultation with employee representatives, is appended to the Code of Conduct. It sets out that alerts are received by the Chief Human Resources Officer and the General Secretary, who are then responsible for designating someone responsible for investigating the alert, either internally or externally. There is also a mechanism for excluding one of the alert recipients if the whistleblower considers that there is a conflict of interest.

The Maât platform can be accessed from the ethics page of the Soitec website, as well as on its Intranet. It is available in three languages (French, English and Mandarin), 24/7, to ensure that it is accessible to as many people as possible. This round-the-clock availability provides a permanent space for expressing concerns, whatever the time zone, and means that Soitec can process information in real time.

A communication campaign was carried out during fiscal year 2023-2024 to inform employees of the launch of the platform, and on World Whistleblowers' Day, Soitec issued a statement about its whistleblowing platform. It intends to hold this campaign every year. In addition, all new employees are informed of about the whistleblowing system and how to use it during their induction day.

This system reflects the Soitec Group's determination to enable all its stakeholders to express themselves in good faith, freely and without fear of reprisal, to identify any shortcomings as early as possible, and if such shortcomings are found to exist, to take appropriate action as quickly as possible.

In addition, the policy and process relating to the Group's ethics whistleblowing system provide guarantees for individuals who assist whistleblowers. Over and above the provisions already set out in the applicable law in terms of whistleblower protection, individuals' identity is protected, any correspondence is confidential, and no sanctions will be brought against them - to the extent that they do not act in bad faith.

In fiscal year 2023-2024, eight alerts were received via the Maât platform, as follows:

- six for France, one for Singapore and one for South Korea;
- six about allegations of verbal bullying, one about allegations of sexual harassment, and one about allegations of a breach in business ethics. There were no alerts on the other topics listed above;
- all inquiries were closed during fiscal year 2023-2024, with none still under investigation at March 31, 2024;
- five alerts deemed to be unjustified or unsubstantiated following investigation, and three deemed to be partially or totally justified, including two which gave rise to disciplinary measures;
- no alerts with a material impact on the consolidated financial statements.

3.7.1.5 Third-party assessments

Due diligence procedures are essential to prevent the risk of non-compliance when dealing with third parties. They enable an assessment of risks and ensure that appropriate measures are taken before any contract or commitment is signed.

In fiscal year 2022-2023, and as a part of its risk prevention system, the Group introduced a third-party risk assessment IT tool covering anti-corruption measures and international sanctions.

Connected to the commercial relationship management software that lists all Soitec's first-tier suppliers and customers, this tool makes it possible not only to obtain general information such as their capital, shareholders and beneficial owners, but also, and above all, to ensure on an ongoing basis, and throughout the business relationship, that these third parties are not subject to international sanctions or present a high risk of illegal practices. This system is supplemented if necessary by field investigations in countries with a high risk of corruption, if the context requires it.

In addition, in line with the Group's third-party assessment procedure, compliance and ethics due diligence measures are also applied to mergers and acquisitions, joint ventures, investments, real estate transactions and the use of commercial intermediaries.

3.7.1.6 Internal control and audit

Internal control and risk management procedures relating to the preparation and processing of accounting and financial information form an integral part of the Group's anti-corruption system.

During fiscal year 2023-2024, the Internal Control and Risk Management teams began rolling out an IT tool to improve and automate existing accounting controls, in line with the recommendations of the French Anti-Corruption Agency (l'Agence Française Anticorruption). Rollout of this tool will be finalized and perfected during fiscal year 2024-2025.

Verification of the proper rollout of procedures and the annual action plan has been incorporated into the quality team's internal audit plan for fiscal year 2022-2023, and should be deployed as of fiscal year 2024-2025. An action plan will be defined at the end of this internal audit and rolled out during fiscal year 2024-2025.

3.7.1.7 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. During fiscal year 2023-2024, Soitec, assisted by a specialized compliance consultancy, launched the process of updating its mapping of anti-corruption, competition law and money laundering and financing of terrorism (AML-CFT) risks. The last update carried out on these risks dates back to March 2022. The other main risks relating to export control and personal data were updated in 2023.

The aim of this update, which covers all business lines, all geographical areas and all legal entities, is to:

- ensure that Group managers exposed to this risk at key levels of the organization fully understand and communicate their view (top-down and bottom-up) of the gross risks to which they are exposed;
- ensure that Group managers understand the prevention system in place, and share their assessment of its effectiveness and suggestions for improvement;
- refine the process of identifying corruption risks using a bottom-up approach;
- enrich the methodology for assessing inherent and residual risks using objective criteria;
- ensure that corruption risks are assessed and prioritized, and that action plans are developed at the appropriate level of the organization.

The corruption risk mapping methodology is based on a step-by-step approach divided into four main components:

- identification of Group activities and processes;
- definition of corruption risks and scenarios, indicating the processes involved, any means of corruption used, the third parties involved, and the internal functions exposed;
- assessment of inherent risk through interviews conducted with a panel of around 50 employees (representative of different entities, geographical areas, teams, hierarchical levels, etc.);
- analysis and consolidation of results, and definition of dedicated action plans. The results of the revised corruption risk mapping, including action plans, will be presented to the Board of Directors during fiscal year 2024-2025.

An action plan will be defined at the end of this risk mapping update and deployed during fiscal year 2024-2025.

3.7.1.8 Fight tax evasion

With operations in several countries, Soitec is committed to complying with tax regulations applicable to each of its locations: 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 EFPD

Objectives	Achievements	Outcome at March 31, 2024
Enforce the regulatory framework surrounding supplier relationships	Compliance with the Code of Conduct of the Responsible Business Alliance (RBA) is a requirement of Soitec's quality policy for all strategic suppliers	90% of strategic suppliers have signed the Supplier Quality Policy
100% compliance with the Charter for Responsible Supplier Relations and Purchasing by 2026	Narrowing of the gaps (from 5% to 38%) 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	100% of Supplier Performance Reviews (SPR) include ESG criteria
	Integration of ESG criteria into supplier performance reviews	
	Integration of ESG criteria into supplier audits	
	Carrying out a risk analysis of diversity, equity and inclusion issues at our strategic suppliers	
	Creation of specifications as part of the rollout of the "Supplier Emissions Management – Scope 3" strategy	

3.7.2.1 Use responsible suppliers

Soitec urges its suppliers to act responsibly and in accordance with its Supplier Quality Policy. All suppliers are asked to sign this Policy, under the terms of which they commit to respecting quality and ethical requirements and to engaging in responsible, environmental, human capital and social practices. Soitec also encourages them to comply with the RBA Code of Conduct. By the end of fiscal year 2023-2024, 90% of its strategic suppliers (including all raw material suppliers) had 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. Soitec pays particular attention to the minerals used by 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 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.

ESG criteria are included in the supplier selection matrix and account for 20% of the final score for raw material suppliers, and 10% for others. In addition thereto, teams have been assigned targets for the development of purchasing considered to be sustainable, in order to increase the proportion of sustainable purchasing within the Group.

Soitec also asks its existing 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 policies), and now account for 10% of the performance score. All of the SPRs that were carried out in fiscal year 2023-2024 included 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 short-term goal is to evaluate them, and take steps to strengthen the system already in place. In the medium term, 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 initiated its strategy of decarbonizing its purchases during the year. This project, which follows the questionnaire sent to suppliers in 2022-2023, aims to make the calculation of its Scope 3 carbon footprint more reliable by reducing the uncertainty associated with the use of monetary data. They should enable Soitec to use real data directly from its suppliers and to integrate their reduction actions, where they exist. Through its purchasing policy, Soitec aims to encourage its suppliers to implement an action plan to reduce the carbon footprint of the products it buys. 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. For example, one of its strategic suppliers now supplies Soitec's Singapore site 100% by sea.

During fiscal year 2023-2024, Soitec selected a partner to deploy its Scope 3 carbon strategy among its suppliers. This project will be carried out in 2024 and aims to better measure the carbon emissions of Soitec's supply chain in order to better quantify and value future progress.

To deepen the integration of ESG issues among its suppliers and anticipate potential European regulations relating to its supply chain (for example: Corporate Sustainability Due Diligence Directive), Soitec plans to use an ESG risk assessment platform from 2024. This will make it possible to have a reliable and comparable assessment, covering more risk themes (production incident, diversity, equity and inclusion, working conditions, natural disaster, cybersecurity risk, ethics, etc.)

3.7.3 Commit to local communities and young people EFPD

Objectives	Achievements	Outcome at March 31, 2024
Contribute to the employment of young people in the regions	Local recruitment and integration initiative targeting young people	237 young people under 26 hired during the year
Support local non-profits to develop the regions	Integration of the Sésame endowment fund Continued sponsorship of Sylv'ACCTES	10 Soitec sponsors for non-profit Télémaque

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

Soitec's main site in Bernin, nestled among the French 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 socioeconomic fabric. Soitec is contributing to this initiative through eight major projects to support ecological, energy, digital and local transitions.

Soitec is 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.

In 2023, the Group signed a sponsorship agreement with the town council to transform the Château de La Veyrie, located in the commune of Bernin, into a lively cultural exhibition venue. This sponsorship enables Soitec to pursue its commitment to developing local communities and creating links between the worlds of industry and culture.

Since 2022, 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, employees took part in charity events during the year with local non-profits and carried out a donation campaign for the most disadvantaged people.

Soitec also participates in discussions and projects concerning the development of alternative modes of transport.

Since 2015, Soitec has also 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

Soitec is working with all its local partners to make the microelectronics 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.

Regarding training, Soitec is proud to have served as a training center for two years, as part of the experimental professionalization contracts set up five years ago by the French government. Around 25 experimental professionalization contracts have been set up at Soitec, enabling people who have missed out on employment to complete an internal training course.

Soitec also regularly welcomes work-study students, 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 237 people under the age of 26 between April 1, 2023 and March 31, 2024.

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 are currently mentoring ten young people through this organization.

3.7.4 Ensure the cybersecurity of the Group's activities EFPD

Objectives	Achievements	Outcome at March 31, 2024
ISO 27001 certification in 2025-2026 for the Bernin site (France)	Three conferences organized for employees	450 participants
100% of new employees made aware of cybersecurity	Continuation of systematic training	100% of new employees trained
	Awareness campaign: newsletters, fake phishing attempts	115 awareness-raising communications

3.7.4.1 Organization and governance

Supervised by the Director of Security and Cybersecurity, cybersecurity objectives and requirements are reported annually to the General Secretary, a member of the Executive Committee, and to Soitec's Chief Executive Officer. This subject is also reviewed twice a year by the Board of Directors.

Every year, this governance body reviews the information systems security policy that the Soitec Group has been applying for over ten years. This annual review minimizes the risk of disruption to the Group's activities, particularly in terms of operations.

3.7.4.2 Information systems security policy and awareness

The information systems security policy that has been put in place at Group level complies with the ISO 27001 requirements, for which Soitec has started a certification process that it expects to complete in 2026 for the Bernin site (France).

In connection with this information systems security policy, Soitec has 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 security, Soitec has included recommended behaviors in its Information Security Charter. Face-to-face training is provided to all new employees on cybersecurity, security, information protection and the General Data Protection Regulation (GDPR). All employees who onboarded between April 2023 and March 2024 received this training.

In order to regularly raise awareness of these topics among all Group employees, Soitec hosted three conferences with over 450 participants during fiscal year 2023-2024 and carried out over 115 communications during the year, including four fake phishing attempts as well as quarterly newsletters on raising awareness. 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. This e-learning module was completed by 95% of employees.

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) EFPD

3.8.1 Human capital data

- **WORKFORCE**

GRI 102-8	2023-2024					2022-2023					2021-2022				
		France & EMEA					France & EMEA					France & EMEA			
	Group	ESU Soitec*	France & EMEA (excl. ESU)*	Asia*	Americas*	Group	ESU Soitec*	France & EMEA (excl. ESU)*	Asia*	Americas*	Group	ESU Soitec*	France & EMEA (excl. ESU)*	Asia*	Americas*
Workforce at March 31, 2024	2,327	1,846		437	44	2,157	1,701		424	32	2,033	1,688		317	28
	-	1,666	180	-	-	-	1,524	177	-	-	-	1,476	212	-	-

* *ESU Soitec: Soitec Bernin, Soitec Lab, Besançon.*
France & EMEA (excl. ESU): 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		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Permanent contracts	**Number**	**2070**	**1,986**	**1,870**	**1,582**	**1,396**
Women	%	35%	36%	34%	33%	33%
Men	%	65%	64%	66%	67%	67%
Fixed-term contracts	**Number**	**257**	**171**	**163**	**170**	**170**
Women	%	34%	30%	37%	40%	39%
Men	%	66%	70%	63%	60%	61%

- **AGE**

GRI 405-1	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Under 25	11%	8%	8%	9%	7%
25-35	31%	30%	30%	25%	25%
36-45	28%	30%	32%	35%	37%
46-55	24%	24%	23%	25%	25%
Over 55	6%	8%	7%	6%	6%
Average age	**39.3**	**39.5**	**39.3**	**39.5**	**39.3**
Average seniority	**6.9**	**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		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Operators	%	28%	27%	27%	27%	27%
› *o/w women*	*%*	*43%*	*46%*	*45%*	*45%*	*44%*
› *o/w men*	*%*	*57%*	*54%*	*55%*	*55%*	*56%*
Technicians and office workers	%	28%	29%	29%	29%	29%
› *o/w women*	*%*	*33%*	*32%*	*31%*	*29%*	*30%*
› *o/w men*	*%*	*67%*	*68%*	*69%*	*71%*	*70%*
Engineers and executives	%	44%	44%	44%	44%	44%
› *o/w women*	*%*	*31%*	*31%*	*30%*	*30%*	*29%*
› *o/w men*	*%*	*69%*	*69%*	*70%*	*70%*	*71%*
Composition of the Executive Committee	Number	11	11	11	11	11
› *o/w women*	*%*	*36%*	*27.3%*	*18.2%*	*18.2%*	*18.2%*
› *o/w men*	*%*	*64%*	*72.7%*	*81.9%*	*81.9%*	*81.9%*
Senior management	Number	184	181	154	-	-
› *o/w women*	*%*	*23%*	*23%*	*19%*	-	-
› *o/w men*	*%*	*77%*	*77%*	*81%*	-	-

TYPE OF WORK

GRI 102-8		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Administrative	%	17%	16%	15%	14%	13%
Sales and marketing	%	2%	3%	3%	3%	2%
R&D	%	18%	18%	19%	20%	23%
Production	%	63%	63%	64%	63%	62%

NATIONALITIES

		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Employees with nationalities other than French	%	25%	25%	21%	18%	17%
Number of nationalities	Number	51	51	49	42	-
Expatriates	Number	11	9	7	4	5

WORKING HOURS

		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Night employees	%	20%	21%	20%	19%	18%
Team employees	%	45%	44%	46%	46%	45%
Percentage of employees with physical hardship factors in their work	%	9%	11%	10.5%	10.7%	11.2%
Part-time workers	%	6%	6%	5.21%	5.65%	7%
› *o/w women*	*%*	*70%*	*67%*	*66%*	*64%*	*67%*
› *o/w men*	*%*	*30%*	*33%*	*34%*	*36%*	*33%*

TOTAL CHANGE IN THE WORKFORCE

GRI 401-1; 405-1		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Total change in the workforce	**Number**	**170**	**124**	**281**	**186**	**136**
Operators	Number	60	32	73	58	34
› *o/w women*	*%*	*10%*	*59%*	*48%*	*47%*	*59%*
› *o/w men*	*%*	*90%*	*41%*	*52%*	*53%*	*41%*
Technicians and office workers	Number	35	37	74	58	33
› *o/w women*	*%*	*46%*	*57%*	*41%*	*17%*	*30%*
› *o/w men*	*%*	*54%*	*43%*	*59%*	*83%*	*70%*
Engineers and executives	Number	75	55	134	70	69
› *o/w women*	*%*	*29%*	*47%*	*28%*	*36%*	*38%*
› *o/w men*	*%*	*71%*	*53%*	*72%*	*64%*	*62%*
New hires	**Number**	**566**	**542**	**582**	**444**	**351**
o/w permanent contracts	Number	274	351	345	249	177
› *o/w women*	*%*	*32%*	*42%*	*34%*	*33%*	*36%*
› *o/w men*	*%*	*68%*	*58%*	*66%*	*67%*	*64%*
o/w fixed-term contracts	Number	292	191	237	195	174
› *o/w women*	*%*	*37%*	*33%*	*42%*	*41%*	*37%*
› *o/w men*	*%*	*63%*	*67%*	*58%*	*59%*	*63%*
New hires under 26	**Number**	**237**	**135**	**195**	**-**	**-**
› *o/w women*	*%*	*32%*	*36%*	-	-	-
› *o/w men*	*%*	*68%*	*64%*	-	-	-
Turnover rate	**%**	**8.8%**	**10.5%**	**7.5%**	**6.9%**	**6.9%**
Resignation rate	**%**	**7.4%**	**8.5%**	**5.8%**	**3.9%**	**4.9%**
› *o/w women*	*Number*	*64*	*56*	*26*	*19*	-
› *o/w men*	*Number*	*84*	*120*	*66*	*37*	-
Departures (on all grounds)	**Number**	**396**	**418**	**320**	**258**	**215**

GENDER BALANCE

GRI 405-1		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Percentage of women in the workforce	%	34.6%	35.3%	34.2%	33.6%	33.7%
Percentage of men in the workforce	%	65.4%	64.7%	65.8%	66.4%	66.3%
Percentage of women hired	%	32%	42%	34%	33%	-
Percentage of women operators hired	%	46%	73%	60%	59%	-
Percentage of women technicians hired	%	35%	30%	33%	27%	-
Percentage of women engineers/ executives hired	%	28%	36%	27%	29%	-
Percentage of women senior managers hired (job grade ≥ 150)	%	26%	35%	22%	8%	-
Gender equality index		ESU: 94/100 Dolphin: 83/100	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		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Average % increase	%	**6.64%**	**6.25%**	**3.20%**	**1.83%**	**7.00%**
Average gender pay gap	%	**-18.44%**	**-17.00%**	**-16.76%**	**-15.82%**	**-16.69%**
Operators	%	-6.66%	-5.65%	-6.43%	-5.29%	-3.3%
Technicians and office workers	%	-3.62%	-2.33%	-0.5%	-0.07%	-0.5%
Engineers and executives	%	-12.73%	-11.43%	-13.44%	-13.47%	-11.82%
Under 25	%	-12.83%	-7.09%	-16.15%	-	-
25-35	%	-7.46%	-10.20%	-2.74%	-	-
36-45	%	-7.1%	-8.43%	-12.39%	-	-
46-55	%	-23.3%	-19.12%	+4.87%	-	-
Over 55	%	-34.7%	-31.91%	-45.07%	-	-
Year-on-year change in average pay gap	Percentage point	**+1.44**	**+0.24**	**+0.94**	**-0.87**	**+0.31**
Operators	Percentage point	+1.01	-0.98	+1.14	+1.99	-0.52
Technicians and office workers	Percentage point	+1.29	+1.83	+0.43	-0.43	-0.77
Engineers and executives	Percentage point	+1.3	-2.01	-0.03	+1.65	-0.24
Under 25	Percentage point	+5.74	+2.03	-	-	-
25-35	Percentage point	-2.74	+0.8	-	-	-
36-45	Percentage point	-1.33	+0.92	-	-	-
46-55	Percentage point	4.21	+0.07	-	-	-
Over 55	Percentage point	2.83	-0.08	-	-	-
% of women among top ten highest paid employees	%	**30%**	**20%**	**10%**	**10%**	**-**
Employees whose salary is higher than the legal minimum wage	**%**	**100%**	**100%**	**100%**	**100%**	**100%**

- **INCENTIVES, PROFIT-SHARING AND EMPLOYER CONTRIBUTIONS**

		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Profit-sharing paid	€ thousands	3,773	1,466	-	1,227	2,469
Incentives paid	€ thousands	7,213	6,660	4,909	4,351	4,200
Employer contributions	€ thousands	-	-	-	204	530

- **PAYROLL**

		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Payroll	€ thousands	177,207	170,679	155,722	125,472	117,802
o/w employer social security contributions	€ thousands	*47,915*	*47,264*	*46,399*	*41,162*	*32,988*

- **ABSENTEEISM**

GRI 403-9		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Overall absenteeism rate	%	4.57%	4.27%	4.17%	4.29%	1.40%

- **DISABILITY**

GRI 405-1		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Percentage of workers with disabilities	%	5.55 (ESU)	5.1 (ESU)	4.48 (ESU)	5.26 (ESU)	6.19 (ESU)
Number of employees with disabilities	Number	74	72	63	62	57

- **HEALTH AND SAFETY**

GRI 403-9; 403-10		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Workplace accidents with lost time	Number	16	10	5	8	7
Frequency rate of workplace accidents with lost time	%	4.5	3.1	1.7	3.1	3
Severity rate of workplace accidents	%	0.12	0.17	0.09	0.03	0.05
Number of occupational diseases reported	Number	1	4	1	2	1
Number of occupational diseases recognized	Number	1	2	1	1	-
Number of safety tours	Number	828	863	780	-	-

- **REMOTE WORKING**

		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Employees with an employment contract amendment providing for remote working	%	31%	24%	25%	15%	-

- **QUALITY OF LIFE AT WORK**

		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Questionnaires	Number	-	-	1	2	-
Participation rate	%	N/A	N/A	81%	91%	-
Satisfaction rate	Points out of 100	N/A	N/A	72%	70%	-
Discussion groups	Number	72 (ESU)	63 (ESU)	-	-	-
Number of employees represented	Number	1,120 (ESU)	848 (ESU)	-	-	-

- **TRAINING**

GRI 404-1; 412-2		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Training hours/employee	**Hours**	**23.76**	**18.59**	**17.24**	**14.68**	**24.50**
% of employees who received training during the fiscal year	**%**	**92%**	**88%**	**80%**	**75%**	**86%**
Breakdown between men and women of employees who received training during the fiscal year	%/%	65.1%/34.9%	64.6%/35.4%	65.9%/34.1%	67.9%/32.1%	-
% of women who received training during the fiscal year	%	91%	88%	79%	71%	-
% of men who received training during the fiscal year	%	92%	88%	81%	77%	-
Breakdown of training hours by socio-professional category						
Operators	Hours	19%	27%	22%	15%	-
Technicians and office workers	Hours	34%	32%	33%	25%	-
Engineers and executives	Hours	46%	41%	45%	60%	-
Training hours per topic						
Business-related technical training	Hours	24,562	15,069	10,034	10,018	-
Management/project	Hours	3,196	1,330	5,251	3,427	-
Languages/office technology	Hours	3,563	2,313	2,926	2,633	-
Personal development/professional efficiency	Hours	4,673	3,582	3,075	1,582	-
Quality	Hours	3,890	4,017	2,622	1,831	-
Health, safety and the environment	Hours	-	-	8,509	4,977	-
Health and safety	Hours	11,313	11,424	-	-	-
ESG	Hours	2,044	986	-	-	-

- **PROMOTIONS**

		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Promotion rate	**%**	**17.5%**	**17.9%**	**17.1%**	**14.8%**	**10.4%**
Breakdown between men and women of employees promoted during the fiscal year	%/%	42.6%/57.4%	36.9%/63.1%	37.2%/62.8%	37.1%/62.9%	38.2%/61.8%
% of women promoted during the fiscal year	%	21.3%	19.1%	19.1%	16.8%	12%
% of men promoted during the fiscal year	%	15.6%	17.3%	16.1%	13.9%	9.7%
Breakdown between men and women of operators promoted	%/%	53.8%/46.2%	46.9%/53.1%	47.2%/52.8%	40.8%/59.2%	-
Breakdown between men and women of technicians promoted	%/%	35.9%/64.1%	35.6%/64.4%	31.4%/68.6%	41.1%/58.9%	-
Breakdown between men and women of engineers/executives promoted	%/%	39.4%/60.6%	30.1%/69.9%	33%/67%	32%/68%	-
Percentage of women operators promoted during the fiscal year	%	22.2%	22.3%	23.6%	13.2%	-
Percentage of men operators promoted during the fiscal year	%	16.2%	21.0%	20.6%	14.9%	-
Percentage of women technicians promoted during the fiscal year	%	15.9%	19.3%	20.6%	19.8%	-
Percentage of men technicians promoted during the fiscal year	%	14.4%	16.9%	18.7%	11.8%	-
Percentage of women engineers/executives promoted during the fiscal year	%	24.3%	16.1%	14.4%	16.8%	-
Percentage of men engineers/executives promoted during the fiscal year	%	16.4%	16%	12.4%	15%	-

- **INTERNAL MOBILITY**

		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Internal mobility rate	%	41%	31%	-	-	-

- **INDUSTRIAL RELATIONS**

GRI 102-41		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Collective agreements signed during the fiscal year	Number	6	5	5	6	9
Collective agreements in force	Number	33	33	33	35	35
Strike days	Number	32	50	15	-	13
Entities with employee representative bodies	Number	3 (ESU, Dolphin and NOVASiC)	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	77	71	97	99	100
Percentage of employees covered by collective agreements	%	79%	77%	83%	86%	-

3.8.2 Environmental data

- **ENERGY**

GRI 302-1; 302-3		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Total energy consumption	MWh	176, 616	151,925	140,325	118,151	114,052
Proportion of renewable energy	%	60.09%	50%	50%	0.22%	0.21%
Energy consumption per unit of production (sq.cm.) to a baseline of 100	Normalized value compared with the fiscal year 2020-2021 baseline	78.9	74.6	83	100	-
Change in energy consumption per unit of production compared with the fiscal year 2020-2021 baseline	%	-21%	-25.36%	-17%	Baseline year	-
Year-on-year change in energy consumption per unit of production	%	6%	-10%	-17%	-13%	-

- **SOURCES OF ENERGY**

GRI 302-1		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Electricity	MWh	147,724	132,756	118,293	100,245	97,156
Natural gas	MWh (GCV)	18,713	18,093	20,901	17,624	16,636
Liquefied petroleum gas (LPG)	MWh	1,180	1,075	1,063	276	257
Renewable energies						
Green electricity purchased	MWh	99,741	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	Yes	No	-	-
› If yes, energy produced	kWh	457,925	445,469	-	-	-
› If yes, energy consumed	kWh	457,925	445,469	-	-	-
Biogas purchased	MWh (GCV)	521	899	-	-	-
Percentage of biogas/total gas	%	2.78%	4.97%	0%	-	-

- **CARBON FOOTPRINT**

GRI 305-1; 305-3; 305-5		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
1-1 Direct emissions from stationary combustion sources	$tCO_2eq.$	3,862	3,809	3,643	3,038	-
1-2 Direct emissions from mobile combustion sources		85	105	192	101	-
1-3 Direct emissions from processes		11	327	777	1,689	-
1-4 Direct fugitive emissions		657	493	327	1,021	-
2-1 Indirect emissions linked to electricity use		17,007	20,748	16,549	15,251	-
3-1 Products and services purchased		173,762	121,453	92,834	68,217	-
3-2 Capital assets		117,459	127,788	89,464	52,624	-
3-3 Emissions linked to combustion sources and energy (not included in Scope 1 or Scope 2)		2,516	1,483	1,419	2,071	-
3-4 Upstream transportation and distribution		5,885	23,692	22,983	15,121	-
3-5 Waste generated		2,362	6,088	6,556	4,447	-
3-6 Business travel		3,609	4,028	360	442	-
3-7 Employee commuting		2,798	1,579	1,851	1,515	-
3-9 Downstream transportation and distribution		15,570	7,565	7,252	4,585	-
3-12 End of life treatment of products sold		542	147	116	96	-
Other indirect downstream emissions	$tCO_2eq.$	1,102	-	-	-	-
Total Scopes 1 and 2 emissions	$tCO_2eq.$	21,621	25,483	21,488	21,101	-
Total Scope 3 emissions	$tCO_2eq.$	325,545	293,824	222,835	149,118	-
Scope 3 emissions per million euros of added value	tCO_2/€ millions of added value	928	802	824	882	-
Change in Scopes 1 and 2 emissions in absolute terms compared with the 2020 baseline	**%**	**+1.63%**	**+21%**	**+2%**	**Baseline year**	**-**
Year-on-year change in Scopes 1 and 2 emissions in absolute terms		-18.83%	+19%	+2%	-	-
Change in Scope 3 emissions in absolute terms compared with the 2020 baseline		+118.35%	+97%	+49%	Baseline year	-
Year-on-year change in Scope 3 emissions in absolute terms		+10.81%	+32%	+49%	-	-
Change in Scope 3 emissions per million euros of added value compared with the 2020 baseline		**+5.21%**	**-9%**	**-7%**	**Baseline year**	**-**
Year-on-year change in Scope 3 emissions per million euros of added value		+15.71%	-3%	-7%	-	-

- **WATER**

GRI 303-3		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Total water withdrawal	ML	1,991	1,961	2,035	1,639	1,496
Water withdrawals per unit of production (normalized value compared with the fiscal year 2020-2021 baseline)	L/sq.cm.	67.6	69.5	86.9	100	-
Change in water withdrawals (L/sq.cm.) compared with the fiscal year 2020-2021 baseline	%	-32.44%	-30.54%	-13.13%	Baseline year	-
Year-on-year change in water withdrawals (L/sq.cm.)	%	-2.73%	-20.05%	-13.13%	-8.25%	-

- **SOURCES OF WATER WITHDRAWALS**

GRI 303-3; 303-5		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Surface water	ML	1,991	1,071	1,130	1,016	1,049
Ground water	ML	-	-	-	-	-
Sea water	ML	-	-	-	-	-
Municipal water supplies	ML	1,009	890	905	619	447

- **WATER RECYCLING AND REUSE**

GRI 303-5		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Total volume of water withdrawn	ML	3,119	2,594	2,447	1,948	1,660
Total volume of water recycled and reused	ML	1,128	633	412	313	164
Percentage of water recycled and reused	%	36.2%	24.6%	16.83%	16.08%	9.87%

- **ATMOSPHERIC EMISSIONS**

GRI 307-1		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Regulatory breaches	Number	3	1	1	5	1
Pollution-related disputes in progress	Number	0	-	-	-	-
Environmental incidents	Number	2	2	1	1	-
VOCs emitted into the atmosphere	Metric tons	5.8	5.8	6.88	5.9	-
PFCs emitted into the atmosphere	kg	0	-	-	-	-
Refrigerants						
R134a	*kg*	*192*	*181.2*	*70*	*774*	-
R407c	*kg*	-	-	-	*9*	-
R404a	*kg*	*98*	*65*	*60*	-	-

- **WATER DISCHARGES**

GRI 303-5; 307-1		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Volume of water discharge	cu.m.	795,352	1,628,807	1,624,735	1,378,370	1,251,167
Volume of water discharge after treatment	cu.m.	795,352	1,628,807	1,624,735	1,378,370	1,251,167
Regulatory breaches	Number	18	8	9	21	7

- **WASTE**

GRI 306-3; 306-4; 306-5		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Waste produced	Metric tons	8,514	8,742	7,790	6,547	6,233
Waste generated per unit of production (normalized value)	Value normalized to a baseline of 100	72	77	82	100	-
Non-hazardous waste (NHW)	Metric tons	1,136	880.4	740.4	661.1	569.4
Hazardous waste (HW)	Metric tons	7,378	7,881	7,050	5,886	5,664
Non-hazardous waste (NHW), used for energy production	Metric tons	456	557	171	140	145
Non-hazardous waste (NHW) recycled	Metric tons	156	187	270	330	261
Non-hazardous waste (NHW) recovered	Metric tons	612	880	441	473	404
Non-hazardous waste (NHW) not recovered	Metric tons	524	3	299	187	161
Hazardous waste (HW) recycled/regenerated	Metric tons	6	1	1,142	938	828
Hazardous waste (HW), used for energy production	Metric tons	5,067	2,993	3,475	2,723	2,785
Hazardous waste (HW) recovered	Metric tons	5,067	7,634	4,618	3,658	3,612
Hazardous waste (HW) not recovered	Metric tons	2,305	246	2,432	2,227	2,050
Percentage of non-hazardous waste (NHW) recovered	%	54%	100%	60%	72%	71%
Percentage of non-hazardous waste (NHW) recycled	%	14%	21%	36%	50%	46%
Percentage of hazardous waste (HW) recovered + recycled	%	69%	97%	65%	62%	64%
Percentage of hazardous waste (HW) used for energy production	%	69%	38%	49%	46%	49%

- **BIODIVERSITY**

GRI 304-2; 304-3		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Total surface area covered by Soitec	sq.m.	141,240	135,386	135,386	135,386	135,386
Total sealed surface area, e.g., buildings, paved parking lots, etc.	sq.m.	110,213	106,859	98,269	98,269	97,769
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	1	2	2	1
Facilities that have implemented initiatives to promote biodiversity	Number	1	1	1	1	1

3.8.3 Societal data

- **ETHICS**

GRI 412-2		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Employees having completed the e-learning module on the Code of Conduct	Number	1,928	1,562	1,417	1,141	-
Number of reports received on the Maât ethics platform	Number	8	-	-	-	-

- **INNOVATION**

		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Percentage of revenue dedicated to R&D(before capitalization)	%	14%	11.3%	12.5%	-	-
Patents	Number	4,154	4,083	3,739	3,564	3,300
Patents filed during the year	Number	377	391	283	285	238
Employees in R&D	Number	426	388	386	352	358
New inventors during the year (first patent filed)	Number	17	6	14	6	12
Total number of inventors (at least one patent)	Number	86	57	54	40	47
Partnerships for innovation	Number	14	15	15	15	15

- **RESPONSIBLE SUPPLY CHAIN**

GRI 308-1; 414-1; 414-2		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Strategic suppliers that have signed the Supplier Quality Policy	%	90%	100%	100%	-	-

- **CYBERSECURITY**

GRI 418-1		2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Incidents processed/occurred	Number	-	-	-	-	-
Employees trained in cybersecurity	%	100%	100%	100%	98%	-
Sites/entities with a Data Protection Officer (DPO) or equivalent	Number	1	1	1	1	1

3.9 Taxonomy EFPD

3.9.1 Note concerning the EU Taxonomy

3.9.1.1 Information about the Taxonomy Regulation

Pursuant to the obligations under Regulation (EU) 2020/852 of June 18, 2020, the Soitec Group must, for fiscal year 2023-2024, 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 and non-eligible for the six environmental objectives covered by the Taxonomy Regulation, as well as the part that is aligned and non-aligned with climate change mitigation and adaptation objectives.

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.

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

- making a substantial contribution to at least one of the Regulation's six environmental objectives, and complying with the technical screening criteria;
- doing no significant harm to any of the five 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.

3.9.2 Analysis at March 31, 2024

3.9.2.1 Eligibility

During fiscal year 2023-2024, the Soitec Group conducted a detailed analysis of its economic activities throughout its geographic scope in order to identify the activities eligible for one of the six environmental objectives described in the Delegated Regulation to Regulation (EU) 2020/852. This analysis was conducted by the Sustainability teams, with the support of the HSE and operational teams.

The following activities have been identified as eligible as at March 31, 2024:

Environmental objectives	Activities described in the Taxonomy	Corresponding activities at Soitec
Climate change mitigation	3.5 – Manufacture of energy efficiency equipment for buildings	› Manufacture of FD-SOI (Fully-Depleted Silicon on Insulator) substrates for the intelligent buildings sector. 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.
Climate change mitigation	3.6 – Manufacture of other low carbon technologies	› RF-SOI (Radio Frequency Silicon-on-Insulator) 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. › Manufacture of FD-SOI (Fully-Depleted Silicon on Insulator) substrates for the smart devices (IoT), mobile and communications markets. This technology, which is both energy-efficient and low-consumption, enables the reduction of greenhouse gas emissions in end-markets. › Manufacture of FD-SOI (Fully-Depleted Silicon on Insulator) substrates for electronic circuits in automotive and industrial radars and processors for electric vehicles. These substrates aim to reduce greenhouse gas emissions throughout their life cycle (thanks to lower operating voltages of up to 0.4 V when energy consumption per operation is minimal), and deliver energy savings of up to 75% calculated against alternative technology. › Silicon Photonics aims to reduce greenhouse gas emissions from data center connectors by reducing energy consumption at equivalent flow rates.

Environmental objectives	Activities described in the Taxonomy	Corresponding activities at Soitec
		› Manufacture of Auto SmartSiC™ substrates for the electric vehicle market. These products aim to reduce greenhouse gas emissions throughout their life cycle thanks to the manufacturing process, reduced device energy losses, higher switching frequencies and higher operating temperatures, resulting in smaller, lighter, less power-hungry systems.
Climate change mitigation	5.1 – Construction, extension and operation of water collection, treatment and supply systems	Capital and maintenance expenditure for water collection and treatment networks at the Group's production facilities
Climate change mitigation	5.3 – Construction, extension and operation of waste water collection and treatment	Capital and maintenance expenditure for waste water collection and treatment networks at the Group's production facilities
Climate change mitigation	6.5 – Transport by motorbikes, passenger cars and light commercial vehicles	Rental of company vehicles, maintenance and associated upkeep
Circular economy	3.2 – Renovation of existing buildings	Renovation of Soitec buildings
Climate change mitigation	7.2 – Renovation of existing buildings	Renovation of Soitec buildings
Climate change mitigation	7.3 – Installation, maintenance and repair of energy efficiency equipment	Replacement of equipment (see Climate Plan, section 3.5.2.3)
Climate change mitigation	7.5 – Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	Installation of water meters
Climate change mitigation	7.6 – Installation, maintenance and repair of renewable energy technologies	On-site installation of electric heat pumps
Climate change mitigation	7.7 – Acquisition and ownership of buildings	Management of the Group's real estate assets: leases, acquisitions and maintenance of assets
Climate change mitigation	8.1 – Data processing, hosting and related activities	Data storage, processing and management through data centers

3.9.2.2 Alignment

As with eligibility, the Group has carried out an in-depth analysis of compliance with the technical alignment criteria for the activities for which it is eligible.

Eligible revenue-generating activities:

Soitec has carried out life cycle assessments of RF-SOI, FD-SOI and Photonics substrates in accordance with European Commission Recommendation 2013/179/EU. These products demonstrate substantial emissions reductions compared with other technologies available on the market (233 ktCO_2 avoided for RF-SOI substrates, 676 ktCO_2 avoided for FD-SOI substrates and 155 ktCO_2 avoided for Photonics substrates).

Other activities:

Soitec is committed to the low-carbon transition, with energy efficiency actions on its buildings (installation of heat pumps) and its vehicle fleet (electric company cars).

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.

In addition thereto, this year, Soitec began an analysis of the physical risks of climate change according to the IPCC (Intergovernmental Panel on Climate Change) RCP 8.5 scenario, to which its activities are exposed. The results will be made available in 2024 and will enable the Group to confirm the adaptation measures to be developed at its most exposed sites.

As a result, and as of March 31, 2024, Soitec is not in a position to meet the DNSH "Climate Change Adaptation" criteria. Consequently, the Group's alignment percentages in regards to revenue, capital expenditure (CAPEX) and operating expenses (OPEX) are zero.

Sustainable use and protection of water and marine resources

Soitec is committed to managing the water consumption of its activities that have a significant impact. 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*).

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 *Reduce pollution and waste*). 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 3.5.1.4 *Accelerate the eco-design approach with the "Greenovation" project*).

Pollution prevention and control

The Group sources its materials from responsible suppliers who undertake not to use substances prohibited by Soitec (see section 3.7.2 *Build a responsible, sustainable supply chain*) and ensures compliance with European regulations throughout its production process.

As part of the taxonomic analysis, the Group carried out an analysis of the chemical substances used. In the absence of suitable replacement technologies on the market, the Group is obliged to use certain substances on the REACH authorization list. These substances are used in compliance with Soitec's chemical substance management procedure.

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).

None of the Group's sites are located in or near biodiversity-sensitive areas.

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.

As of March 31, 2024, the Soitec Group has not identified any disputes that could compromise alignment with the minimum guarantee criteria.

3.9.3 Taxonomy indicators

3.9.3.1 Methodology

The total revenue used for calculating the Taxonomy indicators at March 31, 2024 amounted to €997.9 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 section 5.1.4 and amounted to €358.4 million at March 31, 2024.

The Group's total operating expenses (OPEX) meeting the Taxonomy definition at March 31, 2024 amounted to €139.5 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 €674.1 million at March 31, 2024, and the eligible revenue ratio was 68.9%.

Eligible revenue for 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 €112 million and accounted for 16.5% of the consolidated eligibility ratio.

Eligible revenue for 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 €478 million and accounted for 71% of the consolidated eligibility ratio.
- Eligible revenue generated by the sale of FD-SOI products to the Internet of Things and communications markets amounted to €61 million and accounted for 9% of the consolidated eligibility ratio.
- Eligible revenue generated by the sale of Smart Photonics-SOI products to the communications market amounted to €24 million and accounted for 3.5% of the consolidated eligibility ratio.

3.9.3.3 Capital expenditure

Eligible capital expenditure (CAPEX) amounted to €213.4 million at March 31, 2024, and the eligibility ratio was 59.53%.

Eligible capital expenditure related to economic activity 3.5 – Manufacture of energy efficiency equipment for buildings amounted to €22 million.

Eligible capital expenditure related to economic activity 3.6 – Manufacture of other low carbon technologies amounted to €112.8 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 the number of products sold.

Other eligible investments correspond to individual measures.

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 €43.7 million at March 31, 2024 and the eligibility ratio was 31.3%.

Eligible OPEX related to economic activity 3.6 – Manufacture of other low carbon technologies amounted to €31.8 million.

Eligible OPEX related to economic activity 3.5 – Manufacture of energy efficient equipment for buildings amounted to €2.5 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 the number of products sold.

Other eligible investments correspond to individual measures.

3.9.4 Taxonomy templates

- **REVENUE**

				Substantial contribution criteria						**DNSH criteria - DNSH** *Does Not Significantly Harm*									
Economic activities (1)	**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)**	**Proportion of Taxonomy-aligned (A.1.) or Taxonomy-eligible (A.2) turnover, Year N-1 (18)**	**Category (enabling activity) (19)**	**Category (transitional activity) (20)**
		€K	**%**	**Y/N; N/EL**	**Y/N; N/EL**	**Y/N; N/EL**	**Y/N; N/EL**	**Y/N; N/EL**	**Y/N; N/EL**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**%**	**E**	**T**
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
of which enabling		0.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%									E	
of which transitory		0.00	0.00%	0.00%															T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of energy efficiency equipment for buildings	CCM 3.5	111,472	11.40%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								8.65%		
Manufacture of other low carbon technologies	CCM 3.6	562,650	57.54%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								66.09%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (A.2)		**674,122**	**68.93%**	**68.9%**	**0%**	**0%**	**0%**	**0%**	**0%**										
Turnover of Taxonomy-non-eligible activities (A.1+A.2)		**674,122**	**68.93%**	**68.9%**	**0%**	**0%**	**0%**	**0%**	**0%**								**74.74%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**303,791**	**31.07%**																
TOTAL (A + B)		**977,913**	**100.00%**																

- **CAPEX**

Economic activities (1)	Code(s) (2)	Absolute CAPEX (3)	Proportion of CAPEX (4)	Substantial contribution criteria: Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	DNSH criteria - DNSH *Does Not Significantly Harm*: 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 (A.1.) or Taxonomy-eligible (A.2.) proportion of CAPEX, Year N-1 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
		€K	%	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
CAPEX of environmentally sustainable activities (A.1)		0.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%								0.00%		
of which enabling		0.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%									E	
of which transitory		0.00	0.00%	0.00%															T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of energy efficiency equipment for buildings	CCM 3.5	21,974	6.13%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								4.62%		
Manufacture of other low carbon technologies	CCM 3.6	112,776	31.46%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								35.31%		
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	7,204	2.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.31%		
Construction, extension and operation of waste water collection and treatment	CCM 5.3	842	0.23%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.78%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	220	0.06%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.03%		
Renovation of existing buildings	CCM 7.2/CE 3.2	35,582	9.93%	EL	N/EL	N/EL	EL	N/EL	N/EL										
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	1,127	0.31%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.09%		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	424	0.12%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	4,000	1.12%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Acquisition and ownership of buildings	CCM 7.7	28,169	7.86%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								22.39%		
Data processing, hosting and related activities	CCM 8.1	1,050	0.29%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.33%		

				Substantial contribution criteria						DNSH criteria - DNSH *Does Not Significantly Harm*									
Economic activities (1)	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 (A.1.) or Taxonomy-eligible (A.2.) proportion of CAPEX, Year N-1 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
		€K	%	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
CAPEX of Taxonomy-eligible but not environmentally sustainable activities (A.2)		**213,369**	**59.53%**	**59.53%**	**0.00%**	**0.00%**	**9.93%**	**0.00%**	**0.00%**								**63.86%**		
CAPEX of Taxonomy-eligible activities (A.1 + A.2)		**213,369**	**59.53%**	**59.53%**	**0.00%**	**0.00%**	**9.93%**	**0.00%**	**0.00%**								**63.86%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CAPEX of Taxonomy-non-eligible activities		**145,073**	**40.47%**																
TOTAL (A + B)		**358,442**	**100%**																

- **OPEX**

				Substantial contribution criteria						DNSH criteria - DNSH *Does Not Significantly Harm*									
	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 (A.1.) or Taxonomy-eligible (A.2.) proportion of OPEX, Year N-1 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
Economic activities (1)		**€K**	**%**	**Y/N; N/EL**	**Y/N; N/EL**	**Y/N; N/EL**	**Y/N; N/EL**	**Y/N; N/EL**	**Y/N; N/EL**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**%**	**E**	**T**
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
OPEX of environmentally sustainable activities (A.1)		0.00	0.00%														0.00%		
of which enabling		0.00	0.00%	0%	0%	0%	0%	0%	0%								0.00%	E	
of which transitory		0.00	0.00%	0%	0%	0%	0%	0%	0%								0.00%		
Manufacture of energy efficiency equipment for buildings	CCM 3.5	2,476	1.77%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.06%		
Manufacture of other low carbon technologies	CCM 3.6	31,826	22.81%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								33.37%		
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	1,037	0.74%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Construction, extension and operation of waste water collection and treatment	CCM 5.3	2,578	1.85%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	245	0.18%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.07%		
Renovation of existing buildings	CCM 7.2	663	0.48%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	28	0.02%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Acquisition and ownership of buildings	CCM 7.7	778	0.56%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Data processing, hosting and related activities	CCM 8.1	4,030	2.89%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.28%		
OPEX of Taxonomy-eligible but not environmentally sustainable activities (A.2)		43,662	31.30%																
OPEX of Taxonomy-eligible activities (A1 + A2)		43,662	31.30%														**35.79%**		
B.TAXONOMY NON-ELIGIBLE ACTIVITIES																			
OPEX of Taxonomy-non-eligible activities		**95,852**	**68.70%**																
TOTAL (A + B)		**139,514**	**100.00%**																

NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities.	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

PROPORTION CAPEX/TOTAL CAPEX

	Proportion of CAPEX/Total CAPEX	
	Aligned by objective	**Eligible by objective**
CCM	0.00%	59.53%
CCA	0.00%	0.00%
WTR	0.00%	0.00%
CE	0.00%	9.93%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

3.10 Methodological note EFPD

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 N.V.	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
Human capital	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 salaries 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 workers 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	67%	› Discussion groups › Number of employees involved › Number of employees represented

Topic		Scope	% workforce	Indicators covered
Environment	Energy	Industrial sites (4)		› 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 trained in 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. Some data are not currently consolidated due to 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. Human capital data

Human capital 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 2023-2024 and those who left during fiscal year 2023-2024.

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 2023 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).

The carbon footprint of Soitec's main raw material is calculated based on large amounts of quantitative wafer data, supplied directly by Soitec's suppliers. The carbon footprint of silicon is then estimated using the emission factor provided by the EcoInvent database ("silicon production, single crystal, Czochralski process, electronics_RoW_2022_Allocation"), and the carbon footprint of silicon carbide was estimated [CO1] using a study published by 4E Power Electronic Conversion Technology Annex ("A "life cycle thinking" approach to assess differences in the energy use of SiC vs. Si power semiconductors").

The calculation of Simgui's emissions is estimated using two inputs: the SOI fab's electricity consumption, which is used to estimate Scope 2 emissions, and SOI production revenue, which is used to estimate Scopes 1 & 3 emissions, through a comparison with the carbon footprint of the Soitec Bernin fab in relation to its own revenue. This calculation method will be applied until our partner Simgui has implemented its own certified carbon footprint calculation.

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 between 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 limitations and other information

Soitec does not consider that it has material risks or opportunities 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 EFPD. Soitec regularly offers fruit and vegetable baskets for purchase by its employees. These baskets, produced by local farmers, encourage employees to maintain a healthy, balanced diet.

3.11 Report of one of the Statutory Auditors, appointed as independent third party, on the verification of the consolidated non-financial statement

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.

Year ended March 31st 2024

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 non-financial statement, prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), for the year ended March 31st, 2024 (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 performed as described under the "Nature and scope of procedures" paragraph and the evidence we obtained, nothing has come to our attention that causes us to believe that the consolidated non-financial 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 non-financial performance statement

The absence of a commonly used generally accepted reporting framework or of 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

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 above, and
- designing, implementing, and maintaining 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 law),
- the fairness of information set out in Article 8 of Regulation (EU) 2020/852 (Green Taxonomy),
- the compliance of products and services with applicable regulations.

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 ISAE 3000 (revised)[2].

(1) Accreditation Cofrac Inspection, number 3-1884, scope available at www.cofrac.fr
(2) ISAE 3000 (Revised) - Assurance Engagements Other Than Audits or Reviews of Historical Financial Information

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 six people between January and May 2024 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 ten 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.

The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Information:

- We obtained an understanding of all the consolidated entities' activities, and the description of the main related risks,
- 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, anti-corruption and tax avoidance legislation, 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 provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the main risks,
- We verified that the Statement presents the business model and a description of main risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, products or services, as well as policies, measures and the outcomes thereof, including key performance indicators related to the main risks,
- We verified that the Statement includes a clear and motivated explanation of the reasons for the absence of policies implemented considering one or more of these risks required under Article R.225-105 I of the French Commercial Code,
- 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 Appendices. Concerning certain risks[(1)], our work was carried out on the consolidating entity, for the other risks, our work was carried out on the consolidating entity and on the industrial site of Bernin,
- We verified that the Statement covers the consolidated scope, i.e. all the entities within the consolidation scope 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 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 Appendices, 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, 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[(2)] and covers between 38% 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' activities.

The procedures performed in a limited assurance review are less in extent than for a reasonable assurance opinion 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, May 29, 2024

KPMG S.A.

Rémi Vinit Dunand	Laurent Genin	Fanny Houlliot
Partner	Partner	ESG Expert

(1) Attractiveness and retention of talent and skills development, Gender equality, Climate change and sustainable energy use, Ethics, Territorial anchoring, Responsible supply chain, Biodiversity, waste prevention and management, Pollution management, Innovation and raw materials supply, Quality of working life and social dialogue and Cybersecurity.

(2) Head office and industrial site in Bernin.

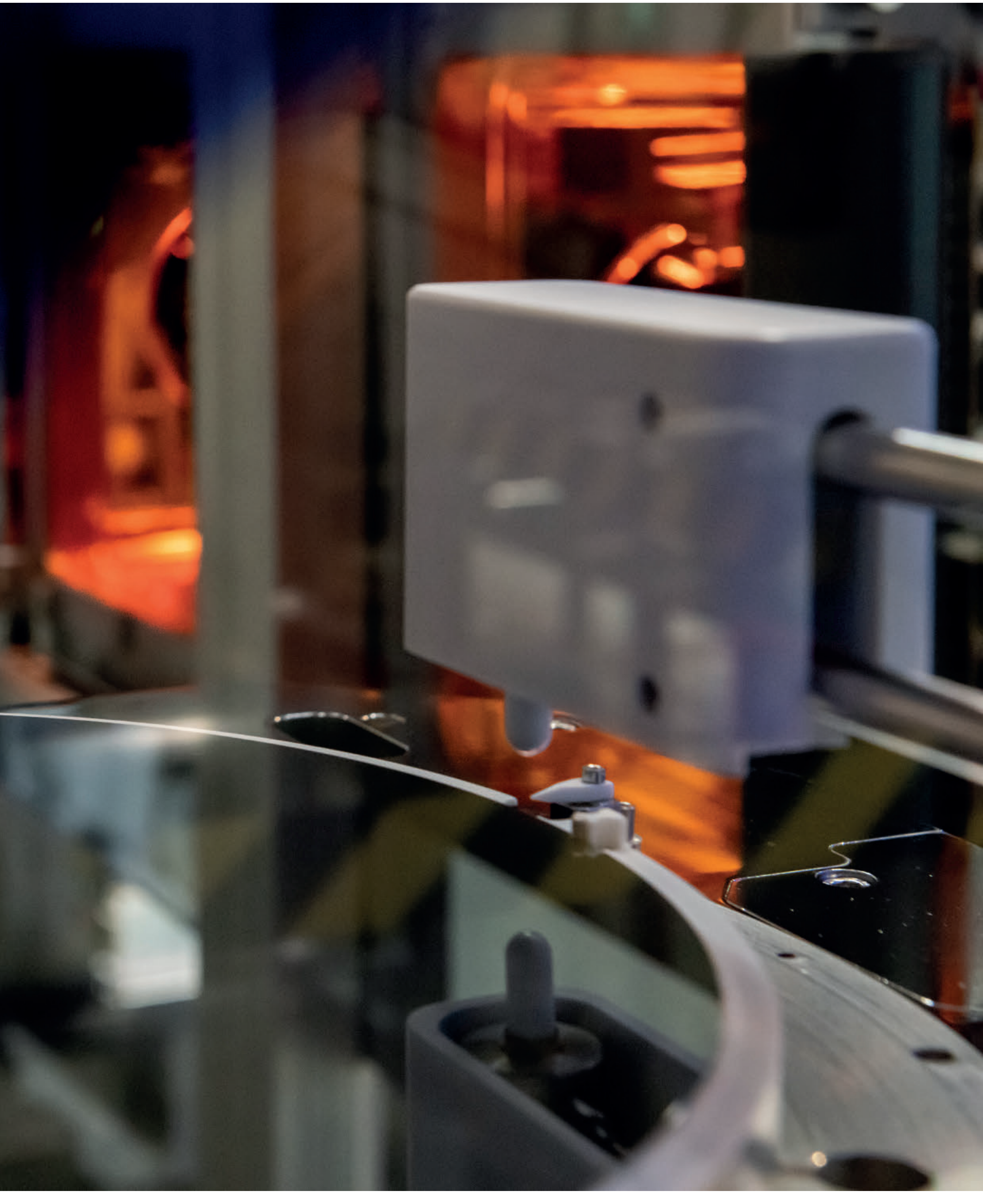
Appendix

Qualitative information (actions and results) considered most important

- Measures to attract talent
- Commitment to local roots
- Integration of environmental criteria in product design and manufacture
- Partnerships set up to preserve biodiversity
- Actions to improve water management
- Actions to raise awareness of cybersecurity risks
- Policies to improve quality of life in the workplace
- Action plans and results in favor of prevention and safety
- Ethics alert platform
- Commitments to a responsible supply chain

Key performance indicators and other quantitative results considered most important

- Headcount on March 31 and breakdown by gender and age group
- Internal promotion rate
- Lost-time injury frequency rate
- Accident severity rate
- Percentage of women in the Group workforce
- Percentage of female managers
- Percentage of women in senior management
- Percentage of women on the Executive Committee
- Change in greenhouse gas emissions (scopes 1 and 2) compared with 2020
- Direct emissions from stationary combustion sources (Scope 1)
- Indirect emissions from electricity consumption (scope 2)
- Indirect emissions from purchased products and services (scope 3)
- Water consumption per production unit
- Percentage of water recycled
- Percentage of strategic suppliers who have signed the Supplier Quality Policy
- Percentage of employees who have completed e-learning on the Code of Conduct
- Percentage of employees made aware of cybersecurity issues



4

CORPORATE GOVERNANCE

In accordance with Article L. 22-10-20 of the French Commercial Code (*Code de commerce*), at its meeting on May 22, 2024, the Board of Directors approved the corporate governance report 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 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, Human Resources, Communication, and Strategy and Investor Relations departments.

It was first examined by the Chair of the Board of Directors, and the specialized Board Committees for their relevant sections. It was then sent to the Statutory Auditors for review, before being approved by the Board of Directors. It will be presented at the next Annual General Meeting on July 23, 2024.

4.1 Administration and management of the Company

Separation of positions

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).

In accordance with best market practices, the roles of Chair of the Board of Directors and Chief Executive Officer have been separated since July 26, 2018. This separation of roles was reaffirmed in 2022 when the new Chief Executive Officer, Pierre Barnabé, was appointed, and then again in 2024, when the Board of Directors discussed the end of the Chair's term of office.

This separation of roles is the best-suited governance structure given the Company's activities, promoting solid governance with a balance of powers between the Board of Directors and Soitec's Executive Management.

Corporate Governance Code

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), of AFEP (www.afep.com) and of MEDEF (www.medef.com).

In accordance with the "comply or explain" disclosure requirement in Article L. 22-10-10 of the French Commercial Code and Article 28.1 of the AFEP-MEDEF Code, it is hereby specified that the Company complies with all of the recommendations of the AFEP-MEDEF Code at the date of this Universal Registration Document.

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, the Referent Director and the two employee directors, as required by law. Of the 14 members, seven are independent and five are women (excluding the woman employee director, as required by law).

In accordance with Article 12.2 of the Company's by-laws, the term of office for members of the Board of Directors is three years, renewable.

Key figures fiscal year 2023-2024

58%	42%	5	54
independent members (excluding the employee directors)	women (excluding the employee directors)	nationalities	average age of Board members

The profiles of the Board members, which have been approved at the date of publication of this Universal Registration Document, are set out below:

- **67**
- **French**
- **Business address***
  soitec
- **Number of shares held**
  1,000
- **Years on the Board**
  5
- **Attendance rate at Board and Committee meetings in fiscal year 2023-2024**
  100%

ÉRIC MEURICE

Chair of the Board of Directors

Independent director

Committees: **Chair and member of the Strategic Committee, Member of the Audit and Risks Committee, Member of the Compensation and Nominations Committee**

Date of first appointment: July 26, 2018

Start date of current term: July 28, 2021

End date of current term: Annual General Meeting called to approve the financial statements for the year ending March 31, 2024 *(no reappointment subject to approval at the Annual General Meeting)*

MAIN POSITION OUTSIDE SOITEC SA

Company director.

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 Chair 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.

Éric Meurice has been an independent director at IPG Photonics Corp. since June 2014 and Global Blue AG since May 2018. He is also Chair of Nearfield instrument BV.

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, ARM Holdings plc until March 2014, and Umicore SA from August 2015 to April 2023.

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).

SKILLS

• Executive Management • International • Environment • Social • Governance • Semiconductor industry • TMT • R&D

ESG SKILLS

Management of the implementation of ESG measures, which included major social and climate projects, as Chair and Chief Executive Officer of ASML Holding N.V.**.

Monitoring of the Company's ESG efforts as Chair of the Nominating and Corporate Governance Committee of IPG Photonics Corp**.

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2024

- Director of IPG Photonics Corp.** (United States)
- Director of Global Blue Group Holding AG** (Switzerland)
- Chair of Nearfield instrument BV (Netherlands)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Director of NXP Semiconductors N.V.** (Netherlands) (until May 2019)
- Director of Meyer Burger** (Switzerland) (until May 2019)
- Director of Umicore SA** (Belgium) (until April 2023)

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*

** *Listed company.*

PIERRE BARNABÉ

Chief Executive Officer
Non-independent director
Committees: Member of the Strategic Committee

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

- **53**
- **French**
- **Business address*** soitec
- **Number of shares held** 1,000
- **Years on the Board** 2
- **Attendance rate at Board and Committee meetings in fiscal year 2023-2024** 100%

MAIN POSITION OUTSIDE SOITEC SA

N/A

PROFESSIONAL EXPERIENCE

Pierre Barnabé joined the Company in May 2022 and was appointed Chief Executive Officer on July 26, 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 Chief Executive Officer in 2021.

Before its acquisition by Atos in 2014, he was the Deputy Chief Executive Officer 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 Executive Vice President of the Business 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 Chair & 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).

SKILLS

• Executive Management • Human Resources • International • Environment • Social • Governance • Semiconductor industry • TMT • R&D

ESG SKILLS

Monitoring of ESG operations across the Group in his role as Chief Executive Officer of Soitec.

Launch of the world's first hot-water-cooled supercomputer.

Member of the Ipsos ESG Committee**.

Introduction of ESG issues into ENSIMAG training courses.

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2024

- Director and member of the Ipsos ESG Committee** (France)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Director of INRIA (France)
- Chair of ENSIMAG Grenoble (France)

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*
** *Listed company.*

- **40**
- **French**
- **Business address***
  soitec
- **Number of shares held**
  386
- **Years on the Board**
  3
- **Attendance rate at Board and Committee meetings in fiscal year 2023-2024**
  83%

WISSÈME ALLALI

Employee director

Committees: **Member of the Strategic Committee, Member of the Compensation and Nominations Committee**

Date of first appointment: January 22, 2021

Start date of current term: January 22, 2021

End date of current term: Annual General Meeting called to approve the financial statements for the year ending March 31, 2024 ***(she has been reappointed for a further three-year term, effective from the next Annual General Meeting, by the CGT trade union)***

MAIN POSITION OUTSIDE SOITEC SA

N/A

PROFESSIONAL EXPERIENCE

Wissème Allali joined the Quality Department at Soitec in 2011, continuing a career as a quality specialist in various industries.

In addition, Wissème Allali was employee representative on the Company's CHSCT (health, safety and working conditions committee) from 2013 to 2015.

She was promoted to the post of engineer in 2018, after obtaining a Master's degree in continuous improvement and operational excellence.

Following her appointment as an employee director, Wissème Allali took a governance training course and obtained a corporate director's certificate from EM Lyon (France) in November 2023.

SKILLS

• Social • Governance • Semiconductor industry • TMT

ESG SKILLS

Former secretary of the CHSCT.

Contribution to work on the employment of people with disabilities.

Quality manager of Grenoble-based association OHE Promethe cap emploi.

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2024

N/A

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

N/A

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*

** *Listed company.*

- **41**
- **French**
- **Business address***
  soitec
- **Number of shares held by Bpifrance Participations**
  4,094,700
- **Years on the board of Bpifrance Participations**
  10
- **Attendance rate at Board and Committee meetings in fiscal year 2023-2024**
  100%

BPIFRANCE PARTICIPATIONS

Represented by Samuel Dalens

Non-independent director

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

Date of first appointment: July 2, 2013

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). 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, 2024

- Member of the Boards of Directors of Bleckwen (France), Compagnie Daher (France), Cybelangel International SA (Luxembourg), Diot-SIACI TOPCO (France), Doctolib (France), Ekinops** (France), Eutelsat Communications** (France), Eutelsat S.A. (France), Farinia SA (France), Groupe Grimaud la Corbière (France), H4D (France), Iadvize (France), Isorg (France), JLT Invest (France), Mader (France), Marianne Formation (France), Meca Dev (France), Mersen** (France), Nexans** (France), Orange** (France), Paprec (France), Pixium Vision** (France), Quobly (France), Somos Semiconductor (France), Scality (France), Tinubu Square (France), Valeo** (France), Vantiva** (France), Innate Pharma SA** (France), Valneva** (France), Ynsect (France), Younited (France)

Samuel Dalens

MAIN POSITION OUTSIDE SOITEC SA

Director at the Large Cap team at Bpifrance Investissement (France) since July 2022.

PROFESSIONAL EXPERIENCE

Samuel Dalens is a Director at Bpifrance, investing in mid-sized and large companies. Samuel Dalens has 15 years' experience in finance and private equity.

Prior to joining Bpifrance in 2012, Samuel Dalens 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 Dalens graduated from the École Polytechnique (France) and École Télécom Paris (France) (he is a Mines engineer).

SKILLS

• Finance • International • Environment • Governance • Semiconductor industry • TMT

ESG SKILLS

Cleantech strategy expertise.

Member of the ESG Committees of Eutelsat Communications**, and Cerba Healthcare as well as STMicroelectronics** as financial controller.

ESG is at the heart of Bpifrance's decision-making (due diligence, agreements, investment commitments).

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2024

- 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)
- Director of STMicroelectronics Holding N.V. (Netherlands)
- Director of Chrome Topco (Cerba Healthcare) (France)
- Permanent representative of Bpifrance Investissement, Director of Crouzet Group (France)
- Permanent representative of Bpifrance Investissement, Director of Fives (France)
- Permanent representative of Bpifrance Investissement, Director of Nova Orsay (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) (March 2023)
- Permanent representative of Bpifrance Investissement, member of the Supervisory Committee of Attis 2 (France) (March 2023)
- Director of Labrador Investment Holdings Limited (United Kingdom) (November 2022)
- Observer (*censeur*) on the Supervisory Board of Idemia (France) (March 2020)
- Permanent representative of Bpifrance Participations, director of FT1CI (France) (September 2019)

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*

** *Listed company.*

- **58**
- **French**
- **Business address***
soitec
- **Number of shares held by CEA Investissement**
2,571,007
- **Years on the board of CEA Investissement**
2
- **Attendance rate at Board and Committee meetings in fiscal year 2023-2024**
75%

CEA INVESTISSEMENT

Represented by François Jacq
Non-independent director
Committees: Member of the Strategic Committee

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.

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2024

- Member of the Board of Directors of DFD (France), Sodern (France), Tridimeo (France), M2Care (France), Kalray** (France)
- Observer (*censeur*) on the Board of Directors of Isorg (France), Wormsensing (France)
- Observer (*censeur*) on the Strategic Committee of Symbiose (France), Lighton (France)
- Chair of H2C2 (France)

François Jacq

MAIN POSITION OUTSIDE SOITEC SA

Chair and General Manager *(Directeur Général)* of CEA (France) since April 2018.

PROFESSIONAL EXPERIENCE

In September 2013, he was appointed as Chair and Chief Executive Officer of IFREMER, the French national institute for marine science and technology. In April 2009, François Jacq joined Météo-France, the French national meteorological service, as Chair and Chief Executive Officer, and Permanent Representative of France with the World Meteorological Organization. Between 2007 and 2009, he was advisor to the Prime Minister for Sustainable Development, Research and Industry. 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. In 2000, François Jacq became Chief Executive Officer of the French Agency for Radioactive Waste Management (ANDRA).

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.

SKILLS

• Executive Management • Finance • International • Environment • Social • Governance • Semiconductor industry • TMT • R&D

ESG SKILLS

Chair of the Board of Directors and General Manager (*Administrateur Général*) of CEA, with a Climate and Environment Sciences Laboratory (LSCE), an energy decarbonization program, digital sobriety and pilot installations for new decarbonization technologies.

Former Chair and Chief Executive Officer of IFREMER, the French national institute for marine science and technology, and Méteo-France (climate services).

Chair of CEA's Social and Economic Committee (SEC) and contribution to negotiations with trade unions.

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2024

- Director of Orano** (France)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Director of the Supervisory Board of Framatome SA (France) (July 2021)

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*
** *Listed company.*

FRANÇOISE CHOMBAR

- **61**
- **Belgian**
- **Business address*** soitec
- **Number of shares held** 100
- **Years on the Board** 4
- **Attendance rate at Board and Committee meetings in fiscal year 2023-2024** 100%

Independent director

Committees: Member of the Strategic Committee, Member of the ESG Committee

Date of first appointment: July 26, 2019

Start date of current term: July 28, 2021

End date of current term: Annual General Meeting called to approve the financial statements for the year ending March 31, 2024 *(reappointment subject to approval at the Annual General Meeting)*

MAIN POSITION OUTSIDE SOITEC SA

Chairwoman and co-founder of Melexis** (Belgium) since 2003 and Chief Executive Officer of Sensinnovat BV (Belgium) since 2010.

PROFESSIONAL EXPERIENCE

Françoise Chombar served as Chief Executive Officer 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 has been 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, of Antwerp Management School, the highest EMBA ranked business school of the Benelux, and of Smart Photonics, a Dutch semiconductor company.

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 Chombar worked at Elmos GmbH, a German semiconductor supplier, where she was in charge of Production Planning and Customer Service from 1985 to 1989.

Françoise Chombar holds a Master's degree in Applied Languages (Dutch, English and Spanish) from Ghent University (Belgium).

SKILLS

• Executive Management • Finance • International • Environment • Social • Governance • Semiconductor industry • TMT • Application domains

ESG SKILLS

Member of Umicore's Sustainability Committee** and participation in an ESG training program for the Board of Directors.

Spokesperson for diversity and inclusion in the workplace in the Tech industry.

Participant in multiple conferences to promote diversity within organizations such as SEMI, GSA, EU STEM Coalition, as well as universities and schools.

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2024

- Chair of Melexis** (Belgium)
- Director and member of Umicore's** Sustainability Committee and Compensation and Nominations Committee (Belgium)
- Director of Mediafin N.V. (Belgium)
- Director of Antwerp Management School (Belgium)
- Director of Smart Photonics (Netherlands)
- Director of several unlisted companies in the Sensinnovat group, shareholder of Melexis

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Chair of the Board of Directors of BioRICS (Belgium) (April 2023)

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*

** *Listed company.*

- **53**
- **French**
- **Business address***
  soitec
- **Number of shares held by FSP**
  886,507
- **Years on the board of FSP**
  2
- **Attendance rate at Board and Committee meetings in fiscal year 2023-2024**
  100%

FONDS STRATEGIQUE DE PARTICIPATIONS (FSP)

Represented by Laurence Delpy

Independent director

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

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 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. FSP 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: Neoen SA** (France), Seb** (France), Arkema** (France), Eutelsat Communications** (France), Tikehau Capital SCA** (France), Tikehau Capital Advisors (France), Elior Group** (France), Valeo** (France), Believe** (France), Verkor (France)

Laurence **Delpy**(1)

MAIN POSITION OUTSIDE SOITEC SA

Chief Executive Officer of the Eutelsat group** (France) Video Division since September 2022

PROFESSIONAL EXPERIENCE

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 Delpy 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 Delpy 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.

SKILLS

• Executive Management • Finance • International • Environment • Governance • TMT

ESG SKILLS

Implementation of energy-efficient solutions within Eutelsat**.

Member of the Club des administrateurs engagés pour la RSE (CSR-committed Directors' Club).

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2024

- Chair of the Board of Directors of Fransat (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) *Prior to becoming the permanent representative of FSP, Laurence Delpy was an independent director of Soitec from April 11, 2016.*

- **47**
- **French**
- **Business address***
  soitec
- **Number of shares held**
  250
- **Years on the Board**
  8
- **Attendance rate at Board and Committee meetings in fiscal year 2023-2024**
  100%

CHRISTOPHE GÉGOUT

Referent Independent Director

Committees: Member of the Strategic Committee, Chair and member of the Audit and Risks Committee, Member of the ESG Committee

Date of first appointment: May 2, 2016[(1)]

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

MAIN POSITION OUTSIDE SOITEC SA

Founding Partner and Non-Executive Director at Yotta Capital Partners (France) since December 2020.

PROFESSIONAL EXPERIENCE

Before founding Yotta Capital Partners, Christophe Gégout was Investment Director at Meridiam, one of the world's leading providers of investment and asset management services for public infrastructure, in charge of investments in SMEs. 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. In this role, 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 Gégout 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).

SKILLS

• Executive Management • Finance • International • Environment • Social • Governance • Semiconductor industry • TMT • Application domains • R&D

ESG SKILLS

Member of an impact investing fund (Yotta Capital Partners) with an objective of decarbonization and a value-sharing principle.

Director of Neoen**, a key player in the ecological transition, and former Deputy General Manager of CEA, a key player in decarbonization research.

Member of PRI (Principles for Responsible Investment).

Board member of listed companies since 2009 (over 15 years' experience on Boards of listed companies and Audit Committees).

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2024

- Director of Eldim (France) and Metrology (France), companies within the same group
- Director of Kemberg (France)
- Director of Yotta Capital Partners (France)
- Permanent representative of Fonds Stratégique de Participations (FSP) as a director and Chair of Neoen's** Audit Committee (France)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Director of Séché environnement** (France) (November 2019)
- Director of Allego B.V. (Netherlands) (November 2021)

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*

** *Listed company.*

(1) *Christophe Gégout has been a member of Soitec's Board of Directors since April 20, 2015, initially as a permanent representative of CEA Investissement, and since May 2, 2016, in his own name.*

- **52**
- **French**
- **Business address***
  soitec
- **Number of shares held**
  709
- **Years on the Board**
  3
- **Attendance rate at Board and Committee meetings in fiscal year 2023-2024**
  100%

DIDIER LANDRU

Employee director

Committees: Member of the Strategic Committee, Member of the Audit and Risks Committee, Member of the ESG Committee

Date of first appointment: January 18, 2021

Start date of current term: January 18, 2021

End date of current term: Annual General Meeting called to approve the financial statements for the year ending March 31, 2024 *(he has been reappointed for a further three-year term, effective from the next Annual General Meeting, by the Métallurgie Isère CFE-CGC trade union)*

MAIN POSITION OUTSIDE SOITEC SA

N/A

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.

In addition, Didier Landru held the title of senior employee representative (*délégué du personnel collège 3*) from 2016 to 2019 and CFE-CGC union representative from 2019 to 2021.

Didier Landru has a materials science engineering diploma 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).

Following his appointment as an employee director, he took a governance training course and, in March 2022, obtained a corporate director's certificate from Sciences Po-IFA (France).

SKILLS

• Social • Governance • Semiconductor industry • TMT • R&D

ESG SKILLS

Industrial relations since 2016.

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2024

N/A

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

N/A

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*
** *Listed company.*

- **61**
- **Japanese**
- **Business address***
  soitec
- **Number of shares held**
  100
- **Years on the Board**
  8
- **Attendance rate at Board and Committee meetings in fiscal year 2023-2024**
  100%

SATOSHI ONISHI

Non-independent director

Committees: Member of the Strategic Committee

Date of first appointment: July 10, 2015

Start date of current term: July 28, 2021

End date of current term: Annual General Meeting called to approve the financial statements for the year ending March 31, 2024 (*reappointment subject to approval at the Annual General Meeting*)

MAIN POSITION OUTSIDE SOITEC SA

Managing Director of the Special Functional Products Department at Shin-Etsu Chemical Co. Ltd.** (Japan) since April 2018.

PROFESSIONAL EXPERIENCE

Satoshi Onishi 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, which has been the world's leading supplier of silicon wafers for the semiconductor industry for many years. Satoshi has over 30 years' experience in this sector.

He 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).

SKILLS

• Executive Management • International • Environment • Governance • Semiconductor industry • TMT

ESG SKILLS

Member of Shin-Etsu Chemical Co. Ltd's** ESG Committee, focusing in particular on carbon neutrality.

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2024

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) (January 2023)

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*

** *Listed company.*

MAUDE **PORTIGLIATTI**

Independent director

Committees: Member of the Strategic Committee

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

- **50**
- **French**
- **Business address*** soitec
- **Number of shares held** 100
- **Years on the Board** 2
- **Attendance rate at Board and Committee meetings in fiscal year 2023-2024** 81%

MAIN POSITION OUTSIDE SOITEC SA

Executive Vice President of Michelin's High-Tech Materials businesses, member of Michelin's Executive Committee (France) since July 2021.

PROFESSIONAL EXPERIENCE

At Michelin, Maude Portigliatti is in charge of driving the change towards high-value new domains. She oversees composite products such as conveyors, belts and seals, the engineered polymers segment, as well as three joint ventures: Symbio (fuel cells), AddUp (metal 3D printing) and Solesis (materials for healthcare).

Since 2023, Maude Portigliatti has been a member of the Académie des Technologies, a national public administrative body which, thanks to the diverse expertise of its members and the collective nature of its work, provides a detailed, original and impartial perspective on issues relating to technologies and how they fit in with society. It is committed to promoting useful and responsible technological choices that improve living conditions.

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 teams around the world. 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.

SKILLS

• Executive Management • International • Environment • Governance • TMT • Application domains • R&D

ESG SKILLS

Sustainable innovation at Michelin**, a leading company in mobility: circularity of products and materials, life cycle assessments (LCA).

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2024

- Co-Chair of the Board of Directors of Add Up (France)
- Co-Chair of the Board of Directors of Solesis (USA)
- Director of Symbio (France)
- Chair of the Board of Directors of Flex Composite Group (France) and Director of Fenner Group Holdings Limited (France), Michelin Group companies

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Co-Chair of the Board of Directors of Symbio (France) (October 2023)

* Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.

** Listed company.

- **53**
- **French**
- **Business address***
  soitec
- **Number of shares held**
  100
- **Years on the Board**
  2
- **Attendance rate at Board and Committee meetings in fiscal year 2023-2024**
  100%

DELPHINE **SEGURA-VAYLET**

Independent director

Committees: **Member of the Strategic Committee, Chair and member of the Compensation and Nominations Committee**

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

MAIN POSITION OUTSIDE SOITEC SA

Deputy Managing Director, Human Resources at Groupe SEB (France) since January 2021

PROFESSIONAL EXPERIENCE

Before joining SEB, Delphine Segura-Vaylet joined the Total group in 2017 as Director of Group HR Strategy and Policy.

In 2014, she joined Zodiac Aerospace as the Group HR Director and ExCom member, until the sale to Safran.

In 2007, she joined STMicroelectronics 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.

Delphine Segura-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.

Delphine Segura-Vaylet holds a Master 2 (*Diplôme Études Approfondies*) in European Social Law from the University of Paris 1 – La Sorbonne (France).

SKILLS

• Human Resources • International • Social • Governance • Semiconductor industry • Application domains • R&D

ESG SKILLS

CSR Manager at SEB** (France) for two years, Chair of the European Works Councils and director of the SEB corporate fund.

Diversity Manager at Total** (France).

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2024

- 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.*

- **59**
- **Finnish**
- **Business address*** soitec
- **Number of shares held** 2,000
- **Years on the Board** 5
- **Attendance rate at Board and Committee meetings in fiscal year 2023-2024** 95%

KAI SEIKKU

Non-independent director

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

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

MAIN POSITION OUTSIDE SOITEC SA

President & Chief Executive Officer of Okmetic Oy (Finland) since 2010 and Executive Vice President of National Silicon Industry Group (NSIG)** (China) since 2016.

PROFESSIONAL EXPERIENCE

Kai Seikku is a member of the Board of Directors of NoHo Partners (since 2022), and was previously a member of the Boards of Directors of Inderes Oy (from 2016 to 2024) and verkkokauppa.com (from 2013 to 2024), as well as an industrial consultant for Intera Partners, a private equity firm (since 2013).

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 Seikku 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 (Finland).

SKILLS

• Executive Management • Finance • International • Environment • Social • Governance • Semiconductor industry • TMT

ESG SKILLS

Experience with investments in climate-positive manufacturing plants.

Union relationship management.

Chair of five audit committees dealing with non-financial reporting and ESG issues.

More than 20 years' experience in executive management and as a company director.

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2024

- Director of VTT (Finland)
- Director of Teknologiateollisuuden työnantajat (Finland)
- Director of NoHo Partners** (Finland)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Director of Robit Oyj** (Finland) (April 2020)
- Director of Virala Acquisition Company VAC** (Finland) (December 2021)
- Director of Inderes Oy** (Finland) (April 2024)
- Director of Verkkokauppa.com** (Finland) (April 2024)

* *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.*

- **59**
- **American**
- **Business address***
  soitec
- **Number of shares held**
  100
- **Years on the Board**
  4
- **Attendance rate at Board and Committee meetings in fiscal year 2023-2024**
  100%

SHUO ZHANG

Independent director

Committees: Member of the Strategic Committee, Member of the Audit and Risks Committee, Member of the Compensation and Nominations Committee

Date of first appointment: July 26, 2019

Start date of current term: July 28, 2021

End date of current term: Annual General Meeting called to approve the financial statements for the year ending March 31, 2024 (*reappointment subject to approval at the Annual General Meeting*)

MAIN POSITION OUTSIDE SOITEC SA

Managing Partner & Chief Executive Officer of Renascia Partners LLC (USA) since July 2015, Advisory Partner of Benhamou Global Ventures (USA) since February 2016 and Operating Partner of Atlantic Bridge Capital (USA) since January 2018.

PROFESSIONAL EXPERIENCE

In 2019, Shuo Zhang joined the Board of PDF Solutions Corp.

Since 2017, she has also sat on the Board of Directors of Grid Dynamics and been an executive director of Telink Semiconductor Corp.

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).

SKILLS

• Executive Management • Finance • International • Environment • Social • Governance • Semiconductor industry • TMT • Application domains

ESG SKILLS

Member of the Audit Committee of Grid Dynamics** and PDF Solutions Corp** in charge of ESG issues.

More than 25 years' experience in corporate management, marketing, sales and strategic commercial development within the semiconductor sector.

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2024

- Director and member of the Audit Committee of Grid Dynamics** (USA)
- Director and member of the Audit Committee of PDF Solutions Corp** (USA)
- Director of Prophétie (France)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Executive director of Telink Semiconductor Corp. (China) (January 2024)

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*

** *Listed company.*

Proposed appointment of a new director at the General Meeting of July 23, 2024

- **56**
- **French**
- **Business address:** **Borgwarner 3850 Hamlin Road Auburn Hills Michigan 48326, United States**

FRÉDÉRIC LISSALDE

Independent director

MAIN POSITION OUTSIDE SOITEC SA

President and Chief Executive Officer of Borgwarner** (United States)

PROFESSIONAL EXPERIENCE

Since August 2018, Frédéric Lissalde has served as President and Chief Executive Officer of BorgWarner, one of the world's leading automotive suppliers, after holding the positions of Executive Vice President and Chief Operating Officer from January 2018 to July 2018. From May 2013 to December 2017, he was Vice President of the company, as well as President and Chief Executive Officer of BorgWarner Turbo Systems LLC. Before joining BorgWarner, he held positions with Valeo and ZF in program management, engineering, operations and sales in the UK, Japan and France.

Frédéric Lissalde holds a Master's of Engineering from ENSAM – École nationale supérieure des arts et métiers – Paris, and an MBA from HEC Paris. He is also a graduate of executive courses at INSEAD – Institut Européen d'Administration des Affaires, Harvard and MIT.

He will bring to Soitec's Board of Directors his experience as head of a global industrial company, as well as his knowledge of the automotive challenges of tomorrow.

SKILLS

• Executive Management • International • Environment • Governance • Application domains • R&D

ESG SKILLS

Strong governance experience through positions held since 2013

OFFICES HELD AT MARCH 31, 2024

- President and Chief Executive Officer of Borgwarner** (United States)
- Director of Autoliv, Inc.** (Sweden)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Director of CLEPA (European Association of Automotive Suppliers) (Belgium) (December 2020)

** *Listed company.*

4.1.1.1 Composition of the Board of Directors

The table below summarizes the composition of the Board of Directors at the date of this Universal Registration Document.

		Age	Gender	Nationality	No. of Soitec shares held	End date of current term	No. of years on the Board	Number of offices held in non-Group listed companies[1]	Member of a Board Committee			
									Strategic	Audit and Risks	Compensation and Nominations	Environmental, Social and Governance (ESG)
Independent directors	**Éric Meurice** *Chair of the Board of Directors*	67	M	French	1,000	2024 AGM[9]	5	2	C	●	●	
	Françoise Chombar	61	W	Belgian	100	2024 AGM[7]	4	2	●			●
	Fonds Stratégique de Participations *(represented by Laurence Delpy)*	53	W	French	886,507[6]	2025 AGM	2[5]	0	●	●	●	C
	Christophe Gégout *Referent Director*	47	M	French	250	2026 AGM	8[4]	1	●	C		●
	Maude Portigliatti	50	W	French	100	2026 AGM	2	0	●			
	Delphine Segura-Vaylet	53	W	French	100	2026 AGM	2	0	●		C	
	Shuo Zhang	59	W	American	100	2024 AGM[7]	4	2	●	●	●	
Directors	**Pierre Barnabé** *Chief Executive Officer*	53	M	French	1,000	2026 AGM	2	1	●			
	Bpifrance Participations *(represented by Samuel Dalens)*	41	M	French	4,094,700[6]	2025 AGM	10[2]	2	●	●	●	●
	CEA *(represented by François Jacq)*	58	M	French	2,571,007[6]	2025 AGM	2[3]	1	●			
	Satoshi Onishi	61	M	Japanese	100	2024 AGM[7]	8	0	●			
	Kai Seikku	59	M	Finnish	2,000	2025 AGM	5	1	●	●	●	●
Employee director	**Wissème Allali**	40	W	French	386	2024 AGM[8]	3	0	●		●	
	Didier Landru	52	M	French	709	2024 AGM[8]	3	0	●	●		●

(1) Excluding the directorship held within Soitec. For legal entity directors, the offices mentioned are those of the permanent representatives.
(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 2016 to July 2022), and Samuel Dalens (since July 2022).
(3) CEA Investissement is represented by François Jacq and has been a member of the Board of Directors since July 26, 2022.
(4) Christophe Gégout has been a member of Soitec's Board of Directors since April 20, 2015, initially as a permanent representative of CEA Investissement, and since May 2, 2016, in his own name.
(5) Laurence Delpy was a member of the Board of Directors from 2016 to 2022. She has been on the Board as the FSP representative since the FSP became a member of the Board on July 26, 2022.
(6) Number of shares held by legal entity directors. In accordance with Article 1. d) of the Internal Regulation, permanent representatives are not required to own Company shares.
(7) Terms of office submitted for approval.
(8) The Métallurgie Isère CFE-CGC trade union has reappointed Didier Landru and the CGT Soitec trade union has reappointed Wissème Allali, both effective from the Annual General Meeting of July 23, 2024.
(9) Éric Meurice has decided not to stand for reappointment as director and Chair of the Board of Soitec at the close of the Annual General Meeting on July 23, 2024, for personal reasons.
C *Chair of the Committee.*

4.1.1.2 Changes in the composition of the Board of Directors in fiscal year 2023-2024

There were no changes in the composition of the Board of Directors and its four Committees in fiscal year 2023-2024, as shown in the table below:

	Departures	Appointments	Reappointments
Board of Directors	N/A	N/A	N/A
Strategic Committee	N/A	N/A	N/A
Audit and Risks Committee	N/A	N/A	N/A
Compensation and Nominations Committee	N/A	N/A	N/A
ESG Committee	N/A	N/A	N/A

4.1.1.3 Changes expected in fiscal year 2024-2025

The terms of office of Éric Meurice, Françoise Chombar, Satoshi Onishi and Shuo Zhang expire at the close of the next Annual General Meeting on July 23, 2024.

At the Board of Directors meeting on March 27, 2024, Éric Meurice expressed that he did not wish to be reappointed as a director, which he had been since 2018, nor as Chair of the Board of Directors, which he had been since 2019, for personal reasons. The Board thanked Éric Meurice for his commitment and contribution to the work of the Board and the Committees on which he served.

On the same day, acting on the recommendation of the Compensation and Nominations Committee, the Board of Directors started a recruitment process and decided on the following changes, which will become effective at the close of the next Annual General Meeting on July 23, 2024:

- In accordance with the succession plan drawn up by the Board, Christophe Gégout, who has been Soitec's Referent Director since November 2022, and is the Chair of the Audit and Risks Committee and a member of the Strategic and ESG Committees, will replace Éric Meurice as Chair of the Board and Strategic Committee for a transitional period.
- During this period, Christophe Gégout will be replaced as Referent Director by Delphine Segura-Vaylet, and Chair of the Audit and Risks Committee by Shuo Zhang, subject to renewal of her term of office at the next Annual General Meeting.
- Christophe Gégout will continue to sit on the Audit and Risks Committee and ESG Committee.

Reappointments

Furthermore, on March 27, 2024, the Board of Directors also decided, acting on the recommendation of the Compensation and Nominations Committee, to submit for shareholder approval at the next Annual General Meeting on July 23, 2024, the following reappointments, for a further three-year period, for the following reasons:

- **Reappointment of Françoise Chombar**: an independent director since July 2019, Françoise Chombar, a Belgian national, brings to the Board her experience in the semiconductor and automotive industries, while actively contributing to the Group's various ESG issues.

  If Françoise Chombar's reappointment as director is approved at the next Annual General Meeting, she will continue to sit on the Strategic Committee and the ESG Committee.
- **Reappointment of Satoshi Onishi**: a non-independent director since July 2015, Satoshi Onishi, a Japanese national, brings to the Board over 30 years' experience in the semiconductor industry and in-depth knowledge of the markets in which the Group operates.

  If Satoshi Onishi's reappointment is approved at the next Annual General Meeting, he will continue to sit on the Strategic Committee.
- **Reappointment of Shuo Zhang**: an independent director since July 2019, Shuo Zhang, an American national, has over 25 years' international experience in corporate management, marketing, sales and strategic commercial development within the semiconductor sector, as well as in-depth knowledge of the American and Chinese markets.

  If Shuo Zhang's reappointment is approved at the next Annual General Meeting, she will continue to sit on the Strategic Committee and the Compensation and Nominations Committee. As outlined above, she will temporarily chair the Audit and Risks Committee, replacing Christophe Gégout.

Appointment of a new director

On May 22, 2024, the Board of Directors decided, acting on the recommendation of the Compensation and Nominations Committee, to submit for shareholder approval at the next Annual General Meeting on July 23, 2024, the appointment of Frédéric Lissalde for a three-year term. Frédéric Lissalde is currently President and Chief Executive Officer of BorgWarner, Inc (NYSE), a US-based world leading group in the sustainable mobility sector, with revenues of around $14 billion. He will bring his experience as head of a global industrial company, as well as his knowledge of the automotive challenges of tomorrow. He will sit as an independent director in accordance with the criteria of the AFEP-MEDEF Code.

Reappointment of the two employee directors

The terms of office of the two employee directors, Wissème Allali and Didier Landru, also expire at the close of the next Annual General Meeting on July 23, 2024.

In accordance with Article 12.5 of the Company's by-laws and the provisions of Articles L. 225-27-1 to L. 225-34 of the French Commercial Code, on May 22, 2024, the Board of Directors took note of the CGT Soitec and Métallurgie Isère CFE-CGC trade union's decisions to reappoint Wissème Allali and Didier Landru respectively, effective from the Annual General Meeting of July 23, 2024, for a further three-year period.

At the close of the Annual General Meeting on July 23, 2024, Wissème Allali will continue to sit on the Strategic Committee and the Compensation and Nominations Committee, and Didier Landru will continue to sit on the Strategic Committee, the Audit and Risks Committee, and the ESG Committee.

4.1.1.4 Staggered terms of office of Board members

The staggering of the terms of office of Board members was optimized at the Annual General Meeting of July 26, 2022, as follows:

- six terms of office (including the two employee directors) expiring at the close of the Annual General Meeting called to approve the financial statements for the fiscal year ended March 31, 2024;
- four terms of office are due to expire at the close of the Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2025;
- four terms of office are due to expire at the close of the Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2026;

2024 AGM

- Éric Meurice
- Wissème Allali
- Françoise Chombar
- Didier Landru
- Satoshi Onishi
- Shuo Zhang

2025 AGM

- Bpifrance Participations (Samuel Dalens)
- CEA Investissement (François Jacq)
- Fonds Stratégique de Participations (Laurence Delpy)
- Kai Seikku

2026 AGM

- Pierre Barnabé
- Christophe Gégout
- Maude Portigliatti
- Delphine Segura-Vaylet

4.1.1.5 Review of the composition of the Board of Directors

Based on the work carried out by the Compensation and Nominations Committee and the ESG Committee, 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.

The Board of Directors, acting on the recommendation of the Compensation and Nominations Committee and the ESG Committee, ensures that the Board and its Committees have a complementary balance of skills and expertise, promotes gender balance, ensures that the independence ratio of the Board members is in line with the recommendations of the AFEP-MEDEF Code, and encourages a diversity of nationalities.

1. Board of Directors' diversity policy

Based on the work carried out by the Compensation and Nominations Committee and the ESG Committee, the Board of Directors regularly reviews the Board's diversity policy and its implementation.

Criteria	Objectives	Implementation and results achieved during the year
Gender balance	Maintain a gender balance on Soitec's Board of Directors at or greater than 40%, in accordance with Articles L. 225-18-1 and L. 22-10-3 of the French Commercial Code.	Soitec's Board of Directors has a good gender balance. The proportion of women on the Board is 42% (i.e., five women and seven men, excluding the two employee directors, in accordance with French law), which is higher than the minimum ratio of 40% required by French law. This ratio has been stable since the Annual General Meeting of July 26, 2022 and will remain stable following the Annual General Meeting of July 23, 2024.
Independence	Maintain a majority of independent members (including the Chair) on Soitec's Board of Directors, Strategic Committee, Compensation and Nominations Committee and ESG Committee, in accordance with Articles 10, 18 and 19 of the AFEP-MEDEF Code. Maintain at least two thirds of independent members (including the Chair) on the Audit and Risks Committee, in accordance with Article 17 of the AFEP-MEDEF Code.	Excluding employee directors, in accordance with Article 10 of the AFEP-MEDEF Code, the proportion of independent members on the: • Board of Directors and Strategic Committee is **58%**, • Compensation and Nominations and Audit and Risks Committee is **67%**, • ESG Committee is **60%**. In addition, the Chair of the Board of Directors and the Chairs of the four Board Committees (Éric Meurice, Chair of the Strategic Committee, Christophe Gégout, Chair of the Audit and Risks Committee, Delphine Segura-Vaylet, Chair of the Compensation and Nominations Committee, and Fonds Stratégique de Participations, represented by Laurence Delpy, Chair of the ESG Committee) are all independent. These targets, which exceed the recommendations of the AFEP-MEDEF Code, have been stable since the Annual General Meeting of July 26, 2022, and will remain stable following the Annual General Meeting of July 23, 2024 (see section 4.1.1.3 of this Universal Registration Document).
Age of the members of the Board of Directors	Ensure that in accordance with Article L. 225-19 of the French Commercial Code, Article 12.2 of the Company's by-laws and Article 1. b) of the Company's Internal Regulation, no more than one third of Board members are over the age of 70.	The average age of Board members is 54 (with the majority aged between 40 and 67). The average age of Board members after the Annual General Meeting of July 23, 2024 will be 53.
Employee representation	Appoint two employee directors to the Board of Directors, in accordance with Articles L. 225-27-1 of the French Commercial Code and 12.5 of the Company's by-laws, and have at least one employee director on the Compensation and Nominations Committee, in accordance with Article 19.1 of the AFEP-MEDEF Code. Convene two permanent representatives of the Social and Economic Committee (SEC), which exceeds the requirements of Article L. 2312-75 of the French Commercial Code.	In accordance with legal provisions, since January 2021 the Board of Directors has had two employee directors, appointed by the trade unions with the highest number of votes in the first round of the elections referred to in Articles L. 2122-1 and L. 2122-4 of the French Labor Code: Wissème Allali (CGT) and Didier Landru (Métallurgie CFE-CGC). At the date of publication of this Universal Registration Document, at least one employee director sat on each Committee: • Wissème Allali is a member of the Strategic Committee and the Compensation and Nominations Committee. • Didier Landru is a member of the Strategic Committee, the Audit and Risks Committee and the ESG Committee. This composition will remain stable following the Annual General Meeting of July 23, 2024, their terms having been renewed. In addition, since March 2021, the Board of Directors has welcomed two permanent representatives of the SEC at Board meetings, instead of just one as required by law. At the date of publication of this Universal Registration Document, the two permanent SEC representatives attending Council meetings were Fabrice Lallement, since January 15, 2024 and Émilie Baurand, since March 21, 2024.

Criteria	Objectives	Implementation and results achieved during the year
Nationalities of the members of the Board of Directors	Ensure that the Board of Directors benefits from a diversity of nationalities reflecting the Company's international presence.	Soitec's Board of Directors includes five different nationalities: American, Belgian, Japanese, Finnish and French, and includes four members who are non-French nationals (Françoise Chombar, Satoshi Onishi, Kai Seikku and Shuo Zhang). In addition, all Board members have international experience or experience in a group with an international presence. This diversity of nationalities will remain stable following the Annual General Meeting of July 23, 2024.
Experience and skills	Ensure that Board members benefit from a broad and diverse experience, providing them with varied, cross-sector and complementary expertise which enables them to swiftly and fully understand Soitec's business development objectives and make informed decisions. The Board of Directors reviews the skills of Board members on an annual basis, at the same time that it evaluates the renewal of each member's membership, so as to ensure that the Board is able to meet Soitec's needs at all times. The following skills are desired: CFO, knowledge of markets in which the Group operates (automotive, electronics, IOT, etc.).	Since 2020, the spectrum of the skills of Board members has been diversified and strengthened: human resources, the semiconductor industry, international experience, finance, ESG, TMT (Tech, Media, Telecoms), R&D and executive management.

2. Varied, cross-sector and complementary expertise

Soitec Board members have extensive and diversified experience, which gives them varied, cross-sector and complementary expertise, as shown in the skills matrix below and in each of their profile sections.

It also allows them to swiftly and fully understand Soitec’s business development objectives by quickly taking into account ESG issues, and make informed decisions.

As part of Soitec's training program, Board members' skills are developed throughout their terms of office in order to ensure that they are fully aware of the Group's specific characteristics. They also benefit from high-level internal and external presentations at Board and specialized Committee meetings.

The Chairs of the four Committees – Éric Meurice, Chair of the Strategic Committee, Christophe Gégout, Chair of the Audit and Risks Committee, Delphine Segura-Vaylet, Chair of the Compensation and Nominations Committee, and Fonds Stratégique de Participations represented by Laurence Delpy, Chair of the ESG Committee – were appointed, in particular, for their expertise and experience in the duties assigned to their respective Committees. This is also the case for Shuo Zhang, who will temporarily take over from Christophe Gégout as Chair of the Audit and Risks Committee, effective from July 23, 2024, subject to the renewal of her term of office by the next Annual General Meeting.

		Executive Management(1)	Finance(2)	HR(3)	International(4)	Environment(5)	Social(6)	Governance(7)	Semiconductor industry(8)	TMT (Tech, Media, Telecoms)(9)	Application domains(10)	R&D(11)
Independent directors	**Éric Meurice** Chair of the Board of Directors and the Strategic Committee	●			●	●	●	●	●	●		●
	Françoise Chombar	●	●		●	●	●	●	●	●	●	
	Fonds Stratégique de Participations (represented by Laurence Delpy) Chair of the ESG Committee	●	●		●	●		●		●		
	Christophe Gégout Referent Director and Chair of the Audit and Risks Committee	●	●		●	●	●	●	●	●	●	●
	Maude Portigliatti	●			●	●		●		●	●	●
	Delphine Segura-Vaylet Chair of the Compensation and Nominations Committee			●	●		●	●	●		●	●
	Shuo Zhang	●	●		●	●	●	●	●	●	●	
Directors	**Pierre Barnabé** Chief Executive Officer	●		●	●	●	●	●	●	●		●
	Bpifrance Participations (represented by Samuel Dalens)		●		●	●		●	●	●		
	CEA Investissement (represented by François Jacq)	●	●		●	●	●	●	●	●		●
	Satoshi Onishi	●			●	●		●	●	●		
	Kai Seikku	●	●		●	●	●	●	●	●		
Employee director	**Wissème Allali**						●	●	●	●		
	Didier Landru						●	●	●	●		●

(1) Significant experience as a Chief Executive Officer, senior executive within a major operating unit (business unit).
(2) Experience as a Chief Financial Officer, investor, fund representative or banker.
(3) Experience as a Human Resources Director.
(4) International experience or experience in a group with a worldwide presence.
(5) Experience related to the environment or sustainable development.
(6) Experience in employee relations, inclusion and diversity.
(7) Experience as a member of the board of directors or supervisory board of a listed or unlisted company.
(8) Experience in the semiconductor related industry, and knowledge of its competitive environment.
(9) Experience in or knowledge of tech, media and telecom markets.
(10) Experience or knowledge of the end markets in which the Group operates: mobile communications, automotive and industrial, and smart devices.
(11) Experience in research and development.

3. Attendance and involvement at Board meetings in fiscal year 2023-2024

The members of the Board of Directors devote the requisite time to Board and Committee meetings, as shown by the individual attendance rates in fiscal year 2023-2024 set out below:

Name	Attendance at Board of Directors' meetings	Attendance at Strategic Committee meetings	Attendance at Audit and Risks Committee meetings	Attendance at Compensation and Nominations Committee meetings	Attendance at ESG Committee meetings
Éric Meurice Chair of the Board of Directors and the Strategic Committee	100%	100%	100%	100%	N/A
Pierre Barnabé Chief Executive Officer	100%	100%	N/A	N/A	N/A
Wissème Allali Employee director	88%	75%	N/A	88%	N/A
Bpifrance Participations (Represented by Samuel Dalens)	100%	100%	100%	100%	100%
CEA Investissement (Represented by François Jacq)	75%	75%	N/A	N/A	N/A
Françoise Chombar	100%	100%	N/A	N/A	100%
Fonds Stratégique de Participations (Represented by Laurence Delpy), Chair of the ESG Committee	100%	100%	100%	100%	100%
Christophe Gégout Referent Director and Chair of the Audit and Risks Committee	100%	100%	100%	N/A	100%
Didier Landru Employee director	100%	100%	100%	N/A	100%
Satoshi Onishi	100%	100%	N/A	N/A	N/A
Maude Portigliatti	88%	75%	N/A	N/A	N/A
Delphine Segura-Vaylet Chair of the Compensation and Nominations Committee	100%	100%	N/A	100%	N/A
Kai Seikku	100%	100%	86%	88%	100%
Shuo Zhang	100%	100%	100%	100%	N/A
AVERAGE OVERALL PARTICIPATION RATE	96%	95%	98%	96%	100%

4. Conflicts of interest, absence of convictions and independence

Conflicts of interest

In accordance with the AFEP-MEDEF Code, the provisions of the Board of Directors' Internal Regulation set out the rights and obligations of Board members in the performance of their duties. Board members are also bound by the rules set out in the Company's Code of Good Conduct.

In accordance with the Board of Directors' Internal Regulation, Board members:

- 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;
- are obligated to notify the Board of Directors of any situation involving a direct, indirect or even potential conflict of interest.

Furthermore, the Chair of the Board of Directors can, at any time, and must, if asked to do so by the Referent Director, request a written statement from the members of the Board indicating that they do not find themselves in an actual or potential conflict-of-interest situation. The Referent Director may also request such a statement from the Chair of the Board of Directors.

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.

Every year, the directors each 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 triggered the stipulations described above, and the directors Satoshi Onishi and Kai Seikku have expressly undertaken to abide by the above rules in light of their positions within the Shin-Etsu Chemical Co. Ltd. (SEH) group and the National Silicon Industry Group (NSIG), respectively.

See also:

- section *Independence* below, which refers to the existence of business relations between certain Board members and Soitec;
- section 8.5 *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 during or which remained in force in fiscal year 2023-2024.

Absence of convictions

Based on the yearly disclosures made to the Company by its corporate officers, and to the best of the Company's knowledge at the date of publication of this Universal Registration Document, 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.

Information on other offices held

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 and business relations

Pursuant to Article 1. a) of the Board of Directors' Internal Regulation and diversity policy, the Board must use its best efforts to ensure that the number of independent members sitting on the Board is at least in line with the recommendations of the AFEP-MEDEF Code.

Within this framework, the ESG Committee carries out an annual review of Board members' responses to the independence questionnaires given to each of them, and of the independence criteria defined by the AFEP-MEDEF Code. The ESG Committee's recommendations following this review are subsequently presented to the Board, which then examines the situation of each director, before outcomes are communicated to shareholders.

During the annual independence review of Board members, 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).

The table below shows the results of the fiscal year 2023-2024 independence review, conducted during the year, 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 Segura-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 members 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 (SEH), Shanghai Simgui Technology Co. Ltd. and CEA. Several members of the Board of Directors – Éric Meurice, Pierre Barnabé, Françoise Chombar, Christophe Gégout, François Jacq, Satoshi Onishi, Kai Seikku, Delphine Segura-Vaylet and Shuo Zhang – hold or have held positions in the semiconductor industry.

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.

The annual review shows that the composition of the Board of Directors and its Committees complies with the recommendations of the AFEP-MEDEF Code.

The Board of Directors comprises 14 members, seven of whom are independent (including the Chair and the Referent Director), representing an independence ratio of 58% (excluding employee directors).

Regarding the Committees of the Board of Directors:

- The Strategic Committee comprises 14 members, seven of whom are independent (including the Chair and the Referent Director), representing an independence ratio of 58% (excluding employee directors).
- The Audit and Risks Committee comprises seven members, four of whom are independent (including the Chair, who is also the Referent Director), representing an independence ratio of 67% (excluding the employee director).
- The Compensation and Nominations Committee comprises seven members, four of whom are independent (including the Chair), representing an independence ratio of 67% (excluding the employee director).
- The ESG Committee comprises six members, three of whom are independent (including the Chair and the Referent Director), representing an independence ratio of 60% (excluding employee directors).

The composition of the Board and its Committees with regard to independence criteria will remain unchanged at the close of the next Annual General Meeting on July 23, 2024.

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 in accordance with the AFEP-MEDEF Code.

CONCLUSION OF THE ASSESSMENT OF BOARD MEMBERS' INDEPENDENCE IN ACCORDANCE WITH THE AFEP-MEDEF CODE CRITERIA

1. Éric Meurice	Independent director
2. Pierre Barnabé	Non-independent director
3. Wissème Allali	Employee director
4. Bpifrance Participations, represented by Samuel Dalens	Non-independent director
5. CEA Investissement, represented by François Jacq	Non-independent director
6. Françoise Chombar	Independent director
7. Fonds Stratégique de Participations, represented by Laurence Delpy	Independent director
8. Christophe Gégout	Referent Independent Director
9. Didier Landru	Employee director
10. Satoshi Onishi	Non-independent director
11. Maude Portigliatti	Independent director
12. Delphine Segura-Vaylet	Independent director
13. Kai Seikku	Non-independent director
14. Shuo Zhang	Independent director

7 independent members of the Board

5 non-independent members of the Board

2 employee directors

4.1.2 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, which the Board reviews regularly based on the recommendation of the ESG Committee. The Company's by-laws and Internal Regulation are available on the Company's website (www.soitec.com).

A. Meetings of the Board of Directors

The Board of Directors will meet as often as the Company interests require it, called by the Chair, and at least four times per year.

The Referent Director, Chief Executive Officer or at least one half of the members of the Board of Directors may also ask the Chair to call a meeting of the Board of Directors with a predetermined agenda.

Furthermore, when a meeting has not been held for at least two months, at least one third of the members of the Board of Directors may ask the Chair to call a meeting of the Board of Directors with a predetermined agenda.

In these latter two cases, the Chair is bound by the requests that he receives and must call a meeting of the Board of Directors on the predetermined agenda.

Should the Chair of the Board of Directors fail to call a meeting following a request, the Referent Director may call a meeting.

Convening notices must be given in any form of writing including email, at least eight days prior to the date of the meeting, except in cases of proven urgency, in which case less warning may be given in order to enable the Board of Directors to react quickly. Convening notices must be accompanied by the meeting agenda as well as all documents prepared for submission to the Board of Directors (except where this is physically impossible). An update of all the documents to be submitted is sent to members where required, after the convening notice is given and before the Board meeting takes place.

However, when all Board members are present or represented at a meeting (including by participation or representation during conference calls or video conferences), the meeting may take place without prior notice.

The meeting will take place either at the registered head office or at any other place specified in the convening notice, including abroad.

If the convening notice so provides, meetings may be held via videoconference or conference call using electronic means of telecommunication or teletransmission, subject to the conditions laid down by applicable laws and regulations.

At least half of the members must be present for decisions taken to be valid. However, members taking part in the meeting via videoconference or any other telecommunications methods that enable identification and effective participation shall be deemed to be present for the calculation of quorum and majority, under the terms and conditions set out by applicable laws and regulations.

A director may grant proxy to another member to act as their representative at a Board meeting, and each member may only hold one proxy for a given meeting.

Decisions are made by a majority of the directors present or represented. The Chair does not have a casting vote.

B. 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 2023-2024, the Board of Directors held several restricted meetings, notably to discuss the Chief Executive Officer's performance and compensation.

C. Role of the Chair of the Board of Directors

Éric Meurice, an independent director, has chaired the Board of Directors since March 27, 2019. Following his decision not to stand for reappointment at the Annual General Meeting on July 23, 2024, the Board of Directors has decided, in accordance with the succession plan, to provisionally appoint Christophe Gégout, Referent Director, as Chair of the Board, effective from July 23, 2024. During this period, Christophe Gégout will be replaced as Referent Director by Delphine Segura-Vaylet.

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 Board members 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 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.

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.

D. Role of the Referent Director

In accordance with Article 2 of the Internal Regulation, the Board of Directors appointed Christophe Gégout as Referent Director on September 28, 2022. Following Éric Meurice's decision not to stand for reappointment at the Annual General Meeting on July 23, 2024, the Board of Directors decided on March 27, 2024, in accordance with the succession plan, to provisionally appoint Christophe Gégout as Chair of the Board, effective from July 23, 2024. During this period, he will be replaced as Referent Director by Delphine Segura-Vaylet.

The Referent Director 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.

They may request or call a meeting of the Board of Directors or of any of its Committees with a predetermined agenda if required.

For fiscal year 2023-2024, the Referent Director, together with the Compensation and Nominations Committee and the ESG Committee, took part in the evaluation of the Board of Directors carried out by an independent external consultant, as well as in the selection of the future Board member whose appointment is proposed for approval at the Annual General Meeting of July 23, 2024.

E. The Secretary of the Board of Directors

In line with Article 2 of the Internal Regulation and 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 Chairs, as the case may be.

More generally, the Secretary of the Board answers questions from Board members on the functioning of the Board of Directors, and their rights and obligations.

The Board of Directors decided to entrust these duties to Emmanuelle Bely, the Company's General Secretary, who has held them since March 28, 2023.

F. Employee representation on the Board

In accordance with the provisions of Articles L. 225-27-1 to L. 225-34 of the French Commercial Code, the Board of Directors includes two employee directors. This number may be reduced to one employee director, if the number of Board members becomes equal to or less than eight.

Like the other members of the Board, the term of office for employee directors is three years, renewable.

Subject to the legal provisions specifically applicable thereto, they have the same rights, are bound by the same obligations (in particular with regard to confidentiality) and have the same responsibilities as the other members of the Board of Directors.

When a single employee director is to be appointed, the appointment is made by the Group's Social and Economic Committee (SEC) or, failing that, the Company's SEC. When two employee directors are to be appointed, the appointments are made by each of the two trade union organizations having 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 held within the Company and those of its direct or indirect subsidiaries whose registered office is in France. Appointment procedures are detailed in Article 12.5 of the by-laws.

The two employee directors were first appointed for a three-year term in 2021, with Didier Landru and Wissème Allali appointed by the Métallurgie Isère CFE-CGC and the CGT Soitec trade unions respectively. These appointments have been renewed for a further three-year period from the date of the next Annual General Meeting on July 23, 2024 (for further information, see section 4.1.1.3 of this Universal Registration Document).

On March 31, 2021, the Board of Directors decided to invite two representatives of the 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 same decision was made during the 2024 elections. At the date of this Universal Registration Document, the two permanent SEC representatives attending Board meetings are Fabrice Lallement, since January 15, 2024, and Émilie Baurand, since March 21, 2024, replacing Éric Laho and Arnaud Hénault.

G. 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.

H. Information, training and resources for Members of the Board

When they take up office, each member receives the documentation required for understanding the rules of the Board's functioning.

They 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).

Board members 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 fiscal year 2023-2024, Board members had the opportunity to visit Soitec's new plant, received training on the new requirements imposed by the CSRD and also took part in a Climate Fresk workshop seeking to quickly and thoroughly share information allowing for an in-depth understanding of climate issues.

In compliance with applicable regulations, employee directors are given appropriate training to help them perform their duties.

As soon as they took up their positions as employee directors, Wissème Allali and Didier Landru took a governance training course financed by the Company. Following this training, in March 2022, Didier Landru obtained a corporate director's certificate from Sciences Po-IFA, and then in November 2023, Wissème Allali obtained a corporate director's certificate from EM LYON.

Beyond the meetings and legal obligations, any information that is useful for the exercise of their duties is communicated to the members of the Board of 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.

Board members 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.

I. Selection of directorship candidates

New candidates are selected through a process set up by the Compensation and Nominations Committee.

As part of this selection process, the Board of Directors sets targets for changes in its composition in accordance with the provisions of the Internal Regulation and Soitec's needs, often during the annual assessment of the Board of Directors and the review of its diversity policy, based on the work carried out by the Compensation and Nominations Committee and the ESG Committee.

The search for candidates is generally entrusted to a external recruitment firm, which identifies profiles corresponding to the objectives set by the Board of Directors.

Using a detailed report and through discussions with the external recruitment firm, an initial selection of candidates is made by the Chair of the Compensation and Nominations Committee and the Chair of the Board of Directors, who are then contacted individually.

At each stage of the process, the Compensation and Nominations Committee ensures that the candidates' profiles enable the Board of Directors to maintain the desired balance in terms of skills and diversity. The profiles of proposed candidates are examined by this Committee, with a particular focus on predefined selection criteria, compliance with the rules of the AFEP-MEDEF Code, and the voting policies of proxy advisors and investors in terms of independence and cross-directorships.

Successful candidates are then interviewed by the other members of the Compensation and Nominations Committee, and, where appropriate, by the Chief Executive Officer, before a recommendation is made to the Board of Directors.

Following Éric Meurice's decision not to stand for reappointment as director and Chair of the Board of Directors at the close of the next Annual General Meeting, the Chair of the Compensation and Nominations Committee set up a restricted committee of three members of the Compensation and Nominations Committee and the Referent Director to manage the recruitment process, supported by an external recruitment firm. Discussions were then relayed to the Compensation and Nominations Committee, which made recommendations to the Board of Directors in accordance with the procedure for selecting candidates.

The selection process for employee directors is described in section F. *Employee representation on the Board* above.

J. Duties of the Board of Directors

The Board of Directors performs its duties in accordance with the provisions of the law, the Company's by-laws and regulations. In particular, it determines the governance and strategic directions for the Company's activities and ensures their implementation.

More specifically, it determines and regularly reviews the Group's strategy, and ensures that the strategy is duly implemented by Executive Management. It reviews, in relation to the strategy defined, opportunities and risks including financial, legal, operational, social and environmental risks, and the measures taken to address those risks.

The Board of Directors also monitors Executive Management's financial communications policy and effective disclosures, in particular the quality of information provided to shareholders and the markets, whether through financial statements or in the context of major transactions.

Subject to the powers expressly attributed to the Annual General Meetings and within the limit of the Company's corporate purpose, it shall consider any issue affecting the smooth functioning of the Company and shall resolve the matters relating to it.

The Board of Directors determines the way in which Executive Management is to discharge its duties (i.e., whether or not the roles of Chair of the Board of Directors and of Chief Executive Officer are combined) at the time of appointing and/or reappointing these two positions. Shareholders and third parties are informed of this choice under the conditions defined by law, and this arrangement remains in force until a decision to change the arrangement is made under the same conditions.

The Board of Directors also reviews the related-party agreements referred to in Article L. 225-38 of the French Commercial Code.

The Board of Directors shall also perform the checks and verifications that it deems appropriate.

K. ESG at the heart of the Board's decisions

ESG issues are regularly reviewed by the Board of Directors, based on the work of its four specialized Committees in their relevant fields.

More specifically, the ESG contribution of each Board Committee is as follows:

- The Strategic Committee makes recommendations to the Board of Directors on the Group's strategic orientations, taking into account ESG issues that impact the Group, including climate change.
- The ESG Committee supervises the Group's actions and strategies in order to (i) ensure sustainable development is factored into the management of the Group's objectives, activities, strategy and product policy in the short, medium and long term, and (ii) comply with the aplicable regulations.
- The Audit and Risks Committee ensures that the non-financial information disclosed by the Company, including the Extra-Financial Performance Declaration (EFPD), is complete, accurate and consistent with the information presented in the Company's financial statements. It is also responsible for regularly assessing, in conjunction with the ESG Committee, the main non-financial risks and their impact on the Company's activities (including the impact of climate change), and for annually reviewing the independent third party's verification of the quantitative performance indicators included in the EFPD.
- The ESG Committee and the Audit and Risks Committee also focus on the implementation of the CSRD.
- The Compensation and Nominations Committee takes ESG issues into account while determining the compensation policy for corporate officers and reviewing the compensation principles applicable to all Group employees, and also while selecting profiles of potential candidates to be proposed to the Board of Directors, ensuring that they have skills in environmental, social or governance matters which will enhance the range of expertise that currently exists within the Board of Directors.

This active contribution to ESG issues is partly attributable to the expertise of the Board members, but also to the diversity and complementarity of their skills, particularly regarding ESG issues. Further detail on these skills can be found in the profiles of Board members and in the skills matrix at the beginning of Chapter 4.1.

A description of ESG governance within the organization is given in Chapter 3.4 of this Universal Registration Document.

L. Ethics

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 Board members, 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

Board members 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, the Board of Directors' Internal Regulation and the Code of Good Conduct.

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 Chair and members of the Board of Directors, the Chief Executive Officer and any other person called to attend Board meetings, must refrain from trading in Soitec shares when they have information about the Company, obtained in the course of their duties, which has not yet been made public.

Consequently, they cannot trade in Soitec shares during so-called "closed periods":

- for 30 calendar days before the Company releases its provisional or final annual and half-year results (including the day of issue and the day after issue if it occurred after the close of trading),
- for 15 calendar days before it releases its quarterly financial information (including the day of issue and the day after issue if it occurred after the close of trading).

In any event, even outside of "closed periods", the Chair, Chief Executive Officer and members of the Board of Directors are required to determine, before each transaction, whether they are privy to inside information, and if so, to refrain from carrying out the transaction in question.

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 Soitec (FR0013227113) share transactions carried out in fiscal year 2023-2024 (transactions disclosed when their aggregate value exceeds €20,000 per disclosing party in a given calendar year).

Disclosing party	Capacity	Type of financial instrument	Number of financial instruments	Type of transaction	Transaction date	Place of transaction	Unit price	Transaction amount
Laurence Delpy	Permanent representative of Fonds Stratégique de Participations, legal entity director	Shares	185	Purchase	06/09/2023	Euronext Paris	€139.35	€25,779.75
Fonds Stratégique de Participations	Legal entity director	Shares	23,413	Purchase	07/06/2023	Euronext Paris	€148.35	€3,473,318.55
Fonds Stratégique de Participations	Legal entity director	Shares	10,094	Purchase	07/07/2023	Euronext Paris	€148.70	€1,500,977.80
NSIG Sunrise S.a.r.l. Private Limited Company	Legal entity related to Kai Seikku, director	Shares	432,000	Purchase	12/01/2023	Euronext Paris	€163.10	€70,459,200.00

The following transactions in Soitec shares have also been disclosed to the AMF since the fiscal year-end:

Disclosing party	Capacity	Type of financial instrument	Number of financial instruments	Type of transaction	Transaction date	Place of transaction	Unit price	Transaction amount
Pierre Barnabé	Chief Executive Officer	Shares	200	Purchase	04/02/2024	Euronext Paris	€97.00	€19,400.00

Involvement and availability

Under the terms of the Board of Directors' Internal Regulation, Board members 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.

In light of the above, Board members take care to limit the number of offices they hold in other companies, which includes their participation in the committees of these other companies, in order to remain sufficiently available. More specifically, Board members must adhere strictly to the rules governing cross-directorships laid down by law and the AFEP-MEDEF Code.

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 2023-2024 was weighted in line with each director's meeting attendance rate during the year, apart from for the Chair, who receives 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 (whether in person, by videoconference or conference call), 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.

Board members must strictly comply with the following disclosure rules:

(i) Individual Board members, permanent representatives of legal entity directors that are not institutional financial investors, and invitees may in no case disclose non-public information (including, without limitation, to the employees of the company that designated the Board member or of which the Board member is a representative).

(ii) The 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 Board members, 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.

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 in nature.

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 directors to own Soitec shares.

However, in accordance with the recommendations of the AFEP-MEDEF Code, 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 (i.e., 100 shares).

M. Assessment of the Board of Directors

In accordance with the recommendations of the AFEP-MEDEF Code and the Board of Directors' Internal Regulation, Soitec's Board of Directors performs an annual assessment of its composition, organization and functioning, as well as those of its Committees.

The assessment has a number of objectives:

- to review the Board's composition and skills;
- to review the operating methods of the Board and its Committees, including logistical aspects and how they function;
- to ensure that important issues are properly prepared and discussed;
- to assess each member's actual contribution to the Board's work.

The assessment may take the form of individual anonymous questionnaires sent to each Board member, individual interviews, or an evaluation conducted with the assistance of an external consultant at least once every three years.

The results of the assessment are presented and discussed at a Board of Directors' meeting, under the joint direction of the Chairs of the Compensation and Nominations Committee and the ESG Committee. Recommendations are then made (where appropriate) to improve the Board's functioning, on the basis of the assessment. The results are presented to the shareholders each year in the corporate governance report.

During fiscal year 2023-2024, the Board of Directors entrusted the annual assessment of the Board to an independent external consultant who met with each Board member individually to get an understanding of how the Board operates, ensure that important issues were properly prepared and debated, and assess each member's actual contribution to the work of the Board and its Committees. The results of this assessment were initially shared with the Chair of the Board of Directors, the Chair of the Compensation and Nominations Committee and the Chair of the ESG Committee. They were then presented and discussed at a joint session of the Compensation and Nominations Committee and the ESG Committee.

The results of the assessment, presented to the Board of Directors on November 15, 2023, show that the Board of Directors and its Committees are functioning well, and that there has been significant progress since the last assessment carried out by the same firm in 2020.

The independence and diversity of skills of the Board members has been strengthened, and staggered terms of office have been in place since July 2022.

Furthermore, Board governance has a better structure, not only in content but also in form (creation of the ESG Committee, strategy sessions, succession plans, etc.).

The relationship and communication between members of the Board of Directors and Executive Management is very positive.

The Board successfully managed the succession of the Chief Executive Officer.

The assessment also indicated that there are still some improvements to be made on the Board of Directors. While some of these improvements had been identified and were already underway at the time of the assessment, the Board will define an action plan based on these proposals during fiscal year 2024-2025.

Among the areas for improvement identified were the need (i) to strengthen the Board of Directors' and the Strategic Committee's impact on the more strategic issues, (ii) to rebalance the work carried out by the Committees and the Board to enable members to contribute fully to debates, and (iii) to reinforce the composition of the Board of Directors with new skills and experience (end markets, experience of the US market, etc.) with the appointment of a new Board member.

N. Work of the Board of Directors

The Board of Directors will meet as often as the Company interests require it, convened by the Chair, and at least four times per fiscal year.

Key figures fiscal year 2023-2024

8	96%
meetings	attendance

Each year, the Board of Directors is required to examine and take decisions on topics that are identical from one fiscal year to another or, of course, on the specific needs of the Company. The Board of Directors met to discuss the following non-exhaustive list of topics:

- a review of the activities of the Board Committees;
- a review of the Group's business and strategy, investment studies and a map of M&A transactions as well as the determination of its strategic directions;
- approval of the budget and investments;
- a review of the multi-year business plan;
- a review of various presentations and market research;
- a review of material contracts;
- approval of the statutory and consolidated annual and interim financial statements and any related reports;
- approval of the Company's provisional financial statements;
- a review of financing;
- a review of the share buyback program and implementation of the liquidity program;
- a review of the internal control and risk management mechanism;
- a review of cybersecurity;
- 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 a new ESG clause to be included in financial contracts;
- a review of the Company's diversity policy regarding professional and pay equality;
- determination of the compensation for the corporate officers;
- adoption of free performance share allocation plans;
- a review of the financial performance conditions applicable to current free performance share plans;
- monitoring the vesting of performance share plans from previous years which had a delivery date of August 2, 2023;
- a review of the compensation of Executive Committee members;
- a review of succession plans for corporate officers and the Executive Committee;
- a review of the internal ethical business plan;
- the results of the annual assessment of the composition, organization and functioning of the Board and its Committees carried out by an independent external consultant;
- a review of the Board of Directors' diversity policy;
- a review of the Internal Regulation of the Board and its Committees;
- a review and monitoring the ESG policy (including on climate);
- a review of information communicated to the public (including the Universal Registration Document);
- a review of governance recommendations and feedback from proxy advisors and investors following governance roadshows;
- preparation of the Annual General Meeting;
- adoption of a budget specifically for the Board of Directors.

Spotlight on cybersecurity

Soitec's Board of Directors regularly reviews cybersecurity risks, takes decisions and bases its choices on the advice of the Chief Executive Officer.

As cyber risks continue to evolve in terms of the complexity of the threats, regulations, issues and techniques, the Board of Directors is progressively broadening its scope of action and is considering the adoption of the latest cybersecurity technologies, in order to best respond to the range of cyber threats the organization faces.

Three meetings were held in fiscal year 2023-2024 between the Audit and Risks Committee and the Board of Directors which were attended by the Group Director of Safety and Cybersecurity and the Director of Information Systems. During these meetings, the Audit and Risks Committee and the Board of Directors reviewed the assessment of new threats, risk exposure and the nature of these risks in relation to the specific context of the Company and its activities, measured the major risk appetite and its impact on the scale of investments, the annual plan, new solutions and responses to deal with them, as well as remediation plans.

During fiscal year 2023-2024, 95% of employees completed the cyber risk awareness and education program and the results were reviewed by the Audit and Risks Committee and the Board of Directors.

4.1.3 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 following paragraphs summarize this information; for further details, please refer to the Internal Regulation available on the Company's website (www.soitec.com).

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.

4.1.3.1 Composition of the Board Committees

A. Strategic Committee

The Strategic Committee currently comprises 14 members, as follows:

Member	Independent
Éric Meurice Committee Chair and Chair of the Board of Directors	✓
Pierre Barnabé Chief Executive Officer	
Wissème Allali Employee director	N/A
Bpifrance Participations Represented by Samuel Dalens	
CEA Investissement Represented by François Jacq	
Françoise Chombar	✓
Fonds Stratégique de Participations Represented by Laurence Delpy	✓
Christophe Gégout Referent Director	✓
Didier Landru Employee director	N/A
Satoshi Onishi	
Maude Portigliatty	✓
Delphine Segura-Vaylet	✓
Kai Seikku	
Shuo Zhang	✓

Key figures fiscal year 2023-2024

58%	4	95%
independent (excluding the employee directors)	meetings	attendance

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 Strategic 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 fiscal year 2023-2024, the Strategic Committee worked in particular on the following topics:

- all subjects related to the Group's business, including products, markets and organization,
- potential M&A opportunities,
- material contracts,
- the Company's strategy for the next five years.

B. Audit and Risks Committee

The Audit and Risks Committee currently comprises seven members, as follows:

Member	Independent
Christophe Gégout Chair of the Committee and Referent Director	✓
Bpifrance Participations Represented by Samuel Dalens	
Fonds Stratégique de Participations Represented by Laurence Delpy	✓
Didier Landru Employee director	N/A
Éric Meurice Chair of the Board of Directors	✓
Kai Seikku	
Shuo Zhang	✓

Key figures fiscal year 2023-2024

67%	7	98%
independent (excluding the employee directors)	meetings	attendance

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 4.1.1.2.2 of this Universal Registration Document.

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).

In terms of ESG, the Audit and Risks Committee ensures that the non-financial information disclosed by the Company, including the Extra-Financial Performance Declaration (EFPD), is complete, accurate and consistent with the information presented in the Company's financial statements. It is also responsible for regularly assessing, in conjunction with the ESG Committee, the main non-financial risks and their impact on the Company's activities (including the impact of climate change), and for annually reviewing the independent third party's verification of the quantitative performance indicators included in the Statement of Non-Financial Performance.

The Audit and Risks Committee 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.

In addition to the Committee's members, the following persons attend and contribute to the Audit and Risks Committee's discussions: the Chief Executive Officer, 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.

During the 2023-2024 fiscal year, 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 fiscal year 2022-2023, in accordance with the provisions of Article L. 225-37 of the French Commercial Code.

In addition to its recurring annual work, during fiscal year 2023-2024, the Audit and Risks Committee worked in particular on the following topics:

- a review of the risk map presented in the Universal Registration Document;
- a review of topics related to cybersecurity;
- a review of internal control;
- renewal of the share buyback program for the implementation of the liquidity contract and a review of transactions carried out within this framework;
- a review of the agreements referred to in Article L. 225-39 of the French Commercial Code, in accordance with Article L. 22-10-12 of the French Commercial Code;
- confirmation of the rates of achievement of the financial performance objectives for the free performance share plans which had a delivery date of August 2, 2023;
- a review of the Pillar II requirement;
- the appointment of a sustainability auditor in accordance with CSRD requirements.

C. Compensation and Nominations Committee

The Compensation and Nominations Committee currently comprises seven members, as follows:

Member	Independent
Delphine Segura-Vaylet Chair of the Committee	✓
Wissème Allali Employee director	N/A
Bpifrance Participations Represented by Samuel Dalens	
Fonds Stratégique de Participations Represented by Laurence Delpy	✓
Éric Meurice Chair of the Board of Directors	✓
Kai Seikku	
Shuo Zhang	✓

Key figures fiscal year 2023-2024

67%	8	97%
independent (excluding the employee directors)	meetings	attendance

The Compensation and Nominations Committee is responsible for reviewing the components of compensation paid or to be paid to the Company's corporate officers, the components of compensation of Executive Committee members, and the free performance share plans for the Chief Executive Officer and all Group employees.

The Compensation and Appointments Committee also sets up a procedure for selecting future independent members, discusses the independence criteria for each candidate, and makes recommendations to the Board of Directors concerning the selection of new Board members, their co-option, appointment or reappointment. The Compensation and Nominations Committee reviews whether the Board and its Committees have a balanced membership structure, taking into account the composition and evolution of the Company's shareholder base, as well as the diversity policy reviewed by the ESG Committee for criteria such as independence, gender representation, nationality, age or professional qualifications and experience.

It prepares recommendations for the succession of the Chair of the Board of Directors, the Chief Executive Officer and the Deputy Chief Executive Officers, whenever their terms of office are due to expire.

It also reviews the organizational and human capital plans proposed by the Chief Executive Officer, and ensures that succession and talent management plans are in place.

Lastly, the Compensation and Nominations Committee is involved in the development of the Executive Committee's composition, and in particular, the process of any arrivals or departures at Executive Committee level, and also takes part in the final selection.

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 Chief Human Resources Officer to attend meetings of the Committee.

In addition to its recurring annual work, during fiscal year 2023-2024 the Compensation and Nominations Committee worked in particular on the following topics:

- a review of the Company's diversity policy in terms of professional and pay equality;
- a review of issues relating to the compensation of corporate officers and Board members (*ex-post* and *ex-ante* votes), including the pay equity ratio;
- a review of the succession plan of the Chair of the Board of Directors and the Chief Executive Officer;
- a review of its composition and proposals for reappointments to or a list of target profiles for the Board of Directors and the Committees;
- a review of the composition of the Executive Committee and the terms and conditions of departure or appointment of Executive Committee members;
- a review of the annual assessment of the composition and functioning of the Board of Directors, carried out by an independent external consultant in conjunction with the ESG Committee;
- the allocation of new free performance share plans to the Chief Executive Officer and all Group employees;
- a review of the achievement of performance conditions for the free performance share plans which had a delivery date of August 2, 2023;
- a review of the financial performance conditions applicable to current free performance share plans.

D. ESG Committee

The ESG Committee currently comprises six members, as follows:

Member	Independent
Fonds Stratégique de Participations Represented by Laurence Delpy Chair of the Committee	✓
Bpifrance Participations Represented by Samuel Dalens	
Françoise Chombar	✓
Christophe Gégout Referent Director	✓
Didier Landru Employee director	N/A
Kai Seikku	

Key figures fiscal year 2023-2024

60%	4	100%
independent (excluding the employee directors)	meetings	attendance

At its meeting on September 28, 2022, the Board of Directors decided to set up an 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 Risks Committee.

During fiscal year 2023-2024, the ESG Committee particularly worked on the following:

- a review of the ESG strategic plan;
- a review of the implementation of the ethical business plan;
- a review of new requirements imposed by the CSRD and the dual materiality of the Group's risks;
- a review of a new ESG clause to be included in financial contracts;
- a review of the annual assessment of the composition and functioning of the Board of Directors, carried out by an independent external consultant in conjunction with the Compensation and Nominations Committee;
- a review of governance recommendations and feedback from proxy advisors and investors following governance roadshows;
- a review of the Internal Regulation of the Board and its Committees;
- a review of the Board of Directors' diversity policy;
- a 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.

4.1.4 Executive Management

4.1.4.1 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.

4.1.4.2 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.

4.1.4.3 Powers of the Chief Executive Officer

Subject to any restrictions on his 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. He exercises his 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.

Article 3. c) of the Internal Regulation sets out the restrictions on the Chief Executive Officer's powers on a number of significant transactions and decisions that require the prior authorization of the Board of Directors. The Board of Directors' Internal Regulation is available on Soitec's website at www.soitec.com.

4.1.4.4 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 operating and support departments: Technology and Innovation, Operations and Quality, Mobile Communications, Automotive and Industry, Smart Devices, Customer Group, Finance, Strategy and Investor Relations, the General Secretary, Communications and Human Resources.

The Executive Committee participates in implementing the strategy defined by the Board of Directors. It decides on the action plans to be implemented and the allocation of resources, in line with strategic directions. It inspires, leads, manages and develops the Group's business in a collegial manner. Its aim is to keep capturing growth in Micro-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 meet on a weekly basis, either face-to-face and/or by videoconference, and perform monthly 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
Steve Babureck	Executive Vice President, Strategy & Investor Relations
Emmanuelle Bely	Executive Vice President, General Secretary
Rene Jonker(1)	Executive Vice President, Smart Devices
Jean-Marc Le Meil	Executive Vice President, Mobile Communications Division
Christophe Maleville	Senior Executive Vice President, Innovation, Chief Technology Officer
Cyril Menon	Senior Executive Vice President, Operations Excellence & Quality, Chief Operations Officer
Yvon Pastol	Executive Vice President, Customer Group
Emmanuel Sabonnadière	Executive Vice President, Automotive & Industrial Division
Caroline Sasia	Executive Vice President, Head of Communications & Chief of Staff to the Chief Executive Officer
Jeannette Schuh(1)	Executive Vice President, Chief Human Resources Officer

(1) Jeannette Schuh replaced Pascal Lobry as Chief Human Resources Officer, effective from October 1, 2023. Rene Jonker replaced Michael Reiha on February 1, 2024.

4.1.4.5 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 unreserved commitment to gender diversity at all levels of the Group.

In recent years, this policy has resulted in a steady increase in the proportion of women within the Group. At the end of fiscal year 2023-2024, women represented 34.6% of the Group's total workforce, and 30.6% of engineers and executives.

The diversity, equity and inclusion policy is an integral part of all major HR processes (recruitment, internal mobility, people review, salary review) and is regularly monitored through various indicators and objectives. These indicators are shared with various stakeholders throughout the year (Board of Directors, Executive Committee, Managers).

A wide range of actions are in place to promote diversity, equity and inclusion. Our master agreements with recruitment firms include a systematic commitment to submit a shortlist of men and women candidates for all recruitments. As part of the salary review process, there is a dedicated budget specifically for managers and HR staff designed to address pay differences between men and women. The Group also offers two empowerment programs for our female staff. In January 2024, Soitec officially launched the "WomEn@Soitec" network, a global community that aims to raise awareness, inspire and ensure that women's voices are heard by executive management.

In France, this commitment has resulted in a significant improvement in the gender equality index since its creation for the Economic and Social Unit (ESU) comprising Soitec SA and Soitec Lab. 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;
- 94/100 as at March 31, 2024.

In addition, the gender equality index score of the subsidiary Dolphin Design, in which the Company took a stake in 2018, decreased significantly during the year, registering a gender equality index of 83/100 at March 31, 2024, compared to 94/100 at March 31, 2023, 91/100 at March 31, 2022, 89/100 at March 31, 2021 and 79/100 at March 31, 2020.

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 (classified at least equal to senior manager, in line with 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 (i) Group level and on the (ii) Executive Committee, and, more broadly, (iii) 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 objective for the same time period has been set at 30%.

A. Executive Committee

The Group Executive Committee was still entirely made up of men at the start of 2018. Whenever a position becomes vacant, the Company ensures that a shortlist of men and women candidates is presented. 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%. Since then, the appointment of women to the positions of Senior Vice President, Head of Communications & Chief of Staff to the Chief Executive Officer, General Secretary and Chief Human Resources Officer enabled this figure to reach 36.4% by the end of fiscal year 2023-2024.

B. Senior managers and executives

More generally, Soitec carefully monitors the population of senior managers and executives (classification in its internal business architecture is greater than or equal to 150). They are mostly key positions in the organization, the vast majority of which directly report to the Group's Executive Committee, and represent about 8% of the total workforce. Within this population, the ratio of women across the Group has improved significantly, climbing to 22.7% at March 31, 2024, compared with 21% at March 31, 2023.

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 Executive Committee's 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 – *Ex-ante*

In accordance with Article L. 22-10-8 of the French Commercial Code, the compensation policies for the corporate officers presented below were approved by the Board of Directors at its meeting on May 22, 2024, on the recommendation of the Compensation and Nominations Committee. They will be submitted to Soitec's shareholders for approval in the 12th to 14th resolutions of the Annual General Meeting to be held on July 23, 2024.

4.2.1.1 Fundamental principles for determining the compensation policies

When determining the compensation policies for corporate officers, on the recommendation of the Compensation and Nominations Committee, the Board of Directors takes into account the following 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.

The Board also ensures that the compensation policies are in line with Soitec's best interests and in particular the following principles:

- Corporate officers' total compensation structure must be in line with the Company's business and ESG strategy and must be designed to contribute to its long-term success.

  The Board seeks to incentivize Executive Management to achieve the highest possible demanding performance objectives based on various Company key success criteria, in order for the Group to achieve profitable, sustainable and lasting growth, and to implement this approach in a consistent way.

  The variable component of the Chief Executive Officer's compensation – 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 and ESG model. As a result, the weighting of ESG-related criteria has been increased since 2022, including at Executive Committee level.

  The applicable performance metrics are consistent, with annual and multi-annual assessment periods adapted to the timeframes of each of the objectives set.

  For the other members of the Board of Directors (except the Chair, who receives fixed compensation, the Chief Executive Officer, who receives fixed and variable 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.

- The structure of corporate officers' compensation packages must be straightforward and explicit, in order to attract and retain corporate officers while being fair to stakeholders.

  The Board of Directors ensures that components of the corporate officers' compensation are clear, straightforward and subject to demanding criteria.

  The compensation packages for the Chief Executive Officer and 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 global 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 a competitive 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 adjusted) and European companies[1]. The two peer groups below were analyzed in 2024 for the following reasons:

  - French companies (CAC Mid 60 adjusted): the most relevant peer group for comparison with Soitec, comprising companies in the French technology and industrial sectors, excluding biotech companies in the start-up phase, companies offering financial services (banking, insurance, private equity), retail companies, real estate companies, consumer goods companies, utilities companies and companies with revenue greater than €6 billion.
  - European companies: a reference group comprising companies from the European semiconductor and technology industries, allowing insight into recruitment markets, competitors and investor views. This reference group allows us to carry out a sector-based analysis using European companies to complement the analysis using the panel of French companies.

  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.

- The corporate officers' compensation must take into account the compensation and employment conditions of Soitec's employees.

  The Group's compensation policy aims to give its employees a stake in its long-term growth in a number of different ways. Overall, the compensation packages received by Group employees are in line with market practices and take local contexts into account. 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 (with the same performance conditions as for the Chief Executive Officer and the main senior managers) and bonus schemes adapted to local performance and practices.

  The Compensation and Nominations Committee, which includes an employee director and has an independence ratio of 67% including the Chair (excluding the 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 4.2.3.3.

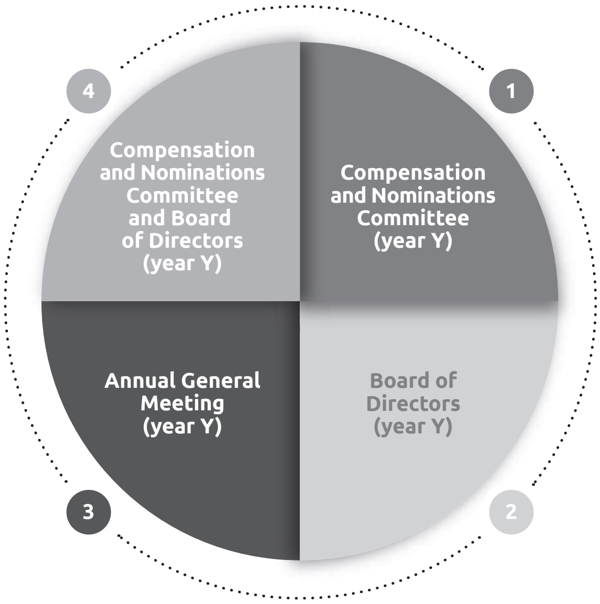
(1) **Companies in the panels for the benchmarking studies performed in 2024**:
European companies: Aixtron SE, AMS-OSRAM, ASM International, AT&S – Austria Technologie & SYS, Barco, BE Semiconductor Industries, Elmos Semiconductor, Eutelsat, Infineon Technologies, Iqe PLC, Jenoptik, Melexis, NCAB Group, Nordic Semiconductor, Siltronic, SMA Solar, STMicroelectronics N.V., Tecan Group, Technoprobe.
French companies (CAC Mid 60 adjusted): Alten, Beneteau, BIC, CGG, Clariane, Elior Group, Elis, Eramet, Euroapi, Eutelsat Communic., GTT, ID Logistic Group, Imerys, Ipsen, Ipsos, JC Decaux SA, Lectra, Mersen, Metropole TV, Orpea, SES, SES Imagotag, Solutions 30 SE, Sopra Steria Group, TF1, Vallourec, Verallia, Virbac, X-FAB.

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. In addition, if the Chair of the Board of Directors is a member of this Committee, they refrain from taking part in discussions and votes relating to their compensation. Similarly, if the Chair and Chief Executive Officer are directors, they do not take part in the Board's discussions and votes on their respective compensation packages.

More generally, the rules for managing conflicts of interest regarding members of the Board of Directors and Executive Management are set out in detail in Chapter 4.1.

4.2.1.3 Decision-making process for setting, revising and implementing the compensation policies



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 Nominations 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 proxy advisors.

A. Determining and reviewing the compensation policies

Once a year, the Compensation and Nominations Committee reviews the various components of the compensation of corporate officers. Based on this work, the Board determines the compensation policies to be put to the shareholders' vote at the Annual General Meeting.

If the Annual General Meeting does not approve the compensation policies put to vote, compensation will then be determined in accordance with the compensation policies approved by the shareholders for the previous fiscal year or, in the absence of a previously approved compensation policy, in accordance with the compensation granted for the previous fiscal year or, in the absence of compensation granted for the previous fiscal year, in accordance with existing practices within the Company.

Where this is the case, the Board of Directors submits a draft resolution to the next Annual General Meeting, setting out a revised compensation policy and outlining how the shareholders' vote and any opinions expressed at the Annual General Meeting have been taken into account.

No compensation component of any kind whatsoever may be determined, granted or paid by the Company, nor may any commitment relating to any compensation components, including indemnities or benefits that are due or could be due in respect of the take-up, termination or change of duties, or subsequent to exercising such duties, be entered into by the Company, if it does not comply with the approved compensation policy or, in the absence of such policy, with the compensation packages or practices outlined below. Any payment, allocation or commitment made or entered into in disregard of this principle shall be null and void.

B. Compensation policy reviews

In accordance with the AFEP-MEDEF Code, corporate officers' fixed compensation is generally only reviewed at relatively long intervals, such as when they are appointed or reappointed. However, the Board of Directors may review these policies prior to the reappointment dates, notably in the event of a significant change in the corporate officers' scope of responsibility, or to align their compensation with that of comparable companies. In such cases, however, the changes must be moderate and determined in line with those of other managers and employees.

C. Adjustments and changes to the compensation policies in the event of exceptional circumstances

In accordance with Article L. 22-10-8-III, paragraph 2 of the French Commercial Code, 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.

D. Available resources

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 Chief Human Resources Officer, for example to obtain information about the compensation and employment conditions of the Group's employees;
- hold meetings with proxy advisors and investors.

4.2.2 Compensation policies for the Company's corporate officers for fiscal year 2024-2025

4.2.2.1 Compensation policy for the Chair of the Board of Directors (non-executive corporate officer)

In line with the compensation policy approved by the July 25, 2023 Annual General Meeting (7th resolution, 99.87% approval) and in compliance with the AFEP-MEDEF Code, the compensation policy for the Chair of the Board of Directors, set by the Board of Directors on the recommendation of the Compensation and Nominations Committee, comprises fixed compensation and does not include any variable or exceptional compensation, performance shares, termination benefits or a non-compete indemnity. It may be paid on a pro rata basis if the term of office is held for only part of the fiscal year.

On the recommendation of the Compensation and Nominations Committee, the Board of Directors also decided that the Chair of the Board of Directors would not receive any compensation in his capacity as a director.

A. Fixed compensation

The compensation of the Chair of the Board of Directors is determined on the basis of the fundamental principles described in section 4.2.1.1 and the following components:

- his experience and skills;
- the duties entrusted to him;
- the competitiveness of his compensation compared to a relevant benchmarking panel.

In view of the expiration of Éric Meurice's term of office as director and Chair of the Board of Directors at the close of the Annual General Meeting of July 23, 2024, the Compensation and Nominations Committee launched a study in January 2024 to ensure that the fixed compensation of the Chair of the Board of Directors was competitive in relation to a benchmarking panel made up exclusively of comparable companies[1]. This study showed that the fixed compensation of the Chair of Soitec's Board of Directors, which was unchanged since fiscal year 2019-2020, was below the median fixed compensation received by the Chairs of the Boards of French companies.

Accordingly, acting on the recommendation of the Compensation and Nominations Committee, the Board of Directors is submitting an increase in the fixed compensation of the Chair of the Board of Directors for approval by the Annual General Meeting to be held on July 23, 2024, which would increase it to €280,000 (gross) from €230,000 (gross), the amount prevailing since fiscal year 2019-2020, which would position the Chair of the Board of Directors' compensation at the median, align the Chair's compensation with the duties entrusted to him and make the role of Chair of the Board of Directors of Soitec more attractive in a year of transition.

This increase in fixed compensation would become effective after the transition period, i.e., from the appointment of the new Chair of the Board of Directors. Therefore, it will not apply to Christophe Gégout, who will replace Éric Meurice as Chair of the Board of Directors for a transitional period from the close of the Annual General Meeting of July 23, 2024. Christophe Gégout will therefore receive fixed annual compensation of €230,000 (gross), paid on a pro rata basis according to the actual length of his term of office as Chair of the Board of Directors.

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.

However, on March 27, 2024, following Éric Meurice's decision not to be reappointed as a director and Chair of Soitec's Board of Directors, the Company proposed that he take up the position of strategic advisor to the Company's Chief Executive Officer for a period of one year, in order to share with the latter his extensive expertise in the sectors in which Soitec operates, as well as his impressive knowledge of key players and Soitec's partners. To this end, on March 27, 2024, the Board of Directors authorized the signature of a service agreement between the Company and Éric Meurice (the main features of which are available on the Company's website but also in section 8.5.2 of this Universal Registration Document), which will come into effect on September 1, 2024. This agreement is mentioned in the Statutory Auditors' special report on related-party agreements, which will be submitted for approval to the July 23, 2024 Annual General Meeting.

(1) **Companies in the panels for the benchmarking studies performed in 2024**:
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 adjusted): Alten, Beneteau, BIC, CGG, Clariane, Elior Group, Elis, Eramet, Euroapi, Eutelsat Communic., GTT, ID Logistic Group, Imerys, Ipsen, Ipsos, JC Decaux SA, Lectra, Mersen, Metropole TV, Orpea, SES, SES Imagotag, Solutions 30 SE, Sopra Steria Group, TF1, Vallourec, Verallia, Virbac, X-FAB.

4.2.2.2 Compensation policy for the non-executive members of the Board of Directors (other than the Chair)

In line with the compensation policy approved by the July 25, 2023 Annual General Meeting (8th resolution, approved at 99.81%), the compensation policy for members of the Board of Directors, set by the Board of Directors on the recommendation of the Compensation and Nominations Committee, comprises fixed compensation granted according to the principles set out below.

A. Principles

The total amount that may be allocated to the Board members 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).

This amount is allocated according to the principles set out below.

The amounts due by the Company for any social contributions and charges levied (20%) on the payment of the members of the Board of Directors' compensation are paid in addition to the budget voted by the Annual General Meeting.

B. Allocation principles

The compensation paid to each Board member is adapted to the specific roles and responsibilities of each member and the time they devote to their directorship.

The overall amount of directors' compensation is allocated as follows:

- members of the Board of Directors receive compensation for their directorship duties, except for the Chair of the Board of Directors, the Chief Executive Officer and employee directors, who do not receive any compensation for their duties as members of the Board of Directors;
- no specific compensation is allocated for the role of Referent Director;
- the total amount of compensation granted to each Board member is entirely variable and calculated pro rata to the actual time 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.

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(1)	€13,000 (gross)(1)
Chair of a Committee(1)	€17,000 (gross)(1)

(1) In addition to the amount received by the Board member in question, in their capacity as a member or Chair 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 member of the Board of Directors for a specific assignment commissioned in accordance with the applicable regulations.

Members of the Board of Directors do not receive any 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. They therefore receive compensation under their employment contracts, the amount of which is not disclosed for confidentiality reasons.

4.2.2.3 Compensation policy for the Chief Executive Officer

A. Determining the compensation policy

The Chief Executive Officer's compensation policy provides for compensation comprising a fixed portion, an annual variable portion, a long-term variable portion and certain commitments and benefits.

In 2024, the Compensation and Nominations Committee reviewed the Chief Executive Officer's compensation policy to ensure that it is competitive with market practices.

As part of this review, the Board of Directors examined the results of a benchmarking study of the compensation paid to the Chief Executive Officers of a panel of comparable companies(1). This review positioned the fixed compensation received by Soitec's Chief Executive Officer in the first percentile for fixed compensation received by the Chief Executive Officers of European and French companies and the long-term variable compensation above the median long-term variable compensation received by the Chief Executive Officers of European and French companies.

(1) **Companies in the panels for the benchmarking studies performed in 2024**:
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.
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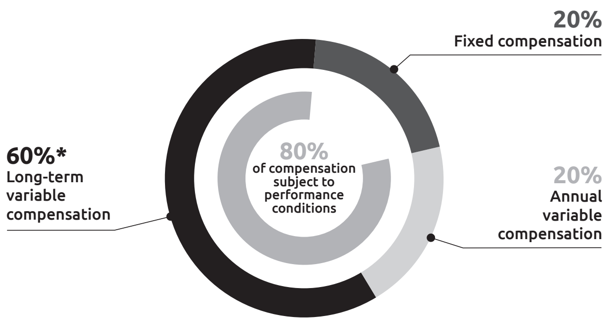
Accordingly, the Board of Directors will propose to the next Annual General Meeting to be held on July 23, 2024, on the recommendation of the Compensation and Nominations Committee, the following adjustments to the Chief Executive Officer's compensation structure in order to ensure it is in line with market practices, without increasing the total compensation that he can receive:

- an increase in the Chief Executive Officer's fixed compensation, from €480,000 (the amount paid since the start of his term of office on July 26, 2022) to €530,000, which would position the Chief Executive Officer's fixed compensation at the median;
- a reduction in the value of his long-term variable compensation by 50% of his fixed compensation, decreasing it to 250% of his fixed compensation rather than the 300% initially planned.

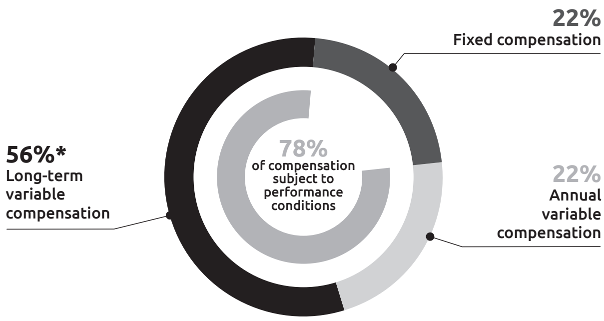
Acting on the recommendation of the Compensation and Nominations Committee, the Board of Directors also decided to add EBIT to the financial criteria used for determining his long-term variable compensation, as well as a governance criterion.

These proposals will take effect retroactively from April 1, 2024, subject to the approval at the July 23, 2024 Annual General Meeting of the Chief Executive Officer's compensation policy.

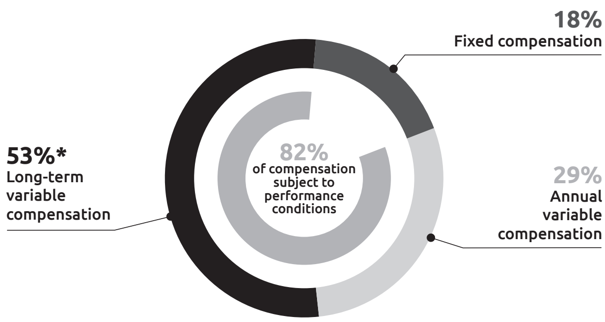
CURRENT STRUCTURE OF COMPENSATION AT TARGET



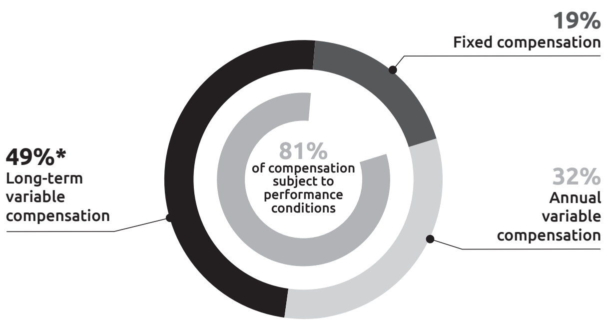
PROPOSED STRUCTURE OF COMPENSATION AT TARGET SUBJECT TO APPROVAL BY THE ANNUAL GENERAL MEETING



CURRENT STRUCTURE OF MAXIMUM COMPENSATION



PROPOSED STRUCTURE OF MAXIMUM COMPENSATION SUBJECT TO APPROVAL BY THE ANNUAL GENERAL MEETING



* *Nominal value.*

B. Application of the compensation policy in the event of the appointment of a new Chief Executive Officer

If a new Chief Executive Officer were to be appointed, the principles and criteria provided for in the most recent compensation policy for the Chief Executive Officer approved at the Annual General Meeting would apply to the new Chief Executive Officer.

Based on the recommendation of the Compensation and Nominations Committee, the Board of Directors would then set the various components of the new Chief Executive Officer's compensation, 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 new officer in their former position. In accordance with section 26.4 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.

Furthermore, should the case arise, the compensation policy for a Deputy Chief Executive Officer would be determined on the basis of the policy for the Company's Chief Executive Officer, taking into account the difference in profile, experience and level of responsibility.

C. Description of the components of the compensation policy for the Chief Executive Officer

The compensation of the Chief Executive Officer comprises the following components:

<table>
<tr><th>Component</th><th>Duties</th><th>Amount/weighting as a % of fixed compensation</th></tr>
<tr><td>Fixed compensation</td><td>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 the skills and experience of the Chief Executive Officer, consideration for the duties and responsibilities inherent to the position, and market practices.

As stated above, following a benchmarking study performed in 2024 on compensation paid to Chief Executive Officers using a panel of comparable companies, the Board noted that the fixed compensation of Soitec's Chief Executive Officer was in the first percentile for fixed compensation received by Chief Executive Officers of European and French companies and his long-term variable compensation was above the median long-term variable compensation received by Chief Executive Officers of European and French companies. To adjust the compensation of the Chief Executive Officer, it is therefore proposed to increase his fixed compensation from €480,000 (the amount paid since the start of his term of office on July 26, 2022) to €530,000, which would position the Chief Executive Officer's fixed compensation at the median. This increase in fixed compensation will be offset by the following proposal to reduce the value of his long-term variable compensation by 50% of fixed compensation. These proposals will take effect retroactively from April 1, 2024, subject to the approval at the July 23, 2024 Annual General Meeting of the Chief Executive Officer's compensation policy.</td><td>€530,000

(compared with €480,000 approved by the July 25, 2023 Annual General Meeting, under the 10th resolution, representing a 10.4% increase)</td></tr>
<tr><td>Short-term variable compensation</td><td>Regarding short-term variable compensation, on the recommendation of the Compensation and Nominations Committee, the Board of Directors decided to maintain the structure and main weightings of the Chief Executive Officer's compensation policy approved by the July 25, 2023 Annual General Meeting, under the 10th resolution.

<table>
<tr><th>Objectives</th><th>Weighting</th><th>Overperformance</th></tr>
<tr><td>I. FINANCIAL OBJECTIVES of which:</td><td>60%</td><td>90%</td></tr>
<tr><td>a. Revenue (in US$)</td><td>a. 20%</td><td>a. 30%</td></tr>
<tr><td>b. EBITDA (in %)</td><td>b. 20%</td><td>b. 30%</td></tr>
<tr><td>c. Operating cash flow (in €)</td><td>c. 20%</td><td>c. 30%</td></tr>
<tr><td>II. STRATEGIC OBJECTIVES of which:</td><td>40%</td><td>60%</td></tr>
<tr><td>a. Innovation (innovation pipeline, patents)</td><td>a. 10%</td><td>a. 15%</td></tr>
<tr><td>b. Commercial challenges for each division</td><td>b. 10%</td><td>b. 15%</td></tr>
<tr><td>c. Human Resources (workplace well-being, Executive Committee succession plan, talent development)</td><td>c. 10%</td><td>c. 15%</td></tr>
<tr><td>d. ESG (diversity, climate change, water)</td><td>d. 10%</td><td>d. 15%</td></tr>
<tr><td>Criterion for increase in the variable portion (external ESG rating)</td><td>+10% of the total amount</td><td>N/A</td></tr>
</table>

In line with the previous fiscal year:
• if the target values of the performance objectives set by the Board of Directors are achieved, the variable portion will correspond to 100% of fixed compensation;
• the achievement of the budget objectives represents 100% of the target amounts of the financial criteria;
• the strategic criteria cover the Company's main strategic issues, adapting the criteria to the roadmap for fiscal year 2024-2025 in the areas of (i) innovation, (ii) commercial challenges, (iii) human resources and (iv) ESG;
• any overperformance of the target values of the financial and strategic objectives would be taken into account subject to a cap representing 150% of his fixed compensation;
• an improvement in the ESG rating assigned by MSCI results in a 10% increase to the score obtained for financial and strategic objectives.

In accordance with section 16.3.2 of the AFEP-MEDEF Code, the Board of Directors, on the recommendation of the Compensation and Nominations Committee, has defined precise, pre-determined criteria as well as the basis on which the qualitative criteria will be assessed. These have not been disclosed in this Universal Registration Document for confidentiality reasons.</td><td>Minimum value: 0% of his fixed compensation

Target value: 100% of his fixed compensation

Maximum value: 165% of his fixed compensation</td></tr>
</table>

Component	Duties	Amount/weighting as a % of fixed compensation
	The award of this variable compensation, based on the achievement of each performance criterion, will be the subject of a specific communication at the end of fiscal year 2024-2025, and will also be detailed in the 2024-2025 Universal Registration Document. In application of Article L. 22-10-34, II of the French Commercial Code, the fixed, variable and exceptional components of the total compensation and benefits in kind paid during or granted for fiscal year 2024-2025 will be subject to approval at the Annual General Meeting to be held in 2025. Short-term variable compensation granted for fiscal year 2024-2025 will not be paid until it has been approved by the shareholders. The compensation policy does not provide for the possibility for the Company to require variable compensation to be repaid.	
Long-term variable compensation	The Chief Executive Officer's long-term variable compensation corresponds to free performance share allocations. The vesting of the performance shares to be allocated to the Chief Executive Officer (as well as to all Group employees, including the members of the Executive Committee and the main executives) will be subject to the achievement of demanding performance criteria based on financial and non-financial objectives, assessed over a three-year period, as follows: • financial criteria: EBITDA, EBIT (a new criterion introduced in 2024), revenue and the Total Shareholder Return (or TSR) of the Company's ordinary shares compared to the Euro Stoxx 600 Technology index (it being specified that the TSR performance objective will only be met if the TSR is equal to or higher than the Euro Stoxx 600 Technology index); • ESG criteria: diversity and inclusion, the climate change and water stress roadmap, and employee training in the code of conduct and cybersecurity. On the recommendation of the Compensation and Nominations Committee, the Board of Directors will assess the achievement of these criteria, and the final number of shares to be delivered at the end of the vesting period. 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. In accordance with the rules governing the performance share allocation plan, 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 under the plan, 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. In accordance with section 26.3.3 of the AFEP-MEDEF Code, the Chief Executive Officer has given a formal undertaking not to hedge the risk associated with performance shares until the end of the lock-up period set by the Board of Directors. For the duration of his term of office; the Chief Executive Officer is also subject to a restriction on the sale of performance shares during the black-out periods preceding the publication of financial statements. In general, the Chief Executive Officer must ensure full compliance with market abuse regulations. As stated above, following a benchmarking study performed in 2024 on compensation paid to Chief Executive Officers using a panel of comparable companies, the Board noted that the fixed compensation of Soitec's Chief Executive Officer was in the first percentile of fixed compensation received by Chief Executive Officers of European and French companies and his long-term variable compensation was above the median long-term variable compensation received by Chief Executive Officers of European and French companies. In order to adjust his compensation, it has been proposed to reduce the value of his long-term variable compensation by 50% of his fixed compensation, decreasing it to 250% of his fixed compensation rather than the 300% initially planned. This proposal will take effect retroactively from April 1, 2024, subject to the approval of the Chief Executive Officer's compensation policy at the July 23, 2024 Annual General Meeting. This reduction of the long-term variable compensation will be offset by the increase in the Chief Executive Officer's fixed compensation, as proposed above.	Minimum value: 0% Value granted: 250% of his fixed compensation (compared with 300% approved by the July 25, 2023 Annual General Meeting, under the 10th resolution, representing a 50% reduction)

Component	Duties	Amount/weighting as a % of fixed compensation
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. 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 within the Group 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 or non-compete indemnity would be due if Pierre Barnabé had been 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 term of 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.	N/A

Component	Duties	Amount/weighting as a % of fixed compensation
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.	For information purposes, Pierre Barnabé has the use of a company car, corresponding to a benefit in kind representing €264.72 per month, as well as company accommodation located near the Company's headquarters, with monthly rent of €1,400.
Supplementary pension plan	Soitec set up an "Article 83" defined contribution pension plan (Article 83 of the French Tax Code [*Code général des impôts*]), which is applicable to all the employees of Soitec's Economic and Social Unit (ESU). As from January 1, 2024, this defined contribution pension plan was collectively transferred to a mandatory retirement savings plan (*plan d'épargne retraite obligatoire* – PERO). In the framework of the collective transfer to a PERO pension plan for all the employees of Soitec's Economic and Social Unit (ESU), the Company's Board of Directors, at its meeting on May 22, 2024, on the recommendation of the Compensation and Nominations Committee, authorized the application of this new plan to the Chief Executive Officer. The July 23, 2024 Annual General Meeting will therefore be asked to approve the retroactive application of this new plan for the Chief Executive Officer, under the 8^{th} resolution. Under a PERO mandatory retirement savings plan, the members' entitlements are calculated individually based on the rate of contributions to the plan. 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 revocation. On retirement, payments must be made in the form of an annuity. 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. As in the case of the "Article 83" pension plan, contributions to the new PERO pension plan are paid in full by the Company via contributions to compensation Tranches A, B (3.18%) and C (4.71%). These contributions are deductible from the corporate income tax base subject to the social levy (*forfait social*) of 16%, and excluded from the social security contribution base up to the higher of the following two values: 5% of the annual social security ceiling (*plafond annuel de la sécurité sociale* – PASS) or 5% of compensation up to a limit of five PASS. Pierre Barnabé is a beneficiary of this plan in his capacity as Chief Executive Officer 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. Pierre Barnabé's entitlements under this new pension plan will not exceed his entitlements under the "Article 83" defined contribution pension plan. He is not a member of any defined benefit supplementary benefit pension plan.	The total basis of the defined contribution pension plan for Pierre Barnabé amounts to €356,668 paid on the basis of fiscal year 2023-2024 (€92,736 under the PERO plan and €263,952 under the "Article 83" plan). For information purposes, the Company's contribution in favor of Pierre Barnabé amounted to €14,282.52 for fiscal year 2023-2024 (€3,658.47 under the PERO plan and €10,624.05 under the "Article 83" plan), plus expenses of €2,710.17 (€585.36) under the PERO plan and €2,124.81 under the "Article 83" plan).
Exceptional compensation	There are no provisions for the payment of exceptional compensation, except for a possible "signing bonus" as described above in section 4.2.2.3, B of this Universal Registration Document.	N/A
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.	N/A
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.	N/A

4.2.3 Compensation of corporate officers (fiscal year 2023-2024) – *Ex-post*

This section contains the disclosures required pursuant to Article L. 22-10-9, I of the French Commercial Code in relation to the compensation paid during or allocated to the Company's corporate officers for fiscal year 2023-2024, which will be submitted to Soitec's shareholders for approval in the 9th to 11th resolutions of the Annual General Meeting to be held on July 23, 2024, in accordance with Article L. 22-10-34, I of the French Commercial Code.

4.2.3.1 Compensation of Pierre Barnabé, Chief Executive Officer (fiscal year 2023-2024)

The components of the compensation paid during or granted for fiscal year 2023-2024 to Pierre Barnabé in his capacity as Chief Executive Officer were approved by the Board of Directors, based on the recommendation of the Compensation and Nominations Committee, in application of the compensation policy approved in the 10th resolution of the July 25, 2023 Annual General Meeting (93.78% approval). This policy meets the fundamental principles described in section 4.2.1.1 of the 2022-2023 Universal Registration Document, in that, among other things, it encourages demanding performance conditions that correspond to the key factors underlying the Company's long-term growth.

In accordance with the compensation policy, in his capacity as Chief Executive Officer of the Company, Pierre Barnabé's compensation notably comprises fixed compensation, short-term variable compensation, and long-term variable compensation. He is also eligible for the benefits and commitments described below.

In accordance with the compensation policy approved by the July 25, 2023 Annual General Meeting, Pierre Barnabé was not granted any compensation or exceptional compensation in his capacity as a Board member for fiscal year 2023-2024.

In addition, no compensation has been paid or granted to Pierre Barnabé by companies controlled by the Company.

As a reminder, when he was appointed as Chief Executive Officer of the Company in July 2022, Pierre Barnabé resigned from his employment contract.

- **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 PIERRE BARNABÉ, CHIEF EXECUTIVE OFFICER** *(in €)*

Pierre Barnabé **Chief Executive Officer** *Start of current 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 2023-2024**	**Fiscal year 2022-2023**
Compensation granted for the fiscal year (details in table 2 below)(1)	759,013.23	725,384.01
Valuation of stock options allocated during the fiscal year	None	None
Valuation of performance or preferred shares allocated during the fiscal year(2)	1,235,351	1,155,542(3)
Valuation of other long-term compensation plans	None	None
TOTAL	**1,994,364.23**	**1,880,926.01**

(1) Gross amount.

(2) Shares valued in accordance with IFRS 2 at the date of allocation.

(3) Correction of a clerical error. The value of the shares had been calculated at March 31, 2023 (for a value of €332,286) and not at the date of allocation.

- **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 PIERRE BARNABÉ, CHIEF EXECUTIVE OFFICER** *(in €)*

Pierre Barnabé **Chief Executive Officer** *Start of current 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 2023-2024**		**Fiscal year 2022-2023**	
	Amount granted	**Amount paid**	**Amount granted**	**Amount paid**
Fixed compensation	**480,000**	**480,000**	**325,714.29(1)**	**325,714.29(1)**
Annual variable compensation	**244,992(4)**	**380,109(3)**	**380,109(3)**	**N/A(2)**
Percentage of variable compensation/fixed compensation	**51.04%**	**116.70%(3)**	**116.70%**	**N/A**
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(5)	**34,021.23**	**34,021.23**	**19,560.72**	**19,560.72**
TOTAL	**759,013.23**	**894,129.81**	**725,384.01(6)**	**345,275.01(6)**

(1) Fixed compensation granted and paid to Pierre Barnabé for fiscal year 2022-2023, calculated pro rata to the length of his term of office as Chief Executive Officer.

(2) No variable compensation paid for fiscal year 2021-2022, as he took office in fiscal year 2022-2023 (July 26, 2022).

(3) Variable compensation granted to Pierre Barnabé for fiscal year 2022-2023, calculated pro rata to the length of his term of office as Chief Executive Officer and paid following shareholder approval at the Annual General Meeting, under the 14th resolution (94.20% approval).

(4) Variable compensation granted for fiscal year 2023-2024, payment of which will be submitted for shareholder approval at the July 23, 2024 Annual General Meeting under the 11th resolution.

(5) Corresponding to the use of a company car, accommodation and private unemployment insurance.

(6) As a reminder, he was also paid an equivalent amount of compensation on a pro rata basis prior to becoming Chief Executive Officer, under his employment contract.

A. Short-term variable compensation

Based on the recommendation of the Compensation and Nominations Committee, the Board of Directors assessed the performance levels of the short-term variable compensation based on quantitative and qualitative criteria provided for in the compensation policy applicable to the Chief Executive Officer as approved at the July 25, 2023 Annual General Meeting, and, at its meeting on May 22, 2024, it set the short-term variable compensation of Pierre Barnabé at 51.04% of his fixed compensation, determined proportionately to his rate of achievement of the objectives set out in the tables below.

- **ASSESSMENT OF THE ACHIEVEMENT LEVELS OF THE PERFORMANCE CONDITIONS UNDERLYING THE ANNUAL VARIABLE COMPENSATION FOR PAUL BARNABÉ, CHIEF EXECUTIVE OFFICER, FOR FISCAL YEAR 2023-2024**

Type of objective	Description	Weighting	Maximum % in case of overperformance	% achieved
I. FINANCIAL OBJECTIVES	**Level of revenue** *(in US$ thousands)* *Revenue for fiscal year 2023-2024 amounted to US$1,072 million, i.e., 89% of the amount in the budget (below the minimum target of US$1,100 million for the criterion)*	20%	30%	0%
	Level of consolidated EBITDA (as a % of revenue in € at constant exchange rates) *The level of consolidated EBITDA for fiscal year 2023-2024 amounted to 34%, i.e., 93% of the amount in the budget (below the minimum target of 34.6% for the criterion)*	20%	30%	0%
	Level of operating cash *(in € millions)* *Operating cash for fiscal year 2023-2024 amounted to €165 million, i.e., 52% of the amount in the budget (below the minimum target of €250 million for the criterion)*	20%	30%	0%
II. STRATEGIC OBJECTIVES	**Innovation**(1) › New product innovation › Number of patents filed › Send prototypes to customers and launch incubators Criterion: 1 objective met = 50%; 2 objectives met = 100%; 3 objectives met = 150% Result: 125% New product innovation met, number of patent filings exceeded, prototypes partially met	10%	15%	12.5%
	Business development › Implementation of the business plan confirming the income level for fiscal year 2025-2026 › Connect POI – at least three production-qualified customers › SmartSiC – formal agreement with a second major customer and achievement of a second key qualification milestone with the first client › Connect SOI – maintaining a stable market share Criterion: 2 objectives met = 50%; 3 objectives met = 100%; 4 objectives met = 150% Result: 100% Business plan not met but the other three objectives met	10%	15%	10%
	Leadership and organization › Implement an executive organization to support growth › Implement a diversified internal and external succession plan for the Executive Committee › Ensure employee well-being in the workplace Criterion: 2 objectives met = 100%; 3 objectives met = 150% Result: 125% First two objectives met and employee well-being partially met	10%	15%	12.5%
	ESG: › Climate: Reduce Scope 1 and 2 carbon emissions in 2023: Min. threshold (50%): 22.729 tCO_2eq./max. threshold (150%): 19.868 tCO_2eq. › Water: Reduce water withdrawals per sq.m.: min. threshold (50%): 0.97 l/sq.m/max. threshold (150%): 0.92 l/sq.m › Diversity: Increase the proportion of women in senior management (JG ≥ 150): threshold to be reached (100%): 22%/max. threshold (150%): 23% Result: Climate: 21,621 tCO_2eq. (89%) Water: 0.94 l/sq.m (110%) Diversity: 22.83% (142%)	10%	15%	11.4%
Subtotal		**100%**	**150%**	**46.4%**
Criterion for increase in variable portion	**Improvement in the ESG rating assigned by MSCI** *A in May 2024, vs. BBB in April 2023*	**10% increase**		**x1.1**
TOTAL VARIABLE PORTION DUE FOR FISCAL YEAR 2023-2024 AFTER APPLYING THE 10% INCREASE				**51.04%**

(1) For confidentiality reasons, a breakdown of the objectives set by the Board is not disclosed.

The total gross amount of short-term variable compensation granted to Pierre Barnabé for fiscal year 2023-2024 therefore amounts to €244,992. Its payment is subject to the approval at the July 23, 2024 Annual General Meeting of the compensation paid during or granted for fiscal year 2023-2024 to Pierre Barnabé (11th resolution).

In accordance with the recommendations of the AFEP-MEDEF Code, Pierre Barnabé was not present when the Board of Directors discussed his compensation and did not participate in the vote by the Committee.

B. Long-term variable compensation

Pursuant to the authorization granted by the 27th resolution of the July 28, 2021 Annual General Meeting, and in accordance with the compensation policy for the Chief Executive Officer approved by the July 25, 2023 Annual General Meeting, the Board of Directors allocated to Pierre Barnabé, in his capacity as Chief Executive Officer, 8,637 ordinary performance shares of the Company under the Onyx 2026 plan, representing a value of €1,235,351 at the grant date. At the date of publication of this Universal Registration Document, these shares corresponded to 0.02% of the Company's capital and 9.95% of the total number of shares allocated.

This free performance share allocation is subject to a vesting period running from July 25, 2023 to August 1, 2026 (inclusive). These performance shares will vest to the Chief Executive Officer, subject to the fulfillment of the presence condition (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), assessed in thirds on three successive performance achievement dates, i.e., July 1, 2024, 2025 and 2026, and the achievement of the following performance conditions at the end of the vesting period:

- 30% of the shares will be subject to a performance condition based on consolidated revenue generated over the three years of the plan;
- 30% of the shares will be subject to a performance condition based on consolidated EBITDA margin 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 1 and 2 carbon emissions, (ii) water withdrawal in line with the reduction commitments published by the Group and (iii) an increase in the number of women in senior management positions.

The financial performance targets relate to results of fiscal years 2023-2024, 2024-2025 and 2025-2026 as follows:

- achievement of the consolidated revenue objective may result in a minimum value representing a 0% achievement rate, and a maximum value representing a 100% achievement rate, it being understood that the consolidated revenue objective for a 0% achievement rate is equal to around 80% of the target consolidated revenue objective;
- achievement of the EBITDA objective, measured at actual exchange rates and expressed as a percentage of reported revenue in euros, may result in a minimum value corresponding to a 0% achievement rate, and a maximum value representing a 100% achievement rate;
- the Total Shareholder Return (TSR) objective will be met at a rate of 0% if the TSR of the Soitec share is strictly 10% below the performance of the Euro Stoxx 600 Technology index, the TSR objective will be met at a rate of 50% if the TSR of the Soitec share is strictly equal to the performance of the Euro Stoxx 600 Technology index, and the TSR objective will be met at a rate of 100% if the TSR of the Soitec share is strictly equal to 10% or above of the performance of the Euro Stoxx 600 Technology index.

The rules governing the free allocation of performance shares do not provide for any lock-up period. However, when allocating the performance shares, the Board of Directors decided that the Chief Executive Officer will be 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 at 10% of the Chief Executive Officer's annual fixed compensation as at the vesting date.

In accordance with section 26.3.3 of the AFEP-MEDEF Code, the Chief Executive Officer has formally undertaken not to hedge the risk associated with performance shares until the end of the lock-up period set by the Board of Directors.

Details on free performance share plans 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 DURING FISCAL YEAR 2023-2024 TO PIERRE BARNABÉ, CHIEF EXECUTIVE OFFICER

Corporate officer	Plan	Number of shares allocated in fiscal year 2023-2024	Value of the shares in accordance with IFRS 2	Vesting date	End of lock-up period	Performance conditions[2]
Pierre Barnabé	Onyx 2026 plan Allocation decided by the Board of Directors on July 25, 2023	8,637	€1,235,351	August 1, 2026	August 3, 2026[1]	› 30% of the shares will be subject to a performance condition based on consolidated revenue generated over the three years of the plan; › 30% of the shares will be subject to a performance condition based on consolidated EBITDA margin 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 (i) the greenhouse gas emissions reduction pathway for Scope 1 and 2 carbon emissions, (ii) water withdrawal in line with the reduction commitments published by the Group and (iii) an increase in the number of women in senior management positions.

(1) Under the terms of the Onyx 2026 plan, shares will be delivered on the first business day after the vesting period, which ends on August 1, 2026 (inclusive). 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.

(2) These performance conditions were set by the Board of Directors based on the five-year business plan presented and approved in April 2023. They were adjusted by the Board in March 2024 to take into account the revised business plan approved by the Board of Directors.

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 PIERRE BARNABÉ, CHIEF EXECUTIVE OFFICER

	Onyx 2025 plan (Ordinary shares)	Onyx 2026 plan (Ordinary shares)
Date of Annual General Meeting	**07/28/2021**	**07/28/2021**
Date of Board of Directors' meeting	07/26/2022	07/25/2023
Total number of shares allocated	85,838	86,745
Total number of shares allocated to the Chief Executive Officer	9,612	8,637
Date of conditional allocation	07/26/2022	07/25/2023
Vesting date	08/01/2025[1]	08/01/2026[1]
End of lock-up period	08/01/2025[2]	08/01/2026[2]
Performance conditions	Yes[3]	Yes[3]
Number of shares vested for the Chief Executive Officer at March 31, 2024	-	-
Total number of canceled or forfeited shares	10,466	2,845
Performance shares outstanding at March 31, 2024	75,372	83,900

(1) The shares will be delivered on the first business day after the vesting date.

(2) The rules governing the free allocation of performance shares do not provide for any lock-up period. However, when allocating the performance shares, the Board of Directors decided that the Chief Executive Officer will be 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 at 10% of the Chief Executive Officer's annual fixed compensation as at the vesting date.

(3) These performance conditions were set by the Board of Directors based on the five-year business plan presented and approved in April 2022 for Onyx 2025 and April 2023 for Onyx 2026. They were adjusted by the Board in March 2024 to take into account the revised business plan approved by the Board of Directors.

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).

C. Other benefits and commitments given to Pierre Barnabé, Chief Executive Officer

● 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 PIERRE BARNABÉ, CHIEF EXECUTIVE OFFICER

Name	Employment contract	Supplementary pension plan	Indemnities or benefits for termination or change of duties	Non-compete indemnity
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(1)	Yes(2)	Yes	Yes

(1) Pierre Barnabé voluntarily terminated his employment contract on July 26, 2022.

(2) Pierre Barnabé is eligible for the defined contribution pension plan applicable to all the employees of Soitec's Economic and Social Unit (ESU).

1. Termination of employment contract

In accordance with section 23 of the AFEP-MEDEF Code, Pierre Barnabé resigned from his employment contract with the Company, without receiving any compensation, when he was appointed as Chief Executive Officer of the Company on July 26, 2022.

2. Termination benefit and non-compete indemnity

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 2023-2024.

3. Pension plans

Soitec set up an "Article 83" defined contribution pension plan (Article 83 of the French Tax Code), which is applicable to all the employees of Soitec's Economic and Social Unit (ESU).

As from January 1, 2024, this defined contribution pension plan was collectively transferred to a mandatory retirement savings plan (*plan d'épargne retraite obligatoire* – PERO).

In the framework of the collective transfer to a PERO pension plan for all the employees of Soitec's Economic and Social Unit (ESU), the Company's Board of Directors, at its meeting on May 22, 2024, on the recommendation of the Compensation and Nominations Committee, authorized the application of this new plan to the Chief Executive Officer. The July 23, 2024 Annual General Meeting will therefore be asked to approve the retroactive application of this new plan for the Chief Executive Officer, under the 8th resolution.

As in the case with the "Article 83" pension plan, contributions to the new PERO pension plan are paid in full by the Company via contributions to compensation Tranches A, B (3.18%) and C (4.71%)(1).

These contributions are deductible from the corporate income tax base subject to the social levy (*forfait social*) of 16%, and excluded from the social security contribution base up to the higher of the following two values: 5% of the annual social security ceiling (*plafond annuel de la sécurité sociale* – PASS) or 5% of compensation taken into account up to a limit of five PASS.

Pierre Barnabé is a beneficiary of this plan in his capacity as Chief Executive Officer 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. Pierre Barnabé's entitlements under this new pension plan will not exceed his entitlements under the "Article 83" defined contribution pension plan.

See section 4.2.2.3 of this Universal Registration Document for the key components of the program.

The pension plan contributions for Pierre Barnabé recognized by the Company for fiscal year 2023-2024 amounted to €14,282.52 (€3,658.47 under the PERO plan and €10,624.05 under the "Article 83" plan) plus expenses of €2,710.17 (€585.36 under the PERO plan and €2,124.81 under the "Article 83" plan).

(1) For comparison, the cost of this plan was also borne 100% by the Company via contributions to compensation Tranches A, B and C (3.07%, 3.43% and 4.71% respectively).

4. Benefits in kind

Pierre Barnabé received benefits in kind consisting of a company car and accommodation and private unemployment insurance, representing a total amount of €34,021.23 for fiscal year 2023-2024.

4.2.3.2 Compensation of Éric Meurice, Chair of the Board of Directors, for fiscal year 2023-2024

The components of the compensation paid or granted in fiscal year 2023-2024 to Éric Meurice in his capacity as Chair of the Board of Directors presented below were set by the Board of Directors on May 22, 2024, based on the recommendation of the Compensation and Nominations Committee in application of the compensation policy approved in the 7th resolution of the July 25, 2023 Annual General Meeting (99.87% approval).

In accordance with the compensation policy, the compensation paid to Éric Meurice in his capacity as Chair of the Board of Directors for fiscal year 2023-2024 amounts to €230,000, corresponding to his gross fixed compensation.

The compensation policy for the Chair of the Board of Directors does not include any variable or exceptional compensation, performance share allocations, termination benefits or a non-compete indemnity. He does not receive any compensation in his capacity as a director.

Travel costs incurred by the Chair in connection with his duties are reimbursed by the Company on presentation of receipts.

- **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 2023-2024	Fiscal year 2022-2023
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	N/A	N/A
Valuation of other long-term compensation plans	N/A	N/A
TOTAL	**230,000**	**230,000**

(1) Gross amount.

- **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 €)*

	Fiscal year 2023-2024		Fiscal year 2022-2023	
Éric Meurice Chair of the Board of Directors	Gross amount granted	Gross amount paid	Gross amount granted	Gross amount paid
Fixed compensation(1)	230,000	230,000	230,000	230,000
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 current 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

4.2.3.3 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 the scope of listed company Soitec S.A. and 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 S.A. and Soitec Lab, which up until March 31, 2020 together formed a single entity, and (ii) Frec|n|sys, which was merged into Soitec S.A. on March 1, 2023 via a transfer of all of Frec|n|sys' assets and liabilities. At March 31, 2024, 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 S.A.'s headcount represents 97.9% of the ESU's total headcount, the ratios for Soitec S.A. 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 used 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 and housing allowance) and performance shares allocated during fiscal year Y, valued under IFRS 2, as recommended by the AFEP;
- the compensation used for the **Chair of the Board of Directors** comprises the amounts defined in the compensation policy for the Chair of the Board, i.e., the amounts of his fixed compensation;
- for compensation used for **employees**, the full-time equivalent amount paid during fiscal year Y is used. It includes their base salary, variable compensation paid during fiscal year Y for fiscal year Y-1, seniority bonuses, other fixed bonuses, the value sharing bonus[1], exceptional bonuses, mandatory and voluntary profit-sharing, employer matching contribution paid during fiscal year Y, and performance shares allocated during fiscal year Y, valued under IFRS 2.

(1) The value sharing bonus replaced the exceptional purchasing power bonus in July 2022.

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:

	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Chair of the Board compensation	€230,000	€230,000	€230,000	€230,000	€155,547
Change compared to the previous fiscal year (Y/Y-1) (in %)	0%	0%	0%	+48%	+31%
Annual compensation for the position of Chief Executive Officer	€2,291,728	€2,393,338(1)	€2,575,467	€2,478,714	€4,042,089
Change compared to the previous fiscal year (Y/Y-1) (in %)	-4%	-7%	+4%	-39%	+285%
Annual compensation of Paul Boudre	€176,291	€901,417	€2,575,467	€2,480,314	€4,042,089
Change compared to the previous fiscal year (Y/Y-1) (in %)	N/A	-65%	+4%	-39%	+285%
Annual compensation of Pierre Barnabé	€2,115,436(2)	€1,491,921			
Change compared to the previous fiscal year (Y/Y-1) (in %)	+42%(3)	N/A	N/A	N/A	N/A
Extended scope of the Soitec ESU					
Average annual compensation of employees of the Soitec ESU	€74,612	€70,076	€61,528	€69,417	€66,854
Change compared to the previous fiscal year (Y/Y-1) (in %)	+6%	+14%	-11%	+4%	-13%
Scope of the listed company Soitec S.A.					
Average annual compensation of Soitec employees	€74,755	€70,210	€61,645	€69,413	€66,854
Change compared to the previous fiscal year (Y/Y-1) (in %)	+6%	+14%	-11%	+4%	-13%

(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 during fiscal year 2022-2023 to Paul Boudre, Chief Executive Officer until July 26, 2022, and Pierre Barnabé, Chief Executive Officer from July 26, 2022, calculated on a pro rata basis.*

(2) *The annual variable compensation of Pierre Barnabé paid during fiscal year 2023-2024 for fiscal year 2022-2023 was calculated on a pro rata basis as he took up the position of Chief Executive Officer on July 26, 2022. The amount of benefits in kind included in the calculation is €19,976.64.*

(3) *For Pierre Barnabé, the comparison of annual compensation for 2022-2023 and 2023-2024 is not relevant as he only took up the position on July 26, 2022.*

2. Reminder of compensation paid to the Chairs of the Board from fiscal year 2019-2020 to fiscal year 2023-2024

During fiscal year 2019-2020, Éric Meurice, Chair of the Board as of March 27, 2019, received total compensation of €155,547 due for that fiscal year. Based on compensation paid, the ratios were respectively 2.3 and 3.1 compared to the average and median of annualized employee compensation.

The total annual compensation of the Chair of the Board is €230,000, unchanged since fiscal year 2020-2021.

3. Reminder of compensation paid to the Chief Executive Officers from fiscal year 2019-2020 to fiscal year 2023-2024

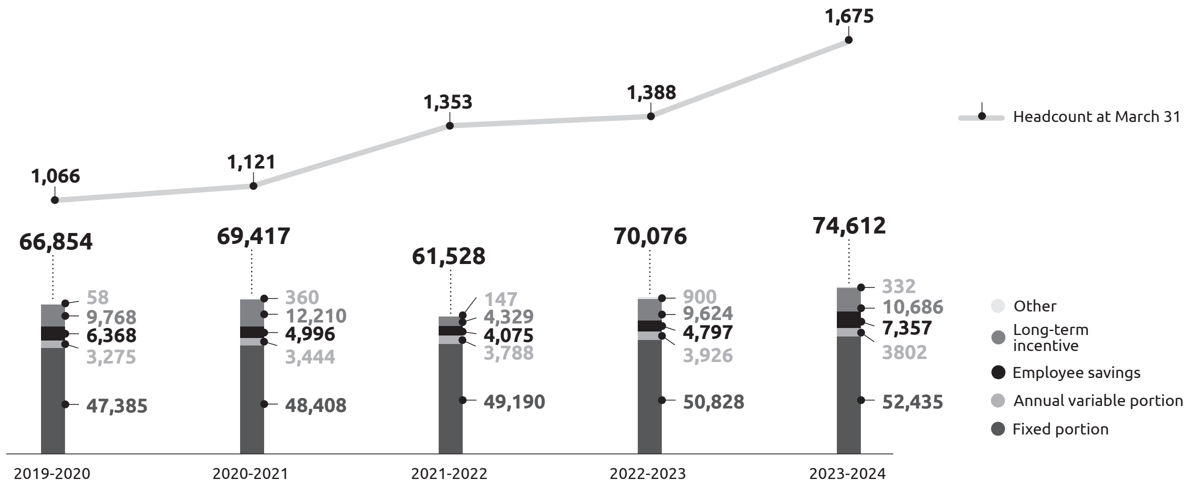
Paul Boudre's fixed compensation in his capacity as Chief Executive Officer was set at €550,000 on January 1, 2019, an amount he received until the end of his term of office on July 26, 2022.

When Pierre Barnabé was appointed as the new Chief Executive Officer on July 26, 2022, the amount of fixed compensation set for the position of Chief Executive Officer was reduced by 12.7% to €480,000.

On the basis of this new fixed compensation, the pay ratios for the Chief Executive Officer for fiscal year 2023-2024 compared to the average and median compensation of Soitec employees are 31 and 38 respectively. These ratios take into account:

- For Paul Boudre, Chief Executive Officer until July 26, 2022, the payment during fiscal year 2023-2024 of annual variable compensation of €176,291 for fiscal year 2022-2023 (calculated on a pro rata basis).
- For Pierre Barnabé, Chief Executive Officer since July 26, 2022, the payment of fixed compensation of €480,000 for fiscal year 2023-2024, annual variable compensation of €380,109 for fiscal year 2022-2023 (calculated on a pro rata basis), and 8,637 free performance shares during fiscal year 2023-2024 valued at €1,235,350.

- **CHANGES IN AVERAGE EMPLOYEE COMPENSATION IN EUROS AND HEADCOUNT FROM FISCAL YEAR 2019-2020 TO FISCAL YEAR 2023-2024**



During fiscal year 2019-2020, Soitec set up a co-investment plan for all employees of its wholly-owned entities in France and in Singapore.

During fiscal years 2020-2021, 2022-2023 and 2023-2024, Soitec implemented free performance share plans for all employees, 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 fall in average compensation over fiscal year 2021-2022 results from the absence of a free performance share plan for all Group employees.

During fiscal years 2020-2021, 2021-2022 and 2022-2023, Soitec paid a value sharing bonus to eligible employees, which could amount to up to €2,000.

Finally, during fiscal years 2019-2020, 2020-2021, 2022-2023 and 2023-2024, Soitec made mandatory profit-sharing payments to eligible employees, 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 fiscal years 2016-2017, 2019-2020 and 2022-2023.

4. Compensation ratios: including the entire value of the long-term incentive allocated during the fiscal year

Chair of the Board of Directors	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Extended scope of the Soitec ESU					
Pay ratio compared to the average compensation of employees of the extended scope of the Soitec ESU (excluding corporate officers)	3	3	4	3	2
Pay ratio compared to the median compensation of employees of the extended scope of the Soitec ESU (excluding corporate officers)	4	4	5	4	3
Scope of the listed company Soitec S.A.					
Pay ratio compared to the average compensation of Soitec S.A. employees (excluding corporate officers)	3	3	4	3	2
Pay ratio compared to the median compensation of Soitec S.A. employees (excluding corporate officers)	4	4	5	4	3

Chief Executive Officer	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Extended scope of the Soitec ESU					
Pay ratio compared to the average compensation of employees of the extended scope of the Soitec ESU (excluding corporate officers)	31	34	42	36	60
Pay ratio compared to the median compensation of employees of the extended scope of the Soitec ESU (excluding corporate officers)	38	43	53	44	80
Scope of the listed company Soitec S.A.					
Pay ratio compared to the average compensation of Soitec S.A. employees (excluding corporate officers)	31	34	42	36	60
Pay ratio compared to the median compensation of employees of the extended scope of Soitec S.A. (excluding corporate officers)	38	43	53	44	80

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**

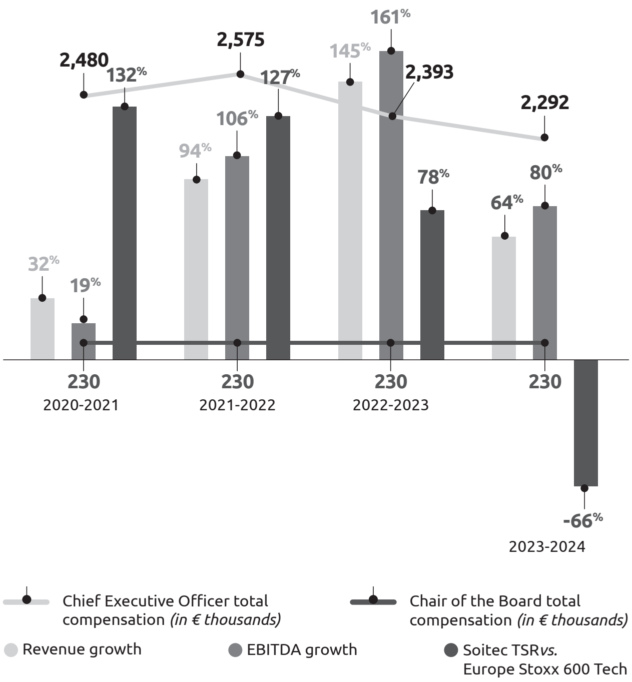
	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
EBITDA *(in € millions)*	332.5	391.4	308.8	179.0	185.4
Change compared to the previous fiscal year (Y/Y-1) (in %)	-15%	+27%	+73%	-3%	+23%
Revenue *(in € millions)*	977.9	1,088.7	862.7	583.8	597.5
Change compared to the previous fiscal year (Y/Y-1) (in %)	-10%	+26%	+48%	-2%	+35%
Soitec TSR – Euro Stoxx 600 Technology TSR compared to March 29, 2019	-66%	+43%	+83%	+88%	-8%
Change compared to the previous fiscal year (Y/Y-1) (in %)	-254%	-48%	-5%	-1,245%	

Compensation of the Chief Executive Officers compared to the Group's performance

Total compensation paid for the position of Chief Executive Officer fell during fiscal year 2022-2023, as the Chief Executive Officer's compensation was revised downwards when the new Chief Executive Officer was appointed on July 26, 2022.

Levels of variable compensation are correlated with the Company's performance over the period (April 1, 2019 to March 31, 2024):

- revenue up 64%;
- EBITDA up 80%;
- 66% underperformance compared to the Euro Stoxx 600 Technology index.



4.2.3.4 Compensation of members of the Board of Directors, excluding the Chair of the Board (fiscal year 2023-2024)

The components of the compensation of members of the Board of Directors granted for fiscal year 2023-2024 presented below were set by the Board of Directors on May 22, 2024, based on the recommendation of the Compensation and Nominations Committee, in application of the compensation policy approved in the 8th resolution of the July 25, 2023 Annual General Meeting (99.81% approval).

In accordance with the rules governing the compensation of members of the Board of Directors, the total annual compensation granted to the members of the Board in the current fiscal year for their directorship duties was €808,768 compared with €752,718 for the previous fiscal year.

In accordance with the compensation policy for members of the Board of Directors, 100% of their compensation is allocated in proportion to their actual attendance at meetings of the Board and the Committee(s) of which they are a member. Participation in meetings via conference call or video conferencing is considered equivalent to physical attendance.

Travel costs incurred by the directors in connection with their directorship duties are reimbursed by the Company on presentation of receipts.

The compensation paid or granted to the members of the Board of Directors (excluding the Chief Executive Officer and the Chair, who receive no compensation in their capacity as Board members) is presented in the table below and is fully proportional to the members' attendance at meetings of the Board and the Committees of which they are a member. Information on the attendance of members of the Board of Directors is presented in section 4.1.1.5 of this Universal Registration Document.

- **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 2023-2024		Fiscal year 2022-2023	
Members of the Board	**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 Samuel Dalens)				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	98,000	66,482[2]	66,482[2]	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)	N/A[2]	17,743[2]	17,743[2]	59,303
Other compensation				
CEA Investissement (represented by François Jacq)	-	-	-	-
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	44,250	24,741[2]	24,741[2]	N/A
Other compensation	-	-	-	-
Françoise Chombar				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	72,000	64,336	64,336	72,000
Other compensation	-	-	-	-
Laurence Delpy				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	N/A[2]	32,450[2]	32,450[2]	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)	115,000	82,550[2]	82,550[2]	N/A
Other compensation	-	-	-	-
Christophe Gégout				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	102,000	95,447	95,447	89,000
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)	59,000	65,553	65,553	59,000
Other compensation	-	-	-	-
Guillemette Picard				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	N/A[2]	15,086[2]	15,086[2]	91,933
Other compensation	-	-	-	-

	Fiscal year 2023-2024		Fiscal year 2022-2023	
Members of the Board	**Amount granted**	**Amount paid**	**Amount granted**	**Amount paid**
Maude Portigliatti				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	50,000	31,017(2)	31,017(2)	N/A
Other compensation	-	-	-	-
Delphine Segura-Vaylet				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	89,000	58,002(2)	58,002(2)	N/A
Other compensation	-	-	-	-
Kai Seikku				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	94,518	91,429	91,429	81,750
Other compensation	-	-	-	-
Thierry Sommelet				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	N/A(2)	0(2) (4)	0(2) (4)	0(4)
Other compensation	-	-	-	-
Qingyu (Jeffrey) Wang				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	N/A(2)	22,882(2)	22,882(2)	57,700
Other compensation	-	-	-	-
Shuo Zhang				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	85,000	85,000	85,000	66,388
Other compensation	-	-	-	-
TOTAL(3)	**808,768**	**752,718**	**752,718**	**692,074**

(1) *In accordance with the compensation policy for the members of the Board of Directors approved at the July 25, 2023 Annual General Meeting, the two employee directors receive no compensation in their capacity as members of the Board of Directors. They receive compensation under their employment contracts, which is not disclosed for confidentiality reasons.*

(2) *Pro rata amount. At the July 26, 2022 Annual General Meeting, the shareholders appointed the following new members: CEA Investissement, represented by François Jacq, Fonds Stratégique de Participations, represented by Laurence Delpy, Delphine Segura-Vaylet and Maude Portigliatti. In addition, at the July 26, 2022 Annual General Meeting, Bpifrance Participations was reappointed and is now represented by Samuel Dalens, who replaced Sophie Paquin. 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.*

(3) *The compensation of the Chair of the Board of Directors is not included in the budget for the compensation of the Board of Directors. It is not included in the total amount granted. As a reminder, the Chief Executive Officer does not receive any compensation in his capacity as a director.*

(4) *Thierry Sommelet waived his compensation as a member of the Board of Directors and its Committees.*

4.2.4 Components of compensation paid during or granted for fiscal year 2023-2024 to the Chief Executive Officer and the Chair of the Board of Directors to be submitted for shareholder approval at the July 23, 2024 Annual General Meeting

This section describes the compensation components paid in or granted to Pierre Barnabé, Chief Executive Officer, and Éric Meurice, Chair of the Board of Directors, for fiscal year 2023-2024. In accordance with Article L. 22-10-34, II of the French Commercial Code, they will be submitted for shareholder approval at the July 23, 2024 Annual General Meeting (in the 10th and 11th resolutions respectively).

- **COMPENSATION COMPONENTS OF PIERRE BARNABÉ, CHIEF EXECUTIVE OFFICER, FOR FISCAL YEAR 2023-2024 (GROSS AMOUNTS) TO BE SUBMITTED FOR SHAREHOLDER APPROVAL IN THE 11TH RESOLUTION OF THE JULY 23, 2024 ANNUAL GENERAL MEETING**

Compensation components submitted for shareholder approval	Amounts paid in fiscal year 2023-2024	Amounts granted or valuation of shares allocated for fiscal year 2023-2024	Description
Fixed compensation	€480,000	€480,000	Gross amount before tax. Fixed compensation is in line with the compensation policy for the Chief Executive Officer approved by the shareholders at the July 25, 2023 Annual General Meeting.
Annual variable compensation	€380,109 Amount granted for fiscal year 2022-2023	€244,992 Amount granted for fiscal year 2023-2024 To be submitted for approval at the July 23, 2024 AGM (11th resolution)	**Annual variable compensation granted and paid for 2022-2023:** As a reminder, based on the recommendation of the Compensation and Nominations Committee, the Board of Directors noted an achievement rate of 116.7% for the fiscal year 2022-2023 variable compensation objectives, corresponding to an aggregate €380,109, calculated pro rata to the length of his term of office as Chief Executive Officer (he was appointed on July 26, 2022). This compensation was paid to Pierre Barnabé following approval of the 14th resolution by the Annual General Meeting of July 25, 2023 (94.20% approval). **Annual variable compensation granted for 2023-2024:** In accordance with the compensation policy approved at the July 25, 2023 Annual General Meeting, the variable portion of Pierre Barnabé's compensation for fiscal year 2023-2024 could have ranged from 0% to 165% of his fixed compensation, i.e., a maximum gross amount of €792,000 for a full fiscal year. 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 and those of the roadmap corresponding to the target amounts of the strategic criteria. 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 2023-2024 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 following strategic objectives accounted for a total of 40%: innovation (10%), business growth (10%), leadership and organization (10%) and ESG (10%). Based on the recommendation of the Compensation and Nominations Committee, the Board of Directors noted an achievement rate of 51.04% for the objectives, corresponding to an aggregate €244,992. The payment of this compensation is subject to approval of the 11th resolution of the Annual General Meeting to be held on July 23, 2024. A breakdown of the achievement rates of the quantitative and qualitative criteria of Pierre Barnabé's variable compensation is presented in section 4.2.3.1 A. of this 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.

Compensation components submitted for shareholder approval	Amounts paid in fiscal year 2023-2024	Amounts granted or valuation of shares allocated for fiscal year 2023-2024	Description
Stock options, performance shares or other long-term benefits	N/A	€1,235,351 Valuation of the ordinary performance shares allocated in fiscal year 2023-2024	Pursuant to the authorization granted in the 27th resolution of the July 28, 2021 Annual General Meeting, at its July 25, 2023 meeting, the Board of Directors decided to allocate Pierre Barnabé 8,637 performance shares, corresponding to ordinary shares of the Company, and representing approximately 0.02% of the Company's share capital and 9.95% of allocated shares. The rules governing free performance share allocations do not provide for any lock-up period. However, when allocating the performance shares, the Board of Directors decided that the Chief Executive Officer will be 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 at 10% of the Chief Executive Officer's annual fixed compensation at the vesting date. In accordance with section 26.3.3 of the AFEP-MEDEF Code, the Chief Executive Officer has formally undertaken not to hedge the risk associated with performance shares until the end of the lock-up period set by the Board of Directors. The performance conditions that have to be met in order for these performance shares to vest are described in section 4.2.3.1 B of this Universal Registration Document.
Termination benefit	€0	€0	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 2023-2024.

Compensation components submitted for shareholder approval	Amounts paid in fiscal year 2023-2024	Amounts granted or valuation of shares allocated for fiscal year 2023-2024	Description
Supplementary pension plans	€14,282.52 contributions under the "Article 83" defined contribution pension plan and new PERO pension plan	€14,282.52 contributions under the "Article 83" defined contribution pension plan and new PERO pension plan	Soitec set up an "Article 83" defined contribution pension plan (Article 83 of the French Tax Code), which is applicable to all the employees of Soitec's Economic and Social Unit (ESU), composed of Soitec SA and Soitec Lab. As from January 1, 2024, this defined contribution pension plan was collectively transferred to a mandatory retirement savings plan (*plan d'épargne retraite obligatoire* – PERO). In the framework of the collective transfer to a PERO pension plan for all the employees of Soitec's Economic and Social Unit (ESU), the Company's Board of Directors, at its meeting on May 22, 2024, on the recommendation of the Compensation and Nominations Committee, authorized the application of this new plan to the Chief Executive Officer. The July 23, 2024 Annual General Meeting will therefore be asked to approve the retroactive application of this new plan for the Chief Executive Officer, under the 8th resolution. As in the case with the "Article 83" pension plan, contributions to the new PERO pension plan are paid in full by the Company via contributions to compensation Tranches A, B (3.18%) and C (4.71%).[1] These contributions are deductible from the corporate income tax base subject to the social levy (*forfait social*) of 16%, and excluded from the social security contribution base up to the higher of the following two values: 5% of the annual social security ceiling (*plafond annuel de la sécurité sociale* – PASS) or 5% of compensation taken into account up to a limit of five PASS. Pierre Barnabé is a beneficiary of this plan in his capacity as Chief Executive Officer 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. The main components of this plan were presented in the compensation policy and can be consulted in section 4.2.2.3 of this Universal Registration Document. The pension plan contributions for Pierre Barnabé recognized by the Company for fiscal year 2023-2024 amounted to €14,282.52 (€3,658.47 under the PERO plan and €10,624.05 under the "Article 83" plan) plus expenses of €2,710.17 (€585.36 under the PERO plan and €2,124.81 under the "Article 83" plan).
Benefits in kind	€34,021.23	€34,021.23	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.

(1) *For comparison, the cost of this plan was also borne 100% by the Company via contributions to compensation Tranches A, B and C (3.07%, 3.43% and 4.71% respectively).*

- **COMPENSATION OF THE CHAIR OF THE BOARD OF DIRECTORS, ÉRIC MEURICE, FOR FISCAL YEAR 2023-2024 (GROSS AMOUNTS) TO BE SUBMITTED FOR SHAREHOLDER APPROVAL IN THE 10th RESOLUTION OF THE JULY 23, 2024 ANNUAL GENERAL MEETING**

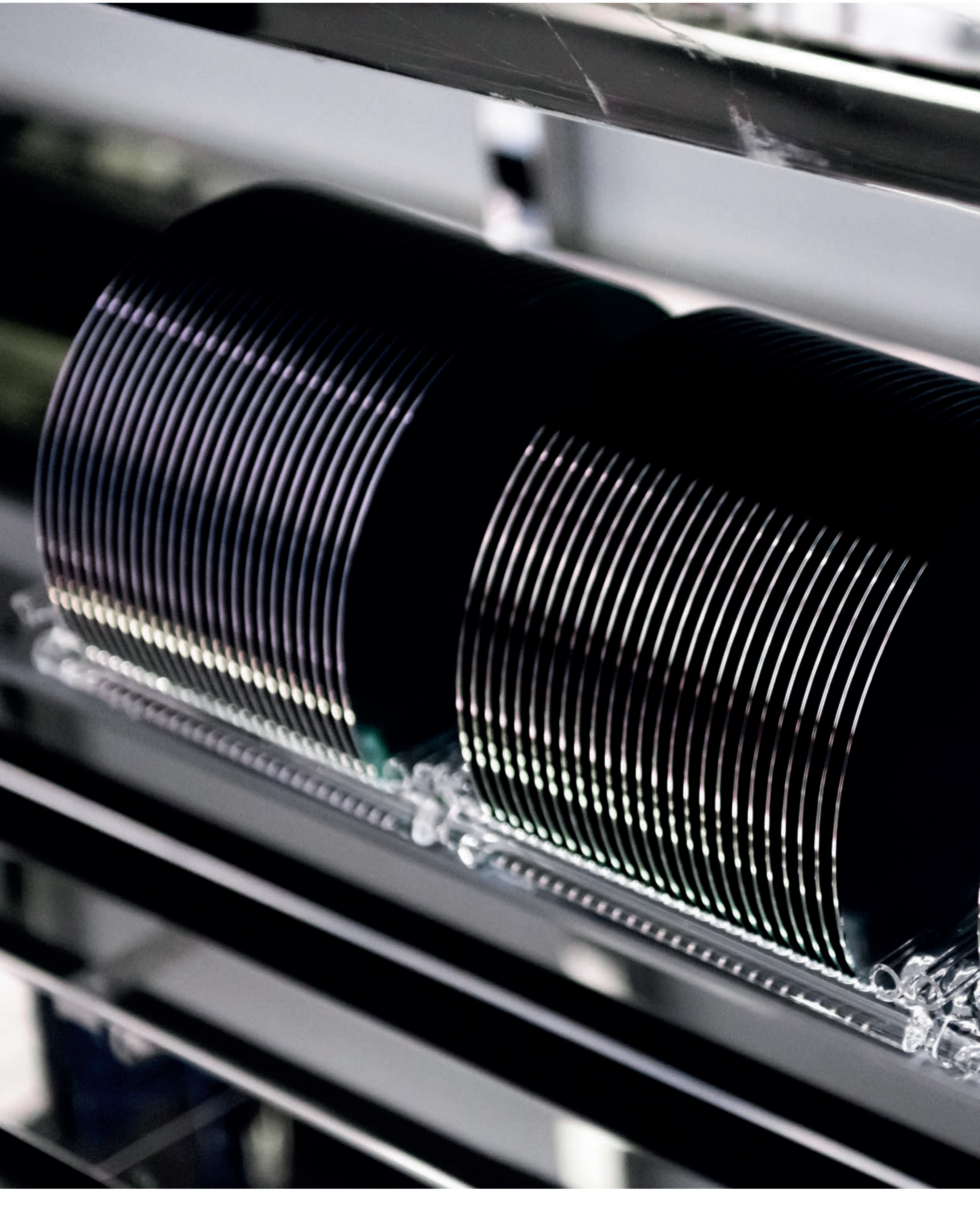
Compensation components submitted for shareholder approval	Amounts paid in fiscal year 2023-2024	Amounts granted for fiscal year 2023-2024 or accounting value	Description
Fixed compensation	**€230,000**	**€230,000**	Gross amount before tax. and has remained unchanged since fiscal year 2020-2021.
Annual 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 is not eligible for directors' compensation.
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.

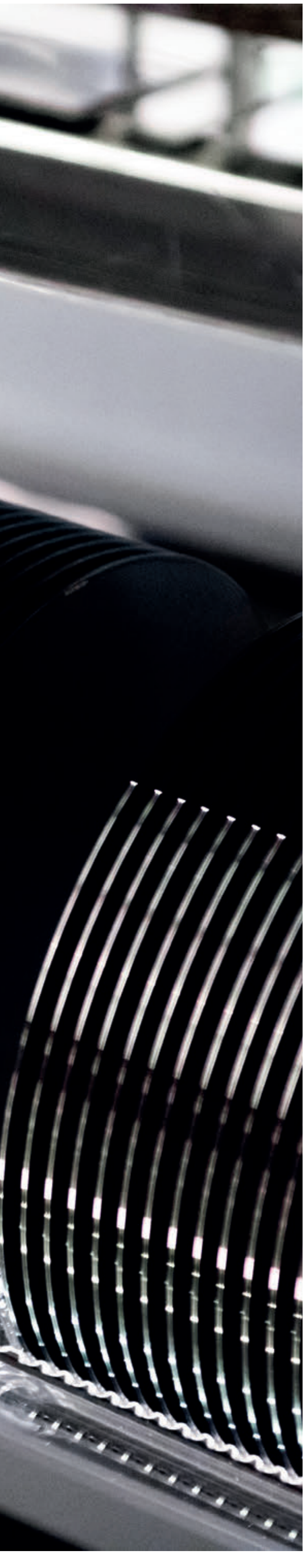
4.2.5 Compensation and benefits of the Executive Committee members

At March 31, 2024, the Executive Committee 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 Executive Committee, excluding corporate officers, and including direct and indirect benefits, was estimated at around €9,684 thousand for the fiscal year ended March 31, 2024.

(in € thousands)	March 31, 2024	March 31, 2023
Short-term benefits	5,674(1)	5,917(2)
Post-employment benefits	-	-
Accounting value of share-based payments	4,010	4,365
TOTAL GROSS COMPENSATION PAID TO EXECUTIVE COMMITTEE MEMBERS	**9,684**	**10,282**

(1) The amounts indicated are calculated taking into account an estimated average achievement rate of 100%.
(2) Actual amount paid.





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 the Company, Soitec SA. It should be read in conjunction with the Group's consolidated financial statements for the year ended March 31, 2024, 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, the 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 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, 2023, with the exception of the new standards, amendments and interpretations described in Chapter 6 of this Universal Registration Document, in note 3 to the 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. No revenue was recorded in fiscal year 2023-2024 from this discontinued operations segment.

5.1.1 Business review and consolidated results

5.1.1.1 Main business trends in fiscal year 2023-2024

In a complex macroeconomic environment, fiscal year 2023-2024 was marked by a 10% decline in sales at constant scope and exchange rates. Revenue from RF-SOI products was impacted by a weaker than initially expected smartphone market, resulting in high inventory levels at direct customers, especially foundries. On the other hand, the Group benefited from the effects of its strategy of diversifying, both in terms of (i) products, with significant growth in filter products (POI) in particular, and (ii) markets, with strong traction in the automotive market. The decrease in sales of RF-SOI products led to a decline in volumes produced and sold in the 2023-2024 fiscal year compared with the previous fiscal year.

Thanks to strict cost control and good operating performance, and despite lower utilization of the industrial capacity of its plants, the Group reported an EBITDA margin of 34%, while maintaining a high level of investment in research and development.

The Group has also received financial support from the French government as part of the 2026 Important Project of Common European Interest in Microelectronics and Communication Technologies (IPCEI ME/CT) to guarantee European sovereignty in semiconductor technology. The funds received, covering costs from 2022 to 2026, will be used to support research and development activities and first industrialization. The funds will mainly contribute to the development of SmartSiC™ and POI products. The subsidies will be recognized through to 2026 as the expenses are incurred.

As planned, the Group completed the first phase of construction of the Bernin 4 fab, dedicated to the production of innovative SmartSiC™ substrates, a key technology for vehicle electrification. The fab also includes refresh capacity for the production of 300 mm SOI wafers. Annual production capacity is estimated at 500,000 SmartSiC™ wafers. Production ramp-up is scheduled to begin in the second half of fiscal year 2024-2025.

5.1.1.2 Income statement for fiscal year 2023-2024

(in € millions)	2023-2024	2022-2023	2021-2022
Revenue	**978**	**1,089**	**863**
Gross profit	332	402	316
as % of revenue	*34.0%*	*37.0%*	*36.6%*
Current operating income	208	267	195
as % of revenue	*21.3%*	*24.5%*	*22.6%*
Other operating income and expenses	(3)	0	10
Operating income	**205**	**268**	**205**
as % of revenue	*21.0%*	*24.6%*	*23.7%*
EBITDA	**332**	**391**	**308**
as % of revenue	*34.0%*	*36.0%*	*35.7%*
Net profit – Group share	**178**	**233**	**202**
as % of revenue	*18.2%*	*21.4%*	*23.4%*
Basic earnings per share (in euros)	**5.00**	**6.63**	**5.98**

REVENUE

€978m

down 10%

at constant scope and exchange rates

EBITDA MARGIN

34%

of revenue

5.1.1.3 Revenue

(in € millions)	2023-2024	2022-2023	% change as reported	% change at constant scope and exchange rates
Mobile Communications	611	731	-16%	-16%
Automotive & Industrial	163	141	+16%	+16%
Smart Devices(1)	204	217	-6%	-6%
REVENUE	**978**	**1,089**	**-10%**	**-10%**

(1) Including revenue of Dolphin Design.

Consolidated revenue came in at €978 million, down 10% at constant scope and exchange rates from €1,089 million in fiscal year 2022-2023.

This decline reflects lower sales volumes combined with an unfavorable mix and contrasting performances in the Group's three end markets. In particular, the Mobile Communications division recorded lower sales volumes, unlike Automotive & Industrial.

The weak global smartphone market weighed on revenue in Mobile Communications, whose sales are linked to both the number of high-end 5G handsets and level of Soitec content, which continues to grow structurally. The Group's direct customers, in particular foundries, continued to keep high inventory levels for RF-SOI products dedicated to radio frequency applications.

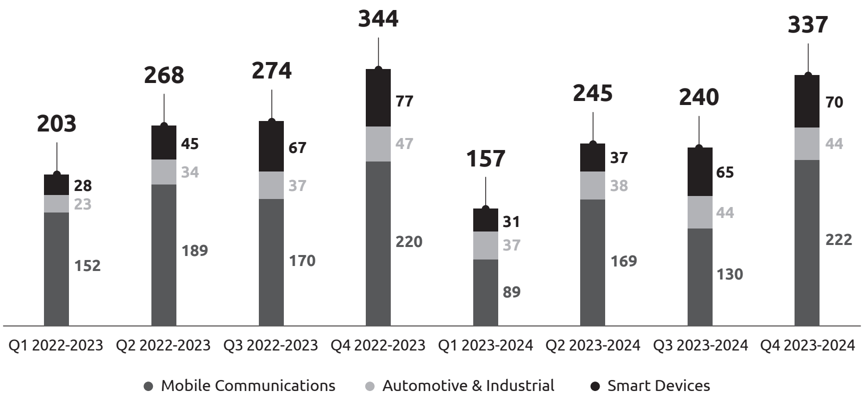
The automotive market showed strong momentum, driven by the production of new-generation vehicles, both internal combustion and electric, with an ever-increasing number of semiconductors, and demand on this market was high. This confirms the pertinence of the Group's diversification strategy.

Smart Devices revenue was hit by less investment by clients in data centers, which impacted sales of Photonics-SOI products. FD-SOI products, on the other hand, performed very well.

REVENUE

(in € millions)

- **CHANGE IN REVENUE BY QUARTER**



Mobile Communications

MOBILE COMMUNICATIONS

down 16%

at constant exchange rates

62%

of total revenue

In fiscal year 2023-2024, Mobile Communications revenue came in at €611 million, down 16% compared to fiscal year 2022-2023 at constant scope and exchange rates and as reported.

Inventory levels among the Group's direct customers, in particular foundries, impacted revenue from sales of **RF-SOI** substrates, despite initial signs of recovery in the global smartphone market and inventory drawdown by certain customers.

However, the decline in revenue from sales of RF-SOI substrates was partially offset by:

- strong growth in sales of **POI (Piezoelectric-on-Insulator)** substrates for radiofrequency (RF) filters for 5G smartphones, both to existing customers and to new customers using the Group's POI technology, i.e., seven qualified customers in total. The Group is continuing to work on qualifying more than ten further customers;
- higher sales of **FD-SOI** wafers for front-end modules integrated into 5G smartphones using Sub 6 GHz frequencies or mmWaves.

Automotive & Industrial

The Group continued to benefit from strong demand from the automotive industry, driven by the increasing volume of semiconductors embedded in the latest generations of vehicles. This is linked to increasing digitalization (autonomous and assisted driving, functional safety and infotainment) and vehicle electrification.

AUTOMOTIVE & INDUSTRIAL

up 16%

at constant exchange rates

17%

of total revenue

Automotive & Industrial revenue was up €23 million to €163 million in fiscal year 2023-2024, representing a 16% increase at constant scope and exchange rates and as reported compared to fiscal year 2022-2023.

Growth was mainly led by sales of **Power-SOI** and **FD-SOI** substrates for automotive applications.

- Automotive & Industrial also continued to benefit from the revenue generated by the **SmartSiC™** technology, in connection with the cooperation agreement between the Group and STMicroelectronics, for which a ramp-up driven by production volumes is expected beginning in the second half of fiscal year 2024-2025. In early 2024, the Group announced it had signed a partnership with a second customer. The Company also continues to develop its business operations with over 25 prospective customers, to which it has sent more than 1,400 prototypes.

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. The growing demand for optical transmitters for better data center performance and energy efficiency also contributes to the success of this market, with these products also used in data centers and cloud computing.

SMART DEVICES

down 6%

at constant exchange rates

21%

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 extremely complex, hyper-connected systems with a certain degree of embedded autonomous intelligence, such as robots.

Following strong growth in fiscal year 2022-2023, Smart Devices revenue in fiscal year 2023-2024 came in at €204 million, down 6% at constant scope and exchange rates and as reported.

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, declined compared to the previous fiscal year. Photonics-SOI wafer sales were impacted by the slowdown in demand in the data center sector.

On the other hand, sales of **FD-SOI** wafers are growing, confirming demand for edge computing devices across consumer and industrial sectors.

- **BREAKDOWN OF REVENUE BY GEOGRAPHIC AREA[(1)]**

	2023-2024	2022-2023	2021-2022
United States	8%	15%	14%
Europe	29%	20%	25%
Asia	63%	65%	61%

- **BREAKDOWN OF REVENUE BY CUSTOMER**

	2023-2024	2022-2023	2021-2022
Top 5 customers	58%	61%	61%
Next 5 customers	24%	24%	23%
Other customers/royalties	18%	15%	16%

5.1.1.4 Gross profit

Gross profit came out at €332 million (34% of revenue) in fiscal year 2023-2024, compared to €402 million (37% of revenue) in fiscal year 2022-2023. The decline in gross profit is due to lower sales volumes, particularly for RF-SOI substrates, leading to lower utilization of production capacity, and an unfavorable mix effect. Compared with the previous fiscal year, gross profit was also penalized by higher depreciation and amortization expenses, due in particular to the increase in capacity at the Singapore fab in fiscal year 2022-2023. These effects were partially offset by the increase in subsidies booked in profit and loss, particularly in France as part of the IPCEI ME/CT and in Singapore.

5.1.1.5 Operating income

GROSS R&D COSTS*

14.0%

of fiscal year 2023-2024 revenue

11.3% of fiscal year 2022-2023 revenue

* *before capitalization of development costs*

Net R&D costs decreased to €61 million (6.3% of revenue) in fiscal year 2023-2024, from €64 million (5.9% of revenue) in fiscal year 2022-2023. The €3 million decrease mainly reflects:

- an increase in capitalized development costs (up €3 million versus the previous fiscal year), linked in particular to developments in silicon carbide (SmartSiC™) products;
- higher subsidies, notably within the framework of the Important Project of Common European Interest (IPCEI ME/CT), as well as higher research tax credits;
- partially offset by a €15 million increase in gross costs before capitalization (up 12%), reflecting the Group's commitment to significantly invest in innovation.

R&D expenditure reflects the Group's innovation strategy to expand its product portfolio, with a view to consolidating its unique market positioning through next-generation silicon substrates for each of its three end markets and also developing products based on composite substrates, in particular SiC, POI and GAN.

As part of a strict cost control policy, general, commercial and administrative expenses decreased by €8 million to €63 million in fiscal year 2023-2024 (representing 6.4% of revenue), versus €71 million in the same year-ago period (6.5% of revenue).

GENERAL, COMMERCIAL AND ADMINISTRATIVE EXPENSES

6.4%

of fiscal year 2023-2024 revenue

6.5% of fiscal year 2022-2023 revenue

Wages and salaries were relatively stable over fiscal year 2023-2024, with the increase in wages and salaries offset by favorable non-recurring items and the decrease in share-based compensation. IT expenditure (including depreciation and amortization), including that related to cybersecurity, increased over the fiscal year, reflecting the Group's commitment to strengthening its performance in these areas.

As a consequence, current operating income totaled €208 million (21.3% of revenue) in fiscal year 2023-2024, compared to €267 million (24.5% of revenue) in fiscal year 2022-2023.

Other operating income and expenses amounted to a net expense of €3 million. For fiscal year 2023-2024, these expenses corresponded mainly to impairment of assets and non-recurring fees for ongoing disputes outside the scope of recurring operations (items not material in the previous year).

Accordingly, operating income was €205 million, down €62 million from €268 million in the prior fiscal year.

(1) *The breakdown of revenue by geographic area is based on the delivery locations of the goods shipped by the Group.*

5.1.1.6 EBITDA

EBITDA from continuing operations (Electronics) amounted to €332 million for the year ended March 31, 2024 (34.0% of revenue). EBITDA decreased by €59 million, compared to €391 million in the previous fiscal year (36.0% of revenue).

EBITDA benefited from good industrial performance, subsidies and efficient cost control. Nevertheless, EBITDA was weighed down by unfavorable volume and mix effects, leading in particular to lower absorption of fixed costs.

5.1.1.7 Net financial expense

In fiscal year 2023-2024, the Group posted a net financial expense of €5 million, compared to a net expense of €10 million in fiscal year 2022-2023.

Net financial expense mainly includes:

- €8 million in financial expenses in connection with the OCEANE convertible bonds, equivalent to the amount recorded in the previous fiscal year;
- interest expenses on financing for €11 million (compared to €6 million for fiscal year 2022-2023);
- impairment of non-consolidated investments for €4 million;
- these financial expenses were offset by interest income on cash investments of €18 million (€5 million in the previous fiscal year);
- a €1 million foreign exchange gain as a result of changes in the EUR/USD exchange rate over the period (unchanged from the previous fiscal year).

5.1.1.8 Income tax

The effective tax rate for fiscal year 2023-2024 was 11% (10% for fiscal year 2022-2023), mainly due to the combined effect of the ramp-up of Soitec Microelectronics Singapore Ltd. in the Group's results, offset by lower recognition of deferred tax assets on tax loss carryforwards compared with the previous fiscal year.

5.1.1.9 Net profit

The Group recorded a €55 million decrease in net profit to €178 million in fiscal year 2023-2024, versus €233 million in fiscal year 2022-2023. The decline in net profit is mainly attributable to the contraction in operating income, partially offset by a decrease in net financial expense linked mainly to interest received on investments and to lower tax expenses.

Basic earnings per share came out at €5.00 (versus €6.63 in fiscal year 2022-2023). Diluted earnings per share were €4.88 (versus €6.41 in fiscal year 2022-2023).

5.1.2 Cash flows and financial position

(in € millions)	2023-2024	2022-2023
EBITDA	**332**	**391**
Change in working capital	(142)	(96)
Income tax paid	(25)	(32)
Net cash generated by operating activities	**165**	**262**
Net cash used in investing activities(1)	**(208)**	**(228)**
Net cash generated by (used in) financing activities	**(33)**	**20**
Effects of exchange rate fluctuations	(3)	6
Net change in cash	**(80)**	**60**
Cash and cash equivalents at beginning of the period	788	728
Cash and cash equivalents at end of the period	708	788
Free cash flow(2)	**(43)**	**34**

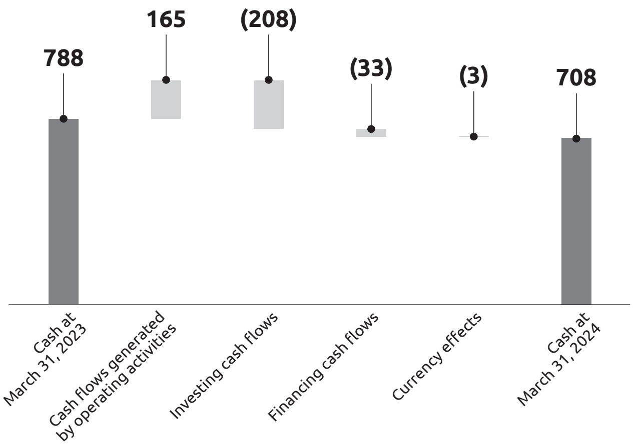
(1) Including investments in property, plant and equipment and intangible assets net of finance leases for €225 million, compared with €228 million for the previous fiscal year.
(2) Corresponds to all cash flows generated by operating activities, less cash flows used in investing activities.

5.1.2.1 Cash flows

The Group's available cash amounted to €708 million at March 31, 2024, a decrease of €80 million over fiscal year 2023-2024, including €43 million in negative free cash flow.

CHANGE IN THE NET CASH POSITION OVER FISCAL YEAR 2023-2024

(in € millions)



Net cash used in investing activities in the amount of €208 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 positive amount of €51 million and net of interest on investments for €17 million. Net cash used in investing activities in fiscal year 2023-2024, including investments financed under leases and excluding interest on investments amounts to €276 million.

- **Net cash generated by operating activities during the fiscal year amounted to €165 million**, down €97 million from fiscal year 2022-2023. The decline reflects:
  - a €59 million decrease in EBITDA, from €391 million in fiscal year 2022-2023 to €332 million in fiscal year 2023-2024;
  - a €142 million increase in working capital requirement (a €96 million increase in fiscal year 2022-2023);
  - partly offset by a decrease in income tax paid over the fiscal year (€25 million versus €32 million in fiscal year 2022-2023).

  The increase in working capital requirement is primarily due to a significant seasonality effect on revenue. However, this increase remains under control and is principally related to:
  - a €19 million increase in inventories, mainly due to changes in product mix by certain customers, resulting in additional raw material inventories at the end of the fiscal year;
  - a €94 million increase in trade receivables, linked to the seasonality of the business in the last quarter, particularly in March, combined with an unfavorable customer mix;
  - an unfavorable effect related to the €45 million decrease in trade payables, mainly due to non-recurring prepayments in connection with the signing of long-term purchasing agreements. Adjusted for these non-recurring payments, trade payables remained relatively stable over the fiscal year;
  - the favorable effect of subsidies received as part of the 2026 IPCEI ME/CT and in Singapore.
- **Net cash used in investing activities totaled €208 million for the year ended March 31, 2024**, versus €228 million in the prior fiscal year. **Net cash used in investing activities** including investments in production equipment financed through leases **amounted to €276 million for fiscal year 2023-2024.** Investments mainly comprised:
  - capital expenditure during the year, as described in section 5.1.3. *Statement of financial position*);
  - partially offset by interest received on cash investments (short-term, liquid and low-risk investments that can be accessed at any time without prior notice) during the fiscal year, for €17 million.
- **Net cash used in financing activities totaled €33 million in fiscal year 2023-2024**, versus €20 million in net cash generated in the prior fiscal year, mainly comprising:
  - the €9 million drawdown on the IPCEI loan taken out with Caisse des Dépôts et Consignations in connection with the Nano 2022 program (€-1 million net of repayments on all drawdowns);
  - the bank loans taken out to finance equipment by the Singapore-based subsidiary in an amount of €40 million (€11 million net of repayments during the year);
  - partially offset by repayments of lease liabilities for €25 million, drawn down credit lines of the subsidiary Dolphin for €5 million, and interest paid for €12 million.
- In total, the Group's cash and cash equivalents amounted to €708 million at March 31, 2024 versus €788 million at March 31, 2023.

5.1.2.2 Sources of financing

The 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, 2024, the Group had a satisfactory liquidity position and limited net debt:

- available cash of €708 million;
- net debt (cash and cash equivalents less financial debt) of €39 million (versus a net cash position of €140 million at March 31, 2023);

The Group also has credit lines for a total of €120 million (not drawn down at March 31, 2024).

The Group finances a portion of its cash needs through:

- bonds convertible into and/or exchangeable for new and/or existing shares (OCEANE convertible bonds) maturing on October 1, 2025, for a total nominal amount of €325 million.
- finance leases in France and Belgium (additional €51 million in fiscal year 2023-2024);
- bank loans in Singapore with Asia-based banks to finance new equipment for the Singapore site. The loans are repayable between 2025 and 2028;
- government funding: on March 27, 2020, the Group was granted a 12-year loan for a maximum of €200 million by Banque des Territoires (Caisse des Dépôts group) pursuant to the Programme d'investissements d'avenir (PIA) as part of the Nano 2022 program. At March 31, 2024, a total of €163 million had been drawn down on this credit line, of which €9 million in the 2023-2024 fiscal year. No further drawdowns will be made. The loan has supported both R&D programs and investments in infrastructure projects that will be industrialized for the first time in France;
- subsidies and repayable advances, which are used to finance a portion of R&D costs.

Further information on the financing of the Company and the Group is provided in note 7.13 to the consolidated financial statements (section 6.2.1.2 of this Universal Registration Document).

5.1.3 Statement of financial position

(in € millions)	2023-2024	2022-2023	2021-2022
Non-current assets	1,220	985	770
Current assets	764	647	489
Cash and cash equivalents	708	788	728
TOTAL ASSETS	**2,692**	**2,420**	**1,986**
Total equity	1,495	1,306	1,044
Financial debt	747	648	586
Provisions and other non-current liabilities	79	80	79
Operating payables	371	386	278
TOTAL EQUITY AND LIABILITIES	**2,692**	**2,420**	**1,986**

Non-current assets mainly comprise fixed assets, financial assets (equity investments) and other assets (prepayments on orders of non-current assets and tax receivables). The €235 million increase in non-current assets versus March 31, 2023 is mainly attributable to:

- the €28 million net increase in intangible assets, reflecting:
  - €31 million in project-related capitalized development costs, in particular related to the development of silicon carbide substrates (SmartSiC™ technology),
  - €21 million in software,
  - partially offset by the €24 million amortization expense during the fiscal year;
- the €207 million net increase in property, plant and equipment, reflecting:
  - €123 million invested in industrial equipment,
    - €55 million in industrial equipment for the Bernin site, including €23 million dedicated to the production of SiC products, and €18 million to the production of SOI products;
    - €67 million in industrial equipment for the Singapore site dedicated to the production of 300 mm SOI wafers (RF-SOI and FD-SOI products);
  - €64 million in investments in industrial facilities, notably in connection with the construction of the extension to the Singapore plant and infrastructure development at the Bernin 4 fab, mainly intended for the manufacture of SmartSiC™ silicon carbide substrates. The second phase of the fab is scheduled to be brought into service in the second half of fiscal year 2024-2025:
  - €112 million in respect of leases, of which:
    - €59 million relating to the real estate finance lease to fund the first phase of construction of the Bernin 4 fab,
    - €51 million in respect of new leases for production equipment,
  - partially offset by the €101 million depreciation expense;
- an €11 million increase in other non-current assets, primarily due to advances paid to suppliers under multi-year raw material supply agreements and research tax credit receivables.

Changes in current assets and liabilities are described in section 5.1.3.1.

Financial debt amounted to €747 million at March 31, 2024, a year-on-year increase of €99 million that was mainly due to:

- financing over the period:
  - a real estate finance lease for the Bernin 4 fab, mainly dedicated to SmartSiC™ and refresh, with a first tranche of €59 million,
  - a new loan agreement taken out by the subsidiary in Singapore to partly finance equipment investments, in the amount of €40 million (€35 million net of repayments during the fiscal year) – these loans amounted to €98 million in the statement of financial position at March 31, 2024,
  - a drawdown in an amount of €9 million (no repayments were made for this drawdown during the fiscal year) on the IPCEI loan taken out with Caisse des Dépôts et Consignations as part of the Nano 2022 program – total drawdowns amounted to €149 million in the statement of financial position at March 31, 2024,
  - new finance leases for production equipment arranged during the year, in the amount of €51 million (€49 million net of repayments) – these lease contracts amounted to €85 million on the statement of financial position at March 31, 2024;
- offset by repayments on all financing amounting to €70 million for the fiscal year, and by the decrease in the financial liability corresponding to the negative fair value of derivative financial instruments, for €5 million.

Financial debt at March 31, 2024 also included €322 million in OCEANE convertible bonds maturing in October 2025.

Net debt came to €39 million at March 31, 2024, versus a net cash position of €140 million at March 31, 2023, given the cash generated during the year, offset by the increase in gross financial debt as described above.

See note 7.13 to the consolidated financial statements of this Universal Registration Document for a breakdown of financial debt.

At the same time, Group equity increased from €1,306 million at March 31, 2023 to €1,495 million at March 31, 2024, lifted mainly by net profit for the year.

As a result of the increase in net debt and equity, gearing (net debt/equity) went from a negative 10.7% at end-March 2023 to a positive 2.6% at end-March 2024.

5.1.3.1 Current assets and liabilities

(in € millions)	2023-2024	2022-2023	Change	Non-operating cash flows, changes in non-current operating assets and liabilities and reclassification and offsetting between other receivables and other liabilities	Non-cash movements		Change in working capital
					Currency translation adjustments and foreign exchange gains/(losses)	Other	
Inventories	209	175	34	-	(0)	(14)	19
Trade receivables	448	363	85	15	(7)	(1)	94
Other current assets	101	105	(4)	(13)	0	0	(17)
Current financial assets	7	3	4	(4)	-	-	-
Trade payables	169	171	(2)	(39)	(4)	-	(45)
Other current liabilities	202	216	(14)	14	-	-	-
CURRENT ASSETS NET OF OPERATING PAYABLES	**392**	**259**	**133**	**23**	**(3)**	**(12)**	**142**

5.1.4 Investments

The 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 the Group has made extensive use of IT service hosting.

5.1.4.1 Main capital expenditure in fiscal year 2023-2024

The Group recorded significant capital expenditure during the year, representing a €276 million cash outflow (€208 million after accounting for equipment financed under finance leases). Expenditure was mainly dedicated to:

- increased SOI wafer production capacity (for RF-SOI and FD-SOI products) for €121 million (including €76 million in Singapore and €45 million in France). This capital expenditure also included additional production capacity dedicated to refresh (raw materials recycling) at the Bernin 4 fab;
- SmartSiC™ compound substrate production equipment in France for €64 million and investments in clean rooms for the Bernin 4 fab;
- the extension of fabs, notably in Singapore for €29 million;
- equipment for the production of POI wafers at the Bernin 3 fab, for which investments will continue over the 2024-2025 period;
- additional investments of €25 million in IT infrastructure development, innovation and sustainable development.

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, Dolphin
New capacity investments and equipment renewals	Production equipment for higher volumes	Facilities and equipment for the production of innovative silicon carbide substrates (SmartSiC™)	Development projects (R&D)	Software and IS, eco-friendly fixtures, fittings and facilities and equipment for R&D and IT
€150 million in capital expenditure	€6 million in capital expenditure	€64 million in capital expenditure	€31 million in capital expenditure	€25 million in capital expenditure

Capacity investments include production equipment and facilities dedicated to clean rooms (water, electricity, gas, etc.).

5.1.4.2 Main future capital expenditure

In fiscal year 2024-2025, the Group will continue its investment efforts, with the related outflows for the fiscal year expected to total around €250 million.

€250m

in capital expenditure

From an industrial standpoint:

- at Bernin:
  - continued investment in equipment to support the development of production capacities for SmartSiC™ substrates, primarily to meet the growing demand linked to the shift toward the electrification of vehicles and industry,
  - continued investment to increase production capacity for filters (POI products),
  - the completion of the construction of the second phase of the fourth French fab (Bernin 4), 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 real estate finance lease and will therefore have no impact on cash outflows for investments;
- in Singapore:
  - continued investments in the Pasir Ris extension, which will ultimately result in a doubling of the annual production of the fab to around two million 300 mm SOI wafers,
  - continued investment in equipment related to 300 mm wafers, to prepare for the 2025-2026 ramp-up of the current fab's capacity to meet demand for FD-SOI and RF-SOI products for all end-markets.

The Group will continue to invest in innovation to develop new generations of products.

At all the industrial facilities, the Group plans to invest in reducing its carbon footprint, its water consumption, and improving security, IT and cybersecurity.

5.2 Subsequent events

None.

5.3 Trends and objectives

Guidance for fiscal year 2024-2025

REVENUE STABLE	EBITDA MARGIN	CAPEX
at constant scope and exchange rates compared with fiscal year 2023-2024	around **35%** of revenue	around **€250** million

The second half of the 2023-2024 fiscal year benefited from restocking in RF-SOI wafers by certain customers in anticipation of a smartphone market rebound in 2024, and significant orders from new customers. The level of RF-SOI inventories at foundries remains high and will impact the Group's performance in the first half of the 2024-2025 fiscal year.

In fiscal year 2024-2025, Soitec forecasts revenue to be stable at constant scope and exchange rates as compared to 2023-2024, with a strong seasonality effect during the year. Revenue for the first six months of 2024-2025 is expected to decline by around 15% year on year at constant scope and exchange rates, with a low point expected in the first quarter. Soitec then expects revenue to rebound in the second half of fiscal year 2024-2025, driven by the end of the RF-SOI inventory correction in foundries and by structural growth in SOI substrate sales, the continued adoption of POI substrates and the start of the ramp-up in SmartSiC™ sales.

The EBITDA margin for fiscal year 2024-2025 is forecast to be around 35%.

For more information on anticipated capital expenditure, see section 5.1.4.2 Main future capital expenditure.

Medium-term ambition: revenue of $2 billion with potential to expand EBITDA margin to 40% in the medium-term

Soitec confirmed in its press releases of March 27 and May 22, 2024 that no guidance will be given beyond the annual outlook, given the uncertainty over the pace of improvement in market conditions. The Company has abandoned its $2.1 billion revenue target, initially set for fiscal year 2025-2026 and then postponed by around a year.

Looking ahead, Soitec remains very confident in its ability to leverage the significant growth drivers underpinning our three end-markets. Coupled with the increasing adoption of engineered substrates to deliver more powerful and energy-efficient solutions to a growing number of customers, Soitec's continued diversification and expansion of its product portfolio, in both SOI and Compound substrates, supports the ambition to achieve $2 billion in revenue in the medium term, with 40% EBITDA margin expansion potential.

For further details on Soitec's medium-term ambitions, see the investor presentation published on May 23, 2024, available on the Company's website (www.soitec.com).

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:

- the 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 French financial markets authority (*Autorité des marchés financiers* – AMF) on June 20, 2022 under no. D.22-0523;
- the 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 Company's annual financial statements at March 31, 2023 and the corresponding audit reports appearing on pages 241 *et seq.* and pages 265 *et seq.* of the Universal Registration Document filed with the French financial markets authority on June 14, 2023 under no. D.23-0482;
- the Group's consolidated financial statements at March 31, 2023 and the corresponding audit reports appearing on pages 187 *et seq.* and pages 238 *et seq.* of the Universal Registration Document filed with the AMF on June 14, 2023 under no. D.23-0482.

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 the 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, 2024

● **CONSOLIDATED INCOME STATEMENT**

(in € thousands)	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Revenue	**8.1**	**977,914**	**1,088,730**
Cost of sales		(645,837)	(686,310)
Gross profit		**332,076**	**402,420**
R&D costs	8.3	(61,167)	(64,240)
General, sales and administrative expenses		(62,715)	(70,954)
Current operating income		**208,194**	**267,226**
Other operating income	8.5	258	503
Other operating expenses	8.5	(3,144)	(55)
Operating income		**205,309**	**267,674**
Financial income	8.6	20,591	5,546
Financial expenses	8.7	(25,360)	(15,113)
Net financial expense		**(4,769)**	**(9,567)**
Profit before tax		**200,540**	**258,107**
Income tax	8.8	(22,714)	(26,198)
Net profit from continuing operations		**177,826**	**231,909**
Net profit from discontinued operations	8.9	491	1,126
CONSOLIDATED NET PROFIT		**178,317**	**233,035**
NET PROFIT – GROUP SHARE		**178,317**	**233,035**
Weighted average number of ordinary shares		35,655,679	35,133,150
Basic earnings per share *(in euros)*	8.10	5.00	6.63
Weighted average number of diluted ordinary shares		37,710,587	37,240,396
Diluted earnings per share *(in euros)*	8.10	4.88	6.41

Basic earnings per share amounted to €5.00, including earnings per share of €4.99 relating to continuing operations and of €0.01 per share attributable to discontinued operations.

Diluted earnings per share came out at €4.88, including earnings per share of €4.87 relating to continuing operations and of €0.01 per share attributable to discontinued operations.

● **CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

(in € thousands)	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Consolidated net profit		**178,317**	**233,035**
Items that may be reclassified to the income statement		**2,354**	**12,009**
› of which: foreign exchange gains/(losses) on translation of foreign operations		2,413	1,095
› of which: changes in the fair value of hedging instruments		342	14,293
› of which: tax on items recognized in other comprehensive income		(400)	(3,379)
Items that may not be reclassified to the income statement		**579**	**2,589**
› of which: actuarial gains/(losses) on defined benefit plans	7.16	780	3,486
› of which: tax impact		(201)	(897)
Income and expenses recognized in other comprehensive income		**2,933**	**14,598**
TOTAL COMPREHENSIVE INCOME		**181,250**	**247,633**
Group share		*181,250*	*247,633*

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in € thousands)	Notes	March 31, 2024	March 31, 2023
NON-CURRENT ASSETS			
Intangible assets	7.1	156,121	128,432
Property, plant and equipment	7.2	912,783	705,375
Non-current financial assets	7.4	19,390	25,174
Other non-current assets	7.5	69,598	58,991
Deferred tax assets	8.8	62,428	66,757
Total non-current assets		**1,220,320**	**984,729**
CURRENT ASSETS			
Inventories	7.6	208,516	175,307
Trade receivables	7.7	447,606	363,118
Other current assets	7.8	100,659	105,482
Current financial assets	7.9	6,865	3,438
Cash and cash equivalents	7.10	708,219	787,915
Total current assets		**1,471,865**	**1,435,260**
TOTAL ASSETS		**2,692,185**	**2,419,989**

(in € thousands)	Notes	March 31, 2024	March 31, 2023
EQUITY			
Share capital		71,425	71,179
Share premium		228,489	228,734
Reserves and retained earnings		1,179,955	993,895
Other reserves		14,752	11,812
Equity – Group share		1,494,621	1,305,620
Total equity	**7.11**	**1,494,621**	**1,305,620**
NON-CURRENT LIABILITIES			
Non-current financial debt	7.13	669,074	578,312
Provisions and other non-current liabilities	7.14	79,392	80,396
Total non-current liabilities		**748,466**	**658,708**
CURRENT LIABILITIES			
Current financial debt	7.13	77,746	69,271
Trade payables		169,154	170,722
Provisions and other current liabilities	7.15	202,199	215,668
Total current liabilities		**449,098**	**455,661**
TOTAL EQUITY AND LIABILITIES		**2,692,185**	**2,419,989**

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, 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)
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	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**

(in € thousands)	Share capital	Share premium	Treasury shares	Reserves and retained earnings	Other reserves	Equity – Group share	Total equity
MARCH 31, 2023	**71,179**	**228,734**	**(358)**	**994,253**	**11,812**	**1,305,620**	**1,305,620**
Items that may be reclassified to the income statement	**-**	**-**	**-**	**-**	**2,354**	**2,354**	**2,354**
› of which: foreign exchange gains/(losses) on translation of foreign operations	-	-	-	-	2,413	2,413	2,413
› of which: changes in the fair value of hedging instruments	-	-	-	-	342	342	342
› of which: tax on items recognized in other comprehensive income	-	-	-	-	(400)	(400)	(400)
Items that may not be reclassified to the income statement	**-**	**-**	**-**	**-**	**579**	**579**	**579**
› of which: actuarial gains/(losses) on defined benefit plans	-	-	-	-	780	780	780
› of which: tax impact	-	-	-	-	(201)	(201)	(201)
Income and expenses in the period recognized in other comprehensive income	**-**	**-**	**-**	**-**	**2,933**	**2,933**	**2,933**
Net profit from continuing operations	-	-	-	177,826	-	177,826	177,826
Net profit from discontinued operations	-	-	-	491	-	491	491
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-**	**-**	**-**	**178,317**	**2,933**	**181,250**	**181,250**
Vesting of shares	246	(246)	-	-	-	-	-
Share-based payments and tax impact	-	-	-	11,885	-	11,885	11,885
Liquidity agreement	-	-	(4,142)	-	-	(4,142)	(4,142)
Other	-	-	23	(23)	7	7	7
YEAR ENDED MARCH 31, 2024	**71,425**	**228,489**	**(4,477)**	**1,184,432**	**14,752**	**1,494,621**	**1,494,621**

CONSOLIDATED STATEMENT OF CASH FLOWS

(in € thousands)	Notes	March 31, 2024	March 31, 2023
Net profit from continuing operations		177,826	231,909
Net profit from discontinued operations		491	1,126
CONSOLIDATED NET PROFIT		**178,317**	**233,035**
Adjustments for:			
Depreciation and amortization expense	7.1, 7.2, 8.4	125,602	105,759
Provision expense/(reversals), net	7.4, 7.6, 7.7	3,783	11,589
Provision expense/(reversals) for retirement benefit obligations, net	7.16	477	62
(Gains)/losses on disposals of assets	8.5	99	57
Income tax	8.8	22,714	26,198
Net financial expense	8.6, 8.7	4,769	9,567
Share-based payments		13,841	14,011
Other non-cash items		(16,624)	(7,767)
Non-cash items relating to discontinued operations		(707)	(1,384)
Changes in:			
Inventories		(18,993)	(35,535)
Trade receivables		(93,971)	(111,849)
Trade payables		(45,361)	39,969
Other receivables and payables(1)		16,575	11,032
Changes in working capital and income tax paid relating to discontinued operations		(42)	(13)
Income tax paid		(25,165)	(32,376)
NET CASH GENERATED BY OPERATING ACTIVITIES		**165,314**	**262,355**
Of which continuing operations		*165,572*	*262,626*
Purchases of intangible assets		(48,395)	(41,675)
Purchases of property, plant and equipment		(176,798)	(185,820)
Interest received		17,490	4,285
Acquisitions and disposals of financial assets		(821)	(5,077)
Divestment flows related to discontinued operations		146	1
NET CASH USED IN INVESTING ACTIVITIES		**(208,378)**	**(228,286)**
Of which continuing operations		*(208,524)*	*(228,287)*
Change in interest in subsidiaries without change of control		(468)	(3,188)
Loans and drawdowns on credit lines		55,147	79,936
Repayments of borrowings and leases		(69,837)	(48,265)
Interest paid		(12,003)	(6,817)
Liquidity agreement	7.11	(8,000)	-
Other financing flows		1,824	(1,283)
Financing flows related to discontinued operations		(12)	(17)
NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES		**(33,349)**	**20,366**
Of which continuing operations		*(33,337)*	*20,383*
Effects of exchange rate fluctuations		(3,284)	5,658
NET CHANGE IN CASH		**(79,697)**	**60,093**
Of which continuing operations		*(79,573)*	*60,380*
Cash and cash equivalents at beginning of the period		787,915	727,822
Cash and cash equivalents at end of the period		708,219	787,915

(1) At March 31, 2024, other receivables and payables mainly include a net decrease in tax receivables in Singapore (compared with an increase in other payables, in connection with subsidies received in Singapore).

6.2.1.2 Notes to the consolidated financial statements at March 31, 2024

NOTE 1. OVERVIEW OF THE 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 "the Group". Soitec SA is hereinafter referred to as "the Company".

In fiscal year 2023-2024, the Group operated in two business segments:

- **Electronics:** the Group's historical activity in the semiconductor sector, producing and marketing substrates and components for the semiconductor industry;
- **Other Business**: mainly operations that have been discontinued by the Group, including in particular the solar energy segment. The 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 Commissioning of a new plant producing SmartSiC™ silicon carbide-based substrates

During fiscal year 2023-2024, the Group finalized the construction of the first phase of the plant producing innovative 150 mm and 200 mm SmartSiC™ substrates.

Total capacity is planned to reach 500,000 wafers. The fab also includes refresh (raw materials recycling) capacity for the production of 300 mm SOI wafers.

The first phase of work was handed over and commissioned on July 1, 2023, at a total cost of €59 million. Delivery of the second phase of work is scheduled for first-half 2024-2025, at a cost of €31 million.

The investment is financed through a property finance lease. See notes 7.2 "*Property, plant and equipment*" and 7.13 "*Borrowings and financial debt*" for the impact on the financial statements at March 31, 2024.

2.2 IPCEI ME/CT European subsidy

On January 26, 2024, Soitec signed an agreement providing for financial assistance from the French government for 2022-2026. This agreement is part of the France 2030 national investment program. The European Commission approved the project's inclusion in the 2026 IPCEI ME/CT (Important Project of Common European Interest – Microelectronics and Communication Technology) category. In line with the objectives set out in the European regulation on semi-conductors (European Chips Act), this measure will bolster the security of supply and the resilience of Europe's semiconductor ecosystem.

The funds granted will be used to support research and development activities and first industrialization. The funds will help ramp up the Bernin 4 (SmartSiC™) and Bernin 3 (POI) facilities, and will be recognized in the income statement in line with the expenses incurred up to 2026. The amount recognized in this respect in fiscal year 2023-2024 represents €30 million, or €21 million net of deferred income.

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, the 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 the Group's Board of Directors at its meeting of May 22, 2024 and will be submitted for approval to the Annual General Meeting of July 23, 2024.

3.2 Basis of preparation of financial information

Presentation currency

The Company's functional currency is the euro. The consolidated financial statements of the 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 are translated into euros (the 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, 2024 are those published in the Official Journal of the European Union before March 31, 2024, and mandatory on that date. The reference framework is available from the European Commission's website.

The Group has applied the following standards, amendments and interpretations, published by the IASB and adopted by the European Union, as well as the final IFRS IC agenda decisions, mandatory for the Group for reporting periods beginning on or after April 1, 2023:

- Amendments to IAS 1 – Disclosure of Accounting Policies;
- Amendments to IAS 8 – Definition of Accounting Estimates;
- Amendments to IAS 12 – Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction;
- IFRS 17 – Insurance Contracts, including Amendments to IFRS 17 – Initial Application of IFRS 17 and IFRS 9 – Comparative Information.

Following examination of these standards, amendments and interpretations applicable from January 1, 2023, the Group has concluded that there is no impact, or no material impact, on the consolidated financial statements at March 31, 2024.

- Amendment to IAS 12 – International Tax Reform – Pillar Two Model Rules.

The amendments to IAS 12 follow the December 2021 publication of the "GloBE rules" by the Organization for Economic Cooperation and Development (OECD) and their subsequent adoption by the member states. The model aims to ensure that companies with consolidated revenue or total consolidated assets in excess of €750 million pay a minimum corporate tax rate set at 15% in each of the jurisdictions in which they operate. Within the European Union, the Pillar Two directive was adopted at the end of 2022 (and transposed into French law by the 2024 Finance Act) and came into force as of January 1, 2024.

In 2023, the Group began to prepare for implementation of the Pillar Two rules. On the basis of the analyses carried out and the regulatory provisions adopted, the Group's exposure would arise on its Singapore operations. Accordingly, the Group expects to pay additional tax in France from fiscal year 2024-2025.

The estimated impact of this additional tax is an increase of around 1 percentage point in the Group's effective tax rate for fiscal years 2023-2024 and 2024-2025. This estimate will be adjusted in line with the earnings forecasts of Group companies and any regulatory clarifications going forward.

Pursuant to the mandatory and temporary exemption provided by the amendments to IAS 12, the Group did not recognize deferred taxes resulting from the global minimum tax rate in its consolidated financial statements at March 31, 2024.

Standards, amendments and interpretations that may be early adopted for reporting periods beginning on or after April 1, 2023

The new standards, amendments and interpretations applicable to reporting periods beginning on or after April 1, 2023 that were not early adopted by the Group at March 31, 2024 concern:

- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current;
- Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback.

These new standards, amendments and interpretations are not expected to have a material impact on the Group's consolidated financial statements.

Standards, amendments and interpretations issued by the IASB but not yet endorsed by the European Union:

- Amendment to IAS 7 and IFRS 7 – Supplier Finance Arrangements;
- Amendments to IAS 21 – Lack of Exchangeability.

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;
- 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, 2024. In the event of changes in the underlying assumptions or in the prevailing economic conditions, the amounts presented in the Group's future financial statements could differ materially from the current estimates.

3.4 Consideration of risks related to climate change

As part of the financial reporting process, the Group has integrated the main risks related to climate change. These risks are notably taken into account in the assumptions used in the environmental strategy and integrated in the underlying business plans used for impairment tests of the Group's non-current assets. In addition, the 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 could damage some of the Group's assets, disrupt the production of raw materials at the Group's main suppliers in Japan and potentially lead to a partial interruption of production. Applying these assumptions did not have a significant impact on the Group's financial statements at March 31, 2024.

The Group has integrated climate change risks into its business plans and environmental strategy, notably concerning the reduction of its carbon footprint and water consumption.

The 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.

NOTE 4. CONSOLIDATION PRINCIPLES

At March 31, 2024, the consolidated financial statements include the financial statements of the Company and the subsidiaries listed below:

Entity	Date of consolidation	Percentage interest	Country	Functional currency
Soitec USA LLC	November 1992	100.00%	United States	US dollar
Soitec Japan Inc.	June 2004	100.00%	Japan	Japanese Yen
Soitec Microelectronics Singapore Pte Ltd.	June 2006	100.00%	Singapore	US dollar
Soitec Korea LLC	July 2011	100.00%	South Korea	US dollar
Soitec Trading (Shanghai) Co. Ltd.	November 2013	100.00%	China	Yuan
Dolphin Design SAS	August 2018	100.00%	France	Euro
Dolphin Ltd.	August 2018	100.00%	Israel	Shekel
Dolphin Inc.	August 2018	100.00%	Canada	Canadian dollar
Dolphin Design Pte Ltd.	October 2021	100.00%	Singapore	Singapore dollar
Soitec Lab SAS	March 2019	100.00%	France	Euro
Soitec NewCo 2 SAS	March 2019	100.00%	France	Euro
Soitec NewCo 3 SAS	March 2019	100.00%	France	Euro
Soitec NewCo 4 SAS	March 2019	100.00%	France	Euro
Soitec Asia Holding Pte Ltd.	March 2019	100.00%	Singapore	US dollar
Soitec Belgium N.V.(1)	May 2019	100.00%	Belgium	Euro
NOVASiC SAS	December 2021	100.00%	France	Euro
SOLAR ENERGY SEGMENT ENTITIES				
Soitec USA Holding Inc.	December 2009	100.00%	United States	US dollar
Soitec Solar Industries LLC	December 2009	100.00%	United States	US dollar
Soitec Solar Development LLC	September 2010	100.00%	United States	US dollar
Soitec Solar RSA Ltd.	April 2011	100.00%	South Africa	Rand
Soitec Solar France SAS	October 2011	100.00%	France	Euro
Concentrix Holding SAS	March 2018	100.00%	France	Euro
CPV Power Plant No. 2 (Pty) Ltd.	September 2010	100.00%	South Africa	Rand

(1) 98.1% of the shares held, with a put option on the outstanding 1.9% of the share capital held by non-controlling interests.

Accounting principles

Balances and transactions between Group companies are eliminated in consolidation.

Entities are fully consolidated if the Group:

- has power over the investee;
- 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, the Group must exercise judgment in determining whether control exists and assess the existence of control on an ongoing basis.

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 the Group's business, fair value measurements of identifiable assets mainly concern technologies, customer bases and trademarks, with associated deferred taxes;
- costs directly attributable to the acquisition are recognized as other operating expenses for the period.

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.

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 5. SEGMENT INFORMATION

BREAKDOWN OF THE CONSOLIDATED INCOME STATEMENT

	Year ended March 31, 2024			Year ended March 31, 2023		
(in € thousands)	Electronics	Other Business	Total	Electronics	Other Business	Total
Revenue	**977,914**	**-**	**977,914**	**1,088,730**	**-**	**1,088,730**
Gross profit	332,076	-	332,076	402,420	-	402,420
Operating income	205,309	-	205,309	267,674	-	267,674
EBITDA	**332,486**	**(213)**	**332,273**	**391,385**	**(258)**	**391,127**

BREAKDOWN OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	March 31, 2024			March 31, 2023		
(in € thousands)	Electronics	Other Business	Total	Electronics	Other Business	Total
Intangible assets	156,121	-	156,121	128,432	-	128,432
of which goodwill	24,923	-	24,923	24,923	-	24,923
Property, plant and equipment	912,783	-	912,783	705,375	-	705,375
Non-current financial assets	19,390	-	19,390	25,174	-	25,174
Other non-current assets	69,598	-	69,598	58,991	-	58,991
Non-current assets (1)	**1,157,892**	**-**	**1,157,892**	**917,972**	**-**	**917,972**
Inventories	208,516	-	208,516	175,307	-	175,307
Trade receivables	447,606	-	447,606	363,118	-	363,118
Other current assets	100,575	84	100,659	105,314	168	105,482
Current financial assets	6,869	-	6,869	3,438	-	3,438
Current assets (2)	**763,566**	**84**	**763,650**	**647,177**	**168**	**647,345**
Trade payables	(169,050)	(104)	(169,154)	(170,584)	(138)	(170,722)
Other current and non-current liabilities	(277,764)	(3,827)	(281,591)	(291,588)	(4,476)	(296,064)
Current and non-current liabilities (3)	**(446,814)**	**(3,931)**	**(450,745)**	**(462,172)**	**(4,614)**	**(466,786)**
CAPITAL EMPLOYED (1) + (2) + (3)	**1,474,644**	**(3,847)**	**1,470,797**	**1,102,977**	**(4,446)**	**1,098,531**

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 the Group's constituent components at the level of the operating segments, as described in note 1 "*Overview of the 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 the 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).

NOTE 6. OPERATIONAL PERFORMANCE INDICATOR

(in € thousands)	Year ended March 31, 2024	Year ended March 31, 2023
Operating income/(loss)	**205,309**	**267,674**
Neutralization of reconciliation items		
Depreciation and amortization expense	125,602	105,759
Share-based payments	13,841	14,011
Provision expense/(reversals), net	3,783	11,589
Provision expense (reversals) for retirement benefit obligations, net	477	62
(Gains)/losses on disposals of assets	99	57
Other non-cash items	(16,624)	(7,767)
EBITDA(1)	**332,486**	**391,385**

(1) EBITDA for the Electronics business.

EBITDA

EBITDA is an operational performance indicator used by the Group to manage and assess operating income, and to implement its investment strategy.

EBITDA represents operating income 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.

NOTE 7. NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

7.1 Intangible assets

(in € thousands)	Gross value	Accumulated amortization	Impairment	Net value
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**
Goodwill	38,218	-	(13,295)	24,923
Capitalized development projects	122,422	(32,781)	-	89,641
Concessions, patents and other rights	5,595	(5,595)	-	-
Software	126,867	(96,198)	(244)	30,425
Other intangible assets	22,372	(11,240)	-	11,132
MARCH 31, 2024	**315,474**	**(145,814)**	**(13,539)**	**156,121**

The table below analyzes changes in the net value of each intangible asset category:

(in € thousands)	Goodwill	Capitalized development projects	Software	Other intangible assets	Total
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[(1)]	(1,779)	-	(29)	2,438	630
MARCH 31, 2023	**24,923**	**68,358**	**21,789**	**13,362**	**128,432**
Acquisitions	-	31,006	21,482	-	52,488
Translation adjustments	-	-	23	-	23
Amortization (expense for the period)	-	(9,723)	(12,530)	(2,230)	(24,483)
Other	-	-	(339)	-	(339)
MARCH 31, 2024	**24,923**	**89,641**	**30,425**	**11,132**	**156,121**

(1) Other movements correspond to technology identified in the context of the fair value measurement of the assets acquired from NOVASiC SAS in fiscal year 2021-2022.

Intangible assets mainly comprise capitalized development project costs relating to research and development activities. These notably concern SiC substrate development costs.

At March 31, 2024, intangible assets not yet commissioned amounted to €64,881 thousand and mainly included €27,267 thousand in capitalized development projects relating to the development of SiC products (€38,401 thousand, including €25,419 thousand of capitalized development projects not yet commissioned at March 31, 2023).

Development costs relating to capitalized projects not yet commissioned were tested for impairment at March 31, 2024. No indications of impairment were identified as a result.

During fiscal year 2023-2024, only software was put into service for €13,625 thousand, compared with €10,763 thousand (of which €6,057 thousand shown within software and €4,706 thousand within capitalized development costs) during the previous fiscal year.

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 the 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:

- the 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 the Company, generally evidenced by current orders or contracts;
- the costs can be measured reliably;
- the Group has the capacity to use or sell the intangible asset;
- the 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.

The 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 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.

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.

7.2 Property, plant and equipment

(in € thousands)	Gross value	Accumulated depreciation	Impairment	Net value
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 right-of-use assets	*143,818*	*(45,392)*	-	*98,426*
Buildings	522,991	(231,854)	-	291,137
Equipment and tooling	1,192,920	(588,365)	(2,014)	602,541
Other property, plant and equipment	40,590	(21,485)	-	19,105
MARCH 31, 2024	**1,756,501**	**(841,704)**	**(2,014)**	**912,783**
of which right-of-use assets	*231,018*	*(46,477)*	-	*184,541*

The following table presents changes in the net value of each property, plant and equipment category:

(in € thousands)	Buildings	Equipment and tooling	Other	Total
MARCH 31, 2022	**120,106**	**428,519**	**13,689**	**562,314**
Acquisitions	51,419	124,339	5,084	180,843
Property, plant and equipment held under leases	27,736	16,666	72	44,474
Translation adjustments	919	1,071	39	2,029
Depreciation and impairment	(15,818)	(64,217)	(3,151)	(83,187)
Disposals or retirements (net value) and other changes	(875)	(218)	(5)	(1,098)
MARCH 31, 2023	**183,487**	**506,160**	**15,728**	**705,375**
Acquisitions(1)	64,486	132,381	5,741	202,608
Property, plant and equipment held under leases	60,738	50,789	864	112,391
Translation adjustments	537	1,843	19	2,399
Depreciation and impairment	(18,111)	(79,521)	(3,487)	(101,119)
Disposals, retirements (net value) and other changes(1)	-	(9,109)	238	(8,871)
MARCH 31, 2024	**291,137**	**602,543**	**19,103**	**912,783**

(1) Purchase options for production equipment, financed by leases, were exercised during fiscal year 2023-2024. This equipment is shown under acquisitions for the period, for a net amount of €9,045 thousand.

Property, plant and equipment mainly comprise:

- industrial buildings at the Group's operating sites (Bernin in France, Pasir Ris in Singapore and Hasselt in Belgium);
- production equipment installed in clean rooms.

The first phase of the Bernin 4 plant was commissioned in fiscal year 2023-2024. The second phase is expected to be commissioned in the first half of fiscal year 2024-2025. This production facility is financed by a property finance lease (see note 7.13 "*Borrowings and financial debt*"). The Group also continued with the first stage of the construction of its Singapore plant extension, which will primarily be used to produce SOI (Silicon-on-Insulator) substrates.

Acquisitions in the period mainly concern industrial investments for the Bernin (production of POI and SiC substrates) and Pasir Ris (production of SOI substrates) sites.

At March 31, 2024, property, plant and equipment not yet commissioned amounted to €237,051 thousand and primarily comprised €170,641 thousand in equipment and tooling, and industrial buildings in progress (the extension of the Singapore fab and infrastructure development at the Bernin 4 fab). At March 31, 2023, property, plant and equipment not yet commissioned amounted to €141,428 thousand, including €98,174 thousand worth of equipment and tooling.

During fiscal year 2023-2024, €137,678 thousand worth of property, plant and equipment were commissioned, the main items including €92,495 thousand worth of equipment and tooling and €41,089 thousand of fixtures and fittings for clean rooms and logistics facilities (versus respectively €146,161 thousand and €26,228 thousand in the previous fiscal year).

In the ordinary course of its business, the Group regularly enters into lease agreements as lessee. These leases are classified according to various asset categories, i.e., buildings, equipment and tooling, and other non-current assets.

(in € thousands)	Gross value	Accumulated depreciation	Net value
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
RIGHT-OF-USE ASSETS – MARCH 31, 2023	**143,818**	**(45,392)**	**98,426**
Buildings	109,139	(14,332)	94,807
Equipment and tooling	119,451	(30,528)	88,923
Other property, plant and equipment	2,428	(1,617)	811
RIGHT-OF-USE ASSETS – MARCH 31, 2024	**231,018**	**(46,477)**	**184,541**

(in € thousands)	Buildings	Equipment and tooling	Other non-current assets	Total
RIGHT-OF-USE ASSETS – MARCH 31, 2023	**39,723**	**58,312**	**391**	**98,426**
Increases	60,738	50,789	864	112,391
Translation adjustments	46	-	-	46
Depreciation expense	(3,944)	(11,111)	(378)	(15,433)
Lease terminations(1)	(1,756)	(9,067)	(67)	(10,889)
RIGHT-OF-USE ASSETS – MARCH 31, 2024	**94,807**	**88,923**	**811**	**184,541**

(1) Purchase options for production equipment, financed by leases, were exercised during fiscal year 2023-2024 for a net amount of €9,045 thousand.

The increase in buildings held under lease relates mainly to the property finance lease for the Bernin 4 fab, which came into force on July 1, 2023 following delivery of the first phase of work. It is classified as a lease, with an initial right-of-use asset estimated at €59 million and depreciated over 23 years.

In the ordinary course of its business, the Group also finances production equipment under finance leases, mainly in France and Belgium.

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 the 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 (IFRS 16)

IFRS 16 – Leases defines a lease as an agreement that gives the lessee the right to control the use of an identified asset. Recognition of all leases on the statement of financial position results in (i) an asset representing the right to use the leased asset (right-of-use asset), offset by (ii) a liability representing the obligation to make lease payments (lease liability). On the income statement, depreciation charged against right-of-use assets is presented separately from the interest expense on the lease liability.

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.

The 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, the 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, the Group applies the definition of a lease provided by IFRS 16.

7.3 Value of non-current assets

Goodwill

Operational assumptions reflect the best estimate of the market outlook and anticipated developments. The Group updated its business plan for the next five years. The revised plan was approved by the Board of Directors on March 27, 2024. As a result, new business plans have been drawn up for both of the cash-generating units (CGUs).

The assumptions used for the March 31, 2024 impairment tests are as follows:

	March 31, 2024		March 31, 2023	
	Electronics	Integrated circuit design	Electronics	Integrated circuit design
Long-term growth rate	1.5%	1.5%	1.5%	1.5%
Discount rate	10.70%	12.00%	11.0%	15.0%

These tests did not show any impairment loss at March 31, 2024.

Tests of sensitivity to the main financial assumptions applied (long-term growth rate and discount rate) did not reveal any indications of impairment.

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, the 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 the Group's various substrate markets, leveraging the production capacity of the Bernin, Hasselt (Belgium) and Singapore sites;
- *Integrated circuit design*: design of low-power electronic circuits (Dolphin Design business).

The Electronics CGU covers the three end markets in which the Group operates: Mobile communications, Automotive & Industrial and Smart devices. The Group's business and investment decisions are managed at the level of the "Electronics" CGU.

Impairment indicators

The 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, the Group reviews the recoverable amount of the asset (or the group of assets to which it belongs).

Goodwill, other indefinite-lived intangible assets and development costs relating to capitalized projects (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. 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 the 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.

7.4 Non-current financial assets

Non-current financial assets break down as follows:

(in € thousands)	March 31, 2024	March 31, 2023
Equity investments	17,977	20,281
Derivative financial instruments (positive fair value)	1,291	4,775
Deposits and guarantees	111	107
Loans granted	11	11
NON-CURRENT FINANCIAL ASSETS	**19,390**	**25,174**

Derivative financial instruments correspond mainly to foreign exchange hedges (forward sales of dollars), and interest rate hedges (interest caps) hedging future interest payments on floating-rate borrowings.

Details of equity investments at fair value through profit or loss over which the Group has neither sole nor joint control, nor significant influence, are set out below:

	March 31, 2024	% held	March 31, 2023	% held
Greenwaves Technologies	3,773	20.29%	7,546	20.29%
Technocom	5,698	9.36%	4,941	8.00%
Shanghai Simgui Technology Co. Ltd.	4,441	2.70%	4,441	2.70%
Supernova Ambition Industrie	2,086	2.45%	1,375	3.50%
Finwave	1,974	13.38%	1,974	13.38%
Other	5	-	5	-
EQUITY INVESTMENTS	**17,977**	**-**	**20,281**	**-**

The following table presents changes in equity investments at fair value through profit or loss:

	March 31, 2024	March 31, 2023
Equity investments at beginning of the period	**20,281**	**12,589**
Acquisition	1,282	8,096
Changes in fair value	(3,586)	(404)
Disposal	-	-
Equity investments at end of the period	**17,977**	**20,281**

At March 31, 2024, the change in fair value of equity investments mainly concerned the Group's investment in Greenwaves Technologies.

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.

7.5 Other non-current assets

(in € thousands)	March 31, 2024	March 31, 2023
Prepayments on orders of operating items	49,353	22,988
Prepayments on orders of non-current assets	1,564	18,743
Tax receivables	17,222	15,678
Deposits and guarantees	1,459	1,582
OTHER NON-CURRENT ASSETS, NET	**69,598**	**58,991**

Prepayments on orders of operating items, correspond mainly to amounts paid to raw materials suppliers under multi-year procurement contracts.

At March 31, 2024, tax receivables correspond to research tax credits for €16,428 thousand and collaborative research tax credits for €794 thousand (versus €14,685 thousand and €993 thousand respectively at March 31, 2023).

The total value of research tax credits and collaborative research tax credits receivable (current and non-current portions) amounted to €37,972 thousand at March 31, 2024 (versus €33,080 thousand at March 31, 2023).

At March 31, 2023, prepayments on orders of non-current assets corresponded mainly to amounts paid in connection with equipment for the Bernin 4 fab commissioned during the period.

7.6 Inventories

(in € thousands)	March 31, 2024	March 31, 2023
Raw materials	175,896	133,457
Work-in-progress	20,543	29,161
Finished products and goods	40,986	38,621
Gross value	**237,425**	**201,239**
Impairment	(28,909)	(25,932)
INVENTORIES, NET	**208,516**	**175,307**

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. 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. Impairment 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.

7.7 Trade receivables

(in € thousands)	March 31, 2024	March 31, 2023
Gross value	449,874	364,307
Impairment	(2,268)	(1,189)
TRADE RECEIVABLES, NET	**447,606**	**363,118**

In the ordinary course of its business, the Group may enter into agreements for which invoicing does not occur when control of the goods or services delivered is transferred (when revenue is recognized), but when the products are consumed by customers, or at the latest at the end of a contractually agreed maximum term. See note 8.2 *"Revenue"* for a more detailed explanation of revenue recognition. The increase in the weight of these contracts over the fiscal year is the reason for the increase in trade receivables.

The Group holds trade receivables for the purpose of collecting contractual cash flows. The Group is not party to, and does not expect to be party to, any material agreements where the period between the transfer of the promised goods or services to the customer and payment for those goods or services exceeds one year. Consequently, the Group does not adjust any of the components of the transaction price for the time value of receivables, and no material transactions with customers include financing components.

At March 31, 2024, 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
Impairment	(1,189)	-	-	-	-	(1,189)
MARCH 31, 2023	**363,118**	**349,753**	**13,012**	**(164)**	**20**	**497**
Gross value	449,874	427,764	16,330	2,405	199	3,176
Impairment	(2,268)	-	-	-	-	(2,268)
MARCH 31, 2024	**447,606**	**427,764**	**16,330**	**2,405**	**199**	**908**

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. 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 impairment loss is recorded if there is an objective indication based on a case-by-case analysis that the Group might not be able to recover part or all of its receivables.

7.8 Other current assets

(in € thousands)	March 31, 2024	March 31, 2023
Tax and social security receivables	46,884	73,066
of which VAT and similar	*25,133*	*55,321*
of which research tax credits (CIR and CICo)	*20,750*	*17,402*
Subsidies receivable	24,706	17,344
Prepayments on orders of current assets	22,872	8,801
Prepaid expenses	5,534	5,545
Other	663	726
OTHER CURRENT ASSETS, NET	**100,659**	**105,482**

The decrease in tax receivables is mainly due to the amounts received by Soitec Microelectronics Singapore Pte Ltd. in fiscal year 2023-2024.

Prepayments on orders of current assets correspond mainly to the current portion of amounts paid to raw materials suppliers under multi-year procurement contracts.

(in € thousands)	March 31, 2024	March 31, 2023
OPERATING SUBSIDIES RECEIVABLE AT BEGINNING OF PERIOD	**17,344**	**20,443**
Received during the period	(36,508)	(20,934)
Recognized in the income statement	41,109	17,551
Other reclassifications	2,748	174
Translation adjustments	12	110
OPERATING SUBSIDIES RECEIVABLE AT END OF PERIOD	**24,706**	**17,344**

At March 31, 2024, subsidies receivable mainly concerned the "IPCEI ME/CT" subsidy program to support the development of SmartSiC™ and POI products. These subsidies cover R&D and first industrialization costs incurred between 2022 and 2026. Subsidies are recognized in the income statement in line with eligible expenditure.

At March 31, 2023, these included the "Nano 2022" programs and the programs funded by the Singapore Economic Development Board in Singapore.

Accounting principles

See note 8.3 "*R&D costs*".

7.9 Current financial assets

(in € thousands)	March 31, 2024	March 31, 2023
Marketable securities[1]	4,036	-
Accrued interest	1,332	853
Derivative financial instruments	1,014	1,033
Other	483	1,552
Gross value	**6,865**	**3,438**
Impairment	-	-
CURRENT FINANCIAL ASSETS, NET	**6,865**	**3,438**

(1) Marketable securities held under a liquidity agreement.

On June 30, 2023, the Group entered into a liquidity agreement with BNP Paribas Exane, under which it holds €4,036 thousand in marketable securities.

Derivatives recognized in assets relate mainly to the positive fair value of foreign exchange hedges (mainly forward dollar sales), and to the fair value of interest rate derivatives (caps only) hedging future interest payments on floating-rate borrowings.

Accrued interest corresponds to interest receivable on bank accounts for fourth-quarter 2023-2024, and has increased in line with rising market rates.

Accounting principles

See note 7.4 "*Non-current financial assets*".

7.10 Cash and cash equivalents

(in € thousands)	March 31, 2024	March 31, 2023
Cash	708,215	775,834
Cash equivalents	4	12,081
CASH AND CASH EQUIVALENTS	**708,219**	**787,915**

Cash at bank is principally denominated in euros (81% of the total) and US dollars (16% 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 and on which the capital is guaranteed.

Investments with a maturity of more than three months with no early exit options, along with investments in money-market marketable securities which do not meet the criteria for recognition as cash equivalents under IAS 7, are classified within other financial assets.

7.11 Equity

Share capital and share premium

At March 31, 2024, share capital comprised 35,712,302 ordinary shares with a par value of €2.00 each (35,589,417 shares at March 31, 2023).

Movements in the Company's share capital during fiscal year 2023-2024 were as follows:

- August 2, 2023: issue of 82,751 free ordinary shares as part of the Opale France and Opale Foreign Entities free performance share allocation plans approved by the Board of Directors on November 18, 2020 (capital increase of €166 thousand by deduction from the share premium);
- August 2, 2023: issue of 40,134 free ordinary shares as part of the Onyx 2023 and Onyx 2023 *bis* free performance share allocation plans approved by the Board of Directors on November 18, 2020 and March 31, 2021 respectively (capital increase of €80 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

	March 31, 2024	March 31, 2023
Number of treasury shares	34,122	4,221
of which held under the liquidity agreement	*30,175*	-
Gross value *(in € thousands)*	4,477	358
Unrealized capital gain *(in € thousands)*	-	233

On June 30, 2023, the Company signed a liquidity agreement with BNP Paribas Exane, under which BNP Paribas Exane will provide liquidity for Soitec ordinary shares traded on Euronext. €8 million has been allocated to the implementation of the agreement.

Under the liquidity agreement with BNP Paribas Exane, at March 31, 2024 Soitec SA had purchased 337,489 treasury shares for a total amount of €51.8 million, and sold 307,314 treasury shares for a total amount of €47.6 million, generating a loss of €1.2 million recognized directly within 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, 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**
Changes during the period	780	342	(601)	-	7	2,413	2,940
MARCH 31, 2024	**(5,217)**	**1,409**	**803**	**1,001**	**(15,759)**	**32,516**	**14,752**

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.

Since April 1, 2022, the investments made in Soitec Microelectronics Singapore Pte Ltd. by means of current account advances were classified as a net investment in a foreign operation. The foreign exchange gains and losses 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.

The Group's presentation currency is the euro. The Company's functional currency is the euro and the functional currency of each subsidiary is specified above in note 4 "*Consolidation principles*".

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, 2024;
- 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

The Board of Directors will ask the Annual General Meeting of July 23, 2024 to appropriate the net profit for the year to reserves and retained earnings, and not to pay a dividend.

7.12 Share-based payment

Impact of share-based payments on the consolidated income statement

The Group has set up free performance-based share allocation plans for employees and senior executives.

The Agate and Opale free share plans concern all Group employees. The Opale plans expired during the fiscal year. These plans generated an expense of €5,187 thousand (including social security contributions) in the income statement for the year ended March 31, 2024 (including plans which expired during the year).

Onyx free share allocation plans are reserved for certain employees. These plans generated an expense of €8,471 thousand (including social security contributions) in the income statement for the year ended March 31, 2024 (including plans which expired during the year).

Vesting of the free shares allocated to employees is subject to a criterion of continued employment and to the achievement of Company performance criteria as assessed over a specific period, used as a basis to determine the percentage of shares that will vest.

Presence condition

A three-year vesting period applies to all plans, in accordance with the terms and conditions set out in those plans. The vesting dates for each plan are shown in the summary tables below.

Performance conditions

In addition to the presence condition, the number of ordinary performance shares that will vest under the different plans will be determined by the Board of Directors based on the rate of achievement of the performance criteria set out in those plans and detailed below.

Only the Agate 2025 ESU plan provides for the allocation of free shares with and without performance conditions.

Dolphin 2024

The total number of ordinary shares allocated on the grant date will be determined on the basis of Dolphin Design's achievement of the following two objectives, as set out in said plan:

- 50% of the total number of shares allocated is subject to a Dolphin Design revenue target to be achieved for each of fiscal years 2021-2022, 2022-2023 and 2023-2024; and
- 50% of the total number of shares allocated is subject to a Dolphin Design EBITDA target to be achieved in each of fiscal years 2021-2022, 2022-2023 and 2023-2024.

Onyx 2024 and Onyx 2024 *bis*

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 the following three objectives, as set out in said plans:

- 33.33% of the total number of shares allocated is subject to a consolidated revenue target to be achieved in fiscal year 2023-2024;
- 33.33% of the total number of shares allocated is subject to a consolidated EBITDA margin target to be achieved in fiscal year 2023-2024; and
- 33.33% of the total number of shares allocated is subject to a Total Shareholder Return (TSR) target tracking the performance of the Company's ordinary shares in comparison to the Euro Stoxx 600 Technology index between August 2, 2021 and the publication date of the Group's consolidated financial statements for fiscal year 2023-2024.

Agate 2025 ESU with performance conditions, Agate 2025 Foreign Entities, Agate 2025 Frec|n|sys and NOVASiC, Onyx 2025, Onyx 2025 *bis* and Onyx 2025 B

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 the following four objectives, as set out in said plans:

- 30% of the total number of shares allocated is subject to a consolidated revenue target to be achieved for each of fiscal years 2022-2023, 2023-2024 and 2024-2025;

- 30% of the total number of shares allocated is subject to a consolidated EBITDA margin target to be achieved for each of fiscal years 2022-2023, 2023-2024 and 2024-2025;
- 20% of the total number of shares allocated is subject to a Total Shareholder Return (TSR) target tracking the performance of the Company's shares in comparison to the Euro Stoxx 600 Technology index between the grant date of each plan and the publication date of the Group's consolidated financial statements for fiscal year 2024-2025; and
- 20% of the total number of shares allocated is subject to a sustainable development performance target to be achieved over the three years of the plans, as follows:
  - **a)** 7% of the total number of shares allocated is subject to an ESG Scope 3 carbon footprint target,
  - **b)** 6% of the total number of shares allocated is subject to an ESG water stress target,
  - **c)** 3.5% of the total number of shares allocated is subject to an ESG D&I target consisting of the ratio of women hired over the three years covered by the plan, and
  - **d)** 3.5% of the total number of shares allocated is subject to an ESG D&I target consisting of the proportion of women in the Company's senior management (professional category greater than or equal to 150).

Agate 2025 Dolphin France, Agate 2025 Dolphin Foreign Entities, Onyx 2025 Dolphin Design and Onyx 2025 Dolphin Design *bis*

The number of ordinary performance shares that will vest at the end of the vesting periods concerned will be determined by the Company's Board of Directors based on the rate of achievement of the following three objectives, as set out in said plans:

- 35% of the total number of shares allocated is subject to a revenue target to be met by Dolphin Design and its subsidiaries for each of fiscal years 2022-2023, 2023-2024 and 2024-2025;
- 35% of the total number of shares allocated is subject to an EBITDA margin target to be achieved by Dolphin Design and its subsidiaries for each of fiscal years 2022-2023, 2023-2024 and 2024-2025; and
- 30% of the total number of shares allocated is subject to sustainable development and technological performance targets to be achieved over the three years of the plans, as follows:
  - **a)** 15% according to the proportion of women in the executive management teams of Dolphin Design SAS and its subsidiaries (professional category greater than or equal to 150), and
  - **b)** 15% according to an energy and technological performance criterion, composed of two sub-criteria: 7.5% – "Power-Management" performance factor index and 7.5% – Performance Neural Processor.

Agate 2026 ESU, Agate 2026 Foreign Entities, Agate 2026 Dolphin Design France, Agate 2026 Dolphin Design Foreign Entities, Agate 2026 NOVASiC, Onyx 2026 and Onyx 2026 *bis*

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 the following three objectives, as set out in said plans:

- 30% of the total number of shares allocated is subject to a cumulative revenue target over fiscal years 2023-2024, 2024-2025 and 2025-2026;
- 30% of the total number of shares allocated is subject to a cumulative EBITDA margin target on cumulative revenue over fiscal years 2023-2024, 2024-2025 and 2025-2026;
- 20% of the total number of shares allocated is subject to a performance condition based on the Total Shareholder Return (TSR) tracking the performance of the Company's ordinary share in comparison to the Euro Stoxx 600 Technology index between the grant date and the publication date of the Group's consolidated financial statement for fiscal year 2025-2026;
- 20% of the total number of shares allocated is subject to a performance condition based on three sustainable development targets, i.e.:
  - **a)** 7% of the total number of shares allocated is subject to an ESG change in Scopes 1 and 2 carbon footprint target,
  - **b)** 7% of the total number of shares allocated is subject to an ESG reduction in water consumption (l/cm²) target, and
  - **c)** 6% of the total number of shares allocated is subject to a target consisting of the proportion of women in the Group's senior management).

Vesting of ordinary free performance shares allocated in fiscal year 2023-2024

On August 2, 2023, the Board of Directors noted that the objectives set out in the Opale France, Opale Foreign Entities, Onyx 2023 and Onyx 2023 *bis* plans had been 66% achieved. The ordinary shares allocated under the plans vested to the beneficiaries of the Group on August 2, 2023 at the end of the vesting period. The plans are now terminated, and 123,015 shares have been delivered to the beneficiaries. These plans generated an expense of €1,359 thousand over the fiscal year (including social security contributions).

Date of Annual General Meeting	**07/26/2019**	**07/26/2019**	**07/26/2019**	**07/26/2019**
Plan	Opale France	Opale Foreign Entities	Onyx 2023	Onyx 2023 *bis*
Date of Board of Directors' meeting	November 18, 2020	November 18, 2020	November 18, 2020	March 31, 2021
Number of ordinary shares allocated by the Board of Directors	**123,711**	**19,411**	**59,915**	**1,271**
Number of initial beneficiaries	1,218	172	22	1
Share price at grant date	136.5	136.5	136.5	136.5
Fair value per share	107.8	107.8	107.8	107.8
Performance conditions	Yes	Yes	Yes	Yes
Vesting period	From November 18, 2020 to August 1, 2023	From November 18, 2020 to August 1, 2023	From November 18, 2020 to August 1, 2023	From March 31, 2021 to August 1, 2023
Number of shares vested	**73,692**	**9,189**	**39,286**	**848**

- **SUMMARY TABLE OF FREE ORDINARY SHARE ALLOCATIONS**

Date of Annual General Meeting	07/26/2019	07/28/2021	07/28/2021	07/28/2021
Plan	**Dolphin 2024**	**Onyx 2024**	**Onyx 2024 *bis***	**Agate 2025**
Date of Board of Directors' meeting	November 18, 2020	July 28, 2021	March 31, 2022	July 26, 2022
Number of shares allocated by the Board of Directors	**9,500**	**54,614**	**2,596**	**86,551**
End of vesting period	August 1, 2024	August 1, 2024	March 31, 2025	August 1, 2025
Number of initial beneficiaries	10	88	3	1,968
Share price at grant date (€)	161.5	206.8	206.8	137.6
Fair value per share (€)	161.5	137.1	137.1	120.22
Number of shares at March 31, 2024(1)	**7,500**	**49,707**	**1,902**	**71,326**

(1) Number of shares allocated to beneficiaries whose presence condition had been fulfilled at March 31, 2024, before determining whether performance conditions had been met.

Date of Annual General Meeting	07/28/2021	07/28/2021	07/28/2021	07/28/2021	07/28/2021
Plan	**Onyx 2025**	**Onyx 2025 B**	**Agate 2026**	**Onyx 2026**	**Onyx 2026 *bis***
Date of Board of Directors' meeting	July 26, 2022	March 29, 2023	July 25, 2023	July 25, 2023	March 27, 2024
Number of shares allocated by the Board of Directors	98,622	5,428	84,927	86,745	5,429
End of vesting period	August 1, 2025	August 1, 2025	August 1, 2026	August 1, 2026	August 1, 2026
Number of initial beneficiaries	186	4	2,068	153	3
Share price at grant date (€)	137.6	137.6	163.7	163.7	163.7
Fair value per share (€)	120.2	120.2	143.0	143.0	143.0
Number of shares at March 31, 2024(1)	**84,356**	**5,428**	**78,477**	**83,900**	**5,429**

(1) Number of shares allocated to beneficiaries whose presence condition had been fulfilled at March 31, 2024, before determining whether performance conditions had been met.

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. The expense is recognized over the vesting period, depending on the extent to which the conditions are achieved.

7.13 Borrowings and financial debt

Borrowings and financial debt break down as follows:

(in € thousands)	**Effective interest rate** *(in %)*	**Currency**	**Maturity**(1)	**March 31, 2024**	**March 31, 2023**
CURRENT					
Leases					
Equipment leases	0.10% - 3.88%	EUR	2024-2029	16,790	13,815
Real estate leases	5.50%	SGD	2023	-	5,703
Real estate leases	0.69% - 5.18%	EUR	2024-2047	4,369	2,412
Real estate leases	1.87% - 3.87%	Other currencies	2024-2032	235	142
Other leases	0.67% - 6.73%	EUR	2024-2029	316	164
Other leases	1.87%	Other currencies	2024-2027	22	36
Loans					
France bank loans	0.45% - 0.85%	EUR	2024-2026	100	686
Singapore bank loans	5.24% - 6.74%	EUR	2024-2027	34,735	23,003
Caisse des Dépôts group bank loan	1.27% - 4.28%	EUR	2032	13,986	10,071
Other					
Repayable advances	0.00% - 2.60%	EUR	2024	1,195	772
Derivative financial instruments (negative fair value)	-	EUR	2024-2025	2,593	7,074
Drawn committed credit lines	5.89% - 6.28%	EUR	2024-2025	1,966	4,539
Other financial liabilities	-	EUR	2024	1,437	853
CURRENT FINANCIAL DEBT	**-**			**77,746**	**69,271**
NON-CURRENT					
Leases					
Equipment leases	0.10% - 3.88%	EUR	2025-2029	68,010	34,886
Real estate leases	0.69% - 5.18%	EUR	2025-2047	75,944	21,837
Real estate leases	1.87% - 3.87%	Other currencies	2025-2026	1,064	76
Other leases	0.67% - 6.73%	EUR	2025-2029	346	129
Other leases	1.87%	Other currencies	2024	-	54
Loans					
Bonds: OCEANE 2025 convertible bonds		EUR	2025	312,879	305,015
France bank loans	0.45% - 0.85%	EUR	2025-2026	282	303
Singapore bank loans	5.24% - 6.74%	EUR	2025-2027	63,218	64,697
Caisse des Dépôts group bank loan	1.27% - 4.28%	EUR	2032	135,121	140,410
Other					
Repayable advances	0.00% - 2.60%	EUR	2025-2029	3,882	4,921
Drawn committed credit lines	4.46%-4.49%	EUR	2025-2026	8,280	5,217
Derivative financial instruments (negative fair value)	-	EUR	2024-2025	48	197
Other financial liabilities	-	EUR	2023	-	569
NON-CURRENT FINANCIAL DEBT	**-**			**669,074**	**578,312**
FINANCIAL DEBT	**-**			**746,820**	**647,583**

(1) The maturities indicated correspond to the financing conditions.

OCEANE 2025 convertible bonds

On October 1, 2020, the 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.

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, 2024 in respect of interest expenses relating to discounting the debt and amortizing issue costs amounted to €7,863 thousand.

Long-term €200 million loan with Banque des Territoires

On March 27, 2020, the 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. 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, 2024, the Group had drawn down €163,179 thousand, of which €8,698 thousand in fiscal year 2023-2024. The drawdowns are now complete. They were used to support both financing for R&D programs and investments in infrastructure projects that will be industrialized for the first time in France.

Bank loans

The Group arranged four five-year syndicated loans (falling due at different times between 2025 and 2028) with four Asia-based banks to fund new production equipment for its Singapore site, representing an amount of €164 million.

The loans bear interest at 3-month Euribor plus an average spread of 1.8%. The majority of these loans are subject to hedges (interest rate cap; see note 9.3 "*Financial risk management*") and are guaranteed by the equipment financed. The outstanding balance at March 31, 2024 amounted to €97,953 thousand.

Property finance lease

On March 22, 2022, the Group signed a property finance lease with six banks for a maximum amount of €90 million to finance the construction of the 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 work in respect of the first phase was completed in first-half 2023-2024, at a cost of €59 million, and the related lease payments began in the same period.

The lease bears interest at a rate equal to the 3-month Euribor plus a spread of 1% and is hedged by an interest rate cap.

Leases

The Group entered into new equipment leasing agreements to finance production equipment.

The agreements are for a total of €50,543 thousand and bear interest at rates ranging from 3.21% to 3.88%.

Bank credit lines

On July 28, 2023, the Group signed a €100 million syndicated credit line agreement with seven banks to replace the existing bilateral credit lines. The 5-year agreement is repayable at maturity, with a possible extension of up to two years, and replaces the credit lines available to the Group at March 31, 2023. These credit lines were entirely undrawn at March 31, 2024.

At the same date, the Group drew up an ESG Framework covering three criteria relating to social and environmental governance (climate, water and gender equality), audited by Sustainalytics, with a "very ambitious" or "ambitious" rating assigned to all criteria and targets up to 2030. This agreement includes a credit margin adjustment mechanism linked to the achievement of three corporate sustainable development performance indicators: reduction in climate-equivalent tCO_2 emissions, reduction in water consumption per wafer and proportion of women in management roles.

The Group also had a bank credit line worth €20 million with the French public investment bank (Banque Publique d'Investissement), This credit line, which was undrawn at March 31, 2024, is repayable over five years at a rate of €4 million per year.

At March 31, 2024, subsidiary Dolphin Design had €10,246 thousand of drawn down credit lines, of which €8,280 thousand concerned the financing of research tax credits (€3,064 thousand of the 2022 research tax credit pre-financed over first-half 2023-2024) and €1,966 thousand obtained through factoring of export receivables (*mobilisation de créances nées sur l'étranger*) and other receivables.

None of the various financing arrangements of the Group are subject to any covenants.

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 €7,897 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 €1,544 thousand.

Put options

Soitec Belgium N.V.

The shareholder agreement provides for a cross put/call option for founding directors of Soitec Belgium N.V. 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 plans over the contractual period.

During fiscal year 2023-2024, the Group exercised and paid the first tranche of the cross put/call option with the founding directors of Soitec Belgium N.V. The Group now holds 98.1% of its share capital.

Borrowings and debt fall due as follows:

(in € thousands)	March 31, 2024 Less than 1 year	1 to 5 years	More than 5 years	Total	March 31, 2023
LEASES					
Equipment leases	16,790	51,507	16,503	84,800	48,701
Real estate leases	4,604	29,328	47,680	81,612	30,171
Other leases	338	346	-	684	384
LOANS					
Bonds: OCEANE 2025 convertible bonds	-	312,879	-	312,879	305,015
Bank loans	48,822	140,091	58,530	247,443	239,170
OTHER BORROWINGS AND FINANCIAL DEBT					
Repayable advances	1,195	3,203	679	5,077	5,693
Derivative financial instruments (negative fair value)	2,593	48	-	2,641	7,271
Drawn committed credit lines	1,967	8,280	-	10,247	9,756
Other financial liabilities	1,437	-	-	1,437	1,422
BORROWINGS AND FINANCIAL DEBT	**77,746**	**545,682**	**123,392**	**746,820**	**647,583**

The following table presents changes in liabilities arising from financing activities:

(in € thousands)	March 31, 2023	Change in cash and cash equivalents	Non-cash movements Change	Translation adjustments	Changes in fair value	March 31, 2024
Borrowings and other financial debt – non-current portion	519,006	38,758	(37,667)	(317)	-	519,780
Borrowings and other financial debt – current portion	36,357	(29,034)	45,048	(145)	-	52,226
Leases	79,256	(24,466)	112,301	5	-	167,096
Derivative financial instruments	(5,050)	(331)	-	(17)	3,361	(2,037)
Other	(1,171)	1,281	-	(5)	-	105
LIABILITIES ARISING FROM FINANCING ACTIVITIES	**628,398**	**(13,788)**	**119,682**	**(479)**	**3,361**	**737,174**

Leases are recorded under financial debt in the following categories:

(in € thousands)	Net carrying amount of lease liabilities at March 31, 2023	Increase in lease liabilities	Decrease in lease liabilities	Translation adjustments	Net carrying amount of lease liabilities at March 31, 2024
Equipment leases	48,701	50,766	(14,667)	-	84,800
Real estate leases	30,171	60,711	(9,274)	5	81,612
Other leases	384	824	(524)	-	684
LEASES	**79,256**	**112,301**	**(24,466)**	**5**	**167,096**

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 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.

7.14 Provisions and other non-current liabilities

(in € thousands)	March 31, 2024	March 31, 2023
Deferred income	58,733	44,217
Advances from customers	8,325	20,736
Deferred tax liabilities	2,741	3,220
Non-current liabilities	**69,799**	**68,173**
Provisions	9,593	12,223
PROVISIONS AND OTHER NON-CURRENT LIABILITIES	**79,392**	**80,396**

At March 31, 2024, deferred income mainly comprises:

- subsidies to be recognized in the income statement for €49,581 thousand (versus €31,818 thousand at March 31, 2023), of which €26,523 thousand for the Pasir Ris site in Singapore;
- research tax credits/subsidies relating to capitalized development costs for €6,710 thousand (€8,408 thousand at March 31, 2023).

Advances from customers were obtained under multi-year sales contracts.

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

(in € thousands)	March 31, 2023	Additions for the period	Reversals (utilized)	Reversals (surplus)	Translation adjustments	Reclassification and other	Other comprehensive income	March 31, 2024
Disputes	1,496	552	(236)	(398)	-	-	-	1,415
Restructuring	1,055	671	-	(4)	7	-	-	1,729
Solar energy operations	299	23	(111)	-	(8)	2,145	-	2,347
Current provisions	**2,851**	**1,247**	**(348)**	**(402)**	**(1)**	**2,145**	**-**	**5,491**
Retirement benefits	9,108	1,223	-	(374)	-	-	(780)	9,176
Solar energy operations	3,114	-	(39)	(505)	(9)	(2,145)	-	417
Non-current provisions	**12,223**	**1,223**	**(39)**	**(879)**	**(9)**	**(2,145)**	**(780)**	**9,593**
PROVISIONS	**15,073**	**2,469**	**(387)**	**(1,281)**	**(10)**	**-**	**(780)**	**15,084**

The Group believes that it has recognized adequate provisions for the risks currently incurred.

The provision for retirement benefit obligations is analyzed in note 7.16 "*Retirement benefit obligations and other post-employment benefits*".

Provisions relating to discontinued or sold operations (solar energy business) and the underlying commitments amount to €2,764 thousand. These provisions mainly relate to dismantling costs for solar power plants in Europe.

A total of €655 thousand in provisions related to former solar energy activities was reversed in fiscal year 2023-2024 as certain risks covered by these provisions were no longer relevant.

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

The 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 the 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 the 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, as necessary.

7.15 Provisions and other current liabilities

(in € thousands)	March 31, 2024	March 31, 2023
Tax and social security payables	80,916	102,954
Payable to fixed asset suppliers	74,149	69,502
Prepayments received on customer orders	26,388	29,004
Deferred income	8,885	7,902
Other liabilities	6,370	3,456
Current liabilities	**196,708**	**212,818**
Provisions	5,491	2,851
PROVISIONS AND OTHER CURRENT LIABILITIES	**202,199**	**215,668**

The decrease in tax and social security payables over fiscal year 2023-2024 is mainly due to the settlement of tax payables by Soitec Microelectronics Singapore Pte Ltd.

Provisions are set out in note 7.14 "Provisions and other non-current liabilities".

Accounting principles

See note 7.14 "*Provisions and other non-current liabilities*".

7.16 Retirement benefit obligations and other post-employment benefits

Benefit obligations

(in € thousands)	March 31, 2024	March 31, 2023
Retirement benefit obligations (A)	9,183	9,112
Fair value of plan assets (B)	7	4
PROVISION FOR RETIREMENT BENEFIT OBLIGATIONS (A) - (B)	**9,176**	**9,108**

Statutory pension scheme

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 the Company upon retirement.

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.

Other pension plans

The Group has entered into an agreement to supplement statutory retirement benefits. In addition to statutory benefits, the 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.

Assumptions used

	March 31, 2024	March 31, 2023
Retirement age	64-65 years depending on the category	64-65 years depending on the category
Turnover assumptions (average)	0.00% to 7.00% depending on age	0.00% to 7.00% depending on age
Annual inflation rate	2.00%	2.10%
Annual salary increase rate	2.00% to 3.50%	2.00% to 3.50%
Contribution rate	24.00%	24.00%
Annual discount rate	3.40%	3.60%

Sensitivity

	Annual discount rate		
PRESENT VALUE OF BENEFIT OBLIGATION	2.40%	3.40%	4.40%
	1-point decrease	Base scenario	1-point increase
	15%	**100%**	**-13%**

Change in retirement benefit obligations

(in € thousands)	March 31, 2024	March 31, 2023
PROVISION RECOGNIZED IN THE OPENING STATEMENT OF FINANCIAL POSITION	**9,108**	**12,285**
Service cost	700	744
Interest cost	372	240
Benefits paid	(93)	(62)
Other benefits	(130)	(613)
Actuarial gains/(losses) (assumptions and experience adjustments)	(780)	(3,486)
PROVISION RECOGNIZED IN THE CLOSING STATEMENT OF FINANCIAL POSITION	**9,176**	**9,108**

Only actuarial gains and losses are recognized directly in other comprehensive income. Other changes in the provision are recognized in the income statement under personnel costs and financial expenses.

The liability recorded in the statement of financial position corresponds to the benefit obligation net of plan assets.

(in € thousands)	March 31, 2024	March 31, 2023
BENEFIT OBLIGATION AT BEGINNING OF THE PERIOD	**9,112**	**12,289**
Service cost	700	744
Interest cost	372	240
Benefits paid	(43)	(62)
Other benefits	(130)	(613)
Actuarial gains/(losses)	(828)	(3,486)
BENEFIT OBLIGATION AT END OF THE PERIOD	**9,183**	**9,112**

(in € thousands)	March 31, 2024	March 31, 2023
FAIR VALUE OF PLAN ASSETS AT BEGINNING OF THE PERIOD	**4**	**4**
Benefits paid net of contributions	50	0
Actuarial gains/(losses)	(48)	(0)
FAIR VALUE OF PLAN ASSETS AT END OF THE PERIOD	**7**	**4**

Accounting principles

Retirement indemnities and related benefits

The 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 the statement of 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.

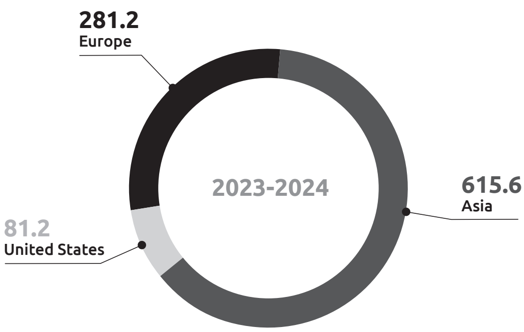
NOTE 8. NOTES TO THE CONSOLIDATED INCOME STATEMENT

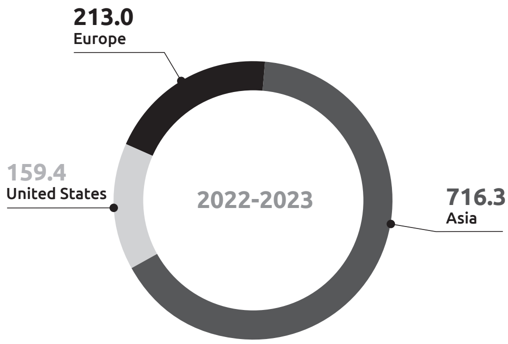
8.1 Revenue

All revenue is generated by the Electronics segment, and breaks down as follows:

(in € thousands)	Year ended March 31, 2024	Year ended March 31, 2023
Mobile Communications	610,944	730,570
Automotive & Industrial	163,427	140,867
Smart Devices	203,542	217,293
REVENUE	**977,914**	**1,088,730**

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 the 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 the 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 the goods remaining to be delivered are distinct from the goods that have already been delivered,
  - 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;
- transfers of technology, for which contracts are analyzed on a case-by-case basis;
- revenue linked to royalties is recognized according to the number of wafers produced.

These sales are analyzed on a case-by-case basis.

The Group may become involved in contracts in which invoicing does not take place when the products are delivered, but when they are consumed by customers. In this case, the 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 the Group.

8.2 Personnel costs

(in € thousands)	Year ended March 31, 2024	Year ended March 31, 2023
Wages and salaries, including social security costs(1)	(189,747)	(185,402)
Pension costs	(477)	(62)
Share-based payment expenses(2)	(13,657)	(16,788)
PERSONNEL COSTS	**(203,881)**	**(202,252)**

(1) Wages and salaries also include incentive and mandatory profit-sharing expenses.

(2) Including social security contributions.

The net addition to the provision for retirement benefit obligations included service costs of €477 thousand.

The Group's average number of employees measured on a full-time equivalent basis is as follows:

(full-time equivalent)	Year ended March 31, 2024	Year ended March 31, 2023
Production	1,397	1,269
R&D	413	431
Corporate, sales and administrative departments	374	344
TOTAL FULL-TIME EQUIVALENT HEADCOUNT	**2,184**	**2,044**

8.3 R&D costs

(in € thousands)	Year ended March 31, 2024	Year ended March 31, 2023
Gross R&D costs before capitalization	**(137,360)**	**(122,664)**
Capitalized development costs	31,006	27,997
Gross R&D costs	**(106,354)**	**(94,667)**
of which cost of amortization of capitalized projects	*(9,723)*	*(10,031)*
Sales of prototypes	4,804	3,296
Subsidies	20,359	9,906
Research tax credit	20,024	17,225
Total income deducted from gross R&D costs	**45,187**	**30,427**
NET R&D COSTS	**(61,167)**	**(64,240)**

Capitalized development costs mainly concern SmartSiC™ products in fiscal years 2023-2024 and 2022-2023.

Accounting principles

Research and development costs include costs that do not meet the criteria for recognition as intangible assets as defined in note 7.1 "Intangible assets". These costs are shown net of any research tax credits and any other subsidies recognized in profit or loss for the period, and include depreciation of capitalized development costs.

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 development 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

8.4 Depreciation and amortization expense

(in € thousands)	Year ended March 31, 2024	Year ended March 31, 2023
Cost of sales	(97,331)	(79,331)
R&D costs	(25,133)	(23,720)
General, sales and administrative expenses	(3,138)	(2,708)
DEPRECIATION AND AMORTIZATION EXPENSE	**(125,602)**	**(105,759)**

The increase in depreciation and amortization expense reflects the high levels of investment over the past few years.

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. Useful lives by non-current asset category are presented in notes 7.1 "Intangible assets" and 7.2 "Property, plant and equipment".

8.5 Other operating income and expenses

Other operating income and expenses represent a net expense of €2,886 thousand for fiscal year 2023-2024, corresponding mainly to asset depreciation and non-recurring fees for ongoing disputes.

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 the 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.

8.6 Financial income

(in € thousands)	Year ended March 31, 2024	Year ended March 31, 2023
Interest income	17,969	4,876
Other financial income	915	-
Reversal of provisions for impairment of equity investments held	660	156
Net foreign exchange gains(1)	1,047	514
FINANCIAL INCOME	**20,591**	**5,546**

(1) Foreign exchange gains and losses are presented net.

In the 12 months to March 31, 2024, financial income mainly comprised interest received in connection with the investment of a portion of the Group's cash during fiscal year 2023-2024.

8.7 Financial expenses

(in € thousands)	Year ended March 31, 2024	Year ended March 31, 2023
Interest on OCEANE convertible bonds	(7,863)	(7,662)
Interest on borrowings and credit lines	(7,563)	(4,474)
Interest on leases	(3,495)	(758)
Other financial expenses	(1,548)	(1,018)
Other interest expense	(644)	(641)
Equity investments	(4,246)	(560)
FINANCIAL EXPENSES	**(25,360)**	**(15,113)**

Financial expenses mainly include interest on OCEANE 2025 convertible bonds and interest expense linked to financing operations.

The increase in financial expenses mainly concerns interest on borrowings, credit lines and leases due to new financing arrangements in fiscal years 2022-2023 and 2023-2024 (see note 7.13 "*Borrowings and financial debt*").

The change in fair value of non-controlling interests is presented in note 7.4 "Non-current financial assets".

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, effects of discounting, and foreign exchange gains and losses on items not included in net debt.

8.8 Income tax

The net income tax expense for the year to March 31, 2024 was €22,714 thousand, reflecting current tax expense of €21,415 thousand originating mainly from the Company, increased by the recognition of a deferred tax expense of €1,299 thousand.

The difference between the theoretical income tax calculated at the standard tax rate in France (25.83% for the year to March 31, 2024) and the effective tax expense in the income statement breaks down as follows:

(in € thousands)	Year ended March 31, 2024	Year ended March 31, 2023
Profit before tax	**201,031**	**259,233**
Tax rates in force in France	25.83%	25.83%
Theoretical income tax benefit/(expense) at the applicable rate	**(51,926)**	**(66,960)**
RECONCILIATION ITEMS		
Unrecognized deferred tax assets	(2,537)	(3,033)
Non-deductible provisions and expenses (permanent difference)	(190)	(198)
Non-taxable income	14,476	8,438
Utilization of tax loss carryforwards	13,086	27,270
Adjustment of tax loss carryforwards	(721)	5,367
Adjustments for differences in income tax rates	5,077	4,666
Share-based payments	(1,022)	(2,281)
Other differences	1,043	533
EFFECTIVE TAX	**(22,714)**	**(26,198)**

Deferred tax assets and liabilities chiefly break down as follows, by nature:

(in € thousands)	March 31, 2023	Income statement	Other comprehensive income	Translation adjustments and other reclassifications	March 31, 2024
Tax losses carried forward, net	66,871	(721)	-	-	66,150
Temporary differences(1)	4,419	(2,556)	-	-	1,863
Other items(2)	8,100	(373)	(2,158)	-	5,569
Total deferred tax assets	**79,390**	**(3,649)**	**(2,158)**	**-**	**73,583**
Net deferred taxes on leases	(4,691)	(98)	-	-	(4,790)
Deferred taxes on financial instruments	161	107	(393)	-	(125)
Other items(2)	(11,323)	2,342	-	-	(8,981)
Total deferred tax liabilities	**(15,853)**	**2,351**	**(393)**	**-**	**(13,896)**
NET DEFERRED TAXES	**63,537**	**(1,299)**	**(2,551)**	**-**	**59,687**

(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 €1.0 million, retirement benefits recognized in assets for a positive €2.4 million, repayable advances recognized for a negative €2.0 million, the equity component of the OCEANE 2025 convertible bonds for a negative €2.7 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 €2.8 million.

Deferred tax assets include an amount of €66,150 thousand relating to tax loss carryforwards in France which the Group expects to utilize in the coming years. Unrecognized tax loss carryforwards (base) in France (mainly attributable to Soitec SA) totaled €146,538 thousand at March 31, 2024.

Unrecognized tax loss carryforwards attributable to other Group entities amounted to US$291,758 thousand for Soitec USA Holding (to be utilized by March 31, 2038) and €20,993 thousand for Soitec Belgium (to be utilized by March 31, 2027).

An audit of the Company and all Soitec SA tax returns for the period from April 1, 2019 to March 31, 2022 has been in progress since February 23, 2023. No comments have yet been issued in this regard.

Accounting principles

In accordance with IAS 12, income tax expense represents the sum of income tax due by the 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.

8.9 Net profit/(loss) from discontinued operations

(in € thousands)	Year ended March 31, 2024	Year ended March 31, 2023
Income for the period	417	1,053
Current operating income	**417**	**1,053**
Other operating expenses, net	0	(3)
Operating income	**417**	**1,050**
Net financial income	160	78
Profit before tax	**577**	**1,128**
Income tax	(85)	(2)
NET PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS	**491**	**1,126**

For the year to March 31, 2024, net profit from discontinued operations mainly corresponds to reversals of provisions recognized by the Group for certain risks in connection with the 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.

8.10 Earnings per share

(number of shares)	Year ended March 31, 2024	Year ended March 31, 2023
Weighted average number of ordinary shares used to calculate basic earnings per share	35,655,679	35,133,150
Effects of dilution		
OCEANE convertible bonds	1,864,173	1,864,173
Free shares	190,735	243,073
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES ADJUSTED FOR DILUTED EARNINGS PER SHARE	**37,710,587**	**37,240,396**
Basic earnings per share *(in euros)*	5.00	6.63
Diluted earnings per share *(in euros)*	4.88	6.41

In addition to the dilutive shares described above, 278,550 equity instruments, potentially dilutive at March 31, 2024, 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.

NOTE 9. OTHER INFORMATION

9.1 Contractual obligations and commitments

	March 31, 2024				March 31, 2023
(in € thousands)	Less than 1 year	1 to 5 years	More than 5 years	Total	Total
OFF-BALANCE SHEET COMMITMENTS					
Guarantees given	971	102,570	20,030	123,571	119,323
Other commitments	-	104,490	-	104,490	35,868
TOTAL	**971**	**207,060**	**20,030**	**228,061**	**155,191**
UNDRAWN COMMITTED CREDIT LINES	**4,000**	**116,000**	**-**	**120,000**	**95,000**

At March 31, 2024, off-balance sheet commitments given totaled €228,061 thousand, and mainly concerned:

- commitments to purchase raw materials under multi-annual contracts, together with a contractual compensation indemnity, for €104,490 thousand;
- a guarantee given on equipment for €98,715 thousand financed by four syndicated loans taken out with four Asian banks;
- a guarantee given to the project company for the Touwsrivier solar power plant (CPV Power Plant no. 1) for €20,000 thousand;
- a guarantee given to ES Finance for €3,231 thousand euros for two leases in Belgium.

9.2 Related-party disclosures

At March 31, 2024, the members of the Board of Directors were as follows:

- Éric Meurice, Chair of the Board of Directors, whose term of office is set to expire at the end of the Annual General Meeting of July 23, 2024, and who will be replaced by Christophe Gégout for an interim period;
- Pierre Barnabé, Chief Executive Officer;
- Wissème Allali, employee director;
- Bpifrance Participations, represented by Samuel Dalens;
- CEA Investissement, represented by François Jacq;
- Françoise Chombar;
- Fonds Stratégique de Participations (FSP), represented by Laurence Delpy;
- Christophe Gégout, Referent Director;
- Didier Landru, employee director;
- Satoshi Onishi;
- Maude Portigliatti;
- Delphine Ségura-Vaylet;
- Kai Seikku;
- Shuo Zhang.

Of the 14 members of the Board, seven are independent (including the Referent Director), in accordance with the recommendations of the AFEP-MEDEF Code to which the Company refers: Éric Meurice, Françoise Chombar, Fonds Stratégique de Participations as represented by Laurence Delpy, Christophe Gégout, Maude Portigliatti, Delphine Segura-Vaylet and Shuo Zhang. The 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 the Group maintains or is likely to maintain business relationships with Bpifrance, Shin-Etsu Handotai Co. Ltd., STMicroelectronics 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).

Shin-Etsu Handotai Co. Ltd.

The Group has identified Satoshi Onishi, member of the Company's Board of Directors and Chief Executive Officer of Shin-Etsu Chemical Co. Ltd., which controls Shin-Etsu Handotai, as a related party.

In fiscal year 2023-2024, purchases of raw materials from Shin-Etsu Handotai represented €223,736 thousand (€249,357 thousand in fiscal 2022-2023). The Group invoiced Shin-Etsu Handotai €3,827 thousand in fees in respect of fiscal year 2023-2024 (€4,964 thousand in respect of fiscal 2022-2023).

ST Microelectronics International N.V.

The Group identified the following related parties:

- Nicolas Dufourcq, (i) Chair of the Supervisory Board of STMicroelectronics N.V. (sole shareholder of STMicroelectronics International N.V.); (ii) Chair 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) director of STMicroelectronics Holding N.V. (shareholder of STMicroelectronics N.V.); and (ii) permanent representative of Bpifrance Participations, a shareholder and director of Soitec holding more than 10% of the voting rights and a shareholder of STMicroelectronics Holding N.V.

On November 30, 2022, the Company signed a memorandum of understanding defining 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. The objective of the cooperation is the adoption by ST, a global semiconductor leader serving customers across the spectrum of electronics applications, of Soitec's SmartSiC™ technology.

Soitec invoiced US$10 million under this memorandum of understanding in fiscal year 2023-2024 (compared with US$10 million invoiced in fiscal 2022-2023).

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.

This agreement was classified as a related-party agreement. It was authorized, prior to its signature, by the Board of Directors at its November 23, 2022 meeting, and subsequently approved by the Annual General Meeting of July 25, 2023.

Other related parties

CEA: The Group has identified CEA Investissement, a company controlled by CEA, as a related party. CEA Investissement is a member of the Board of Directors and a shareholder holding more than 10% of Soitec's voting rights.

In fiscal year 2023-2024, the Group paid CEA €10,601 thousand in respect of the R&D agreement and €8 thousand under the hosting agreement (versus €8,061 thousand and €1,122 thousand, respectively, in fiscal 2022-2023), and €4,988 thousand in patent royalties (compared with €6,071 thousand in fiscal 2022-2023). The Group also invoiced CEA €2,137 thousand, mainly in connection with the sale of 300 mm wafers (versus €734 thousand in fiscal 2023-2024).

The multi-annual framework R&D partnership agreement and the amendment to the agreement for patent licensing and the provision of know-how for the manufacture and sale of substrates were classified as related-party agreements. This agreement and amendment were authorized, prior to their signature, by the Board of Directors at its September 28, 2022 meeting, and subsequently approved by the Annual General Meeting of July 25, 2023.

Simgui: The Group identified the following related parties:

- National Silicon Industry Group (NSIG), which controls one of Soitec's shareholders holding more than 10% of the voting rights (NSIG Sunrise S.à.r.l.) as well as Simgui;
- Kai Seikku, member of the Company's Board of Directors and Executive Vice-President of NSIG.

During fiscal year 2023-2024, the Group paid Simgui US$47,700 thousand for the purchase of 200 mm SOI wafers (US$91,800 thousand in fiscal 2022-2023). The Group also invoiced it for US$22,900 thousand worth of silicon substrates (versus US$43,400 thousand invoiced in fiscal 2022-2023), and received dividends of €337 thousand in fiscal year 2023-2024.

The amendments to the license and technology transfer agreement, the SOI wafer supply agreement and the raw materials supply agreement were classified as related-party agreements. They were authorized, prior to their signature, by the Board of Directors at its September 15, 2021 meeting, and subsequently approved by the Combined General Meeting of July 26, 2022.

BPI France: The Group identified Bpifrance Participations, a company controlled by Bpifrance, as a related party. Bpifrance Participations is a member of the Board of Directors and a shareholder holding more than 10% of Soitec's voting rights.

During fiscal year 2023-2024, the Group repaid €0.6 million under programs subsidized by Bpifrance (compared with €2.5 million during fiscal year 2022-2023) and received €19.4 million from Bpifrance Investissement, mainly for the IPCEI ME/CT and Limpide programs (compared with €2.9 million in the previous fiscal year, notably for the Mobisic and Limpide programs). The Group obtained financing from Bpifrance during the fiscal year in respect of research tax credits receivable for €8.3 million (€7.4 million in fiscal year 2022-2023).

At March 31, 2024, the Executive Committee (ExCom) had 11 members, excluding corporate officers, with an average membership of 11 over the fiscal year (stable compared to the previous fiscal year).

(in € thousands)	Year ended March 31, 2024	Year ended March 31, 2023
Short-term benefits	5,674(1)	5,917(2)
Accounting valuation of free performance shares allocated during the fiscal year	4,010	4,365
TOTAL GROSS COMPENSATION GRANTED TO GROUP EXECUTIVES	**9,684**	**10,282**

(1) The amounts indicated are calculated taking into account an estimated average achievement rate of 100%.
(2) Actual amount paid.

During fiscal year 2023-2024, executives excluding corporate officers were allocated:

- 39,981 ordinary shares under the Onyx 2026 plan, subject to performance and continued employment conditions;
- 1,447 ordinary shares under the Agate 2026 plan, subject to performance and continued employment conditions.

Gross compensation paid to corporate officers, i.e., the Chair of the Board, the Chief Executive Officer, and Board members (with the exception of employee directors, who receive no compensation for their duties) is as follows:

(in € thousands)	Year ended March 31, 2024	Year ended March 31, 2023
Short-term benefits	730	1,364
Accounting value of free shares allocated during the fiscal year	743	911
Total compensation granted to corporate officers	**1,473**	**2,275**
Compensation	1,010	1,010
Reimbursement of travel expenses	64	36
TOTAL COMPENSATION AWARDED TO CORPORATE OFFICERS, DIRECTORS AND NON-EMPLOYEE DIRECTORS	**2,547**	**3,321**

In fiscal year 2023-2024, 8,637 ordinary shares were allocated on a conditional basis to the Chief Executive Officer under the Onyx 2026 plan, subject to performance and continued employment conditions.

9.3 Financial risk management

Financial risk management objectives and policies

Foreign exchange risk management

The Group looks to protect itself against foreign exchange risk on commercial transactions recognized in the statement of financial position and on highly probable future transactions. During fiscal year 2023-2024, the Group's policy regarding exposure to foreign exchange risk on its future commercial transactions was to hedge a substantial portion of the risk for the fiscal year using derivatives (futures) based on operating budgets. The useful lives of these instruments match the Group's payment flows. The Group applies hedge accounting as defined by IFRS 9. The Group's policy is not to use instruments for speculative purposes.

The 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

The Group aims to hedge interest rate risk on material financing arrangements. During fiscal year 2023-2024, the 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 the Group's financial liabilities:

(in € thousands)	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
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**
Borrowings and financial debt	21,072	56,674	545,682	123,392	746,820
Trade payables	165,545	3,609	-	-	169,154
Other liabilities	153,266	48,933	55,855	20,796	278,850
MARCH 31, 2024	**339,883**	**109,216**	**601,537**	**144,188**	**1,194,824**

	March 31, 2024				
(in € thousands)	Notes	Carrying amount	Fair value through other comprehensive income	Fair value through profit or loss	Amortized cost
NON-CURRENT FINANCIAL ASSETS					
Equity investments	7.4	17,977	-	17,977	-
Derivative financial instruments (positive fair value)	7.4	1,291	1,111	180	-
Deposits and guarantees	7.4	111	-	-	111
Other	7.4	11	-	-	11
Non-current financial assets		**19,390**	**1,111**	**18,157**	**122**
CURRENT FINANCIAL ASSETS					
Marketable securities	7.9	4,036	-	4,036	-
Derivative financial instruments (positive fair value)	7.9	1,014	1,014	-	-
Other	7.9	1,815	-	-	1,815
Current financial assets		**6,865**	**1,014**	**4,036**	**1,815**
Trade receivables	7.7	447,606	-	-	447,606
Cash and cash equivalents	7.10	708,219	-	708,219	-
TOTAL FINANCIAL ASSETS		**1,182,080**	**2,125**	**730,412**	**449,543**
CURRENT AND NON-CURRENT FINANCIAL LIABILITIES					
Derivative financial instruments (negative fair value)	7.13	2,641	2,432	209	-
Other financial debt	7.13	421,053	-	-	421,053
Bonds: OCEANE 2025 convertible bonds	7.13	312,879	-	-	312,879
Drawn committed credit lines	7.13	10,247	-	-	10,247
Current and non-current financial liabilities		**746,820**	**2,432**	**209**	**744,179**
Trade payables		169,154	-	-	169,154
TOTAL FINANCIAL LIABILITIES		**915,974**	**2,432**	**209**	**913,333**

		Year ended 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					
Equity investments	7.4	20,281	-	20,281	-
Derivative financial instruments (positive fair value)	7.4	4,775	4,775	-	-
Deposits and guarantees	7.4	107	-	-	107
Other	7.4	11	-	-	11
Non-current financial assets		**25,174**	**4,775**	**20,281**	**118**
CURRENT FINANCIAL ASSETS					
Derivative financial instruments (positive fair value)	7.9	1,033	1,033	-	-
Other	7.9	2,405	-	-	2,405
Current financial assets		**3,438**	**1,033**	**-**	**2,405**
Trade receivables	7.7	363,118	-	-	363,118
Cash and cash equivalents	7.10	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)	7.13	7,271	7,271	-	-
Other financial debt	7.13	325,541	-	-	325,541
Bonds: OCEANE 2025 convertible bonds	7.13	305,015	-	-	305,015
Drawn committed credit lines	7.13	9,756	-	-	9,756
Current and non-current financial liabilities		**647,583**	**7,271**	**-**	**640,312**
Trade payables		170,722	-	-	170,722
TOTAL FINANCIAL LIABILITIES		**818,305**	**7,271**	**-**	**811,034**

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					
Equity investments	7.4	-	-	17,977	17,977
Marketable securities	7.9	4,036	-	-	4,036
Cash and cash equivalents	7.10	708,219	-	-	708,219
Derivative financial instruments (positive fair value)	7.9	-	2,305	-	2,305
LIABILITIES					
Derivative financial instruments (negative fair value)	7.13	-	(2,641)	-	(2,641)
NET VALUE AT MARCH 31, 2024		**712,255**	**(336)**	**17,977**	**729,896**
ASSETS					
Equity investments	7.4	-	-	20,281	20,281
Cash and cash equivalents	7.10	787,915	-	-	787,915
Derivative financial instruments (positive fair value)	7.9	-	5,808	-	5,808
LIABILITIES					
Derivative financial instruments (negative fair value)	7.13	-	(7,271)	-	(7,271)
NET VALUE AT MARCH 31, 2023		**787,915**	**(1,463)**	**20,281**	**806,733**

Financial instruments used

Foreign exchange and interest rate risk

The table below shows the financial instruments contracted to hedge foreign exchange risk and the rates to which the Group is exposed at March 31, 2024:

	Risk hedged at March 31, 2024			
		Foreign exchange risk		Interest rate risk
(in € thousands)	Total	Forward contracts	Options	Interest rate caps
Hedging instruments	**(336)**	**(2,345)**	**(29)**	**2,037**
Positive fair value of derivatives	2,305	87	180	2,037
Negative fair value of derivatives	(2,641)	(2,432)	(209)	-
Change in cash flow hedge reserve	**777**	**4,167**	**(29)**	**(3,361)**
Gains/(losses) recognized in other comprehensive income	342	2,952	-	(2,610)
Gains/(losses) recognized in net financial income/(expense)	(780)	-	(29)	(751)
Gains/(losses) recognized in operating income	1,215	1,215	-	-
Item hedged		**Revenue**	**Capital expenditure (Equipment)**	**Floating-rate interest**

The main hedges outstanding at end-March 2023 and their impacts on the financial statements are presented below:

	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
Gains/(losses) recognized in net financial income/(expense)	(2,172)	-	(1,655)	(517)
Gains/(losses) recognized in operating income	(9,086)	(9,086)	-	-
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 2024 are presented below:

	Nominal value of hedging instruments by maturity			
(in € thousands)	2024	2025	2026	2027 and beyond
Forward contracts, sale of USD	120,248	59,199	-	-
Options, purchase of JPY	8,822	-	-	-
Interest rate caps, EUR	3,231	3,218	2,668	8,016

Sensitivity analysis of net exposure after foreign exchange hedging

The exchange rates of the Group's two main foreign currencies used at March 31, 2024 were as follows:

- EUR/USD: €1 for US$1.0811 (€1 for US$1.0875 at March 31, 2023);
- EUR/JPY: €1 for JPY 163.45 (€1 for JPY 144.83 at March 31, 2023).

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, 2024 would reduce net profit 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, 2024). For the purposes of this analysis, all other variables (in particular interest rates) are assumed to have remained constant.

(in € thousands)	March 31, 2024	March 31, 2023
US dollar	(28,441)	(23,899)
Singapore dollar	3,264	358
Yen	(471)	(371)
Other currencies	(590)	(472)
Increase/(decrease) in earnings resulting from a 10% increase in the value of the euro	**(26,238)**	**(24,384)**

A 10% decrease in the euro against these currencies at March 31, 2024 would increase profit 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, 2024). For the purposes of this analysis, all other variables (in particular interest rates) are assumed to have remained constant.

(in € thousands)	March 31, 2024	March 31, 2023
US dollar	34,761	29,209
Yen	(3,989)	453
Singapore dollar	575	(438)
Other currencies	722	577
Increase/(decrease) in earnings resulting from a 10% decrease in the value of the euro	**32,069**	**29,801**

Interest rate risk

The 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 December 2020 and January 2022, and using a 2.0% cap for the loan taken out in November 2022.

Most of the exposure to interest rate risk attributable to the property finance lease signed to finance the Bernin 4 plant producing 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 increased net financial expense by €588 thousand.

A 1% decrease in interest rates applied to the portion of debt at floating rates would have decreased net financial expense by €588 million.

Credit risk

The financial instruments on which the Group potentially incurs a credit risk are mainly cash and trade receivables. The Group has put in place a cash management policy to optimize its investments in liquid short-term and low-risk financial instruments. The Group's cash and cash equivalents are deposited mainly with leading international financial institutions.

The Group sells its products to customers within the semiconductor industry, located mainly in the US, Asia, and Europe. At March 31, 2024, eight customers individually represented more than 5% of Group revenue and together accounted for 74% of revenue. At March 31, 2023, eight customers individually represented more than 5% of Group revenue and together accounted for 83% of revenue.

The 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

The 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, 2024 at their nominal amount, including interest recognized and not discounted.

	Contract maturity date						Amount recognized in the statement of financial position at March 31, 2024
	Amount due						
(in € thousands)	Less than 1 year	1-2 years	2-3 years	3-5 years	More than 5 years	Total	
NON-DERIVATIVE FINANCIAL LIABILITIES							
Leases	21,832	21,487	21,462	38,988	61,694	165,463	142,333
Bonds and other borrowings	58,660	380,125	48,980	60,775	61,442	609,982	588,634
Trade payables	169,154	-	-	-	-	169,154	169,154
Other payables (excluding tax and social security payables)	106,907	8,325	-	-	-	115,232	115,232
Total non-derivative financial liabilities	**356,553**	**409,937**	**70,442**	**99,763**	**123,136**	**1,059,831**	**1,015,353**
DERIVATIVE FINANCIAL INSTRUMENTS							
Interest rate derivatives	747	414	257	320	299	2,037	2,037
Currency derivatives	(2,325)	(48)	-	-	-	(2,373)	(2,373)
Total derivative financial instruments	**(1,578)**	**366**	**257**	**320**	**299**	**(336)**	**(336)**
TOTAL FINANCIAL LIABILITIES	**354,975**	**410,303**	**70,699**	**100,083**	**123,435**	**1,059,495**	**1,015,017**

The 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
- credit lines used in particular by certain Group subsidiaries.

At March 31, 2024, in addition to cash and cash equivalents as presented in the statement of financial position (€708 million), the Group's liquidity was backed by:

- committed credit lines: the Group has bank credit lines worth €120 million with eight banks. €100 million of the credit lines is subject to a syndicated credit facility agreement and repayable at maturity no later than July 2028, with a possible extension of up to two years. The remaining €20 million of credit lines is repayable in installments (€4 million every year since 2024). These facilities bear a commitment fee of 0.20% or a non-utilization fee of between 0.32% and 0.60%, as well as interest on amounts drawn ranging from Euribor +0.90% and Euribor 1.70%, or 3-month Euribor (floor) 0.50%, depending on the credit line. None of these lines are subject to any covenants.

  These credit lines were entirely undrawn at March 31, 2024.

Capital management

The 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, the Group reinvests a significant portion of its earnings in its business.

The 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 11.47%, 7.20% and 8.13%, respectively, of the share capital – plus a number of institutional investors.

Accounting principles

Hedging derivatives

The Group hedges its foreign exchange risk on certain transactions denominated in US dollars and Japanese yen using derivatives (forward sales, options). These derivative instruments only hedge foreign exchange risk arising from firm commitments or highly probable future transactions.

The 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

The 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 the 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 10. 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 2024

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 2024.

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 2024 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 April 1, 2023 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. 821-53 and R. 821-180 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 2024, the Group recognized deferred tax assets amounting to 66 M€, only in respect of tax loss carryforwards in France. Tax loss carryforwards in France for which no deferred tax asset was recognized amount to 147 M€ as at 31 March 2024, as stated in Note 8.8 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 8.8 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 2024, capitalized development costs represent a net amount of 90 M€ in the Group's consolidated balance sheet. As described in Note 7.1 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 2024 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 Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of December 17, 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 2024, our firms were in the eighth 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. 821-55 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. 821-27 to L. 821-34 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.

Paris-La Défense and Lyon, May 29, 2024

The Statutory Auditors*French original signed by*

KPMG S.A.		**Ernst & Young Audit**	
Laurent Genin	Rémi Vinit-Dunand	Jacques Pierres	Benjamin Malherbe
Partner	Partner	Partner	Partner

6.3 Statutory financial statements

6.3.1 Company financial statements

6.3.1.1 Company financial statements at March 31, 2024

- **BALANCE SHEET – ASSETS**

(in € thousands)	Gross amount	Depr., amort., impair.	March 31, 2024	March 31, 2023
Uncalled subscribed capital	-	-	-	-
INTANGIBLE ASSETS				
Start-up costs	-	-	-	-
Development costs	47,875	20,936	26,939	32,924
Concessions, patents and similar rights	77,531	66,910	10,621	6,547
Business goodwill	-	-	-	-
Other intangible assets	46,855	-	46,855	23,558
Advances and prepayments received on intangible assets	-	-	-	-
PROPERTY, PLANT AND EQUIPMENT				
Land	6,496	734	5,762	5,511
Buildings	12,587	5,709	6,878	6,712
Technical installations, equipment, tooling	334,804	233,013	101,791	80,849
Other property, plant and equipment	124,502	52,643	71,858	43,089
Property, plant and equipment in progress	95,660	-	95,660	86,189
Advances and prepayments received on property, plant and equipment	-	-	-	-
NON-CURRENT FINANCIAL ASSETS				
Investments in equity-accounted companies	-	-	-	-
Other investments	476,010	4,245	471,765	473,600
Advances to equity investments	32,700	-	32,700	52,013
Other long-term investments	5	-	5	5
Loans	-	-	-	-
Other non-current financial assets	832	-	832	916
NON-CURRENT ASSETS	**1,255,857**	**384,191**	**871,667**	**811,912**
INVENTORY AND WORK-IN-PROGRESS				
Raw materials, supplies	114,957	12,651	102,306	80,874
Work-in-progress – goods	17,420	2,614	14,805	13,769
Work-in-progress – services	-	-	-	-
Semi-finished and finished products	31,233	11,114	20,119	12,981
Goods held for resale	927	200	727	135
Prepayments on orders of current assets	72,332	-	72,332	49,763
RECEIVABLES				
Trade receivables[c]	330,498	24	330,475	307,473
Other receivables[c]	53,347	-	53,347	51,126
Subscribed capital called but unpaid	-	-	-	-
MISCELLANEOUS				
Marketable securities	7,636	744	6,891	12,057
of which treasury shares:				
Cash at bank and at hand	555,155	-	555,155	567,190
ACCRUALS				
Prepaid expenses[c]	3,712	-	3,712	3,626
CURRENT ASSETS	**1,187,217**	**27,346**	**1,159,869**	**1,098,993**
Debt issue costs to be amortized	1,183	-	1,183	1,971
Bond redemption premiums	-	-	-	-
Unrealized foreign exchange losses	3,884	-	3,884	7,118
TOTAL	**2,448,141**	**411,537**	**2,036,603**	**1,919,994**
(c) Portion due in more than 1 year.	*-*	*-*	*3,257*	*2,917*

BALANCE SHEET – EQUITY AND LIABILITIES

(in € thousands)	March 31, 2024	March 31, 2023
Share capital (of which paid up: 71,425)	71,425	71,179
Share, merger and contribution premiums	228,472	228,718
Revaluation reserve (of which equity accounting)		
Legal reserve	7,118	7,030
Statutory or contractual reserves	-	-
Regulated reserves (incl. provision for foreign exchange)	-	-
Other reserves (incl. purchase of original works of art)	23,116	23,116
Retained earnings	679,544	467,784
NET PROFIT	**159,892**	**211,847**
Investment subsidies	38	-
Tax-driven provisions	251	179
EQUITY	**1,169,856**	**1,009,853**
Proceeds from issues of securities	-	-
Conditional advances	12,091	12,691
OTHER EQUITY	**12,091**	**12,691**
Provisions for contingencies	4,687	7,746
Provisions for expenses	-	-
PROVISIONS	**4,687**	**7,746**
FINANCIAL DEBT		
Convertible bonds	325,000	325,000
Other bonds	-	-
Borrowings and debt with credit institutions(d)(e)	149,480	150,780
Borrowings and other financial debt (incl. equity loans)	(2)	0
Prepayments received on outstanding orders(d)	18,237	22,571
OPERATING PAYABLES	-	-
Trade payables	191,944	215,971
Tax and social security payables(d)	57,366	75,408
MISCELLANEOUS LIABILITIES		
Amounts due on fixed assets(d)	35,099	36,535
Other liabilities(d)	43,500	40,387
ACCRUALS		
Deferred income(d)	27,419	18,767
LIABILITIES	**848,042**	**885,419**
Unrealized foreign exchange gains	1,927	4,285
TOTAL	**2,036,603**	**1,919,994**
(d) Prepayments and deferred income due within 1 year.	*151,469*	*131,635*
(e) Of which bank outstandings, bank credit balances, current accounts.	*-*	*0*

INCOME STATEMENT

(in € thousands)	France	Export	Year ended March 31, 2024	Year ended March 31, 2023
Sales of goods	661	156,229	156,890	391,421
Sales of goods produced	56,328	511,292	567,620	596,615
Sales of services provided	661	32,366	33,027	49,495
Net revenue	**57,650**	**699,887**	**757,537**	**1,037,531**
Production in inventory	-	-	8,498	8,300
Stored production	-	-	20,591	19,495
Operating subsidies	-	-	33,592	18,065
Reversals of impairment and provisions, expense transfers[i]	-	-	8,044	2,338
Other income[a][k]	-	-	45,326	68,587
Operating income[b]	**-**	**-**	**873,587**	**1,154,315**
Purchases of goods held for resale (including customs duties)	-	-	138,597	294,992
Changes in inventory (goods)	-	-	(611)	(53)
Purchases of raw materials and supplies (and customs duties)	-	-	280,480	296,055
Changes in inventory (raw materials and supplies)	-	-	(23,847)	(21,365)
Other purchases and external expenses[c][f bis]	-	-	124,446	118,039
Taxes and similar payments	-	-	5,350	5,415
Wages and salaries	-	-	92,861	90,320
Social security contributions[j]	-	-	40,721	41,417
OPERATING EXPENSES				
Fixed assets: depreciation and amortization expense	-	-	39,642	34,415
Fixed assets: impairment charge	-	-	0	6
Current assets: impairment charge	-	-	2,755	10,577
Additions to provisions	-	-	2,967	2,218
Other costs[l]	-	-	26,976	70,596
Operating expenses[d]	**-**	**-**	**730,338**	**942,630**
OPERATING PROFIT	**-**	**-**	**143,249**	**211,685**
FINANCIAL INCOME				
Financial income from investments[e]	-	-	8,829	-
Income from other marketable securities and investments	-		337	-
Other interest income[e]	-	-	18,258	8,789
Reversals of impairment and provisions, expense transfers	-	-	1,272	5,194
Positive translation adjustments	-	-	2,714	22,197
Net income on disposals of marketable securities	-	-	2,264	107
Financial income	**-**	**-**	**33,675**	**36,286**
Additions to amortization, impairment and provisions for financial assets	-	-	5,719	5,000
Interest and similar expense[f]	-	-	6,595	4,307
Negative translation adjustments	-	-	3,265	8,112
Net expense on disposals of marketable securities	-	-		--
Financial expenses	**-**	**-**	**15,579**	**17,418**
NET FINANCIAL INCOME	**-**	**-**	**18,096**	**18,868**
RECURRING PROFIT BEFORE TAX	**-**	**-**	**161,345**	**230,553**

(in € thousands)	France	Export	Year ended March 31, 2024	Year ended March 31, 2023
Non-recurring income on management transactions	-	-	-	0
Non-recurring income on corporate actions	-	-	50,946	267,515
Reversals of impairment and provisions, expense transfers	-	-	11	122
Non-recurring income	**-**	**-**	**50,958**	**267,637**
Non-recurring expenses on management transactions[f bis]	-	-	23	2
Non-recurring expenses on corporate actions	-	-	51,124	267,566
Non-recurring additions to depreciation, amortization, impairment and provisions	-	-	84	84
Non-recurring expenses	**-**	**-**	**51,231**	**267,652**
NET NON-RECURRING EXPENSE	**-**	**-**	**(273)**	**(15)**
Employee profit-sharing plan	-	-	1,063	3,380
Income tax	-	-	117	15,311
Total income	**-**	**-**	**958,219**	**1,458,238**
Total expenses	**-**	**-**	**798,327**	**1,246,391**
NET PROFIT	**-**	**-**	**159,892**	**211,847**

(a) Of which net income on long-term transactions.	*-*	*-*
(b) Of which:		
· Income from real estate leases;	*-*	*-*
· Operating income from previous fiscal years.	*-*	*-*
(c) Of which:		
· Property finance lease;	*2,859*	*-*
· Equipment leases.	*14,207*	*12,667*
(d) Of which operating costs from previous fiscal years (h).	*-*	*-*
(e) Of which income concerning related parties.	*840*	*5,306*
(f) Of which interest concerning related parties.	*1,033*	*411*
(f bis) Of which charitable donations (Article 238 bis of the French Tax Code).	*-*	*-*
(g) Breakdown of non-recurring income and expenses.	*-*	*-*
(h) Breakdown of income and expenses from previous fiscal years.	*-*	*-*
(i) Of which expense transfers.	*1,865*	*1,087*
(j) Of which owners' contributions.	*-*	*-*
(k) Of which royalties for concessions, patents, licenses (income).	*31,508*	*7,044*
(l) Of which royalties for concessions, patents, licenses (expense).	*4,851*	*6,001*

6.3.1.2 Notes to the Company financial statements

NOTE 1. OVERVIEW OF THE COMPANY AND BUSINESS ACTIVITY

The total balance sheet prior to appropriation for the fiscal year ended March 31, 2024 represents €2,037 million. The income statement, presented in list form, shows total expenses of €798 million, total income of €958 million and net profit of €159,892,381.81 million.

The fiscal year runs from April 1, 2023 to March 31, 2024.

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 23, 2024:

- appropriate €24,577 to the "Legal reserve", bringing it up to 10% of the share capital, which would be increased from €7,117,883.40 to €7,142,460.40; and
- appropriate the balance of €159,867,804.81 to "Retained earnings", which would be increased from €679,543,716.01 to €839,411,520.82.

Our financial statements were approved by the Board of Directors on May 22, 2024.

NOTE 2. SIGNIFICANT EVENTS OF THE YEAR

2.1 Commissioning of a new plant producing SmartSiC™ silicon carbide-based substrates

The Company finalized the construction of the first phase of the plant producing innovative 150 mm and 200 mm SmartSiC™ substrates.

Total capacity is planned to reach 500,000 wafers. The fab also includes refresh (raw materials recycling) capacity for the production of 300 mm SOI wafers.

The first phase of work was handed over and commissioned on July 1, 2023, at a total cost of €59 million. Delivery of the second phase of work is scheduled for first-half 2024-2025, at a cost of €31 million.

The investment is financed through a lease.

2.2 IPCEI 2 European subsidy

On January 26, 2024, Soitec signed an agreement providing for financial assistance from the French government for 2022-2026. This agreement is part of the France 2030 national investment program. The European Commission approved the project's inclusion in the 2026 IPCEI ME/CT (Important Project of Common European Interest – Microelectronics and Communication Technology) category. In line with the objectives set out in the European regulation on semiconductors (European Chips Act), this measure will bolster the security of supply and the resilience of Europe's semiconductor ecosystem.

The funds granted will mainly be used to support research and development activities and first industrialization. The funds will help ramp up the Bernin 4 (SmartSiC™) and Bernin 3 (POI) facilities.

2.3 Transfer pricing policy

A functional analysis was conducted during fiscal year 2022-2023, which identified changes in the Soitec Group's organizational and functional structure. As such, the transfer pricing policy has been modified to take into account the roles and responsibilities of stakeholders, notably of Soitec Singapore. As from fiscal year 2023-2024, Soitec Singapore and Soitec SA are joint venturers, retaining the residual margins from their respective manufacturing activities. This change required Soitec SA to grant intellectual property rights over the territory entrusted to Soitec Singapore through a license agreement, compensation for which comes in the form of a royalty paid to Soitec SA, the owner of all the patents.

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 general rules and Company rules, 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, 2024. In the event of changes in the underlying assumptions or in the prevailing economic conditions, the amounts presented in the 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:

- the 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 the Group, generally evidenced by current orders or contracts;
- the costs can be measured reliably;
- the Company has the capacity to use or sell the intangible asset;
- the 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.

The 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 recognized in the income statement, and development costs are capitalized if they meet the criteria, otherwise they remain expensed. Costs incurred in the industrialization phase are recognized in cost of sales.

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.

Property, plant and equipment include development projects for a gross amount of €96 million, 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**

(in € thousands)	Opening balance	Increases remeasurement	Increases acquisitions, contributions, transfers
Start-up and development costs	**47,875**	**-**	**-**
Other intangible assets	93,936	-	44,640
Land	6,033	-	463
Buildings on own land	12,088	-	499
Technical installations, equipment and industrial tooling	298,280	-	41,290
General installations, fixtures and fittings	74,006	-	32,759
Vehicles	592	-	113
Office, IT equipment and furniture	17,723	-	2,985
Property, plant and equipment in progress	86,189	-	136,399
Property, plant and equipment	**494,911**	**0**	**214,508**
Other investments	526,273	-	10,927
Other long-term investments	5	-	0
Loans and other non-current financial assets	916	-	110
Non-current financial assets	**527,194**	**0**	**11,037**
TOTAL	**1,163,916**	**-**	**270,185**

(in € thousands)	Decreases transfers	Decreases disposals	Closing balance	Opening value
Start-up and development costs	**-**	**-**	**47,875**	**-**
Other Intangible assets	10,707	3,483	124,386	-
Land	-	-	6,496	-
Buildings on own land	-	-	12,587	-
Technical installations, equipment and industrial tools	-	4,766	334,804	-
General installations, fixtures and fittings	-	19	106,746	-
Vehicles	-	-	705	-
Office, IT equipment and furniture	-	3,657	17,051	-
Property, plant and equipment in progress	78,038	48,890	95,660	-
Property, plant and equipment	**78,038**	**57,332**	**574,049**	**-**
Other investments	-	28,490	508,710	-
Other long-term investments	-	-	5	-
Loans and other non-current financial assets	-	194	832	-
Non-current financial assets	**-**	**28,683**	**509,547**	**-**
TOTAL	**88,745**	**89,498**	**1,255,857**	**0**

- **DEPRECIATION AND IMPAIRMENT**

(in € thousands)	Opening balance	Additions	Reversals	Closing balance
Start-up and development costs	**14,952**	**5,984**	**-**	**20,936**
Other intangible assets	63,581	6,568	3,483	66,666
Land	522	212	-	734
Buildings on own land	5,376	333	-	5,709
Technical installations, equipment and industrial tools	215,997	18,671	3,061	231,607
General installations, fixtures and fittings	34,285	5,123	18	39,390
Vehicles	248	110	-	358
Office, IT equipment and furniture	14,700	1,853	3,657	12,896
Property, plant and equipment	**271,127**	**26,302**	**6,735**	**290,693**
TOTAL	**349,659**	**38,854**	**10,218**	**378,295**

The increase in fixed assets versus March 31, 2023 is mainly attributable to:

- a €44 million increase in intangible assets:
  - €28 million under capitalized development expenses (mainly related to SmartSiC™ projects),
  - €16 million under software;
- a €136 million increase in property, plant and equipment, which can mainly be attributed to:
  - industrial equipment for €108 million for the Bernin sites (equipment for the production of SOI products and innovative POI and SiC substrates),
  - €28 million in fixtures and fittings for clean rooms at the Bernin sites (all fabs).

The provision for accelerated depreciation/amortization amounted to €84 thousand for the year, and corresponds 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 funds, as well as shares held in Greenwaves Technologies.

In fiscal year 2023-2024, the Company:

- increased its interest in Technocom 3 for €500 thousand and in Supernova for €830 thousand;
- exercised and paid the first tranche of the cross put/call option with the founding directors of Soitec Belgium N.V., for €467 thousand. The Company now holds 98.1% of its share capital. Each of the founding directors now holds 0.6% of the share capital, i.e., a total of 1.9%. The transaction had no material effect on the Company's financial statements at March 31, 2024.

Summary of the 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).

In fiscal year 2023-2024, the Company recognized an impairment loss of €3,773 thousand against its investment in Greenwaves Technologies.

(in € thousands)	Gross value March 31, 2024	Impairment April 1, 2023	Change	Impairment March 31, 2024	Net value March 31, 2024
Company					
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 (formerly Soitec Newco 1)	7,166	-	-	-	7,166
Soitec NewCo 2 SAS	1	-	-	-	1
Soitec NewCo 3 SAS	1	-	-	-	1
Soitec NewCo 4 SAS	1	-	-	-	1
Soitec Belgium	48,271	-	-	-	48,271
NOVASiC SAS	7,218	-	-	-	7,218
Innovacom gestion	5,952	559	(305)	254	5,699
Shanghai Simgui Technology Co. Ltd.	4,441	-	-	-	4,441
Greenwaves Technologies	7,546	-	3,773	3,773	3,773
Supernova Ambition Industrie	2,305	101	118	219	2,086
US – Cambridge Electronics Inc.	1,974	-	-	-	1,974
TOTAL	**476,010**	**660**	**3,586**	**4,245**	**471,765**

Summary of advances to equity investments

(in € thousands)	Gross value March 31, 2024	Impairment April 1, 2023	Change	Impairment March 31, 2024	Net value March 31, 2024
Advances to equity investments	-	-	-	-	-
Dolphin Design SAS	32,700	-	-	-	32,700
TOTAL	**32,700**	**-**	**-**	**-**	**32,700**

Treasury shares

At March 31, 2024, the Company had a portfolio of 3,947 treasury shares, which are recognized in other non-current financial assets.

During the year, 274 shares were allocated to the Agate free share plan, with the associated expense recognized in net non-recurring expense for €23 thousand.

(in € thousands)	March 31, 2024
Number of treasury shares	3,947
Gross value *(in € thousands)*	335

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:

(in € thousands)	Gross value March 31, 2024	Allowances	Net value March 31, 2024
Raw materials	81,806	7,022	74,784
Consumables	33,151	5,628	27,522
In progress	17,420	2,614	14,805
Finished products	31,233	11,114	20,119
Goods held for resale	927	200	727
TOTAL	**164,537**	**26,579**	**137,958**

4.4 Trade receivables

Trade receivables are recognized at face value.

An allowance is recognized whenever there is an objective indication that the 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 €53,347 thousand.

Subsidies receivable amount to €17,877 thousand and mainly concern the PIIEC 2 program.

The "State and local authorities" item includes research tax credits (CIR) for €16,995 thousand, mainly concerning the 2023 research tax credit for €11,737 thousand, as well as the 2023 collaborative research tax credit (CICo) for €1,975 thousand.

Amounts due from suppliers represent €2,080 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 (6% of the total).

On June 30, 2023, the Company signed a liquidity agreement with BNP Paribas Exane, effective July 3, 2023, under which BNP Paribas Exane will provide liquidity for Soitec ordinary shares traded on Euronext. €8 million has been allocated to the implementation of the agreement.

At March 31, 2024, the cash and marketable securities item broke down as €7.6 million of marketable securities and €555 million of cash and cash equivalents, compared to €12 million and €567 million respectively at March 31, 2023.

4.6 Equity

Movements in the share capital during fiscal year 2023-2024 were as follows:

- August 1, 2023: issue of 73,692 free ordinary shares further to the vesting of the free shares allocated on August 2, 2023 as part of the Opale free share allocation plan approved by the Board of Directors on November 18, 2020: capital increase of €147 thousand by deduction from the share premium;
- August 1, 2023: issue of 9,059 free ordinary shares further to the vesting of the free shares allocated on August 2, 2023 as part of the Opale Foreign Entities free share allocation plan approved by the Board of Directors on November 18, 2020: share capital increase of €18 thousand by deduction from the share premium;
- August 1, 2023: issue of 39,286 free ordinary shares further to the vesting of the free shares allocated on August 2, 2023 as part of the Onyx 2023 free share allocation plan approved by the Board of Directors on November 18, 2020: capital increase of €79 thousand by deduction from the share premium;
- August 1, 2023: issue of 848 free ordinary shares further to the vesting of the free shares allocated on August 2, 2023 as part of the Onyx 2023 *bis* free share allocation plan approved by the Board of Directors on March 31, 2021: share capital increase of €2 thousand by deduction from the share premium.

Statement of changes in equity

Opening balance		Balance *(in € thousands)*
Equity before distribution of prior-year earnings		1,009,853
Equity after distribution of prior-year earnings		1,009,853
Changes during the fiscal year	**Less**	**More**
Changes in the share capital	-	246
Changes in share premiums	246	-
Changes in reserves	-	88
Change in investment subsidies	-	38
Changes in tax-driven provisions	-	72
Other changes	88	-
Net profit for the period	-	159,892
Balance	-	160,003
Closing balance		**Balance**
Equity before appropriation	-	1,169,856

Other equity

During the year, the Company repaid €600 thousand of the advance received for the "Allegro" program.

4.7 Borrowings and financial debt

Borrowings and financial debt consists 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.

The 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, 2024, the Company had drawn down €163,179 thousand of the €200 million loan, of which €8,698 thousand in fiscal year 2023-2024. The contract has come to an end.

4.8 Provisions and other current liabilities

A provision is recognized when the 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 the Company. 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)	March 31, 2024
Provisions for disputes	1,203
Provisions for foreign exchange losses	3,319
Other provisions for contingencies and expenses	166

(in € thousands)	Opening balance	Additions	Reversals	Closing balance
Accelerated depreciation/amortization	179	84	11	251
Tax-driven provisions	**179**	**84**	**11**	**251**
Provisions for disputes	1,486	349	632	1,203
Provisions for losses on forward markets	-	29	0	29
Provisions for foreign exchange losses	6,123	3,319	6,123	3,319
Other provisions for contingencies and expenses	137	-	-	137
Provisions for contingencies and expenses	**7,746**	**3,696**	**6,755**	**4,687**
Impairment of intangible assets	250	0	7	244
Impairment of property, plant and equipment	1,435	0	29	1,406
Impairment of equity investments	660	4,245	660	4,245
Allowances for inventory and work-in-progress	23,823	2,755	0	26,579
Allowances for trade receivables	24	0	0	24
Other allowances	-	744	-	744
Impairment	**26,191**	**7,745**	**695**	**33,241**
TOTAL	**34,117**	**11,525**	**7,462**	**38,180**
Additions and reversals – operating items	-	5,722	6,178	-
Additions and reversals – financial items	-	5,719	1,272	-
Additions and reversals – non-recurring items	-	84	11	-

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 €3,319 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 the 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 the Company's entities, depending on the Incoterm in use.

  For sales under consignment stock transfer agreements, the 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, 2024, revenue also includes €17.5 million for the SmartSiC™ technology transfer in accordance with the contract signed in December 2022. This revenue is recognized using the percentage-of-completion method.

Breakdown of revenue

(in € thousands)	Revenue – France	Revenue – Other	Total Year ended March 31, 2024	Total Year ended March 31, 2023	% 2023-2024
By geographic market	57,650	699,887	757,537	1,037,531	(27%)
TOTAL	**57,650**	**699,887**	**757,537**	**1,037,531**	**(27%)**

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 equipment and equipment required for R&D;
- 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 the Company's intellectual property rights.

During the fiscal year, the Company recognized around €42,805 thousand in net R&D costs in the income statement.

Subject to the signature of the agreements and the necessary administrative authorizations, the amounts received under subsidy contracts are recognized as operating subsidies.

Support for R&D activities may also take the form of repayable advances.

The 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 2023 totaled €11,763 thousand (with an impact of €9,324 thousand on the income statement for the fiscal year).

Net financial income

Liquidity agreement

As part of the liquidity agreement with BNP Paribas Exane, on March 31, 2024, Soitec SA purchased the following:

- 337,489 treasury shares for a total cost of €51.8 million, and sold 307,314 treasury shares for a total cost of €47.6 million;
- 787 marketable securities units for a cost of €18 million and sold 596 marketable securities units for a cost of €14 million, generating a capital loss of €504 thousand on the sale of the treasury shares and a capital gain of €136 thousand on the sale of the marketable securities units, recognized directly under net financial income/expense.

Dividends received

The Company recognized dividend income of €8.8 million from its subsidiary, Soitec Japan, and accrued dividend income of €0.3 million from Simgui, in which the Company holds a stake.

Hedging derivatives

The 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, 2024 and at March 31, 2023, used to hedge foreign exchange risks:

(in € thousands)	Currency	March 31, 2024 Market value (net)	March 31, 2024 Position hedged	March 31, 2023 Market value (net)	March 31, 2023 Position hedged
Hedging of statement of balance sheet items		**(1,844)**	**-**	**(3,058)**	**-**
› of which eligible for hedge accounting		-	-	-	-
(hedging of trade receivables):					
› Forward sales	USD to EUR	(1,844)	73,999	(3,058)	70,805
Cash flow hedges		**(501)**	**-**	**(3,453)**	**-**
of which eligible for hedge accounting:					
› Forward sales	USD to EUR	(501)	105,448	(3,453)	251,034
of which not eligible for hedge accounting:		-	-	-	-
› Options (tunnel)	JPY to EUR	(29)	8,822	-	-
TOTAL HEDGES		**(2,373)**	**-**	**(6,511)**	**-**

The maturities of the financial hedging instruments fall within the upcoming fiscal year 2024-2025 and through to the end of the first half of calendar year 2025. Market value was estimated using one or more commonly used models.

Foreign exchange risk

The 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 the 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.

The 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.

The Group's policy is nevertheless not to use instruments for speculative purposes.

The exchange rates of the two main currencies used by the Company at March 31, 2024 to remeasure assets and liabilities were as follows:

- EUR/USD: €1 for US$1.0811 (€1 for US$1.0875 at March 31, 2023);
- EUR/JPY: €1 for JPY 163.45 (€1 for JPY 144.83 at March 31, 2023).

Credit risk

The financial instruments on which the Company potentially incurs a credit risk are mainly cash and trade receivables. The 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.

The Company sells its products to customers within the semiconductor industry, located mainly in the US, Asia, and Europe. At March 31, 2024, five customers individually represented more than 5% of the Company's revenue and together accounted for 79% of revenue. At March 31, 2023, six customers individually represented more than 3% of the Company's revenue and together accounted for 90% of revenue.

The 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 3,947 treasury shares, the Company does not hold any other non-consolidated investments or marketable investments.

Liquidity risk

The 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 group]);
- lease financing for capital spending purposes;
- committed credit lines.

At March 31, 2024, in addition to cash and cash equivalents as presented in the balance sheet (€563 million), the Company's liquidity was backed by the following financing sources:

Committed credit lines

The Company has credit lines for a total of €120 million (not drawn down at March 31, 2024).

On July 28, 2023, the Company signed a €100 million syndicated credit line agreement with seven banks to replace the existing bilateral credit lines. The five-year agreement is repayable at maturity, with a possible extension of up to two years, and replaces the credit lines available at March 31, 2023.

The Company also has a bank credit line worth €20 million with the French public investment bank (Banque Publique d'Investissement). This credit line is repayable over five years at a rate of €4 million per year. These facilities bear a commitment fee of 0.20% or a non-utilization fee of between 0.32% and 0.60%, as well as interest on amounts drawn ranging from Euribor +0.90% and Euribor +1.70%, or 3-month Euribor (floor) +0.50%, depending on the credit line.

None of these lines are subject to any covenants.

These credit lines were entirely undrawn at March 31, 2024.

Debt issue costs

OCEANE 2025 convertible bonds

On October 1, 2020, the 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.

Finance leases

The Company signed new equipment finance leases (financing of production equipment) for a total amount of €50,543 thousand, with interest at rates of between 3.21% and 3.88%.

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	32,700	32,700	-
Other non-current financial assets	832	153	679
Doubtful and disputed trade receivables	24	24	-
Other trade receivables	330,475	330,475	-
Employees and related accounts	49	49	-
Social security and other agencies	4	4	-
State and local authorities: income tax	16,995	13,738	3,257
State and local authorities: VAT	15,505	15,505	-
State and local authorities: miscellaneous receivables	17,877	17,877	-
Other debtors	2,915	2,915	-
Prepaid expenses	3,712	3,712	-
TOTAL	**421,090**	**417,153**	**3,936**

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	-	325,000	-
Borrowings and debt due within 1 year at inception	96	96	-	-
Borrowings and debt due beyond 1 year at inception	149,384	14,262	76,591	58,530
Trade payables	191,944	191,944	-	-
Employees and related accounts	30,878	30,878	-	-
Social security and other agencies	18,661	17,160	1,501	-
State: income tax	105	105	-	-
State: VAT	4,029	4,029	-	-
State: other duties, taxes and related payments	3,694	3,694	-	-
Amounts due on fixed assets	35,099	35,099	-	-
Group and related parties	26,912	26,912	-	-
Other liabilities	16,588	16,163	425	-
Deferred income	27,419	3,168	16,215	8,036
TOTAL	**829,808**	**343,509**	**419,732**	**66,567**
Loans subscribed during the fiscal year	8,698	-	-	-
Loans repaid during the fiscal year	10,661	-	-	-

Accrued income

(in € thousands)	Amount
Unbilled revenue	113,334
Credit notes receivable (including consigned stocks)	355
Invoices to be issued for real estate leases	2,080
Other marketable securities	3,998
Accrued interest receivable	1,332
Employees – Advances on travel expenses	14
Social security bodies: accrued income	4
TOTAL	**121,118**

Accrued income mainly comprises unbilled revenue and securities.

Accrued expenses

(in € thousands)	Amount
Interest on debt with credit institutions	276
Credit notes to be issued	9,614
Personnel – accrued payables	48
Provision for expenses	1,120
Provision for vacation pay	11,260
Provision for profit-sharing	1,119
Personnel – Other accrued payables	16,923
Social security contributions on vacation pay	5,405
Social security contributions – Other accrued payables	8,504
Accrued tax payables	3,203
Accrued expenses	1,056
Credit notes receivable	22
Accrued invoices (inventory items, non-inventory items and miscellaneous)	74,092
TOTAL	**132,643**

Accrued liabilities mainly comprise accrued invoices and tax and social security payables.

Deferred income

At March 31, 2024, deferred income stood at €27 million, and chiefly consisted of sales of prototypes, research tax credits and subsidies relating to capitalized development costs (for €2,447 thousand, €8,589 thousand and €13,512 thousand, respectively).

Prepaid expenses

"Prepaid expenses – Miscellaneous" is mainly composed of production and IT maintenance contracts.

Non-recurring income and expenses

The Company signed a €50 million lease agreement in fiscal year 2023-2024.

During fiscal year 2022-2023, the 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 resulted in a €12,000 fine.

Type of expense *(in € thousands)*	**Amount**
Penalties and fines	23
Non-recurring expenses on management transactions	23
Disposal of operating assets(1)	50,597
Non-recurring expenses on asset disposals	23
Miscellaneous non-recurring expenses	504
Non-recurring expenses on corporate actions	51,124
Accelerated depreciation/amortization	84
Additions to provisions and expense transfers	84
TOTAL	**51,231**

(1) The Company signed a €50 million lease agreement in fiscal year 2023-2024.

Type of income *(in € thousands)*	**Amount**
Income from disposal of assets	50,543
Non-recurring income from the disposal of financial assets	400
Share of investment subsidies	3
Non-recurring income on corporate actions	50,946
Reversal of provisions for accelerated depreciation/amortization	11
Reversals of provisions and expense transfers	11
TOTAL	**50,958**

Deferred and unrealized tax position

(in € thousands)	Amount
TAX DUE ON:	
Unrealized foreign exchange losses	857
Provisions for losses on forward markets	7
Total increases	**865**
PREPAID TAX ON:	
Employee profit-sharing	289
"Organic" levy	86
Other	2,624
For later deduction:	
Other retirement costs	2,165
Total reductions	**5,163**
NET DEFERRED TAX POSITION	**(4,299)**
TAX DUE ON:	
Deferred capital gains	-
CREDIT TO BE CHARGED TO:	
Tax loss carryforwards	101,207
NET UNDERLYING TAX POSITION	**101,207**

A rate of 25.83% has been used for all deferred tax position items.

Breakdown of income tax

Breakdown *(in € thousands)*	Profit before tax	Tax due	Net profit after tax
Recurring profit	161,345	15,509	145,836
Net non-recurring expense	(273)	(26)	(247)
Employee profit-sharing	(1,063)	-	(1,063)
Research tax credit (CIR)	13,484	-	13,484
Collaborative research tax credit (CICo)	1,882	-	1,882
ACCOUNTING PROFIT	**175,375**	**15,483**	**159,892**

Financial commitments and other information

Lease commitments

(in € thousands)	Land	Buildings	Equipment and tooling	Other non-current assets	Total
Opening value	**-**	**58,500**	**206,126**	**-**	**264,626**
DEPRECIATION AND AMORTIZATION					
Cumulative opening balance	-	-	52,674	-	52,674
Current fiscal year	-	774	14,203	-	14,978
Total	**-**	**774**	**66,877**	**-**	**67,651**
NET VALUE	**-**	**57,726**	**139,249**	**-**	**196,975**
LEASE PAYMENTS					
Cumulative opening balance	-	-	55,592	-	55,592
Current fiscal year	-	2,859	16,897	-	19,756
Total	**-**	**2,859**	**72,488**	**-**	**75,347**
FUTURE LEASE PAYMENTS					
Due within 1 year	-	4,571	21,976	-	26,547
Due in more than 1 year and less than 5 years	-	25,834	79,867	-	105,701
Due in more than 5 years	-	44,665	61,694	-	106,359
Total	**-**	**75,070**	**163,537**	**-**	**238,607**
RESIDUAL AMOUNT					
Amount accounted for in the fiscal year	-	2,859	14,207	-	17,066

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 the Company upon retirement. The 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, the 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 – CGI) 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 – CGI), 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 3.40%, 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.

The Company's retirement benefit obligation at March 31, 2024 amounted to €8.3 million, versus €8.1 million at March 31, 2023 (amount calculated based on the amended ANC no. 2013-02 recommendation).

Contingent liabilities

In the ordinary course of its activities, the Company is involved in legal action and is subject to tax, customs and administrative audits. The Company records a provision when a risk is identified and it is possible to estimate its cost.

There are no exceptional events or disputes that have a serious probability of materially affecting the Company's results, financial situation, assets or business.

Other off-balance sheet commitments

(in € thousands)	Off-balance sheet amount
Guarantees and bonds	30
Pension obligations	8,309
Other commitments given	**228,040**
Long-term lease commitments	70
Guarantees given	123,480
Other commitments[(1)]	104,490
TOTAL	**236,379**

(1) Other commitments include commitments for a period of five years to purchase raw materials under multi-annual contracts, together with a contractual compensation indemnity, for €104,490 thousand.

At March 31, 2024, 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 solar power plant for €0.9 million. The commitment expires on June 20, 2024 at the latest.
- A letter of intent given by the 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.
- Four financial guarantees granted to Soitec Microelectronics Singapore Pte Ltd. for a €12 million loan, a €16.5 million loan, a €34 million loan and a €35.8 million loan from Société Générale, OCBC, HSBC and SMFL, expiring in November 2025, February 2027, November 2027 and November 2028, 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 €3 million, expiring in March 2026 and September 2028 respectively.
- A joint and several guarantee (in proportion to its ownership interest) given by the 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 Dolphin Design 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	971
Soitec Solar RSA	20,000
Dolphin Design	470
Soitec Belgium	3,231
Soitec Microelectronics Singapore	98,715

Principal commitments given on behalf of Soitec SA (guarantees and sureties)	**Amount** *(in € thousands)*
Contractual commitment to raw material suppliers	104,490

Related-party disclosures

At March 31, 2024, the members of the Board of Directors were as follows:

- Éric Meurice, who chairs the Board of Directors and whose term of office is set to expire at the end of the Annual General Meeting of July 23, 2024, and who will be replaced by Christophe Gégout for an interim period;
- Pierre Barnabé, who leads the Company as Chief Executive Officer;
- Wissème Allali, employee director;
- Bpifrance Participations, represented by Samuel Dalens;
- CEA Investissement, represented by François Jacq;
- Françoise Chombar;
- Fonds Stratégique de Participations (FSP), represented by Laurence Delpy;
- Christophe Gégout, Referent Director;
- Didier Landru, employee director;
- Satoshi Onishi;
- Maude Portigliatti;
- Delphine Segura-Vaylet;
- Kai Seikku;
- Shuo Zhang.

Of the 14 members of the Board, seven are independent (including the Referent Independent Director), in accordance with the recommendations of the AFEP-MEDEF Code to which the Company refers: Éric Meurice, Françoise Chombar, Fonds Stratégique de Participations as represented by Laurence Delpy, Christophe Gégout, Maude Portigliatti, Delphine Segura-Vaylet and Shuo Zhang. The Board of Directors also includes two employee directors, Wissème Allali and Didier Landru. See section 4.1.1 of this Universal Registration document for information on the composition of the Board of Directors and changes to its composition.

The semiconductor market is known for its limited number of participants, meaning that the Company maintains, or is likely to maintain, business relationships with Bpifrance, Shin-Etsu Handotaï Co. Ltd., 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).

Shin-Etsu Handotai Co. Ltd.

The Company has identified Satoshi Onishi, member of the Company's Board of Directors and Chief Executive Officer of Shin-Etsu Chemical Co. Ltd., which controls Shin-Etsu Handotaï, as a related party.

In fiscal year 2023-2024, purchases of raw materials from Shin-Etsu Handotaï represented €151,180 thousand (€177,076 thousand in fiscal year 2022-2023). The Company invoiced Shin-Etsu Handotaï €3,827 thousand in fees in respect of fiscal year 2023-2024 (€4,964 thousand in respect of fiscal year 2022-2023).

ST Microelectronics International N.V.

The Company identified the following related parties:

- Nicolas Dufourcq, (i) Chair of the Supervisory Board of STMicroelectronics N.V. (sole shareholder of STMicroelectronics International N.V.); (ii) Chair 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) director 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.

On November 30, 2022, the Company signed a memorandum of understanding defining 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. The objective of the cooperation is the adoption by ST, a global semiconductor leader serving customers across the spectrum of electronics applications, of Soitec’s SmartSiC™ technology.

Soitec invoiced US$10 million under this memorandum of understanding in fiscal year 2023-2024 (compared with US$10 million invoiced in fiscal year 2022-2023).

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.

This agreement was classified as a related-party agreement. It was authorized, prior to its signature, by the Board of Directors at its November 23, 2022 meeting, and subsequently approved by the Annual General Meeting of July 25, 2023.

Other related parties

CEA: The Company has identified CEA Investissement, a company controlled by CEA, as a related party. CEA Investissement is a member of the Board of Directors and a shareholder holding more than 10% of Soitec's voting rights.

In fiscal year 2023-2024, the Company paid €4,901 thousand to CEA under the R&D agreement (€3,224 thousand in fiscal year 2022-2023) and €4,988 thousand in patent royalties (€6,071 thousand in fiscal year 2022-2023). The Company also invoiced CEA €2,137 thousand, mainly in connection with the sale of 300 mm wafers in fiscal year 2023-2024 (versus €734 thousand in fiscal year 2022-2023).

The multi-annual framework R&D partnership agreement and the amendment to the agreement for patent licensing and the provision of know-how for the manufacture and sale of substrates were classified as related-party agreements. This agreement and amendment were authorized, prior to their signature, by the Board of Directors at its September 28, 2022 meeting, and subsequently approved by the Annual General Meeting of July 25, 2023.

Simgui: The Company identified the following related parties:

- National Silicon Industry Group (NSIG), which controls one of Soitec’s shareholders holding more than 10% of the voting rights (NSIG Sunrise S.à.r.l.) as well as Simgui;
- Kai Seikku, member of the Company's Board of Directors and Executive Vice-President of NSIG.

During fiscal year 2023-2024, the Company paid Simgui Technology Co. Ltd. US$47.7 million for the purchase of 200 mm SOI wafers (US$91.8 million in fiscal year 2022-2023). The Company also invoiced it for US$22.9 million worth of silicon substrates (versus US$43.4 million invoiced in fiscal year 2022-2023), and recognized dividends of €337 thousand in accrued income in fiscal year 2023-2024.

The amendments to the license and technology transfer agreement, the SOI wafer supply agreement and the raw materials supply agreement were classified as related-party agreements. They were authorized, prior to their signature, by the Board of Directors at its September 15, 2021 meeting, and subsequently approved by the Combined General Meeting of July 26, 2022.

BPI France: The Group identified Bpifrance Participations, a company controlled by Bpifrance, as a related party. Bpifrance Participations is a member of the Board of Directors and a shareholder holding more than 10% of Soitec's voting rights.

During fiscal year 2023-2024, the Company reimbursed €0.6 million in respect of programs subsidized by Bpifrance, and received €19.4 million from Bpifrance Investissement, chiefly under the IPCEI and Limpide programs. During fiscal year 2023-2024, the Company obtained receivable financing from Bpifrance in respect of research tax credits for €8.3 million. During fiscal year 2022-2023, the 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 fiscal year 2023-2024, the Company obtained receivable financing from Bpifrance in respect of research tax credits for €7.4 million.

During fiscal year 2023-2024, the Group repaid €0.6 million under programs subsidized by Bpifrance (compared with €2.5 million during fiscal year 2022-2023) and received €19.4 million from Bpifrance Investissement, mainly for the IPCEI and Limpide programs (compared with €1.9 million in the previous fiscal year, notably for the Transform and IT2 programs).

Compensation and workforce

At March 31, 2024, the Executive Committee (ExCom) had 11 members, excluding corporate officers, with an average membership of 11 over the fiscal year (stable compared to the previous fiscal year).

(in € thousands)	Year ended March 31, 2024	Year ended March 31, 2023
Short-term benefits	5,674(1)	5,917(2)
Accounting valuation of free performance shares allocated during the fiscal year	4,010	4,365
TOTAL GROSS COMPENSATION GRANTED TO GROUP EXECUTIVES	**9,684**	**10,282**

(1) The amounts indicated are calculated taking into account an estimated achievement rate of 100%.
(2) Actual amount paid.

During fiscal year 2023-2024, executives excluding corporate officers were allocated:

- 39,981 ordinary shares under the Onyx 2026 plan, subject to performance and continued employment conditions;
- 1,447 ordinary shares under the Agate 2026 plan, subject to performance and continued employment conditions.

Gross compensation paid to corporate officers, i.e., the Chair of the Board, the Chief Executive Officer, and Board members (with the exception of employee directors, who receive no compensation for their duties) is as follows:

(in € thousands)	Year ended March 31, 2024	Year ended March 31, 2023
Short-term benefits	730	1,364
Accounting value of free shares allocated during the fiscal year	743	911
TOTAL COMPENSATION GRANTED TO CORPORATE OFFICERS	**1,473**	**2,275**
Compensation	1,010	1,010
Reimbursement of travel expenses	64	36
TOTAL COMPENSATION GRANTED TO CORPORATE OFFICERS, DIRECTORS AND NON-EMPLOYEE DIRECTORS	**2,547**	**3,321**

In fiscal year 2023-2024, 8,637 ordinary shares were allocated on a conditional basis to the Chief Executive Officer under the Onyx 2026 plan, subject to performance and continued employment conditions.

Average headcount

Headcount	Employees
Operators	488
Technicians and office workers	464
Engineers and executives	567
TOTAL	**1,519**

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	330,993,888	-	16,796	-	19,167,590
Soitec Japan Inc. West Tower 20 F, Otemachi First Square	**300,500,000**	**100%**	**2,636,988**	**-**	**21,225,962**
1-5-1 Otemachi, Chiyoda-Ku, 100-0004 Tokyo, Japan	465,729,380	8,828,767	2,636,988	-	949,106
Soitec Korea LLC, Kyunggi-do hwasung-si Bansong	**500,000,000**	**100%**	**328,483**	**-**	**1,337,970**
Dong 93-10, Shinyoung Gwell, South Korea	3,081,639,929	-	328,483	-	325,873
Soitec Trading (Shanghai) Co. Ltd.	**860,594**	**100%**	**102,138**	**-**	**1,774,902**
3261 Dong Fang Road, Shanghai, China	9,689,737	-	102,138	-	993,091
Concentrix Holding SAS	**100,000**	**100%**	**3,897,794**	**0**	**0**
Parc Technologique des Fontaines, 38190 Bernin, France	(1,222,593)	-	3,897,794	-	622,298
Dolphin Design SAS	**5,500,000**	**100%**	**5,300,001**	**32,700,000**	**20,709,470**
1BA Chemin du Pré Carré, 38240 Meylan, France	4,072,912	-	5,300,001	-	(5,454,021)
Soitec Asia Holding Pte Ltd.	**50**	**100%**	**378,851,739**	**-**	**0**
81 Pasir Ris Industrial Drive 1, Singapore 518220	410,873,329	-	378,851,739	-	(9,081)
Soitec Lab SAS Parc Technologique des Fontaines	**6,000,000**	**100%**	**7,166,195**	**0**	**8,697,029**
Chemin des Franques, 38190 Bernin, France	7,166,195	-	7,166,195	-	0
Soitec NewCo 2 SAS Parc Technologique des Fontaines	**1,000**	**100%**	**1,000**	**-**	**0**
Chemin des Franques - 38190 Bernin, France	722	-	1,000	-	(278)
Soitec NewCo 3 SAS Parc technologique des Fontaines	**1,000**	**100%**	**1,000**	-	**0**
Chemin des Franques, 38190 Bernin, France	722	-	1,000	-	(278)
Soitec Newco 4 SAS Parc Technologique des Fontaines	**1,000**	**100%**	**1,000**	**-**	**0**
Chemin des Franques, 38190 Bernin, France	807	-	1,000	-	(193)
Soitec Belgium N.V., Kempische Steenweg 293	**13,527,130**	**98.14%**	**48,270,834**	**0**	**5,865,750**
3500 Hasselt, Belgium	10,060,048	-	48,270,834	-	(3,415,345)
NOVASiC SAS	**833,972**	**100%**	**7,218,304**	**-**	**4,178,067**
Technolac, 73370 Le Bourget du Lac, France	4,621,963	-	7,218,304	-	1,384,887
INVESTMENTS (10 TO 50%-OWNED)					
Greenwaves Technologies	**2,459,957**	**20.29%**	**7,545,547**	**-**	**128,054**
28 Cours Jean Jaures, 38000 Grenoble, France	12,857,060	-	3,772,774	-	(3,385,475)
Cambridge Electronics Inc. (finwave)	**20,151,243**	**13.38%**	**1,973,745**	**-**	**1,429,626**
465 Waverley Oaks Rd, Suite 417 Waltham, MA 02452, United States	8,024,358	-	1,973,745	-	(3,716,800)
OTHER INVESTMENTS (LESS THAN 10% OWNED)					
Technocom 2 & 3	**74,872,140**	**9.36%**	**5,952,425**	**-**	**-**
9 rue de Téhéran, 75008 Paris, France	72,749,740	-	5,698,682	-	(1,393,695)
SUPERNOVA	**94,039,390**	**2.45%**	**2,305,000**	**-**	**-**
9 rue Duphot, 75001 Paris, France	85,109,541	-	2,086,120	-	(4,575,465)
Simgui	**315,000,000**	**2.70%**	**4,440,962**	**-**	**118,472,509**
200 Puhui Road, Jiading District, Shanghai, China	1,045,447,611	337,200	4,440,962	-	5,145,410

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 €690 thousand. These fees include the audit of the consolidated financial statements and of the individual financial statements for €576 thousand and other non-audit services for €114 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, 2024

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 year ended March 31, 2024.

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, 2024 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 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 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, 2023 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.821-53 and R.821-180 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, 2024, non-current financial assets represented a net amount of M€ 510 in the company’s balance sheet. As described in note 4.2 “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, 2024, capitalized development expenses represented a net amount of M€ 74 in the company's balance sheet. As described in note 4.1 "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, if not yet commissioned, 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 March 31, 2024 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 corporate 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, 2024, our firms were in the eighth 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 by the Board of Directors.

Statutory Auditors' 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.821-55 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.821-27 to L.821-34 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, 29 May, 2024

The statutory Auditors

French original signed by

KPMG S.A.		**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

(in € thousands)	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020
Duration of fiscal year (months)	12	12	12	12	12
SHARE CAPITAL AT END OF FISCAL YEAR					
Share capital	71,425	71,179	70,301	66,730	66,558
Number of shares					
› ordinary shares	35,712,302	35,589,417	34,897,013	33,180,921	33,180,921
› preferred shares	-	-	253,567	184,302	97,980
Maximum number of shares to be issued					
› on conversion of bonds	-	-	-	-	-
› on redemption of subscription rights	-	-	-	-	-
EARNINGS					
Revenue before tax	757,537	1,037,531	737,317	550,043	577,355
Earnings before tax, employee profit-sharing, depreciation, amortization and impairment	204,778	276,270	182,826	97,701	54,136
Income tax	117	15,311	3,578	(1,352)	495
Employee profit-sharing	1,063	3,380	1,367	52	1,107
Additions to/(reversals from) depreciation, amortization and impairment	43,706	45,732	30,881	30,314	(47,194)
Net profit	159,892	211,847	147,001	68,686	99,727
Dividends paid	-	-	-	-	-
EARNINGS PER SHARE					
Earnings after tax, employee profit-sharing, but before depreciation, amortization and impairment	5.70	7.24	5.10	2.98	1.58
Earnings after tax, employee profit-sharing, depreciation, amortization and impairment	4.48	5.95	4.21	2.07	3.01
Dividend paid	-	-	-	-	-
PERSONNEL					
Average headcount during the fiscal year	1,519	1,427	1,350	1,191	1,128
Payroll costs	92,861	90,320	83,610	64,453	63,738
AMOUNTS PAID IN SOCIAL CHARGES					
(social security and other social agencies)	40,721	41,417	39,951	36,438	30,184

6.4.2 Inventory of marketable securities

(in € thousands)	Book value March 31, 2024
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 (formerly Soitec Newco 1)	7,166
Soitec NewCo 2 SAS	1
Soitec NewCo 3 SAS	1
Soitec NewCo 4 SAS	1
Soitec Belgium N.V.	48,271
NOVASiC SAS	7,218
Innovacom gestion	5,952
Shanghai Simgui Technology Co. Ltd.	4,441
Greenwaves Technologies	7,546
Supernova Ambition Industrie	2,305
US – Cambridge Electronics Inc.	1,974
B. ADVANCES TO EQUITY INVESTMENTS	
Dolphin Design SAS	32,700
C. OTHER LONG-TERM INVESTMENTS	
TUP Frecnsys – BP share	5
D. MARKETABLE SECURITIES	
Marketable securities	7,636
E. TREASURY SHARES	
4,351 Treasury shares	335
TOTAL	**516,686**

6.5 Analysis of the financial position and results of the Company

This section forms part of the management report of Soitec SA. It should be read in conjunction with the Company financial statements for the year ended March 31, 2024, 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, 2024 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.

The Company is the parent company of the Group.

The Company, as a manufacturer, supplies some of the subsidiaries. It also operates sales activities worldwide in addition to supplying subsidiaries and distributors.

The relations between the Company and the subsidiaries are formalized through agreements, both with regard to the distribution of the Company's products and the operation of the subsidiaries.

6.5.1 Accounting policies

The Company financial statements at March 31, 2024 are presented in accordance with the accounting principles generally accepted in France for annual financial statements.

6.5.2 The Company's financial position

In a complex macroeconomic environment, fiscal year 2023-2024 was marked by a decline in sales.

The Company's total net revenue came out at €758 million in fiscal year 2023-2024, versus €1,038 million for the previous fiscal year. In particular, revenue from RF-SOI products was impacted by a weaker than initially expected smartphone market and high inventory levels at direct customers, particularly foundries. On the other hand, the Company benefited from its strategy of diversifying, both in terms of (i) products, with significant growth in filter products (POI) in particular, and (ii) markets, with strong traction in the automotive market. The downturn in sales of RF-SOI products led to a decline in volumes produced and sold in fiscal year 2023-2024 compared with the previous fiscal year.

Thanks to strict cost control and good operating performance, and despite under-utilization of plants, the Company maintained a healthy margin and a high level of investment in research and development.

The Company has also received financial support from the French government as part of the 2026 Important Project of Common European Interest in Microelectronics and Communication Technologies (IPCEI ME/CT) to guarantee European sovereignty in semiconductor technology. The funds received, covering costs from 2022 to 2026, will be used primarily to support research and development activities and first industrialization. The funds will contribute to the development of SmartSiC™ and POI products. The subsidies will be recognized in the income statement in line with the expenses incurred up to 2026.

As planned, the Company completed the first phase of construction of the Bernin 4 fab, dedicated to the production of innovative SmartSiC™ substrates, a key technology for vehicle electrification. The fab also includes refresh capacity for the production of 300 mm SOI wafers. Annual production capacity is estimated at 500,000 SmartSiC™ wafers. Production ramp-up is scheduled for the second half of the 2024-2025 fiscal year.

Please see section 5.1.1 of this Universal Registration Document for additional information on the Group's business operations during the fiscal year.

6.5.3 Main changes in the Company's balance sheet

6.5.3.1 Assets

Non-current assets

Non-current assets increased from €812 million at March 31, 2023 to €872 million at March 31, 2024, reflecting the high level of investments during fiscal year 2023-2024. Net purchases of property, plant and equipment amounted to €79 million, and mainly comprised fixtures and fittings for clean rooms, industrial equipment and IT infrastructure for the three fabs at the Bernin site. This amount takes into account the sale and leaseback of €50 million worth of industrial equipment in fiscal year 2023-2024.

Intangible assets include €96 million in capitalized development projects at March 31, 2024.

Current assets

Current assets rose from €1,099 million at March 31, 2023, to €1,160 million at March 31, 2024.

The increase is mainly attributable to:

- an increase in trade receivables, linked to strong business activity in fourth-quarter 2023-2024 and to lower prepayments from customers in fiscal year 2023-2024 compared to fiscal year 2022-2023;
- an increase in inventories, due to lower-than-expected sales; the Company did, however, purchase raw materials.

6.5.3.2 Equity and liabilities

Equity

Equity stood at €1,170 million at March 31, 2024, versus €1,010 million at March 31, 2023. The increase in equity is mainly attributable to the appropriation of net profit for the year of €160 million.

Provisions for contingencies and expenses

Provisions for contingencies and expenses amounted to €5 million at March 31, 2024, versus €8 million at March 31, 2023. The decrease mainly reflects the provision for foreign exchange losses in an amount of €3 million at March 31, 2024 (compared to €6 million at March 31, 2023).

Liabilities

At March 31, 2024, €163 million of the €200 million long-term loan arranged with Banque des Territoires had been drawn down and was presented in financial debt, including a final drawdown of €9 million during the year.

6.5.4 The Company’s operating profit

The Company’s revenue amounted to €758 million, versus €1,038 million for fiscal year 2022-2023, representing a decrease of 27%.

Total operating income amounted to €874 million, compared to €1,154 million for the previous fiscal year, representing a decrease of 24%.

Operating expenses for the fiscal year amounted to €730 million, versus €943 million in fiscal year 2022-2023, and operating profit came out at €143 million, versus €212 million one year earlier.

Good cost control enabled the Company to deliver solid operating profit in fiscal year 2023-2024, mainly driven by a strong industrial performance reflected in the full loading of production capacities at Bernin 1 (production of 200 mm wafers) and Bernin 2 (production of 300 mm wafers).

The financial statements for fiscal year 2023-2024 show net profit of €160 million, compared to net profit of €212 million for fiscal year 2022-2023.

For additional information on the Company’s financial position for the two fiscal years preceding March 31, 2024, readers are invited to refer to the management reports drawn up by the Board of Directors for those fiscal years, particularly page 198 of the 2021-2022 Universal Registration Document filed with the French financial markets authority (*Autorité des marchés financiers* – AMF) under no. D. 22-0523, and page 181 of the 2022-2023 Universal Registration Document, filed with the AMF.

6.5.5 Proposed appropriation of net profit for fiscal year 2023-2024

The Board of Directors will submit the following proposal for approval by shareholders at the Annual General Meeting to be held on July 23, 2024:

- appropriate €24,577 to the "Legal reserve", bringing it up to 10% of the share capital, which would be increased from €7,117,883.40 to €7,142,460.40; and
- the balance of €159,867,804.81 to "Retained earnings", which would be increased from €679,543,716.01 to €839,411,520.82.

6.5.6 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 2023-2024 include an amount of €43,055 corresponding to non-deductible expenses.

6.5.7 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, 2024

- **PAST DUE INVOICES RECEIVED BUT NOT SETTLED AT THE REPORTING DATE**

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	2,445	-	-	-	-	2,202
Total amount of invoices concerned including VAT	€101,830,612	€48,639,524	€7,254,806	€3,202,123	€6,637,793	€65,734,246
% of total purchases in the fiscal year	15.01%	7.17%	1.07%	0.47%	0.98%	9.69%
% 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**

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	302	-	-	-	-	180
Total amount of invoices concerned including VAT	€184,784,999	€14,824,406	€16,714,233	€0	€2,038	€31,540,676
% of revenue for the fiscal year	23.05%	1.85%	2.08%	0.00%	0.00%	3.93%
(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	-	-	-	-	-

Payments that are more than 90 days past due are comprised of intercompany receivables.

7

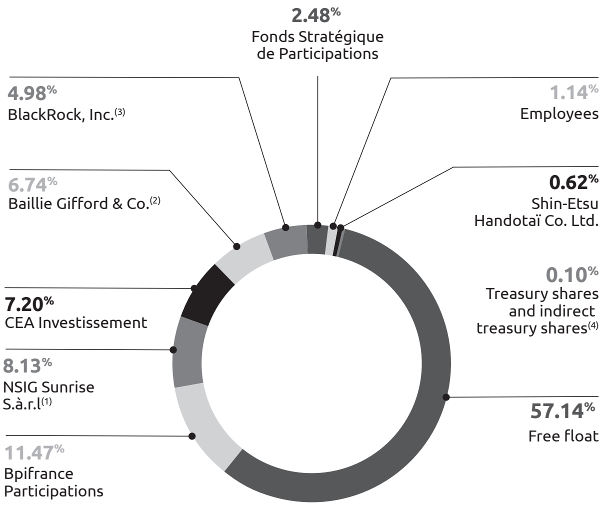
SHARE CAPITAL AND SHAREHOLDING STRUCTURE

7.1 Shareholding structure

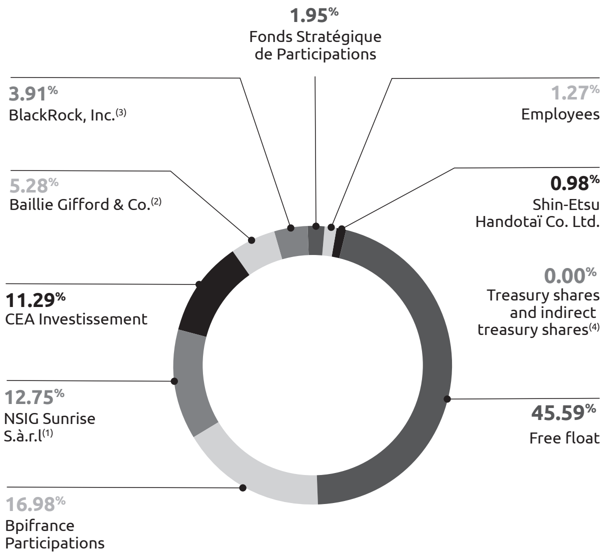
7.1.1 Shareholders at March 31, 2024

A stable shareholding structure comprising institutional investors with a long-only strategy, including three strategic shareholders since 2016 (Bpifrance Participations, NSIG Sunrise S.à.r.l and CEA Investissement) and a long-standing shareholder (Shin-Etsu Handotai Co. Ltd.) since Soitec's initial public offering in 1999.

BREAKDOWN OF THE SHARE CAPITAL AT MARCH 31, 2024



BREAKDOWN OF EXERCISABLE VOTING RIGHTS AT MARCH 31, 2024



(1) *On December 1, 2023, NSIG Sunrise S.à.r.l sold 432,000 Company shares.*
(2) *Information provided by Baillie Gifford & Co. to the Company by email dated April 10, 2024.*
(3) *Information provided by BlackRock, Inc. to the Company by email dated April 5, 2024.*
(4) *Shares without voting rights.*

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, 2024.

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.

Even though Blackrock, Inc. and Fonds Stratégique de Participations do not meet this requirement as of March 31, 2024, their shareholding in the Company as of that date is less than 5%, which is nevertheless specified in the table below, on the grounds that (i) Fonds Stratégique de Participations is not only a shareholder but also a director of the Company, and (ii) BlackRock, Inc's shareholding fluctuated between 6.53% and 4.98% during the fiscal year 2023-2024 (see section 7.1.6.1 *Threshold crossings over the past fiscal year* of this Universal Registration Document).

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, 2024.

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, 2024						Situation at March 31, 2023			Situation at March 31, 2022		
Shareholders	**Number of shares**	**% of shares**	**Number of theoretical voting rights(1)**	**% of theoretical voting rights(1)**	**Number of exercisable voting rights(2)**	**% of exercisable voting rights(2)**	**Number of shares**	**% of shares**	**% of exercisable voting rights(2)**	**Number of shares**	**% of shares**	**% of exercisable voting rights(2)**
Free float	20,406,726	57.14%	20,762,921	45.56%	20,762,921	45.59%	21,731,175	61.06%	48.31%	21,273,401	60.52%	48.78%
Bpifrance Participations	4,094,700	11.47%	7,730,707	16.96%	7,730,707	16.98%	4,094,700	11.51%	16.90%	3,636,007	10.35%	16.34%
NSIG Sunrise S.à.r.l.	2,904,008	8.13%	5,808,016	12.75%	5,808,016	12.75%	3,336,008	9.37%	14.59%	3,636,008	10.35%	13.84%
CEA Investissement	2,571,007	7.20%	5,142,014	11.28%	5,142,014	11.29%	2,571,007	7.22%	11.24%	2,571,007	7.31%	11.56%
Baillie Gifford & Co.	2,405,448(3)	6.74%	2,405,448	5.28%	2,405,448	5.28%	-	-	-	-	-	-
BlackRock, Inc.	1,778,590(4)	4.98%	1,778,590	3.90%	1,778,590	3.91%	2,383,700	6.70%	5.13%	3,131,663	8.91%	6.96%
Fonds Stratégique de Participations	886,507	2.48%	886,507	1.95%	886,507	1.95%	853,000	2.40%	1.87%	-	-	-
Employees:	408,565	1.14%	580,563	1.27%	580,563	1.27%	392,977	1.10%	0.99%	675,514	1.92%	1.52%
of which freely allocated PS 2(5)	-	-	-	-	-	-	-	-	-	*253,567*	*0.72%*	*0.57%*
Shin-Etsu Handotai Co. Ltd.	222,629	0.62%	445,258	0.98%	445,258	0.98%	222,629	0.63%	0.97%	222,629	0.63%	1.00%
Treasury shares and indirect treasury shares(6)	34,122	0.10%	34,122	0.07%	0	0.00%	4,221	0.01%	0.00%	4,351	0.01%	0.00%
TOTAL	**35,712,302**	**100.00%**	**45,574,146**	**100.00%**	**45,540,024**	**100.00%**	**35,589,417**	**100.00%**	**100.00%**	**35,150,580**	**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 single or double voting rights are attached, including shares for which voting rights are suspended (e.g., treasury shares, shares purchased under a liquidity contract).

(2) The total number of exercisable voting rights (or "net" voting rights) is calculated after taking into account, the number of shares entitled to double voting rights, and after the deduction of shares without voting rights (e.g., treasury shares, shares purchased under a liquidity contract).

(3) By email dated April 10, 2024, Baillie Gifford & Co. declared to the Company that it held 2,405,448 Soitec shares at March 31, 2024.

(4) By email dated April 5, 2024, BlackRock declared to the Company that it held 1,778,590 Soitec shares at March 31, 2024.

(5) 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 the 2022-2023 Universal Registration Document).

(6) Shares without voting rights. Treasury shares refer to Soitec's own shares and indirect treasury shares refer to shares purchased by Soitec under the liquidity contract.

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	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.
	CAC SBT 1.5	The Company has been a member of CAC SBT 1.5 since January 12, 2023.
	CAC Next 20	Soitec entered the CAC Next 20 index of the Paris Stock Exchange on September 18, 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

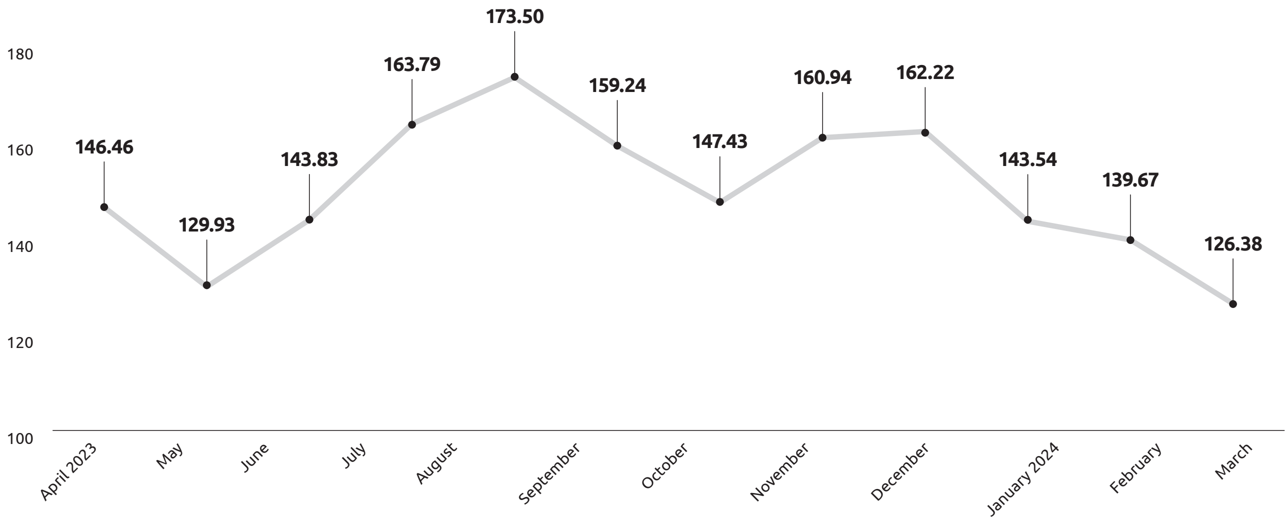
	2023-2024	2022-2023
Stock market capitalization at fiscal year-end *(in € billions)*	3.42	5.25[(1)]
Number of listed shares	35,712,302	35,589,417
Highest price *(in €)*	182.30	176.40
Lowest price *(in €)*	95.60	110.95
Average closing price *(in €)*	149.87	140.71
Price at fiscal year-end *(in €)*	95.90	147.60

(1) Data updated compared to the figure provided in the 2022-2023 Universal Registration Document.

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)*
2023						
April	156.10	124.20	146.46	1,944,588	279.06	5,212.28
May	138.90	120.35	129.93	1,547,433	199.59	4,624.04
June	155.50	129.55	143.83	1,461,413	211.65	5,118.74
July	180.00	146.65	163.79	1,665,094	274.79	5,829.30
August	182.30	166.70	173.50	1,130,175	196.34	6,195.27
September	173.55	150.10	159.24	1,263,048	200.66	5,686.84
October	161.05	133.20	147.43	1,085,492	158.42	5,264.97
November	174.25	139.85	160.94	1,609,023	260.10	5,747.65
December	170.75	152.00	162.22	1,269,228	206.83	5,793.10
2024						
January	164.10	132.00	143.54	1,492,616	213.19	5,126.26
February	149.65	126.65	139.67	1,759,788	246.35	4,987.82
March	139.20	95.60	126.38	2,189,148	262.13	4,513.41

AVERAGE CLOSING SHARE PRICE OVER THE LAST FISCAL YEAR



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 2023-2024, 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 2022, the Company's share capital has comprised one class of shares, i.e., ordinary shares with a par value of €2.00 each, listed on the Euronext Paris regulated market under ISIN code FR0013227113 and ticker symbol "SOI".

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 shareholders at March 31, 2024.

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. 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 2023-2024, GIC Private Limited, a company incorporated under Singapore law, declared to the Company:

- by letter dated August 3, 2023 that it had fallen below the threshold of 3% of voting rights set out in the Company's by-laws on July 28, 2023. The number of shares held by this company after the threshold crossing was 1,368,909 ordinary shares, representing the same number of voting rights, i.e., 3.85% of the share capital and 2.98% of the voting rights of the Company;
- by letter dated April 10, 2024, that it had exceeded the threshold of 3% of voting rights set out in the Company's by-laws March 28, 2024. The number of shares held by this company after the threshold crossing was 1,514,894 ordinary shares, representing the same number of voting rights, i.e., 4.24% of the share capital and 3.32% of the voting rights of the Company.

Since the end of fiscal year 2023-2024:

- GIC Private Limited has declared to the Company and to the AMF that it has exceeded the legal threshold of 5% of the share capital, on April 5, 2024 (see section B *Legal threshold crossing* of this Universal Registration Document);
- by letter dated April 24, 2024, BlackRock, Inc. declared to the Company that it had fallen below the threshold of 3% of voting rights set out in the Company's by-laws on April 23, 2024. The number of shares held by this company after the threshold crossing was 1,344,231 ordinary shares, representing the same number of voting rights, i.e., 3.76% of the share capital and 2.95% of the voting rights of the Company.
- by letter dated May 7, 2024, BlackRock, Inc. declared to the Company that it had fallen below the threshold of 3% of voting rights set out in the Company's by-laws on May 6, 2024. The number of shares held by this company after the threshold crossing was 1,063,032 ordinary shares, representing the same number of voting rights, i.e., 2.98% of the share capital and 2.33% of the voting rights of the Company.

B. Legal threshold crossings

During fiscal year 2023-2024, the following legal threshold crossings were declared in accordance with Article L. 233-7 of the French Commercial Code:

Shareholder company	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
BlackRock, Inc.	05/08/2023	↘	5% of voting rights	2,287,032	**6.43%**	2,287,032	**4.99%**
BlackRock, Inc.	05/10/2023	↗	5% of voting rights	2,289,714	**6.43%**	2,289,714	**5.002%**
BlackRock, Inc.	05/11/2023	↘	5% of voting rights	2,267,315	**6.37%**	2,267,315	**4.95%**
BlackRock, Inc.	08/02/2023	↗	5% of voting rights	2,316,513	**6.51%**	2,316,513	**5.05%**
BlackRock, Inc.	08/04/2023	↘	5% of voting rights	2,292,604	**6.44%**	2,292,604	**4.99%**
BlackRock, Inc.	08/09/2023	↗	5% of voting rights	2,304,797	**6.48%**	2,304,797	**5.02%**
BlackRock, Inc.	08/21/2023	↘	5% of voting rights	2,293,531	**6.44%**	2,293,531	**4.99%**
BlackRock, Inc.	08/28/2023	↗	5% of voting rights	2,301,162	**6.47%**	2,301,162	**5.01%**
BlackRock, Inc.	08/29/2023	↘	5% of voting rights	2,292,280	**6.44%**	2,292,280	**4.99%**
BlackRock, Inc.	09/01/2023	↗	5% of voting rights	2,322,899	**6.53%**	2,322,899	**5.06%**
BlackRock, Inc.	09/04/2023	↘	5% of voting rights	2,299,035	**6.44%**	2,299,035	**4.99%**
BlackRock, Inc.	09/08/2023	↗	5% of voting rights	2,328,697	**6.52%**	2,328,697	**5.06%**
BlackRock, Inc.	09/19/2023	↘	5% of voting rights	2,282,936	**6.39%**	2,282,936	**4.96%**
BlackRock, Inc.	09/26/2023	↗	5% of voting rights	2,309,095	**6.47%**	2,309,095	**5.02%**
BlackRock, Inc.	09/28/2023	↘	5% of voting rights	2,285,388	**6.40%**	2,285,388	**4.97%**
BlackRock, Inc.	10/05/2023	↗	5% of voting rights	2,310,212	**6.47%**	2,310,212	**5.02%**
BlackRock, Inc.	10/09/2023	↘	5% of voting rights	2,284,167	**6.40%**	2,284,167	**4.96%**
BlackRock, Inc.	10/27/2023	↗	5% of voting rights	2,305,405	**6.46%**	2,305,405	**5.01%**
BlackRock, Inc.	10/31/2023	↘	5% of voting rights	2,294,373	**6.42%**	2,294,373	**4.99%**
Baillie Gifford & Co.(1)	11/29/2023	↗	5% of capital	1,793,958	**5.02%**	1,793,958	**3.90%**
BlackRock, Inc.	12/15/2023	↗	5% of voting rights	2,329,173	**6.52%**	2,329,173	**5.06%**
BlackRock, Inc.	01/10/2024	↘	5% of voting rights	2,277,748	**6.38%**	2,277,748	**4.99%**
BlackRock, Inc.	03/28/2024	↘	5% of capital	1,778,590	**4.98%**	1,778,590	**3.90%**

(1) Acting as discretionary investment manager.

Since the end of fiscal year 2023-2024, the following legal threshold crossings have been declared to the Company and the AMF:

Shareholder company	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
GIC Private Limited(1)	04/05/2024	↗	5% of capital	1,799,004	**5.04%**	1,799,004	**3.95%**
Baillie Gifford & Co.(2)	05/14/2024	↗	5% of voting rights	2,299,863	**6.44%**	2,299,863	**5.05%**

(1) *By letter dated April 22, 2024 to the AMF, GIC Private Limited declared that it held 1,951,143 of the Company's shares as at April 19, 2024, representing the same number of voting rights, i.e., 5.46% of the share capital and 4.28% of the voting rights of the Company.*

(2) *Acting as discretionary investment manager.*

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. Given that the three strategic investors do not act in concert, as described in section 7.1.1 of this Universal Registration Document, the Company is not controlled.

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 the 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.

7.1.6.4 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.

7.1.6.5 Number of shares held by indirect subsidiaries

At March 31, 2024, none of the Company's subsidiaries held Soitec shares.

7.1.7 Employee shareholding structure

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, 2024 is approximately 0.10%, i.e., 408,565 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 7.2.3.3 *Free share plans* (as a Board of Directors' special report within the meaning of Article L. 225-197-4 of the French Commercial Code) 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 Company's website (www.soitec.com) 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.
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 25, 2023, 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 25, 2023 and July 28, 2021, 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 23, 2024 that are renewals of previous resolutions include the same conditions as those adopted in previous years. Information on the financial authorizations in force, the limits and use by the Board of Directors are described in more detail in section 7.2.4 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 7.2.3.4 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 4.2.2.3 C 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 2023-2024

7.2.1.1 Share capital at March 31, 2024

At March 31, 2024, the share capital, amounting to €71,424,604, comprised 35,712,302 ordinary shares with a par value of €2.00 each.

Since March 31, 2024, the Company has made no changes to its share capital.

7.2.1.2 Changes made in fiscal year 2023-2024

On August 2, 2023, the Company's share capital was increased from €71,178,834 to €71,424,604, following the issue of 122,885 new ordinary shares in connection with the vesting of performance shares.

The change in the share capital is indicated in the table in section 7.2.5 of this Universal Registration Document.

7.2.2 Share buyback program

The Company's share buyback program, in effect during fiscal year 2023-2024, was renewed by the Board of Directors on July 25, 2023, pursuant to the 15th resolution of the Annual General Meeting of July 25, 2023.

7.2.2.1 Number of treasury shares

During fiscal year 2023-2024, the Chief Executive Officer, acting under the powers delegated to him, decided to allocate the following in advance, in accordance with the regulations of said plans and Article L. 225-197-3 of the French Commercial Code:

- 96 existing ordinary shares of the Company, following the death of a beneficiary of the Agate 2025 Foreign Entities plan (Decisions of the Chief Executive Officer of August 29, 2023); and
- 178 existing ordinary shares of the Company, following the death of a beneficiary of the Agate Dolphin 2025 and 2026 plans (Decisions of the Chief Executive Officer of March 25, 2024).

These shares were taken from treasury shares held by the Company, in accordance with the provisions of said plans. As a result, the number of treasury shares held by the Company decreased from 4,221 to 3,947 ordinary shares in fiscal year 2023-2024.

Furthermore, during fiscal year 2023-2024, no Soitec shares were purchased by the Company under the share buyback program.

At March 31, 2024, the Company therefore held 3,947 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 €335,150.41.

7.2.2.2 Liquidity contract

During fiscal year 2023-2024, the Company entrusted BNP Paribas Exane with the implementation of a liquidity contract with effect from July 3, 2023 for an initial period running until December 31, 2023, renewable by tacit agreement for successive 12-month periods.

Said liquidity contract complies with the provisions set out in the legal framework in force, in particular, Articles 22-10-62 *et seq.* of the French Commercial Code, Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse as amended, AMF Decision No. 2021-01 of June 22, 2021 and the standard contract of the French Financial Markets Association (AMAFI) of November 17, 2021.

The purpose of this contract is for BNP Paribas Exane to market Soitec's ordinary shares traded on the Euronext Paris regulated market under ISIN code FR0013227113.

To implement this contract, €8,000,000 in cash were allocated to the liquidity account.

Under the terms of this contract, the liquidity contract may be suspended in the following cases:

- by either party in accordance with Article 5 of the AMF Decision No. 2021-01 of June 22, 2021;
- if the number of shares held is equal to the maximum number approved by Soitec's Annual General Meeting, notably taking into account the shares already held by Soitec in accordance with Article L. 225-210 of the French Commercial Code;
- in the event that the share price does not comply with the thresholds authorized by Soitec's Annual General Meeting;
- in the event of expiry or suspension of the share buyback authorization by Soitec's Annual General Meeting.

The liquidity contract may be terminated at any time by Soitec, without notice, in accordance with the conditions for closing the liquidity account set out in the contract. The contract may be terminated by BNP Paribas Exane with one month's notice.

The transactions carried out under the liquidity contract over the period from July 3, 2023 (date of implementation) to March 31, 2024, were as follows:

Cumulative gross flows from July 3, 2023[(1)] to March 31, 2024	Accumulated purchases	Accumulated sales
Number of shares	337,489	307,314
Average sale or purchase price (in euros)	153.400	154.984
Total sales and purchase amount (in euros)	51,770,681	47,628,713

(1) Effective date of the liquidity contract.

7.2.2.3 Description of the new share buyback program that will be submitted for the approval of the Annual General Meeting of July 23, 2024

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 on July 23, 2024, under the 17th resolution.

The buyback program would be valid for a further 18 months from the Annual General Meeting of July 23, 2024. As from this date, it would supersede the program approved by the Annual General Meeting of July 25, 2023 in its 15th resolution.

Objectives of the new share buyback program

In line with the previous authorization, 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.

Limits and characteristics

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 23, 2024.

For information purposes, this maximum number of shares would therefore stand at 1,785,615, as calculated based on the share capital at May 22, 2024, amounting to €71,424,604 (and comprising 35,712,302 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 23, 2024.

The maximum purchase price would be set at €165 per share. In the event of a share capital transaction, this amount would be adjusted accordingly.

The Annual General Meeting of July 23, 2024 will be asked to set the overall maximum amount that would be allocated to this program at €294,626,475. For information purposes, this limit was determined based on the share capital at May 22, 2024, amounting to €71,424,604.

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 Shares and securities giving access to the Company's share capital at March 31, 2024

7.2.3.1 Long-term incentive policy for employees and corporate officers

In principle, the Company allocates free performance shares every year, with the aim of retaining and motivating Group employees and corporate officers, and rewarding long-term performance.

These allocations, including the conditions and the identity of beneficiaries, are decided by the Board of Directors, on the recommendation of the Compensation and Nominations Committee, within the framework of the authorizations granted by the Annual General Meeting, the last authorization, in force to date, having been granted by the Combined Ordinary and Extraordinary Annual General Meeting of July 28, 2021, for a period of 38 months. Shareholders will be asked to renew this authorization under the same conditions at the Annual General Meeting of July 23, 2024, under its 20th resolution.

The Board of Directors decided to allocate free shares, mainly subject to performance conditions. However, it decided not to allocate subscription rights.

7.2.3.2 Stock option transactions undertaken during fiscal year 2023-2024 (as a Special Report of the Board of Directors within the meaning of Article L. 225-184 of the French Commercial Code)

In accordance with the provisions of Article L. 225-184 of the French Commercial Code, it is specified that no stock option transactions (allocation, exercise or cancellation) were undertaken during fiscal year 2023-2024 by the Company or 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.

7.2.3.3 Free share plans (as a Special Report of the Board of Directors pursuant to Article L. 225-197-4 of the French Commercial Code)

Pursuant to Article L. 225-197-4 of the French Commercial Code, the free share transactions (allocation, vesting and cancellation) undertaken during fiscal year 2023-2024 are set out below.

Free share plans adopted in previous years and still in force are also described below.

I. Conditional allocations of ordinary shares in fiscal years 2019-2020, 2020-2021, 2021-2022, 2022-2023 and 2023-2024

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 Meetings 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, respectively. The duration of each 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 each authorization may not exceed 5% of the share capital on the day the Board of Directors decides on the allocation and the number allocated to corporate officers may not exceed 20% of the total allocation.

Pursuant to the authorizations granted to it by the Company's Annual General Meetings of July 26, 2019 and July 28, 2021, and in accordance with its own powers under Articles L. 225-197-1 *et seq.*, Articles L. 22-10-59 and L. 22-10-60 of the French Commercial Code, the Company's Board of Directors approved the following plans:

- **Free ordinary share allocation plans approved in fiscal years 2019-2020 and 2020-2021**

Pursuant to the 32nd resolution of the Annual General Meeting of July 26, 2019, the Board of Directors approved ten free ordinary share allocation plans during fiscal years 2019-2020 and 2020-2021 at its meetings of December 18, 2019, March 25, 2020, November 18, 2020 and March 31, 2021. Only the Dolphin 2024 plan remains in force at the date of publication of this Universal Registration Document.

- **Free ordinary share allocation plans approved in fiscal years 2021-2022, 2022-2023 and 2023-2024**

Pursuant to the 27th resolution of the Annual General Meeting of July 28, 2021, the Board of Directors approved 20 free ordinary share allocation plans during fiscal years 2021-2022, 2022-2023, and 2023-2024 at its meetings on July 28, 2021, March 31, 2022, July 26, 2022, September 28, 2022, July 25, 2023 and March 27, 2024.

Summary of the free share plans in place at March 31, 2024

The free share plans in place at March 31, 2024 are shown in the table below:

- **SUMMARY TABLE OF FREE ORDINARY SHARE ALLOCATIONS IN FISCAL YEARS 2020-2021, 2021-2022, 2022-2023 AND 2023-2024**

Date of Annual General Meeting	**07/26/2019**	**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	**Dolphin 2024**	**Onyx 2024**	**Onyx 2024 *bis***	**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**
Date of Board of Directors' meeting	11/18/2020	07/28/2021	03/31/2022	07/26/2022	07/26/2022	07/26/2022	07/26/2022	07/26/2022	07/26/2022
Number of ordinary shares allocated by the Board of Directors	**9,500**	**54,614**	**2,596**	**8,334**	**48,995**	**19,629**	**6,690**	**1,197**	**1,706**
Of which number of shares for corporate officers of the Company	-	*8,240(2)*	-	-	-	-	-	-	-
Of which number of shares for top ten employee beneficiaries of the Company	*9,500*	*24,916*	*2,596*	*60*	*1,976*	*2,610*	*1,110*	*1,002*	*1,096*
Number of initial beneficiaries	10	88	3	1,401	1,401	380	142	13	32
Performance conditions	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
Vesting period	From 11/18/2020 to 08/01/2024	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
Holding period	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of shares vested(1)	**-**	**-**	**-**	**-**	**-**	**96**	**87**	**-**	**-**
Number of canceled or lapsed shares(1)	**2,000**	**4,907**	**694**	**1,063**	**5,199**	**6,317**	**2,139**	**291**	**33**
Number of shares outstanding(1)	**7,500**	**49,707**	**1,902**	**7,271**	**43,796**	**13,216**	**4,464**	**906**	**1,673**

(1) At March 31, 2024.
(2) Shares allocated to the former Chief Executive Officer, Paul Boudre.
(3) Shares allocated to the Chief Executive Officer, Pierre Barnabé.

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
Onyx 2025	**Onyx 2025 Dolphin Design**	**Onyx 2025 *bis***	**Onyx 2025 Dolphin Design *bis***	**Onyx 2025 B**	**Agate 2026 ESU**	**Agate 2026 Foreign Entities**	**Agate 2026 Dolphin Design France**	**Agate 2026 Dolphin Design Foreign Entities**	**Agate 2026 NOVASiC**	**Onyx 2026**	**Onyx 2026 *bis***
07/26/2022	07/26/2022	09/28/2022	09/28/2022	03/29/2023	07/25/2023	07/25/2023	07/25/2023	07/25/2023	07/25/2023	07/25/2023	03/27/2024
85,838	**4,578**	**6,531**	**1,675**	**5,428**	**60,122**	**14,540**	**6,798**	**2,791**	**676**	**86,745**	**5,429**
9,612[(3)]	-	-	-	-	-	-	-	-	-	*8,637*[(3)]	-
34,410	*3,519*	*6,531*	*933*	*5,428*	*2,183*	*1,485*	*1,135*	*1,198*	*567*	*39,843*	*5,429*
140	17	2	27	4	1,469	418	134	29	18	153	3
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
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	From 07/25/2023 to 08/01/2026	From 07/25/2023 to 08/01/2026	From 07/25/2023 to 08/01/2026	From 07/25/2023 to 08/01/2026	From 07/25/2023 to 08/01/2026	From 07/25/2023 to 08/01/2026	From 03/27/2024 to 08/01/2026
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
-	**-**	**-**	**-**	**-**	**-**	**-**	**91**	**-**	**-**	**-**	**-**
10,466	**810**	**2,424**	**566**	**0**	**3,989**	**1,073**	**997**	**230**	**70**	**2,845**	**0**
75,372	**3,768**	**4,107**	**1,109**	**5,428**	**56,133**	**13,467**	**5,710**	**2,561**	**606**	**83,900**	**5,429**

These freely allocated ordinary shares will vest to their beneficiaries, subject to compliance with the continued employment and/or performance conditions of each plan, and certain exceptions stipulated in the rules of each plan.

Continued employment condition

For all plans, the vesting period is three years, in accordance with the conditions set out in the plans. The vesting period dates for each plan are shown in the summary tables above (*Summary table of free ordinary share allocations in fiscal years 2020-2021, 2021-2022, 2022-2023 and 2023-2024*).

Performance conditions

In addition to the continued employment condition, the number of ordinary performance shares that will vest under the various plans will be determined by the Board of Directors based on the achievement of performance conditions provided for in said plans and described below. The performance conditions of each ongoing plan are the same for all Soitec employees (including the Chief Executive Officer, members of the Executive Committee and the main senior executives).

Only the Agate 2025 ESU plan provides for the allocation of free shares with and without performance conditions. The details of this plan are shown in the table above (*Summary table of free ordinary share allocations in fiscal years 2020-2021, 2021-2022, 2022-2023 and 2023-2024).*

Dolphin 2024 plan

The total number of ordinary shares vested, on the vesting date, will be determined on the basis of Dolphin Design's achievement of the two following targets, as set out in said plan:

- 50% of the total number of shares allocated are subject to a Dolphin Design revenue target to be achieved in fiscal years 2021-2022, 2022-2023 and 2023-2024; and
- 50% of the total number of shares allocated are subject to a Dolphin Design EBITDA target to be achieved for fiscal years 2021-2022, 2022-2023 and 2023-2024.

Onyx 2024 and Onyx 2024 *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 the three following targets, as provided for by said plans:

- 33.33% of the total number of shares allocated are subject to a Group consolidated revenue target to be achieved for fiscal year 2023-2024; and
- 33.33% of the total number of shares allocated are subject to a Group consolidated EBITDA margin target to be achieved for fiscal year 2023-2024;
- 33.33% of the total number of shares allocated are subject to the performance of the Total Shareholder Return (TSR) of the Company's ordinary shares compared to the Euro Stoxx 600 Technology index between August 2, 2021 and the publication date of the Group's consolidated financial statements for fiscal year 2023-2024.

Agate 2025 ESU plan with performance conditions, Agate 2025 Foreign Entities, Agate 2025 Frec|n|sys and NOVASiC, Onyx 2025, Onyx 2025 *bis* and Onyx 2025 B 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 the four following targets, as set out in said plans:

- 30% of the total number of shares allocated are subject to a Group consolidated revenue target to be achieved for fiscal years 2022-2023, 2023-2024 and 2024-2025;
- 30% of the total number of shares allocated are subject to a Group consolidated EBITDA margin target to be achieved for fiscal years 2022-2023, 2023-2024 and 2024-2025;
- 20% of the total number of shares allocated are subject to the performance of the Company's Total Shareholder Return (TSR) based on the Euro Stoxx 600 Technology index between the allocation date of each plan, and the reporting date of the Group's consolidated financial statements for fiscal year 2024-2025; and,
- 20% of the total number of shares allocated are subject to a sustainable development performance objective to be achieved over the three years of the plans, as follows:
  - a) 7% of the total number of shares allocated are subject to an ESG Scope 3 carbon footprint objective;
  - b) 6% of the total number of shares allocated are subject to an ESG water stress objective;
  - c) 3.5% of the total number of shares allocated are subject to an ESG D&I target consisting of the ratio of women hired over the three years covered by the plan; and
  - d) 3.5% of the total number of shares allocated are subject to an ESG D&I objective – proportion of women in the Company's senior management (professional category greater than or equal to 150).

Agate 2025 Dolphin France, Agate 2025 Dolphin Foreign Entities, Onyx 2025 Dolphin Design and Onyx 2025 Dolphin Design *bis* plans

The number of ordinary performance shares that will vest at the end of the vesting periods concerned will be determined by the Company's Board of Directors based on the rate of achievement of the three following targets, as provided for by said plans:

- 35% of the total number of shares allocated are subject to a revenue target for Dolphin Design and its subsidiaries to be achieved for fiscal years 2022-2023, 2023-2024 and 2024-2025;
- 35% of the total number of shares allocated are subject to a revenue target for Dolphin Design and its subsidiaries for fiscal years 2022-2023, 2023-2024 and 2024-2025;
- 30% of the total number of shares allocated are subject to sustainable development and technological performance objectives to be achieved over the three years of the plans, as follows:
  - a) 15% according to the proportion of women in the executive management teams of Dolphin Design and its subsidiaries (professional category greater than or equal to 150); and
  - b) 15% according to an energy and technological performance criterion, composed of two sub-criteria: 7.5% – POWER MANAGEMENT performance factor index and 7.5% – Performance Neural Processor.

Agate 2026 ESU, Agate 2026 Foreign Entities, Agate 2026 Dolphin Design France, Agate 2026 Dolphin Design Foreign Entities, Agate 2026 NOVASiC, Onyx 2026 and Onyx 2026 *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 the three following targets, as provided for by said plans:

- 30% of the total number of shares allocated are subject to a cumulative revenue target over fiscal years 2023-2024, 2024-2025 and 2025-2026;
- 30% of the total number of shares allocated are subject to a cumulative EBITDA margin target on cumulative revenue over fiscal years 2023-2024, 2024-2025 and 2025-2026;
- 20% of the total number of 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, between the allocation date and the publication date of the consolidated financial statements for fiscal year 2025-2026; and
- 20% of the total number of shares allocated are subject to a performance condition based on three sustainable development objectives, namely:
  - a) 7% of the total number of shares allocated are subject to an ESG objective – Change in the carbon footprint in Scopes 1 and 2;

b) 7% of the total number of shares allocated are subject to an ESG objective - Reduction in water consumption (l/cm²); and

c) 6% of the total number of shares allocated are subject to an objective relating to the proportion of women in the Group's senior management (professional category greater than or equal to 150).

II. Vesting of performance shares during fiscal year 2023-2024

In accordance with a decision of the Chief Executive Officer dated August 2, 2023, pursuant to the authorization granted by the Board of Directors on July 25, 2023, the Chief Executive Officer placed on record the vesting of performance shares under the Opale France, Opale Foreign Entities, Onyx 2023 and Onyx 2023 *bis* plans, details of which are given in the table below (Summary table of the vesting of performance shares under the Opale France, Opale Foreign Entities, Onyx 2023 and Onyx 2023 *bis* plans).

Said shares were acquired by their beneficiaries as a result of (i) compliance with a continued employment condition and (ii) the achievement of performance conditions measured on the basis of Soitec's consolidated financial statements for the fiscal year ended March 31, 2023, namely:

Objectives of the Opale France and Opale Foreign Entities, Onyx 2023 and Onyx 2023 *bis* plans	**2022-2023 results(1)**	**Number(2) of shares vested**
Consolidated EBITDA margin growth objective	36%	100%
Consolidated revenue target	US$1,184,000,000.00	100%
Company TSR performance target relative to the Euro Stoxx 600 Technology index	44%	0%

(1) Details of the targets are available on the Company's website (www.soitec.com) in the "Long-term variable compensation information related to the chief executive officers" section.
(2) Determined by linear interpolation.

• SUMMARY TABLE OF THE VESTING OF PERFORMANCE SHARES UNDER THE OPALE FRANCE, OPALE FOREIGN ENTITIES, ONYX 2023 AND ONYX 2023 *BIS* PLANS

Date of Annual General Meeting	**07/26/2019**	**07/26/2019**	**07/26/2019**	**07/26/2019**
Plan name	**Opale France**	**Opale Foreign Entities**	**Onyx 2023**	**Onyx 2023 *bis***
Date of Board of Directors' meeting	11/18/2020	11/18/2020	11/18/2020	03/31/2021
Number of ordinary shares allocated by the Board of Directors	**123,711**	**19,411**	**59,915**	**1,271**
Of which number of shares for corporate officers of the Company	-	-	*13,306(3)*	-
Of which number of shares for top ten employee beneficiaries of the Company	*8,919*	*3,484*	*34,474*	*1,271*
Number of initial beneficiaries	1,218	172	22	1
Performance conditions	Yes	Yes	Yes	Yes
Vesting period	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 03/31/2021 to 08/01/2023
Holding period	N/A	N/A	N/A	N/A
Number of shares vested(1)	**73,692**	**9,189**	**39,286**	**848**
Number of canceled or lapsed shares(1)	**50,019**	**10,222**	**20,629**	**423**
Number of shares outstanding(2)	**0**	**0**	**0**	**0**

(1) At August 2, 2023.
(2) At March 31, 2024.
(3) Shares allocated to the former Chief Executive Officer, Paul Boudre.

7.2.3.4 Issue of convertible bonds exchangeable for new or existing shares (OCEANE convertible bonds)

A 2025 OCEANE placement was carried out, pursuant to Article L. 411-2 I of the French Monetary and Financial Code, on the basis of the 14th resolution approved by the Annual General Meeting held on September 23, 2020. This 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.

7.2.3.5 Information on the potential dilution of the Company's capital

At March 31, 2024, the Company's share capital comprised a total of 35,712,302 ordinary shares with a par value of €2.00 each.

All of the Company's shares are subscribed and fully paid up.

The table below shows the potential dilution of the Company's share capital in connection with the allocation of free shares subject to the performance conditions (with the exception of the Agate 2025 ESU plan of July 26, 2022) and the OCEANE 2025 convertible bonds.

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(2)	1,864,173	5.220%
Ordinary shares (Dolphin 2024 plan of November 18, 2020)	9,500	7,500	-	-	7,500	0.021%
Ordinary shares (Onyx 2024 plan of July 28, 2021)	54,614	49,707	-	-	49,707	0.139%
Ordinary shares (Onyx 2024 *bis* plan of March 31, 2022)	2,596	1,902	-	-	1,902	0.005%
Free ordinary performance shares (Agate 2025 ESU plan without performance conditions of July 26, 2022)	8,334	7,271	-	-	7,271	0.020%
Ordinary shares (Agate 2025 ESU plan with performance conditions of July 26, 2022)	48,995	43,796	-	-	43,796	0.123%
Ordinary shares (Agate 2025 Foreign Entities plan of July 26, 2022)	19,629	13,216	-	-	13,216	0.037%
Ordinary shares (Agate 2025 Dolphin France plan of July 26, 2022)	6,690	4,464	-	-	4,464	0.012%
Ordinary shares (Agate 2025 Dolphin Foreign Entities plan of July 26, 2022)	1,197	906	-	-	906	0.003%
Ordinary shares (Agate 2025 Frec|n|sys and NOVASiC plan of July 26, 2022)	1,706	1,673	-	-	1,673	0.005%
Ordinary shares (Onyx 2025 plan of July 26, 2022)	85,838	75,372	-	-	75,372	0.211%
Ordinary shares (Onyx 2025 Dolphin Design *bis* plan of July 26, 2022)	4,578	3,768	-	-	3,768	0.011%
Ordinary shares (Onyx 2025 *bis* plan of September 28, 2022)	6,531	4,107	-	-	4,107	0.012%
Ordinary shares (Onyx 2025 Dolphin Design *bis* plan of September 28, 2022)	1,675	1,109	-	-	1,109	0.003%
Ordinary shares (Onyx 2025 B plan of March 29, 2023)	5,428	5,428	-	-	5,428	0.015%
Ordinary shares (Onyx 2026 plan of July 25, 2023)	86,745	83,900	-	-	83,900	0.235%
Ordinary shares (Agate 2026 ESU plan of July 25, 2023)	60,122	56,133	-	-	56,133	0.157%
Ordinary shares (Agate 2026 Foreign Entities plan of July 25, 2023)	14,540	13,467	-	-	13,467	0.038%
Ordinary shares (Agate 2026 Dolphin Design France plan of July 25, 2023)	6,798	5,710	-	-	5,710	0.016%
Ordinary shares (Agate 2026 Dolphin Design Foreign Entities planof July 25, 2023)	2,791	2,561	-	-	2,561	0.007%
Ordinary shares (Agate 2026 NOVASiC plan of July 25, 2023)	676	606	-	-	606	0.002%
Ordinary shares (Onyx 2026 *bis* plan of March 27, 2024)	5,429	5,429	-	-	5,429	0.015%
TOTAL MAXIMUM POTENTIAL DILUTION	**-**	**-**	**-**	**-**	**2,252,198**	**6.307%**

(1) At March 31, 2024.
(2) See section 7.2.3.4 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, 2024.

7.2.4 Rights to purchase and obligations related to the subscribed, but not paid-up, capital

The table below summarizes current financial authorizations and delegations and their use:

Transactions/shares concerned (date of Annual General Meeting and resolution number)	Maximum amount	Use (date)	Duration of the authorization (expiry date)
1. Authorizations 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 Annual General Meeting of July 25, 2023 – 20th resolution	In share capital = €35 million In debt securities* = €500 million	None	26 months (09/24/2025)
Capital increase by capitalizing premiums, reserves, profits, or any other funds that may be capitalized Annual General Meeting of July 25, 2023 – 27th resolution	Within the limit: i. of the amount of the total reserves, premiums, or profits; and ii. of the overall ceiling of €35 million	None	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 Annual General Meeting of July 25, 2023 – 29th resolution	In share capital = €710,000	None	26 months (09/24/2025)
2. Authorizations 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 other than those referred to in Article L. 411-2, I° of the French Monetary and Financial Code Annual General Meeting of July 25, 2023 – 21st resolution	In share capital = €35 million and €7 million In debt securities* = €500 million	None	26 months (09/24/2025)
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 Annual General Meeting of July 25, 2023 – 22nd resolution	In share capital = €35 million and €7 million (and within the legal limit of 20% of the share capital per year) In debt securities* = €500 million	None	26 months (09/24/2025)
Capital increase, all securities included, without PSR – reserved for categories of persons meeting specific criteria Annual General Meeting of July 25, 2023 – 23rd resolution	In share capital = €35 million and €7 million In debt securities* = €500 million	None	18 months (01/24/2025)
Capital increase as consideration for contributions in kind consisting of shares or securities giving access to the capital Annual General Meeting of July 25, 2023 – 26th resolution	In share capital* = €35 million and €7 million (and within the limit of 10% of the share capital) In debt securities* = €500 million	None	26 months (09/24/2025)

Transactions/shares concerned (date of Annual General Meeting and resolution number)	Maximum amount	Use (date)	Duration of the authorization (expiry date)
Capital increase as consideration for contributions of shares as part of a public exchange offer initiated by the Company Annual General Meeting of July 25, 2023 – 28th resolution	In share capital = €35 million and €7 million In debt securities* = €500 million	None	26 months (09/24/2025)
3. Authorizations 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 or Greenshoe Annual General Meeting of July 25, 2023 – 24th resolution	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	None	26 months (09/24/2025)
Capital increase, all securities included, with a waiver of PSR – derogation rules for setting the issue price (unrestricted price) Annual General Meeting of July 25, 2023 – 25th resolution	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	None	26 months (09/24/2025)
4. Resolutions subject to independent ceilings			
Company's share buyback program Annual General Meeting of July 25, 2023 – 15th resolution	5% of the share capital Maximum buyback price: €230 per share (excluding acquisition costs)	A liquidity contract with BNP Paribas Exane dated July 3, 2023 €8,000,000 in cash allocated to the liquidity account	18 months (01/24/2025)

Transactions/shares concerned (date of Annual General Meeting and resolution number)	Maximum amount	Use (date)	Duration of the authorization (expiry date)
Free ordinary share allocation 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	Twenty conditional ordinary share (OS) allocation plans: › Onyx 2024: 54,614 OS allocated (Board meeting of July 28, 2021) › Onyx 2024 *bis*: 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: 6,690 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) › Onyx 2026: 86,745 OS allocated (Board meeting of July 25, 2023) › Agate 2026 ESU: 60,122 OS allocated (Board meeting of July 25, 2023) › Agate 2026 Foreign Entities: 14,540 OS allocated (Board meeting of July 25, 2023) › Agate 2026 Dolphin Design France: 6,798 OS allocated (Board meeting of July 25, 2023) › Agate 2026 Dolphin Design Foreign entities: 2,791 OS allocated (Board meeting of July 25, 2023) › Agate 2026 NOVASiC: 676 OS allocated (Board meeting of July 25, 2023) › Onyx 2026 *bis*: 5,429 OS allocated (Board meeting of March 27, 2024)	38 months (09/28/2024)
Cancellation of shares acquired pursuant to the authorizations to buy back Company shares Annual General Meeting of July 25, 2023 – 30th resolution	10% of the share capital per 24-month period	None	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 Shareholders' 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 that may result from the implementation of the 20th to 29th resolutions of the Shareholders' 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 Shareholders' 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.*

7.2.5 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)*
07/29/2019	Capital increase by 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 by 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 performance 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 by 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 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 performance 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 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 performance 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 €)*	*(in shares)*
01/10/2022	Capital increase through the vesting of 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 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 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 by 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 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 PS 2 (Topaz 2022 plan)	16,738	-	8,369	2.00	71,112,308.00	35,556,154
12/01/2022	Capital increase by 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
08/02/2023	Capital increase through the vesting of performance shares (Opale France, Opale Foreign Entities, Onyx 2023 and Onyx 2023 *bis* plans)	245,770	-	122,885	2.00	71,424,604.00	35,712,302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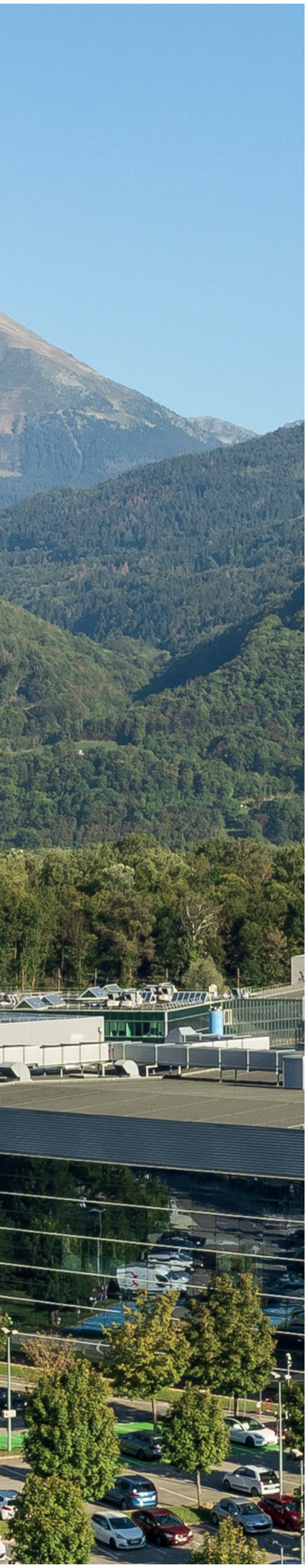

8

ANNUAL GENERAL MEETING

8.1 Participation in Annual General Meetings

Articles 21 to 24 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. They are held either at the registered office or at any other venue specified in the notice of meeting.

All Soitec shareholders are entitled to take part in Annual General Meetings, irrespective of the number of shares they own, provided that their shares have not been stripped of voting rights pursuant to the applicable laws and regulations, and subject to providing proof of their identity and evidence of ownership of their shares, in compliance with the applicable regulations.

Shareholders may attend Annual General Meetings in one of four ways, subject to choosing their method of participation within the time limits and in accordance with the terms and conditions stipulated in the applicable regulations, by:

- attending in person, by requesting an admission card;
- voting by post;
- giving proxy to the Chair of the Annual General Meeting; or
- giving proxy to their spouse or civil partner, to another shareholder, or to any other 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 Chair of the Meeting will vote in favor of the draft resolutions presented or approved by the Board, and against all other draft resolutions.

Under the Company's by-laws, shareholders are permitted to take part in Annual General Meetings by electronic means, and to cast their votes remotely or by videoconference subject to the terms and conditions provided for in the applicable regulations.

Procedures for participation in Annual General Meetings, in compliance with the applicable laws and regulations, are set out in the shareholders' notice of meeting and the convening notice, which are available on the Company's website (www.soitec.com), under Investors – Shareholders' Information – Annual General Meeting.

An attendance sheet is kept under the conditions provided for by law.

Resolutions at Ordinary and Extraordinary Shareholders' Meetings are adopted subject to the quorum and majority requirements that govern Ordinary and Extraordinary Meetings respectively, and the shareholders at those meetings exercise the powers vested in them by law.

8.2 Agenda

At its meeting on May 22, 2024, the Board of Directors decided to convene an Annual General Meeting on:

Tuesday, July 23, 2024 at 1:30 p.m., Paris time

at the Company's registered office located at Parc Technologique des Fontaines, Chemin des Franques, 38190 Bernin, France

in order to submit the 22 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, 2024
Second resolution:	Approval of the consolidated financial statements for the fiscal year ended March 31, 2024
Third resolution:	Appropriation of net profit for the fiscal year ended March 31, 2024
Fourth resolution:	Appointment of Frédéric Lissalde as a director
Fifth resolution:	Reappointment of Françoise Chombar as a director
Sixth resolution:	Reappointment of Satoshi Onishi as a director
Seventh resolution:	Reappointment of Shuo Zhang as a director
Eighth resolution:	Approval of the amendment to the defined contribution supplementary pension plan that forms part of the Chief Executive Officer's compensation policy, effective from January 1, 2024
Ninth 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
Tenth 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, 2024 to Éric Meurice in his capacity as Chair of the Board of Directors
Eleventh 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, 2024 to Pierre Barnabé in his capacity as Chief Executive Officer
Twelfth resolution:	Approval of the compensation policy for the Chair of the Board of Directors
Thirteenth resolution:	Approval of the compensation policy for the members of the Board of Directors
Fourteenth resolution:	Approval of the compensation policy for the Chief Executive Officer
Fifteenth resolution:	Approval, in accordance with Articles L. 225-38 *et seq.* of the French Commercial Code, of a services agreement entered into with Éric Meurice, Chair of the Company's Board of Directors at the date the agreement was signed
Sixteenth resolution:	Appointment of KPMG S.A. as Statutory Auditor responsible for certifying the Company's sustainability information
Seventeenth 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**

Eighteenth 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
Nineteenth 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
Twentieth resolution:	Authorization to be granted to the Board of Directors to allocate, free of consideration, pursuant to Articles L. 225-197-1 *et seq.* and Articles L. 22-10-59 and L. 22-10-60 of the French Commercial Code, new or existing ordinary shares of the Company to employees and/or corporate officers of the Company and/or companies or groups of entities directly or indirectly affiliated with the Company, entailing the waiver by shareholders of their preemptive subscription rights
Twenty-first 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**

Twenty-second resolution:	Powers for formalities

8.3 Report of the Board of Directors on the resolutions submitted to the Annual General Meeting of July 23, 2024

8.3.1 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 invited to:

- approve the statutory financial statements for the fiscal year ended March 31, 2024, which show revenue of €757,536,690.74 and profit of €159,892,381.81, and to approve the overall amount of non-deductible expenses and charges subject to corporate income tax standing at €43,055 for the fiscal year, as well as the related tax charge estimated at €10,764;
- approve the consolidated financial statements for the fiscal year ended March 31, 2024, which show revenue of €977,914 thousand and net profit (Group share) of €178,317 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, 2024, comprising the profit for said fiscal year plus retained earnings of €679,543,716.01, amounts to €839,436,097.82;
- appropriate distributable profit for the fiscal year ended March 31, 2024 as follows:
  - €24,577 to the "Legal reserve", increasing it from €7,117,883.40 to €7,142,460.40, so that it would reach an amount at least equal to 10% of the Company's share capital, and
  - the balance of €159,867,804.81 to "Retained earnings", which would be increased from €679,543,716.01 to €839,411,520.82;
- note that the Company has not distributed any dividends in respect of the past three fiscal years.

The statutory and consolidated financial statements, the Board of Directors' management report and the Statutory Auditors' reports, as approved for issue by the Board of Directors on May 22, 2024, are presented in the 2023-2024 Universal Registration Document.

First resolution –

Approval of the statutory financial statements for the fiscal year ended March 31, 2024

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, 2024, 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, 2024, 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 €757,536,690.74 and profit of €159,892,381.81.

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 €43,055 in respect of the fiscal year ended March 31, 2024, which generated an estimated tax charge of €10,764.

Second resolution –

Approval of the consolidated financial statements for the fiscal year ended March 31, 2024

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, 2024, 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, 2024, 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 €977,914 thousand and net profit (Group share) of €178,317 thousand.

Third resolution –

Appropriation of net profit for the fiscal year ended March 31, 2024

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, 2024:

- notes that, as a result of the profit for the fiscal year of €159,892,381.81 and retained earnings at March 31, 2024 of €679,543,716.01, the profit available for distribution in respect of the fiscal year amounts to €839,436,097.82;
- resolves to appropriate the profit for the fiscal year ended March 31, 2024, amounting to €159,892,381.81, as follows:
  - €24,577 to the "Legal reserve", increasing it from €7,117,883.40 to €7,142,460.40, so that it reaches an amount at least equal to 10% of the Company's share capital, and
  - the balance, representing €159,867,804.81 to "Retained earnings", increasing it from €679,543,716.01 to €839,411,520.82.

The Annual General Meeting places on record that no dividends have been paid over the past three fiscal years.

Resolutions no. 4 to 7
Composition of the Board of Directors

The Company's Board of Directors currently comprises fourteen members, including the Chief Executive Officer, the Referent Director and two employee directors (as required by law). Out of these fourteen members, seven are independent and five are women (excluding the woman employee director, as required by law).

Éric Meurice, whose term of office is due to expire at the close of the next Annual General Meeting, has stated that he will not be seeking reappointment either as a director or as Chair of the Board of Directors (positions he has held since 2018 and 2019 respectively). Following the end of his directorship and term of office as Chair of the Board of Directors, he will take on the role of strategic advisor to the Company's Chief Executive Officer for a period of one year (see the 15th resolution below).

All of the members of the Board of Directors express their gratitude to Éric Meurice for his unwavering commitment over the past six years and for his major contribution to the Board's work, which have enabled Soitec to create value for all of its stakeholders.

Consequently, on the recommendation of the Compensation and Nominations Committee, in the **4th resolution**, the Board of Directors is proposing that the shareholders appoint Frédéric Lissalde as a new director for a three-year term, expiring at the close of the Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2027.

Frédéric Lissalde has already stated that he would accept this directorship if the shareholders vote in favor of the related resolution, and that he is not subject to any incompatibility or prohibitions that could prevent him from performing his duties as a director.

The directorships of Françoise Chombar, Satoshi Onishi and Shuo Zhang are also due to expire at the close of the next Annual General Meeting. Therefore, on the recommendation of the Compensation and Nominations Committee, in the **5th to 7th resolutions**, the Board of Directors is asking the shareholders to reappoint these three directors for further three-year terms, expiring at the close of the Ordinary General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2027.

Françoise Chombar, Satoshi Onishi and Shuo Zhang have each already stated that they would respectively accept these directorships if the shareholders vote in favor of the related resolutions, and that they are not subject to any incompatibility or prohibitions that could prevent them from performing their duties as directors.

If the above-described resolutions are approved by the shareholders, at the close of the next Annual General Meeting, the composition of the Board would be the same as its current composition and would still comply with the applicable legal provisions and the recommendations of the AFEP-MEDEF Code. The Board of Directors will comprise diverse profiles and expertise both in the semiconductor sector and throughout Soitec's value chain, giving the Board and its Committees the multidisciplinary, cross-cutting and complementary skills required to help support the Group's development, meet its challenges and seize opportunities.

Appointment of Frédéric Lissalde as a director

In the 4th resolution, the shareholders are invited to appoint Frédéric Lissalde as a new director for a three-year term.

Frédéric Lissalde is currently President and Chief Executive Officer of BorgWarner, Inc (NYSE), a US-based world leading group in the sustainable mobility sector, with revenues of around $14 billion. He will bring his experience as head of a global industrial company, as well as his knowledge of the automotive challenges of tomorrow. He will sit as an independent director in accordance with the criteria of the AFEP-MEDEF Code.

Fréféric Lissalde's profile is set out in section 4.1 of the 2023-2024 Universal Registration Document.

Reappointment of Françoise Chombar as a director

In the 5th resolution, the shareholders are invited to reappoint Françoise Chomar as a director for a three-year term.

A Belgian national, and an independent director since July 2019, Françoise Chombar served as Chief Executive Officer of Melexis for 18 years and therefore has in-depth knowledge of semiconductor sensors and driver components, mainly aimed at automotive applications. She contributes significantly to the work of the Board of Directors and the Committees on which she sits, bringing her experience in the semiconductor and automotive industries, while also actively contributing to the Group's ESG strategy.

In fiscal year 2023-2024, Françoise Chombar's attendance rate at meetings of the Board of Directors and the Committees of which she is a member was 100%, clearly demonstrating her engaged involvement in their work.

If the shareholders vote in favor of reappointing Françoise Chombar as a director at the next Annual General Meeting, she will continue to be a member of the Strategic Committee and the ESG Committee.

Françoise Chombar's profile is set out in section 4.1 of the 2023-2024 Universal Registration Document.

Reappointment of Satoshi Onishi as a director

In the 6th resolution, the shareholders are invited to reappoint Satoshi Onishi as a director for a three-year term.

A Japanese national and a non-independent director since July 2015, Satoshi Onishi has over 30 years' experience in the semiconductor industry. He is Managing Director of the Special Functional Products Department at Shin-Etsu Chemical Co. Ltd. and he brings his extensive knowledge of the markets in which the Group operates to Soitec's Board. He helps drive Soitec's growth by sharing his professional experience and expertise in the semiconductor business with the Board of Directors and the Strategic Committee of which he is a member.

In fiscal year 2023-2024, Satoshi Onishi's attendance rate at meetings of the Board of Directors and the Committee was 100%, clearly demonstrating his engaged involvement in their work.

If the shareholders vote in favor of reappointing Satoshi Onishi as a director at the next Annual General Meeting, he will continue to be a member of the Strategic Committee.

Satoshi Onishi's profile is set out in section 4.1 of the 2023-2024 Universal Registration Document.

Reappointment of Shuo Zhang as a director

In the 7th resolution, the shareholders are invited to reappoint Shuo Zhang as a director for a three-year term.

A US national and an independent director since July 2019, Shuo Zhang has over 25 years of international experience in corporate management and strategic commercial development within the semiconductor industry. She contributes significantly to the work of the Board of Directors and the Committees on which she sits, sharing her professional experience and her expertise in the US and Chinese semiconductor sectors.

In fiscal year 2023-2024, Shuo Zhang's attendance rate at meetings of the Board of Directors and the Committees of which she is a member was 100%, clearly demonstrating her engaged involvement in their work.

If the shareholders vote in favor of reappointing Shuo Zhang as a director at the next Annual General Meeting, she will take on the role of Chair of the Audit and Risks Committee, replacing Christophe Gégout, who will become Chair of the Board of Directors for a transitional period, and she will continue to be a member of the Strategic Committee and the Compensation and Nominations Committee.

Shuo Zhang's profile is set out in section 4.1 of the 2023-2024 Universal Registration Document.

Fourth resolution –

Appointment of Frédéric Lissalde as a director

The Annual General Meeting, under the conditions of quorum and majority required for Ordinary General Meetings, having considered the Board of Directors' report, resolves to appoint Frédéric Lissalde, as a director, for a term of three 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, 2027.

Fifth resolution –

Reappointment of Françoise Chombar as a director

The Annual General Meeting, under the conditions of quorum and majority required for Ordinary General Meetings, having considered the Board of Directors' report, resolves to reappoint Françoise Chombar, as a director, for a term of three 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, 2027.

Sixth resolution –

Reappointment of Satoshi Onishi as a director

The Annual General Meeting, under the conditions of quorum and majority required for Ordinary General Meetings, having considered the Board of Directors' report, resolves to reappoint Satoshi Onishi, as a director, for a term of three 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, 2027.

Seventh resolution –

Reappointment of Shuo Zhang as a director

The Annual General Meeting, under the conditions of quorum and majority required for Ordinary General Meetings, having considered the Board of Directors' report, resolves to reappoint Shuo Zhang as a director, for a term of three 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, 2027.

Resolution no. 8
Approval of the amendment to the defined contribution supplementary pension plan that forms part of the Chief Executive Officer's compensation policy, effective from January 1, 2024

When the shareholders at the Annual General Meeting of July 25, 2023 approved in the 10th resolution the Chief Executive Officer's compensation policy for fiscal year 2023-2024, they authorized the Chief Executive Officer to be a beneficiary of the "Article 83" defined contribution supplementary pension plan. All employees of Soitec's Economic and Social Unit (ESU) have also benefited from this plan.

As from January 1, 2024, this defined contribution pension plan was collectively transferred to a mandatory retirement savings plan (*plan d'épargne retraite obligatoire* – PERO), for all Soitec ESU employees.

Following this collective transfer, at its meeting of May 22, 2024, on the recommendation of the Compensation and Nominations Committee, the Company's Board of Directors authorized the Chief Executive Officer to be a beneficiary of the PERO plan.

In the 8th resolution, the shareholders are therefore invited to approve the retroactive application of this new plan for the Chief Executive Officer, with effect from January 1, 2024.

Under a PERO mandatory retirement savings plan, entitlements accrue on an individual basis according to the contribution rate. The Company's obligation 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, payments in the form of an annuity are compulsory.

In the event of death before retirement, the designated beneficiary receives a capital lump sum. In the event of death after retirement, if the reversionary option has been chosen, all or part of the pension is paid to the surviving spouse or to other beneficiaries if the plan so provides.

As in the case of the "Article 83" pension plan, contributions to the PERO pension plan are paid in full by the Company via contributions to compensation Tranches A, B (3.18%) and C (4.71%).

These contributions are deductible from the corporate income tax base, subject to the social levy (*forfait social*) of 16%, and excluded from the social security contribution base up to the higher of the following two values: 5% of the annual social security ceiling (*plafond annuel de la sécurité sociale* – PASS) or (ii) 5% of compensation taken into account up to a limit of five PASS.

Pierre Barnabé is a beneficiary of this plan in his capacity as Chief Executive Office 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. Pierre Barnabé's entitlements under the new PERO pension plan will not exceed his entitlements under Article 83 of the French Tax Code.

The Chief Executive Officer is not a member of any defined benefit supplementary pension plan.

Information on the defined contribution pension plan is available in section 4.2 of the 2023-2024 Universal Registration Document.

Eighth resolution – Approval of the amendment to the defined contribution supplementary pension plan that forms part of the Chief Executive Officer's compensation policy, effective from January 1, 2024

The Annual General Meeting, under the conditions of quorum and majority required for Ordinary General Meetings, having considered the corporate governance report drawn up in accordance with Article L. 225-37 of the French Commercial Code, approves the amendment to the Chief Executive Officer's compensation policy concerning the defined contribution supplementary pension plan, effective from January 1, 2024, namely the transfer of the pension plan governed by Article 83 of the French Tax Code (the "Article 83" plan) to a mandatory retirement savings plan (PERO), as described in section 4.2 of the 2023-2024 Universal Registration Document.

Resolutions no. 9 to 11
Compensation of the Company's corporate officers for fiscal year 2023-2024

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 9th 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 said Code relating to the compensation of the Company's corporate officers for fiscal year 2023-2024, as approved by the Board of Directors on May 22, 2024 on the recommendation of the Compensation and Nominations Committee. This information contains, in particular, figures that permit an analysis of the compensation of the Company's officers (the Chief Executive Officer and the Chair of the Board of Directors) as compared with employees' compensation and the Company's performance.

This information is presented in section 4.2.3 of the 2023-2024 Universal Registration Document.

Approval of the compensation paid during or granted for fiscal year 2023-2024 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 paid during or granted for the fiscal year ended March 31, 2024, as approved by the Board of Directors on the recommendation of the Compensation and Nominations Committee, to:

- Éric Meurice, Chair of the Board of Directors, pursuant to the **10th resolution** (see second table of section 4.2.4 of the 2023-2024 Universal Registration Document); and
- Pierre Barnabé, Chief Executive Officer, pursuant to the **11th resolution** (see first table of section 4.2.4 of the 2023-2024 Universal Registration Document).

The components of their compensation were paid or granted in compliance with the compensation policy approved by the shareholders on July 25, 2023, pursuant to the 7th and 10th resolutions.

The payment of annual variable compensation to Pierre Barnabé, in his capacity as Chief Executive Officer, described in section 4.2.4 of the 2023-2024 Universal Registration Document, is subject to the shareholders' approval of **11th resolution**.

Ninth 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, 2024 referred to in Article L. 22-10-9, I of the French Commercial Code, as presented in section 4.2.3 of the 2023-2024 Universal Registration Document.

Tenth resolution –

Approval of the fixed, variable and exceptional components of the total compensation and benefits paid during or granted for the fiscal year ended March 31, 2024 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 paid during or granted for the fiscal year ended March 31, 2024 to Éric Meurice, in his capacity as Chair of the Board of Directors, as presented in the second table of section 4.2.4 of the 2023-2024 Universal Registration Document.

Eleventh resolution –

Approval of the fixed, variable and exceptional components of the total compensation and benefits paid during or granted for the fiscal year ended March 31, 2024 to 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. 22-10-34, II of the French Commercial Code, the fixed, variable and exceptional components of the total compensation and benefits paid during or granted for the fiscal year ended March 31, 2024 to Pierre Barnabé, in his capacity as Chief Executive Officer, as presented in the first table of section 4.2.4 of the 2023-2024 Universal Registration Document.

Resolutions no. 12 to 14
Approval of the compensation policies for the corporate officers (*ex-ante* say-on-pay)

In fiscal year 2023-2024, the Compensation and Nominations Committee conducted an in-depth study of the compensation practices of companies forming part of a benchmarking panel(1), with the help of a specialized independent consulting firm, in order to assess how the compensation packages of the Company's corporate officers compare with the benchmarked companies. The reasons for choosing the companies included in the benchmarking panel are described in section 4.2.1.1 of the 2023-2024 Universal Registration Document.

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 May 22, 2024, on the recommendation of the Compensation and Nominations Committee, following the benchmarking study.

Compensation policy for the Chair of the Board of Directors

The fiscal year 2023-2024 compensation policy for the Chair of the Board of Directors, submitted in the **12th resolution**, solely comprises annual fixed compensation. It does not include any variable compensation, performance share allocations, termination benefits or a non-compete indemnity.

The results of the benchmarking study of compensation paid to the Chairs of the Boards of the companies in the benchmarking panel show that the fixed compensation of the Chair of Soitec's Board of Directors is below the median fixed compensation received by the Chairs of the French companies in the panel. The shareholders are therefore invited to approve an increase in the fixed compensation of the Chair of the Board of Directors to €280,000 (gross) from €230,000 (gross), the amount prevailing since fiscal year 2019-2020, which would position the Chair of the Board of Directors' compensation at the median, bring the Chair's compensation into line with the duties entrusted to him, and make the position of Chair of Soitec's Board of Directors more attractive in a year of transition.

This increase would take effect after the transitional period, i.e., as from the appointment of the new Chair of the Board of Directors, subject to the approval at the July 23, 2024 Annual General Meeting of the Chair of the Board of Directors' compensation policy. Therefore, it will not apply to the compensation of Christophe Gégout, who will replace Éric Meurice as Chair of the Board of Directors for a transitional period from the close of Annual General Meeting of July 23, 2024. Christophe Gégout will therefore receive fixed annual compensation of €230,000 (gross), paid on a pro rata basis according to the actual length of his term of office as Chair of the Board of Directors.

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.

He does not receive any compensation in his capacity as a member of the Board of Directors or any benefits in kind, and has not been given any other commitments.

The compensation policy for the Chair of the Board of Directors is set out in sections 4.2.1 and 4.2.2.1 of the 2023-2024 Universal Registration Document.

Compensation policy for the members of the Board of Directors

The compensation policy for the members of the Board of Directors (excluding the Chair of the Board of Directors), submitted in the **13th resolution**, is unchanged from the resolution covering the same purpose which was approved at the Annual General Meeting of July 25, 2023.

It is presented in sections 4.2.1 and 4.2.2.2 of the 2023-2024 Universal Registration Document.

Compensation policy for the Chief Executive Officer

The compensation policy for the Chief Executive Officer, which is being submitted in the **14th resolution**, provides for compensation comprising a fixed portion, an annual variable portion, a long-term variable portion and certain commitments and benefits in kind.

The results of a benchmarking study of compensation paid to the Chief Executive Officers of the companies in the benchmarking panel placed Soitec's Chief Executive Officer's fixed compensation in the first percentile with regard to fixed compensation received by the Chief Executive Officers of European and French companies and the long-term variable compensation above the median long-term variable compensation received by the Chief Executive Officers of European and French companies. The shareholders are therefore invited to approve the following adjustments in order to ensure the components of the Chief Executive Officer's compensation are in line with market practices, without increasing the total compensation that the Chief Executive Officer may receive:

- an increase in the Chief Executive Officer's fixed compensation from €480,000 (the amount paid since the start of his term of office on July 26, 2022) to €530,000, which would position the Chief Executive Officer's compensation at the median;
- a reduction in the value of his long-term variable compensation by 50% of his fixed compensation, decreasing it to 250% of his fixed compensation rather than the 300% initially planned.

Acting on the recommendation of the Compensation and Nominations Committee, the Board of Directors also decided to add EBIT to the financial criteria used for determining his long-term variable compensation, as well as a governance criterion.

The other components of the Chief Executive Officer's compensation policy remain unchanged.

The above proposed amendments will take effect retroactively from April 1, 2024, subject to the approval at the Annual General Meeting of July 23, 2024 of the Chief Executive Officer's compensation policy.

The compensation policy for the Chief Executive Officer is presented in detail in sections 4.2.1 and 4.2.2.3 of the 2023-2024 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).

(1) **Companies in the panels for the benchmarking studies performed in 2024**:
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 adjusted): Alten, Beneteau, BIC, CGG, Clariane, Elior Group, Elis, Eramet, Euroapi, Eutelsat Communic., GTT, ID Logistic Group, Imerys, Ipsen, Ipsos, JC Decaux SA, Lectra, Mersen, Metropole TV, Orpea, SES, SES Imagotag, Solutions 30 SE, Sopra Steria Group, TF1, Vallourec, Verallia, Virbac, X-FAB.

Twelfth 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 4.2.2.1 of the 2023-2024 Universal Registration Document.

Thirteenth 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 4.2.2.2 of the 2023-2024 Universal Registration Document.

Fourteenth resolution –

Approval of the compensation policy for the 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 the Chief Executive Officer, as presented in sections 4.2.1 and 4.2.2.3 of the 2023-2024 Universal Registration Document.

Resolution no. 15
Approval of a new related-party agreement

In the 15th resolution, 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, to approve the new related-party agreement described therein, corresponding to a services agreement entered into with Éric Meurice, who was Chair of the Company's Board of Directors on the date the agreement was signed, i.e., March 27, 2024.

Éric Meurice's term of office as a director and Chair of the Board of Directors expires at the close of the Annual General Meeting of July 23, 2024, and, at the Board of Directors' meeting on March 27, 2024, he informed the Board that he would not be seeking reappointment. The Company therefore asked him to take on the role of strategic advisor to the Chief Executive Officer.

This new related-party agreement was authorized by the Board of Directors, pursuant to Article L. 225-38 of the French Commercial Code, at its meeting held on the same day.

The purpose of the agreement is to define the main terms and conditions under which Éric Meurice will provide Soitec with advisory services relating to:

- identifying new business opportunities within the Group's ecosystem;
- contributing to Soitec's M&A strategy, in particular by assessing and recommending opportunities; and
- identifying new strategic innovation drivers for the Group.

To this end, Éric Meurice will work closely with the Chief Executive Officer and assist the Senior Executive Vice-President, Innovation and Chief Technology Officer, as well as the Executive Vice President, Strategy & Investor Relations.

The agreement has been entered into for a period of one year (except if it is terminated in advance), as from September 1, 2024, and may be renewed for additional periods by mutual agreement between the parties.

As consideration for the advisory services provided by Éric Meurice, the Company will pay a monthly sum of €10,000 (excl. VAT) on a quarterly basis and on presentation of an appropriate invoice.

The advantages of this agreement for Soitec are that it will be able to benefit from (i) Éric Meurice's extensive expertise within the sectors in which the Group operates, (ii) his sound knowledge of the industry's different players and Soitec's partners, and (iii) more generally, his close relationship with Soitec, particularly in view of the fact that he was Chair and Chief Executive Officer of ASML Holding N.V. (a leading semiconductor manufacturer) from 2004 to 2013, a director of Soitec between 2018 to 2024, and Chair of Soitec's Board of Directors from 2019 to 2024.

Pursuant to the law, the Board of Directors also 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, 2024. These agreements are described in section 8.5.2.2 *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, 2024* of the 2023-2024 Universal Registration Document.

The Statutory Auditors' special report, which can be found in section 8.6.1 *Statutory Auditors' special report on related-party agreements* of the 2023-2024 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 2023-2024, and (ii) the new related-party agreement authorized and entered into during fiscal year 2023-2024.

For further details, please see section 8.5.2 *Related-party agreements* and the Statutory Auditors' special report on related-party agreements presented in section 8.6.1 *Statutory Auditors' special report on related-party agreements* of the 2023-2024 Universal Registration Document.

Éric Meurice, an indirect interested party to the agreement, may not take part in the vote on this resolution, and his shares will not be taken into account for the purpose of calculating the voting majority, in accordance with Article L. 225-40 of the French Commercial Code.

Fifteenth resolution –

Approval, in accordance with Articles L. 225-38 *et seq.* of the French Commercial Code, of a services agreement entered into with Éric Meurice, Chair of the Company's Board of Directors at the date the agreement was signed

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 services agreement entered into with Éric Meurice, Chair of the Company's Board of Directors at the date the agreement was signed on March 27, 2024, which was authorized by the Board of Directors on March 27, 2024 and is described in said reports.

Resolution no. 16
Appointment of a Sustainability Auditor

In accordance with the provisions of French government order 2023-1142 of December 6, 2023 regarding the publication and certification of information about sustainability and the environmental, social and governance obligations of companies, which transposes into French law EU Directive 2022/2464 of December 14, 2022, known as the "CSRD" (Corporate Sustainability Reporting Directive), the Company will be required to publish a sustainability report for fiscal year 2024-2025, and the reliability of the information in that report must be certified by a Statutory Auditor or by another independent third-party body.

In the 16th resolution, the shareholders are therefore invited to approve the appointment of KPMG S.A. – which has been one of the Statutory Auditors responsible for certifying the Company's financial statements since 2016 and has been the independent third party responsible for reviewing the Company's extra-financial performance declaration (EFPD) since fiscal year 2016-2017 – as the Statutory Auditor responsible for certifying the Company's sustainability information.

The Board of Directors decided to put forward KPMG S.A. as its Sustainability Auditor based on the recommendation of the Audit and Risks Committee and the ESG Committee and after analyzing the bids received, in view of KPMG S.A.'s sound knowledge of the Group's business and its sustainability goals, as well as the extensive expertise that KPMG S.A.'s teams have in sustainability and financial matters. The Board considered that the appointment of KPMG S.A. would be particularly useful as it would strengthen the links between financial and sustainability information as part of the implementation of the CSRD.

For information purposes, the Audit and Risks Committee and the ESG Committee were not influenced in their decision in any way by any third party and they were not subject to any contractual clauses that would have restricted their choice of service provider.

KPMG S.A. has already stated that it would accept this role if the shareholders approve the resolution relating to its appointment, and that it is not subject to any incompatibility or prohibitions that could prevent it from performing its duties as the Company's Sustainability Auditor.

In accordance with the provisions of Article L. 821-26 of the French Commercial Code, this certification engagement will be carried out on behalf of KPMG S.A. by a natural person who is a partner, shareholder or senior executive of the firm and who is duly registered on the list held by the French audit authority (*Haute Autorité de l'Audit*) that names the Statutory Auditors authorized to certify sustainability information, pursuant to the requirements of Article L. 821-13 of the French Commercial Code.

In compliance with Article 38 of French government order 2023-1142 of December 6, 2023, and by way of a derogation from Article L. 821-44 of the French Commercial Code, the Board of Directors is proposing that KPMG S.A.'s term of office for certifying the Company's sustainability information should correspond to the remainder of its term of office for certifying the financial statements. It will therefore expire at the close of the Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2028.

The Company's first sustainability report will be published in the 2024-2025 Universal Registration Document.

Sixteenth resolution –

Appointment of KPMG S.A. as Statutory Auditor responsible for certifying the Company's sustainability information

The Annual General Meeting, under the conditions of quorum and majority required for Ordinary General Meetings, having considered the Board of Directors' report, resolves, in accordance with Articles L. 821-40 *et seq.* of the French Commercial Code, to appoint KPMG S.A. as Statutory Auditor responsible for certifying the Company's sustainability information.

By way of a derogation from Article L. 821-44 of the French Commercial Code and in accordance with Article 38 of French government order 2023-1142 of December 6, 2023 relating to the publication and certification of information about sustainability and the environmental, social and governance obligations of companies, KPMG S.A.'s term of office as the Company's Sustainability Auditor will be four fiscal years, corresponding to the remainder of its term of office as Statutory Auditor responsible for the certification of the Company's financial statements, and will expire at the close of the Annual General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2028.

In accordance with Article L. 821-40, I, paragraph 5 of the French Commercial Code, the Annual General Meeting notes that over the past two fiscal years, KPMG S.A. has audited the asset transfers and mergers carried out by the Company and entities it controls within the meaning of paragraphs I and II of Article L. 233-16 of the French Commercial Code.

Resolution no. 17
Authorization to be granted to the Board of Directors to carry out transactions in the Company's shares

In the 15th resolution of the Annual General Meeting of July 25, 2023, the shareholders authorized the Board of Directors for a maximum period of 18 months, 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, representing up to 5% of the share capital at the date of each buyback.

At March 31, 2024, the Company held (i) 30,175 of its own shares acquired under its liquidity contract, and (ii) 3,947 treasury shares, all with a par value of €2.00 each, representing in total approximately 0.1% of its share capital.

Transactions carried out under this authorization during fiscal year 2023-2024 are described in section 7.2.2.3 *Description of the new share buyback program that will be submitted for the approval of the Annual General Meeting of July 23, 2024* of the 2023-2024 Universal Registration Document.

In the 17th resolution, the shareholders are invited to renew the authorization granted to the Board of Directors for a further period of 18 months as from the Annual General Meeting of July 23, 2024, to enable the Company to carry out transactions in its own shares. The new authorization would supersede the authorization granted in the 15th resolution of the Annual General Meeting of July 25, 2023 for the same purpose.

In accordance with the previous program, 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
- (i) implementing, in accordance with the applicable laws, any (a) stock option plan, (b) employee shareholding plan, (c) free share allocations and allocations of shares in connection with employee

profit-sharing plans, and (ii) carry out any hedging transactions relating to these transactions; or

- holding and subsequently delivering shares (in exchange, as payment or otherwise) in connection with external growth transactions; or
- subsequently canceling all or some of the shares bought back; 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.

Ceilings

The number of shares that may be acquired during the buyback program may not correspond to more than 5% of the Company's share capital (i.e., for information purposes, 1,785,615 shares, as calculated based on the Company's share capital at May 22, 2024), at the date of each buyback, less the shares re-sold under the liquidity contract during the period of validity of the authorization.

The number of shares held by the Company may not, at any time, exceed 10% of its share capital (i.e., 3,571,230 shares, as calculated based on the Company's share capital at May 22, 2024).

The maximum purchase price per share would be set at €165 (excluding acquisition costs and adjustments), and the overall amount of this share buyback program may not exceed €294,626,475.

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.

Seventeenth 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
- subsequently canceling all or some of the shares bought back, pursuant to the terms and conditions provided for in Article L. 22-10-62 of the French Commercial Code, subject to the adoption of the twenty-first resolution of this Annual General Meeting; 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 1,785,615 shares, as calculated based on the share capital at May 22, 2024, amounting to €71,424,604) 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 held by the Company may not, at any time, exceed 10% of its share capital (i.e., for information purposes, 3,571,230 shares, as calculated based on the Company's share capital at May 22, 2024, corresponding to €71,424,604), with this percentage applying to the share capital as adjusted for any corporate actions carried out subsequent to 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 €165 (excluding acquisition costs). This maximum price will only apply to acquisitions decided on after 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 May 22, 2024, the total amount allocated to the share buyback program may not exceed €294,626,475.

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 the related terms and conditions, if necessary, and to place any and all market orders, enter into any and all agreements, allocate or reallocate the acquired shares to the various objectives of the share buyback program 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 granted for the same purpose, and specifically, the 15th resolution adopted at the Annual General Meeting of July 25, 2023.

8.3.2 Resolutions within the competence of the Extraordinary General Meeting

Resolution no. 18
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 18th resolution, the shareholders are invited to renew, for a further period of 14 months as from the Annual General Meeting of July 25, 2024, the delegation of authority granted to the Board of Directors in the 23rd resolution of the Annual General Meeting of July 25, 2023 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. This new delegation of authority would supersede the delegation granted for the same purpose in the 23rd resolution of the Annual General Meeting of July 25, 2023. It would enable the Company to raise funds among investors in order to continue its growth.

The Board of Directors has not used the previous delegation of authority granted for the same purpose in the 23rd resolution of the Annual General Meeting of July 25, 2023.

Under this delegation of authority, the shares and/or securities giving access, immediately or in the future, to the Company's share capital, would be reserved for (i) financial institutions of 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.

The shares and/or other securities issued under this resolution may be paid-up in cash, or by offsetting against liquid and due receivables, or by capitalization of reserves, earnings or premiums.

This delegation would automatically lead to the waiver by shareholders, in favor of the beneficiaries named in the list to be drawn up by the Board of Directors, 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 full 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 Company's share capital would be such that the amount immediately received by the Company (increased, where appropriate, by any amount received subsequently) would, for each ordinary share issued as a result of the issue of these securities, be at least equal to the price set by the Board of Directors for ordinary shares as described above.

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.

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 of the Annual General Meeting of July 25, 2023; and
- from the overall ceiling of €35 million in nominal value referred to in "4. a. (i)" of the 20th resolution of the Annual General Meeting of July 25, 2023.

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.

This amount of €500 million would be deducted from the overall €500 million ceiling referred to in "4. b." of the 20th resolution of the Annual General Meeting of July 25, 2023.

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.

Eighteenth 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 of the Annual General Meeting of July 25, 2023;
      (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 adopted by the Annual General Meeting of July 25, 2023, 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 adopted by the Annual General Meeting of July 25, 2023, 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 the Annual General Meeting of July 25, 2023 or, where appropriate, from the amount of any 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 full 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 fourteen (14) 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 23rd resolution of the Annual General Meeting of July 25, 2023.

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. 19
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 19th resolution, the shareholders are invited to renew, for a further 14 months as from the Annual General Meeting of July 23, 2024, the delegation of authority granted to the Board of Directors in the 29th resolution of the Annual General Meeting of July 25, 2023 for the purpose of carrying 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, 2024, 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 the Annual General Meeting of July 25, 2023. This new delegation of authority would supersede the delegation granted for the same purpose in the 29th resolution of the Annual General Meeting of July 25, 2023.

The Board of Directors has not used the previous delegation of authority granted for the same purpose in the 29th resolution of the Annual General Meeting of July 25, 2023.

In this new resolution, the shareholders are asked to waive their preemptive subscription rights to the shares and 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 regulated 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.

Nineteenth 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, 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. 332-18 *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 Annual General Meeting of July 25, 2023, 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 Annual General Meeting of July 25, 2023, 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 regulated 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 full 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 fourteen (14) 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 29th resolution of the Annual General Meeting of July 25, 2023.

Resolution no. 20
Authorization to be granted to the Board of Directors to allocate free shares

The purpose of the 20th resolution is to invite the shareholders to renew, for a further 38 months as from the Annual General Meeting of July 23, 2024, the authorization granted in the 27th resolution of the Annual General Meeting of July 28, 2021 to the Board of Directors, with the right to sub-delegate, to allocate new or existing shares free of consideration to Group employees and corporate officers. This new authorization would supersede the authorization granted for the same purpose in the 27th resolution of the Annual General Meeting of July 28, 2021.

Information about the free performance share allocations carried out by the Board of Directors under the 27th resolution of the Annual General Meeting of July 28, 2021 is provided in section 7.2.4 of the 2023-2024 Universal Registration Document.

The beneficiaries' allocated shares would vest after the expiry of a vesting period whose term would be set by the Board of Directors, in accordance with the applicable legal provisions.

The vesting of the shares would be subject to the beneficiaries' presence condition within the Group throughout the vesting period, and to performance conditions set by the Board of Directors.

The Board of Directors would also be able to impose a lock-up period for the vested shares.

In the event that the beneficiary becomes disabled, the shares would vest immediately. In the event of the death of the beneficiary, the heirs could request immediate vesting within six months following the death.

Any existing shares allocated under this authorization will be acquired by the Company within the framework of a share buyback program in accordance with the provisions of Article L. 22-10-62 of the French Commercial Code.

If the shares allocated free of consideration under this resolution are new shares, this authorization would entail, as and when the shares vest, capital increases by capitalization of reserves, earnings or premiums, with a waiver by existing shareholders of their preemptive subscription rights to new shares concerned.

The Board of Directors would be granted full powers, with the possibility to sub-delegate in accordance with the applicable law, to implement this authorization. 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.

Ceilings

The total number of free shares that may be allocated pursuant to this authorization may not exceed 5% of the share capital as determined on the date of the Board of Directors' allocation decision. This ceiling would be set independently from the ceilings set in the other resolutions of this Meeting.

Furthermore, the allocation of free shares to corporate officers may not exceed 20% of the free shares allocated pursuant to this authorization.

Twentieth resolution –

Authorization to be granted to the Board of Directors to allocate, free of consideration, pursuant to Articles L. 225-197-1 *et seq.* and Articles L. 22-10-59 and L. 22-10-60 of the French Commercial Code, ordinary shares of the Company to employees and/or corporate officers of the Company and/or of companies or groups of entities directly or indirectly affiliated with the Company, entailing the waiver by shareholders of their 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:

1. authorizes the Board of Directors, pursuant to Articles L. 225-197-1 to L. 225-197-5, L. 22-10-59 and L. 22-10-60 of the French Commercial Code, with the right to sub-delegate, to allocate, on one or more occasions, new or existing free ordinary shares of the Company, in favor of the beneficiaries or categories of beneficiaries it shall designate among (i) the employees of the Company and of affiliated companies or groups of entities within the meaning of Article L. 225-197-2 of the French Commercial Code, and (ii) the corporate officers of the Company or the corporate officers of affiliated companies meeting the conditions of Articles L. 225-197-1, II and L. 22-10-59, II of said Code, in accordance with the conditions set out below;
2. resolves that the total number of ordinary shares that may be allocated free of consideration pursuant to this authorization may not exceed 5% of the share capital as determined on the date of the Board of Directors' allocation decision, it being specified that the allocation of free ordinary shares to corporate officers may not exceed 20% of the free shares allocated pursuant to this authorization;
3. decides that the allocation of the Company's ordinary shares to their beneficiaries shall be definitive after the expiry of a vesting period of which the duration will be set by the Board of Directors, on the understanding that the minimum duration shall be that set by the legal provisions applicable on the day of the allocation decision;
4. decides that the Board of Directors may set a condition of the presence of the beneficiaries in the Group;
5. decides that the Board of Directors may also impose an obligation of retention of Company ordinary shares by the beneficiaries with a duration not less than that required by the legal provisions applicable on the day of the allocation decision; however, this retention obligation may be removed by the Board of Directors for the free shares whose vesting period has been set as a minimum of two (2) years;
6. decides that the definitive award of the shares to Company corporate officers shall be linked to the achievement of performance conditions which the Board of Directors will determine;
7. acknowledges that, in the event that a beneficiary is classified as having a disability in the second or third category referred to in Article L. 341-4 of the French Social Security Code, the free ordinary shares shall vest immediately, and that in the event the beneficiary dies, their heirs will be allowed to require immediate vesting within six (6) months following their death;
8. resolves that any existing ordinary shares allocated under this resolution may be acquired by the Company within the framework of a share buyback program in accordance with the provisions of Article L. 22-10-62 of the French Commercial Code;
9. acknowledges that if the shares allocated free of consideration under this resolution are new ordinary shares, this authorization will entail, as and when the shares vest, capital increases by capitalization of reserves, earnings or premiums, with a waiver by existing shareholders of their preemptive subscription rights to the new shares concerned;

10. grants within the limits set out above, to the Board of Directors, with the right to sub-delegate in accordance with the conditions set by law, full powers to implement this authorization and notably in order to:
    - determine whether the free ordinary shares to be issued are existing or new ordinary shares,
    - set the number of ordinary shares to be allocated to each of the beneficiaries that it selects,
    - set the terms and conditions and any criteria for allocating the ordinary shares, notably the minimum vesting period and the duration of any lock-up period,
    - increase, where appropriate, the Company's capital by capitalizing reserves, earnings, or issue premiums, for the purpose of issuing new ordinary shares to be allocated free of consideration,
    - grant ordinary shares to the people referred to in the first paragraph of item II of Article L. 225-197-1 of the French Commercial Code subject to the conditions set out in Articles L. 22-10-59 and L. 22-10-60 of the said Code. For such ordinary shares, the Board of Directors (i) shall decide that the ordinary shares granted free of charge cannot be sold by the beneficiaries before the end of their employment with the Company, or (ii) shall determine the minimum number of free ordinary shares that the beneficiaries must hold as registered shares until the end of their employment with the Company,
    - schedule, where appropriate, the right to delay the definitive allocation dates of ordinary shares and, for the same period, the end of the holding period of such ordinary shares (such that the minimum holding period remains unchanged),
    - adjust, where appropriate, the number of free ordinary shares to be allocated in order to maintain the beneficiaries' rights, depending on potential transactions involving the Company's share capital or equity under the circumstances provided for in Articles L. 225-181 and L. 228-99 of the French Commercial Code. It is specified that ordinary shares granted within the framework of these adjustments shall be considered as having been granted on the same day as those initially granted,
    - determine the dates and terms and conditions for allocating the free shares, and generally do what is appropriate and execute all agreements to successfully proceed with the planned allocations. The Board of Directors will be allowed to implement any other new legal provisions that come into force during the validity of this resolution and whose implementation would not require a specific decision by the Annual General Meeting; and
11. resolves to set the period of validity of this authorization at thirty-eight (38) 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 27th resolution of the Annual General Meeting of July 28, 2021.

Resolution no. 21
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 21st resolution is to renew, for a further period of 18 months as from the Annual General Meeting of July 23, 2024, the authorization granted to the Board of Directors in the 30th resolution of the Annual General Meeting of July 25, 2023, with the right to sub-delegate, to reduce the Company's share capital, on one or more occasions, by canceling all or some of the shares acquired by the Company in accordance with Article L. 22-10-62 of the French Commercial Code and within the limits authorized by law. The new authorization would supersede the authorization granted for the same purpose in the 30th resolution of the Annual General Meeting of July 25, 2023.

The Board of Directors has not used the previous authorization granted for the same purpose in the 30th resolution of the Annual General Meeting of July 25, 2023.

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.

Ceilings

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.

Twenty-first 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 full 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 portion 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 30th resolution of the Annual General Meeting of July 25, 2023.

8.3.3 Resolution within the competence of the Ordinary General Meeting

Resolution no. 22
Powers

In the 22nd resolution, the shareholders are invited to grant full powers to bearers of an original, copy or excerpt of the minutes of the Annual General Meeting in order to carry out all formalities required by the applicable laws and/or regulations.

Twenty-second resolution – Powers for formalities

The Annual General Meeting grants full 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, publishing and other formalities as required by law.

8.3.4 Summary table of delegations and authorizations requested at the Annual General Meeting of July 23, 2024

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			
Authorization to be granted to the Board of Directors on the Company's shares Resolution no. 17	5% of the share capital Maximum €165 per share (excluding acquisition costs)	5% of the share capital** i.e., 1,785,615 shares** Overall maximum amount allocated to the program: €294,626,475	18 months (01/22/2026)
2. Resolutions within the competence of the Extraordinary General Meeting			
2.1 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 – reserved for categories of persons meeting specific criteria Resolution no. 18	In share capital = €35 million and €7 million In debt securities* = €500 million	~49.00% and ~9.80% of the share capital** i.e., ~17,500,000 shares and ~3,500,000 shares**	14 months (09/22/2025)
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. 19	In share capital = €710,000	~1% of the share capital**	14 months (09/22/2025)
2.3 Resolutions subject to independent ceilings			
Allocation of free shares to employees and corporate officers without preemptive subscription rights Resolution no. 20	5% of the share capital as determined on the date of the Board's allocation decision The shares allocated to corporate officers may not exceed 20% of the allocated free shares	5% of the share capital** i.e., 1,785,615 shares**	38 months (09/22/2027)
Cancellation of shares acquired pursuant to the authorizations to buy back the Company's treasury shares Resolution no. 21	10% of the share capital over a period of 24 months	N/A	18 months (01/22/2026)

(1) Overall ceiling of €35 million in nominal value, applicable to all capital increase transactions that results 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 (**) resulting 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 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 May 22, 2024, amounting to €71,424,604.*

8.4 Material contracts

Apart from the contracts entered into in the ordinary course of business and the related-party agreements presented in section 8.5.2 of this Universal Registration Document, and the agreement mentioned below, there are no other material contracts entered into by the Company and/or any member of the Group over the past two fiscal years which contain provisions conferring on any member of the Group an obligation or commitment likely to have a material impact on the Group's business, financial position or cash flow:

- the PSiC supply agreement between Coorstek and the Company (which includes a take-or-pay clause), which was necessary for the signature of the Memorandum of Understanding with STMicroelectronics International N.V. described in section 8.5.2 of this Universal Registration Document.

8.5 Agreements with interested or related parties

8.5.1 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 regulated and routine agreements.

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 prior 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 8.5.2 *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, which is based on either the information to which he 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.

8.5.2 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.

8.5.2.1 Related-party agreement subject to prior authorization entered into during the fiscal year ended March 31, 2024

Services agreement with Éric Meurice

Éric Meurice's term of office as a director and Chair of the Board of Directors expires at the close of the Annual General Meeting of July 23, 2024, and at the Board of Directors’ meeting on March 27, 2024, he informed the Board that he would not be seeking reappointment. The Company therefore asked him to take on the role of strategic advisor to the Chief Executive Officer.

Consequently, on March 27, 2024, the Company entered into a services agreement with Éric Meurice, with effect from September 1, 2024. The agreement has been entered into for a period of one year (except if it is terminated in advance) and may be renewed for additional periods by mutual agreement between the parties.

The main features of the services agreement are as follows:

Purpose: The purpose of the agreement is to define the main terms and conditions under which Éric Meurice will provide Soitec with advisory services relating to:

- identifying new business opportunities within the Group's ecosystem;
- contributing to Soitec's M&A strategy, in particular by assessing and recommending opportunities; and
- identifying new strategic innovation drivers for the Soitec Group.

To this end, Éric Meurice will work closely with the Chief Executive Officer and assist the Senior Executive Vice-President, Innovation and Chief Technology Officer, as well as the Executive Vice President, Strategy & Investor Relations.

Financial terms: As consideration for the advisory services provided by Éric Meurice, Soitec will pay a monthly sum of €10,000 (excl. VAT) on a quarterly basis and on presentation of an appropriate invoice.

Interested party(ies): Éric Meurice, Chair of the Board of Directors at the date the agreement was signed.

Benefits of the agreement for the Company: The advantages of this agreement for Soitec include being able to benefit from (i) Éric Meurice's extensive expertise within the sectors in which the Soitec Group operates, (ii) his sound knowledge of the industry's different players and Soitec's partners, and (iii) more generally, his close relationship with Soitec, particularly in view of the fact that he was Chair and Chief Executive Officer of ASML Holding N.V. (a leading equipment manufacturer for the semiconductor industry) from 2004 to 2013, a director of Soitec between 2018 to 2024, and Chair of Soitec's Board of Directors from 2019 to 2024.

The agreement was authorized, prior to its signature, by the Board of Directors at its meeting on March 27, 2024.

As the services agreement will not come into force until September 1, 2024, no amounts were invoiced under this agreement during fiscal year 2023-2024.

8.5.2.2 Related-party agreements subject to prior authorization entered into and authorized in previous years which remained in force in the fiscal year ended March 31, 2024

Pursuant to Article L. 225-40-1 of the French Commercial Code, the related-party agreements subject to prior authorization that were authorized in previous years and remained in force during the fiscal year under review were examined by the Board of Directors. They are described below as well as in the Statutory Auditors' report reproduced in section 8.6.1 *Statutory Auditors' special report on related-party agreements* of this Universal Registration Document.

I. Memorandum of Understanding with STMicroelectronics International N.V. (ST)

On November 30, 2022, the Company entered into a 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 the qualification of Soitec's 200 mm SmartSiC™ substrate technology by ST.

Financial terms: Two payments of US$10,000,000 were made by ST to Soitec on March 23, 2023 and March 28, 2024, respectively corresponding to the first milestone completed in February 2023 and the second milestone achieved in February 2024. 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) Chair of the Supervisory Board of STMicroelectronics N.V. (sole shareholder of STMicroelectronics International N.V.); (ii) Chair 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) a director 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 agreement for the Company: The benefit of the cooperation is the adoption by ST, 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 November 23, 2022 meeting, and was approved by the Annual General Meeting of July 25, 2023.

The Company invoiced US$10,000,000 to ST under the Memorandum of Understanding during the fiscal year ended March 31, 2024.

II. Multi-year framework R&D partnership agreement entered into with the French Alternative Energies and Atomic Energy Commission (CEA)

On December 21, 2022, the Company renewed the multi-year framework R&D partnership agreement with CEA, with an effective date of January 1, 2023.

The main features of this framework agreement are as follows:

Purpose: The purpose of the partnership 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, one of the Company's shareholders holding more than 10% of voting rights.

Benefits of the agreement for the Company: The benefits of the partnership agreement for the Company are that it gives the Company continued access to CEA research expertise and facilities for R&D projects.

This partnership agreement was authorized, prior to its signature, by the Board of Directors at its September 28, 2022 meeting, and was approved by the Annual General Meeting of July 25, 2023.

The amount invoiced by CEA to the Company during the fiscal year ended March 31, 2024 was €4,900,500, corresponding to the costs of CEA experts and facilities dedicated to R&D projects.

III. 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)

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 with CEA, with an effective date of January 1, 2023.

The main features of this amendment are as follows:

Purpose: The purpose of this 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, one of the Company's shareholders holding more than 10% of voting rights.

Benefits of the agreement for the Company: The benefit of this amendment is that it adjusts 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.

This amendment was authorized, prior to its signature, by the Board of Directors at its September 28, 2022 meeting, and was approved by the Annual General Meeting of July 25, 2023.

During calendar year 2023, CEA invoiced €4,988,387.28 to the Company under the terms of this amendment, 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.

IV. Amended and Restated License and Technology Transfer Agreement 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. This agreement was entered into with effect as of January 1, 2019, for a duration of six years, i.e., until December 31, 2024. It was authorized, prior to its signature, by the Board of Directors at its November 28, 2018 meeting, and was approved by the Annual General Meeting of July 26, 2019.

Purpose: The purpose of this agreement is to (i) extend the original License and Technology Transfer Agreement by three years, i.e., until December 31, 2027, and (ii) 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. The other terms and conditions of the original agreement remained unchanged.

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. Simgui is therefore a sister company of NSIG Sunrise S.à.r.l.;
- Kai Seikku, a member of the Company's Board of Directors and Executive Vice-President of NSIG.

Benefits of the agreement for the Company: During the extended term, and thanks to Simgui's increased production capacity, Simgui will continue to sell Smart Cut™ 200 mm SOI wafers exclusively to Soitec for resale by Soitec in the global market.

The Amended and Restated License and Technology Transfer Agreement was authorized, prior to its signature, by the Board of Directors at its September 15, 2021 meeting, and was approved by the Annual General Meeting of July 26, 2022.

The Company did not invoice any amounts to Simgui under this agreement during the fiscal year ended March 31, 2024.

V. Amended and Restated SOI Supply Agreement with Shanghai Simgui Technology Co. Ltd. (Simgui)

On December 27, 2018, the Company signed an Amended and Restated SOI Supply Agreement with Simgui.

The purpose of this agreement is for Simgui to supply SOI wafers to the Company in accordance with the terms of the Licensing and Technology Transfer Agreement referred to in paragraph IV above. This agreement was entered into with effect as of January 1, 2019, for a duration of six years, i.e., until December 31, 2024. It was authorized, prior to its signature, by the Board of Directors at its November 28, 2018 meeting, and was approved by the Annual General Meeting of July 26, 2019.

Purpose: The purpose of the Amended and Restated SOI Supply Agreement is to extend the term of the original SOI supply agreement with Simgui for three years, expiring on December 31, 2027, in order to increase production capacity for 200 mm SOI wafers. The other terms and conditions of the original agreement remained unchanged.

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. Simgui is therefore a sister company of NSIG Sunrise S.à.r.l.;
- Kai Seikku, a member of the Company's Board of Directors and Executive Vice President of NSIG.

Benefits of the agreement for the Company: The benefits for the Company of the Amended and Restated SOI Supply Agreement are the same as those stated in paragraph IV above concerning the License and Technology Transfer Agreement, in view of the fact that the two agreements are linked.

The Amended and Restated SOI Supply Agreement was authorized, prior to its signature, by the Board of Directors at its September 15, 2021 meeting, and was approved by the Annual General Meeting of July 26, 2022.

Simgui invoiced the Company US$47,660,075 under the agreement during the fiscal year ended March 31, 2024.

VI. Amended and Restated Bulk Supply Agreement with Shanghai Simgui Technology Co. Ltd. (Simgui)

On December 27, 2018, the Company signed an Amended and Restated Bulk Supply Agreement with Simgui.

The purpose of this agreement is for the Company to supply Simgui with raw materials for the production of SOI wafers in accordance with the terms of the Licensing and Technology Transfer Agreement referred to in paragraph IV above. This agreement was entered into with effect as of January 1, 2019, for a duration of six years, i.e., until December 31, 2024. It was authorized, prior to its signature, by the Board of Directors at its November 28, 2018 meeting, and was approved by the Annual General Meeting of July 26, 2019.

Purpose: The purpose of the Amended and Restated Bulk Supply Agreement is to extend the term of the original Bulk Supply Agreement with Simgui for three years, expiring on December 31, 2027, in order to increase production capacity for 200 mm SOI wafers. The other terms and conditions of the original agreement remained unchanged.

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. Simgui is therefore a sister company of NSIG Sunrise S.à.r.l.;
- Kai Seikku, a member of the Company's Board of Directors and Executive Vice-President of NSIG.

Benefits of the agreement for the Company: The benefits for the Company of the Amended and Restated Bulk Supply Agreement are the same as those stated in paragraph IV above concerning the License and Technology Transfer Agreement, in view of the fact that the two agreements are linked.

The Amended and Restated Bulk Supply Agreement was authorized, prior to its signature, by the Board of Directors at its September 15, 2021 meeting, and was approved by the Annual General Meeting of July 26, 2022.

The Company invoiced Simgui US$22,920,083 under the agreement during the fiscal year ended March 31, 2024.

8.5.3 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, 2024, 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.

For information purposes, agreements entered into (or renewed) in fiscal year 2023-2024, 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 financial cash flows.

The amounts of these cash flows are set out in note 9.2 "*Related-party disclosures*" to the 2023-2024 consolidated financial statements in section 6.2.1.2 *Notes to our consolidated financial statements at March 31, 2024* 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, 2023 and March 31, 2024).

8.6 Statutory Auditors' reports

8.6.1 Statutory Auditors' special 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 2024

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 2024, 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 Eric Meurice (Chair of the Board of Directors)

Services Agreement

Nature and purpose

The purpose of the agreement is to define the main terms and conditions under which Eric Meurice will provide Soitec With advisory services relating to:

- Scouting of new business opportunities within the Group's ecosystem;
- Contributing to Soitec's M&A strategy, in particular by evaluating and recommending opportunities; and
- Identifying new strategic innovation engines for the Soitec Group.

As consideration for the advisory services provided by Eric Meurice, Soitec will pay a monthly sum of €10.000 (excl. VAT) on a quarterly basis and on presentation of an appropriate invoice.

This agreement was authorized, prior to its signature, by the Board of Directors at its meeting on March 27, 2024.

Conditions

As the services agreement had not yet come into force until September 01, 2024, no amounts were invoiced under this agreement during fiscal year 2023-2024.

Reasons justifying why the Company benefits from this agreement

Your Board of Directors gave the following reasons: The advantages of this agreement for Soitec include being able to benefit from (i) Eric Meurice's extensive expertise within the sectors in which the Soitec Group operates, (ii) his good knowledge of the industry's different players and Soitec partners, and (iii) more generally, his proximity to Soitec, taking into account in particular that he was Chief Executive Officer of ASML Holding N.V., a leading equipment manufacturer for the semiconductor industry, from 2004 to 2013, Bord member from 2018 to 2024 and Chair of Soitec's Board of Directors from 2019 to 2024.

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 2024.

With STMicroelectronics International N.V. (ST)

Persons concerned

- Nicolas Dufourcq, (i) Chair of the Supervisory Board of STMicroelectronics N.V. (sole shareholder of STMicroelectronics International N.V) ; (ii) Chair and Chief Executive Officer of Bpifrance Participations, a director and shareholder of the Company holding more than 10% of the voting rights; and (iii) Chief Executive Officer of Bpifrance SA, sole shareholder ofBpifrance Participations ;
- Samuel Dalens, (i) a director of STMicroelectronics Holding N.V. (shareholder of STMicroelectronics N.V.) and (ii) permanent representative of Bpifrance Participations, a director and shareholder of the Company holding more than 10% of the voting rights as well as shareholder of STMicroelectronics Holding N.V.

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.

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

The amount invoiced by Soitec to ST during the fiscal year ended March 31, 2024 was $ 10,000,000.

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

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, 2024 was €4,900,500.

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 utilization 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, 2024 was €4,988,387.28.

With Shanghai Simgui Technology 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**.**

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, 2024.

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 $47,660,075 during the fiscal year ended March 31, 2024.

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 $22,920,083 during the fiscal year ended March 31, 2024.

Paris-La Défense and Lyon, May 29, 2024

The Statutory Auditors*French original signed by*

KPMG S.A.		**ERNST & YOUNG Audit**	
Laurent Genin	Rémi Vinit-Dunand	Jacques Pierres	Benjamin Malherbe
Partner	Partner	Partner	Partner

8.6.2 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

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 of July 23, 2024 – 18th resolution

To the Annual General Meeting of Soitec S.A.,

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 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 under the 21st, 22nd, 26th and 28th resolutions approved by the July 25, 2023 Annual General Meeting, and the 18th resolution of this Annual General Meeting, 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 approved by the July 25, 2023 Annual General Meeting under the 20th, 21st, 22nd, 26th, 27th and 28th resolutions approved by the July 25, 2023 Annual General Meeting and the 18th and 19th resolutions of this Annual General Meeting.

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 approved by the July 25, 2023 Annual General Meeting and under the 20th, 21st, 22nd, 26th and 28th resolutions approved by the July 25, 2023 Annual General Meeting and the 18th and 19th resolutions of this Annual General Meeting.

These ceilings take into account the number of additional securities to be issued in connection with the delegations of authority referred to in the 20th, 21st and 22nd resolutions approved by the July 25, 2023 Annual General Meeting and the 18th resolution of this Annual General Meeting, in accordance with Article L. 225-135-1 of the French Commercial Code, in accordance with the 24th resolution approved by the July 25, 2023 Annual General Meeting.

On the basis of the Board of Directors' report, the shareholders are invited to delegate to the Board of Directors, for a 14-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, it being specified that this authorization supersedes all other authorizations previously granted in a resolution with the same purpose, and, more specifically, the 23rd resolution of the Annual General Meeting of July 25, 2023. 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.

The Statutory Auditors

Paris La Défense and Lyon, May 29, 2024

KPMG S.A.		Ernst & Young Audit	
Laurent Genin	Rémi Vinit-Dunand	Jacques Pierres	Benjamin Malherbe
Partner	Partner	Partner	Partner

8.6.3 Statutory Auditors' report on the issue of ordinary shares and/or securities reserved for members of company savings plans

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 of July 23, 2024 – 19th resolution

To the Annual General Meeting of Soitec S.A.,

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 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), 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 subsidiaries 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, 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 adopted by the Annual General Meeting of July 25, 2023, 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 adopted by the Annual General Meeting of July 25, 2023, 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 operation 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 14-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, May 29, 2024

KPMG S.A.		**Ernst & Young Audit**	
Laurent Genin	Rémi Vinit-Dunand	Jacques Pierres	Benjamin Malherbe
Partner	Partner	Partner	Partner

8.6.4 Statutory Auditors' report on the authorization to grant existing shares or shares to be issued

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 of July 23, 2024 – 20th resolution

To the Annual General Meeting of Soitec S.A.,

In our capacity as Statutory Auditors of Soitec S.A., and in accordance with Article L. 225-197-1 of the French Commercial Code (*Code de commerce*), we hereby report to you on the proposed authorization to allocate existing Company shares or shares to be issued, free of charge, to beneficiaries or categories of beneficiaries to be determined by the Board of Directors from among (i) the employees of the Company or companies or groups of companies related to it within the conditions set out in Article L. 225-197-2 of said code, and (ii) the corporate officers of the Company or of related companies or groups that meet the conditions set out in Articles L. 225-197-1, II and L. 22-10-59, II of said code, under the conditions set out below, which is submitted to you for approval. The total number of shares that may be allocated pursuant to this authorization may not exceed 5% of the share capital of the Company as determined on the date of the Board of Directors' allocation decision, it being specified that (i) this ceiling is set independently from the ceilings set in the other resolutions, and (ii) the allocation of free ordinary shares to corporate officers may not exceed 20% of the free shares allocated pursuant to this authorization.

On the basis of the Board of Directors' report, the shareholders are invited to authorize the Board of Directors, for a 38-month period, to allocate existing shares or shares to be issued, free of charge, it being specified that this authorization supersedes all other authorizations previously granted in a resolution with the same purpose, and specifically the 27th resolution of the Annual General Meeting of July 28, 2021.

It is the Board of Directors' responsibility to prepare a report on the proposed transaction. It is our responsibility to provide you with our observations, if any, in respect of the information provided to you on the proposed transaction.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted primarily in verifying that the proposed terms and conditions described in the Board of Directors' report comply with the applicable legal provisions.

We have no matters to report on the information provided in the Board of Directors' report concerning the proposed authorization to grant free shares.

The Statutory Auditors

Paris La Défense and Lyon, May 29, 2024

KPMG S.A.		Ernst & Young Audit	
Laurent Genin Partner	Rémi Vinit-Dunand Partner	Jacques Pierres Partner	Benjamin Malherbe Partner

8.6.5 Statutory Auditors' report on the share capital reduction

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 of July 23, 2024 – 21st resolution

To the Annual General Meeting of Soitec S.A.,

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 30th resolution of the Annual General Meeting of July 25, 2023.

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, May 29, 2024

KPMG S.A.		**Ernst & Young Audit**	
Laurent Genin	Rémi Vinit-Dunand	Jacques Pierres	Benjamin Malherbe
Partner	Partner	Partner	Partner

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 for consultation on the Company's website (www.soitec.com/fr/investisseurs) 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 342) 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 5, 2024

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 S.A., 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.

(1) *In accordance with the template provided in Appendix 1 of AMF Instruction – DOC-2019-21 – Procedures for filing and publishing prospectuses.*

9.5 Fees paid to the Statutory Auditors and the members of their networks

	2023-2024				2022-2023			
	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	178	53%	234	67%	182	58%	219	76%
› Fully consolidated subsidiaries	149	44%	14	4%	123	39%	14	5%
Other work and services directly related to the statutory audit engagement								
› Issuer	11	3%	103	29%	11	3%	54	19%
› Fully consolidated subsidiaries	-	0%	-	0%	-	0%	-	0%
Subtotal	**339**	**100%**	**351**	**100%**	**316**	**100%**	**287**	**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	**339**	**100%**	**351**	**100%**	**316**	**100%**	**287**	**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
1.	**Persons responsible, third party information, experts' reports and competent authority approval**		
1.1	Names and positions of persons responsible	9.3, 9.4	333
1.2	Declaration by persons responsible	9.3	333
1.3	Statement or report attributed to a person as an expert	N/A	N/A
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No.	Headings of Annex 1 of European Regulation 2019/980	Section	Pages
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19.2.2	*Description of the rights, preferences and restrictions attached to each class of shares*	7.1.5	283
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1.	Disclosures requirements	Cross-reference table above	
2.	Filing with the competent authority	AMF insert page	Inside front cover

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**	**195**
3. Annual financial statements	**6.3**	**243**
4. Statutory Auditors' reports on:		
› the consolidated financial statements	6.2.2	240
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5. Statutory Auditors' fees	**9.5**	**334**
6. Statement by the persons responsible for the Annual Financial Report	**9.3**	**333**

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 corporate governance report was approved by the Board of Directors of the Company on May 22, 2024, 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	182
French Commercial Code	L. 225-100-1, I, 2°	Key financial performance indicators	5.1.1	182
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	55, 63, 72, 77, 84
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	191
French Commercial Code	L. 233-13	Identity of main shareholders and holders of voting rights atAnnual General Meetings, and changes during the fiscal year	7.1.1, 7.1.2	280, 281
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	191
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	6.2.1.2 (note 8.3)	227
French Commercial Code	R. 225-102	Table showing the Company's financial results for each of the last five fiscal years	6.4.1	272
French Commercial Code	L. 441-14 D. 441-6	Information relating to supplier and customer payment terms	6.5.7	276
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	182
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, 3.2.3, 3.3, 3.5.2, 3.7.2.3, 3.9	34, 57, 60, 67, 81, 96
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	44

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 9.3)	50, 234
Law no. 2016-1691 of December 9, 2016 ("Sapin II")		Anti-corruption system	3.7.1	77
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	280, 281, 284
French Commercial Code	L. 225-211	Acquisition and disposal by the Company of its own shares	7.2.2	287
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	280, 281
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	116
French Tax Code (Code général des impôts)	243 *bis*	Amount of dividends distributed for the last three fiscal years	7.1.4	283
IV. ADDITIONAL INFORMATION REQUIRED FOR THE PREPARATION OF THE MANAGEMENT REPORT				
French Tax Code	223 quater 223 quinquies	Additional tax information	6.5.6	275
French Commercial Code	L. 464-2, I, paragraph 10	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, I	Business model	3.1	54
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. 225-105, 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	55, 63, 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	84
French Commercial Code	L. 225-102-1 L. 22-10-36 R. 225-105, II, A, 1°	Social information (employment, organization of work, health and safety, employee relations, training, equal treatment)	3.6, 3.8.1	72, 84

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	84
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	58
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, biodiversity conservation)	3.2, 3.5, 3.6, 3.8.2	55, 63, 72, 91
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 and suppliers, fair practices)	3.8.3	95
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	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, 3.10.1.1	84, 105
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 Extra-Financial Performance Declaration	3.11	110
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)	Article 8	Taxonomy	3.9	96
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	272

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 May 22, 2024, 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 2024-2025	4.2.1, 4.2.4	154, 176
French Commercial Code	L. 22-10-9, I, 1°	Total compensation and benefits of any kind paid during fiscal year 2023-2024 or granted in respect of their term of office for fiscal year 2023-2024 to each corporate officer of the Company	4.2.2, 4.2.3	156, 163
French Commercial Code	L. 22-10-9, I, 2°	Relative proportion of corporate officers' fixed and variable compensation	4.2.4	176
French Commercial Code	L. 22-10-9, I, 3°	Use of the option to request repayment of variable compensation from corporate officers	4.2.2.3 C.	159
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	156, 163
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	176
French Commercial Code	L. 22-10-9, I, 6°	Ratios between the compensation of each corporate officer (the Chair of the Board of Directors, the Chief Executive Officer and each Deputy Chief Executive Officer) and the average and median compensation of Company employees	4.2.3.3	169
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	4.2.3.3 D.	170
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	156, 163
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	4.2.3, 4.2.4	163, 176
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	155
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 Chair of the Board of Directors and the Chief Executive Officer	4.2.2.1 C., 4.2.3, 4.2.4	156, 163, 176
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	4.1.1	116
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	8.5.2, 8.5.3	319, 322
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	298
French Commercial Code	L. 225-37-4, 4° L. 22-10-10	Executive Management procedures	4.1.4	152
French Commercial Code	L. 22-10-10, 1°	Composition, preparation and organization of the work of the Board	4.1.1, 4.1.2	116, 143
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	116
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, 4.1.4	149, 152
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	116
French Commercial Code	L. 22-10-10, 5°	Specific conditions for shareholder participation in the Annual General Meeting	8.1	302
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	8.5.1	319
French Commercial Code	L. 22-10-11	Factors likely to have an impact in the event of a public offering	7.1.8	286
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 269)	


soitec

GLOSSARY

Key words in the semiconductor industry:

Fabless

Companies that design and sell chips, but outsource their manufacture to foundries.

Foundries

Semiconductor companies that manufacture processed wafers according to their clients' designs.

Integrated device manufacturer (IDM)

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.

Nanometer (nm)

One billionth of a meter.

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.

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.

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.

Technologies and processes

Complementary metal-oxide-semiconductor (CMOS)

MOSFET transistor manufacturing technology that uses a symmetrical pair of n-type and p-type MOSFET transistors to perform logic functions.

Epitaxy

A process whereby a semiconductor material layer is grown on a substrate, with the layer having the same crystalline orientation as the 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 wafer. 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.

Substrates and materials

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").

Compound materials

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.

Fully-Depleted Silicon-on-Insulator (FD-SOI)

A Soitec substrate.

Gallium nitride (GaN)

A core compound material used to make various types of Soitec substrate.

Imager-SOI

A Soitec substrate.

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.

Piezoelectric-on-Insulator (POI)

A Soitec substrate.

Photonics-SOI

A Soitec substrate.

Power-SOI

A Soitec substrate.

Radio Frequency Silicon-on-Insulator (RF-SOI)

A Soitec substrate.

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.

Electronic components

Application-specific integrated circuit (ASIC)

An integrated circuit (IC) includes all the functions required for a specific application on the same chip.

Digital signal processor (DSP)

A microprocessor designed to run digital signal processing applications (screening, signal extraction, etc.) as quickly as possible.

Insulated-Gate Bipolar Transistor (IGBT)

Commonly used in power electronics applications.

Microcontroller unit (MCU)

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.

Metal-oxide-semiconductor field-effect transistor (**MOSFET**)

Insulated-gate field-effect transistor.

Power management integrated circuit (PMIC)

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).

Corporate social responsibility

Carbon Disclosure Project (CDP)

A non-profit organization that works to drive greenhouse gas emissions reductions for companies and governments.

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).

ESG (Environmental, Social, and Governance)

ESG criteria are used to assess a company's activities that may have an impact on society or the environment.

IATF 16949

Sets out quality management standards in the automotive industry. It sets out procedures for the development and manufacture of automotive components.

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

Provides guidance on corporate social responsibility.

ISO 27001

Sets out the criteria for an information security management system.

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

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)

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, Health and Solidarity).

Financial

CAPEX

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.

Change in working capital

Change in working capital includes: (i) changes in gross inventories, (ii) changes in gross trade receivables, (iii) changes in operating payables, and (iv) changes in other operating assets and liabilities (subsidies, taxes and tax credits).

EBITDA

Represents operating income 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. This measurement indicator 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.

Free cash flow

Corresponds to cash flows generated by operating activities, minus cash flows used in investing 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.

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.

Net debt

Represents financial debt, less cash and cash equivalents.

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