soitec

2020–2021

UNIVERSAL REGISTRATION DOCUMENT

Including the Integrated Report & the Annual Financial Report

IN OUR SOIL GROWS an amazing future

CONTENTS

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2020-2021 UNIVERSAL REGISTRATION DOCUMENT.

including the Integrated Report
& the Annual Financial Report

"Soitec is a world leading company in the innovation and production of semiconductor materials. Our products are essential for the mass adoption of the megatrends driving the semiconductor industry: 5G, artificial intelligence and energy efficiency."

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

The Universal Registration Document in French was filed on July 5, 2021 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 is a translation into English of the Universal Registration Document of the Company issued in French and it is available on the website of the Issuer.

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

Soitec's technologies and products play a critical role in the mass adoption of electronic devices and services in three major markets: mobile communications and infrastructure, automotive and industry and smart devices. These markets are driven by megatrends, namely 5G, artificial intelligence and energy efficiency.

90%
of revenue outside France

13%
of revenue dedicated to R&D

Stable financial performance
in fiscal year 2020-2021

+30%
revenue growth in fiscal year 2019-2020

6
production lines worldwide

1,750
employees worldwide

+40% growth expected
in fiscal year 2021-2022

>3,500
active patents

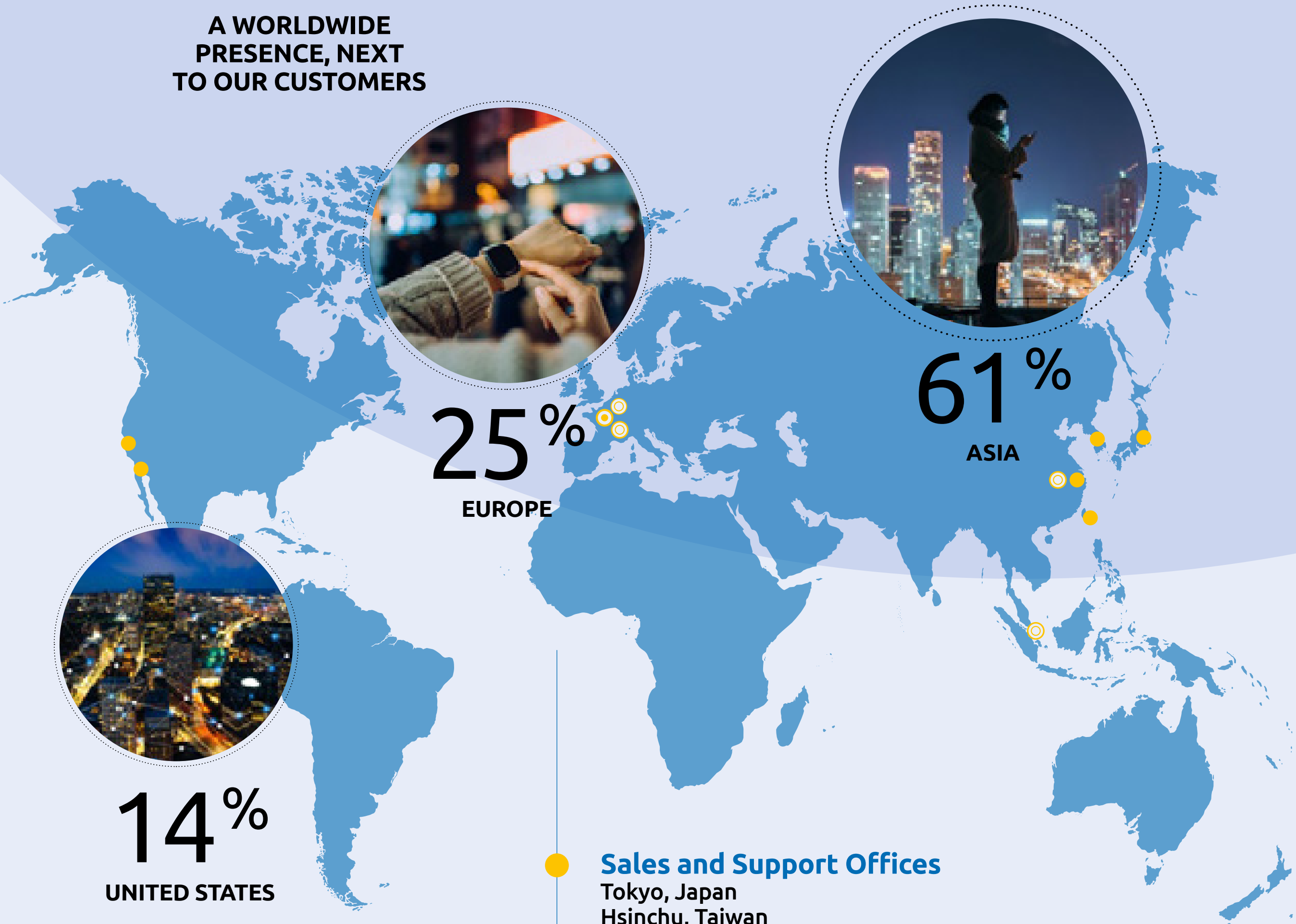
73%
managers, engineers and technicians

285
new patents filed in fiscal year 2020-2021

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

Soitec offers unique solutions allowing chip makers to enhance the performance of their products, incorporate new functionalities and reduce power consumption. By addressing the technical and economic challenges that trigger mass market adoption, Soitec acts a catalyst in the semiconductor ecosystem for global transformation driven by mobile communications, energy efficiency and artificial intelligence. Its products are used to manufacture chips for smartphones, datacenters, automobiles and Industry 4.0, as well as smart objects across multiple markets, including healthcare and security.

A WORLDWIDE PRESENCE, NEXT TO OUR CUSTOMERS



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

Substrate Innovation Center
Grenoble, France

Production Centers
Bernin, France
Hasselt, Belgium
Shanghai, China
Singapour

Message from Éric Meurice
Chairman of the Board of Directors

"Soitec is ideally placed to reap full benefit from the exponential growth in the semiconductor market."

After a year of transition, Soitec is looking ahead to a new phase of very strong growth. In an increasingly connected, smarter world that is eager for greater energy efficiency, we can expect wave after wave of technological transformation. Whether in mobile communications, in the automotive and industry sectors, or across the expanding realm of smart objects, electronics will be driving a new revolution in usages, both home and industrial, personal and professional.

One of Soitec's great strengths is its position at the very center of this phenomenon. As well as anticipating its end customers' shifting needs, Soitec's innovation policy involves working with them to build the solutions of tomorrow. This means that new generations of smartphones, electric and autonomous vehicles, and connected objects are designed from the outset with smaller, higher-performance, more energy-economic and cost-optimized integrated circuits. All of these technological challenges are made possible by innovations in semiconductor materials, precisely the substrates designed and made by Soitec to feature as an integral part of emerging solutions.

The semiconductor market is set for exponential growth. It's expected to rocket from US$500 billion to more than US$1,000 billion by the end of the decade. As Soitec's addressable markets expand from 3 to 7 million substrates over the next five years, we face a unique opportunity to have our products taken up as industry standards, along the lines of our RF-SOI substrates for smartphones. This would place Soitec among the few European technology players to show a real global dimension. To seize this opportunity, Soitec will be increasing its production capacities, pacing investments to match anticipated demand for its various materials.

A RESPONSIBLE, SUSTAINABLE GROWTH AMBITION

Along with developments in its industrial plant, the other major challenge will be to continue the Company's workforce expansion in line with the market growth to come. This challenge will be addressed through recruitment campaigns, primarily in France and Singapore, and a strong capability for developing talents in keeping with the objectives the Company has set on health and safety, working conditions, diversity and inclusion.

Soitec has also strengthened its commitments on social and environmental responsibility. With strong backing from its Board of Directors, Soitec places innovation, environment-consciousness, ethics and exemplary stakeholder relations as central features of its economic model, whose sustainability virtues are considerable given the positive planetary impact of the energy savings afforded by Soitec products.

"5G, artificial intelligence and energy efficiency are going to change the world."

Interview with Paul Boudre
Chief Executive Officer

HOW DID SOITEC WEATHER FISCAL YEAR 2020-2021, HEAVILY MARKED BY THE WORLDWIDE HEALTH CRISIS?

— It has been a very telling time, for the whole world, and for each and every one of us. The crisis has had a very severe impact on populations and whole swathes of the economy. Thanks to staunch workforce-wide commitment and the effective health protection measures that we implemented, business was not interrupted. Our production facilities avoided shutdown. While ensuring protection for all team members, we managed to meet our customers' demand and continue our R&D programs. Equally important, to my mind, was that our teams were also able to help neighboring communities, by providing equipment to hospitals and laptops to school students who needed them.

DID THE CRISIS IMPACT SOITEC'S PERFORMANCE IN ANY WAY?

— Some of our end markets did suffer a slow-down. This was the case, for example, with the automotive industry. On the other hand, demand for our RF application substrates remained strong, as take-up of the new telecommunication standard, 5G, gathered speed. We even saw a slight rise in our revenue, at constant scope and exchange rates, and managed to keep our EBITDA margin above 30%, while actually intensifying our R&D efforts, continuing to invest in our industrial plant, and recruiting more than 400 new talents to support future growth.

THE CRISIS HIGHLIGHTED A GROWING NEED FOR CONNECTIONS. IS THIS GOOD NEWS FOR SOITEC?

— Without a doubt. The world tipped into a new paradigm of remote working, teaching and healing, and we are convinced that these trends are anything but transient. Not only will people need more connections, but those connections will have to be faster, more secure and more powerful. And devices themselves will need greater connectivity too. If these radical transformations are going to be materialized, it's through the key role played by new-generation semiconductors. Our innovative materials stand at the very heart of the megatrends that are going to drive the semiconductor industry: 5G, artificial intelligence and energy efficiency.

WHAT WILL BE THE CONSEQUENCES OF THIS NEW REVOLUTION IN ELECTRONICS?

— By 2030, sales of 5G smartphones are expected to reach 1.6 billion units per year, more than half of the vehicles on the road will be electric, and there'll be 150 times more connected objects with embedded artificial intelligence in use, some 2.5 billion units in all. 5G will be a cornerstone of this revolution, bringing huge increases in transmission speed, response time, and number of connected objects, and ten times less energy consumption per unit of data volume. All this will be rooted in a hundred-fold increase in 5G network capacity. 5G data exchange through smartphones means more antennas, more frequencies, larger bandwidths, and therefore more amplifiers, switches, tuners and filters. And this means more semiconductors.

WHAT ARE SOITEC'S GROWTH AMBITIONS BY FISCAL YEAR 2025-2026?

— We're aiming to triple our revenue, up to US$2 billion, through growth driven by our three end markets. Mobile communications will doubtless remain our lead market, accounting for 65% of total revenue, compared to 75% today. We expect a strong increase in the automotive sector, from 10% to 20% of the total, with connected objects accounting for the remaining 15%.

HOW WILL YOU BE GENERATING SUCH STRONG REVENUE GROWTH?

— To meet the expected demand, we'll need to double our production capacity, from 2 to 4 million wafers by fiscal year 2025-2026, while continuing to extend our mix to new materials, such as piezoelectric-on-insulator, silicon carbide and gallium nitride. We plan to invest €1.1 billion over this period to increase existing production capacities in France, Belgium and Singapore, and build two new facilities, one producing silicon carbide substrates and the other 300 mm silicon-on-insulator wafers. Given our cash position and the cash flow from operations generated, we consider that these investments can be self-financed.

WILL THIS GROWTH BE PROFITABLE?

— The growth in revenue will outpace the growth in volumes. With the value increase brought by our products, we'll be benefiting from a favorable price-mix effect. In addition, more efficient use of our production capacities will prove a powerful operational lever. We're targeting an EBITDA margin of around 35% by fiscal year 2025-2026, up from just under 31% today.

WHAT SCOPE DO YOU GIVE TO CORPORATE SOCIAL RESPONSIBILITY?

— Our value creation process chimes with a Company-wide emphasis on sustainability and responsibility. To start with, our energy-economic products make a direct contribution to the transition toward a more sustainable economic model. In 2020, our products led to energy savings amounting to the equivalent of the domestic consumption of a city of 450,000 inhabitants. We are also firmly committed to reducing the greenhouse gas emissions generated by our operations, in line with the Paris Agreement climate change targets, to reducing our water consumption, and to protecting biodiversity. We are intent on creating an inclusive organization capable of attracting, developing and retaining top talent, on nurturing long-lasting, mutually beneficial relations with all of our stakeholders, and on contributing to regional development. And our innovation policy draws from a mesh of alliances and cooperation agreements with research laboratories, universities and organizations across the electronic components industry.

"Our value creation process chimes with a Company-wide emphasis on sustainability and responsibility." Paul Boudre

Our priorities in managing the Covid-19 pandemic

Protecting our people

The top priority for Soitec's management team since the onset of the Covid-19 pandemic in early 2020 has been protecting our employees while maintaining all business activities. Thanks to our presence in Asia, including our industrial site in Singapore, we were able to deploy the entire range of health measures across all of our sites and employees worldwide at a very early stage of the crisis. This allowed us to effectively protect employees and ensure business continuity without interruptions.

Operations and supply chain continuity and supporting our customers

All of our sites continued normal operations and activities with sufficient resources. We remained close to our customers, delivering committed volumes of products while reinforcing our communication and support efforts.

Helping our community

We also maintained excellent communication with our suppliers and partners. Lastly, we actively engaged with local communities to provide logistical support, donating healthcare equipment to local hospitals and computers to schools. As the Covid-19 crisis begins to recede, Soitec is emerging as a stronger company and a stronger team.

Financial performance

BASIC EARNINGS PER SHARE

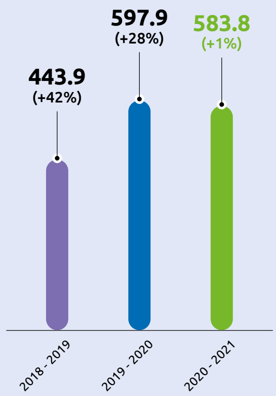
€2.19 per share

2020-2021

€3.40 per share

2019-2020

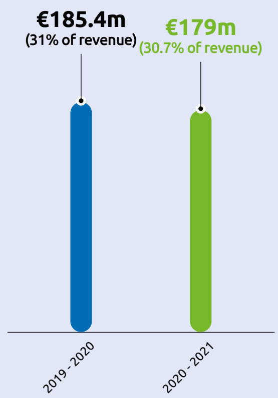
REVENUE
in € millions



CASH FLOWS GENERATED BY OPERATING ACTIVITIES

CURRENT OPERATING INCOME (+10%)

EBITDA (CONTINUING OPERATIONS)



"Despite the Covid situation, we are fully in line with our guidance, maintaining our Ebitda margin above 30%."

Léa Alzingre
Chief Financial Officer

Fiscal year 2020-2021 was a year of transition. While the beginning of the year was impacted by the uncertain health situation, we managed to increase our revenue at constant exchange rates by 1% thanks to excellent communication and coordination with our customers and suppliers and the tireless mobilization of our employees.

We recorded an EBITDA margin of 30.6% despite continuous investment efforts to prepare for the growth expected in fiscal year 2021-2022.

At the same time, we generated significant operating cash flows, a sharp improvement over the previous year, further strengthening our financial position and enabling us to continue to invest in our industrial facilities to support future growth.

We also issued €325 million in convertible bonds in October 2020 at attractive terms, demonstrating the confidence investors have in our Group.

Trends & opportunities

Three megatrends are accelerating growth in the semiconductor market: mobile communications, artificial intelligence and energy efficiency. These three areas are central to the world's post-Covid-19 transformation.

5G is the next-generation mobile communication technology. Compared to 4G, it boosts data transfer rates by up to ten times, with ten times the number of connected devices and response times ten times shorter. 5G is driving future generations of smartphones. Meanwhile, Industry 4.0 will enable autonomous vehicles and a host of new applications such virtual reality. It will also take markets such as smart cities, smart agriculture, healthcare and education to entirely new levels of performance and end-user value. 5G will continue to evolve through several generations over the coming decade, bringing in its wake multiple waves of innovation and performance improvements.

Artificial intelligence (AI) renders electronic devices intelligent through a machine learning process so that they can, based on information received via sensors, make decisions like the human brain. Depending on the complexity of tasks and applications, this learning may be done "on the edge" directly within the device or "on the cloud". By 2030, data processed on the edge – which today represent a very tiny portion – will reach 45% of total data processed, reducing latency and improving security. Both edge computing and cloud artificial intelligence are critical, and both will undergo significant growth. Artificial intelligence is set to become part of almost every application and electronic device and will be one of the key drivers in the new generations of semiconductors that are under development.

Energy efficiency has been at the heart of semiconductor challenges and requirements for decades, and is now increasingly linked in the popular imagination to awareness of global warming and its impact on our future. The Paris Agreement set the agenda for the whole world on what needs to be done to mitigate the risk and impact of climate change. Semiconductors will play a major role in this program. Electric mobility – electric vehicles and much more besides – and disruptive ways to reduce power consumption in any application or domain driven by electronics (datacenters, industries, personal devices, etc.) are at the center of an ongoing wave of semiconductor innovation.

The technical requirements and challenges of 5G, artificial intelligence and energy efficiency require new semiconductor solutions, most of them linked to materials. Therefore, the materials designed by Soitec are at the heart of these technological revolutions.

Through these three major technological trends, Soitec addresses three main markets: mobile communications and infrastructure, automotive and industry, and smart objects including smart homes, smart cities, healthcare and more.

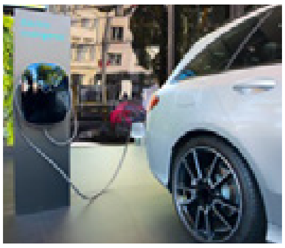
Growth that carries complex technical challenges

The deployment of these applications arising from megatrends, characterized by spectacularly fast technological change, is creating a need for specific high-performance, low-consumption chips.

Mobility, connectivity and reduced power consumption require:

- **Further chip miniaturization**
- **Improved chip performance**
- **Lower energy consumption**
- **Incorporation of different functions, ranging from sensors to information processing and data transfer**

Advanced substrates are key to the mass deployment of 5G mobile communications for applications such as autonomous vehicles, continuous industrial connectivity and virtual reality.




Our markets

In the decade to come, the semiconductor market's growth prospects are vast, with IBS estimating that it will more than double in size between 2020 and 2030 to reach US$1.2 trillion, at average annual growth rate of 10%.

CAGR of 11%
for automotive semiconductors between 2020 and 2030

The overall semiconductor market grew by 6.5% year on year in 2020, weathering a tough macroeconomic environment caused by the Covid-19 pandemic and geopolitical tensions.

The outlook for 2021 is excellent, with growth forecast at around 12%. In the early months of 2021, demand for semiconductor components has been very strong and the entire supply chain is under pressure. This is due to a post-pandemic rebound effect in the automotive and industry segments, but also reflects a continuation of the 2020 trend, with very strong demand on the smartphone – in particular 5G – and laptop markets, as well as a rise in artificial intelligence, smart objects and electric vehicles with high semiconductor content.

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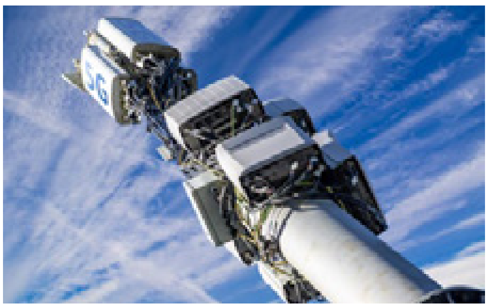
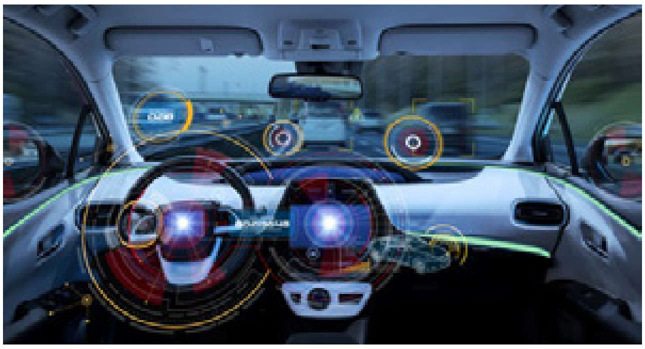
MOBILE COMMUNICATIONS AND INFRASTRUCTURE

5G
smartphones
200M (2020)
> 500M (2021)

Mobile communications and infrastructure is Soitec's core market. While the total growth in the number of smartphones remains modest, at an average of 5% per annum, the rapid advance of 5G smartphones is the key driver. From 200 million units in 2020 to around 500 million units in 2021, the fast pace of adoption of 5G phones is not set to slow down, driven by strong end-user experience and aggressive adoption plans from both operators and handset makers. 5G standards require much higher semiconductor content in smartphones, and this 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 all 4G smartphones). A first-generation 5G phone requires approximately twice the amount of RF-SOI in comparison to a 4G phone. Several other Soitec products have been developed to serve specific 5G requirements. 5G infrastructure also requires a totally new setup and solutions. While the number of base station units is significantly lower than smartphone units, the semiconductor content is much higher and more complex, which is creating opportunities for companies like Soitec to actively participate in serving this market.

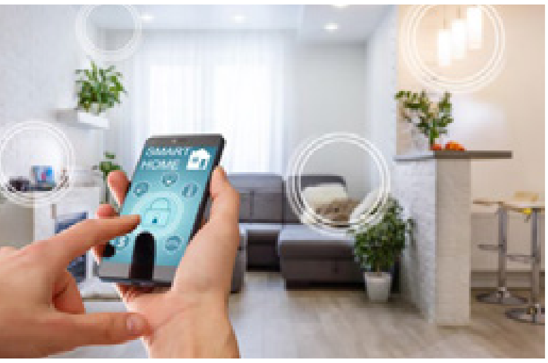




AUTOMOTIVE AND INDUSTRY

50%
of cars will be fully electric or hybrid
(source: IHC)

Automotive and industry electronics are the fastest growing segments in the semiconductor market. 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. According to IHC, around half of all cars will be fully electric or hybrid by 2030. Producing autonomous vehicles is a key target for the automotive industry. Although there are several technological and legal barriers to be removed in order to reach fully autonomous cars, the car industry is already deploying a range of advanced driving assistance features and functions. As a result, automotive semiconductor content is set to at least double, depending on the level of electrification and driving automation. The automotive semiconductor market is forecast to grow at a compound annual growth rate of 11% between 2020 and 2030. Industrial electronics encompass a wide range of applications such as the generation, storage and management of energy, datacenters, transportation, factory automation and more. Applications such as solar and datacenters are expected to grow at compound annual growth rates of 8% and 15.5%, respectively. These applications will drive demand for semiconductors related to power, high-speed connectivity, machine learning, artificial intelligence and data storage.



SMART DEVICES

38.6 billion
connected devices predicted by 2025, and 50 billion by 2030
(source: Strategy Analytics)

A smart device is an electronic object that is able to connect, share and interact with its user and other smart devices. According to consumer electronics consultants Strategy Analytics, 38.6 billion smart devices will be connected by 2025 and 50 billion by 2030. Due to the Covid-19 pandemic, social distancing, home working, e-learning, and home-based education have become the new normal. In addition, the “longevity economy” is being driven by an aging population, driving interest in personalized health and wellness in the home and at the office. Healthcare systems are moving toward patient-centric wearable devices to provide personalized healthcare. Current trends point to the acceleration of digital transformation by smart devices. For semiconductors, there are opportunities across multiple areas: network connection (5G, Bluetooth, etc.), sensing (visual, vocal, mechanical etc.), optical communication, edge processors and human-machine interface displays to make devices both connected and smart. After data is received by the sensor, edge computing is required to generate meaningful information. As we move toward the digital transformation, local computing is becoming important in reducing latency and safeguarding privacy. With this trend, more semiconductor opportunities are likely to emerge in edge artificial intelligence chips, as well as in markets for microcontroller units with low-power consumption design to maximize battery-life. According to ABI Research, the edge artificial intelligence chipset market will swell to US$12 billion, overtaking the cloud artificial intelligence chipset market, which is expected to expand to US$11.9 billion by 2025.

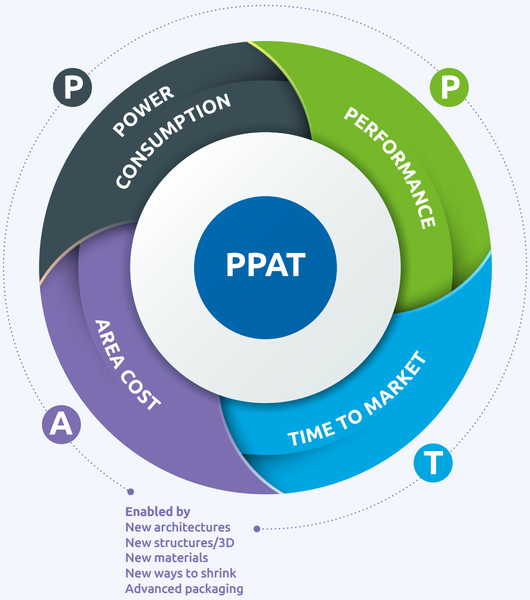
Strategy

Soitec's goal is to be a worldwide leader in innovating and manufacturing engineered substrates for the semiconductor industry to address and set standards in high-growth market segments. In order to accomplish this objective and secure year-on-year growth, we have put in place a highly effective annual strategic planning process, covering the priorities and an end-to-end execution plan for all activities and organizations.

1

Unique technologies

Soitec technologies are used to create structures ("engineered substrates") of semiconductor materials out of silicon-based, compound-based and other materials which can give electronic devices (at transistor and/or system level) unique characteristics summarized in four main qualities, known as "PPAT": **Performance, Power Consumption,** (chip) **Area and Cost** and **Time to Market.**



Power Consumption – a critical factor for all semiconductor devices across all applications at a required performance level.

Performance – is related to unique device qualities in certain applications such as computing capacity at given power consumption, radiofrequency (RF) capabilities for connectivity, increased device output power, unique sensing capabilities, etc.

Area and Cost – chip size, including the possibility to incorporate different functionalities, and the overall cost related to the design and manufacturing of an electronic device, are critical to solving the economic equation for mass adoption.

Time to Market – most mass markets require a very short lead time between defining device requirements and manufacture, which in turns leads to very tight timescales for developing and qualifying new semiconductor solutions.

Due to the balance they achieve in these four qualities, engineered substrates from Soitec bring unique value and full differentiation to the market across a range of applications and semiconductor technologies.

Some examples of Soitec products that provide unique and best "PPAT" value to the market, and which in turn have become industry standards, include:

- **RF-SOI for RF front-end modules for smartphones**
- **Photonics-SOI for optical transceivers in datacenters**

Other Soitec products on the same value and adoption path include:

- **POI for RF filters**
- **FD-SOI for edge computing**

2.

Our vision

"To be recognized as a leader in innovative semiconductor standards for products shaping the future."

3.

Our strengths

- **Unique core technologies** related to semiconductor materials supported by a strong intellectual property portfolio and know-how and a unique innovation platform with the Grenoble-based Substrate Innovation Center and strong partners including world-leading semiconductor research centers such as CEA-LETI and IMEC, along with many others across the globe.
- **Focus on end markets and applications:** understanding end customers' needs and challenges in advance of market growth.
- **Intimacy with customers** to bring the right products to market at the right time, with the goal of establishing industry standards.
- **Innovation and cost** together with supply chain management.
- **Key processes to drive growth:** profitability with value propositions, quality, strategic planning, and empowerment.

4.

Our priorities

GROWTH
EXPAND AND PROTECT THE CORE BUSINESS

PROFITABILITY
PROJECT INTO ADJACENT MARKETS

PEOPLE
ADJUST THE OPERATING MODEL

SUSTAINABILITY
SUPPORT OUR VALUE CREATION STRATEGY

A unique approach to establishing industry standards

A policy of innovating and protecting intellectual property in order to set industry standards.

OUR PARTNERSHIP POLICY: THE STRENGTH BEHIND OUR INNOVATION

Working with our partners from the very first stages of product development

At Soitec, our people are capable of following the value chain, speak the same language as the design offices of our end customers and can therefore understand the needs of their purchasing teams.

We develop synergies in order to remain at the cutting-edge of R&D for semiconductor materials and the technologies that are accompanying the digital transformation of our society (Internet of Things, connected vehicles, smart cities, etc.).

Due to our worldwide partnerships with laboratories and universities specializing in the field of semiconductors, with manufacturers of embedded systems and foundries, as well as "fabless" customers in varied market segments (digital, radiofrequency, automotive, Internet of Things), we are able to anticipate the needs of new markets and the characteristics required for future generations of electronic components.

We are also supported by our technological and industrial environment, with our main site being located outside Grenoble, a major European microelectronics hub with a broad range of players in research, higher education and industry.

STRATEGIC PARTNERSHIPS WITH INDUSTRY LEADERS AND LABORATORIES

Spotlight on the Substrate Innovation Center

Soitec launched the Substrate Innovation Center in partnership with Leti, the research institute attached to the French Alternative Energies and Atomic Energy Commission (CEA), back in July 2018. This world-class prototype production center brings together the equipment and expertise of both partners in the aim of developing new materials.

This center is unique: whereas a typical manufacturing plant has limited flexibility to test new solutions and cannot take risks with prototyping (contamination, etc.), the Substrate Innovation Center aims to become a global assessment and substrate solution design center in order to cater to emerging needs. This pilot project allows Leti and Soitec to pool their expertise.

At the Substrate Innovation Center, located on the Leti campus, the two partners' engineers explore and develop engineered substrate functionalities, focusing on 4G/5G connectivity, sensors and displays, automotive, photonics, and artificial intelligence and edge computing.

These resources are accessible to all players in the semiconductor industry value chain: foundries, "fabless" companies, and systems manufacturers. Industrial partners are also able to assess and prototype small batches of products. The Substrate Innovation Center's inaugural partner is Kokusai, a Japanese equipment manufacturer specializing in semiconductors.

Innovation, Soitec's DNA in figures

ACTIVE PATENTS

3,550

285
new patents filed in fiscal year 2020-2021

Over 200 inventors

Nearly 250 patents filed worldwide each year

13%
of revenue dedicated to gross R&D expenditure

23%
of employees working in innovation

"Soitec is among the Top 50 French patent filers and the leading mid-sized company." *

Creation of industry standards

for 4G and 5G telecommunications, AIoT (Artificial Intelligence of Things), edge computing, datacenter connectivity, electric and self-driving cars.

SUSTAINED INTELLECTUAL PROPERTY ACTIVITY ENABLING US TO GRANT LICENSES TO OUR PARTNERS

The strength of our innovation enables us to maintain sustained intellectual property activity. As a result, we have a twin-track policy for our technologies: we either manufacture ourselves or grant licenses so that other industry players can contribute to setting industry standards.

We have signed licensing agreements with our historical Japanese partner Shin-Etsu Handotai (1997), SunEdison, a US-based company subsequently acquired by GlobalWafers (2013), and our Chinese industrial partner Simgui (2014).

TECHNOLOGY LICENSING

ShinEtsu
SIMGUI
GlobalWafers

* Patent application filing ranking with the French National Patent Office (INPI).

A global organization focused on customers

Manufacturing operations are key assets for Soitec across Europe and Asia. Our global manufacturing organization is tasked with providing our customers with best-in-class quality and operational excellence across all of our production sites.

OPERATIONS

The aim is to continuously improve the capacity of our fabrication plants through lean and advanced automation practices, thereby enhancing operational leverage. Our toolset and organization are highly adaptable to changes in product mix demand, enabling us to maintain a high level of loading and competitiveness despite fluctuating product demand.

For the past several years, our initiatives have been driving operational automation aimed at improving product quality using state-of-the-art process control solutions that permit the early detection of potential deviations. These efforts have been recognized in France, with Soitec picking up the "Fab of the Year" award in 2020 as a result of the program. State-of-the-art solutions such as SPC, FDC, RMS and CMMS are widely deployed across our various fabrication plants. We also deploy artificial intelligence solutions to create even more value as we move forward into Industry 4.0.

Our organization is defined in such a way as to permit the swift ramping up of operations in a structured manner during the new product industrialization phase. Agility is built into our manufacturing methods, along with

automation to support the introduction of new products with the right quality and in the required timescale.

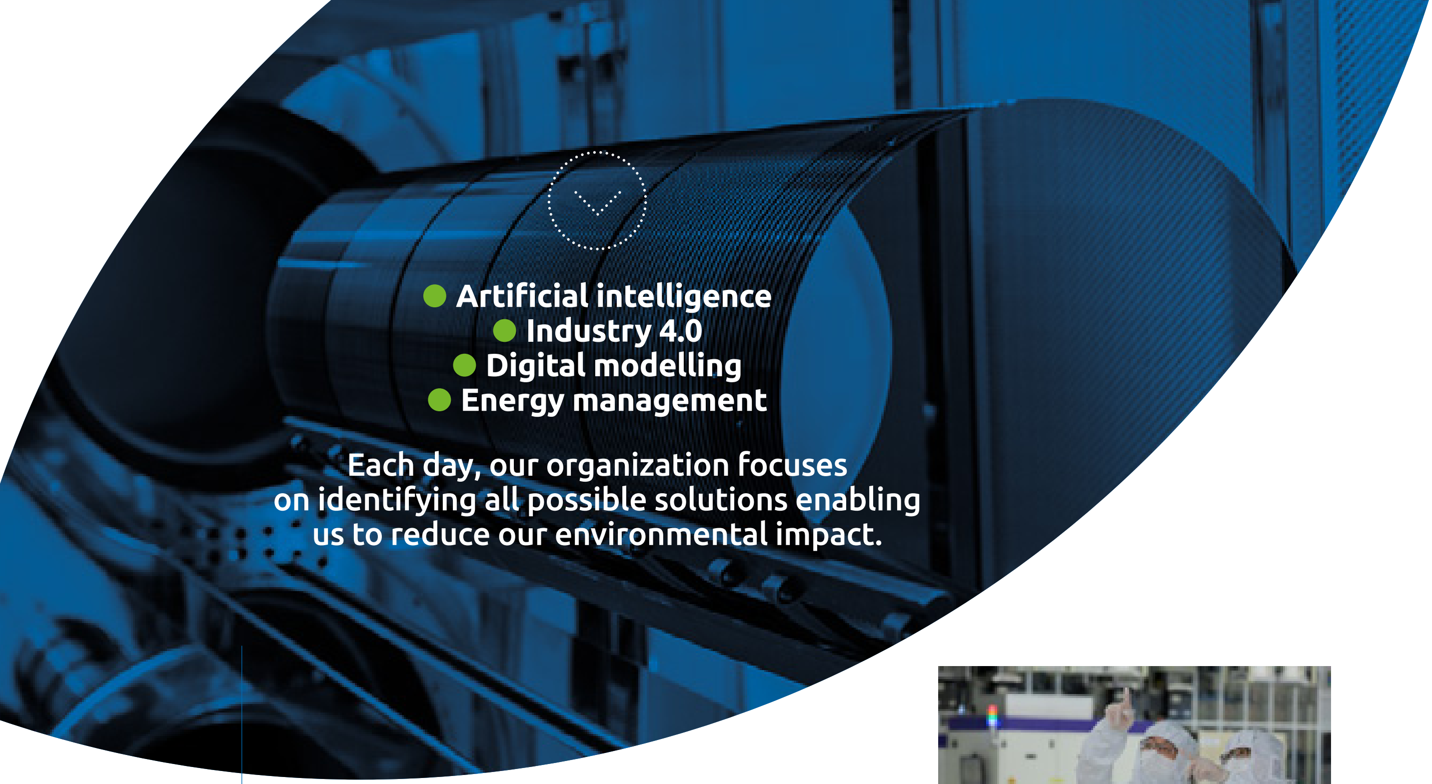
We are committed to sustainable operations, and in France we have been recognized for our outstanding results in reducing energy consumption through various initiatives, including digital modelling and improving energy management. Each day, our organization focuses on identifying all possible solutions enabling us to reduce our environmental impact.

QUALITY

Soitec aims to obtain customer recognition for product and service quality.

During the fiscal year, Soitec stepped up its operational and organizational excellence programs, involving:

- launching the Quality Culture program, raising awareness among all employees of quality as perceived by our customers;
- boosting the Zero Defect Program on continuous improvement in quality control systems and related processes.



CUSTOMER GROUP

Customers' preferred strategic partner

We work closely with our customers to define product features, performance, and roadmaps that meet their ongoing needs and time-to-market imperatives. We also deploy program managers and field application engineers to assist customers in designing, manufacturing, and testing semiconductor devices that incorporate our engineered substrates. We strive to become our customers' preferred strategic partner through our commitment to innovation, value creation, and execution quality.

Fiscal year 2020-2021 covered a challenging period that demonstrated Soitec's flexibility and resilience in supporting our customers. At the onset of the global Covid-19 pandemic, we took decisive measures to ensure the safety of all our employees, while keeping our plants running. As the year progressed, the combination of the work-from-home/learn-from-home economy and the launch of new applications such as 5G wireless communications led to a significant increase in demand, which we readied ourselves to fulfill by significantly increasing our output capacity. As a result, we are enjoying strong momentum as we move into fiscal year 2021-2022.

"Creating value for the entire ecosystem with standard engineered substrates"

Bernard Aspar
COO

Smartphones, electric vehicles and AIoT are facing new challenges, and engineered substrates are part of the solution.

In order to understand system-level challenges, Soitec works with the entire ecosystem from direct customers to end product manufacturers. This enables us to develop genuine customer intimacy across the value chain, understand our value proposition and ensure that our product roadmap is aligned with market demand. Our customers' trust in our capacity to design and deliver engineered substrates "on time", and our focus on creating value for all stakeholders, are our most valuable assets.

By understanding the ecosystem, we are able to design the right substrate and set new industry standards with our partners and customers on products such as RF-SOI and Photonics-SOI, and are then able to integrate standardized products into the end system regardless of the identity of the system provider. This positioning brings Soitec a good deal of value, as well as a lot of responsibility to support our industry.

Positively impact our world through the interactions our products facilitate

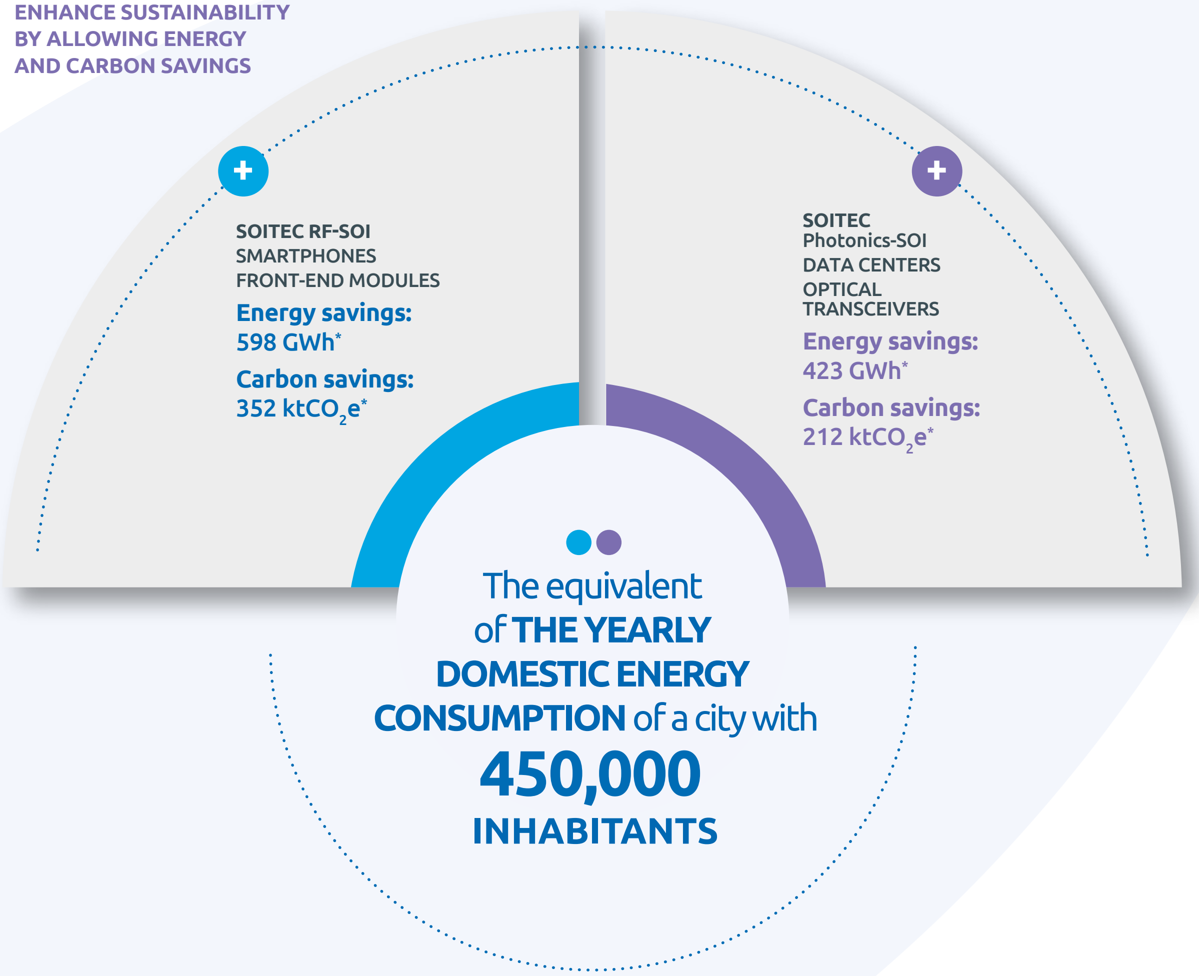
Soitec's commitment to sustainable development is the result of longstanding commitments rooted in the culture and humanist values of our Group, which drive us on a daily basis, in terms of ethics, preservation of the environment and social innovation.

This commitment has taken on a new dimension this year and is now fully enshrined in our strategic plan, alongside the other three pillars.

The products we design and manufacture have always had a positive impact on our world, constantly enabling new opportunities for interaction while ensuring energy efficiency in the resulting applications.

This has naturally inspired and structured the way we conduct our business and our behavior with our stakeholders, and the way we manage our impact on our planet. Sustainable development is at the heart of Soitec's business, with energy-efficient products spearheading our innovation.

SOITEC PRODUCTS ENHANCE SUSTAINABILITY BY ALLOWING ENERGY AND CARBON SAVINGS



* 2020 savings.

TRANSFORMING THROUGH INNOVATION FOR A BETTER FUTURE

INNOVATION

Constantly innovating to improve the quality and impact of our products and improve people's lives

CUSTOMER RELATIONSHIPS

Bringing our customers' projects to life

SUPPORTING THE TRANSITION TO A LOW-CARBON ECONOMY AND PRESERVING THE PLANET

CLIMATE CHANGE

Engaging Soitec on the Paris Agreement emissions trends in order to reduce its CO_2 emissions to become a low-carbon company

WATER STRESS

Pursuing our exemplary programs to reduce water consumption by measuring, reducing and recycling

BIODIVERSITY

Setting up the conditions to preserve the biodiversity on our sites and raise the awareness of our employees

Our CSR strategy is built on four pillars broken down into 13 COMMITMENTS and governed by indicators:

OFFERING A GREATER EXPERIENCE TO OUR EMPLOYEES

ATTRACTIVENESS AND DEVELOPMENT

Making Soitec an attractive employer, setting up the conditions enabling employees to grow in the Company, to support Soitec's growth

HEALTH AND SAFETY*

Guaranteeing that the health and safety of employees are protected and constantly working to reinforce risk prevention

QUALITY OF LIFE AT WORK

Implementing the conditions necessary to guarantee employee well-being, and enhance employee advocacy, while identifying areas for improvement

DIVERSITY AND INCLUSION

Making Soitec an inclusive company throughout the globe fighting against stereotypes, promoting equality

BEING A ROLE MODEL IN OUR BUSINESS AND RELATIONSHIPS

RESPONSIBLE SUPPLY CHAIN

Influencing our ecosystem through our supplier agreements

COMMUNITIES

Committing to local communities and young people

ETHICS

Acting globally in accordance with high social and ethical standards

CYBERSECURITY

Managing cyber risks and guaranteeing that information is safe, secure and protected

** This commitment also covers the management of the Covid-19 crisis.*

Our sources of pride in 2020-2021

14%

reduction in water consumption per unit of production in 5 years

5 point

increase in the perception of the quality of life at work over the year, with a score of 72/100, despite the constraints linked to the pandemic

PACTE ÉCONOMIQUE LOCAL

Membership of the Local Economic Pact to support the economic resilience and attractiveness of the Grenoble Alpes region

29%

reduction in energy consumption per unit of production in 5 years

18%

increase in customer satisfaction in the Customer Relationships category

A pioneering professional equality agreement signed with the unions, addressing gender issues holistically, not just for heterosexual and cisgender people but at the same time dealing with the situation of LGBTQIA+ people in a single agreement that is inclusive and resolutely against stereotypes

444 hires

during the year, including more than 100 young people under 26 in France

Participation in the "one young person, one solution" initiative of the *France Relance* government program

FRANCE RELANCE

#1jeune1solution

x2

Dual recognition for our employee shareholding policy

"Grand Prix de l'Actionnariat Salarié" in the category of small and medium-sized companies and start-ups, and the C&B Trophy from ORAS, praising the value-sharing culture demonstrated by the various plans, their diversity and their high take-up rates

Solar Impulse label,

which rewards 1,000 efficient, clean and profitable solutions with a positive impact on the environment and quality of life,

received by our subsidiary Dolphin Design

Signing of a 5-year agreement with the League for the Protection of Birds (*Ligue pour la Protection des Oiseaux* – LPO) on biodiversity

Commitment to the Science Based Targets initiative (SBTi)

to set ambitious medium- and long-term targets with the aim of contributing to carbon neutrality

Winner in the "Impact for Good" category of the "Grands Prix de l'Accélération Digitale" awarded by the French television channel BFM Business for the reduction in our energy consumption in France

Solidarity initiatives in response to the pandemic (donation of protective equipment for health personnel and of computer equipment to young people to support educational continuity)

Application of demanding health standards during the pandemic and forward-looking in terms of prevention (antigen tests, vaccination, psychological support, etc.)

Inclusion in the Gaïa Index, which groups the 70 top-rated companies

Partnership with Télémaque to promote social mobility by sponsoring/mentoring young people from priority areas

€100,000 injected into the local economy through the distribution of gift vouchers to employees to be used with local businesses

+5 points in the gender equality index (94/100 points)

45% women among very high potential employees

Increase in the proportion of women on the Executive Committee from 9.1% to 18.2%

Our business model for value creation

Resources

ECOSYSTEM BASED ON RELATIONSHIPS

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

HUMAN RESOURCES

- More than 1,750 employees
- More than 40 nationalities
- 33.6% women - 66.4% men

INNOVATION

- 3 technologies (Smart Cut™, Smart Stacking™ and Epitaxy), serving 3 markets (mobile communications and infrastructure, automotive and industry, smart devices)
- More than 200 inventors

PRODUCTION

- 6 production lines and planned extensions
- 63% of employees working in production

FINANCE AND ORGANIZATION

- Increase in equity: up €124 million
- Listed on the Euronext Paris SBF 120 and CAC Mid 60 indices
- 3 strategic investors holding nearly 30% of our shares
- Separation of the duties of Chief Executive Officer and Chairman of the Board of Directors
- A committed Board of Directors: average attendance rate of 97.02% in fiscal year 2020-2021

NATURAL RESOURCES

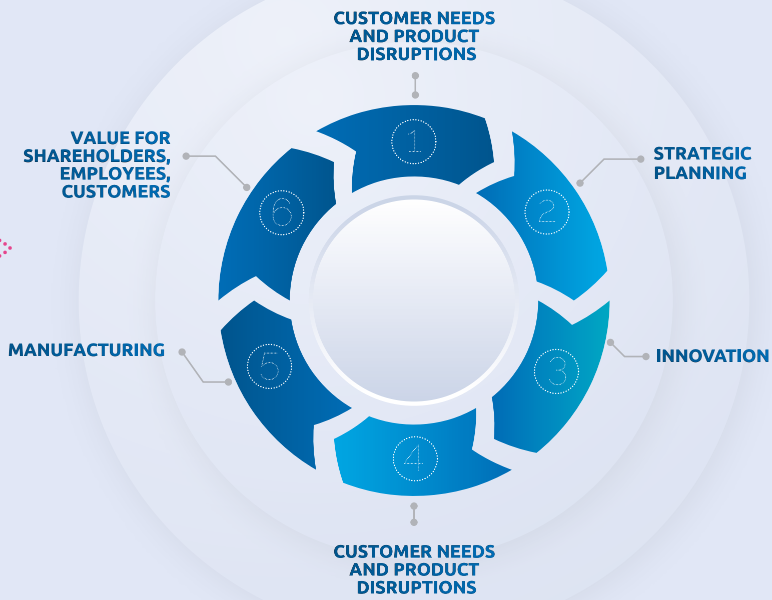
- Water consumption: 1,639 ML
- Energy consumption: 118,150 MWh

Business model

TRENDS

- 3 megatrends: 5G, AI, energy efficiency
- Complex technological challenges
- An internationalized market, dependent on global growth

THE SOITEC FLY WHEEL



SUSTAINABILTY: 4 PILLARS

- Offering a greater experience to our employees
- Supporting the transition to a low-carbon economy and preserving the planet
- Transforming through innovation for a better future
- Being a role model in our business and relationships

NEW STANDARDS

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

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

3 MARKETS

- Mobile communications and infrastructure
- Automotive and industry
- Smart devices

Value created

CUSTOMERS

- 12.7% of revenue devoted to R&D
- Close collaboration on innovation with some 15 key customers
- A portfolio of over 3,500 patents
- One of the top 50 patent filers in France and the leader among the top 10 mid-sized companies
- ISO 9001: Bernin – Pasir Ris – Hasselt
- IATF: Bernin 1 & 2 – Pasir Ris
- AEO: Bernin

SUPPLIERS AND SUBCONTRACTORS

- 54.5% of revenue for suppliers and subcontractors
- 86% of strategic suppliers having signed our Supplier Quality Policy

EMPLOYEES

- 16.1% of revenue for employees
- Free share allocation and co-investment plans
- 186 new hires in fiscal year 2020-2021
- Resignation rate: 3.8%
- Satisfaction rate: 70/100
- Frequency rate = 3.1
- ISO 45001: Bernin – Pasir Ris scheduled for 2021

GOVERNMENT AND REGIONS

- 1.4% of revenue for the Government (taxes and duties)
- Signatory of the Local Economic Pact
- Partnerships with local schools and universities in Singapore and Grenoble

SHAREHOLDERS

- Share value: up 164% over the year
- Revenue: €584 million
- EBITDA margin maintained at around 31%

PLANET

- 29% reduction in energy consumption per unit of production in 5 years
- 14% reduction in water consumption per unit of production in 5 years
- GHG emissions: 170,955 tCO_2e
- 564 $ktCO_2e$ of emissions avoided for RF-SOI and Photonics-SOI products sold
- ISO 14001: Bernin – Pasir Ris scheduled for 2021
- ISO 50001: Bernin

Impact

- 3 GOOD HEALTH AND WELL-BEING
- 5 GENDER EQUALITY
- 6 CLEAN WATER AND SANITATION
- 8 DECENT WORK AND ECONOMIC GROWTH
- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
- 10 REDUCED INEQUALITIES
- 11 SUSTAINABLE CITIES AND COMMUNITIES
- 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
- 13 CLIMATE ACTION
- 15 LIFE ON LAND
- 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
- 17 PARTNERSHIPS FOR THE GOALS

A governance structure designed to support our strategy

Our Group's strategy is based on a corporate governance structure in line with best practices. Since July 26, 2017, the duties of Chairman of the Board of Directors and Chief Executive Officer have been separated. Éric Meurice, our Chairman appointed in March 2019, is independent.

Our governance is based on our Board of Directors, its five specialist Committees and the Executive Committee led by Paul Boudre, our Chief Executive Officer.

1. **Éric Meurice**
   Independent director, Chairman of the Board of Directors and Chair of the Compensation Committee and the Strategic Committee
2. **Paul Boudre**
   Chief Executive Officer and director
3. **Wissème Allali**
   Employee director
4. **Françoise Chombar**
   Independent director
5. **Laurence Delpy**
   Independent director and Chair of the Nomination and Governance Committee
6. **Christophe Gegout**
   Independent director and Chair of the Audit and Risks Committee
7. **Didier Landru**
   Employee director
8. **Satoshi Onishi**
   Director
9. **Sophie Paquin**
   (Permanent representative of Bpifrance Participations) Director
10. **Guillemette Picard**
    Director
11. **Kai Seikku**
    Director
12. **Thierry Sommelet**
    Director
13. **Jeffrey Wang**
    Director
14. **Shuo Zhang**
    Independent director

14
Directors

5
nationalities

41.67%
women*

* Excluding employee directors.

OUR 5 COMMITTEES

41.67%
Independent directors*

2
employee directors

3
year term of office

10
meetings

95.33%
attendance rate

Our Board of Directors is supported by the work of its five Committees: the Strategic Committee, the Audit and Risks Committee, the Nomination and Governance Committee, the Compensation Committee and the Restricted Strategic Matters Committee.

Members
Meetings
Attendance rate
Independence ratio

STRATEGIC COMMITTEE

Chair
Éric Meurice

The Strategic Committee is notably charged with analyzing our Group's situation and growth areas in order to submit proposals to the Board of Directors on our Group's strategy. Through its analysis and discussions, it clarifies our Group's strategic objectives and assesses the justifications and consequences of the major strategic decisions submitted to the Board of Directors. The Strategic Committee also conducts a review of our competitive environment and prepares a report on this subject.

Members: 10 | Attendance rate: 95.56% | Independence ratio: 55.56% | Meetings: 5

AUDIT AND RISKS COMMITTEE

Chair
Christophe Gegout

The Audit and Risks Committee helps our Board of Directors to ensure the accuracy and fairness of our statutory and consolidated financial statements and the overall quality of the information provided. It is also closely involved in external and internal control and risk management assignments. As such, it meets regularly with our Statutory Auditors and our Internal Control function.

Members: 7 | Attendance rate: 95.56% | Independence ratio: 57.14% | Meetings: 9

NOMINATION AND GOVERNANCE COMMITTEE

Chair
Laurence Delpy

The Nomination and Governance Committee is notably involved in the director reappointment and selection process. It also oversees the process for the appointment of the Chairman of the Board of Directors and the Chief Executive Officer, ensuring that succession plans have been prepared for them, and is kept informed of any changes on our Executive Committee (and may make recommendations regarding its membership). Each fiscal year, the Committee carries out an assessment of the Board of Directors and presents the resulting analysis to our shareholders.

Members: 7 | Attendance rate: 100% | Independence ratio: 42.86% | Meetings: 8

COMPENSATION COMMITTEE

Chair
Éric Meurice

The Compensation Committee is mainly responsible for making recommendations on compensation policies and compensation for our corporate officers (Chairman of the Board of Directors, Chief Executive Officer and directors), as well as leading preparatory work on share allocation plans for our employees and corporate officers. The Compensation Committee also monitors the environmental and social aspects of our Group's environmental, social and governance (ESG) programs.

Members: 7 | Attendance rate: 100% | Independence ratio: 50.00% | Meetings: 6

RESTRICTED STRATEGIC MATTERS COMMITTEE

Convened on an exceptional basis

The Restricted Strategic Matters Committee is responsible for reporting on any planned transfer (whether by sale, license or by any other means) or any other joint venture project involving Smart Cut™, and for issuing recommendations to the Board of Directors accordingly.

Members: 6 | Attendance rate: 100% | Independence ratio: 66.67% | Meetings: 2

An experienced, high-level team from diverse backgrounds

On taking office in 2015, our Chief Executive Officer set up a new internal management body, the Executive Committee or ExCom, which is central to the implementation of our business plan and our strategy. Leading this team of 11 senior executives, Paul Boudre leverages the expertise of each member to inspire, drive, control and develop the Group's business in a collegiate manner. Their collective aim is to continue to capture growth in electronics markets, and to drive profitability, while at the same time ensuring sustainability over the long term.

A. Paul Boudre

With a background in chemical engineering, Paul Boudre has spent his entire career in the semiconductor industry, first in France in operational management positions, before moving into business development and general management roles at a leading equipment manufacturer in the United States. He joined Soitec in 2007 and became Deputy Chief Executive Officer the following year. In 2015, he was appointed Chief Executive Officer by the Board of Directors to steer the Company's turnaround and the profitable growth trajectory begun immediately after his appointment.

D. Christophe Maleville

After starting out in research at CEA-Leti, Christophe Maleville was one of the pioneers of Soitec and the SOI platform. After gaining experience in technical roles, he took on various sales and general management responsibilities in the Company in France and Japan. He has led innovation for the Company since 2019 as Chief Technical Officer. He has a PhD in materials sciences, holds an MBA and is the author of some 30 patents.

G. Thomas Piliszczuk

Thomas Piliszczuk joined Soitec following significant international experience in marketing and sales management roles, notably at a leading semiconductor equipment manufacturer in the United States. At Soitec, he led marketing and sales between 2008 and 2019, when he created the Strategic Office covering strategy, strategic marketing, public affairs and external communication. In addition to a degree in electronic engineering, he holds a PhD in physics and completed an MBA in the United States.

J. Philippe Pellegrin

Philippe Pellegrin joined Soitec in 2017 to lead procurement. He joined the Executive Committee in 2018. Previously, he was head of procurement for a leading European semiconductor company. He is a materials sciences engineer.

B. Bernard Aspar

Bernard Aspar began his career as a researcher at the CEA laboratories, before creating his own company, Tracit (a spin-off of his work at the CEA). After selling Tracit to Soitec, he took on various responsibilities before managing the entire business in 2019 and then being promoted to Chief Operating Officer in 2020. An engineer with a PhD in materials sciences, he holds more than 60 patents and has received numerous awards for his research.

E. Cyril Menon

After a short stint in research, Cyril Menon moved to an operations-focused role at a large American group, before joining Soitec in 2006 where he held various technical management positions. He joined the Executive Committee in 2015 as head of operations. He is also Chairman of the Board of Directors of Dolphin Design, a chip design company controlled by Soitec. He is an engineer with a PhD in materials physics.

H. Yvon Pastol

Yvon Pastol joined Soitec in 2020 to lead the Customer Group from California following an international career as a sales executive for leading semiconductor manufacturers in Japan and the United States. He is an electronics engineer and holds a PhD in materials physics.

K. Pascal Lobry

Pascal Lobry joined Soitec in 2015 to work alongside the Chief Executive Officer to oversee the social aspects of restructuring processes, before joining the Executive Committee the following year as head of human resources and sustainability. He previously served as HR director for large global operations in various French listed industrial groups. He is a graduate of a business school and also holds a degree in gender studies.

C. Léa Alzingre

After gaining experience as an auditor at one of the Big Four, Léa Alzingre held several finance management positions in the tech world, both in the semiconductor division of an American group and helping to raise capital for a start-up. She joined Soitec in 2019 and became Chief Financial Officer the following year. She graduated from a top business school.

F. Steve Babureck

After starting his career as a tech analyst at various financial institutions in Europe and the UK, Steve Babureck joined Soitec in 2011 in a finance management role before heading up investor relations in 2015. He joined the Executive Committee in 2019 with responsibility for both investor relations and corporate development. He is a materials sciences engineer and holds a master's degree from a Paris-based business school.

I. Reiner Breu

Reiner Breu joined Soitec in 2019 as head of quality, after a strong track record in European electronics and semiconductor groups in Germany, the UK and France. In addition to an engineering degree, he holds an MBA.

L. Joséphine Deege-Mansour

After completing law degrees in France and New York, Joséphine Deege-Mansour worked as a lawyer in leading international law firms and then served as General Counsel for several large global divisions of a major American industrial group. She joined Soitec in 2018 to head up the legal function.

A. **Paul Boudre**
CEO

B. **Bernard Aspar**
COO
Global Business

C. **Léa Alzingre**
CFO

D. **Christophe Maleville**
CTO

E. **Cyril Menon**
Operations

F. **Steve Babureck**
Investor Relations and
Corporate Development

G. **Thomas Piliszczuk**
Strategic Office

H. **Yvon Pastol**
Customer Group

K. **Pascal Lobry**
People and Sustainability

L. **Joséphine Deege-Mansour**
Legal

I. **Reiner Breu**
Quality

J. **Philippe Pellegrin**
Global Sourcing
& Procurement

Managing risks to improve performance

To meet the need to monitor and manage risks inherent to our business, organization and environment, be they operational, financial, or compliance-related, our Group has set up an internal control and risk management mechanism. Its aim is to provide reasonable assurance that these risks are under control. In this way, in accordance with the applicable standards and regulations, the mechanism contributes to the management of our activities, the effectiveness of our operations and the efficient use of our resources.

Our internal control and risk management mechanism

The internal control and risk management mechanism has three components:
- an organizational structure that contributes to the implementation and continuous improvement of the mechanism;
- three levels of control that help monitor and ensure that risks are controlled; and
- key players who help coordinate and curb identified risks.

Our organization

The proper functioning of the internal control and risk management mechanism is central to our Group's organization, with management and control activities at various levels.

Controls are carried out by all of our departments and employees.

Overall management of the mechanism falls within the remit of our Executive Committee, with the Finance Department and its internal control and risk management unit reporting to Executive Management and our Audit and Risks Committee on the effectiveness of the mechanism in place.

OUR THREE LEVELS OF CONTROL

The internal control and risk management mechanism comprises various types of control, which can be broken down into three levels:

Level 1: permanent controls, which are performed by our departments and operating teams.

Level 2: continuous controls, which assess the effectiveness of the mechanism through our internal control and risk management unit.

Level 3: half-yearly controls, which are carried out by our Executive Committee, involving all of our Group's departments, including the Finance Department.

Our key players

- **Our Audit and Risks Committee** is involved in a number of internal control and risk management initiatives, such as assessing the internal control mechanism, reviewing risk mapping, and assessing and monitoring the related action plans.
- **Our Executive Committee** oversees the internal control and risk management mechanism, relying in particular on the work and periodic reviews of the Finance Department, which sits on this Committee.
- **Our Finance Department** is responsible for centralizing and regularly presenting, to management, internal control and risk management indicators that are monitored by Executive Management and our Audit and Risks Committee.
- **Our internal control and risk management unit,** which is part of our Finance Department, is tasked with organizing the internal control and risk management mechanism, and assessing and monitoring its effectiveness.
  As such, it defines the procedures to be applied, monitors the action plan in relation to the recommendations issued by our auditors and the guidance provided by our Audit and Risks Committee, and completes the formal risk mapping exercise.
- **Our operating departments** are at the heart of the internal control and risk management mechanism. Together with the ongoing, day-to-day involvement of all of our employees, our operating departments are responsible for applying the policies and procedures established by our Group, in order to achieve the objectives set and ensure the effectiveness of their work.

Presentation of our specific risk factors by category

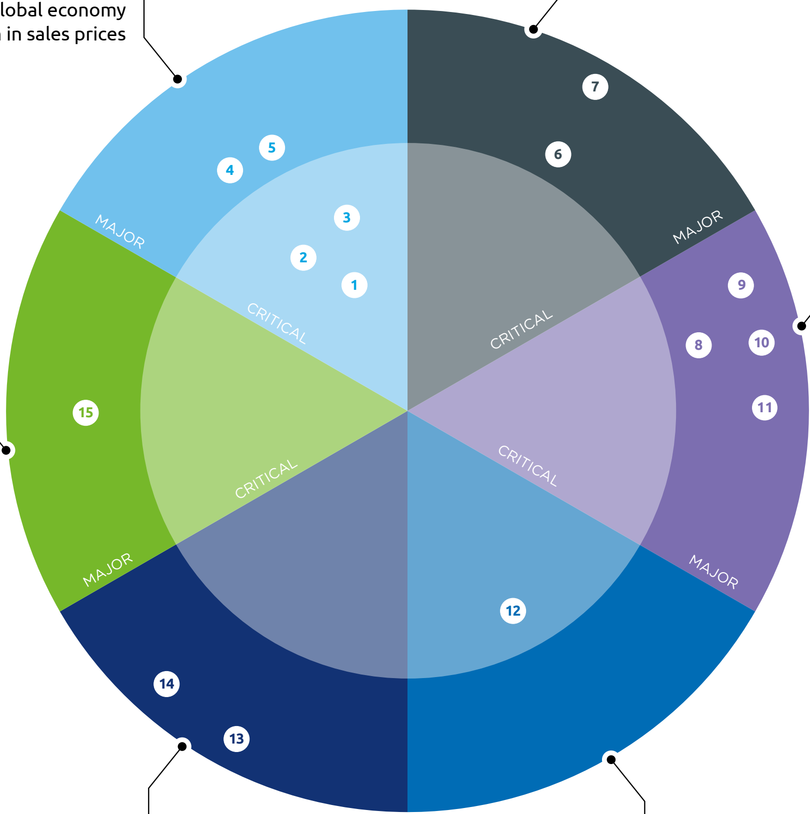
In accordance with the provisions of Article 16 of EU Regulation 2017/1129, the risk factors identified in our six risk categories are ranked in order of materiality, from the highest to the lowest risk, with the most material risks listed first, according to our Group's assessment as of the date of this document.
The diagram below only shows specific, material and corroborated risks.

Risks related to the ecosystem
1 - Market concentration
2 - Competition
3 - Markets and innovation
4 - Geopolitics and global economy
5 - Fluctuation in sales prices

Technological risks
6 - Technology or product obsolescence
7 - Launch of R&D projects

Industrial risks
8 - Limited number of suppliers of raw materials
9 - Production capacity
10 - Supply chain planning
11 - Production shutdown

Social and environmental risks
15 - Global pandemic (Covid-19)



Data and security risks
13 - Data security and cyber threats
14 - Intellectual property protection

Financial risks
12 - Exchange rates

In accordance with disclosure obligations relating to the Group's non-financial performance, risk factors related to corporate social responsibility (CSR) challenges are presented separately in Chapter 3 of the Universal Registration Document.
A materiality matrix assessing the non-financial impact of each risk was drawn up in fiscal year 2020-2021 with help from a consultancy firm and based on interviews with all internal and external CSR stakeholders.

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0016
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0018
5-OHB-
0017
DECAUT16
CM 77
NET-COL B2

1

Overview of Soitec and our businesses

1.1 About Soitec

Our Company was founded 29 years ago in the high-tech innovation ecosystem of Grenoble in France, with the mission of 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, our engineered substrates fuel innovation in the microelectronics industry. Our products are found in virtually all of today's smartphones, and we are aiming to set new standards in other fields including automotive, industrial applications, and smart objects.

Applying advanced materials engineering expertise, we transfer very fine layers of material onto any other material, without impairing the initial crystallographic properties. The resulting multi-layer substrates enhance the capabilities and performance of our customers' integrated circuits.

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

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

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

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

Since then, we have expanded across the globe and are the largest producer of Silicon-on-Insulator (SOI) wafers [(3)]. Our product portfolio also includes Piezoelectric-on-Insulator (POI) substrates and gallium nitride (GaN).

At Soitec, we are convinced that our innovation and products must be backed by a total commitment toward a fairer and more sustainable world. For this reason, our corporate social responsibility (CSR) strategy is tightly interwoven across the full breadth of our operations. It is built on four pillars: innovating for a better world, preserving the planet, offering a greater experience to our employees and being a role model in our business and relationships.

1.2 Markets

1.2.1 Three megatrends – 5G, AI and energy efficiency – accelerating growth in Soitec's key markets

The post-Covid-19 environment is turbo charging the transition to a "new normal".

Digitalization is ubiquitous; data is the new gold. Most of the population is now digitally connected via smartphones, laptops and other personal devices. This trend will increase in the future, through smart homes and cities, home offices, smart agriculture, connected devices with advanced features such as augmented reality, artificial intelligence and digitized industry (Industry 4.0).

The population is aging, with the percentage of over 65s set to double by 2050 [(4)]. The point of care is shifting from hospitals to homes. Healthcare systems are moving toward patient-centric wearable devices, allowing telemedicine to prevent and treat disease.

A "net zero" economy is essential in light of visible 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 [(5)]. Our future energy will be completely renewable and run on continuously improving energy-efficient devices.

Mobile communications, artificial intelligence and energy efficiency are three technological megatrends serving our world today and in the future.

For three decades, a new generation of mobile communications has enabled new applications and services and the demand for mobile data is doubling every two years [(6)]. The rollout of 5G started in 2019, with 6G expected in 2030. Compared to 4G, 5G can boost data transfer rates by up to ten times, with ten times the number of connected devices per square kilometer and response times ten times shorter. 5G is driving future generations of smartphones. Industry 4.0 will enable autonomous cars and new applications such as augmented and virtual reality (AR/VR). It will also take smart cities, smart agriculture, healthcare and education to a totally new level of performance and value for end users. 5G will continue to evolve through several generations over the coming decade, bringing in its wake multiple waves of innovation and performance improvements.

(1) Description of the Smart Cut™ process: https://www.soitec.com/en/products/smart-cut
(2) Description of the Smart Stacking™ process: https://www.soitec.com/en/products/smart-stacking
(3) Silicon-on-Insulator (SOI) market – Global forecast to 2025 – figure 49, page 129. Report code SE2737 – June 2020.
(4) United Nations, World Population Ageing 2019: https://www.un.org/en/development/desa/population/publications/pdf/ageing/WorldPopulationAgeing2019-Highlights.pdf
(5) Climate Change – Global Sea Level 2021: https://www.climate.gov/news-features/understanding-climate/climate-change-global-sea-level
(6) Ericsson, Mobility Report 2020: https://www.ericsson.com/en/mobility-report?gclid=Cj0KCQjw1PSDBhDbARIsAPeTqrfqqggr0d5rU6SZXyiYh06JJtvsp1D3SfcflFLjZ4zApXugTZZag3IaA-j9qEALw_wcB&gclsrc=aw.ds

Artificial intelligence renders electronic devices intelligent through a machine learning process so that they can, based on information received via sensors, make decisions like a human brain. Depending on the complexity of tasks and applications, this learning may be done "on the edge" directly within the device or "on the cloud". By 2030, data processed on the edge – which today represent a very tiny portion – will reach 45% of total data processed, reducing latency and improving security. Both edge computing and cloud artificial intelligence are critical, and both will undergo significant growth. Artificial intelligence is set to become part of almost every application and electronic device and will be one of the key drivers in the new generations of semiconductors that are under development.

Energy efficiency has been at the heart of semiconductor challenges and requirements for decades, and is now increasingly linked in the popular imagination to awareness of global warming and its impact on our future. The Paris Agreement set the agenda for the whole world on what needs to be done to mitigate the risk and impact of climate change. Semiconductors will play a major role in this program. Electric mobility – electric vehicles and much more besides – and disruptive ways to reduce power consumption in any application or domain driven by electronics (datacenters, industries, personal devices, etc.) are at the center of an ongoing wave of semiconductor innovation.

These opportunities are accelerating the growth of the semiconductor market. The technical requirements and challenges of 5G, artificial intelligence and energy efficiency require new semiconductor solutions, most of them linked to materials.

That is why the materials designed by Soitec are at the heart of these technological revolutions.

Through these three major technological trends, Soitec addresses three key markets: mobile communications and infrastructure, automotive and industry, and smart objects including smart homes, smart cities, healthcare and more.

MOBILE COMMUNICATION

AUTOMOTIVE & INDUSTRY

SMART DEVICES

1.2.2 Global semiconductor market

Overall, the semiconductor market grew around 7% [(1)] in 2020 compared to 2019, resisting a tough economic environment caused by the Covid-19 pandemic and geopolitical tensions.

The outlook for 2021 is excellent, with a growth forecast at around 12% [(2)]. At the beginning of 2021, demand for semiconductor components was strong and the entire supply chain was under stress. A rebound is expected in the "automotive" and "industry" segments after the pandemic, and we are also seeing strong semiconductor growth, in particular driven by 5G, the rise of artificial intelligence, smart objects and electric cars.

The prospects for growth in the semiconductor market over the next decade are very significant. IBS estimates that the semiconductor market will more than double in size between 2020 and 2030 to US$1.2 trillion, at an average annual growth rate of 10% [(3)].

1.2.3 Mobile communications

This is Soitec's core market. While the total growth in the number of smartphones remains modest, at an average of 5% per annum, the rapid advance of 5G smartphones is the key driver. From 200 million units in 2020 to more than 500 million units in 2021 [(4)], the fast pace of adoption of 5G phones is not set to slow down, driven by strong end-user experience and aggressive adoption plans from both operators and handset makers. 5G standards require much higher semiconductor content in smartphones [(5)], and this 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 all 4G smartphones). A first-generation 5G phone requires approximately twice the amount of RF-SOI in comparison to a 4G phone [(6)]. Several other Soitec products have been developed to serve specific 5G requirements.

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

(1) *Gartner, Semiconductor Market Growth in 2020, 2021: https://www.gartner.com/en/newsroom/press-releases/2021-01-14-gartner-says-worldwide-semiconductor-revenue-grew-7-percent-in-2020*
(2) *IC Insight, Semiconductor Market Growth in 2021, 2021: https://emsnow.com/ic-insights-raises-its-2021-ic-market-forecast-from-12-to-19-growth/*
(3) *IBS, Semiconductor Market Analysis, January 2021.*
(4) *IDC, Worldwide Smartphone Shipment Forecast, 2021: https://www.idc.com/getdoc.jsp?containerId=prUS47523321*
(5) *Yole, 5G impact on RF front-end module content, 2020: https://fr.slideshare.net/Yole_Developpement/5gs-impact-on-rf-frontend-module-and-connectivity-for-cell-phones-2019-by-yole-developpement*
(6) *Soitec's engineered substrates for 5G, 2020: https://www.soitec.com/media/files/soitec_5g_march_2020.pdf*

1.2.4 Automotive and industry

The car of tomorrow is destined to be like a second home. It will have multimedia content, and be fully autonomous, safe 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 driving automation [(2)]. Electrification and autonomous driving are the two main growth drivers [(3)].

In 2030, at least 50% of cars sold will be either fully electric or hybrid [(4)]. Although there are several technological and legal barriers to be removed in order to reach fully autonomous cars, the car industry is already deploying a range of advanced driving assistance features and functions. Overall, the automotive semiconductor segment is forecast to grow at a compound annual rate of 6% between 2020 and 2026 [(5)].

Industrial electronics encompass a wide range of applications such as the generation, storage and management of energy, datacenters, transportation and factory automation. Applications such as solar and datacenters are expected to grow at compound annual rates of 8% and 15.5% respectively. These applications will drive the demand for semiconductors related to power, high-speed connectivity, machine learning, artificial intelligence and data storage.

1.2.5 Smart devices

A smart device is an electronic object that is able to connect, share and interact with its user and other smart devices. According to consumer electronics consultants Strategy Analytics, 38.6 billion smart devices will be connected by 2025 and 50 billion by 2030 [(6)].

Due to the Covid-19 pandemic, social distancing, home working, e-learning, and home-based education have become the new normal. In addition, the "longevity economy" is being driven by an aging population, driving interest in personalized health and wellness in the home and at the office. Healthcare systems are moving toward patient-centric wearable devices to provide personalized healthcare. Current trends point to the acceleration of digital transformation by smart devices.

For semiconductors, there are opportunities across multiple areas: network connection (5G, Bluetooth, etc.), sensing (visual, vocal, mechanical, etc.), optical communication, edge processors and human-machine interface displays to make devices both connected and smart.

After data is received by the sensor, edge computing is required to generate meaningful information. As we move toward the digital transformation, local computing is becoming important in reducing latency and safeguarding privacy. With this trend, more semiconductor opportunities are likely to emerge in edge artificial intelligence chips, as well as in markets for microcontroller units with low-power consumption design to maximize battery life. According to ABI Research, the edge artificial intelligence chipset market will swell to US$12 billion, overtaking the cloud artificial intelligence chipset market, which is expected to expand to US$11.9 billion by 2025 [(7)].

With an explosion in smart device data, together with 5G, cloud infrastructure will continue to expand. Hyperscale datacenters will double in the next five years [(8)]. To cover the high data transfer rate in server-to-server and cloud-to-cloud networks, optical solutions are replacing copper networks, driving expansion in the optical transceiver market to US$17 billion [(9)].

(1) Deloitte, Semiconductor – The Next Wave www2.deloitte.com/content/dam/Deloitte/cn/Documents/technology-media-telecommunications/deloitte-cn-tmt-semiconductors-the-next-wave-en-190422.pdf
(2) Infineon, ATV Roadshow and Call: https://www.infineon.com/dgdl?fileId=5546d46174dd743b0174f89228fe001d
(3) Bain, Electric and Autonomous Vehicles – The Future is Now: https://www.bain.com/insights/electric-and-autonomous-vehicles-the-future-is-now/
(4) Jabil, Electrified Vehicles – The Race to Mass Adoption: https://www.jabil.com/blog/electric-vehicle-adoption.html
(5) IHS – Global Automotive Semiconductor Revenue: https://ihsmarkit.com/research-analysis/global-automotive-semiconductor-revenue-in-2020.html
(6) Strategy Analytics, Global Connected and IoT Device Forecast Update: https://www.strategyanalytics.com/access-services/devices/connected-home/consumer-electronics/reports/report-detail/global-connected-and-iot-device-forecast-update
(7) ABI Research, Edge to Dethrone Cloud for AI Chipset Revenues with US$12bn in 2025: https://www.abiresearch.com/press/edge-dethrone-cloud-ai-chipset-revenues-us12-billion-2025/
(8) Bloomberg, SK Hynix CEO Forecasts Exponential Growth in Data Use: https://www.bloomberg.com/news/articles/2021-03-21/data-centers-doubling-is-next-driver-of-chip-demand-hynix-says
(9) Yole, Optical Transceiver Markets http://www.yole.fr/Optical_Transceivers_IndustryOverview.aspx

1.3 Strategy

1.3.1 Our business model

Our vision is "to be recognized as a leader in innovative and sustainable semiconductor standards for products shaping the future".

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

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

- protecting our core business (engineered substrates);
- extending our core business activities (via organic growth or mergers and acquisitions);
- strengthening our foothold on adjacent markets.

It is based on:

- a committed, highly-skilled and customer-centric international team;
- a flexible operating model;
- innovation in sustainable solutions;
- a global sales and manufacturing network.

The strategy that we have devised aims to profitably accelerate the adoption of our products via partnerships and investments in the value chain, in addition to our R&D efforts.

1.3.2 Developing our core business

Our core business covers engineered substrates developed from Smart Cut™, Smart Stacking™ and epitaxy technologies. Each year, we invest some 13% of our revenue in enhancing product performance and energy efficiency. Our work focuses both on developing new products such as POI, and on continuously improving existing products, with the release of successive generations (see section 1.4.1 G. *RF-SOI*). On the innovation front, we have set up the production capacities needed to ensure a consistently timely response to customer demand. In response to strong market take-up for our POI product, for example, we increased our planned production capacity by 50% this year (see section 1.6). We see customer attention and response capability as key factors for sustained market leadership. We have developed unique know-how in very-high-volume substrate manufacturing, and continue to invest in optimizing our industrial capabilities, using digital, cloud, automation, connected lens and other connected object technologies. In recognition of this, *L'Usine Nouvelle* magazine awarded Soitec 2020 "Plant of the Year" [(1)].

1.3.3 Extending our core business

In addition to expanding our product portfolio that strives to support our customers' technological roadmaps and market innovative solutions that will shape tomorrow's world, our strategy also includes using acquisitions to strengthen our core business, engineered substrates. As part of this strategy, in April 2018 we purchased EpiGaN, a European leader in the supply of GaN epitaxial wafers, which was renamed Soitec Belgium in June 2020. The start-up was founded in 2010 as a spin-off from Imec, and enjoys broad industry recognition for its expertise in GaN technologies. The GaN products developed by Soitec Belgium (formerly EpiGaN) are used primarily in RF 5G and power electronics applications.

1.3.4 Adjacent business development to accelerate product adoption

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

A. Frec|n|sys – Development of advanced radiofrequency (RF) filters and sensors

Headquartered in France, Frec|n|sys develops and conducts validation of prototype devices based on Piezoelectric-on-Insulator (POI) substrates.

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

The acquisition of Frec|n|sys enabled us to accelerate the development of advanced POI substrates for RF filters, thanks to its expertise in piezoelectric substrates characterization (evaluation of the interaction between the substrate and devices).

B. Dolphin Design – Specialists in low-power applications

In August 2018, our Group and MBDA announced the joint acquisition of Dolphin Integration, an industry-recognized provider of silicon integrated circuits (IC) and SoC (System-on-Chip) solutions for low-power applications, founded in 1985, with headquarters in Grenoble.

The resulting ownership of the joint venture, named Dolphin Design, is as follows: Soitec at 80% and MBDA at 20%. Dolphin Design took over some of Dolphin Integration's assets and liabilities and all employees.

After a year spent restructuring the product offering in 2019 to target the Internet of Things, automotive, defense and aerospace markets, Dolphin Design is once again growing, and the income generated is visible in the royalties and other revenue received by Soitec.

In 2020, Dolphin Design strengthened its position on its historic markets (power management and audio), and began operations in microcontroller units (MCU) and digital signal processors (DSP), with a special focus on artificial intelligence applications.

All these developments align with the objective of optimizing the energy efficiency of future integrated circuits.

(1) *https://www.usinenouvelle.com/article/usine-de-l-annee-2020-soitec-modele-pour-l-industrie-des-puces.N1009804*

1.3.5 An ambitious CSR policy

Soitec's commitment to sustainable development has taken on a new dimension in fiscal year 2020-2021 and is now fully integrated alongside the other three pillars in the preparation of the Company's strategic plan. It is the result of longstanding commitments rooted in the culture and humanist values of our Group in terms of ethics, preservation of the environment and social innovation.

The products that we design and manufacture have always had a positive impact on our world, constantly enabling new opportunities for interaction while ensuring energy efficiency in the resulting applications.

This has naturally inspired and structured the way that we conduct our business and our behavior with our stakeholders and our planet. Sustainable development is therefore an integral part of Soitec's core business, with energy-efficient products spearheading our innovation.

Our strategy is based on four pillars, as follows:

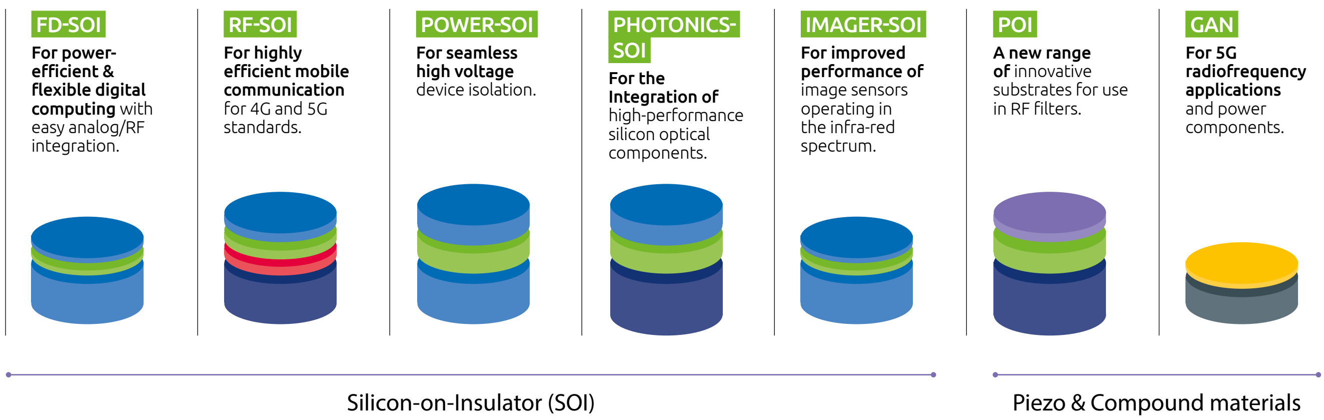
- transforming everyday life through our innovations, in order to build a better future;
- supporting the transition to a low-carbon economy and preserving the planet through proactive, concrete measures;
- offering a greater experience to our employees, in order to attract employees and foster their long-term commitment;
- being a role model in our business and relationships, in order to have a positive impact on our territories and ecosystem.

The pillars break down into 13 operational commitments governed by indicators.

1.4 Products

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

An extensive range of engineered substrates



A. FD-SOI

Because of its remarkable capabilities in terms of low consumption, performance, surface optimization and cost, FD-SOI semiconductor technology covers a wide range of digital applications from a single technology platform. Its unique advantages include strong compensation for manufacturing processes, temperature variation and aging, near-threshold operation and near insensitivity to radiation. It is considered to be the fastest advanced CMOS technology for RF applications on the market.

Its performance is down to the unique design of the Soitec FD-SOI substrate, with its extremely thin and uniform upper silicon and lower oxide layers.

Today, several integrated device foundries and manufacturers (IDMs) accommodate FD-SOI technology, already fielding comprehensive technology offerings for 55 nm, 28 nm and 22 nm nodes and with 18 nm and 12 nm nodes in the pipeline. During fiscal year 2020-2021, we saw the emergence of a new foundry, Shanghai Huali Microelectronics Corporation (HLMC), which chose FD-SOI technology for the manufacture of new applications targeting the Chinese market. Innovative products using FD-SOI also went into production as they were adopted by major world semiconductor players such as XP, GlobalFoundries/Bosh [1], STMicroelectronics and Lattice Semiconductor [2]. FD-SOI technology will continue to evolve across this global ecosystem, with the development of disruptive applications in the artificial intelligence, automotive and 5G segments. To meet demand, Soitec now has two qualified production lines, in Bernin and Singapore.

(1) *https://www.usinenouvelle.com/article/bosch-choisit-la-technologie-francaise-de-puces-fd-soi-pour-son-radar-automobile.N1071494*
(2) *https://www.microcontrollertips.com/embedded-vision-optimized-fpgas-optimized-for-automotive-applications/*

B. GaN epitaxial wafers

Gallium nitride (GaN) material supports operation at very high voltages, which makes for reduced losses, faster switching frequencies and higher operating temperatures than silicon components. This explains the burgeoning preference for GaN technology in RF and power markets.

Soitec's portfolio of GaN products offers customers a one-stop source for 5G mmW base stations and smartphones.

Just like 150 mm technology made the shift from R&D toolkit to industrial production platform, we are now seeing the same transition with 200 mm technology. We are also maintaining an intensive R&D effort in this fast-changing field. Customer qualification programs are underway, with volume production release set for 2022.

C. Imager-SOI

Our Imager-SOI substrates were specially designed to manufacture the 3D image sensors used in facial recognition applications. Our products are mature and delivered in large volumes for the smartphone market.

D. Photonics-SOI

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

Photonics-SOI substrates are a central feature of this transition. They are used for datacenter interconnections of 100 GbE (Gigabit Ethernet), 400 GbE and beyond.

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

In fiscal year 2020-2021, volume production was under way at Soitec, in order to meet our different customers' needs. The resulting products are highly uniform with low surface roughness. We put special emphasis on the replicability and quality of our manufacturing process, to keep abreast of market shifts toward interconnection between electronic circuits, set to become a must-have feature of top-end systems in the years to come.

We have also extended our contacts to widen the reach of our substrates to innovative applications in emerging Photonics-SOI markets, in addition to datacenters. Analysis under way will enable us to confirm this trend for 2022.

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

E. POI

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

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

Our POI products comprise a fine layer of piezoelectric material on top of an oxide layer and a high-resistivity silicon substrate. They open 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 die.

In July 2020, we announced a sales agreement with Qualcomm Technologies to supply POI substrates for new-generation RF filters to feature in smartphone front-end modules (1). During the last fiscal year, we continued to sample new customers. We continued our R&D efforts, and presented results demonstrating technological possibilities at IEEE IUS (2), IEDM (3) and EuMW (4).

The first smartphones with acoustic filters on POI substrates are on the market, and we are continuing to increase production capacity to meet the growing demand for RF 4G and 5G filters.

F. Power-SOI

Our Power-SOI substrates are used in advanced Bipolar-CMOS-DMOS (BCD) (5) processes to produce highly reliable, energy-efficient intelligent power circuits, primarily for the vertical automotive, industrial and medical markets.

These substrates are ideal for in-vehicle network management circuits such as smart power management integrated circuits (PMIC), the central system chip, logic gate controllers, smart controllers for the vehicle's various motors, power over ethernet (PoE), LED controllers, class D audio amplifiers, ultrasound probes, and gas and pressure sensors.

Our Power-SOI products provide excellent electrical isolation and are perfect to integrate components operating at different voltages (from a few volts to several hundred volts) while combining several functions onto a single chip, reducing chip size and improving reliability.

(1) https://www.soitec.com/en/press-releases/soitec-announces-poi-substrates-business-agreement-with-qualcomm-technologies-for-5g-rf-filters?__geom= %E2 %9C %AA
(2) Page 74: https://2020.ieee-ius.org/sites/ius20/files/2020-09/IUS%202020%20Final%20Program1_0.pdf
(3) Section 34.6: https://ieee-iedm.org/wp-content/uploads/2020/11/20-ap.pdf
(4) https://ieeexplore.ieee.org/abstract/document/9338169
(5) BCD (Bipolar-CMOS-DMOS) is a semiconductor process used for power devices.

G. RF-SOI

RF-SOI substrates are found in virtually all of the smartphones sold all over the world. In the last few years, our range of Silicon-on-Insulator wafers for radiofrequency applications (RF-SOI) has emerged as the benchmark technology in the manufacture of many smartphone front-end modules. Front-end modules handle incoming and outgoing radiofrequency (RF) between cellphones and base stations.

RF-SOI content is increasing with each new product generation as more devices and higher performance are required in the front-end module.

By enabling faster and better-quality data transmission, our RF-SOI substrates are key in supporting the current 4G/LTE, LTE Advanced and LTE Advanced PRO (cellular networks standards), as well as the deployment of the new 5G network. It provides unrivaled interference isolation and signal integrity (key to preventing dropped calls) and offers very high levels of performance.

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

Furthermore, our new-generation RFeSI products reduce the energy consumption of front-end modules at equivalent performance, which makes for longer battery life.

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

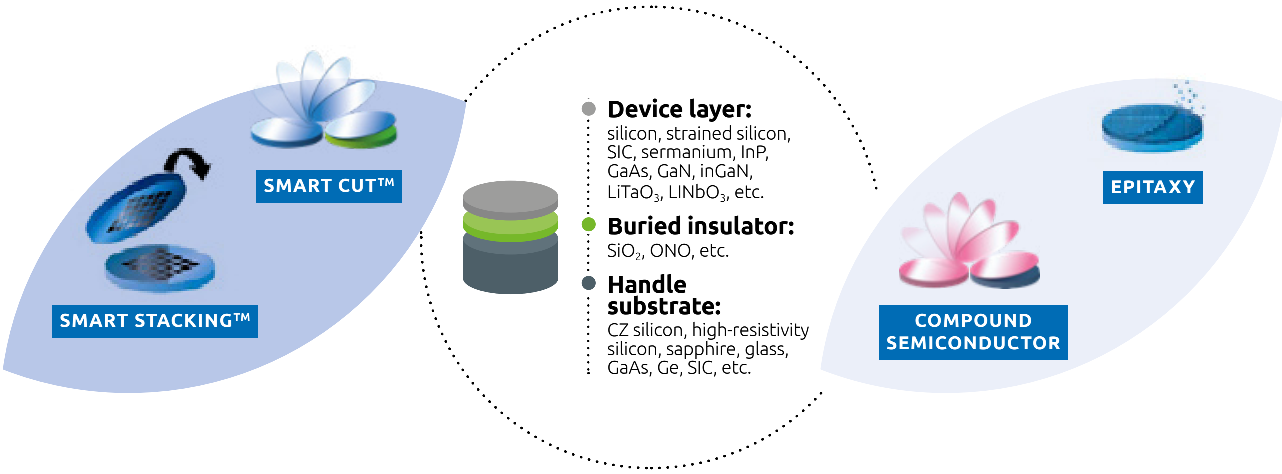
In addition to the very high production of 200 mm, Soitec stepped up the production of 300 mm RF-SOI wafers during fiscal year 2020-2021, both at our sites in France (Bernin) and Singapore, which is now qualified with the majority of our customers.

1.5 Innovation

1.5.1 An extraordinary toolkit for making the most complex substrates

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

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



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

With a portfolio of over 3,300 patents worldwide, our innovation strategy is based on disruptive solutions to address our customers' needs for high performance, energy efficiency and cost competitiveness.

It is based on:

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

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

The average age of our patents is less than five years. We file over 250 patent applications each year and have been one of France's top 50 patent filers since 2017, alongside very large industrial groups [(1)].

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

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

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

The license agreements that we enter into are consistent with market practices: they contain trade secrets and a confidentiality clause. We receive royalty payments in return from our licensees.

1.5.3 Strategic collaborations across the semiconductor value chain

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

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

We are also developing unique initiatives around the world with our partners, such as the Substrate Innovation Center, set up in July 2018 with the CEA-Leti. The Substrate Innovation Centre is an R&D center that is open to the different industry players and that aims to promote early-stage collaboration and knowledge-sharing within the semiconductor value chain, from substrates to systems. This center is also geared to stimulate R&D related to engineered substrates, whether this applies to SOI or other materials. A dedicated pilot line is now available to produce prototypes.

In 2020, the Soitec-Leti Substrate Innovation Center set up a silicon carbide (SiC) pilot line, under the joint development program formed by Soitec and Applied Materials in late 2019 [(2)].

1.5.4 Product pipeline

A. SiC

Silicon carbide (SiC) is a wide-band-gap (WBG) semiconductor material that improves the performance of devices such as diodes and metal oxide semiconductor field effect transistors (MOSFET), bringing considerable advantages over diodes and insulated gate bipolar transistors (IGBT) in silicon.

In energy conversion applications, SiC devices bring lower 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 are less energy-hungry, more compact, more lightweight, and 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 very expensive.

Using Soitec's exclusive Smart Cut™ technology, in collaboration with Applied Materials, the leader in semiconductor equipment [(3)], we are developing a new type of SiC substrate that addresses current supply chain challenges and brings unprecedented production efficiency and performance.

To provide customers with prototypes for validating the technology, Soitec opened a pilot line at the CEA-Leti site in Grenoble in fiscal year 2020-2021.

B. Longer-term developments

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

(1) https://www.inpi.fr/fr/nationales/palmares-2019-des-principaux-deposants-de-brevets-l-inpi
(2) https://www.soitec.com/en/press-releases/soitec-announces-joint-development-program-with-applied-materials-on-next-generation-silicon-carbide-substrates
(3) https://www.soitec.com/en/press-releases/soitec-announces-joint-development-program-with-applied-materials-on-next-generation-silicon-carbide-substrates

1.6 Production

› A GLOBAL MULTI-SITE INDUSTRIAL FOOTPRINT

BELGIUM

GAN EPITAXIAL WAFERS

SOITEC BELGIUM
N.V HASSELT
Belgium

CHINA

POWER-SOI
RF-SOI

SIMGUI SHANGHAI
China

450K wafers/y.
MAX capacity

FRANCE

RF-SOI
PHOTONICS-SOI
POWER-SOI

SOITEC BERNIN 1
France - HVM

950K wafers/y.
MAX capacity

RF-SOI
IMAGER-SOI
PHOTONICS-SOI
FD-SOI

SOITEC BERNIN 2
France

700K wafers/y.
MAX capacity

POI

SOITEC BERNIN 3
France

750K wafers/y.
MAX capacity

SINGAPORE

RF-SOI
FD-SOI
OTHER SOI PRODUCTS

SOITEC PASIR RIS
Singapore

1M wafers/y.
MAX capacity

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

200 mm SOI*
1.4M wafers/y.
BERNIN 1
SIMGUI

150/200 mm POI*
0.75M wafers/y.
BERNIN 3

* Full plant capacity.

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

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

1.6.1 France

Our Bernin 1 (200 mm wafer production) and Bernin 2 (300 mm wafer production) plants have been operating at full capacity since January 2021, with annual production of 650,000 wafers. Bernin 2's capacity to re-use 300 mm donor wafers is 300,000 units per year. We are continuing to upgrade Bernin's manufacturing infrastructure to ensure an effective response to future growth challenges, and we are optimizing the Bernin 2 facility through continuous improvements in production performance, up to a maximum capacity of 700,000 wafers.

Through redesigned clean rooms, industrial infrastructure and manufacturing processes, we have significantly expanded the manufacturing potential of our POI substrates line at Bernin 3, targeting a capacity of 750,000 wafers per year. The capital expenditure was approved in order to match our customers' needs, and we will install future capacity increases in successive stages.

1.6.2 Singapore

Since the launch of our pilot line in September 2017, a production capacity of 200,000 wafers per year has been installed and qualified for both RF-SOI and FD-SOI products. Ramp-up of our SOI products at the Pasir Ris facility is underway, and capital expenditure is budgeted in this fiscal year to increase capacity up to 400,000 wafers per year by early 2022, the ultimate target being one million per year.

1.6.3 Belgium

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

1.6.4 Production partnership in China

In 2015, we entered into a partnership with Shanghai Simgui Technology Co. Ltd. (Simgui), a Chinese company, for 200 mm wafer production (see our press release dated May 26, 2014). This partnership constituted an important step for us to better support our worldwide production capabilities, establish an SOI ecosystem in China and confirm the standardization of our proprietary Smart Cut™ technology across the industry.

This partnership enabled Simgui to manufacture 200 mm SOI wafers using our Smart Cut™ technology.

Two years later, after Simgui's site had been qualified by leading customers, we announced the start of mass production of 200 mm SOI wafers in China.

The installed capacity is now 450,000 wafers per year, with a manufacturing level comparable to the Bernin 1 plant.

In 2019, we established a direct sales presence in China. For our local customers, this means that they can not only benefit from direct contact and support from our local team, but also from access to our global technical expertise and network across engineered substrates to address the full range of applications for China's growing electronics markets. This sales team expanded in April 2020 with the hiring of a Shanghai-based Director of Strategic Development.

1.7 Customers: our key strategic partners

We liaise closely with our customers to determine properties, performance and roadmaps for products that meet their needs trajectories and market release schedules. Program managers and application engineers are fielded to help customers design, manufacture and test the semiconductor devices that use our substrates. We strive to position ourselves as a key strategic partner to our customers, through firm commitments on innovation, value creation and rigor.

During the particularly challenging period of fiscal year 2020-2021, Soitec demonstrated flexibility and resilience in its customer support endeavor. At the start of the global Covid-19 pandemic, we took decisive measures to ensure the safety of all our employees while keeping our facilities running. Throughout the year, we stepped up production to meet the increasing demand triggered by the shift toward work from home and the launch of new applications such as 5G. This buoyant trend is set to continue through fiscal year 2021-2022.

1.8 Intensifying quality commitment

Soitec's strategic development focuses include customer recognition for product and service quality. During the fiscal year, Soitec stepped up its programs on operational and organizational excellence. Quality-oriented initiatives in fiscal year 2020-2021 included:

- launching the Quality Culture program on direct workforce-wide involvement in customer-perceived quality, with a 2021 Quality Awards event that will showcase quality achievements and initiatives across our Company;
- boosting 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. Under this program, we brought in a new quality control strategy on the SOI 200 mm and 300 mm lines at Bernin, backed by the acquisition of new software for detecting issues such as slow deviation.

Quality is an essential focus in Soitec's long-term growth drive, underpinning the sustained development of innovative new products with an uncompromising emphasis on customer satisfaction in substrate quality and delivery.

1.9 Results and objectives

1.9.1 Breakdown of Group revenue

As expected in fiscal year 2020-2021, business was stable at constant scope and exchange rates [(1)], with 2020-2021 consolidated revenue coming out at €583.8 million, versus €597.5 million in fiscal 2019-2020, up 1% at constant exchange rates [(1)] and down 2% taking into account the currency effect (unfavorable 3% impact, or €20 million).

Sales of 150/200 mm wafers were up 1% (4% at constant exchange rates [(1)]) on fiscal year 2019-2020, while sales of 300 mm wafers down 6% (3% at constant exchange rates [(1)]).

Sales of RF-SOI substrates (all sizes) were steady in comparison with fiscal year 2019-2020. The performance of other products was more contrasted, with a steep rise in sales of POI and Imager-SOI substrates and a drop in sales of Power-SOI, FD-SOI and Photonics-SOI substrates.

The quarterly performance was more even, with revenue rising quarter-by-quarter throughout the year.

BREAKDOWN OF REVENUE BY TYPE OF WAFER

(in € millions)	2020-2021	2019-2020	% change
Electronics – 300 mm SOI	277	294	-6%
Electronics – 150/200 mm	277	275	1%
Royalties	30	28	5%
TOTAL ELECTRONICS	**584**	**597**	**-2%**

BREAKDOWN OF REVENUE BY GEOGRAPHIC AREAS

	2020-2021	2019-2020	2018-2019
United States	14%	20%	19%
Europe	25%	25%	44%
Asia	61%	55%	37%

BREAKDOWN OF REVENUE BY CUSTOMER

	2020-2021	2019-2020	2018-2019
Top 5 customers	66%	64%	56%
Next 5 customers	19%	24%	28%
Other customers/Royalties	15%	12%	16%

Our main customers include GlobalFoundries, STMicroelectronics, Tower Jazz, TSMC and UMC [(2)].

(1) Change at constant exchange rates and comparable scope of consolidation; the scope effects relate to the acquisition of EpiGaN in May 2019.
(2) List in alphabetic order.

1.9.2 Competitive landscape

Our direct competition for SOI products are the two companies to which we have licensed the Smart Cut™ technology.

The Japanese company Shin-Etsu Handotai (SEH) is a major player in our ecosystem: it is both a strategic supplier and 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 an operating license for the Smart Cut™ technology in 1997 and renewed it in 2012. This license entitles SEH to operate the technology independently and requires no operating interaction beyond declaring their sales;
- participation in Board of Directors' meetings is conducted in accordance with the appropriate conflict of interest rules.

The Taiwanese company GlobalWafers also holds a Smart Cut™ SOI license and produces 200 mm SOI.

The licenses granted to SEH and GlobalWafers will be renegotiated in 2023.

Based on the royalties paid by our licensees, we estimate that the market share of SOI wafers held by Soitec was 77% for fiscal year 2020-2021, steady with respect to the previous year.

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

On the RF filters market, Piezoelectric-on-Insulator (POI) is proving to be a disruptive market force [(1)], and indeed we see Soitec as a powerful player reshaping the market and setting new standards.

1.9.3 Group objectives

Soitec is well positioned to continue to grow much faster than the global semiconductor market. For the current fiscal year 2021-2022, Soitec expects to grow its revenue by around 42% (at constant exchange rates and scope of consolidation) to US$950 million, compared to growth of around 12% expected for the global semiconductor market in calendar year 2021.

Supportive secular megatrends (5G, artificial intelligence and energy efficiency) are expected to drive steady demand for semiconductor devices and materials across Soitec's strategic end markets, such as mobile communications, automotive and industry, and smart devices.

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

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

In line with our strategic plan, which now includes sustainable development among the four major challenges facing the Company today, we have been working since early 2021 on defining a corporate mission that best illustrates our contribution in the value chain to our internal and external stakeholders from both environmental and social perspectives, whether through our products or our role as players in our value chain.

Assisted by consultants with experience in adopting corporate missions at the international level, we drew on contributions made by our stakeholders – customers, partners, shareholders, Board members, executives and employees – during qualitative interviews conducted by our consultants. We also relied on extensive work carried out to collect data about the Company, our business sector and inspiring approaches to corporate missions.

If adopted, our aim is that our corporate mission will serve as a benchmark both internally to guide us in our work and to illustrate our actions and choices in light of our commitment.

Once the preparatory work was completed, a draft corporate mission was prepared following a co-construction day with the Executive Committee and a working session with the Compensation Committee, which is responsible for environmental and social issues. The final version was approved by the Board of Directors on June 9, 2021 for the purpose of submitting its inclusion in the Company's by-laws to the shareholders for approval at the Shareholders' General Meeting of July 28, 2021.

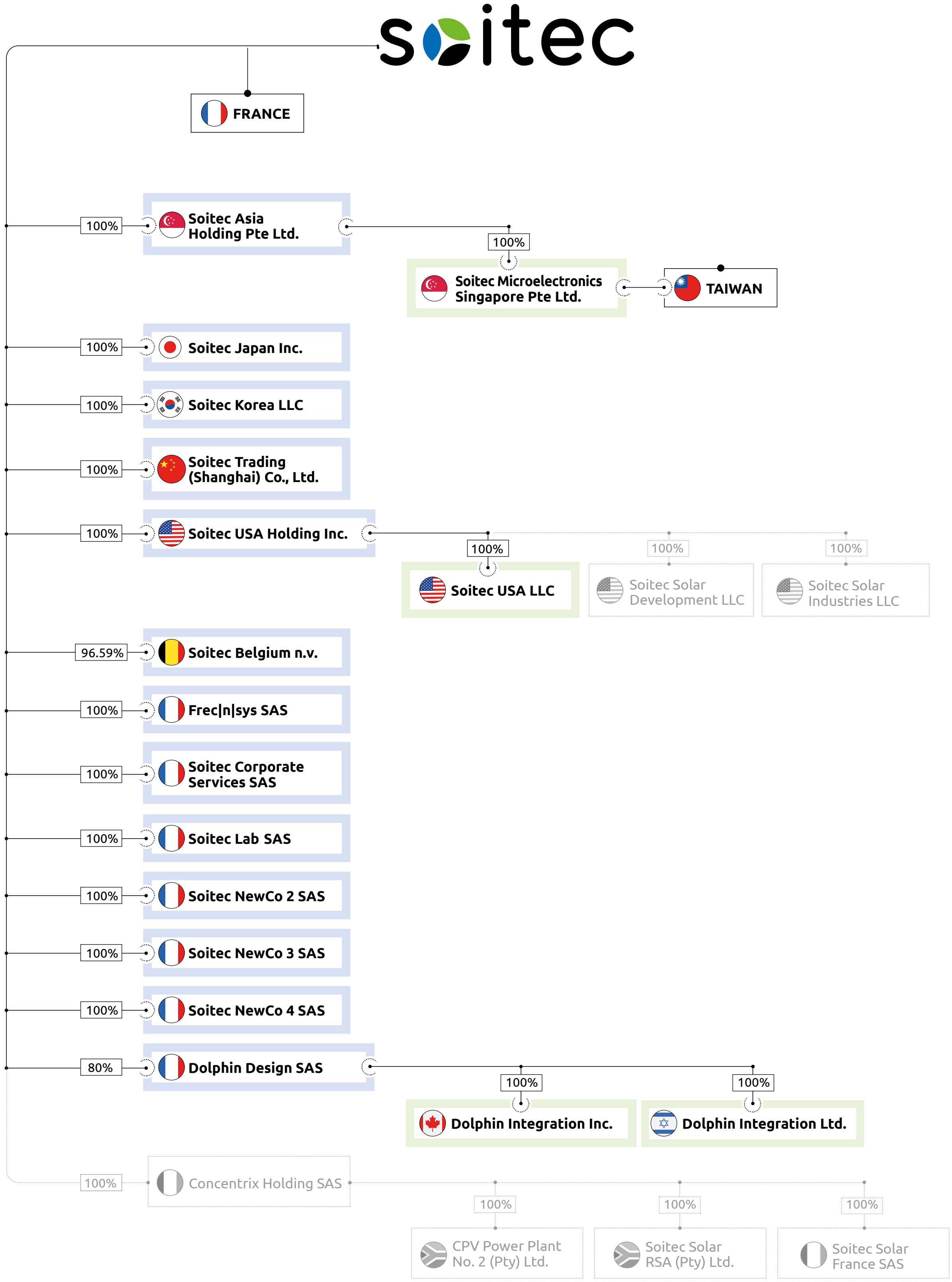
Our shareholders will be invited to adopt the following corporate mission, which would appear in a new preliminary article of the Company's by-laws: *"We are the innovative soil from which smart and energy efficient electronics grow into amazing and sustainable life experiences"*.

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

(1) https://www.strategyanalytics.com/strategy-analytics/blogs/components/rf-wireless/rf-and-wireless/2020/07/09/qualcomm-reveals-details-of-ultrasaw-filter

1.10 Group organization chart

The organization chart below shows our Group at the date this Universal Registration Document was finalized.

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Risk factors, internal control and risk management

2.1 Risk factors

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

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

In line with the recommendations of the European Securities and Markets Authority (ESMA) and pursuant to the "Prospectus" Regulation of October 1, 2019, this chapter presents the specific and serious risks that could, on the basis of our assessment method (see section 2.2.4 *Our management of risks*), affect our Group's business and financial position at the date of this Universal Registration Document.

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

2.1.1 Managing the Covid-19 public health crisis

Our Group began its 2020-2021 fiscal year in a context shaped by unprecedented economic certainty caused by the coronavirus pandemic ("Covid-19"). In response to this public health crisis, measures were taken – and continue to be taken – by many countries across the globe to restrict mobility and impose lockdowns.

In these circumstances, our Group's top priority has been and remains the safety of its employees and partners. A number of necessary measures are deployed at all affected facilities to ensure business continuity in the best possible conditions in all countries where our Group operates. To date, these measures have kept all production sites running and protected global supply and delivery chains for fiscal year 2020-2021.

Our Group is dealing with the public health crisis through various action plans that have been put in place within the following crisis management units: health measures, supply chain protection, employee support and information, and public relations.

Each crisis management unit has set out Group-level policies pertaining to its remit and approved local measures adapted to the realities on the ground and the regulatory framework of every facility. Health and distancing measures as well as the operational and organizational impact of the crisis are the subject of continuous dialogue between management and employee representatives.

Thanks to this management approach, which is coordinated at the level of our Group's various subsidiaries, all of the different measures can be adapted as the health crisis evolves.

All of the risks identified in Chapter 2 of this Universal Registration Document must be understood in the light of the consequences of the Covid-19 pandemic and, in particular, with regard to the "Global pandemic" risk factor described below.

Please see Chapter 3 of this Universal Registration Document for a description of the health and information measures put in place during the Covid-19 crisis.

2.1.2 Risk mapping specific to our Group and its industry

2.1.2.1 Methodology and assessment

Each risk is identified, analyzed and assessed using a general risk matrix.

Based on this matrix, risks can then be mapped by category (ecosystem, compliance, operations, technology and innovation, finance, etc.) and by level of criticality.

There are four levels of criticality:

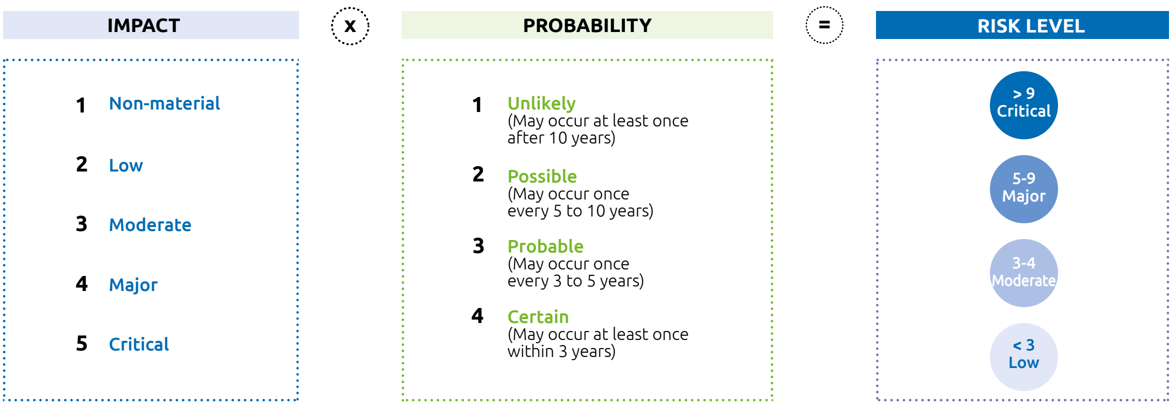
- critical;
- major;
- moderate; and
- low.

2.1.2.2 Risk assessment criteria

The level of criticality of a risk is assessed on the basis of two criteria:

- the calculation of the financial impact based on EBITDA or cash flow or market price on a scale from 1 (non-material) to 5 (critical);
- the estimate of risk probability or occurrence on a scale from 1 (unlikely) to 4 (certain).

By combining these two criteria, the risk can be categorized under one of the four aforementioned levels of criticality, as presented in the diagram below.



2.1.2.3 Our mapping of specific risks

Based on the mapping of our Group's risks prepared by the Finance Department and presented to the Audit and Risks Committee, a total of 91 risks were identified for fiscal year 2020-2021.

These risks have been categorized under the four levels of criticality: low, moderate, major and critical (see section 2.1.2.1 *Methodology and assessment*).

Of these 91 risks, only four risks have been assessed as critical and 16 as major, given their potential impact and the probability of their materializing.

The risks presented in this chapter are sorted by type and criticality into a limited number of categories. Of our 20 critical and major risks, we have identified 15 specific to our Group, its industry and its business environment, which we have grouped into six categories:

- risks related to the ecosystem;
- technological risks;
- industrial risks;
- financial risks;
- data and security risks;
- social and environmental risks.

The following section presents the specific and material risks that could impact our Group's business and financial position at the date of this Universal Registration Document.

We remind you that at the date of submission 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 our Group. The information below contains assumptions and estimates that by definition may turn out to be incorrect.

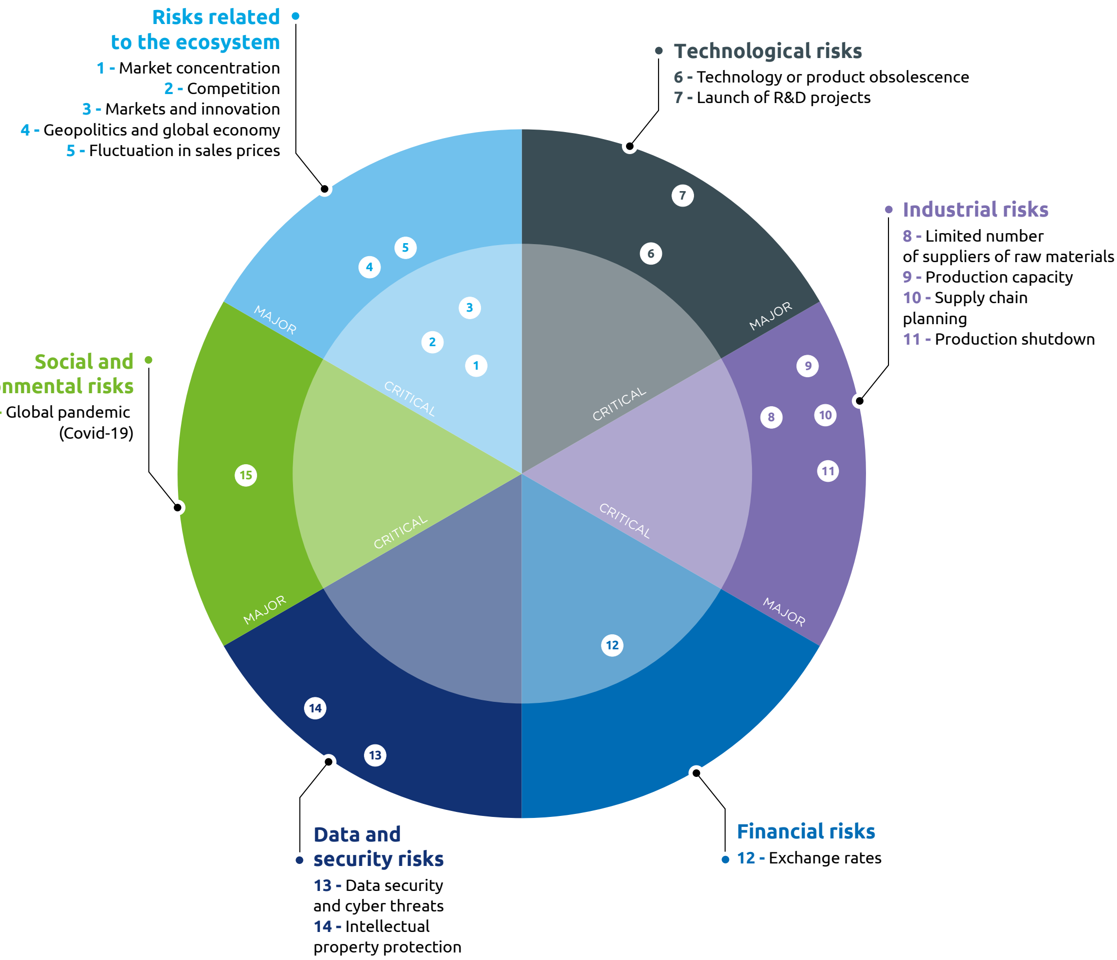
2.1.3 Presentation of our specific risk factors by category

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

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

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

A materiality matrix assessing the non-financial impact of each risk was drawn up in fiscal year 2020-2021 with help from a consultancy firm and based on interviews with all internal and external CSR stakeholders.



2.1.4 Summary of our Group's specific risks by category and criticality

For each of the six categories, risks are identified according to their level of criticality as assessed during the risk mapping process, according to the key below and as described in section 2.1.2.1 *Methodology and assessment*.

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

2.1.4.1 Risks related to the ecosystem

Description of the risk	Potential impacts	Main control mechanisms
> 9 Critical **MARKET CONCENTRATION**		
There is significant market concentration owing to the combination of several different factors: • few players (foundries and "fabless" companies) on the semiconductor market, thereby limiting diversification of the customer portfolio (see section 1.9.1 *Breakdown of Group revenue* of this Universal Registration Document); • almost 70% of the revenue earned by our Group is generated in the Mobile (smartphones) & Infrastructure market segments; • exposure is influenced by the technological choices of the market and of customers.	• Falling demand on the Group's major market segments or a change in the technological choices of our main customers could have a significant impact on revenue.	• Continued policy of diversifying products and capturing different market segments: smartphone, automotive, cloud & infrastructure and IoT in order to expand our offer and positioning, enabling our solutions to target all key players in the industry. • Strengthening our strategy to make our innovative substrates the industry standards, especially our RF-SOI products which are a benchmark for our customers and are widely used in 4G and 5G smartphone components (see section 1.4 *Products* of this Universal Registration Document). • Diversification of our offer from a product/applications standpoint, enabling us to target a broader market. • Diversification of our product base with the use of new substrates (POI, GaN, SiC, etc.). • The "Customer Intimacy" program, which seeks to constantly align our technology/product roadmaps with customer demand and thereby anticipate future needs.

Description of the risk	Potential impacts	Main control mechanisms
> 9 Critical — COMPETITION		
• The semiconductor market is very competitive due to the high concentration of market players (see section 1.9.2 *Competitive landscape* of this Universal Registration Document). • This situation is exacerbated by the strategy of some market players to undertake mergers and acquisitions or form partnerships to diversify their technological range or increase their production capacity. • There is a risk of substrate producers developing integrated models enabling them to make SOI, POI, GaN, etc., or alternatives to Soitec products. • A fast-growing market where our direct competitors are positioning themselves to increase their market share.	• Potential arrival of new competitors not yet present in the market and/or which specialize in alternative technologies that could negatively impact our Group's revenue and growth.	• Regularly monitor the overall capacity of competitors to produce SOI, POI, GaN, etc., and assess where our technology stands compared to the market demand. • Continue R&D efforts to be at the cutting edge of technology and bring innovative, high-performance solutions to market. • Strengthen our organization through the Customer Group Department and via Business Units organized by product line, thereby ensuring promotion of a diversified portfolio of products targeting various applications among end users. • Work closely with our direct customers and end users to align our products' roadmaps and best meet their needs in terms of performance, price and quality and optimize time to market.
> 9 Critical — MARKETS AND INNOVATION		
• Technological progress in the semiconductor market is a key differentiating factor for market players. • Since the adoption of a new technology or product occurs at a faster pace in certain market segments (smartphone, IoT, etc.), our Group has to constantly anticipate the changing needs of its end customers.	• Loss of market share if a technology or product is not adopted, or a product is launched onto the market late. • Fall or loss in revenue if certain product lines do not meet customer expectations.	• R&D spending accounts for almost 13% of our Group's annual revenue (for gross R&D spending at March 31, 2021, see section 5.1.1.5 *Sharp increase in R&D costs* of this Universal Registration Document). • European Union support and financing in the context of the IPCEI program and Nano 2022. • Partnership policy with key players such as research centers, universities and major customers in the four target market segments (smartphone, automotive, IoT, cloud & infrastructure). • Develop research platforms in Europe, Asia and the United States (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 and the Business Units to identify market trends and opportunities and anticipate customers' future needs.
5 - 9 Major — GEOPOLITICS AND GLOBAL ECONOMY		
• Our Group's business may be directly or indirectly affected by protectionist policies of the world's biggest economies, especially China, the United States and Europe.	• Significant increase in tariffs lowering our Group's margin on products exported to the countries concerned. • Blocked or prohibited entry to a market (particularly in China and the United States) could impact our Group's business.	• Implementation of an expert team in order to: • identify changes in regulations and restrictions within the countries concerned; • assess the potential impacts on our business; • analyze the content of our products and the origin of the components, equipment or IP used in their manufacture. • Develop multiple production capacity in Europe and Asia in order to be able to reroute distribution. • Portfolio of products, some of which represent standards for a global market.

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Description of the risk	Potential impacts	Main control mechanisms
5 - 9 Major **PRICE FLUCTUATIONS**		
• Competition between our innovative substrates and alternative products in the semiconductor market could heighten selling price pressure. • The prevalence of Soitec technology depends on the price-performance ratio compared with other solutions available in the market. • The cost of silicon could lead to fluctuations in selling prices.	• Projects based on our products could be shelved by end customers or by their suppliers if the price-performance ratio is no longer satisfactory, which would impact our Group's revenue and results. • Profitability could diminish in the event of a significant increase in raw material prices that is not passed on in our selling prices.	• Definition of a minimum price in order to preserve a satisfactory product margin and meet the market's expectations in terms of the price-performance ratio. • Implementation of a product roadmap to continually raise the performance of our products and set them apart in our target customer 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. • Long-term partnership and multi-annual, volume and price contracts with suppliers, in order to manage fluctuations in raw material costs.

2.1.4.2 Technological risks

Description of the risk	Potential impacts	Main control mechanisms
5 - 9 Major **TECHNOLOGICAL OR PRODUCT OBSOLESCENCE**		
• Our Group's technology or products could become obsolete with the changing needs of the market and new competing products and/or technology that have a better price-performance ratio.	• If the RF-SOI and/or Power-SOI technologies – from which our Group derives most of its revenue – become obsolete, this could lead to a loss of market share, impact our Group's revenue and slow its development. • Potential impairment of inventories that become obsolete and the associated production assets.	• Creation of a strategic unit tasked with identifying old-generation products' end of life and ceasing to position them in the market segments concerned. • Focus on developing new technologies, new products or next-generation RF-SOI, POI, FD-SOI, Imager-SOI, Photonics-SOI, etc. products (see section 1.4 *Products* of this Universal Registration Document). • Step up the development of new generations of products within each product family to address the various market segments. • Annual review of underlying assumptions for forecasts, obsolete inventories, capitalized R&D costs and impairment of long-term assets. • Continued analysis of the market to identify the new applications offered as well as customer strategies in order to anticipate technological changes.

Description of the risk	Potential impacts	Main control mechanisms
5 - 9 Major **LAUNCH OF R&D PROJECTS**		
• Investment decisions on R&D projects are made at a very early stage and without any certainty as to the project's outcome or the business opportunity. • If a competing technology becomes available before a project is completed and/or at a lower price, it could make that R&D project worthless. • Gross R&D spending amounted to almost 13% of revenue at March 31, 2021 (see section 5.1.1.5 *Sharp increase in R&D costs* of this Universal Registration Document).	• Some R&D spending may not yield the expected return on investment. • Delay in bringing new products to market. • Fall or loss in revenue.	• Study the market and monitor technology more closely to identify opportunities and semiconductor market trends. • Initiate and monitor R&D projects that are consistent with clearly defined strategic objectives, business opportunities and return on investment. • Form partnerships with research centers and set up 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).

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2.1.4.3 Industrial risks

Description of the risk	Potential impacts	Main control mechanisms
5 - 9 Major **LIMITED NUMBER OF SUPPLIERS OF RAW MATERIALS**		
• The number of companies that can supply certain raw materials (silicon, FloatZone-silicon, etc.) on the global market is limited and could lead to dependency on major suppliers.	• Inability of our Group to procure enough materials to meet customer demand, leading to a potential decline in revenue and market share.	• Pursue a multi-sourcing policy for critical or strategic components. • Identify the most commonly used parts and materials to ensure a seamless supply. • In-house development of alternative sourcing to mitigate risk and create leverage over suppliers. • Implementation of a business continuity plan (BCP) covering tier 2 or tier 3 to ensure diversification of our suppliers' own sources, multi-sourcing for large volumes, SMI (supplier managed inventory) method, and long-term agreements with suppliers, revised each year.
5 - 9 Major **PRODUCTION CAPACITY**		
• Our Group's production capacity could fail to keep up with a sharp, short-term increase in demand (see section 1.6 *Production* of this Universal Registration Document). • Production lead times may be extended in the event of production lines becoming saturated, or a delay in expanding our capacity.	• Low client satisfaction could lead customers to reject Soitec products and/or to look for alternative solutions, which would lead to a loss in market share. • Fall or loss in revenue. • Delays in the qualification of new products.	• Anticipation of the necessary capacities via a reliable mid- and long-term planning process. • Ongoing increase in production capacity at the Bernin and Singapore facilities (see section 1.6 *Production* of this Universal Registration Document). • Optimization of production unit capacity (resources and layout). • Development of production capacities through licensing or subcontracting agreements with several key players. • Expansion of production capacity through the partnership with Shanghai Simgui Co. Ltd. (see section 1.6.4 *Production partnership in China* of this Universal Registration Document).

Description of the risk	Potential impacts	Main control mechanisms
5 - 9 Major **SUPPLY CHAIN PLANNING**		
• The market for silicon and chemical products can fluctuate significantly due to its cyclical nature: rising demand and limited global capacity could make it difficult to source supplies.	• Longer supply times could lead to a loss in revenue. • A rise in silicon prices in response to market pressure could diminish our profitability if the increase is not passed on in selling prices.	• Long-term contracts setting out volume and pricing terms govern supply arrangements with our main bulk suppliers. • The Procurement Department seeks, as far as possible, to include in its contracts clauses that provide for greater upward and downward flexibility, in order to stabilize costs and maintain spare capacity. • A system for approving new suppliers provides our Group with additional sources of supplies.
5 - 9 Major **PRODUCTION SHUTDOWN**		
• Our Group has a limited number of production facilities of varying capacity: • Bernin 1, 2 & 3 in France; • Hasselt in Belgium; • Pasir Ris in Singapore; • in China through the partnership with Shanghai Simgui Co. Ltd. (see section 1.6 *Production* of this Universal Registration Document)	• Difficulties in meeting customer demand in the event of prolonged downtime at one of the production sites. • High costs (restart, payroll expenses during production shutdown, etc.). • Loss of market share and impact on our Group's results. • Social impact and implications for Soitec's reputation.	• Put in place 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; • operational exercise every year; • identification of "critical" operations and measures to secure supplies and customer deliveries. • Implement prevention and protection measures at production facilities (organization of safety and security teams, periodic audits of safety equipment, etc.). • Spread production lines across two separate facilities for lower impact and greater flexibility in delivery. • "Operating losses" insurance partially covering the risk of production shutdown.

2.1.4.4 Financial risks

Description of the risk	Potential impacts	Main control mechanisms
> 9 Critical **EXCHANGE RATES**		
• Our Group's transactions are mostly denominated in US dollars, so unfavorable fluctuations in the EUR/USD exchange rate could have a significant impact, particularly on revenue, most of which (around 90%) is earned in US dollars.	• Negative impact on gross margin in the event of unfavorable exchange rate fluctuations that are not offset by an equivalent decrease in euro-denominated expenses. • Currency translation risk for our subsidiaries' financial statements included in our Group's consolidated financial statements.	• Mitigation of exposure to other foreign currency fluctuations by balancing costs and revenues. • Regular review of net foreign exchange risk exposure, to decide whether to use futures or options to minimize the EUR/USD foreign exchange risk exposure as much as possible (see note 5.4 in section 6.2.1.2 *Notes to our consolidated financial statements at March 31, 2021* of this Universal Registration Document).

2.1.4.5 Data and security risks

Description of the risk	Potential impacts	Main control mechanisms
5 - 9 Major **DATA SECURITY AND CYBER THREATS**		
• Digital transformation affects our Group's IT infrastructure and creates a strong degree of dependence for our business on the digital environment. • Our Group operates on a global stage that has seen a rise in cyber threats and increasingly sophisticated cyber attacks, aimed at data theft or at paralyzing a targeted activity.	• Loss or theft of confidential and sensitive data. • Cyber attacks and capture of sensitive data for unauthorized use or attempted scams. • Temporary, partial paralysis of activity. • Damage to the reputation and image of our Group.	• Group-wide information security policy defining all information protection measures, both technical (passwords, data and service encryption, antivirus, firewall) and behavioral (classification, awareness). • Close collaboration with government agencies in charge of information and data security (e.g., the DGSI and ANSSI in France). • Implementation of a cyber defense unit (IT and security) responsible for regularly monitoring and assessing risks, and action plans to eliminate or contain any vulnerabilities detected. • Information provided to "at-risk" employees (best practices in terms of business trips and focus on at-risk countries). • "Cyber attack" insurance to partly cover this risk.
5 - 9 Major **INTELLECTUAL PROPERTY PROTECTION**		

• Protecting intellectual property is of critical importance in order to protect our Group's patents and know-how and limit the risks of patent infringement.
• The other challenge for our Group is to protect itself against the loss of the benefits of employee inventions and the leakage of know-how (see section 1.5.2 *A worldwide patent portfolio to maintain our competitive advantage through differentiation* of this Universal Registration Document).
	• Loss of our Group's competitive advantage.
	• Loss of development opportunities.
	• Loss of market share and adverse impacts on the financial position.
		• Policy to safeguard our Group's intellectual property rights:
		  • protect our Group's main technological innovations by filing patents (see section 1.5.2 *A worldwide patent portfolio to maintain our competitive advantage through differentiation* of this Universal Registration Document);
		  • apply to have key patents extended abroad;
		  • protect manufacturing methods, technological enhancements, trademarks, etc.;
		  • check intellectual property clauses in contracts with our 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.

2.1.4.6 Social and environmental risks

Description of the risk	Potential impacts	Main control mechanisms
5 - 9 Major GLOBAL PANDEMIC (COVID-19)		
• The health risks posed by the global pandemic, along with the emergence of new variants and the slow rollout of vaccinations in some countries, could result in a reorganization and/or slowdown of our Group's operations at its production facilities in Asia, France and Belgium. • As a result of the health risks, facilities may close temporarily, employees may be exposed to infection, a high number of employees may stay at home or exercise their right to not work if they consider themselves in danger, and our Group or its representatives may be held liable.	• Loss of production at facilities affected by widespread incidences of the virus. • General slowdown in the global economy and possible impact on our customer orders (see section 5.3 *Trends and objectives* of this Universal Registration Document). • Potential bankruptcy of partners or third parties. • Declining stock markets and falling Soitec share price. • Loss of income and reputational damage.	• Business continuity plan (BCP) containing appropriate responses to various scenarios and crisis levels to (i) protect the health and safety of employees, (ii) maintain and/or resume trading in the best possible conditions, and (iii) strengthen the resilience of our Group, its subsidiaries and its production facilities. • Communicate with employees (see section 3.5.6 *Management of the health crisis over the long term* of this Universal Registration Document) and with customers, suppliers and subcontractors to ensure flexibility and responsiveness. • Monitor country-specific public health regulations and measures. • Constantly analyze the market in order to keep abreast of trends in terms of new ways of working and communicating across the globe, which have benefited certain market segments (smartphone, IoT, infrastructure, etc.).

2.2 Internal control and risk management

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

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

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

2.2.1 Our control environment

2.2.1.1 Purpose and definition

Our Group's internal control environment comprises an internal control and risk management mechanism developed on the basis of the Reference Framework of the French financial markets authority (*Autorité des marchés financiers* – AMF).

This mechanism is defined and implemented under the direction of our Group, and aims to ensure that the following objectives are met:

- the reliability and integrity of published accounting and financial information;
- compliance with the laws and regulations to which our Company and its subsidiaries are subject;
- the implementation of instructions and guidelines set by our 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, our Group's goal is to ensure that the entire internal control and risk management system helps to prevent any risks facing our Group, be they operational, financial, or compliance-related in nature.

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

The internal control and risk management mechanism has three components:

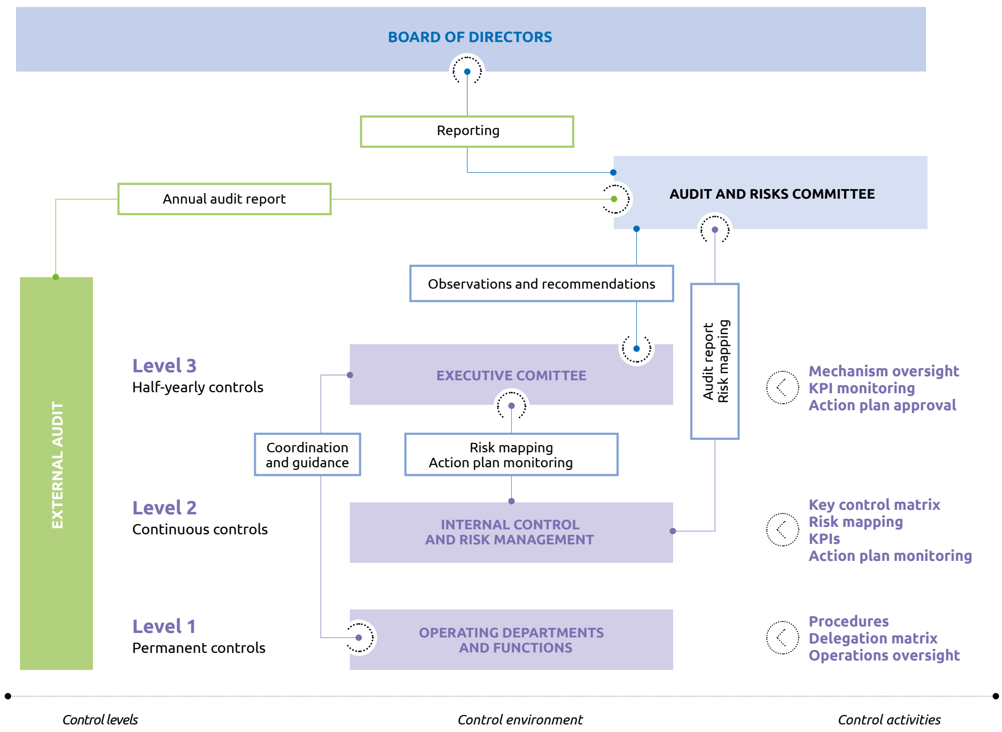
- an organizational structure that contributes to the implementation and continuous improvement of the mechanism;
- tools to help monitor and ensure that risks are controlled; and
- key players who help coordinate and curb identified risks.

2.2.1.2 Internal control and risk management mechanism

The internal control and risk management mechanism comprises various types of control, which can be broken down into three levels:

- level 1: permanent controls, which are performed by our departments and operating teams;
- level 2: continuous controls, which assess the effectiveness of the mechanism through our internal control and risk management department; and
- level 3: third-level controls, which are carried out by our Executive Committee, involving all of our Group's departments, including the Finance Department.

The organization of the internal control and risk management mechanism is described below:



2.2.2 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 our Group's organization and its management and control activities.

Controls are carried out, for each identified process, by all of our departments and employees.

Overall management of the mechanism falls within the remit of our Executive Committee.

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

2.2.2.1 Our Audit and Risks Committee and our Board of Directors

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

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

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

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

2.2.2.2 Our Executive Committee

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

It is responsible for overseeing our 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 this Committee.

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

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

2.2.2.3 Our Finance Department

The Finance Department is represented on the Executive Committee by our Chief Financial Officer.

The main purpose of the Finance Department is to ensure the provision of consistent information in operational terms for the Chief Executive Officer, to whom all members of the Executive Committee report directly.

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

Our Finance Department includes an internal control unit tasked with organizing the internal control and risk management mechanism, and assessing and monitoring its effectiveness.

As such, our internal control unit defines the procedures to be applied, monitors the action plan in relation to the recommendations issued by our auditors and the guidance provided by our Audit and Risks Committee, and completes the formal risk mapping exercise.

Our internal control unit reports on a regular basis to the Chief Financial Officer, who is its direct line manager.

2.2.2.4 Our Legal Department

Our Legal Department is represented on the Executive Committee by our General Counsel.

Our Legal Department handles matters relating to all areas of the law and regulations, in the broad sense of the terms.

In particular, it is responsible for overseeing all regulatory and compliance-related matters relevant to our Group.

It also manages disputes involving Group companies. The disputes report is reviewed by our Executive Committee.

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

The Secretary of our Board of Directors and its five Committees is the General Counsel. 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 our directors and, if applicable, submitted for their prior approval and/or subsequent ratification.

An approval matrix procedure has been established, which guarantees that appropriate approval is obtained from the departments concerned.

2.2.2.5 Our Human Resources and Sustainable Development Department

Our Human Resources and Sustainable Development Department, represented on our Executive Committee by the Executive Vice President, Human Resources and CSR, is in charge of policies to attract and retain talent, manage employee relations, prevent industrial and workstation risks, and steer our Group's environmental policy. Furthermore, it oversees safety and security, ranging from cybersecurity and personal data protection to the safety of persons and property. It is also responsible for ESU occupational health, which is nonetheless run as an autonomous and independent unit to ensure that it has the required independence to put the health of employees first.

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

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

Our Human Resources Department also ensures proper dialogue between management and employees, safeguards employee health, promotes continual improvement in terms of reducing industrial risks and enhancing the quality of life at the workplace, and fosters diversity and inclusion.

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

2.2.2.6 Our operating departments and our employees

Our 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 our 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 our Group's activities.

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

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

2.2.3 Our internal control mechanism

2.2.3.1 Reference framework

In 2010, the AMF updated its Reference Framework, originally published in 2007. This document forms the basis for our Group's internal control mechanism, and our Company is committed to complying with the principles set out therein when implementing its internal control mechanism.

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

- internal control procedures applicable to all entities within our Group;
- rules of access to the IT systems tailored to the roles and responsibilities of our operational staff and to the principle of segregation of duties;
- rules for supervising accounting and financial operations that are identified as critical.

Formalizing these rules helps to strengthen key controls and make the internal control process more reliable, while preventing and managing major risks to which our Group is exposed, given the nature of our business.

Our Company has successfully completed most of its projects aimed at bringing its internal control environment in line with the AMF's Reference Framework.

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

2.2.3.2 Assessment of internal controls

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

This presentation is prepared by our internal control unit, and takes the form of a plan to monitor the actions carried out during the fiscal year.

It involves identifying areas for improvement and setting objectives for the following year.

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

These action plans are coordinated by our internal control unit, and are regularly reviewed by our Executive Committee.

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

2.2.3.3 The role of our Statutory Auditors

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

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

2.2.4 Our management of risks

2.2.4.1 Context and risk mapping

As part of efforts to strengthen its internal control system that has been in place for several years, our Company presents a risk map to our Audit and Risks Committee once a year. The goal is to establish a more systematic monitoring tool.

This mapping results from an analysis of the risks to which our 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.

Our Company completed the review of its risk mapping process in February 2021. As part of its work, it identified and developed several scenarios covering the main risks liable to impact its activities at both Group and local level.

Our Audit and Risks Committee reviewed the latest version of the risk map in March 2021.

2.2.4.2 Method

Our risk mapping was conducted with the assistance of all members of the Executive Committee, in two stages:

- interviews held with members of the Executive Committee, heads of subsidiaries and operating staff, supplemented by thematic questionnaires, to identify the risks specific to their business activities and the measures implemented to control or mitigate them;
- an assessment of the level of criticality of each risk based on two criteria: financial impact and probability of the risk occurring.

2.2.4.3 Review and regular reporting

The risk mapping is reviewed at least once a year, and is based on interviews held between members of our Executive Committee and operating staff.

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

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

2.2.5 Our internal control procedures and accounting and financial reporting

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

2.2.5.1 General principles

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

- the compliance of published accounting and financial information with the applicable rules;
- the application of instructions and guidelines set by Executive Management 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 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.

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

2.2.5.2 Accounting and financial organization management process

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

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

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

A. Our Finance Department

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

Our Finance Department is also represented in each Group subsidiary.

Our 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 IFRS.

B. Our Disclosure Committee

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

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

Members of our 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 our 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 our Executive Committee confirm that they have provided our Finance Department with all necessary information.

Our Statutory Auditors attend the Disclosure Committee.

C. Our Audit and Risks Committee and our Board of Directors

Our Audit and Risks Committee and our Board of Directors verify and audit the process for the preparation and processing of accounting and financial information.

Controls and verifications

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

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

Closing of the financial statements

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

Our 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 our Statutory Auditors or key persons in our Finance Department, without our 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 system in place.

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

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

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

D. Our Statutory Auditors

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

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

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

Ernst & Young and KPMG were appointed for a period of six years starting from the Shareholders' General Meeting of July 25, 2016, and ending at the close of the Shareholders' General Meeting to be called in 2022 to approve the financial statements for the fiscal year ending on March 31, 2022.

2.2.5.3 Process for preparing published accounting and financial information

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

A. Financial reporting

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

Financial information made available to the public is prepared by our Chief Financial Officer, on the basis of data prepared and verified by her team.

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

It is also subject to prior approval by the members of our Audit and Risks Committee and/or our Board of Directors. Our directors can therefore make comments and suggest changes prior to publication.

At each stage of the process, the exhaustiveness, accuracy and consistency of the information are key points that undergo a systematic check.

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

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

B. Consolidation process

The consolidation process is centralized within our 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 process collected information faster;
- to apply international accounting standards (IFRS).

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

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

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

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

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

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

C. Procedure for reporting and consolidation of data

The published consolidated financial statements are prepared by our Finance Department on the basis of the financial statements of the subsidiaries.

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

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

D. Verification of the consolidated financial statements

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

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

E. Management of external financial data

Our 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.

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

Our Audit and Risks Committee and our Board of Directors examine and approve these releases for publication.

2.

2.3 Insurance and risk hedging

2.3.1 Overview of our insurance policy

In addition to the preventive and protective measures deployed, our Company has a comprehensive insurance program, notably providing coverage for:

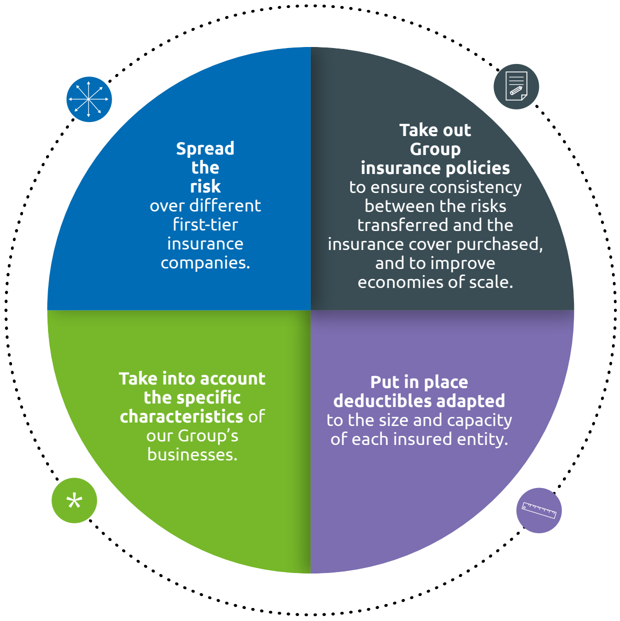
- risks of property damage and loss of business;
- risks of the financial consequences of civil liability which could be incurred by our Company due to its operation, or due to the movement of its products around the world;
- risks related to the transport of goods;
- risks related to environmental damage;
- risks related to cyber attacks.

Other insurance policies are taken out for smaller risks.

Wherever necessary, our insurance policies are supplemented by insurance taken out by or on behalf of our Group's subsidiaries, in order to cover risks generated by their particular business activities. For example, third-party liability insurance covering aeronautical products was taken out by our subsidiary Dolphin Design.

Our Group's policy relating to risk management and insurance aims to:

- spread the risk over different first-tier 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 our Group's businesses;
- put in place deductibles adapted to the size and capacity of each insured entity.



2.3.2 Description of our insurance policies

Policy type	Purpose of policy and scope of application
Damage to goods and operating losses	Assets and operating losses are covered by "all risks except" type policies. These policies are adapted to our various Group's production sites and involve regular inspections by our insurers' appraisers, in order to adjust the amounts of the coverage and excesses in relation to the reality of risks. The combined "property damage" and "loss of business" deductibles are adjusted to each site, and operating losses are usually insured for periods of 12 months. This program integrates the "additional operating costs" guarantee and a "deficiency of suppliers and/or clients" guarantee.
Goods transport	Under our Group's risk management and insurance policy, insurance policies have been taken out that cover its goods across the entire supply chain, from our suppliers to our customers.
Civil liability for environmental harm	The "civil liability for environmental harm" guarantee covers our Bernin production site in France. It covers the financial impact on our Company of personal injury, damage to property and consequential damage caused to third parties, in the event of pollution or harm to the environment caused by our activities. It also covers any decontamination costs incurred further to administrative obligations.
Civil liability	"Civil liability" insurance is intended to cover the liability of our Group both during the operation of the business, and after delivery of products, or in relation to defending criminal proceedings and appeals. This insurance is taken out for all production and distribution sites with the same insurance companies. These policies take into account the specific characteristics of each production site as well as the risks relating to different geographic areas where the products are delivered.
Civil liability of senior executives and corporate officers	The "directors and officers (D&O)" policy aims to cover all senior executives and corporate officers of our Company and of its subsidiaries against the financial consequences of third-party civil liability incurred due to mismanagement or professional misconduct while carrying out their duties.
Fraud and malicious acts	"Fraud and malicious acts" insurance aims to cover financial damage to our 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 acts of hostility (such as introducing a computer virus) committed by their agents or by third parties, as well as any related expenditure that could be incurred.
Cyber attacks	"Cyber attack" insurance is intended to cover the consequences of cyber threats that could compromise data and information system security for the Company and/or an external service provider, as well as threats of extortion of data or funds. This insurance notably covers the risk of operating losses, the cost of managing cyber incidents and recovering information systems and data, along with any advisory or expertise costs.

2.4 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, our Group does not consider that it is currently party to any administrative, legal or arbitration proceedings that could have a material impact on its financial position or profitability.

3

Corporate social responsibility

3.1 Soitec's business model SNFP

Soitec is a major global player in innovation and the production of semiconductor materials. Our role is to provide solutions that go to the heart of major technological developments, including 5G, artificial intelligence and energy efficiency.

These three major technological developments provide Soitec with access to three key markets, namely mobile communication and its infrastructure, automotive and industry, and smart objects.

Digital technology is expanding into every home on the planet and data consumption is booming, with the health crisis compounding the process. The need for increasingly efficient equipment to speed up access to data at competitive prices is a major growth driver for the sector. However, digital technology has a significant potential impact on climate change, accounting for 3.4% of greenhouse gas emissions released into the atmosphere and 2.7% of global final energy consumption [(1)]. That is why it is so important for performance to be reconciled with energy sobriety, notably through longer battery life and reduced consumption during use.

The industry is changing very rapidly. To maintain its position among industry leaders, our Group's aim is to continue to set the standard in its three main markets. Soitec is already driving certain standards for 4G and 5G communication, AIoT (Artificial Intelligence of Things) and advanced computing, data center connectivity, and electric and autonomous vehicles.

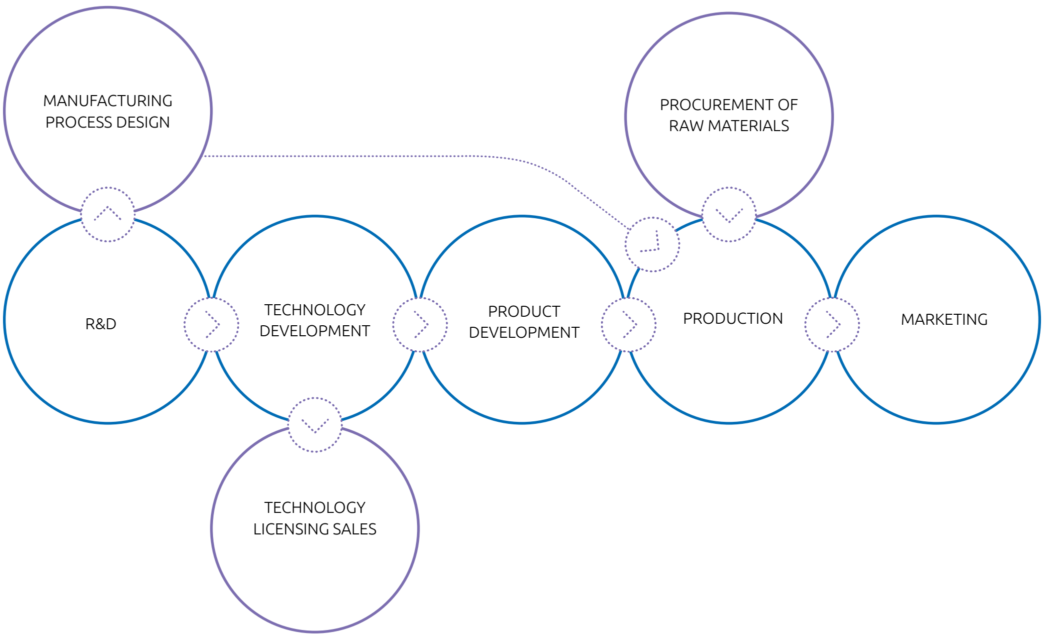
Substantial investment in innovation is central to our strategy for maintaining our lead: nearly 13% of our sales is devoted to innovation, around 20% of our employees work on innovation, and we have developed a rich ecosystem and close partnerships to identify tomorrow's technological trends and challenges, and be ready to respond to them.

The development of innovative technologies, protected by numerous patents, allows us to offer products, themselves patented, that are particularly interesting to our customers as a means of meeting their own challenges.

Two major technologies – Smart Cut™ and Smart Stacking™ – and our expertise in multiple fields, including epitaxy, compound materials and piezoelectrics, have enabled us to develop a wide range of products: FD-SOI, RF-SOI, Power-SOI, Photonics-SOI, Imager-SOI, POI and GaN. Future generations of InGaNOS and SiC substrates are at an advanced stage of development.

Our Group gives access to its technologies to other players in the sector through a licensing system, making these companies both customers and competitors, and giving us a unique position in the value chain. Our Group's customers are the leading manufacturers of electronic chips.

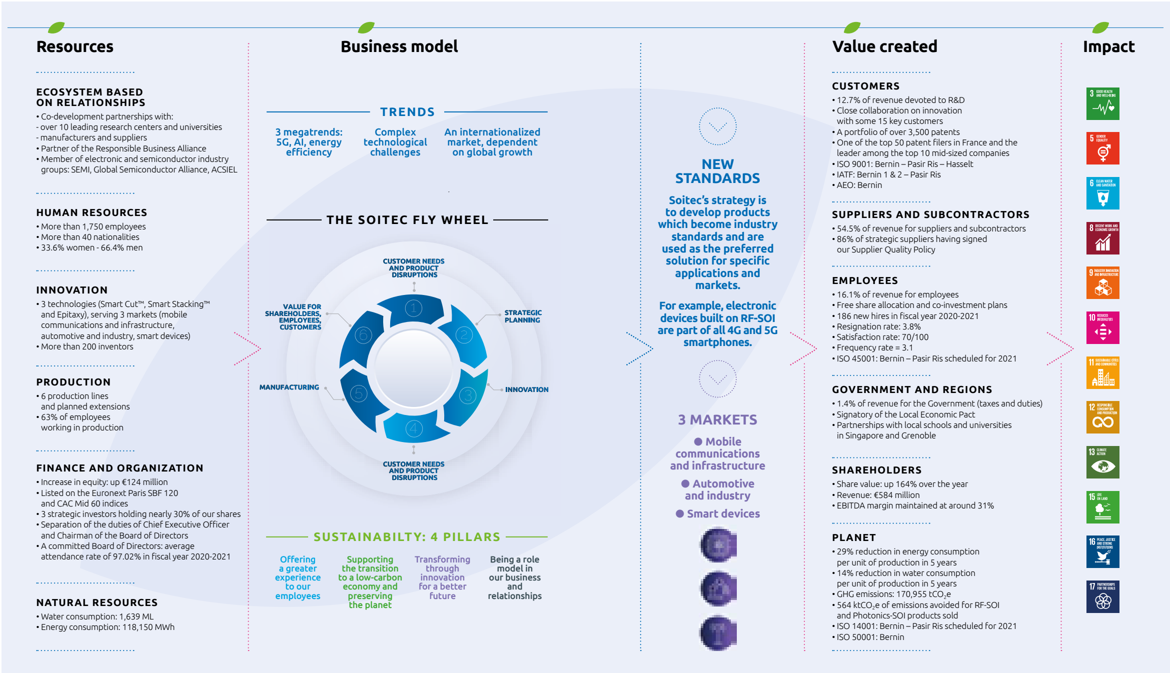
The Group's organization is based on its various operational activities, backed up by support functions including quality, HSE, HR and finance.



(1) *2017 data. Dedryver, L. (2020), Maîtriser la consommation du numérique : le progrès technologique n'y suffira pas, Working Document, No. 2020-15, France Stratégie, October.*

Please see pages 22 to 23 of the Integrated Report for a diagram of the business model.

Our business model for value creation



3.2 CSR, a pillar of our Group's strategy

3.2.1 Committed governance

Soitec's corporate social responsibility is overseen within the Management Committee by the Head of Human Resources and Sustainable Development. A CSR and employer communication manager reports to him and is responsible for managing the approach. Major decisions, which to varying degrees involve all of the Company's departments, are discussed by the Executive Committee during quarterly reviews. Each business unit is on board and contributes to building, implementing and evaluating policies, objectives and outcomes. Each month, a CSR steering committee comprising representatives of the departments meets to discuss objectives, outcomes and action plans. The entities involved are:

- the Human Resources Department;
- the HSE Department;
- the Finance Department;
- the Quality Department;
- the Infrastructure Department;
- the Procurement Department;
- the Legal Department;
- the Investor Relations Department.

Pursuant to a decision of the Board at its meeting of March 31, 2021, the Board of Directors also addresses CSR issues within the Compensation Committee, now known as the "Compensation and Sustainable Development Committee", which is tasked with discussing policy and monitoring objectives and indicators in each of the areas concerned in order to make recommendations to the Board of Directors.

As a strong mark of our Group's commitment, the variable part of our CEO's compensation is based in part on sustainable development criteria: for the two previous years, his bonus was linked to the score of the "quality of life at work" survey, to progress made in terms of gender equality, and, for fiscal year 2020-2021, to energy consumption control objectives. For fiscal year 2021-2022, the Board of Directors has asked the Shareholders' General Meeting to approve a system of variable compensation that includes objectives bearing on the quality of life at work, gender equality and commitments in the fight against global warming.

The criteria applicable to employees eligible for individualized variable compensation in the various industrial plants include an objective based on the reduction in the frequency rate of workplace accidents leading to lost time and, depending on their duties, objectives linked to the sustainable development projects with which they are associated (in particular the fight against global warming, gender equality and quality of life at work). All employees of the Economic and Social Unit (ESU) in France are also encouraged to contribute to improving life in the Company by the inclusion of a quality of life at work indicator in the calculation of incentive awards.

3.2.2 CSR as the cornerstone of the strategy: the 2021-2026 sustainable development policy

The previous CSR policy based on three pillars, Planet – People – Ethical business, was reviewed at the end of fiscal year 2020-2021 with a view to spurring a fresh dynamic for the next five years, starting from 2021. Soitec chose to redefine its CSR policy this year to make sustainable development a central part of its corporate strategy. Aware of the challenges facing its business sector and the impact of the products it markets, our Group has chosen to build sustainable and lasting growth, taking the expectations of its stakeholders fully into account.

1992
- Creation of Soitec

1999
- 1st quality certification obtained (ISO 9001)

2000
- Signature of the 1st agreement to promote the employment of disabled people

2001
- 1st environmental certification obtained (ISO 14001)

2001
- Signature of the 1st employee profit-sharing scheme

2007
- Introduction of the "Safe" program

2007
- Signature of the 1st agreement on gender equality in the workplace

2008
- Signature of the 1st GPEC agreement

2009
- Creation of a sustainable development program
- Signature of the Green Partner policy

2010
- 1st OHSAS 18001 certification obtained
- Signature of the 1st Safety Commitment for the Bernin plant

2012
- EICC membership (now RBA)
- Signature of the 1st Code of Ethics

2015
- 1st ISO 50001 certification obtained
- Signature of the 1st Energy Commitment for the Bernin plant

2017
- Signature of the 1st Environment Commitment for the Bernin plant

2018
- Signature of an agreement for an inclusive Company at every age
- Launch of the 1st quality of life at work questionnaire

2018-2020
- Free share allocation plans for employees and payment of profit-sharing for the first time

2019
- Signature of an agreement on trade union rights and industrial relations
- 1st ISO 45001 certification obtained
- 1st preferred share co-investment plan

2020
- 1st discounted offering reserved for employees who are members of our company savings plan
- Launch of a climate plan
- Signature of a partnership agreement on biodiversity with the League for the Protection of Birds (*Ligue pour la Protection des Oiseaux* – LPO)

2021
- Signature of the Science Based Targets initiative commitment letter
- 1st measurement of emissions avoided by our products
- Signature of the CEO Pledge of the GSA Global Semiconductor Alliance's Women's Leadership Initiative
- Signature of a collective agreement on gender equality extended to LGBTQIA+ issues in terms of inclusivity and equal rights

The implementation of the CSR strategy and the day-to-day application of our values were honored with several awards during the year:

- the Bernin plant was awarded the "Plant of the Year Trophy" by French magazine *L'Usine Nouvelle*;
- Soitec was a winner in the "Impact for Good" category of the "Grands Prix de l'Accélération Digitale" awarded by the French television channel BFM Business, Inetum (formerly GFI), Axway, SFR Business, Square, Lumapps and InsideBoard. This distinction rewards the 63% reduction in energy consumed for each wafer produced on its industrial plant in France over the last six years;
- the French government has awarded the RÉFÉRENCE consortium, led by Soitec, the "Star of Europe" distinction for its innovation in the telecommunications sector;
- the employee shareholding strategy was awarded the "Grand Prix de l'Actionnariat Salarié" by the French Federation of Employee and Former Employee Shareholder Associations, in the category of small and medium-sized companies and start-ups;
- the same strategy also won the C&B Trophy, awarded at the initiative of the ORAS Club (*Observatoire de la rémunération et des avantages sociaux* – Observatory of Compensation and Benefits).

Soitec received a score of 82/100 in the 2020 Gaïa Rating study, ranking 16th out of the 230 companies assessed. This allowed Soitec to join the Gaïa Index of the 70 highest-ranked companies, now published for 12 consecutive years.

Building on this impressive momentum, the new CSR policy is based on a long-standing commitment to people and the environment. It is the result of commitments rooted in the culture of our Group in terms of ethics, preservation of the environment and respect for people. It has become an integral part of Soitec's core business, with energy-efficient products spearheading our innovation.

The strategy is now based on four pillars and 13 operational commitments.

Our CSR strategy is built on four pillars broken down into 13 COMMITMENTS and governed by indicators:

TRANSFORMING THROUGH INNOVATION FOR A BETTER FUTURE

INNOVATION

Constantly innovating to improve the quality and impact of our products and improve people's lives

CUSTOMER RELATIONSHIPS

Bringing our customers' projects to life

SUPPORTING THE TRANSITION TO A LOW-CARBON ECONOMY AND PRESERVING THE PLANET

CLIMATE CHANGE

Engaging Soitec on the Paris Agreement emissions trends in order to reduce its CO_2 emissions to become a low-carbon company

WATER STRESS

Pursuing our exemplary programs to reduce water consumption by measuring, reducing and recycling

BIODIVERSITY

Setting up the conditions to preserve the biodiversity on our sites and raise the awareness of our employees

OFFERING A GREATER EXPERIENCE TO OUR EMPLOYEES

ATTRACTIVENESS AND DEVELOPMENT

Making Soitec an attractive employer, setting up the conditions enabling employees to grow in the Company, to support Soitec's growth

HEALTH AND SAFETY*

Guaranteeing that the health and safety of employees are protected and constantly working to reinforce risk prevention

QUALITY OF LIFE AT WORK

Implementing the conditions necessary to guarantee employee well-being, and enhance employee advocacy, while identifying areas for improvement

DIVERSITY AND INCLUSION

Making Soitec an inclusive company throughout the globe fighting against stereotypes, promoting equality

** This commitment also covers the management of the Covid-19 crisis.*

BEING A ROLE MODEL IN OUR BUSINESS AND RELATIONSHIPS

RESPONSIBLE SUPPLY CHAIN

Influencing our ecosystem through our supplier agreements

COMMUNITIES

Committing to local communities and young people

ETHICS

Acting globally in accordance with high social and ethical standards

CYBERSECURITY

Managing cyber risks and guaranteeing that information is safe, secure and protected

Soitec's CSR policy was drawn up in accordance with internationally recognized guidelines and standards. Together, this body of texts provides a framework allowing all companies and organizations to implement sustainable development principles:

- ISO 14001, environmental management standard;
- ISO 45001, occupational health and safety standard;
- ISO 50001, energy management standard;
- ISO 27000, information security management standard;
- IATF, quality management 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).

Our Group has also identified its contribution to the United Nations Sustainable Development Goals. These goals were set out in 2015 and are to be achieved by 2030 to address the major global challenges of poverty, inequality, climate, environmental degradation, prosperity, peace and justice. Businesses have a significant role to play in achieving the SDGs.

3 GOOD HEALTH AND WELL-BEING	SDG 3: Good health and well-being	11 SUSTAINABLE CITIES AND COMMUNITIES	SDG 11: Sustainable cities and communities
5 GENDER EQUALITY	SDG 5: Gender equality	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	SDG 12: Responsible consumption and production
6 CLEAN WATER AND SANITATION	SDG 6: Clean water and sanitation	13 CLIMATE ACTION	SDG 13: Climate action
8 DECENT WORK AND ECONOMIC GROWTH	SDG 8: Decent work and economic growth	15 LIFE ON LAND	SDG 15: Life on land
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	SDG 9: Industry, innovation and infrastructure	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	SDG 16: Peace, justice and strong institutions
10 REDUCED INEQUALITIES	SDG 10: Reduced inequalities	17 PARTNERSHIPS FOR THE GOALS	SDG 17: Partnerships for the goals

3.2.3 Materiality and risk analysis SNFP

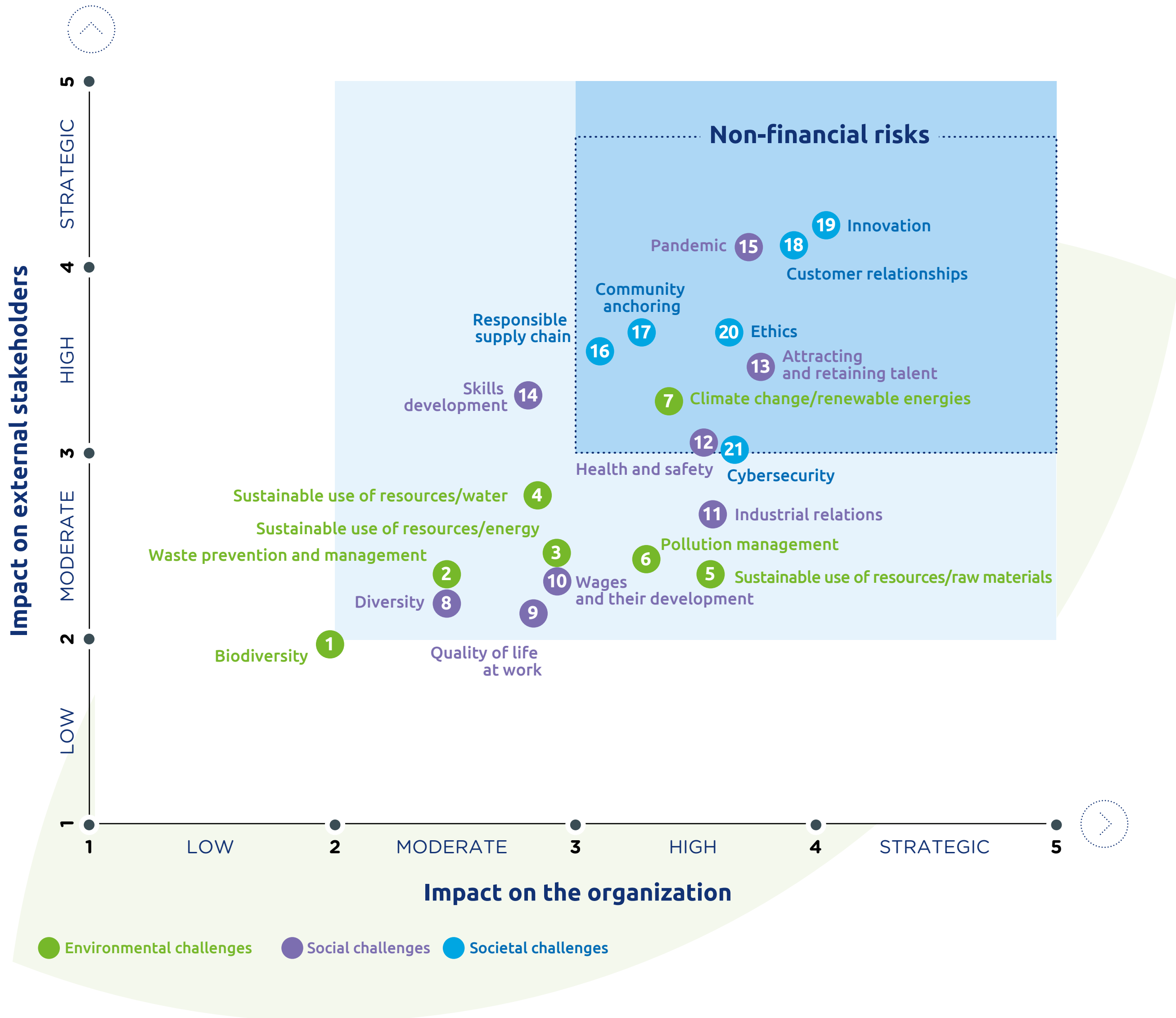
In early 2021, an external firm conducted a materiality and risk analysis to identify our main non-financial risks, as well as the risks that Soitec poses to its main stakeholders. This analysis was an opportunity to update stakeholder mapping based on the level of reciprocal impact and the level of the relationship. The internal and external stakeholders first prioritized and then expressed their views on a selection of risks.

This selection of risks stemmed from an analysis of major global trends, sector challenges, risks identified by peers, Soitec's financial risk factors and the list of indicators provided in Article R. 225-105 of the French Commercial Code (*Code de commerce*) governing this Statement of Non-Financial Performance (SNFP).

The internal stakeholders interviewed [(1)], one-on-one or in small group sessions, expressed their views on the level of financial, business continuity, reputational and regulatory compliance risk that a poor grasp of the issues could cause for Soitec. External stakeholders [(2)] assessed the potential impact that a poor grasp of the issues by Soitec could have on their own organization.

The results are presented in the materiality and risk matrix, indicating the main non-financial risks to be taken into account. In particular, the Covid-19 health crisis has brought to light a new risk, namely "Pandemic".

Some subjects have not been identified as priority non-financial risks, but are issues on which Soitec has been committed for many years. This is particularly the case for quality of life at work and diversity. These subjects, which contribute greatly to attracting and retaining talent, are major aspects of our Group's CSR strategy.



The Management Committee validated and selected ten main non-financial risks. For each of these risks, a policy is defined to prevent, avoid and reduce the impact, and a key performance indicator is used to help manage it. Our Group has set targets for some of these indicators, depending on the historical data available and the Company's trajectory.

(1) *The two employee directors, nine members of the Executive Committee and the CSR manager.*
(2) *Representatives of customers, suppliers, subcontractors, local authorities, public authorities, shareholders, banks and innovation partners, as well as directors.*

Non-financial risks	Definition of the risk	Policies	Key performance indicators
Innovation	• Slower innovation • Poorly focused innovation • Poor understanding of customer issues	Investment policy	Number of patents filed
Pandemic	• Illness • Fab closures • Business discontinuity	QHSE policy	Average number of days of furlough per employee concerned over the year
Customer relationships	• Poor understanding of expectations • Loss of recognition among customers and their own customers	Quality policy	Customer satisfaction survey conducted every three years (2015 = 100)
Community anchoring	• Deterioration of strategic partnerships and sources of innovation • Reduction in the pool of young talent • Slowing of extension projects	Local economic pact Télémaque partnership	
Ethics	• Fraud, corruption, conflicts of interest, insider trading, anti-competitive practices	Code of Good Conduct	% of employees having completed the e-learning module on the Code of Good Conduct
Attracting and retaining talent	• Unsustainable growth prospects • Loss of key skills	Elevate program	Internal promotion rate
Climate change	• Deterioration of the image with respect to all stakeholders • Loss of contracts (long-term)	SBTi commitment	Greenhouse gas reduction rate
Responsible supply chain	• Indirect contribution to the funding of conflicts (minerals) • Human rights violations, environmental degradation in the supply chain	Supplier Quality Policy (ethics, human rights, etc.)	% of strategic suppliers that have signed the Supplier Quality Policy
Health and safety	• Workplace accidents, occupational health • Psychosocial risks	QHSE policy Safe program	Frequency rate
Cybersecurity	• Loss or theft of confidential and/or personal data • Business discontinuity	Information systems security policy	% of new employees made aware of cybersecurity

Detailed descriptions of these risks, policies, actions taken and key outcomes are presented in the following sections.

	Outcomes				
Non-financial risks	2018-2019	2019-2020	2020-2021	2021-2022 target	2025-2026 target
Innovation	439	238	285	Currently being defined	
Pandemic	-	-	821 days	-	-
Customer relationships	-	-	118	Currently being defined	
Community anchoring	-	-	-	Currently being defined	
Ethics	-	64%	65%	80%	100%
Attracting and retaining talent	13%	10.4%	14.8%	-	13% per year on average over the five years
Climate change	-	-	-	The targets will be validated and communicated by the SBTi	
Responsible supply chain	88%	90%	86%	Currently being defined	
Health and safety	5.3	3	3.1	3.4	-
Cybersecurity	-	-	98%	Currently being defined	

3.3 Transforming through innovation for a better future

The products that our Group designs and markets are essential materials for the electronic equipment used in the daily lives of millions of people. The industry is changing very rapidly and Soitec must be a driving force in each of its markets. As our strategy is to create the standards of tomorrow, innovation is one of our key drivers. Relationships with our customers and their own customers are essential if we are to move in the right direction. Our success is hinged on understanding the challenges of tomorrow and creating partnerships with our customers. Lastly, our products, present in the lives of many people and infrastructures, must be totally safe and in compliance with regulations.

3.3.1 Innovation as the key to our performance SNFP

3.3.1.1 An organization geared towards innovation

In a high-tech sector such as Soitec's, innovation is the primary driver of corporate performance. A slowdown in innovation or a bad technological choice could ultimately result in loss of market share and a deterioration of our image, causing financial difficulties.

That is why innovation is central to our Group's business model and its decisions. It is overseen by the Innovation Department, which employs approximately 160 people in France, Belgium, the United States and Singapore. The Group's projected growth over the coming fiscal year will result in a substantial increase in the number of staff in this department.

About a hundred additional people are involved in supporting innovation through various external collaborations. The Innovation Department's scope includes R&D, including the search for new products, the implementation of a mature solution giving rise to a marketable pilot product, and the management of intellectual property. It works closely with the six internal Business Units (RF-SOI, FD-SOI, Specialty-SOI, Filters, EpiGaN and Compound Materials) as well as with our customers, their own customers, and research partners within various platforms.

Our strategy is to develop partnerships with world-class research centers (CEA-Leti, Imec, Fraunhofer, SITRI, A*STAR, CEMES, etc.), universities (Stanford, Berkeley, National University of Singapore, Université Catholique de Louvain, Vienna University of Technology, etc.), international equipment manufacturers, and research and technology organizations (RTO).

An internal team known as the collaboration platform is tasked with meeting with major R&D platforms and customers to gain an understanding of technological roadmaps for the coming ten years. That gives the team the capacity to confirm the technological choices embedded in Soitec's roadmap. The team also identifies issues existing within the various platforms and among customers, thereby nurturing thinking for R&D.

Our Group's ambition is to create the technologies and products that will set the standard in our markets, making our Group a key player in the semiconductor industry.

Three areas of innovation position our Group as a pioneer and leader in certain markets: our technologies (Smart Cut™, Smart Stacking™), our expertise in materials engineering (epitaxy, compound materials, piezoelectrics), and our products derived from these technologies (SOI, POI, GaN, SiC).

Our technologies and products are protected by a portfolio of over 3,500 patents. Each year, we file nearly 300 patent applications, which makes our Group one of the top 50 patent filers in France, and one of the top ten among mid-sized companies.

285
patents filed in fiscal year 2020-2021

During the fiscal year, 13% of sales was devoted to R&D.

In fiscal year 2020-2021, the Innovation Department worked on diversification projects, excluding SOI. The main topics were the emergence of new designs in POI and work on silicon carbide (SiC): the first version of a new generation of SiC substrates designed using Smart Cut™ technology was produced this year.

3.3.1.2 Responsible innovation

One of the specific features of our innovation is work aimed at optimizing the end products of our customers, whatever the market (mobile communication and its infrastructure, automotive and industry, and smart objects), on four indicators known as PPAC, standing for:

- performance: improve component performance;
- power: reduce power consumption;
- area: reduce and optimize the area used;
- cost: reduce the cost.

Reducing power consumption is a major challenge, as the digital industry is highly energy intensive, and as such, a big source of greenhouse gases. Through its technologies and products, Soitec helps improve the energy consumption of the products marketed by its customers. This year, an initial study showed that greenhouse gas emissions avoided are significant for two Soitec product families that have become market standards, one for smartphones (RF-SOI) and the other for data centers (Photonics-SOI). The study was conducted in collaboration with a specialized external partner that developed a specific methodology based on the number of products sold during fiscal year 2020-2021, in comparison with reference substrates (previous Soitec generation or other) on the market. For each type of device, the lifespan, charging time of smartphones and continuous operation of data centers were taken into account.

For the RF-SOI substrate, on which the majority of smartphone antenna module components are made, the analysis focused on the gains in power consumption for the front-end module of a smartphone equipped with generation 2 (RFeSI80) as opposed to generation 1 (HR-SOI), and on the gains for the front-end module of a smartphone equipped with generation 3 (RFeSI90) as opposed to generation 2 (RFeSI80). The three generations taken into consideration are all Soitec products because there are no equivalent products on the market.

Savings totaled 598 GWh for RF-SOI, i.e., 352,000 tCO_2e avoided. Generation 2 provides a saving of 18% in terms of electricity compared with generation 1, and generation 3 provides a saving of 8% compared with generation 2.

For the Photonics-SOI substrate, at the heart of the connectors that equip data centers, generation 1 (40G) is not a product sold by Soitec; the other two generations, 2 (100G) and 3 (400G), are both Soitec products.

At equivalent flow rates, the power consumption gains of a generation 2 product compared with generation 1 amount to 46%, and 16% between generation 3 and generation 2. A total of 423 GWh was saved by the change of generations: 212,000 tCO_2e avoided.

In total, the sale of the new generations in 2020 avoided the domestic energy consumption of a city of 450,000 people.

All methodological details will be provided in the report, which is to be published shortly. New products from Soitec's portfolio will be studied in the near future.

Our technologies also have the specific feature of optimizing resource consumption. The main substrate, silicon, can be reused. With Smart Cut™ technology [(1)] and our refresh process, the donor substrate can be recycled up to ten times, allowing for more sustainable resource management in addition to optimized cost.

The innovation of our subsidiary Dolphin Design was recognized last October for its contribution to environmental protection: the SPEED (System Platforms for Energy Efficient Design) platform received the Solar Impulse Efficient Solution label awarded to 1,000 efficient, clean and cost-effective solutions with a positive impact on the environment and quality of life. Five criteria in three areas are examined by independent experts before the product can join the portfolio of labeled solutions:

- feasibility: our solution significantly increases the battery life of battery-operated devices and reduces time to market;
- environmental impact: the main advantage is reduced power consumption for the same operations, resulting in less stress on the battery, less self-heating of the chip and a longer life for the device;
- cost effectiveness: SPEED provides faster time to market and greater competitiveness for its users, thanks to consistent solutions and high-quality silicon components.

For more information on the innovation strategy, see section 1.3.2 *Innovation strategy*.

3.3.2 Our value added: making our customers' projects possible SNFP

Soitec has a unique position in the value chain: we work closely with our customers to provide them with the products they need for their development, and that in turn leads us to work with our customers' own customers to obtain a better grasp of their expectations in respect of their overall supply chain. Our high-tech business is driven by our products' end users and by the brands of equipment on the market, from smartphones to cars. Failure to grasp users' expectations early enough or not being close enough to our customers and their own customers would distance Soitec from the market and from product and technology development opportunities. That could ultimately cause Soitec to cease to be seen as a leading company in its industry, resulting in loss of customers and market share.

Our Group has teams dedicated to understanding developments in the main markets, and current and future expectations in each sector.

Specific business units are dedicated to each product family. They are tasked with grasping the specific needs of customers, designing products, and establishing the performance and price specifications expected by customers. The sales team works cross-functionally with all business units to coordinate the relationship and identify customer requirements.

Work has been done to map our customer relationships and our capacity to create value. This mapping revolves around two tenets:

- Trusted execution: this is the foundation of any customer relationship. For our Group, it is a question of managing the relationship on a day-to-day basis; ensuring the compliance and quality of products shipped, compliance with specifications, respect for deadlines, and the execution of technological roadmaps. Absence of trust in the execution of the work entrusted would make it hard to develop the relationship further.
- Enabler: for Soitec, this involves making customers' projects possible, finding answers to their problems and making a unique contribution to their success.

For the enabler dimension, four levels have been defined, based on how easy it is for customers to find alternatives, and whether or not we create unique value for them.

1. The products we offer meet an existing need; they are not unique in the market. Customer relationships are built on a classic supplier-customer model, with no real complexity.
2. We are the leaders for certain products, because our solutions are more efficient than the alternatives available in the market. Our Group brings value added and allows its customers to develop a competitive advantage for its products and for its own customers.
3. In relationships at this level, our Group works with a customer or one of their customers to address a specific issue that they are seeking to resolve, such as finding a substrate that meets certain cost and performance criteria.
4. Our Group favors a partnership approach: our teams work closely with our customers' teams to maximize success for all stakeholders. The level of partnership can involve pooling teams, R&D projects or even investments. Relationships exist at all levels.

The higher our Group climbs in the various levels of a relationship, the more value it creates for its customers and for itself. Each of the six business units contributes to building the partnership and promoting enabler positioning wherever possible. The goal is to make it possible for our customers to succeed in their own markets, in a unique way.

With major customers, the relationship is managed at an operational pace: regular reviews are organized at all hierarchical levels in the presence of the relevant customer functions. They include weekly operational meetings, monthly project meetings, technology reviews, quarterly meetings at executive level and semi-annual CEO meetings.

These meetings are an opportunity to ensure that the right level of relationship is developed with customers and to obtain real-time information on their level of satisfaction.

Every three years, our Group conducts a customer satisfaction survey. It is carried out by an independent organization, among a very comprehensive panel of customers including foundries, fabless manufacturers and IDMs.

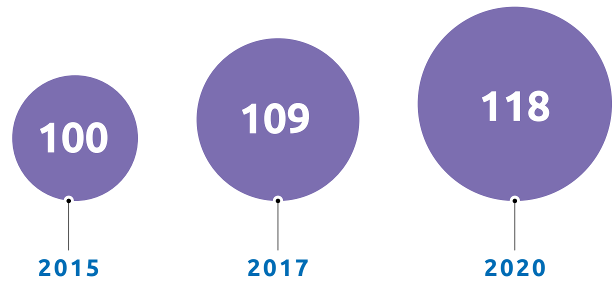
(1) *https://www.soitec.com/en/products/smart-cut*

Calendar year 2015 is used as the baseline, with a score of 100.

118

(2015 calendar year baseline: 100)

› CHANGE IN THE CUSTOMER RELATIONSHIP SCORE IN THE CUSTOMER SATISFACTION SURVEY



This significant improvement is attributable to improvement measures implemented over recent years and resulting in particular from Soitec's new organization in 2019. The Field Application Engineers (FAE) teams have been strengthened in the regions and equipped with an IT system allowing them to provide a better and faster response to our customers' technical issues. In addition, a new IT customer relationship management (CRM) module has been adopted at Group level to improve our interactions with customers. Lastly, Soitec has set up Key Account Teams (KAT) comprising members of cross-functional teams to focus more closely on the problems of these customers and better serve them.

Our customers commended these improvements in our interactions in the 2020 survey.

3.3.3 Guaranteeing the health and safety of the users of our products

3.3.3.1 Applying the RoHS 3 Directive

Soitec complies with Commission Delegated Directive (EU) 2015/863, also known as the Restriction of Hazardous Substances (RoHS 3) Directive, which aims to restrict the use of ten hazardous substances in electrical and electronic equipment to help protect the health of consumers and the planet.

Soitec undertakes to meet the environmental requirements set out in its international customers' general specifications through annual chemical analysis of its end products. These analyses are carried out by an external ISO 17025-certified laboratory and guarantee that the products comply with international regulatory requirements. To ensure that we can meet these requirements, our Group requires its material suppliers to perform annual chemical analyses of their wafers in accordance with our requirements and international regulations, and to undertake to comply with our substance management specifications.

Based on regulations and international standards (IEC 62474), Soitec's Green Partner policy ensures the absence of prohibited, specific or environmentally hazardous substances in its final products, as well as the control of the traceability of our purchases. This policy came from Soitec's inclusion on Sony's supplier panel. Sony sets specific requirements for its suppliers. After verification, it issues them with a Green Partner certificate showing that they comply with those requirements for substances that may have an impact on health or the environment.

A certified Green Partner since 2008, Soitec in turn imposes the same requirements on its suppliers. As such, our Group requires its suppliers of wafers, primary packaging and secondary packaging (i.e., anything shipped to the customer) to ensure that their products comply with the Green Partner policy.

3.3.3.2 Applying the REACH Regulation

The Green Partner policy also extends to compliance with REACH in Europe and with international regulations (TSCA, REACH China, Stockholm Convention, etc.), thereby contributing to the protection of the health of workers, consumers and the planet.

Legislators are placing restrictions on the use of hazardous substances in the workplace and in products. Since coming into force in 2007, Regulation (EC) 1907/2006, or REACH (Registration, Evaluation, Authorisation and restriction of Chemicals), has improved knowledge of chemical risks and resulted in increased restrictions and precautions on use.

Soitec integrates European and international regulations related to chemicals such as REACH, RoHS and CLP into its product development process and its operations, not only to fulfill its obligations, but also to anticipate changes in these regulations.

The HSE Department works with the Occupational Health Department to control the movement of chemicals into facilities via material safety data sheets.

The Company makes hazardous substances regulations an integral part of its daily processes in order to fulfill the disclosure and transparency requirements of REACH, especially with regard to monitoring and controlling Substances of Very High Concern (SVHC) by analyzing production and the items purchased from suppliers.

Decision-making software to check that all new raw materials that may be added to production are not on the list of regulated substances is under development.

3.4 Supporting the transition to a low-carbon economy and preserving the planet

Soitec's industrial activity requires special attention to our production methods. Our Bernin facility is classified as a low-threshold Seveso site because of the risks that our fabs can pose to the environment, employees and local residents. A dedicated organization and an environmental management system are essential to ensure that our production methods are geared towards limiting our impact on climate change, generating as little pollution as possible, reducing water consumption and waste, and encouraging biodiversity.

3.4.1 A certified management system

Environmental issues are managed by the HSE Department and the Infrastructure Department. The HSE Department is divided into three units: environment, safety, and industrial risk. Four engineers and two technicians report to the Corporate HSE manager. The team also provides methodological support to the Pasir Ris facility, where an HSE engineer rolls out and implements policies and procedures.

The Group's Quality, Safety, Health and Environment policy, overseen by Executive Management, was revised at the beginning of 2021 to support growth. It is based on the following principles:

- involvement and empowerment of employees at all levels of the organization;
- adherence to the notion of in-depth customer knowledge to foster customer loyalty;
- trust and performance among our suppliers and partners;
- compliance with legislation, regulations, standards and other requirements;
- risk analysis, management and prevention;
- continuous improvement of performance, cost reduction and quality of life at work.

On the Bernin plant, this policy is broken down into commitments, in particular for the three themes of environment, health and safety, and energy.

Commitments are managed by means of objectives. For the environment, four objectives have been set:

- reduce impacts on climate change and biodiversity;
- prevent environmental impacts;
- optimize the use of water resources;
- guarantee substance sourcing and management.

To promote the environmental commitment, the Bernin plant has set annual targets to help achieve these objectives. Eleven environmental targets have been selected for 2020-2021.

An energy commitment has also been made for the Bernin plant (see section 3.4.1.1 *A long-standing priority, a recent public commitment*).

For the three management systems, environment, energy and safety, the achievement of objectives is periodically reviewed by the operational management and once a year by Executive Management.

For all facilities, the strategy is to have the integrated management system certified to the three standards of ISO 14001, ISO 45001 and ISO 50001. The Bernin facility is already certified, while Pasir Ris is gradually rolling out the various systems: already ISO 14001 certified, the site aims to obtain certification for its safety and energy management systems by the end of 2021, subject to developments in the health crisis.

3.4.2 Climate change and energy SNFP

The impact of climate change is a key concern for many of Soitec's stakeholders: investors are becoming particularly vigilant about issuers' strategies, customers want to involve their suppliers in reducing their own emissions, and employees and future employees are placing greater importance on action taken by their employer. Not taking climate change into account at the right level in the Company's strategy could damage its reputation, with the long-term risk of attracting fewer investors, fewer customers and less talent, thereby undermining Soitec's performance. One of Soitec's key areas of focus is the management of energy consumption, which represents a significant part of the Group's emissions and which, if not controlled, can increase production costs.

3.4.2.1 A long-standing priority, a recent public commitment

Conscious of this risk, our Group has been working to reduce its energy consumption for several years. Receipt of ISO 14001 and ISO 50001 certifications shows that the facilities have taken the issue on board. In January 2021, Soitec announced that it had undertaken to set ambitious medium- and long-term targets for reducing its carbon footprint as part of the Science Based Targets initiative (SBTi).

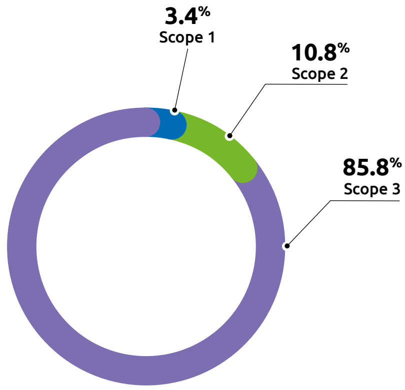
A new assessment of Scopes 1, 2 and 3 greenhouse gas emissions was carried out in early 2021 as the first step in laying down a reduction trajectory based on credible and ambitious targets.

The assessment (which excludes the use phase of products sold) was carried out with the help of a specialized external firm. It showed that the Group's main emissions are indirect, and that they are linked more specifically to purchases of products and services, fixed assets, energy consumption (including electricity), and goods transportation. The process carried out this year confirmed the findings of the previous year's greenhouse gas assessment as regards the identification of the biggest emission items.

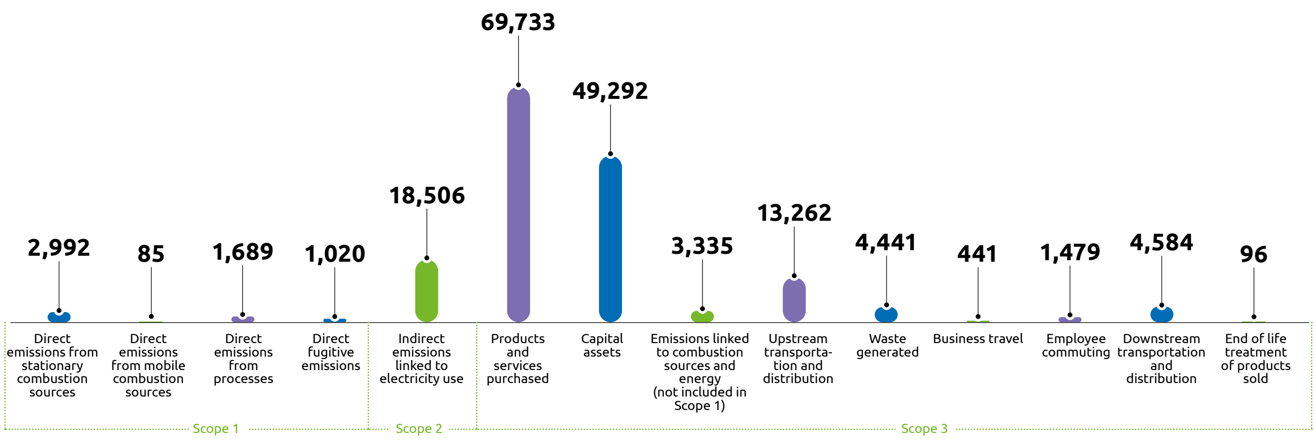
Soitec firmly believes it is possible to cap global warming at 1.5°C by 2050. As part of its undertaking with the SBTi, Soitec now plans to define long-term greenhouse gas emission reduction targets aligned with the most ambitious recognized trajectory, namely global warming of no more than 1.5°C. By adopting this target, Soitec is rallying to the United Nations' call to action, and demonstrating its commitment to being one of the 500 global pioneers able to align themselves with this trajectory. Soitec's commitments will be submitted to the SBTi in the coming months to ensure that they are consistent with this global limit.

However, our Group did not wait for this new public commitment to draw up an energy policy or to take action to reduce energy consumption and greenhouse gas emissions.

› GREENHOUSE GAS EMISSIONS BY SCOPE IN tCO_2 IN 2020



› GREENHOUSE GAS EMISSIONS BY ITEM IN tCO_2 IN 2020

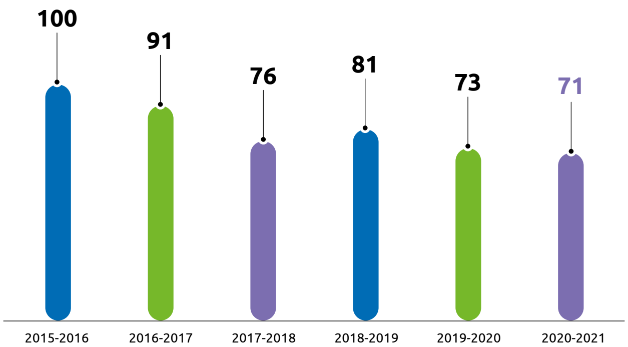


The Quality, Safety, Health and Environment (QSHE) policy reviewed at the end of 2020 contains a commitment in respect of energy and climate change: "Reduce impacts on climate change and biodiversity". At the Bernin plant, a 2021 energy commitment backs up the QSHE policy. It is broken down into three objectives and 12 technical targets for the year:

- Objective 1: maintain and improve the energy management system (EMS). This will involve the training of energy officers, the participation of staff, and the expansion of the scope of the EMS.
- Objective 2: improve the energy performance of the significant energy uses (SEUs [1]). Depending on the equipment, this will involve fine-tuning the measurement of consumption and efficiency, or taking action to improve performance.
- Objective 3: improve facility energy performance. The aim at the Bernin plant is to achieve a permanent reduction in consumption on a like-for-like basis.

Our Group's total energy consumption is 118,150 MWh. The policy's efficiency is demonstrated by a steady reduction in consumption per unit of production. Compared with 2015-2016 (baseline, 100), consumption is down 29%.

› ENERGY CONSUMPTION PER UNIT OF PRODUCTION (normalized compared with the 2015-2016 baseline)



(1) SEUs correspond to equipment that consumes the most energy, as well as that with the greatest energy-saving potential.

Energy consumption per unit of production

down 29%

compared with the 2015-2016 baseline

3.4.2.2 Initiatives for a low-carbon trajectory

A. Reduction of energy consumption

An energy intelligence approach initiated nearly seven years ago at the Bernin plant, laid down in the plan for ISO 50001 certification in 2015, has resulted in a 63% reduction in energy consumption per unit of production in six years. This outcome was rewarded with the Digital Acceleration Grand Prix in the "Impact for Good" category awarded by BFM Business.

Impacts on the environment in general and climate change in particular are taken into account in the plant's development or extension. Our lessor is to build a new office complex for us. Soitec has entered into an agreement with our lessor to ensure that the future building complies with the NF HQE (High Quality Environmental standard) excellent level (level 3 out of 4).

A second warehouse building is also under construction. Covering an area of 1,500 sq.m., it will enable outsourced logistics to be brought partially in-house, thereby avoiding some of the emissions linked to the transportation of goods to outsourced warehouses.

B. Commitment to working for global carbon neutrality

The electricity purchased for the Bernin plant has been carbon-free since January 1, 2021. The facility has signed a specific contract for the purchase of electricity of 100% guaranteed renewable origin in France via hydroelectric farms located in the Rhône-Alpes region.

At the end of fiscal year 2020-2021, our Group began a greenhouse gas emissions offsetting program with Reforest'action. Part of the Bernin plant's Scope 1 emissions are offset by reforestation projects in Guinea-Conakry. This project contributes to achieving the low-carbon trajectory that the Group has set for itself. Its benefits in the fight against climate change are rounded out by related social benefits: some of the trees planted are fruit trees, which are a source of income for local communities, empowering them to manage the forest responsibly and stop deforestation. The communities are also trained by the local NGO, in partnership with agricultural schools. The project's contribution is not confined to the development of local biodiversity through the planting of trees, because it also promotes the development of marine ecosystems through the regeneration of mangroves.

The inter-company travel plan is being revised to limit the increase in road traffic stemming from the increase in the number of employees as part of the project's extension. Priority goes to the cleanest form of mobility between public transport, cycling and carpooling. Increased teleworking, which is favored by a greater number of employees than in the past, should also help keep the increase in travel in check.

3.4.3 Water resources

6 CLEAN WATER AND SANITATION

Our Group consumes water to meet two main needs: human needs (domestic water) and the supply of industrial processes. Domestic water consumption is negligible in comparison with industrial water consumption. Measures taken to reduce water consumption are therefore focused primarily on improving industrial processes.

Water is used to produce ultrapure water, chilled water and hot water, to supply cooling systems, and to abate gaseous emissions through the use of specific equipment.

A consumption control plan has been adopted under the ISO 14001 standard in place on the Bernin and Pasir Ris facilities. After assessing the state of water-consuming equipment, the teams drew up an action plan that is updated annually. Several of the Company's functions are involved in the implementation and monitoring of the resulting measures: process and maintenance engineers, HSE engineers, facilities managers and production teams.

All of Pasir Ris' water consumption is city water, and an ISO 14001-compliant program is in place to reduce consumption.

The Bernin plant accounts for two-thirds of our Group's water consumption, and it is all surface water.

The plant is growing, with extension plans underway. A new cafeteria was opened in fiscal year 2020-2021. Our landlord is to build a new office complex over the next fiscal year, and Soitec plans to lease it to increase our capacity. Work is also underway to increase production capacity. An impact study has been carried out to ensure that the environmental risks potentially posed by new developments are properly managed.

The impact study facilitated dialogue with the community of municipalities on the subject of the facility's water supply. The analysis confirmed that water resources, entirely taken from the Romanche (a local river), are readily available and that their use will not cause any water stress issues or competition with the needs of other industries or the local population.

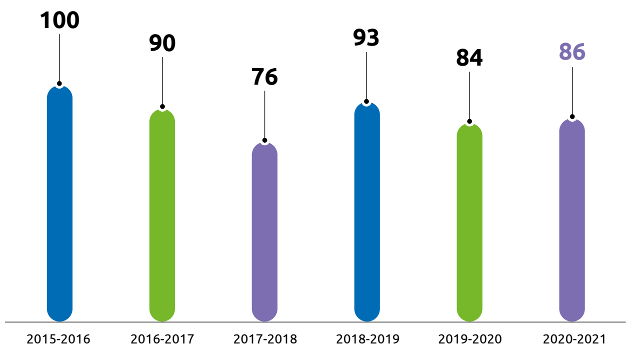
However, the study notes that current water supply networks will eventually be insufficient to carry the quantity of water required to meet the growing needs of the local population and the area's industries, including Soitec. An agreement has been reached with the community of municipalities to increase supply capacity rapidly, allowing all users to benefit from this abundant resource in the region in the future.

To preserve water resources, Soitec is also working actively to reduce its consumption through the implementation of a water reuse plan.

At the Bernin site, the volume of reused water has been constant since 2019, and represents approximately 13% of water consumed. Significant investments are planned to increase the amount of water reused by more than 50% from fiscal year 2022-2023.

Total water consumption in fiscal year 2020-2021 was 1,639 ML.

› WATER CONSUMPTION PER UNIT OF PRODUCTION (normalized compared with the 2015-2016 baseline)



Water consumption per unit of production

down 14%

compared with the 2015-2016 baseline

3.4.4 Reduce pollution and waste

3.4.4.1 Limit air and water pollution

The use of chemicals in our manufacturing processes means that our Group causes gaseous and aqueous emissions.

Air emissions are mainly volatile organic compounds, chlorides, fluorides, ammonia measured at the outlet of gas scrubbers, or boiler discharges, namely nitrogen oxides (NOx) and carbon monoxide.

Equipment has been installed to limit discharges in compliance with the thresholds authorized by the prefectural decree in Bernin and by local regulations in Singapore: acid and basic effluents are collected using extraction networks, and gases are treated in specific scrubbers depending on their type. Pollutants vary depending on the activity, and treatments – either scrubbing or incineration – are adapted accordingly.

Measurements are carried out very regularly by external laboratories to ensure that the thresholds are not exceeded. No excess pollutants were recorded in Singapore. Work is underway to monitor atmospheric emissions from this entity. At Bernin, three breaches were recorded in fiscal year 2020-2021:

- One breach of the ammonia (NH_3) flow threshold (680 g/h versus a limit of 500 g/h): as this breach was a one-off, it had no adverse consequences. The intrinsic technology of some production equipment precludes the routing of basic and acid effluents through separate scrubbers. A few years ago, it was decided to connect this equipment to an acid scrubber. In view of current activity, which is generating a change in the distribution of basic and acid effluents, work has been carried out to connect this equipment to a basic scrubber allowing more efficient treatment of basic effluents without altering the treatment of acid effluents.
- One breach of the hydrogen fluoride (HF) flow threshold (280 g/h versus a limit of 110 g/h) and one breach in concentration (1.5 mg/Nm^3 versus a limit of 1 mg/Nm^3). Neither of these two breaches, also one-offs, had an adverse impact. They were caused by the temporary shutdown of deconcentration treatment by an acid scrubber for maintenance.

Collected water has three origins: domestic, rain and industrial.

Domestic water is collected and conveyed in a facility's own system connected to the municipal domestic wastewater system, from where it is taken to a wastewater treatment plant.

Rainwater from roofs on the Bernin plant is directed to the three storm basins before joining the municipal network or seeping into the ground. Rainwater from parking and traffic areas is filtered by hydrocarbon separators. Rainwater collection systems are monitored annually for hydrocarbon concentration, water temperature and pH.

Effluents from industrial water are recovered and treated on site or neutralized before discharge. The content of pollutants is checked before discharge to ensure compliance with regulatory thresholds. No breaches were observed at the Pasir Ris plant. Two inconsequential breaches were observed in Hasselt: the total authorized concentration was exceeded on a gas burner for which the fresh water nozzle was replaced. In Bernin, 19 benign breaches were measured:

- HF breaches: one breach of the monthly average, five breaches of the daily maximum, and one breach of the maximum daily flow. Corrective actions on the operation of the vacuum evaporator were carried out and a study is underway on the operation of the gas scrubbers;
- N-NH_4 breaches: three breaches of the monthly average, nine breaches of the daily maximum, and one breach of the maximum daily flow. Several retention measures have been taken.

3.4.4.2 Reduce waste

88% of production waste is either liquid hazardous waste (HW) (hydrofluoric acid, ammonia and isopropyl alcohol) or solid hazardous waste (solids soiled with chemicals, batteries, etc.). Non-hazardous waste (NHW) is cardboard, wood, paper, plastic and glass.

Treatment channels for waste are recovery as energy and recycling, as well as material regeneration for hazardous waste. 62% of hazardous waste and 75% of non-hazardous waste is recovered, i.e., 63% of the total waste generated.

A total of 6,515 metric tonnes of waste was produced.

3.4.5 Maintain a healthy and balanced local ecosystem

The Bernin plant is located in a particularly rich environment in the Grésivaudan valley. Management and employees are therefore highly aware of the need to protect the surrounding nature and ecosystems. To that end, Soitec favors partnerships with local NGOs, citizens and scientists.

In October 2020, our Group signed a five-year agreement with the League for the Protection of Birds (*Ligue pour la Protection des Oiseaux* – LPO). The aim is to structure our initiatives in the field of biodiversity over the medium term. The LPO has performed a census of the species present on the site, which will give rise to an action plan for the Bernin plant for the coming five years. At the ceremony sealing the partnership, attended by the president of the community of municipalities and the mayor of Bernin, a "Refuge LPO" plaque was affixed to the entrance of the plant along with the first nesting box. Early measures taken include the adoption of reasoned mowing and pruning. 27% of the plants' 135,000 sq.m. are not watertight. Water can infiltrate into the ground in those areas, encouraging below-ground biodiversity.

Future initiatives are a continuation of those already in place: green spaces at Bernin and Pasir Ris are managed without phytosanitary products, and two beehives installed on the site since 2019 contribute to local pollination. Eight volunteer employees take care of the hives and harvest the honey, which is then shared among employees.

Biodiversity preservation has been a primary criterion in thinking on development projects carried out in recent years. A storm basin in which biodiversity had developed has been left in place to allow it to develop further.

A seed library is available at the Bernin plant to promote seed exchange between employees. Sharing of this type is aimed at promoting biodiversity and offering varieties adapted to the local soil. The fruit and vegetables grown on sites also promote healthy eating. Maksika, an association aimed at protecting bees, people and their habitats, facilitated the project's implementation. There are now plans to modernize the seed library.

3.5 Offering a greater experience to our employees

Our success is based above all on the quality of the men and women who make up our Group. Our growth plans entail a substantial increase in our workforce, and our Group's policy is to pay particular attention to each of our employees so as to retain them and allow them to develop professionally in a pleasant, caring and inclusive work environment. This year, we placed particular emphasis on the diversity and inclusion policy, with the signing of the collective agreement on equality in a gender-based approach integrating the issues of inclusion and equal rights for LGBTQIA+ people. The development of these components of our HR policy reflects the importance of the health and safety of our employees, particularly against the backdrop of a complex health crisis.

3.5.1 Attracting talent SNFP

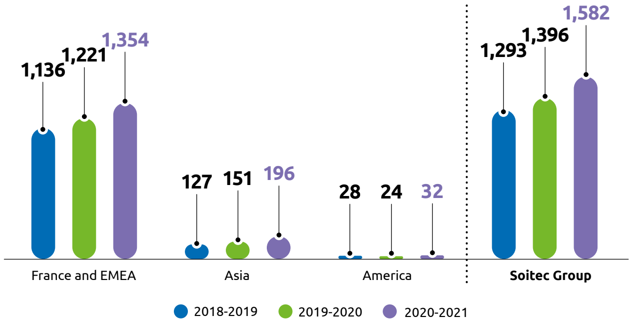
Our Group is anticipating strong growth over the next few years, mirroring current trends. With that in mind, it is vital for us to attract new talent. An inability to attract talent could prevent us from achieving the anticipated growth at the expected pace. Various profiles could be lacking, and that could create deficiencies in terms of innovation (engineers, researchers) or production, potentially hampering industrial operations (operators, technicians), or even in support functions. The ultimate consequence could be a loss of competitiveness.

To mitigate this medium- to long-term risk, our Group is working on its employer brand and its attractiveness, particularly for the Bernin and Pasir Ris plants, where growth prospects are strongest. At the end of 2020, Soitec launched the Elevate program to attract new talent and create jobs. The objective, which was achieved, was to attract around 100 potential employees in the fields of engineering, technology, operations and management for the Bernin headquarters and production facilities. A second phase of Elevate is to be implemented in Singapore, where Soitec currently employs approximately 190 people and is also expanding its production and operations.

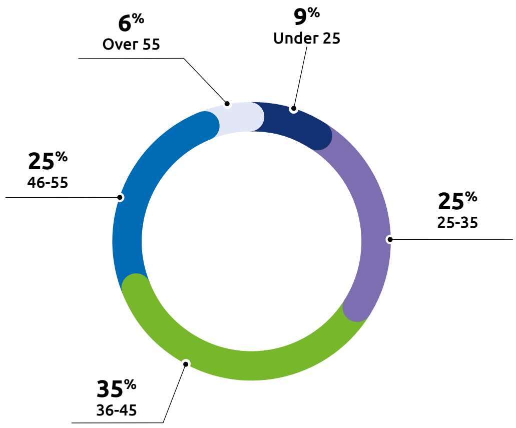
A DSMN8 study places Soitec in the top ten of European semiconductor companies for employee engagement on social networks. Our employees' engagement with their company make them its first ambassadors.

Soitec currently employs 1,752 people worldwide, of which 1,498 in France, nearly a quarter of whom work in innovation and engineering.

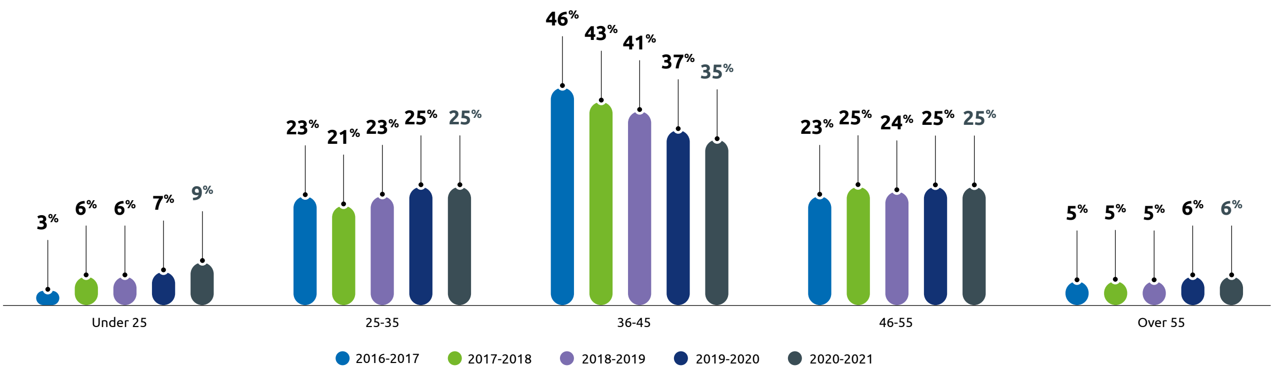
› CHANGE IN THE NUMBER OF EMPLOYEES ON PERMANENT CONTRACTS



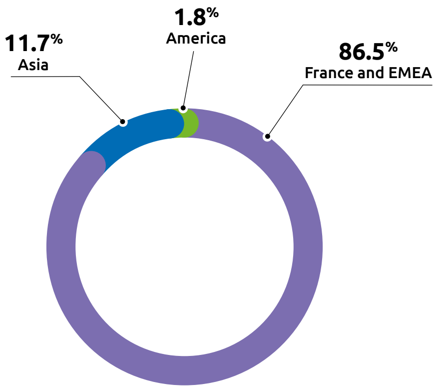
› EMPLOYEE BREAKDOWN BY AGE



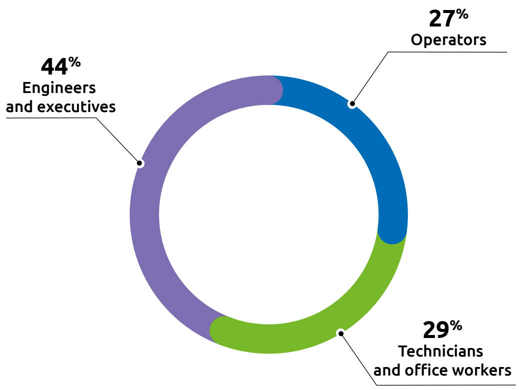
› CHANGE IN BREAKDOWN BY AGE OVER THE PAST 5 YEARS



› EMPLOYEE BREAKDOWN BY GEOGRAPHIC AREA



› EMPLOYEE BREAKDOWN BY SOCIO-PROFESSIONAL CATEGORY



A key factor in the recruitment policy is the goal of ensuring good hiring balance, in order to contribute to the diversity and inclusion strategy sought by our Group. This desire for balance in recruitment aims to make up for an imbalance in the number of women, mainly in technical and managerial positions, due to the traditionally male domination of our high-tech sector.

New hires	444
o/w permanent contracts	*249*
o/w fixed-term contracts	*195*

In France, at the end of 2020, a government stimulus plan was implemented to promote the hiring of young people amid the current health and economic situation. The "one young person, one solution" initiative offers assistance to companies wishing to hire young people aged under 26, on fixed-term or permanent contracts or as apprentices, with additional assistance if they come from priority urban policy areas or are recognized as workers with disabilities. Soitec chose to take part in this effort and hired 26 work-study students and 91 people aged under 26 on permanent and fixed-term contracts over the period of the initiative, from August 1, 2020 to March 31, 2021.

3.5.2 Retaining talent SNFP

Too much turnover can destabilize an organization. It generates a loss of skills that must be made up for by hiring and training replacements. On top of the human aspect and the potential deterioration of the work environment, high turnover can have a financial impact due to a potential drop in productivity or quality during the vacancy and training periods. It can also have an impact on the quality of the relationship with external stakeholders, constantly requiring them to recreate a bond of trust with new employees. The risk is particularly pronounced in a context of strong growth where many recruitments are taking place: it is essential to be able to count on trained and qualified personnel to properly integrate and manage new hires.

Our Group's policy for retaining employees is based on three main pillars: a strong emphasis on quality of life at work, an ambitious compensation and employee shareholding policy, and a determination to offer employees rewarding career paths through internal promotion and training.

The policy proves its effectiveness year after year. The turnover rate [(1)] remains low, with seniority averaging eight years.

Turnover rate

6.9%

Resignation rate

3.86%

(1) Total resignations, dismissals and agreed terminations over the last 12 months divided by the average registered permanent workforce.

3.5.2.1 Create an environment conducive to well-being at work

Quality of life at work is an essential pillar of our Group's social policy and one of the main means of optimizing the quality of work, productivity and employee engagement. Offering a good quality of life at work begins with establishing constructive dialogue to understand the expectations of employees. The organization of work, respect for the work-life balance, recognition (monetary and non-monetary), and quality relations between staff and supervisors and within teams are all components of quality of life at work.

A. Measure to improve together

Since 2018, the quality of life at work has been measured at all facilities at regular intervals. The questionnaire, which is sent to all employees anonymously and drawn up in the aim of promoting good industrial relations, covers autonomy, the quality of relations with management, colleagues, cooperation between departments, the working environment, workload, the work-life balance, and communication.

Due to the health crisis, only two campaigns (as opposed to three in previous years) were conducted during the fiscal year. Soitec Belgium, in Hasselt, Belgium, and the Dolphin Design facilities in France and Canada responded for the first time. Overall, the response rate continues to rise. It reached a very high level of 91% in the year under review, compared with 86% in the previous year, attesting to the support of all staff to the approach.

The overall score improved by 2.9 points despite the difficult situation.

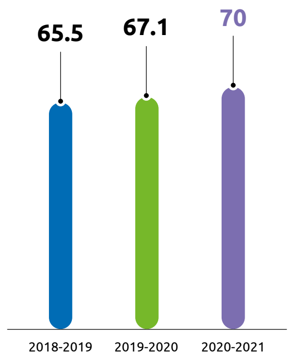
2020-2021 quality of life at work score

70/100

up 2.9 points

versus fiscal year 2019-2020

› **CHANGE IN THE SATISFACTION RATE**



Responses to the questionnaire and their analysis are followed by feedback during sessions led by managers. This provides an opportunity to work together on the implementation of initiatives on the areas where the scores were lowest. Involving employees in building initiatives gives them a share of responsibility in creating a pleasant and fulfilling work environment, both within their teams and across the Group as a whole.

A total of 274 initiatives were identified during the year, and 145 were implemented.

B. QLW tools

Telework is an increasingly popular form of work organization among employees. Not all employees are eligible to work remotely, particularly those in jobs requiring the use of technical equipment. But for those who can and wish to do so, annual amendments to their contract can be organized. Since the widespread implementation of telework during the health crisis, many employees have expressed the wish to continue working from home on a regular basis, significantly increasing the proportion of beneficiaries of this arrangement. As part of the mandatory annual negotiations, it was agreed that our Group would make a financial contribution to provide ergonomic equipment for teleworking employees, to make sure they are comfortable working from home during periods of compulsory telework during lockdown. In the new collective agreement on telework, it has also been proposed that the Soitec ESU contribute to the cost of consumables and electricity.

A commission of the Social and Economic Committee (SEC) is dedicated to the quality of life at work: this Life at Work and Social Relations commission is completely dedicated to the specific issues of life at work. It was created with the express purpose of ensuring the existence of earmarked resources in terms of industrial relations, in addition to the Health, Safety and Working Conditions Commission. It monitors and analyzes the results of the questionnaires and the ensuing initiatives. Its members also take part in analyzing and preventing situations liable to generate psychosocial risk.

3.5.2.2 Employee share ownership

Wage policy is a major pillar in building employee loyalty, and our Group has chosen to pursue a robust and dynamic policy of sharing value with its employees. Making employees shareholders in the Group and sharing the fruit of Soitec's current and future performance is a core commitment of our human resources and employer brand approach. This ambitious strategy was rewarded by the French Federation of Employee and Former Employee Shareholder Associations with its "Grand Prix de l'Actionnariat Salarié" in February 2021, in the category of small and medium-sized companies and start-ups. In April 2021, our Company also received the "Value Sharing Prize" awarded by the Oras Compensation and Benefits Observatory Club for the various existing plans.

In line with the free share and performance share grants approved in March and July 2018, two schemes were set up for employees of our Group during fiscal year 2019-2020: a reserved offer with a discount and leverage, known as Jade 2020 (for Soitec SA, Soitec Lab, Frec|n|sys, Dolphin Design and Soitec Electronics Singapore), and a program of co-investment in preferred shares, whose conversion at term is subject to performance criteria, known as Topaz 2020 (for Soitec S.A., Soitec Lab, Frec|n|sys and Soitec Electronics Singapore).

Jade 2020 allowed 1,053 employees (71% of the eligible group) to invest in Soitec's capital for a period of five years on advantageous terms, with a discount and leverage, guaranteed capital and a minimum return. The offer was implemented within the favorable framework of employee savings plans. In the event of early unwinding, an estimate points to a capital gain of around 1,100% (1) for employees who invested.

In 2020, a supervisory board with voting rights at the Shareholders' General Meeting was established for the Jade program. All shares held as part of the Jade plan accordingly give their holders a say in decisions through votes at the General Meeting: the employee representatives on the Jade supervisory board decide on the vote at the General Meeting.

Topaz, which was launched alongside Jade, is a co-investment plan open to our Group's corporate officers and employees. It was an opportunity to create a new category of preferred shares (PS 2) convertible into ordinary shares subject to the achievement of financial results. Employees who subscribed for the Topaz plan in December 2019 will benefit from the free allocation of preferred shares vesting in three phases from December 2020 to August 2022, subject to their continued presence within the Group.

In 2018, three plans for the free allocation of ordinary shares were established for all employees. Two of the plans were unwound in 2020; the third will be unwound in July 2021. The free shares allocated to employees will vest, and the beneficiaries will be able to sell them. The number of shares to be delivered in July 2021 is subject to performance criteria for the three fiscal years 2018-2019, 2019-2020 and 2020-2021.

In 2020, the Board of Directors approved Opale, a new free performance share plan. This exceptional award to all employees of the Group rewards everyone for their efforts during the difficult months. Its aim is to promote a commitment to objectives of growth, profitability and stock market performance going on to fiscal year 2022-2023.

In addition to these particularly generous employee shareholding plans, various company savings plan mechanisms cover all of the Group's French subsidiaries: 98% of employees benefit from this system in France.

With regard to wages, within the scope of the ESU comprising Soitec and Soitec Lab (i.e., 76% of the Group's workforce), mandatory annual negotiations have resulted in a collective agreement on wage policy with the trade unions in all but one of the past 17 years, reflecting consultation, exchange and significant consideration of employees' expectations. In France, the collective agreement is that of the metal industries, which imposes minimum wage levels that are more favorable to employees than the national minimum, and Soitec's wage policy further exceeds those agreed minimums.

3.5.2.3 Development of skills to prepare for the future

A. Career paths

The development of skills is an essential area allowing our Group to prepare gradually for our strong future growth. It is necessary to understand the needs of tomorrow and to know our current internal skills in order to map out the path to close any potential gaps. While part of the response to our substantial requirements is satisfied through external hiring, internal career paths are an important source of development that reconciles individual aspirations with the Group's ambitions.

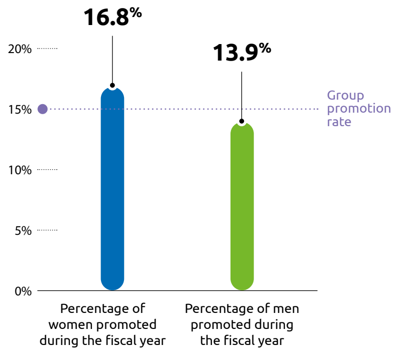
To that end, a Group-wide people review system is in place: once a year, the strengths and areas for improvement of each entity are analyzed. Employees' individual career paths are examined to identify possible career paths for them and their related training needs. This process, carried out on a large part of our Group's workforce, enables us to make informed strategic decisions and prepare a pool of future talent. Individual development paths are drawn up, with associated training plans. The succession plan for the various key positions is updated annually at the same time. The annual review takes place within each department of the Group. The findings are then consolidated at a two-day seminar of the Executive Committee. The main lessons learned and commitments made are presented to the Nomination and Governance Committee of the Board of Directors.

To round out the Group's vision, career development is discussed with employees during individual interviews. Two types of interview are conducted: the annual appraisal, which is an opportunity to review successes and areas for improvement; and the professional interview, during which employees outline their professional aspirations and training needs. During these interviews, managers and employees consider internal promotions and skill development needs through training.

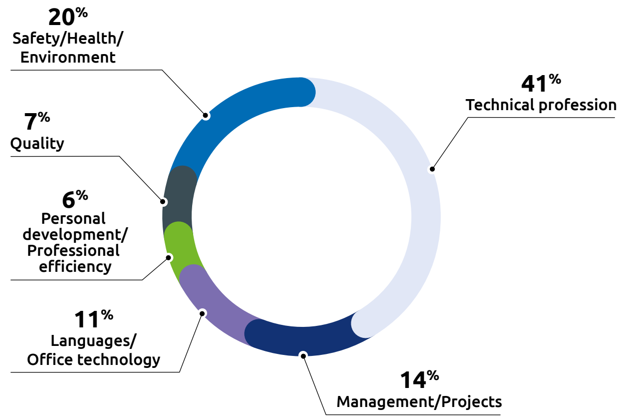
Internal promotions, made possible by the Group's growth, have been an integral part of our human resources policy for several years. Thus, 14.8% of eligible employees were promoted internally during fiscal year 2020-2021, on top of the 10.4% promoted internally the previous year. This concerns nearly 17% of women in the Group, compared with 14% of men. A portion of the payroll is allocated to funding internal promotions, which always come with pay rises. In addition, the rates of bonuses for objectives have been increased to a minimum of 5% of the gross base salary (when objectives are fully met).

(1) Data at March 31, 2021, depending on change in the share price.

› **PROMOTION RATE**



› **TRAINING HOURS, BROKEN DOWN BY TOPIC**



14.8%

of eligible employees were promoted internally in fiscal year 2020-2021

B. Training policy

The training policy is drawn up in accordance with the needs identified during the people reviews and the individual requirements mentioned during appraisals.

91% of employees accordingly completed at least one training course during the year, with an average of 14.7 hours per employee trained.

Due to the health crisis, our Group has focused essentially on critical training, such as safety, technical training and training needed to prepare for the future, such as leadership.

In 2020-2021, a major global program was rolled out to foster leadership. This is necessary because growth ambitions generate heightened complexity, particularly for managers, and it is therefore vital to create a shared managerial culture. The objective is to strengthen the leadership culture at the Group level, to build a network of managers, to align all managers with Soitec's ambitions and to ensure that they can consistently convey the Company's values. Around 100 people, including new managers, took part in the program, which will be continued during the coming year.

In fiscal year 2020-2021, we continued our Training Management program for level 4 operators, in application of a collective agreement. Ten level 4 operators were chosen internally to fill training positions and help operators boost their skills. A customized training program has been created and tested internally to help the new level 4 operators get to grips with their position. All stakeholders have embraced the new program: it has been very positively received by level 4 recruits, training staff and the people they support.

In addition, when an employee wishes to return to university to study and obtain certification or a degree, Soitec, after examining the project, can provide financial support. In such cases, a "development charter" is signed between the employee and Soitec, in order to guarantee promotion and a new position in line with their new skills and qualifications.

3.5.3 Promote diversity and inclusion SNFP

In fiscal year 2020-2021, Soitec signed a pioneering ESU agreement on professional equality in France. Our Company wished to use the collective bargaining mechanism rather than a unilateral commitment, which is less binding, so as to involve the unions in the matter. The agreement's content is innovative, as it aims to address gender issues holistically rather than reducing them to issues of gender equality, while at the same time addressing LGBTQIA+ individuals in a single agreement, as well as the determination to fight against stereotypes and promote inclusion.

While equal access to employment and equal treatment are included in the agreement, it goes even further than either of those aspects. It provides for an alignment of parental rights for same-sex couples: childcare leave in the event of medically assisted reproduction or surrogacy, sick days for children or childcare vouchers for the spouse, etc. The agreement also provides for support for people making the transition to a different gender and for those around them at work, as well as programs to combat sexist behavior and gender stereotypes. The explicit expression of situations and associated rights in a collective agreement contributes to helping the employees concerned identify themselves in order to claim the rights to which they are entitled.

For the fight against sexism, four liaison officers have been appointed: two at management level and two representing employees. They have all been trained in listening skills and are empowered to act, by conducting surveys or interviewing the people concerned, for instance. A procedure for reporting sexist behavior, provided for in the collective agreement, will be circulated among all employees in 2021-2022.

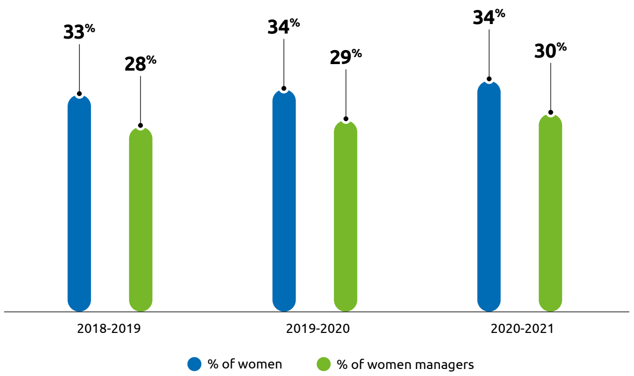
Soitec's Human Resources policy is based on three pillars:

- promoting gender equality;
- recruiting and including employees with disabilities;
- eliminating all forms of discrimination.

3.5.3.1 Promoting gender equality

In a predominantly male industry, one of the Group's priorities is to improve the gender balance. While women make up between 20% and 25% of the workforce in the semiconductor industry [(1)], they accounted for 33.5% of Soitec's headcount in fiscal year 2020-2021. The work done to improve the proportion of women in recruitment is paying off. Awareness raising is one way forward. Soitec has provided women's empowerment training for several years, although sessions could not take place this year due to the health crisis. The topic is also addressed in various training sessions, such as *Leadership* or the *Better collaboration for better working relationships* course.

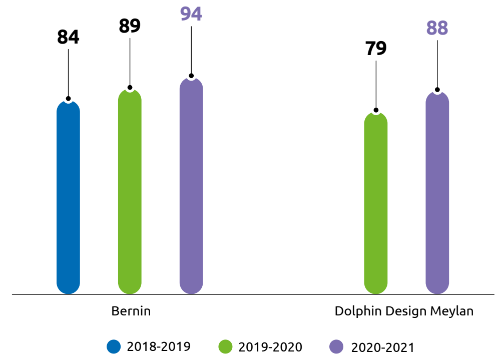
› SHARE OF WOMEN MANAGERS IN THE WORKFORCE



In France, companies are required to report an annual gender equality index consisting of five items. For Bernin, the fiscal year 2020-2021 reading was 94, an improvement on the prior fiscal year (89/100). The component scores highlight virtual equality in the following areas: treatment of men and women in terms of individual pay rises (20/20), treatment between men and women in terms of promotions (15/15), the level of pay for comparable levels of responsibility and age (39/40), and full compliance with the law on pay rises applied upon return from maternity leave (15/15). The major improvement is the promotion of a second woman to the Executive Committee, which brings the score for the representation of women at the highest levels of compensation to 5/10.

The Dolphin Design subsidiary in Meylan also published its second index, with a score of 88/100, an improvement of 9 points on the previous year. Scores on the pay gap (38/40), pay rises (35/35), and non-discrimination upon return from maternity leave (15/15) demonstrate virtually equal treatment. In 2020-2021, the effort focused on equal distribution in individual pay rises. The score of 0/10 for the pay gap reflects the small proportion of women in senior positions in a business sector that is traditionally even more heavily dominated by men than Soitec's.

› GENDER EQUALITY INDEX



One area in addition to the work carried out internally is to develop the vocations of young people – young girls in particular – for scientific and technical professions. To that end, Soitec is a regular participant in the annual Inn.0Tech initiative organized in partnership with the Grenoble Institute of Technology and other microelectronics companies in the region. Each year, two to three groups of 18 girls and 18 boys, some of whom are from high schools in priority education zones, visit the company and learn about jobs in micro- and nanotechnology through talks, activities and workshops. This year's sessions had to be canceled due to the health crisis.

3.5.3.2 Recruiting and including employees with disabilities

The policy in favor of the employment of people with disabilities has proven its effectiveness, with an employment rate of 5.2% at the Bernin plant. This high rate compared with the national average reflects a long-standing commitment, with the first agreement on the subject dating back to 2000.

Employment rate of people with disabilities

5.2%

Several levers are used to promote the employment of people with disabilities: recruitment, job adjustments to maintain employment, and assistance in obtaining recognition of the status of workers with disabilities.

(1) *Source: 2021 Accenture and GSA report, Doubling Women in Semiconductor Leadership.*

Soitec is committed to a range of measures designed to facilitate recruitment: with its partner Ohé Prométhée Isère, our Company calls on the services of Plateforme Alternance Handicap (PAH), which gives people with disabilities easier access to partner companies to find a work-study contract. Within this framework, a young person has been on a work-study program at Soitec since 2019.

Maintaining people in employment is helped by a proactive policy of adapting workstations: the best possible workstation ergonomics are sought – through the purchase of equipment adapted to the disability for example – and facilities are made more accessible overall by fitting out the premises.

3.5.3.3 Eliminating all forms of discrimination.

The fight against discrimination, whatever the source, is one of the fundamentals of living harmoniously together, a value our Group holds very dear. Teamwork, which is omnipresent at Soitec, requires a collective spirit and an openness to others. To promote these behaviors, our Company has created a *Better collaboration for better working relationships* training module to promote a caring attitude, constructive feedback between colleagues and inclusiveness. This training is intended for production operators, logistics agents and their managers. After a pilot session for 32 people in the previous fiscal year, the program has been put on hold until health conditions are again favorable. In this module, the aim is for trainees to be supported so as to create a shared space for constructive collaboration within their team and across the board. Ultimately, they will create a collaboration charter on the values and behaviors that form the basis of the cooperative spirit at Soitec.

There is a risk of discrimination in the recruitment process. An e-learning program has been created for managers to eliminate possible conscious or unconscious bias during the recruitment process. It addresses the fair treatment of applications, the proper conduct of interviews and the integration of future employees.

The Dolphin Design subsidiary is a member of the club of 100 inclusive companies in the Isère *département*, a grouping of local companies that carries out initiatives in favor of inclusion, including internships for young people from priority neighborhoods, assistance in preparing professional documents, and recruitment interviews.

3.5.4 Maintain excellent industrial relations

3.5.4.1 Organization of industrial relations

Industrial relations are regulated in France. Soitec S.A., Soitec Lab, Frec|n|sys and Dolphin Design have representatives elected by the employees. At the level of the ESU, which covers 76% of the workforce, an ambitious agreement unanimously signed by the trade unions in 2019 has provided for increased resources for industrial relations, with 42 elected representatives allowed a number of hours above the regulatory minimum to fulfill their duties. Seven specialized commissions have been formed:

- an economic commission;
- a training commission;
- a social protection and save-as-you-earn scheme commission;
- a gender equality commission;
- a social and housing commission;
- a Health, Safety and Working Conditions Committee (CSSCT);
- a Life at Work and Industrial Relations (VTRS) commission.

In 2021, a director representing employees was appointed by the two most representative trade unions on the French scope (CGT and CFE-CGC), pursuant to a resolution passed by the Shareholders' General Meeting. Their seats on the Board of Directors with voting rights allow employees to have their voice heard in the work of the Board and to influence its decisions. In addition, two members of the ESU's Social and Economic Committee are authorized to take part in Board meetings in an advisory capacity.

3.5.4.2 Outcomes of collective agreements SNFP

Our Company favors the collective bargaining mechanism for many defining issues for the lives of employees. 86% of Group employees are covered by collective agreements. Since Soitec was founded 30 years ago, 28 annual wage agreements have been signed. This year, the mandatory annual negotiations on wages once again resulted in an agreement signed unanimously by the three representative unions.

Profit-sharing and incentive agreements have been in place for many years; the most recent ones were signed in 2019 and expire in 2022. The terms of the two agreements are identical and provide for half of the sums allocated to be distributed in proportion to employees' presence during the fiscal year and half in proportion to their base salary, thereby favoring those with the lowest salaries in the distribution.

The amount of the ESU incentive agreement can reach a maximum of 15% of the total payroll and is indexed on three criteria: the Company's financial results (EBITDA margin), quality (measured in ppm), and quality of life at work (number of practical measures implemented in the field).

The Dolphin Design subsidiary has its own incentive agreement, based on EBIT and sales. The distribution formula, based on the proportion of 50% on the criterion of continued employment, favors the lowest pay grades.

Lastly, a highly innovative professional equality agreement has been signed. It focuses on combating gender stereotypes and assignments as the root of inequalities and ensures equal treatment and non-discrimination for LGBTQIA+ people.

A total of 35 collective agreements are in force within the Group, six of which were signed in fiscal year 2020-2021.

3.5.5 Ensure the health and safety of employees SNFP

Taking employees into account starts with ensuring their health and safety. There are obviously risks in an industrial activity such as Soitec's. They are mapped out in the single occupational hazard identification document, which is mandatory in France and required for ISO 45001 certification. Each year, the risks, their level of control and the associated action plans are reviewed to take into account changes and update the means of control. There are two types of risks in our Group. First, employees are individually exposed to risks such as accidents, occupational diseases and psychosocial risks. Second, industrial risks are associated with our activity. They are mainly attributable to the materials and processes used and give the Bernin plant the status of facilities classified for environmental protection (ICPE), or more specifically that of low-threshold Seveso. In addition to the human aspect, mismanagement by Soitec of its health and safety risks could have an impact on the Group's reputation and its attractiveness for prospective employees, particularly for industrial positions. Large customers, whose supply chains are scrutinized closely, may become less inclined to work with Soitec.

To provide the highest level of protection to the men and women on our facilities, whether employees or contractors, Soitec works constantly to improve risk prevention. Through its Quality, Safety, Health and Environment policy, which is overseen by senior management and updated each year, Soitec is committed to making a difference in four areas:

- develop a safety culture and strive for "Zero Accidents";
- prevent occupational diseases;
- reduce risks at workstations;
- prevent industrial risks and major crises.

These objectives are broken down into annual targets for each plant. For 2021, the Bernin plant has set 12 targets.

3.5.5.1 A dedicated organization and a robust management system

A dedicated organization has been set up to achieve the overall objectives set in the policy and the local targets: an HSE Department within the Human Resources and Sustainable Development Department, an autonomous occupational health service, and specific commissions within the Social and Economic Committee of the Bernin ESU are central to the system, which also involves Executive Management, site management and employee representative bodies.

At the Bernin plant, increased resources have been allocated to industrial relations in this area: two dedicated commissions within the Social and Economic Committee are tasked with overseeing risk prevention and quality of life at work. The Life at Work and Industrial Relations (VTRS) commission deals with psychosocial risks and quality of life at work. The Health, Safety and Working Conditions Committee (CSSCT) focuses on safety in the workplace and industrial safety: its six members are tasked with investigating accidents in the workplace, analyzing occupational hazards, monitoring safety indicators, conducting quarterly inspections on health, safety and working conditions, and proposing preventive measures.

The Bernin plant's receipt of ISO 45001 certification and the forthcoming certification of the Pasir Ris site confirm the robustness of the health and safety management system in place.

3.5.5.2 Proven effectiveness

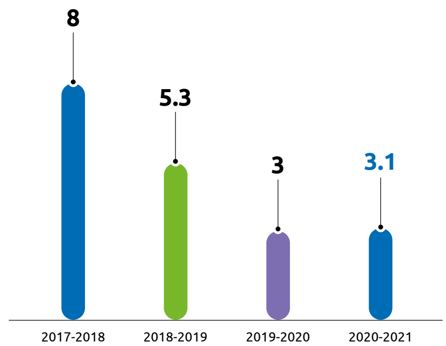
A. Frequency and severity rates

There can be no concessions when it comes to health and safety. The goal is to achieve excellence, with the aim of zero accidents. The key indicator demonstrating our Group's performance in this area is the lost time injury frequency rate (FR1 [1]). This indicator, in particular its change, is a criterion taken into account in the variable part of managers' compensation.

Frequency rate (FR1)

3.1

› CHANGE IN THE FREQUENCY RATE OF WORKPLACE ACCIDENTS



The overall trend is positive, and the efforts made to create a robust safety culture are paying off at all facilities. In Bernin, for example, FR1 is 4, well below the sector average (16.6 in the metal industries in 2019 [2]).

The severity rate is also an important indicator. It improved to 0.03 from 0.05 last year, mainly due to its improvement at Bernin. It remains well below the industry average (0.3 in 2018).

The frequency and severity rates are monitored monthly, and the frequency rate is reported to all employees with the same regularity. Reporting these numbers is a powerful way of raising awareness and reminding people that incidents can happen at any time.

(1) *FR1: number of workplace accidents resulting in more than one day's absence from work per million hours worked.*
(2) *2019 summary of workplace accidents and occupational diseases.*

The absenteeism rate [(1)] is low, with a reading of 4.3%, despite a spike in March 2021 due to the pandemic and the lockdown conditions, which in France provided for childcare leave to be covered by work leave.

B. Fine-tuned management of accidents, incidents and near misses

Tracking actual accidents is not enough to achieve excellence: our Group has also long had the reporting systems necessary to identify near misses. This gives employees the tools needed to report problems or suggest improvements. These systems are effective in identifying, analyzing and dealing with dangerous situations before an incident or accident occurs: preventive measures or improvements in working conditions can then be implemented.

When a significant accident or near miss occurs despite preventive measures, a systematic analysis is carried out using the 8D methodology and root cause analysis, in a working group comprising representatives of the CSSCT, the occupational health team and the HSE Department, in the presence of the victim if possible. Feedback, including possible areas for improvement, is provided to all employees via the monthly Safe newsletter devoted to health and safety. For external companies working on site, an analysis of the causes is systematically requested from the company concerned. Whenever a significant near miss or accident occurs, a report is made to a working group comprising the head of the external company, the customer, the HSE department and a member of the CSSCT.

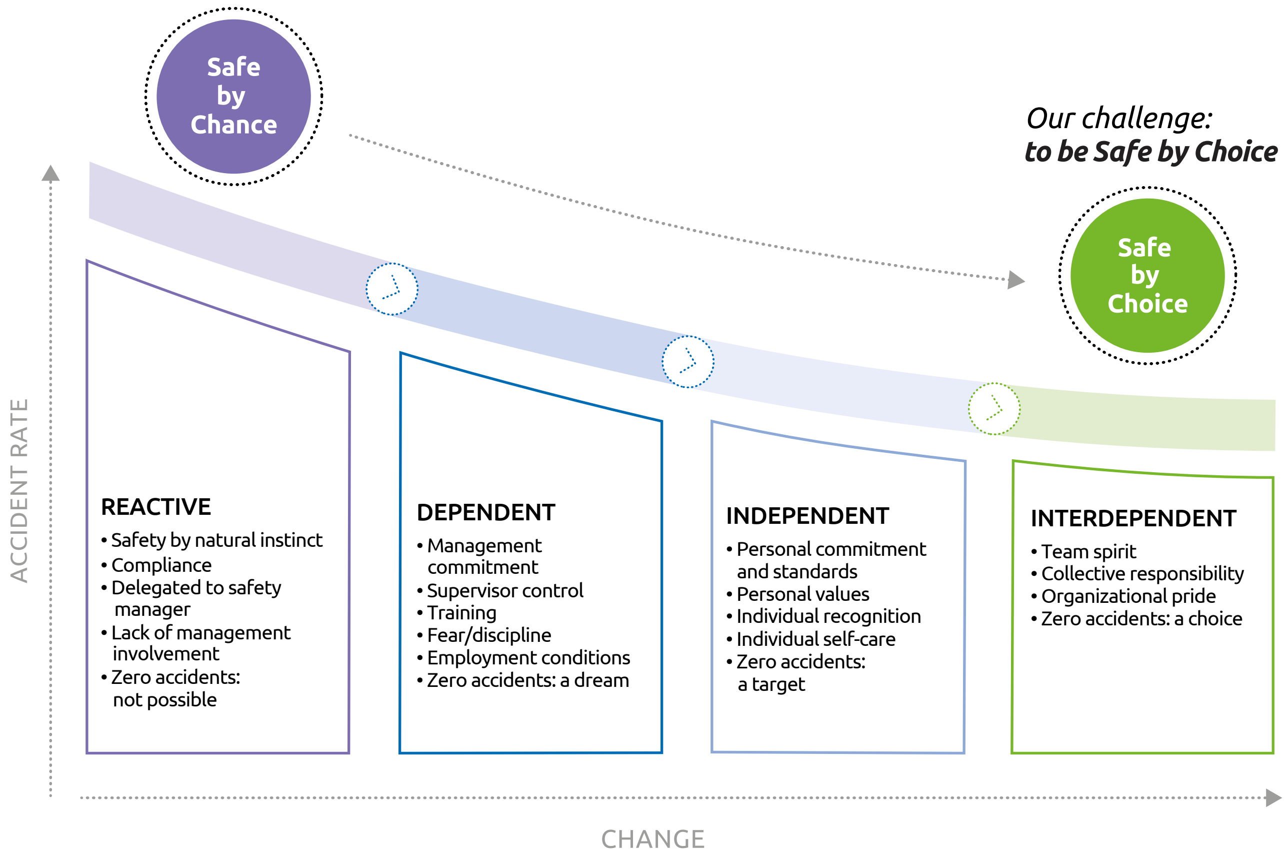
A three-year analysis of accidents and ensuing medical treatment conducted at Bernin in December 2019 showed that most accidents and medical treatment are linked to individual issues, ergonomics, risk identification or other human factors. The study was used to prepare the prevention program for the past year.

3.5.5.3 The Safe safety management program

The Safe program, introduced in 2007, aims to transform behavior through cultural change. The Bradley curve is a reference tool used to show the various stages in developing a mature safety culture with deep roots within the company.

The Safe program has three stages: an audit to assess the level of maturity, an analysis and consultation phase to draw up an action plan, and the implementation of the actions it contains. At Pasir Ris, the program began with an audit in 2019. The ensuing action plan was implemented over the subsequent two years. Bernin carried out an audit this year, by means of anonymous focus groups bringing together 180 people. An assessment of the level of safety culture has been performed; it served to identify areas for improvement and to draft an action plan to be implemented over the coming two years.

Audits have shown the current level to be that of independence. Soitec's teams aim to reach the level of interdependence where everyone feels responsible for safety with and for others.



(1) *Rate of absenteeism due to illness, occupational illness and part-time work for medical reasons.*

3.5.5.4 Promote employee engagement

Human behavior is one of the leading causes of accidents. Creating a collective spirit, raising awareness and positively influencing behavior are the foundations of a robust safety culture and a successful trajectory towards zero accidents. A human resources information system was implemented in fiscal year 2020-2021. It facilitates and automates the management of training courses, particularly on health and safety aspects. The results of the audit confirmed that training is a key tool. The training program will accordingly be strengthened in 2021-2022, particularly for managers.

During the year, health, safety and environmental training accounted for 20.5% of training hours, or 4,977 hours.

A. Developing a culture of mutual aid

The *Better collaboration for better working relationships* program, presented earlier in section 3.5.1.3, is geared towards fostering goodwill and the ability to give feedback and develop team spirit. These skills are essential to move from the independence level to the interdependence level of the Bradley curve. In view of the health crisis, only six of the 26 sessions planned could take place. The program will continue as soon as it is safe to bring people together in person.

B. Raising awareness

Safe training sessions are given to employees and managers to develop the ability to observe and identify good practices and situations of risk. A total of 75 new employees were trained in fiscal year 2020-2021. The training equips managers to conduct safety tours in their departments, during which they discuss their observations with their colleagues. A total of 763 safety tours took place during the year.

C. Training

Most human error leading to accidents is attributable to experienced professionals in the performance of repetitive tasks. Raising awareness among employees about the possibility of human error is one of the primary ways of improving reliability. To address that possibility, some training courses aim to teach employees six practices so that they can optimize their cognitive resources, be less stressed during work, take a step back to reassess the notion of urgency, do it right the first time and be sure of it, and be less tired after work. This approach has been successfully adopted thanks to the training of teams by internal liaison officers.

3.5.5.5 Workstation ergonomics

Accidents are not the only risks to which employees are exposed. Occupational diseases, especially musculoskeletal disorders, can be a major consequence of repetitive tasks. To reduce the risk, it is necessary to analyze workstations and implement preventive actions. Workstations are evaluated using methodologies that have been fine-tuned and validated by the occupational physician and Carsat: smartsuits allow the constraints undergone by the worker's body in the clean room to be visualized in real time. The areas of the body subject to particular stress are identified, and preventive actions can then be prioritized on those areas.

A working group created to work on the automation of certain manual tasks has collected the needs of the production, maintenance and facilities departments, and launched projects offering compelling prospective gains. These projects were completed during the year, with positive outcomes in terms of both safety and productivity.

Number of occupational diseases reported: 2.

Number of occupational diseases acknowledged: 1.

3.5.5.6 Prevention of major industrial risks

On high-risk industrial sites such as Soitec's, organizations are in place to respond to emergency situations and disasters. Emergency drills are conducted to test those organizations, and especially the effectiveness of the processes and collaboration with external emergency services. These real-life drills are essential in ensuring that processes and behaviors are working properly. They were maintained during fiscal year 2020-2021. The planned extension will require the existing organizations to be reviewed and adapted to the new infrastructure.

Some employees at Bernin and Pasir Ris belong to on-call safety teams to manage emergencies at any time. Individuals identified to join these teams are trained. They take part in emergency drills to maintain their level of efficiency and responsiveness. The teams are reinforced regularly, and will be further reinforced with the extension of the Bernin plant.

3.5.6 Management of the health crisis over the long term SNFP

The pandemic forced our Group to adapt constantly over the past year. The successive waves of the pandemic were all periods of heightened risk. Our activity requires a large proportion of employees to be physically present on site, including all production and R&D personnel. On-site infection resulting in a local cluster could have serious consequences for the health of infected employees and any contractors working on site. In addition, our Group could be forced to shut down its on-site activity almost without notice, disrupting our customers' supply chains and putting stress on their production. The impact could have repercussions throughout the value chain, with significant financial consequences and the risk of damaging our Group's reputation.

Through its presence in Asia and a strong understanding of the seriousness of the situation right from the onset of the crisis, our Group reacted very promptly. The business continuity plan was quickly activated. Since then, measures have evolved constantly as new information has emerged and the government rules applicable in each of its entities have changed. During periods of lockdown, operations were able to continue without interruption thanks to the measures implemented by Soitec to ensure business continuity and maintain our very demanding health requirements. For instance, the Pasir Ris plant organized housing for its cross-border employees during the many months the border was closed. Soitec contributed to the cost of accommodation for its employees in hotels/motels throughout the period.

Crisis management operations continued into the summer, and some of their features have remained in place. For example, health units continue to meet on a weekly basis. Monitoring of cases and measurement of the incidence rate at the various facilities continues on the basis of employee declarations. The health units bring together occupational medicine, employee representatives, site management, HSE services, and the Facilities, Communication and HR departments on a weekly basis. Their role is to analyze regulatory developments and the number of cases on site, to propose useful adjustments of health measures, and to issue internal communication targeting employees. A coordination unit covering the various facilities also continues to operate.

In addition to these units, the issue of pandemic management is addressed by the Social and Economic Committees, particularly during Health, Safety and Working Conditions Committee (CSSCT) meetings. One of the members of the CSSCT also belongs to the health crisis unit.

The Group's employees are all now accustomed to the specific new operating methods and the strict health measures. The overall level of control is very good, and efforts have not slackened. The Bernin plant was one of the very first sites in France to offer on-site antigenic testing for staff. A test campaign, part of a broader initiative by the Auvergne-Rhône-Alpes regional authority, was offered in the run-up to the end-of-year vacation period to reassure employees preparing to spend the holidays with their families. A very large number of employees volunteered for testing. The occupational health unit is participating in the vaccination campaign, in accordance with the governmental eligibility calendar.

Furlough arrangements have been adopted on a case-by-case basis for employees who cannot work from home and have personal organizational issues that prevent them from coming to the site. The quality of Soitec's organization resulted in a very moderate call on this system.

Average number of days of furlough per employee over the year

11 days

for 72 employees, or less than 0.5% of the total number of hours worked

The health crisis has also had an impact on relationships with other stakeholders. The number of face-to-face meetings has fallen, resulting in a surge in online exchanges but prompting fears of a possible dampening of the dynamic. However, our Group has succeeded in maintaining close partnerships and relationships with its customers and suppliers. Communication has been strengthened, and face-to-face meetings have been replaced by virtual exchanges. Soitec has demonstrated its flexibility and resilience in supporting its customers. The context has generated a sharp increase in the need for connectivity for businesses and individuals, with the need to forge links at a distance and to be comfortable at home. The combination of the work- and learn-at-home economy and the launch of new applications such as 5G wireless communications have spurred a significant increase in demand, which Soitec was ready to meet by significantly increasing fab production.

3.6 Being a role model in our business and relationships

Since 2012, our Group has been committed to complying with the Code of Conduct of the Responsible Business Alliance (RBA), with which Soitec has partnered. Its purpose is to support the rights and well-being of workers and communities around the world affected by global supply chain issues. Soitec is committed to the following RBA principles: respect for the workforce (human rights, prohibition of forced labor and child labor, compliance with regulations on working hours, wages and benefits, ethical treatment, freedom of association, and the fight against discrimination and harassment), respect for health and safety, the environment and ethical business practices.

Soitec completes the RBA self-assessment questionnaire annually, both at Group level and at the Bernin plant. For the past three years, we have scored above 95% on both of those scopes. The Pasir Ris plant is to respond individually for the first time in fiscal year 2021-2022.

3.6.1 Fighting corruption and tax evasion SNFP

16 PEACE, JUSTICE AND STRONG INSTITUTIONS
17 PARTNERSHIPS FOR THE GOALS

Any company operating internationally is faced with ethical risks ranging from corruption and fraud to conflicts of interest and anti-competitive practices. Such risks are generally attributable to single individuals, but can have a significant impact on the company: legal proceedings resulting in fines, the liability of managers and convictions, loss of trust among stakeholders such as customers and partners, and potential repercussions on operations (reduced order intake, breakdown of partnerships, etc.).

3.6.1.1 Code of Good Conduct

To minimize the risk, our Group adopted a Code of Good Conduct in 2013. It governs all behavior and must be adhered to by all. Since the implementation in 2017 of France's Law on Transparency, the Fight against Corruption and the Modernization of Economic Life, known as "Sapin 2", Soitec has reviewed its anti-corruption arsenal. All members of the Executive Committee were involved in that review.

The Code of Good Conduct, revised in 2018 to incorporate the provisions of the Sapin 2 law and signed by the Chief Executive Officer, is available in French and English, our Group's two main working languages. It sets out for everyone:

- Soitec's values;
- the absolute necessity of ensuring the security of information and assets;
- the rules to be followed in relationships with third parties, in compliance with the principles of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, and the 2009 OECD Recommendation for Further Combating Bribery of Foreign Public Officials in International Business Transactions, namely fair competition, ethics and fundamental principles, product quality and safety, responsible and transparent communication, prohibition of conflicts of interest, bribery, influence peddling, money laundering and insider trading;
- the provision of an internal whistleblowing system, also open to service providers working on site;

- commitments made to employees and stakeholders regarding respect for human rights, the UN Conventions on the Rights of the Child and the fundamental conventions of the International Labour Organization (prohibition of forced labor, child labor and discrimination, upholding of freedom of association), as well as in matters of health and safety, career development, promotion of diversity and inclusion, and respect for the environment;
- commitments required of suppliers in respect of the traceability of so-called conflict minerals and as regards environmental protection.

Our Group has zero tolerance for violations of our ethical rules. In addition, Soitec's Code of Good Conduct prohibits political donations, whether to a party, a candidate or a committee, in any country.

3.6.1.2 Measures and procedures for ethical business management

Distributed and presented to all new arrivals, the Code of Good Conduct is comes with a dedicated e-learning module to ensure that it is fully grasped and flawlessly implemented by all employees.

65%

of employees have completed the e-learning module on the Code of Good Conduct

In addition, a specific e-learning course on anti-corruption is provided for the people most at risk: members of the Executive Committee, and the sales, purchasing, finance and legal departments.

Other forms of awareness-raising and training are being considered to round out and reinforce the e-learning system.

In association with the Code of Good Conduct and the training systems (e-learning courses), the other measures required under the Sapin 2 law have been created and are being rolled out gradually:

- corruption risk mapping;
- procedures for assessing the status of customers, first-tier suppliers and intermediaries;
- internal or external accounting control procedures designed to ensure that books, records and accounts are not used to conceal corruption or influence peddling;
- disciplinary system allowing the Company's employees to be sanctioned for violations of its Code of Good Conduct;
- internal whistleblowing system: this system allows any employee or external service provider witnessing situations contrary to the Code of Good Conduct or to regulations in force in terms of fraud, corruption or influence peddling to file an anonymous report. There is a dedicated email address. Reports go to the Group General Counsel and the Group Head of Human Resources and Sustainable Development. When the system was set up, it was presented to the employee representative bodies and a communication campaign was conducted for all employees. No reports were issued through this channel during the year. The applicable legal provisions protect people blowing the whistle in good faith.

All of these measures apply to employees of our Group and its subsidiaries. However, the 80%-owned subsidiary Dolphin Design has its own Code of Conduct, the content of which is consistent with the Soitec Code, and its own internal whistleblowing system.

3.6.1.3 Fighting corruption and tax evasion

With operations in several countries, our Group is committed to complying with tax regulations in each location: our entities declare and pay their taxes in accordance with their local obligations and the taxes due.

Executive Management expects entities to cooperate and work transparently with the tax authorities in the event of a request for documents or a tax audit.

Intra-Group transactions are governed by a transfer pricing policy. It is based on the recommendations of the OECD and in particular on the arm's length principle. The policy covers all intra-Group transactions. A comparative study of the pricing of intra-Group transactions worldwide ensures the consistency of the practices implemented.

3.6.1.4 Authorized Economic Operator (AEO) status

Since 2008, Soitec has been involved in a collaborative approach with French Customs. It resulted in Soitec obtaining Authorized Economic Operator status in 2016, making it one of the first French companies certified. Renewed every three years, AEO status allows our Group to be recognized as a safe and reliable company that has taken the necessary steps to simplify customs procedures and ensure the safety and security of information with a view to enhancing the security of the international supply chain. Full AEO status (i.e., covering both the security and safety of information), renewed at the beginning of 2021, allows our Group to benefit from accelerated customs clearance procedures and streamlined controls: this speeds up the logistics process and makes exchanges smoother and more secure.

3.

3.6.2 Responsible supply chain SNFP

3.6.2.1 The Supplier Quality Policy

Our Group's business requires significant purchases of raw materials for the manufacture of our products, particularly silicon and chemicals. Suppliers are classified according to their criticality in the supply chain: suppliers of raw materials used in the manufacture of products are classified as "strategic". Failure of one of our suppliers could have a significant impact on our Group. Other than supply failures attributable to shortages of raw materials, a violation of human rights or the fundamental conventions of the International Labour Organization, or issues relating to major pollution or ethics – such as corruption or fraud – could result in a liability claim against our Group or a loss of trust on the part of customers, severely damaging our image or our reputation. In addition, our Group uses lithium tantalate, a derivative of tantalum, the supply of which can sometimes fund conflicts.

To prevent, avoid and reduce these risks, our Group has implemented a Supplier Quality Policy setting out the requirements it imposes on its suppliers in respect of quality and ethics (especially the fight against corruption), as well as corporate, environmental and social practices. We also have a Conflict Minerals Policy.

The Supplier Quality Policy applies to all of the Group's suppliers, regardless of the entity or geographical area. The supplier must sign the document to join our supplier panel. In this document, the supplier undertakes to comply with all regulatory requirements concerning products (REACH, RoHS, Green Partner, CE, UL, etc.), health, safety, environmental protection and business ethics, as well as human rights, the fundamental conventions of the International Labour Organization and the OECD guidelines (especially in the field of sustainable development). In particular, suppliers are required to comply with Soitec's Code of Good Conduct described in section 3.6.1.1 and the RBA Code of Conduct. Suppliers are strongly encouraged to obtain ISO 45001 (formerly OHSAS 18001), ISO 14001 and ISO 50001 certifications for health and safety, environmental and energy management systems respectively.

They must also pledge to require compliance with the same principles by their subcontractors and any person under their control.

Additionally, a detailed questionnaire is sent to some of our suppliers. It includes questions relating to the fight against corruption, enabling our Group to map and control this risk more precisely.

86%

of strategic suppliers (representing more than 80% of purchases) have signed the Supplier Quality Policy, including all raw material suppliers

3.6.2.2 Supplier evaluation

Twice a year, raw material suppliers are asked to complete Supplier Performance Review (SPR) questionnaire scorecards that allow Soitec to measure their performance on quality, supply, technology and purchasing policy criteria. In fiscal year 2020-2021, consideration was given to adding questions concerning social, environmental, responsible purchasing, and health and safety practices. The new scorecard model is due to enter a test phase at the beginning of fiscal year 2021-2022, after which it will be rolled out gradually.

Purchasers have been trained on the new version of the scorecard: its objectives, its procedures and its implementation among suppliers.

At the same time, compliance with our Supplier Quality Policy is verified through audits and during any interaction with the supplier. For example, in the event of a quality complaint, we check that the supplier is compliant with its undertakings in terms of responsiveness and a formal approach.

Ethical risks are assessed as part of the system implemented to meet the requirements of the Sapin 2 law. An external service provider registers the third parties on a platform and performs detailed analyses of each of them, taking the supplier's activity and country into account. The rating takes into account the Corruption Perceptions Index of NGO Transparency International and the Coface ratings for the financial aspect. In the event of a problem identified in a detailed report, the Legal Department may need to reinforce measures regarding the supplier, such as through clauses in contracts or specific questionnaires to vet the measures implemented by the supplier.

3.6.2.3 Management of conflict minerals

The use of tantalum, gold, tungsten and tin is regulated by the EU Conflict Minerals Regulation (2017/821) and by the Dodd-Franck Act in the United States. The purpose of these regulations is to require companies in the supply chain to ensure that their imports of these minerals and metals are obtained exclusively from responsible sources and are not conflict related. Lithium tantalate, a derivative of tantalum that our Company uses, is covered by these regulations. Soitec enforces them strictly, and refuses to work with suppliers that cannot guarantee compliance. Our Group's commitment to the RBA Code of Conduct requires it to adopt a policy and conduct due diligence on the sourcing and traceability of tantalum, particularly in the products we manufacture, so as to be reasonably sure that sourcing is conducted in a manner consistent with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, or a recognized equivalent due diligence framework. To that end, a process of compliance with the regulation on minerals from conflict zones has been implemented as part of the chemical products management system. Suppliers are specifically included in the Green Partner approach. In particular, they are required to report using the Conflict Mineral Reporting Template (CMRT) developed by the Responsible Minerals Initiative (founded in 2008 by members of the Responsible Business Alliance and the Global e-Sustainability Initiative). The purpose of this report is to facilitate the circulation of information throughout the supply chain as regards the country of origin of minerals, and the smelters and refineries used. This ensures the traceability of these materials.

3.6.3 Cybersecurity and data protection SNFP

17 PARTNERSHIPS FOR THE GOALS

High-tech companies like Soitec face significant risks in terms of the security, safety and protection of information, ranging from the theft or loss of confidential or sensitive data to computer attacks and the capture of sensitive information for unauthorized use or attempted fraud. Cyber risks of this nature used to be confined to industrial espionage and data hacking, but now cover a broader range of cybercrime including malicious acts and ransomware. In addition to damaging our Group's reputation and image, they could result in the circulation of confidential data and the spread of our know-how, or to major dysfunctions potentially resulting in the shutdown of operations.

Risk mapping is updated several times a year to ensure that the policies and procedures in place properly cover all risks, which change rapidly in this area.

An information systems security policy sets out the basic rules for identifying digital security issues and dealing with the associated risks, and specifies the roles and responsibilities in this area. For example, it lays down rules governing the management of physical and computer access, the password policy and other aspects. This policy, which dates back over ten years and is revised annually, is overseen by the Data Security and Protection Officer, under the supervision of a member of the Executive Committee.

It is constructed and updated in accordance with the recommendations of the French government information systems security agency (*Agence Nationale de la Sécurité des Systèmes d'Information* – ANSSI) and the requirements of international standard ISO 27001 as well as the protection of the national scientific and technical potential (PPST) defined by the National Defense and Security Directorate (*Secrétariat Général de la Défense et de la Sécurité Nationale* – SGDSN).

An independent third party, accredited by ANSSI, audited the policy and all tools, organizations and procedures in 2018. Its work gave rise to a list of recommendations that our Group is currently implementing. The Data Security and Protection Department has managed a significant investment program to roll out tools certified by ANSSI. Numerous indicators are monitored to verify compliance with the requirements of ISO 27001 and the operational effectiveness of the management system.

One of the major pillars of information security and safety is the behavior of employees. An Information Security Charter created in 2019 is appended to the Company's internal regulations (depending on the facility), and as such carries the same legal force within Soitec. It is brought to the attention of all employees upon their arrival. In addition to the Charter, face-to-face training is provided on safety, security, information protection and the General Data Protection Regulation (GDPR). Information is sent out regularly to ensure awareness on a day-to-day basis, and the initial training material is sent to longstanding employees to refresh their memory. A complementary training module on information protection and economic intelligence and an e-learning module on information protection are among the items available.

98%

of new employees made aware of cybersecurity

As regards the protection of personal data, sites and processes hosted in Europe are subject to the GDPR, whereas sites and processes hosted in Singapore are subject to the Promoting Trust & Data Protection law (PDPA), which is more demanding than the European Regulation. In each department, a GDPR contact person has been appointed and trained by an external body and reports to the Head of Information Security and Protection, who is also the Data Protection Officer. The data processing register, based on the model proposed by the CNIL, the French independent administrative authority in charge of regulating personal data, is regularly updated by these contact people, whose role is also to ensure that the processes in their department are compliant from a regulatory standpoint.

GDPR issues are integrated into the Information Security Charter and the Information Systems Security Policy, and a dedicated policy for the protection of personal data was drawn up at the end of fiscal year 2020-2021 to be rolled out in 2021-2022.

3.6.4 Strengthening ties with local communities SNFP

Our Group's main location in Bernin, in the Grésivaudan valley, reflects the history of Soitec's creation as a spin-off of Grenoble-based CEA-Leti. Our Group's significant development since its creation 30 years ago gives it a major place in the town of Bernin, the community of municipalities of Grésivaudan and more generally in the Grenoble tech valley.

Soitec is a major local employer, with a close partnership with the CEA-Leti research center. Our Group has also forged long-standing ties with the community of municipalities, local schools and universities (Grenoble Institute of Technology for instance) and other local companies (both tech and non-tech).

Our Group is committed to building strong relationships with these various players in order to avoid any risk that could be detrimental to it:

- a loosening of ties with CEA-Leti and local tech companies could result in a loss of momentum in our innovation, market knowledge and capacity to innovate;
- poor or non-existent relationships with local training institutes (institutes of technology), universities and schools could deprive us of a pool of young talent essential for our current and future growth;
- tension in relations with the community of municipalities could slow down progress in ongoing site extension projects, which will require an increase in water supplies, and could even penalize us by depriving us of subsidies necessary for the Company's smooth running.

Developing our local roots and involving our local stakeholders are part of the way our Group operates, especially Executive Management.

Two key points illustrate this commitment: the partnership with CEA-Leti, of which Soitec is a spin-off, and the Local Economic Pact signed with the three major local authorities in the Grenoble area – Grenoble Alpes Métropole, Grésivaudan and Pays Voironnais – as well as some 20 other economic players in the region.

The partnership with CEA-Leti goes back a very long way. In 2019, a new step in the partnership was taken with the joint creation of the Substrate Innovation Center, a unit dedicated entirely to research into new substrates for 4G/5G connectivity, artificial intelligence, automotive, sensors and display, photonics and advanced computing.

3.6.4.1 Supporting the local economy

The Local Economic Pact, signed in February 2021 by 24 public and private partners including Soitec, aims to ensure the resilience and attractiveness of the local area. Through it, each signatory commits to taking practical initiatives in favor of ecological, energy, digital and societal transitions. Eight ambitions have been laid down to meet the challenges of the local area in a long-term approach.

To that end, and even before the Pact's official signing, Soitec has already taken a number of initiatives, including a commitment to support the local economy.

During the end-of-year festive season, Soitec traditionally offers a meal to all employees. This year, because of the health crisis, the Group chose to transform this festive moment into gift vouchers with the support of the staff representatives on the SEC: the ESU's 1,250 employees received gift vouchers to be spent within the region at local businesses, who were partners of the initiative. Our Group exceptionally endowed the Social and Economic Committee with €100,000 to be distributed in the form of gift vouchers, which are directly reinjected into the local economy. Employees had the choice of spending them locally or donating them to Secours Populaire Français, a charity organization.

Since 2015, at the initiative of the employee representatives within the ESU's SEC, Soitec has been subsidizing the purchase of fruit and vegetables from sustainable and organic farming in short circuits with a specific grant of €15,000 (representing approximately three-quarters of the total cost of the project), thereby contributing to a healthy diet for its employees while supporting responsible farming in the region.

3.6.4.2 Engaging with young people

In the spring of 2020, when the health crisis took hold in France and the first period of lockdown was declared, Soitec chose to help young people so that they could continue their lessons remotely: computers were offered to some 30 schoolchildren in disadvantaged areas identified by the National Education Department to fight against the digital divide. Soitec employees also benefited from the wave of donations.

As it was impossible to organize public events on site during the year, some events had to be canceled or held remotely. For instance, the Inn.0Tech initiative aimed at introducing young high school students to jobs in science and technology could not be held this year. But Soitec took part in the digital version of the Job Bridge, which involves large local companies that offer work-study contracts but are unable to offer permanent contracts to all apprentices, instead putting them in contact with local SMEs during an event. For young people, it is a chance to meet local companies looking to recruit. For SMEs, it is an opportunity to raise their profile among young people in search of employment and to gain access to well-trained recruits who have one or two years' experience in major groups.

Soitec has also been committed to diversity and equal opportunity for many years. Perpetuating this commitment, a partnership was formed with the Télémaque Institute in 2020. Télémaque assists young people from priority areas through dual tutoring: a company tutor and an educational liaison. We therefore gave our employees the chance to become sponsors. Six employees now support six students to give them the means to succeed, to help them find out more about the professional world and to develop their self-confidence.

3.6.4.3 Other actions

On a regular basis, Soitec offers the Établissement Français du Sang the chance to come to its Bernin plant to organize blood donations. Employees can donate blood during their working hours. Donations continued in fiscal year 2020-2021, despite the situation: two sessions allowed 69 employees to give blood in an act of solidarity for the health of others.

Since the Company agreement signed in 2009, universal service vouchers (CESU) have been offered to all employees with more than six months' seniority and a child under the age of four. The scheme has been renewed since 2017, with credits of €45,000 allocated per year. It allows parents of young children to pay for personal services and as such help them achieve a better work-life balance, while indirectly contributing to local employment.

Lastly, due to the health crisis, the consumption of disposable masks on site is particularly high. Since December 2020, Soitec has provided specific bins to collect them for recycling, and they are then transformed into T-shirts and plastic parts. They are sent to the Ain *département*, where the central mask, the elastics and the mask frame are separated before being reprocessed by different organizations and transformed into technical clothing and plastic parts.

3.7 GRI and SDG cross-reference table

SNFP risks	Sections	Pages	Indicators	GRI	SDGs
Innovation	3.3.1	74	• % of sales devoted to R&D • Number of patents filed • % of employees working on innovation issues • Metric tonnes of CO_2 equivalent avoided on final products	-	12- Growth and responsible production 9- Industry, innovation and infrastructure
Pandemic	3.5.6	91	• Average number of days of furlough per employee concerned	-	3- Good health and well-being
Customer relationships	3.3.2	75	• Customer Relationship score from the satisfaction survey (2015 = 100)	-	9- Industry, innovation and infrastructure 17- Partnerships for the goals
Community anchoring	3.6.4	95		-	17- Partnerships for the goals 11- Sustainable cities and communities
Ethics	3.6.1	92	• Employees having completed the e-learning module on the Code of Good Conduct	412-2	16- Peace, justice and strong institutions 17- Partnerships for the goals
Attracting and retaining talent	3.5.2 3.5.3	83 86	• Headcount at March 31, 2021 • Number of employees on permanent contracts • Breakdown by age *(as a %)* • Employee breakdown by geographic area • Average seniority • Breakdown by category *(as a %)* • Number of permanent hires • Turnover rate • Resignation rate • Internal promotion rate • Number of work-study students hired during the year • Number of young people under 26 hired during the year • % of employees benefiting from the Company Savings Plan	412-2 102-8 405-1 401-1	8- Decent work and economic growth
Climate change	3.4.2	77	• Direct GHG emissions (Scope 1) • Indirect emissions linked to electricity use (Scope 2) • Other indirect GHG emissions (Scope 3)	305-1 305-2 305-3	13- Climate action
Responsible supply chain	3.6.2	93	• % of strategic suppliers that have signed the Supplier Quality Policy • RBA self-assessment score	414-1 308-1	16- Peace, justice and strong institutions 17- Partnerships for the goals
Health and safety	3.5.3	86	• Frequency rate of workplace accidents with lost time • Severity rate of workplace accidents • Number of occupational diseases reported • Number of occupational diseases acknowledged • Absenteeism rate • % of employees working in production • % of training hours devoted to health, safety and the environment • Number of safety tours	403-2 403-3	3- Good health and well-being
Cybersecurity	3.6.3	94	• % of new employees made aware of cybersecurity	-	17- Partnerships for the goals

Challenges	Sections	Pages	Indicators	GRI	SDGs
Pollution management	3.4.4.1	80	• Air pollutants • Breaches • Water discharges • Breaches	307-1	12- Responsible consumption and production 15- Life on land
Waste prevention and management	3.4.4.2	81	• Total waste generated • Total NHW • Total HW • % NHW recycled • % NHW recovered • % HW recovered + recycled • % HW used for energy production	306-3 306-4 306-5	12- Responsible consumption and production 15- Life on land
Sustainable use of resources/energy	3.4.2.1	77	• Energy consumption per unit of production	302-3	13- Climate action
Sustainable use of resources/water	3.4.3	79	• Total water withdrawal • Water consumption per unit of production • % of water recycled	303-1 303-3	6- Clean water and sanitation
Biodiversity	3.4.5	81	• Total surface covered by Soitec • Total waterproof surface • Facilities that have implemented initiatives to promote biodiversity (partnerships, work with raw material suppliers, LPO, beehives, etc.)	304-2 304-3	15- Life on land
Wages and their development	3.5.3.3 3.5.1 3.5.2.2	88 82 85	• Average % increase for employees (year on year) • Average compensation gap • % of total payroll devoted to pay increases • Objective-based bonuses as a % of gross base salary (objectives fully met)	405-2	8- Decent work and economic growth
Quality of life at work	3.5.3.1	87	• Questionnaires • Participation rate • Satisfaction rate • Number of improvement actions identified during the year • Number of improvement actions completed during the year	-	3- Good health and well-being
Skills development	3.5.3.3	88	• Average number of hours of training per employee trained per year • % of employees who received training during the fiscal year • % of total payroll spent on training • % of managers trained	404-1	8- Decent work and economic growth
Diversity	3.5.4.1 3.5.1	88 82	• Share of women in the workforce • Pay equality index • Share of workers with disabilities • % of women managers	102-8 405-2	5- Gender equality 10- Reduced inequalities 16- Peace, justice and strong institutions
Industrial relations	3.5.2.2 3.5.2.3	85 85	• Number of collective agreements signed during the fiscal year • Number of collective agreements in force	403-4	8- Decent work and economic growth 10- Reduced inequalities

As part of its activities and as a company subject to this obligation, Soitec is required to issue a statement of non-financial performance. This document therefore presents the Group's CSR approach in line with this legislation. The components of the SNFP are indicated by this SNFP pictogram SNFP.

Components of the SNFP	Sections	Pages	GRI
Business model	3.1	66	102-1, 102-2, 102-3, 102-4, 102-5, 102-6, 102-7, 102-9, 102-10, 201-1
Corporate governance	Chapter 4 *Corporate governance*		102-18, 102-23, 102-24, 102-35
CSR governance	3.2	67	101-1.1, 101-1.3, 101-1.4, 102-12, 102-13, 102-14, 102-40, 102-42, 102-43, 102-44, 102-47
Description of major risks, descriptions of due diligence policies and procedures, outcomes of those policies	3.3 3.4 3.5 3.6 3.8	74 77 81 92 100	101-1.10, 102-11, 102-15, 102-16, 102-17, 102-41, 103-2, 205-1, 201-2
Methodological note	3.8	100	101-2.4, 102-45, 102-46, 102-48, 102-49, 102-50, 102-51, 102-52, 102-54
Validation by the independent third party	3.9	114	101-1.5, 101-1.6, 101-1.7, 101-1.8, 101-1.9, 102-56
Point of contact	URD back cover		102-53
Cross-reference table	3.7	97	102-55

3.8 CSR performance

Social

	Unit	GRI	2020-2021 GROUP	FRANCE & EMEA (France – Bernin, Soitec Lab, Frec|n|sys, Dolphin Design Meylan – Soitec Belgium)	ASIA (Singapore, Japan, Korea, Taiwan, China)	AMERICAS (United States, Dolphin Design Canada)
Headcount at March 31, 2021	Number	**102-8**	***1,752***	***1,515 (France: 1,498)***	***205***	***32***
Men	Number		1,164	1,006	135	23
Women	Number		588	509	70	9
Headcount by type of contract at March 31, 2021		**102-8**				
Permanent contracts	Number		**1,582**	**1,354**	**196**	**32**
• *o/w women*	%		*33*	*33*	*35*	*28*
• *o/w men*	%		*67*	*67*	*65*	*72*
Fixed-term contracts	Number		**170**	**161**	**9**	**0**
• *o/w women*	%		*40*	*41*	*22*	*0*
• *o/w men*	%		*60*	*59*	*78*	*0*
Breakdown by age ***(as a %)***		**405-1**				
Under 25	%		9%	9	5	3
25-35	%		25%	24	38	13
36-45	%		35%	35	34	28
46-55	%		25%	26	20	28
Over 55	%		6%	6	3	28
Average age	Number		**39.5**	**39.5**	**38.1**	**47.4**
Average seniority	Number		**7.7**	**9**	**2**	**6**
Breakdown by category ***(as a %)***		**405-1**				
Operators	%		27	29	24	0
Technicians and office workers	%		29	30	24	6
Engineers and executives	%		44	41	52	94
Breakdown by category		**405-1**				
Operators	Number		479	429	50	0
• *o/w women*	%		*45*	*42*	*66*	*0*
• *o/w men*	%		*55*	*58*	*34*	*0*
Technicians and office workers	Number		509	459	48	2
• *o/w women*	%		*29*	*29*	*29*	*50*
• *o/w men*	%		*71*	*71*	*71*	*50*
Engineers and executives	Number		764	627	107	30
• *o/w women*	%		*30*	*31*	*21*	*27*
• *o/w men*	%		*70*	*69*	*79*	*73*

2019-2020					2018-2019				
GROUP	FRANCE & EMEA (France – Bernin, Soitec Lab, Frec|n|sys, Dolphin Design Meylan and Israel – Soitec Belgium)	ASIA (Singapore, Japan, Korea, Taiwan, China)	AMERICAS (United States, Dolphin Design Canada)	DISCONTINUED OPERATIONS	GROUP	FRANCE & EMEA (Bernin, Soitec Lab, Frec|n|sys, Dolphin Design Meylan)	ASIA (Singapore, Japan, Korea, Taiwan, China)	AMERICAS (United States, Dolphin Design Canada)	DISCONTINUED OPERATIONS
1,566	***1,381 (France: 1,364)***	***160***	***25***	***0***	***1,430***	***1,267 (France: 1,261)***	***133***	***28***	***2***
1,038	917	104	17	0	960	851	88	19	2
528	464	56	8	0	470	416	45	9	0
1,396	**1,221**	**151**	**24**	**0**	**1,293**	**1,136**	**127**	**28**	**2**
33	*33*	*36*	*33*	*0*	*32*	*32*	*35*	*32*	*0*
67	*67*	*64*	*67*	*0*	*68*	*68*	*65*	*68*	*100*
170	**160**	**9**	**1**	**0**	**137**	**131**	**6**	**0**	**0**
39	*40*	*22*	*0*	*0*	*39*	*40*	*18*	*0*	*0*
61	*60*	*78*	*100*	*0*	*61*	*60*	*82*	*0*	*0*
7	7	6	0	0	6	6	7	4	
25	24	30	20	0	23	23	27	11	50
37	37	41	20	0	41	41	45	32	50
25	26	17	40	0	24	25	15	25	
6	6	6	20	0	5	5	6	29	
39.3	**39.3**	**38.2**	**47.7**	**0**	**39.8**	**39.8**	**38.3**	**47.9**	**34.6**
8.2	**8.8**	**3.3**	**6.7**	**0**	**8.7**	**8.9**	**4.8**	**8.2**	**3.7**
27	29	16	0	0	27	29	19	0	0
29	29	26	8	0	30	30	27	7	100
44	42	58	92	0	43	41	54	93	0
427	401	26	0	0	390	365	25	0	0
44	*42*	*73*	*0*	*0*	*44*	*42*	*64*	*0*	*0*
56	*58*	*27*	*0*	*0*	*56*	*58*	*36*	*0*	*0*
451	407	42	2	0	425	385	36	2	2
30	*29*	*38*	*50*	*0*	*30*	*30*	*36*	*50*	*0*
70	*71*	*62*	*50*	*0*	*70*	*70*	*64*	*50*	*100*
688	573	92	23	0	615	517	72	26	0
29	*30*	*23*	*30*	*0*	*28*	*28*	*22*	*31*	*0*
71	*70*	*77*	*70*	*0*	*72*	*72*	*78*	*69*	*0*

	Unit	GRI	2020-2021			
			GROUP	FRANCE & EMEA (France – Bernin, Soitec Lab, Frec|n|sys, Dolphin Design Meylan – Soitec Belgium)	ASIA (Singapore, Japan, Korea, Taiwan, China)	AMERICAS (United States, Dolphin Design Canada)
Change in workforce in 2020-2021	Number	**102-8**	**186**	**134**	**45**	**7**
o/w operators	Number		*58*	*33*	*25*	*0*
• *o/w women*	%		*47*	*36*	*60*	*0*
• *o/w men*	%		*53*	*64*	*40*	*0*
o/w technicians and office workers			*58*	*53*	*5*	*0*
• *o/w women*	%		*17*	*25*	*(60)*	*0*
• *o/w men*	%		*83*	*75*	*160*	*0*
o/w engineers and executives	Number		*70*	*48*	*15*	*7*
• *o/w women*	%		*36*	*44*	*13*	*29*
• *o/w men*	%		*64*	*56*	*87*	*71*
Part-time	%		**5.65**	**7**	**0**	**0**
• *o/w women*	%		*64*	*64*	*0*	*0*
• *o/w men*	%		*36*	*36*	*0*	*0*
o/w voluntary part-time	%		*5.65*	*7*	*0*	*0*
• *o/w women*	%		*64*	*64*	*0*	*0*
• *o/w men*	%		*36*	*36*	*0*	*0*
Employees with nationalities other than French	%		**18**	**6**	**97**	**87**
Number of nationalities	Number		**42**			
Expatriates	Number				**4 (Singapore)**	
New hires	Number	**102-8**	**444**	**362**	**73**	**9**
o/w permanent contracts	Number		*249*	*172*	*70*	*7*
• *o/w women*	%		*33*	*32*	*37*	*22*
• *o/w men*	%		*67*	*68*	*63*	*78*
o/w fixed-term contracts	Number		*195*	*190*	*3*	*2*
• *o/w women*	%		*41*	*41*	*0*	*50*
• *o/w men*	%		*59*	*59*	*100*	*50*
Turnover rate	%	**401-1**	**6.89**	**5.87**	**15.15**	**3.68**
Resignation rate	%		**3.86**	**2.78**	**12.73**	**0**
Departures (on all grounds)	Number		**258**	**228**	**28**	**2**
Breakdown by activity ***(as a %)***						
o/w administrative personnel	%		*14*	*13*	*23*	*16*
o/w sales and marketing	%		*3*	*2*	*6*	*25*
o/w R&D	%		*20*	*22*	*0*	*59*
o/w production	%		*63*	*63*	*71*	*0*

	2019-2020					2018-2019				
	GROUP	FRANCE & EMEA (France – Bernin, Soitec Lab, Frec|n|sys, Dolphin Design Meylan and Israel – Soitec Belgium)	ASIA (Singapore, Japan, Korea, Taiwan, China)	AMERICAS (United States, Dolphin Design Canada)	DISCONTINUED OPERATIONS	GROUP	FRANCE & EMEA (Bernin, Soitec Lab, Frec|n|sys, Dolphin Design Meylan)	ASIA (Singapore, Japan, Korea, Taiwan, China)	AMERICAS (United States, Dolphin Design Canada)	DISCONTINUED OPERATIONS
	136	**114**	**27**	**(3)**	**(2)**	**338**	**231**	**94**	**14**	**(1)**
	34	*32*	*2*	*0*	*0*	*56*	*27*	*29*	*0*	*0*
	59	*50*	*200*	*0*	*0*	*59*	*56*	*62*	*0*	*0*
	41	*50*	*(100)*	*0*	*0*	*41*	*44*	*38*	*0*	*0*
	33	*29*	*6*	*0*	*(2)*	*70*	*37*	*33*	*0*	*0*
	30	*24*	*50*	*0*	*0*	*29*	*27*	*33*	*0*	*0*
	70	*76*	*50*	*0*	*100*	*71*	*73*	*67*	*0*	*0*
	69	*53*	*19*	*(3)*	*0*	*212*	*167*	*32*	*14*	*(1)*
	38	*43*	*21*	*33*	*0*	*27*	*25*	*25*	*21*	*0*
	62	*57*	*79*	*77*	*0*	*73*	*75*	*75*	*79*	*100*
	7	**8**	**0**	**0**	**0**	**7**	**7**	**0**	**0**	**0**
	67	*67*	*0*	*0*	*0*	*69*	*69*	*0*	*0*	*0*
	33	*33*	*0*	*0*	*0*	*31*	*31*	*0*	*0*	*0*
	7	*8*	*0*	*0*	*0*	*7*	*7*	*0*	*0*	*0*
	67	*67*	*0*	*0*	*0*	*69*	*69*	*0*	*0*	*0*
	33	*33*	*0*	*0*	*0*	*31*	*31*	*0*	*0*	*0*
	17	**6**	**96**	**92**	**0**	**15**	**5**	**97**	**96**	**100**
	5		**5 (Singapore)**			*5*		**5 (Singapore)**		
	351	**294**	**54**	**3**	**0**	**524**	**404**	**104**	**16**	**0**
	177	*123*	*51*	*3*	*0*	*343*	*230*	*97*	*16*	*0*
	36	*34*	*43*	*0*	*0*	*30*	*28*	*31*	*19*	*0*
	64	*66*	*57*	*100*	*0*	*70*	*72*	*69*	*81*	*0*
	174	*171*	*3*	*0*	*0*	*181*	*174*	*7*	*0*	*0*
	37	*37*	*33*	*0*	*0*	*37*	*37*	*29*	*0*	*0*
	63	*63*	*67*	*0*	*0*	*63*	*63*	*71*	*0*	*0*
	6.9	**5.3**	**17**	**19.3**	**300**	**4.1**	**3.77**	**6.2**	**6.3**	**37.5**
	4.9	**3.1**	**15**	**19.3**	**300**	**2.2**	**1.72**	**6.2**	**0**	**37.5**
	215	**180**	**27**	**6**	**2**	**186**	**168**	**15**	**2**	**1**
	13	*12*	*24*	*16*	*0*	*14*	*13*	*19*	*21*	*100*
	2	*1*	*7*	*20*	*0*	*3*	*2*	*6*	*32*	*0*
	23	*25*	*1*	*64*	*0*	*22*	*23*	*1*	*47*	*0*
	62	*62*	*68*	*0*	*0*	*61*	*62*	*74*	*0*	*0*

	Unit	GRI	2020-2021 GROUP	2020-2021 FRANCE & EMEA (France – Bernin, Soitec Lab, Frec|n|sys, Dolphin Design Meylan – Soitec Belgium)	2020-2021 ASIA (Singapore, Japan, Korea, Taiwan, China)	2020-2021 AMERICAS (United States, Dolphin Design Canada)
Overall absenteeism rate	%		**4.29**	**4.83**	**1.15**	**0**
Percentage average salary increase of employees (year on year)	%		**1.83**	**2.37**	**(1.20)**	**(2.77)**
Average compensation gap	%	**405-2**	**(15.82)**	**(13.15)**	**(41.61)**	**13.12**
Operators	%		(5.29)	(1.36)	4.99	-
Technicians and office workers	%		(0.07)	0.02	(2.26)	*
Engineers and executives	%		(13.47)	(13.40)	(23.08)	12.61
Change in average compensation gap	Percentage point	**405-2**	**(0.87)**	**(1.47)**	**(2.53)**	
Operators	Percentage point		1.99	0.59	6.61	-
Technicians and office workers	Percentage point		(0.43)	(0.77)	1.5	*
Engineers and executives	Percentage point		1.65	1.56	(2.38)	(0.61)
Pay equality index		**405-2**	-	-	-	-
Bonuses	In € thousands		**204**	**204**	**0**	**0**
Profit-sharing paid	In € thousands		**1,227**	**1,227**	**0**	**0**
Incentives paid	In € thousands		**4,351**	**4,351**	**0**	**0**
Payroll	In € thousands		**125,472**	**109,598**	**11,759**	**4,115**
o/w employer contributions	In € thousands		*41,162*	*39,714*	*1,005*	*442*
Number of workplace accidents	Number	**403-2**	**8**	**7**	**1**	**0**
Frequency rate of workplace accidents with lost time		**403-2**	**3.1**	**4.0**	**2.8**	**0**
Frequency rate of workplace accidents (excluding temporary workers)		403-2	3.1	4	2.8	0
Severity rate of workplace accidents		**403-2**	**0.03**	**0.05**	**0.01**	**0**
Severity rate of workplace accidents (excluding temporary workers)	Number	403-2	0.03	0.05	0.01	0
Number of occupational diseases reported	Number	**403-3**	**2**	**2**	**0**	**0**
Number of occupational diseases acknowledged	Number		**1**	**1**	**0**	**0**
Number of safety tours	Number		**763**	-	-	-
Share of workers with disabilities	%		-	**5.26**	**-**	**-**
Number of employees with disabilities	Number		62	62	0	0

2019-2020					2018-2019				
GROUP	FRANCE & EMEA (France – Bernin, Soitec Lab, Frec|n|sys, Dolphin Design Meylan and Israel – Soitec Belgium)	ASIA (Singapore, Japan, Korea, Taiwan, China)	AMERICAS (United States, Dolphin Design Canada)	DISCONTINUED OPERATIONS	GROUP	FRANCE & EMEA (Bernin, Soitec Lab, Frec|n|sys, Dolphin Design Meylan)	ASIA (Singapore, Japan, Korea, Taiwan, China)	AMERICAS (United States, Dolphin Design Canada)	DISCONTINUED OPERATIONS
1.40%	**3.86%**	**0.30%**	**0.10%**	**-**	-	-	-	-	-
7.00	**5.83**	**20.94**	**5.13**	-	-	-	-	-	-
(16.69)	**(14.62)**	**(44.14)**	-	-	**(16.38)**	**(13.73)**	**(44.27)**	-	-
(3.3)	(0.77)	11.6	-	-	(3.82)	(0.79)	11.3	-	
(0.5)	(0.75)	(0.76)	*	-	(1.27)	(1.3)	5.5	*	-
(11.82)	(11.84)	(25.46)	12	-	(12.06)	(11.1)	(28.64)	(2.11)	-
0.31	**0.89**	**(0.13)**	-	-	-	-	-	-	-
(0.52)	(0.02)	(0.3)	-	-	-	-	-	-	-
(0.77)	(0.55)	6.26	*	-	-	-	-	-	-
(0.24)	0.74	(3.18)	(14.11)	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
530	**530**	**0**	**0**	**0**	**511**	**511**	**0**	**0**	**0**
2,469	**2,469**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
4,200	**4,200**	**0**	**0**	**0**	**2,606**	**2,606**	**0**	**0**	**0**
117,802	**102,888**	**11,125**	**3,679**	**110**	**93,921**	**82,919**	**6,994.6**	**3,644.8**	**297.4**
32,988	*31,655*	*956*	*371*	*6*	*26,956*	*26,129*	*665.6*	*149.4*	*12.4*
7	**6**	**1**	**0**	**0**	**10**	**10**	**0**	**0**	**-**
3	**3.6**	**3.6**	**0**	**0**	**5.3**	**6.6**	**0**	**0**	**-**
3	3.6	3.6	0	0	5.3	6.6	0	0	-
0.05	**0.07**	**0.004**	**0**	**0**	**0.19**	**0.23**	**0**	**0**	**-**
0.05	0.07	0.004	0	0	0.19	0.23	0	0	-
1	**1**	**0**	**0**	**0**	**2**	**2**	**0**	**0**	**-**
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-**
-	-	-	-	-	-	-	-	-	-
-	**6.19%**	**-**	**-**	**-**	**-**	**6.10%**	**-**	**-**	**-**
57	2 (Meylan) 55 (Bernin)	0	0	0	55	2 (Meylan) 53 (Bernin)	0	0	0

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	Unit	GRI	2020-2021 GROUP	FRANCE & EMEA (France – Bernin, Soitec Lab, Frec|n|sys, Dolphin Design Meylan – Soitec Belgium)	ASIA (Singapore, Japan, Korea, Taiwan, China)	AMERICAS (United States, Dolphin Design Canada)
Training hours per employee per year	Hours		**14.68**	**15.08**	**12.57**	**7.99**
% of employees who received training during the fiscal year	%	**404-1**	**91%**	**96%**	**48%**	**83%**
% of women who received training during the fiscal year	%		89%	97%	27%	100.00%
% of men who received training during the fiscal year	%		89%	85%	46%	65.22%
Average training hours per socio-professional category per fiscal year						
Operators	%		15%	17%	0.00%	0.00%
Technicians and office workers	%		25%	27%	4.19%	9.96%
Engineers and executives	%		62%	58%	95.81%	90.04%
Average training hours per topic						
Technical profession	Hours		10,017.5	8,916.5	960	141
Management/Projects	Hours		3,427	2,522	843	62
Languages/Office technology	Hours		2,633	2,577	56	0
Personal development/ Professional efficacy	Hours		1,582	1,518	64	0
Quality	Hours		1,831	1,639	192	0
Safety, health and environment	Hours		4,977	4,879	80	18
Promotion rate	%		**14.8**	**14.8**	**16.8**	**3.7**
% of women promoted during the fiscal year	%		16.8	16	25.5	0
% of men promoted during the fiscal year	%		13.9	14.2	12.2	5.6
Industrial relations						
Number of collective agreements signed during the fiscal year	Number	403-4	6	6	-	-
Number of collective agreements in force	Number		35	35	-	-
Number of strike days	Number		0	0	0	0
Number of countries/ sites/entities with employee representative bodies	Number	102-41	3 (Bernin, Meylan and Frec|n|sys)	-	-	-
Number of employee representative meetings for the sites concerned	Number		99	99	-	-
Proportion of employees covered by collective agreements	Percentage		86	-	-	-

2019-2020					2018-2019				
GROUP	FRANCE & EMEA (France – Bernin, Soitec Lab, Frec|n|sys, Dolphin Design Meylan and Israel – Soitec Belgium)	ASIA (Singapore, Japan, Korea, Taiwan, China)	AMERICAS (United States, Dolphin Design Canada)	DISCONTINUED OPERATIONS	GROUP	FRANCE & EMEA (Bernin, Soitec Lab, Frec|n|sys, Dolphin Design Meylan)	ASIA (Singapore, Japan, Korea, Taiwan, China)	AMERICAS (United States, Dolphin Design Canada)	DISCONTINUED OPERATIONS
24.50	**27.01**	**3.03**	-	-	-	-	-	-	-
86.11%	**88.65%**	**64.38%**	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
10.4	**10.9**	**7.8**	**0**	**0**	**13**	**14.3**	**1**	**0**	**0**
12	12.7	8	0	0	13.8	15.1	3.1	0	0
9.7	10.1	7.7	0	0	12.6	14	0	0	0
9	9	-	-	-	4	4	-	-	-
35	35	-	-	-	31	31	-	-	-
13	13	0	0	0	0	0	0	0	0
2 (Bernin and Meylan)	-	-	-	-	1 (Bernin)	-	-	-	-
100	100	-	-	-	80	80	-	-	-
-	-	-	-	-	-	-	-	-	-

	Unit	GRI	2020-2021			
			GROUP	FRANCE & EMEA (France – Bernin, Soitec Lab, Frec|n|sys, Dolphin Design Meylan – Soitec Belgium)	ASIA (Singapore, Japan, Korea, Taiwan, China)	AMERICAS (United States, Dolphin Design Canada)
Compensation						
Employees whose salary is higher than the legal minimum in force, when there is one in the country concerned	%		100%	100%	100%	100%
Covid-19						
Number of days of furlough in total, for all employees	Number		821	821	0	0
Number of employees concerned by furlough	Number		72	72	0	0
% of employees working from home	%		53	55	38	100
Quality of life at work						
Questionnaires	Number		2.00	-	-	-
Participation rate	%		91%	-	-	-
Satisfaction rate	Points out of 100		70%	-	-	-
Number of improvement actions identified during the year	Number		274	-	-	-
Number of improvement actions completed during the year	Number		145	-	-	-
Team shifts						
Night employees	%		19	16	40	0
Team employees	%		46	48	40	0
Number of employees in hardship (in France only, unless it is possible to retrieve similar information in other countries)	Number		188	188	-	-

2019-2020					2018-2019				
GROUP	FRANCE & EMEA (France – Bernin, Soitec Lab, Frec|n|sys, Dolphin Design Meylan and Israel – Soitec Belgium)	ASIA (Singapore, Japan, Korea, Taiwan, China)	AMERICAS (United States, Dolphin Design Canada)	DISCONTINUED OPERATIONS	GROUP	FRANCE & EMEA (Bernin, Soitec Lab, Frec|n|sys, Dolphin Design Meylan)	ASIA (Singapore, Japan, Korea, Taiwan, China)	AMERICAS (United States, Dolphin Design Canada)	DISCONTINUED OPERATIONS
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
18	16	38	0	0	17	16	37	0	0
45	47	38	0	0	46	48	37	0	0
176	176	-	-	-	145	145	-	-	-

Environment

	Unit	GRI	2020-2021 GROUP (3 industrial sites)	2020-2021 BERNIN (France)	2020-2021 PASIR RIS (Singapore)	2020-2021 HASSELT (Belgium)
ENERGY		**302-1**				
Total energy consumption	MWh	302-1	118,150	83,251	33,158	1,742
Energy consumption per unit of production	Normalized value compared with the 2015-2016 baseline	302-3	71	-	-	-
Energy consumption per source		**302-1**				
Electricity	kWh		100,245,330	65,653,000	32,877,249	1,715,081
Natural gas	kWh		17,624,592	17,598,000	0	26,592
Liquefied petroleum gas (LPG)	kWh		276,505	0	276,505	0
Fuels	kWh		4,000	0	4,000	0
Renewable energies						
Green electricity purchased	kWh		16,286,000	16,286,000	0	0
WATER						
Total water withdrawal	Megaliters = ML = 1,000 cu.m.	303-1	1,639	1,016	622	1
Water consumption per unit of production	Normalized value compared with the 2015-2016 baseline	303-1	86	-	-	-
Water withdrawal by source		**303-3**				
Surface water	ML = 1,000 cu.m.		1,016	1,016	0	0
Municipal water supplies	ML = 1,000 cu.m.		624		622	2
Water recycling and reuse		**303-5**				
Total volume of water used	ML = 1,000 cu.m.		1,798	1,174	622	1
Total volume of water recycled and reused	ML = 1,000 cu.m.		158	158		
% of water recycled and reused	%		8.79%	13.45%	0.00%	0.00%
CARBON FOOTPRINT			**24,292**			
Direct emissions from stationary combustion sources	tCO_2	305-1	2,992	2,879	113	
Direct emissions from mobile combustion sources	tCO_2		85	57	28	
Direct emissions from processes	tCO_2		1,689	1,687	2	
Direct fugitive emissions	tCO_2		1,020	438	582	
Indirect emissions linked to electricity use	tCO_2	305-2	18,506	2,670	15,836	
Products and services purchased	tCO_2	305-3	69,733	61,787	7,946	
Capital assets	tCO_2		49,292	25,389	23,903	
Emissions linked to combustion sources and energy (not included in Scope 1 or Scope 2)	tCO_2		3,335	1,881	1,454	
Upstream transportation and distribution	tCO_2		13,262	9,145	4,117	
Waste generated	tCO_2		4,441	3,422	1,019	
Business travel	tCO_2		441	223	218	
Employee commuting	tCO_2		1,479	1,395	84	
Downstream transportation and distribution	tCO_2		4,584	4,312	272	
End of life treatment of products sold	tCO_2		96	94	2	

2019-2020				2018-2019		
GROUP (3 industrial sites)	BERNIN (France)	PASIR RIS (Singapore)	HASSELT (Belgium)	GROUP (2 industrial sites)	BERNIN (France)	PASIR RIS (Singapore)
114,053	83,238	29,337	1,477	104,823	83,895	20,928
73	-	-	-	81	-	-
97,155,632	66,602,000	29,076,245	1,477,387	86,969,172	66,252,000	20,717,172
16,636,000	16,636,000	0	Not recorded	17,643,000	17,643,000	0
257,488	0	257,488	0	204,980	0	204,980
3,500	0	3,500	0	5,500	0	5,500
0	0	0	0	-	-	-
1,512	1,049	463	1	1,378	1,028	349
84	-	-	-	93	-	-
1,049	1,049	0	0	1,028	1,028	0
463	0	463	1	349	0	349
1,676	1,212	463	1	1,542	1,192	349
164	164			164	164	
9.78%	13.51%	0.00%	0.00%	10.63%	13.75%	0.00%
3,275	3,046	229		3,141	3,141	
201	68	133		64	64	
1,331	1,327	4		375	375	
80	16	64		25	25	
16,548	2,774	13,774		2,735	2,735	
81,295	76,622	4,673				
68,279	39,149	29,130				
3,217	1,915	1,302				
23,602	21,409	2,193				
3,989	3,215	774				
2,053	1,836	217				
1,760	1,643	117				
6,091	6,064	27				
82	82	0				

3.

	Unit	GRI	2020-2021 GROUP (3 industrial sites)	BERNIN (France)	PASIR RIS (Singapore)	HASSELT (Belgium)
Air pollutants		**305-7**				
Breaches	Number	307-1	5	5	0	-
Pending disputes on pollution	Number	**307-1**	**0**	**0**	**0**	**0**
Water discharges						
Breaches	Number		21	19	0	2
Volume of water discharge	L	306-1	1,378,370.2	834,036	544,267	67.2
Volume of water discharge after treatment	L	306-1	1,378,370.2	834,036	544,267	67.2
WASTE						
Total waste generated		306-3	6,515.3	-	-	-
Total NHW	Metric tonnes	306-3	628.8	-	-	-
Total HW	Metric tonnes	306-3	5,886.5	-	-	-
NHW recycled	Metric tonnes		404.3	-	-	-
NHW used for energy production	Metric tonnes		139.8	-	-	-
NHW recovered	Metric tonnes		472.8	-	-	-
NHW not recovered	Metric tonnes		81.0	-	-	-
HW recycled/recovered	Metric tonnes		937.9	-	-	-
HW used for energy production	Metric tonnes		2,722.8	-	-	-
HW recovered	Metric tonnes		3,658.4	-	-	-
HW not recovered	Metric tonnes		2,226.9	-	-	-
% NHW recovered	%	306-5	75%	-	-	-
% NHW recycled	%	306-4	64%	-	-	-
% HW recovered + recycled	%	306-4	62%	-	-	-
% HW used for energy production	%	306-5	46%	-	-	-
BIODIVERSITY						
Total surface covered by Soitec	sq.m.		135,386.12	107,588	27,000	798.12
Total waterproof surface	sq.m.	304-2	98,269.12	70,716	27,000	553.12
Facilities located near protected areas	Number	304-3	1	Yes	No	No
Facilities with no phytosanitary products	Number		2	Yes	Yes	No
Facilities that have implemented initiatives to promote biodiversity (partnerships, work with raw material suppliers, LPO, beehives, etc.)	Number	304-3	1	Yes	No	No

2019-2020				2018-2019		
GROUP (3 industrial sites)	**BERNIN (France)**	**PASIR RIS (Singapore)**	**HASSELT (Belgium)**	**GROUP (2 industrial sites)**	**BERNIN (France)**	**PASIR RIS (Singapore)**
1	1	0	-	6	6	0
0	**0**	**0**	**0**	**0**	**0**	**0**
	6	0	1		8	0
1,251,167	868,200	382,953	14	823,663	823,663	No data
1,251,167	868,200	382,953	14	823,663	823,663	No data
6,233.1	-	-	-	4,865.9	-	-
569.4	-	-	-	396.8	-	-
5,663.7	-	-	-	4,469.1	-	-
260.8	-	-	-	194.6	-	-
144.9	-	-	-	147.1	-	-
404.5	-	-	-	341.7	-	-
160.9	-	-	-	54.0	-	-
828.5	-	-	-	822.1	-	-
2,785.1	-	-	-	2,779.6	-	-
3,612.1	-	-	-	3,601.7	-	-
2,050.5	-	-	-	867.8	-	-
71%	-	-	-	86%	-	-
46%	-	-	-	49%	-	-
64%	-	-	-	81%	-	-
49%	-	-	-	62%	-	-
135,386.12	107,588	27,000	798.12	134,588	107,588	27,000
97,769.12	70,216	27,000	553.12	90,186	63,186	27,000
1	Yes	No	No	1	Yes	No
1	No	Yes	No	1	No	Yes
1	Yes	No	No	1	Yes	No

Governance

	Unit	GRI	2020-2021 GROUP	2019-2020 GROUP	2018-2019 GROUP
ETHICS					
Employees having completed the e-learning module on the Code of Good Conduct	Number	412-2	1,141	1,009	
INNOVATION					
R&D expenditure: % of sales devoted to R&D	%		12.7%	11%	12%
Patents	Number		3,564		
Employees in R&D	Number		352	358	309
Titles filed during the year	Number		285	238	439
Partnerships for innovation	Number		15	15	12
CUSTOMER RELATIONSHIPS					
• *Satisfaction surveys*	Number		1	0	1
• *Number of participants*	Number		55	-	45
RESPONSIBLE SUPPLY CHAIN					
Tier-one suppliers	Number		2,080	N/A	N/A
Strategic suppliers	Number		22	20	18
Strategic suppliers having signed our Supplier Quality Policy	Number	414-1 308-1	19	18	16
CYBERSECURITY					
Employees made aware of cybersecurity	%		98%	-	-
Sites/entities with a DPO (Data Protection Officer) or equivalent	Number		1	1	0

3.9 Methodological note

3.9.1 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. This report was prepared in accordance with the GRI Standards: Core Compliance Option.

3.9.2 Definition of entities

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

Informal name	Formal (legal) name
Bernin	Soitec Corporate Services SAS Soitec Newco 2 SAS Soitec Newco 3 SAS Soitec Newco 4 SAS
Soitec Lab	Soitec Lab SAS
Singapore/Pasir Ris	Soitec Microelectronics Singapore Pte Ltd. Soitec Asia Holding Pte Ltd.
Frec|n|sys	Frec|n|sys SAS
EpiGaN/Hasselt/Soitec Belgium	Soitec Belgium NV
Asia	Soitec Japan Inc. Soitec Korea LLC Soitec Trading Shanghai Co., Ltd.
United States	Soitec USA LLC
Dolphin Design Meylan	Dolphin Design SAS
Dolphin Design Canada	Dolphin Inc.

3.9.3 Scope

The scope of consolidation contains all the entities that Soitec owns wholly or partially, and that are consolidated in our Group's financial statements. However, some subsidiaries do not report all of their social, safety and environmental indicators. These are mainly entities that are not industrial facilities and for which certain indicators are less relevant, or are not wholly owned (e.g., 80% in the case of Dolphin Design). 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	% of headcount	Indicators
SOCIAL			
Attracting and retaining talent	Group	100%	• Headcount at March 31, 2021 • Number of employees on permanent contracts • Breakdown by age *(as a %)* • Employee breakdown by geographic area • Average seniority • Breakdown by category *(as a %)* • Number of permanent hires • Turnover rate • Resignation rate • Internal promotion rate • Number of work-study students hired during the year • Number of young people under 26 hired during the year • % of employees benefiting from the Company Savings Plan
Health and safety	Group	100%	• Frequency rate of workplace accidents with lost time • Severity rate of workplace accidents • Number of occupational diseases reported • Number of occupational diseases acknowledged • Absenteeism rate • % of employees working in production • % of training hours devoted to health, safety and the environment • Number of safety tours
Pandemic	Group	100%	• Average number of days of furlough per employee concerned
Wages and their development	Group	100%	• Average % increase for employees (year on year) • Average compensation gap • % of employees whose salary is higher than the legal minimum in force, where one exists in the country concerned • % of total payroll devoted to pay increases • Objective-based bonuses as a % of gross base salary (objectives fully met)
Quality of life at work	Group	100%	• Questionnaires • Participation rate • Satisfaction rate • Number of improvement actions identified during the year • Number of improvement actions completed during the year
Skills development	Group	100%	• Average number of hours of training per employee trained per year • % of employees who received training during the fiscal year • % of total payroll spent on training • % of managers trained

Topic	Scope	% of headcount	Indicators
Diversity	Group	100%	• Share of women in the workforce • % of women managers
	Bernin Soitec Lab Dolphin Design Meylan	85%	• Pay equality index
	Bernin Soitec Lab	77%	• Share of workers with disabilities
ENVIRONMENT			
Climate change	Group	100%	• Direct GHG emissions (Scope 1) • Indirect emissions linked to electricity use (Scope 2) • Other indirect GHG emissions (Scope 3)
Pollution management	Main industrial facilities	87%	• Air pollutants • Breaches • Water discharges • Breaches
Waste prevention and management	Main industrial facilities	87%	• Total waste generated • Total NHW • Total HW • % NHW recycled • % NHW recovered • % HW recovered + recycled • % HW used for energy production
Sustainable use of resources/energy	Main industrial facilities	87%	• Total energy consumption • Energy consumption per unit of production
Sustainable use of resources/water	Main industrial facilities	87%	• Total water withdrawal • Water consumption per unit of production • % of water recycled
Biodiversity	Main industrial facilities	87%	• Total surface covered by Soitec • Total waterproof surface • Facilities that have implemented initiatives to promote biodiversity (partnerships, work with raw material suppliers, LPO, beehives, etc.)
GOVERNANCE			
Innovation	Group	100%	• % of sales devoted to R&D • Number of patents filed • % of employees working on innovation issues • Metric tonnes of CO_2 equivalent avoided on final products
Customer relationships	Group	100%	• Customer Relationship score from the satisfaction survey (2015 = 100)
Cybersecurity	Group	100%	• % of new employees made aware of cybersecurity
Ethics	Group excluding Dolphin Design	90%	• Number of employees having completed the e-learning module on the Code of Good Conduct
Responsible supply chain	Group	100%	• % of strategic suppliers that have signed the Supplier Quality Policy • RBA self-assessment score

The term "Group" means all of the entities, namely the facilities at Bernin and Singapore; Frec|n|sys and Soitec Belgium; the offices in Japan, South Korea and the United States; Dolphin Design Meylan, Dolphin Design Israel and Dolphin Design Canada. Soitec's main industrial facilities are Bernin, Singapore and Hasselt, which together account for 87% of its registered workforce. Some data are not consolidated at this time due to data processing differences. Work is underway to consolidate all data in the future.

3.9.4 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. Employee data

Employee data are calculated based on the registered workforce and on the jobs held (not including suspended employment contracts). Staff on Soitec's payroll consist of employees with an employment contract and do not include interns, temporary workers or staff on secondment:

- registered workforce: breakdown of employees by age, geographical area, change in headcount, 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 the year 2020-2021 and those who left during 2020-2021.

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 size of the 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 on employees at work throughout the year and does not include apprentices or team leaders/project managers, and is calculated from the following: (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 off work multiplied by 1,000 and divided by the number of hours worked. It should be noted that days off for work accidents are no longer counted beyond 150 days of absence.

The frequency rate and severity rate 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.

Lost-time accidents correspond to the number of accidents resulting in at least one day not worked, not counting the day of the accident.

The **share of workers with disabilities** is calculated based on the regulations in force in France.

Quality of life at work questionnaire participation and satisfaction rates

Over the course of the year, a questionnaire was sent to different groups of employees, thus covering the entire workforce. Because only Bernin employees answered the prior-year questionnaire, its results cannot be compared with those for the current year.

Training hours per employee per year

Comparability with 2019-2020 is only possible for Bernin and Singapore, as the other entities were not consolidated last year.

B. Environmental information

Energy and water consumption

Energy and water consumption is based on invoiced consumption.

Energy consumption per unit of production

Indicator calculated from the Group's total energy consumption per wafer produced, then normalized to a baseline of 100 set as fiscal year 2015-2016.

Water consumption per unit of production

Indicator calculated from the Group's total water consumption per wafer produced, then normalized to a baseline of 100 set as fiscal year 2015-2016.

Carbon footprint

The inventory of our Group's greenhouse gas emissions was measured using business data for the 2020 calendar year.

It was carried out using the GHG protocol international methodology.

Most of the emissions factors used are from Ademe's carbon database with the addition of some factors from the EcoInvent database when more relevant.

The footprint 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 methodology considers the following emissions items:

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;

Scope 3:

- procurement of goods and services, including industrial subcontracting;
- transport of goods to, between and from facilities;
- personal travel: work commutes, business travel and outside visits;
- on-site waste collection and treatment;
- property, plant & equipment;
- end of life of products and packaging put onto the market.

Only one item – use of products put onto the market – is not considered due to methodological limits.

The associated uncertainty of the results is 24%. Uncertainty was calculated using the uncertainty in the data and the uncertainty in the emission factors.

Water discharges

At the Bernin plant, samples are taken by Soitec and analyzed by Abiolab.

At the Singapore facility, they are done by Analab.

Air pollutants

At the Bernin facility, samples and analyses are carried out by Apave.

At the Singapore facility, they are done by Setsco.

C. Employee data

Percentage of revenue dedicated to R&D

This is the amount of R&D before subsidies and the research tax credit, in proportion to revenue.

Employees having completed the e-learning module on the Code of Good Conduct

This is an aggregate rather than annual indicator. It does not include employees who had left the workforce at March 31, 2021. The figure is calculated by dividing the number of people who completed the course by the total number of people who had the option of completing the course (i.e., 1,141 people).

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.

3.9.5 Methodological limits

Soitec does not consider that it has a major risk or opportunity in respect of the fight against food insecurity, respect for animal well-being, responsible, fair and sustainable food, or the fight against food waste.

3.10 Report by one of the Statutory Auditors, appointed as independent third party, on 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.

For the year ended March 31, 2021

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 (*Comité Français d'Accréditation* or COFRAC) under number 3-1049 [(1)], we hereby report to you on the consolidated non-financial statement for the year ended March 31, 2021 (hereinafter the "Statement"), included in the entity's Management Report pursuant to the requirements of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

Responsibility of the entity

The Management Board is responsible for preparing the Statement, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators.

The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement and available upon request at the entity's head office.

Independence and quality control

Our independence is defined by the requirements of Article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and French professional guidance.

Responsibility of the Statutory Auditors appointed as independent third party

On the basis of 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 information provided in accordance with Article R. 225-105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

However, it is not our responsibility to comment on the entity's compliance with other applicable legal and regulatory requirements, in particular the French duty of care law and anti-corruption and tax avoidance legislation nor on the compliance of products and services with the applicable regulations.

(1) Accreditation Cofrac Inspection, number 3-1049, scope available at www.cofrac.fr

Nature and scope of our work

The work described below was performed in accordance with the provisions of Article A. 225-1 *et seq.* of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes* or CNCC) applicable to such engagements and with ISAE 3000 [(1)]:

- We obtained an understanding of all the consolidated entities' activities, and the description of the principal risks associated;
- We assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- We verified that the Statement includes each category of social and environmental information set out in Article L. 225-102-1 III as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation set out in Article L. 22-10-36, paragraph 2;
- 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 principal risks, and includes, where applicable, an explanation for the absence of the information required under Article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- We verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- We referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented;
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix. Concerning certain risk [(2)], our work was carried out on the consolidating entity, for the other risks, our work was carried out on the consolidating entity and on a selection of entities [(3)].
- We verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with Article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;
- We obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure 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 Appendix, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
  - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities [(3)] and covers between 75% and 100% of the consolidated data selected for these tests.
- We assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgment, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Means and resources

Our work was carried out by a team of five people between April 2021 and July 2021 and took a total of two weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted a dozen interviews with the people responsible for preparing the Statement.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Paris-La Défense, July 1st, 2021

KPMG S.A.

Fanny Houlliot	Jacques Pierre	Stéphane Devin
Partner	*Partner*	*Partner*
Sustainability Services		

(1) ISAE 3000: international standard on assurance engagements other than audits or reviews of historical financial information
(2) Innovation, Customer relationship, Pandemic, Ethics, Territorial anchoring, Responsible supply chain, Cybersecurity
(3) Headquarters, Bernin site and Singapore site

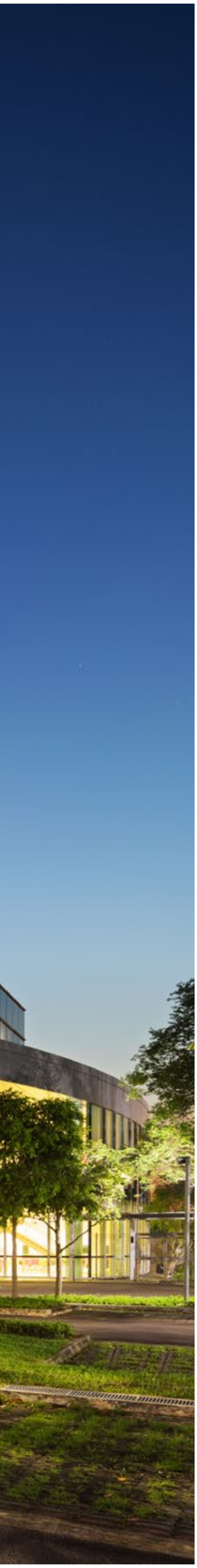
Appendix

Qualitative information (actions and results) considered most important

- Measures implemented in the context of the Covid-19 health crisis
- Measures and results in terms of attracting and retaining talent
- Results of employee health and safety initiatives
- Commitments, programs and contracts to combat climate change
- Results of actions taken to reduce the environmental impact of the business (waste and pollution management)
- Measures in favor of ethical business management and the fight against tax evasion
- Self-assessment carried out in favor of respect for Human Rights
- Supplier Quality Policy and performance evaluation questionnaires on responsible sourcing criteria
- Actions and partnerships carried out at local level
- Results of actions carried out to promote innovation within the company
- Actions taken and results in terms of improving customer relations
- Data protection policy

Key performance indicators and other quantitative results considered most important

- Headcount as of March 31, 2021 and breakdown by gender and age
- Share of women in the workforce and breakdown of female employees by category (operators, supervisors and engineers/managers)
- Frequency rate of workplace accidents with lost time
- Severity rate of workplace accidents
- Share of employees who received training during the fiscal year
- Number of collective agreements signed during the fiscal year
- Share of improvement actions completed during the year
- Energy consumption per unit of production
- GHG emissions (Scopes 1 and 2)
- Share of employees having completed the e-learning module on the Code of Good Conduct
- Share of strategic suppliers that have signed the Supplier Quality Policy
- Percentage of new employees made aware of cybersecurity
- Number of patents filed



4

Corporate governance

Report by our Board of Directors on corporate governance

This chapter includes our Board of Directors' corporate governance report as required by Article L. 225-37 of the French Commercial Code (*Code de commerce*).

The cross-reference table in Chapter 10 indicates the sections of this Universal Registration Document which correspond to the sections of the corporate governance report not included in this chapter.

This report was prepared by our Company's Legal Department and the relevant operational departments, in particular, the Finance, Human Resources, and Strategy Departments, and reviewed by the Chief Executive Officer and members of the Executive Committee, as well as the General Counsel, the Head of Human Resources, and the Chief Financial Officer.

It was then examined in detail by the Chairman of our Board of Directors, and the Nomination and Governance Committee, the Compensation Committee and the Audit and Risks Committee for their relevant sections.

Finally, it was presented to and approved by our Board of Directors on June 9, 2021.

Reference to the AFEP-MEDEF Code of January 2020

The Company refers to the corporate governance rules defined in the Code of Corporate Governance for listed companies published by AFEP and MEDEF, in the most recent version dated January 2020 (the "**AFEP-MEDEF Code**").

The Code may be consulted at www.afep.com, using these links:

- for the French language version of the AFEP-MEDEF Code:

www.afep.com/wp-content/uploads/2020/01/Code-Afep_Medef-révision-janvier-2020_-002.pdf

- for the English language version of the AFEP-MEDEF Code:

www.afep.com/wp-content/uploads/2020/01/Afep_Medef-Code-revision-2020-EN-.pdf

Our Company complies with the AFEP-MEDEF Code, subject to the reserves indicated below in section 4.1.8 *Corporate Governance Code* of this Universal Registration Document.

4.1 Governance

The Company's governance structure is summarized in the diagram below:

14 members of the Board of Directors, including **6** women

5 STRATEGIC COMMITTEES

Strategic Committee

Audit and Risks Committee

Nomination and Governance Committee

Compensation Committee

Restricted Strategic Matters Committee

11 members of the Executive Committee, including **2** women

4.1.1 Governance structure

Soitec is – and has been since it was incorporated in 1992 – a joint-stock corporation (*société anonyme*) governed by French law, with a Board of Directors (a single-tier governance structure).

The Company is headed by a Chief Executive Officer, Paul Boudre, supported by an Executive Committee comprising 11 people.

At March 31, 2021 the Board of Directors comprised 14 members, including Paul Boudre, and since January 2021 two employee directors have sat on the Board. The Board's work is led by a Chairman who is appointed from among the independent directors, currently Éric Meurice.

After serving as the Soitec Group's Chief Operating Officer for nearly seven years, Paul Boudre became our Chief Executive Officer on January 16, 2015. His appointment was part of a strategic plan aiming to refocus our Company's activities on our core business, Electronics. Since this date, Paul Boudre has been our sole executive corporate officer.

After a two-year period during which the positions of the Chairman and the Chief Executive Officer were combined and held by Paul Boudre, on May 2, 2017, the Board of Directors decided to separate these positions on a permanent basis. This separation, which took effect on July 26, 2017, complies with the highest corporate governance standards. Éric Meurice has been Chairman of the Board of Directors since March 27, 2019.

The Board considered that the profile of Éric Meurice, independent director of our Company since July 26, 2018, matched our Company's needs, given his experience as an executive of several world-renowned technology companies, mainly in the semiconductor sector, the multicultural dimension of his career, as well as his experience as a director of numerous international companies.

At its meeting on June 9, 2021, the Board of Directors decided to significantly amend its Internal Regulation, in particular to strengthen the duties, powers and resources of the Board, its Chairman and its Committees and to hold discussions, at the end of each Board meeting, without the presence of members of Executive Management or of members for which there is a potential conflict of interest.

All of the following help to achieve a balance of powers within the Company's governance bodies: the separation of the positions of Chairman and Chief Executive Officer, the independence status of the Chairman of the Board of Directors, the limits placed on the powers of Executive Management by the Board of Directors' Internal Regulation, as amended on June 9, 2021 (see section 4.1.2.1 *Powers of Executive Management* of this Universal Registration Document), and the procedures for preventing and managing conflicts of interest (see section 4.1.4.2 B. *General prevention of conflicts of interest* of this Universal Registration Document).

4.1.2 Our Executive Management

4.1.2.1 Powers of Executive Management

Paul Boudre is responsible for the Executive Management of our Company as Chief Executive Officer.

He is also a director on our Board, a member of the Strategic Committee and a permanent guest of the Restricted Strategic Matters Committee.

In accordance with Article L. 225-56 of the French Commercial Code, his appointment as Chief Executive Officer vests him with the powers to act in all circumstances on behalf of our Company.

He exercises his authority within the limit of the corporate purpose and subject to the powers expressly bestowed by the law on Shareholders' General Meetings, on the Board of Directors, or on the Chairman of the Board of Directors.

Paul Boudre represents our Company in all third-party dealings.

The limits on the Chief Executive Officer's powers, increased at the Board of Directors' meeting on June 9, 2021, are set out in our Board of Directors' Internal Regulation, published on our website and summarized below.

In addition to the consultations that the Chief Executive Officer is required to carry out with the Board of Directors and/or the prior authorizations that he is required to obtain from the Board in accordance with the applicable regulations, Article 17.1 of the Company's by-laws sets out a number of specific situations where (i) the Board has a right of review and/or a right to information, or (ii) the Chief Executive Officer is required to obtain the Board's prior approval.

"Therefore, Article 3 c) of the Board of Directors' Internal Regulation, as amended on June 9, 2021, sets out the matters that are subject to the Board's prior approval; in such cases, Executive Management must prepare management reports and submit them to the Board of Directors on a timely basis.

The Internal Regulation stipulates that the Board of Directors must be informed in advance of any initiative taken by the Chief Executive Officer relating to the matters listed below.

1) Strategy, Business Plans and Operating Budget

- Each year, Executive Management submits to the Board, for approval, the strategy, business plan, operating budget, industrial footprint, R&D and contractual commitments agreed with the Company's key suppliers.
- The Board of Directors reviews any substantial modifications or deviation from any approved strategy, existing business plan or operating budget or substantial deviation of actual performance from the operating budget and/or forecast.
- Executive Management makes periodic reports to the Board of Directors comparing operating results to the budget.

2) Capital expenditure

- Each year, Executive Management submits to the Board, for approval, the capital budget itemizing anticipated capital expenditure for assets and capital projects that exceed US$10 million. The approval of the capital budget will represent approval of the nature of the Capex line items and of the aggregate total capital spending, of plus/minus 10%.
- Each individual capital expenditure over US$10 million which was not itemized in the Board of Directors' approved capital budget requires the Board of Directors' approval.

3) Transactions

- Executive Management submits to the Board for prior consideration and approval:
  - any mergers and acquisitions outside the agreed strategy or above US$10 million;
  - any acquisitions of equity interests and joint ventures involving payment with stock of the Company and/or any majority-owned subsidiary and/or the Company's contribution of cash, assets, or assumption of debt exceeding US$10 million and/or new types of businesses or any other acquisition of equity interests or joint ventures of an unusual character, irrespective of the amount of the initial investment;
- Management will inform the Board of Directors prior to closing any acquisitions of equity interests and joint ventures below US$10 million.

4) Debt and Leases

- Executive Management submits to the Board for prior consideration and approval:
  - all borrowings greater than US$60 million collectively per year, (other than borrowings authorized by previously adopted specific or standing resolutions or those made against existing lines of credit);
  - sale and leaseback transactions or capital or operating leases with a value of more than US$60 million collectively per year.

5) Sales of Assets

- Executive Management submits to the Board for prior consideration and approval:
  - sales of capital assets when the book value of the assets or the net proceeds of the sale exceed US$10 million collectively per year; or
  - any sale or licensing of strategic intangible assets or industrial property rights.

6) Loans, Guarantees and Advances

- Executive Management submits to the Board for prior consideration and approval loans or advances to or guarantees of the performance or indebtedness exceeding US$60 million collectively per year (excluding loans or advances to or guarantees for the Company's wholly- or majority-owned subsidiaries and prepayments or bank guarantees given in the ordinary course of the Company's business).
- The Company may not make any loan or advance of Company assets to (a) a corporate director or executive officer of the Company, or (b) to relatives, associates and affiliates of such persons.

7) Take or Pay Contracts

Executive Management submits to the Board, for prior consideration and approval, a take or pay contract involving a potential penalty payment to a third party of US$10 million or more per contract.

8) Material Contracts or Undertakings

- Executive Management submits to the Board, for prior consideration and approval, purchases or sales orders in which the performance obligation creates or may create a standard exposure above US$100 million per item or may create a non-standard exposure above US$20 million per item.
- Executive Management submits to the Board, for approval, any commitments that could generate long-term exposure in excess of US$10 million.

9) Compensation

- Approval by the Board of Directors, based on the recommendation of the Compensation Committee, is required for:
  - all components of compensation and benefits granted to the Chairman of the Board of Directors, the directors, the Chief Executive Officer, the Deputy Chief Executive Officers and any employee directors or corporate officers;
  - the allocation of Company stock subscription or purchase options, free shares or any other financial instruments to the Group's directors and employees;
  - contractual compensation conditions and severance pay not provided for in Company bargaining agreements for the Chief Executive Officer and members of the Executive Committee.

10) Other Actions

- Executive Management submits to the Board for prior consideration and approval:
  - communication on financial matters, in particular press releases for the financial markets, presentations for financial analysts, quarterly/semi-annual releases, new or changed guidance and financial press releases;
  - actions and communication (including relations with local/government authorities) on exceptional matters which may have a material impact on the Company's strategy, stature and reputation, ESG footprint or on matters which concern Board responsibilities;
  - communication to third parties (including shareholders) of the intended implementation or implementation of the projects listed above."

The Board of Directors' Internal Regulation, as amended on June 9, 2021, also stipulates that the following matters must be notified in advance to the Board of Directors or be the subject of a prior recommendation by the Committee concerned, as the case may be, with the possibility for the Board of Directors to make a recommendation:

- actions not listed for prior approval but having a potential material impact on the Company;
- organizational changes, including restructuring, relocation, and the hiring or dismissal of senior executives for direct reports to the Chief Executive Officer;
- senior executive compensation;
- press releases other than financial press releases.

4.1.2.2 A strengthened and diversified Executive Committee

1. Creation and role of the Executive Committee

Upon taking office in 2015, our Chief Executive Officer introduced a new internal management body, the Executive Committee (ExCom), to support him in performing his duties.

The leader of this team of senior managers, Paul Boudre, relies on the expertise of each of the ExCom's 11 members to inspire, organize, run, monitor and develop our Group's business in a collegial way. Their aim is to keep capturing growth in Electronics markets, and to pursue growth in profitability while working towards long-term sustainability.

The 11 members of the ExCom meet whenever required, under Paul Boudre's leadership. The ExCom members hold weekly conference calls and perform quarterly detailed reviews.

The decision processes and operating methods are defined in the management system steered by the Quality Department.

2. Composition of the Executive Committee and adjustments to the organization

The Executive Committee, headed by the Chief Executive Officer, comprises 11 members who are in charge of specialist divisions within the Group.

During fiscal year 2020-2021:

- Having joined Soitec in 2019 as head of the Corporate Finance Department, **Léa Alzingre** has led the Finance Department since August 1, 2020. Her appointment as Vice President & Chief Financial Officer was confirmed with effect from January 1, 2021.

  After gaining solid experience in audit at KPMG, where she spent 10 years from 2005 to 2015, Léa was VP Finance of the semiconductor division at Teledyne e2v Semiconducteurs between 2015 and 2018, before joining Adeunis, a start-up listed on Euronext Growth specialized in IoT sensors and solutions, as CFO. Léa graduated from SKEMA business school.

  This appointment of a second woman member to the Executive Committee – moreover as part of an internal promotion – is in line with Paul Boudre's commitment to increasing gender balance in the Company, notably in the executive management team.

- **Yvon Pastol** joined Soitec on August 10, 2020 as Executive Vice President in charge of the Customer Group. Yvon brings more than 20 years of experience in executive positions in the semiconductor industry. This experience is invaluable for Soitec, as the Company's success is contingent on close collaboration with customers and all of the players in the semiconductor ecosystem.

  Before joining Soitec, Yvon was Corporate Vice President and General Manager for the North America and Europe regions at Applied Materials, and was responsible for setting business strategies and developing relations with key customers. Yvon began his career at IBM in 1990 before joining Atmel Corporation in 1996, then KLA-Tencor in 1998 and Varian Semiconductor Associates in 2007, where he held various field management roles in Europe, Asia and the U.S. He holds an engineering degree from the Institut Supérieur d'Electronique de Paris, and a PhD in solid state physics from the University of Paris, France.

- As the Group's success also depends on ever-more intense, agile and exacting interaction between business, innovation and production, **Cyril Menon** – Executive Vice President, Operations, and **Christophe Maleville** – Executive Vice President, Innovation & CTO, were both promoted to Senior Executive Vice Presidents with effect from September 1, 2020.

  Cyril Menon, Senior Executive Vice President, Operations, has over 20 years' experience in various technical, operational and management roles within the semiconductor industry. Before joining Soitec, he was device engineering manager and then process manager at IBM Semiconductor. He was later in charge of developing processes, transferring technologies and increasing production. After becoming director of our Bernin site, and then leading Operations within the Executive Committee in 2015, Cyril is now in charge of Operations, Engineering, IT and Industrial Partnerships. In addition, Cyril is the Chairman of the Board of Directors of Soitec subsidiary Dolphin Design, whose profitable development he has been guiding since 2019. Cyril holds a Master's degree in physics from Grenoble INP, as well as a PhD in microelectronics from the Stockholm Royal Institute of Technology and a degree in management from Harvard Business School.

- **Christophe Maleville** was appointed Chief Technology Officer and Executive Vice President, Innovation at Soitec in April 2019. He focuses on the transformation of Soitec's innovation to accelerate the development of Soitec's technologies with new materials, through strategic partnerships. He joined Soitec in 1993 and was a driving force behind the Company's joint research activities with CEA-Leti. For several years, he led new SOI process development, oversaw SOI technology transfer from R&D to production, and managed customer certifications. He also served as Vice President, SOI Products Platform at Soitec, working closely with key customers worldwide. Between 2010 and 2019, he first managed the SOI Business Unit and then the Digital Electronics Business Unit, leasing the switch from SOI to RF-SOI applications and the initial adoption of FD-SOI technology.

  During his career at Soitec, he has authored or co-authored more than 50 papers, and he has also developed some 30 patents. He has a PhD in microelectronics from Grenoble Institute of Technology and obtained an executive MBA from INSEAD.

- **Bernard Aspar**, who as head of Global Business Units has demonstrated his major role in the success of the Group's strategic objectives, was promoted to the position of Chief Operating Officer, with effect from September 1, 2020.

  Bernard Aspar joined Soitec in 2006 as a Business Unit Director following Soitec's acquisition of Tracit Technologies, a spin-off from CEA-Leti that he founded in 2003. At Soitec, he has managed several Business Units by significantly increasing marketing and sales of RF and power components and developing ongoing interaction with clients.

  Before joining Soitec, he managed the development of the Smart Cut™ technology and the activities of a layer and integrated circuit transfer laboratory at CEA-Leti for more than 10 years.

  He holds engineering and PhD degrees in materials sciences from the University of Montpellier, France. He has co-authored more than 60 patents and received a number of awards, including the *European Semi Award* in 2017.

Our Company is seeking to improve the gender balance on its Executive Committee, as well as in the top 10% of its management posts.

3. Gender balance within the top 10% of the Company's management posts

We have a long-standing commitment to gender balance within the Company, and we are solidly committed to extending the practice across the Group, particularly to recently acquired subsidiaries, without ignoring the stereotypes in our environment, based on school and university choices, which deter most women from scientific and technical studies, and also within numerous companies in the semiconductor and microelectronics sector. Rather than being a hindrance, the reality of our environment – which is less favorable than in other sectors – drives our management to act with determination, although it inevitably impacts the pace of our progress.

In recent years, our policy has resulted in a steady increase in the number of women in the socio-professional category of engineers and managers, which had 30% women at the Group level at the end of March 2021 compared to 28% for fiscal year 2018-2019, and 34% at the Company level versus 32% over the same period.

Our policy is based on regular monitoring of indicators and targets, including through people reviews, salary reviews and promotion campaigns. These indicators are presented to the Executive Committee quarterly in a dedicated review. The people review, which brings together the Executive Committee for two days a year at the end of an organization-wide process that lasts several weeks, focuses mainly on gender issues in career developments through the prism of the management of high-potential employees and succession plans.

Issues relating to gender balance and the related targets and indicators were reviewed within the dedicated bodies of the Board of Directors, by the Nomination and Governance Committee in November 2020, and then by the Compensation Committee, responsible for environmental and social issues as of May 2021, which presented and analyzed the issues, targets, indicators and action plan to the Board of Directors at its meeting on June 9, 2021. On management's proposal, the gender balance targets set out below for the Executive Committee and the scope of the senior executive positions concerned were determined by the Board at this meeting.

The other main levers are awareness-raising actions of all internal and external stakeholders, including stereotypes at work and inclusive practices, training actions to raise awareness of biases in the appointment and recruitment processes (in particular, an e-learning course has been developed), an empowerment training program for women, the inclusion of gender issues in industrial relations, as well as the possibility of creating networks of women and allies provided for by collective agreements with the trade unions. Lastly, our master agreements with recruitment firms are gradually being renegotiated to include a systematic commitment to submit a shortlist of men and women candidates for all recruitments.

In France, we have seen continuous improvement in the Company's gender equality index since its creation and now also of the Economic and Social Unit comprising the Company and Soitec Lab, which demonstrates our determination to eliminate gender pay gaps and to ensure genuine equality of opportunity for promotions and increases, based on merit.

- 84/100 as at March 31, 2018
- 89/100 as at March 31, 2019 and 2020
- 94/100 as at March 31, 2021

Similarly, our subsidiary Dolphin Design, in which the Company took a stake in 2018 and which operates in a sector that is even more male-dominated than the semiconductor sector, improved significantly during the year: 89/100 compared to 79/100 for the previous fiscal year.

During the 2020 promotion campaigns and people review, as a result of this work, 37% of the individuals promoted in the Group were women and 45% of the very high-potential employees identified were also women. 50% of individuals on international mobility were also women, international exposure being an important lever for career development.

The Group's Executive Committee was still composed entirely of men in early 2018. Whenever a position becomes vacant, the Company ensures that a shortlist of men and women candidates is presented, to achieve gender balance. In 2018, a woman was recruited for the first time to join the Executive Committee as Senior Vice President and General Counsel. In 2020, a rigorous selection process was led, both internally and externally, with the assistance of a renowned recruitment firm, for our Finance Department, resulting in the internal promotion of a second woman to join the Executive Committee, bringing the ratio of women in the Committee to 18.2%. This encouraging result, for a position predominantly held by men in companies in the SBF 120 index, was achieved through an upstream policy of talent identification (men and women) in succession plans. Accordingly, in 2020, the Executive Committee succession plan included a short- to medium-term pool of men and women successors for eight of the 11 positions.

By fiscal year 2024-2025, the Company has set itself the objective of having at least 25% of women on its Executive Committee.

More generally, we carefully monitor the population holding the positions whose classification in our internal business architecture is greater than or equal to 150. They are mostly key positions in our organization, the vast majority of which directly report to the Group's Executive Committee, and represent about 7% of the total workforce. In this population where the relative percentage of scientific and technical posts is greater than within the Executive Committee, the ratio of women at the Group level is slightly lower: 17% at the end of March 2021, with a significant disparity between Bernin's Economic and Social Unit (19%) and our Singaporean subsidiaries and Dolphin Design, where the proportion of women in this category is only 6%.

We have set ourselves the objective of having at least 20% of women senior executives in this population by the end of fiscal year 2024-2025.

In compliance with legal obligations, we also analyzed the results of our gender balance policy on the population corresponding to the top 10% of our Company's management posts, even if this category does not correspond to a homogeneous and consistent population in the case of Soitec. At March 31, 2021, the proportion of women in this category is 15% across the Group, with 7% in Singapore and 3% in Dolphin Design. These figures can be explained, in particular, by the higher proportion of technical jobs than in the other analyzed categories.

Lastly, we believe that the gender balance targets in governing bodies should be at the heart of industrial relations, which is why we wanted to include related objectives in the collective agreement signed in March 2021 with the trade unions representing the staff of the Economic and Social Unit (which represents 76% of the Group's total workforce). Over the three-year period of the agreement to fiscal year 2023-2024, the following targets have been agreed with the trade unions:

- for the workforce as a whole, increase the proportion of women from 36% to 40%;
- for positions greater than or equal to internal classification 150, increase the proportion of women from 16% in fiscal year 2019-2020 to 19% in fiscal year 2023-2024 or, failing that, to 35% of women in positions higher than or equal to grade 130 (18% of the total workforce).

The structure of Executive Management and the Executive Committee is summarized below.


COO
Global Business
Bernard Aspar


CEO
Paul Boudre


CFO
Léa Alzingre


CTO
Christophe Maleville


Operations
Cyril Menon


Investor Relations and Corporate Development
Steve Babureck

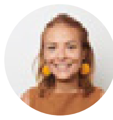

Strategic Office
Thomas Piliszczuk


Customer Group
Yvon Pastol


Quality
Reiner Breu


Global Sourcing & Procurement
Philippe Pellegrin


People and Sustainability
Pascal Lobry


Legal
Joséphine Deege-Mansour

4.1.3 Composition of our Board of Directors

4.1.3.1 Current members of our Board of Directors

95.33%
average attendance rate

14
members

10
meetings

2
employee directors

3
year term of office

41.67%
independent members*

5
committees

41.67%
women*

5
nationalities

Éric Meurice
Chairman of the Board of Directors, Chair of the Strategic Committee, Chair of the Compensation Committee, independent

Paul Boudre
Chief Executive Officer

Wissème Allali
Employee director

Françoise Chombar
Director, independent

Laurence Delpy
Chair of the Nomination and Governance Committee, independent

Christophe Gegout
Director, Chair of the Audit and Risks Committee, independent

Didier Landru
Employee director

Satoshi Onishi
Director

Sophie Paquin
Permanent representative of Bpifrance Participations, director

Guillemette Picard
Director

Kai Seikku
Director

Thierry Sommelet
Director

Jeffrey Wang
Director

Shuo Zhang
Director, independent

** Excluding the employee directors.*

CHANGES IN THE COMPOSITION OF OUR BOARD OF DIRECTORS AND BOARD COMMITTEES IN FISCAL YEAR 2020-2021

	Departures	Appointments	Reappointments
Board of Directors	CEA Investissement, represented by Guillemette Picard (September 23, 2020)	Guillemette Picard (September 24, 2020)*	-
Strategic Committee	-	Guillemette Picard (September 24, 2020)	-
Audit and Risks Committee	-	Guillemette Picard (September 24, 2020)	-
Nomination and Governance Committee	CEA Investissement, represented by Guillemette Picard (September 23, 2020)	Satoshi Onishi (June 10, 2020) Guillemette Picard (September 24, 2020)	-
Compensation Committee	CEA Investissement, represented by Guillemette Picard (September 23, 2020)	Guillemette Picard (September 24, 2020)	-
Restricted Strategic Matters Committee	-	Guillemette Picard (September 24, 2020)	-
Board of Directors		Wissème Allali (January 22, 2021)	-
Board of Directors		Didier Landru (January 18, 2021)	-

* *Appointed by co-option by our Board of Directors at its meeting on September 24, 2020, following the resignation of CEA Investissement, subject to ratification by the Shareholders' General Meeting of July 28, 2021.*

SUMMARY TABLE OF THE SKILLS AND EXPERTISE OF DIRECTORS CURRENTLY IN OFFICE

	Finance	International	CSR/HR	Industry	TMT (Tech, Media, Telecoms)	R&D	Governance/ Legal	Executive Management
Éric Meurice		✓			✓	✓	✓	✓
Paul Boudre		✓		✓	✓		✓	✓
Wissème Allali			✓	✓				
Françoise Chombar		✓	✓	✓	✓			✓
Bpifrance Participations (represented by Sophie Paquin)		✓	✓				✓	
Laurence Delpy	✓	✓			✓		✓	
Christophe Gegout	✓	✓			✓	✓	✓	
Didier Landru			✓	✓	✓	✓		
Satoshi Onishi		✓		✓	✓			✓
Guillemette Picard	✓	✓	✓		✓	✓		
Kai Seikku		✓		✓	✓			✓
Thierry Sommelet	✓		✓		✓		✓	
Jeffrey Wang	✓	✓		✓	✓			✓
Shuo Zhang	✓	✓		✓	✓			✓

A. Summary table of the composition of our Board of Directors at June 9, 2021

PERSONAL INFORMATION								LATEST TERM OF OFFICE		HISTORY		
Full name or company name	Age	Gender	Nationality	Number of shares	Number of offices in other listed companies [15]	Independence	Rate of attendance at Board meetings in fiscal year 2020-2021	Start date	End date [1]	Date of first appointment:	Years on the Board	Attendance at Board Committee meetings
DIRECTORS CURRENTLY IN OFFICE												
Éric Meurice *Chairman of the Board*	64	♂		1,000	3	★ ✔	100%	07/26/2018	2020-2021 SGM	07/26/2018	3	Chair of the Strategic Committee Chair of the Compensation Committee Member of the Nomination and Governance Committee, the Audit and Risks Committee, and the Restricted Strategic Matters Committee
Paul Boudre *Chief Executive Officer*	62	♂		53,892	0	✘	100%	07/26/2019	2021-2022 SGM	07/03/2012	9	Member of the Strategic Committee Permanent guest on the Restricted Strategic Matters Committee
Wissème Allali *Employee director*	37	♀		65	0	✘	100%	01/22/2021	2023-2024 SGM	01/22/2021 [2]	1	Member of the Compensation Committee
Bpifrance Participations *(represented by Sophie Paquin)*	43	♀		3,636,007	0	✘	100%	07/26/2019	2021-2022 SGM	07/02/2013	8 [3]	Member of the Nomination and Governance Committee and the Compensation Committee
Françoise Chombar	59	♀		0	2	✔	70%	07/26/2019	2020-2021 SGM [16]	07/26/2019	2	Member of the Strategic Committee, the Nomination and Governance Committee and the Restricted Strategic Matters Committee
Laurence Delpy	50	♀		150	0	✔	100%	07/26/2019	2021-2022 SGM	04/11/2016	5	Chair of the Nomination and Governance Committee Member of the Audit and Risks Committee, the Strategic Committee, the Compensation Committee and the Restricted Strategic Matters Committee
Christophe Gegout	45	♂		0	1	✔	100%	07/26/2019	2021-2022 SGM	04/11/2016 [4]	6 [5]	Chair of the Audit and Risks Committee Member of the Strategic Committee and the Restricted Strategic Matters Committee
Didier Landru *Employee director*	49	♂		45	0	✘	100%	01/18/2021	2023-2024 SGM	01/18/2021 [6]	1	Member of the Strategic Committee
Satoshi Onishi	58	♂		100	0	✘	100%	07/26/2018	2020-2021 SGM	07/10/2015	6	Member of the Nomination and Governance Committee
Guillemette Picard	45	♀		124	0	✘	100%	09/24/2020	2021-2022 SGM	09/24/2020 [7]	5 [8]	Member of the Audit and Risks Committee, the Nomination and Governance Committee, the Compensation Committee, the Strategic Committee and the Restricted Strategic Matters Committee

PERSONAL INFORMATION								LATEST TERM OF OFFICE		HISTORY		
Full name or company name	Age	Gender	Nationality	Number of shares	Number of offices in other listed companies (15)	Independence	Rate of attendance at Board meetings in fiscal year 2020-2021	Start date	End date (1)	Date of first appointment:	Years on the Board	Attendance at Board Committee meetings
DIRECTORS CURRENTLY IN OFFICE												
Kai Seikku	56	♂		2,000	1	✘	100%	07/26/2019	2021-2022 SGM	05/06/2019 (9)	2	Member of the Strategic Committee, the Nomination and Governance Committee and the Compensation Committee
Thierry Sommelet	51	♂		0	4	✘	90%	07/26/2019	2021-2022 SGM	11/29/2017 (10)	6 (11)	Member of the Audit and Risks Committee, the Strategic Committee and the Restricted Strategic Matters Committee
Jeffrey Wang	61	♂		0	0	✘	100%	07/26/2019	2021-2022 SGM	05/06/2019 (12)	2	Member of the Audit and Risks Committee
Shuo Zhang	56	♀		0	1	✔	90%	07/26/2019	2020-2021 SGM (16)	07/26/2019	2	Risks, Compensation, and Strategic Committees
TOTAL/ AVERAGE	52.57	7 ♂ 58% 5 ♀ 42% (13)	9 2 1 1 1	3,693,383	12	42% (14)	96.67%	2 in 2018 9 in 2019 1 in 2020 2 in 2021	2 in 2021 10 in 2022 2 in 2024	1 in 2012 1 in 2013 1 in 2015 2 in 2016 1 in 2017 1 in 2018 4 in 2019 1 in 2020 2 in 2021	4.1	
BOARD MEMBERS IN OFFICE DURING THE FISCAL YEAR ENDED MARCH 31, 2021 AND WHOSE TERM HAS ENDED												
CEA Investissement *(represented by Guillemette Picard)*	45	♀		2,571,007	0	✘	100%	07/26/2019	09/23/2020	04/20/2015 (17)	5 (18)	

★ Chairman of the Board of Directors.
(1) Shareholders' General Meeting held to approve the financial statements for the fiscal year in question.
(2) Appointed as an employee director by the CGT trade union on January 22, 2021.
(3) Bpifrance Participations was successively represented by Fabienne Demol (from 2013 to April 20, 2015), Thierry Sommelet (from April 20, 2015 to July 26, 2016), and lastly Sophie Paquin (from July 26, 2016).
(4) Appointment at the Shareholders' General Meeting of April 11, 2016, subject to the condition precedent of the definitive completion of capital increases reserved for Bpifrance Participations, CEA Investissement and National Silicon Industry Group (NSIG). The start date of the term of office corresponds to the date on which these reserved capital increases were definitively carried out, namely May 2, 2016.
(5) Including one year as permanent representative of CEA Investissement.
(6) Appointed as an employee director by the Métallurgie Isère CFE-CGC trade union on January 18, 2021.
(7) Appointed by co-option by the Board of Directors on September 24, 2020, for the remainder of the term of office of CEA Investissement, which resigned from the Board. Ratification of the appointment will be put to the shareholders' vote at the Shareholders' General Meeting of July 28, 2021.
(8) Including four years as permanent representative of CEA Investissement.
(9) 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, ratified by the Shareholders' General Meeting of July 26, 2019.
(10) Appointment by co-option by the Board of Directors on November 29, 2017, for the remainder of the term of office of Bpifrance Investissement, which resigned, ratified by the Shareholders' General Meeting of March 23, 2018.
(11) Including two years as permanent representative of Bpifrance Participations, then Bpifrance Investissement.
(12) Appointed by co-option by the Board of Directors on May 6, 2019, for the remainder of the term of office of Weidong (Leo) Ren, who resigned, decided subject to the condition precedent of written confirmation of the resignation of Weidong (Leo) Ren. The effective start date of the term of office corresponds to the date of written confirmation of the resignation of Weidong (Leo) Ren, i.e., May 7, 2019. Ratification of the appointment and renewal of the term of office were approved at the Shareholders' General Meeting of July 26, 2019.
(13) Employee directors are not included in this percentage calculation, in accordance with Article L. 225-27-1 of the French Commercial Code.
(14) Employee directors are not included in this percentage calculation, in accordance with section 9.3 of the AFEP-MEDEF Code.
(15) Number of offices held in companies outside our Group, including non-French companies, determined based on the criteria set out in section 19 of the AFEP-MEDEF Code.
(16) Françoise Chombar and Shuo Zhang resigned from their directorships with effect from the close of the Shareholders' General Meeting of July 28, 2021, in order to allow for a smoother staggering of the terms of office of the members of the Board of Directors. Further to their resignations, the Board of Directors has decided to propose to the Shareholders' General Meeting on July 28, 2021 that they be reappointed for a term of three years (see section 4.1.3.4 *Upcoming changes in the composition of our Board of Directors* of this Universal Registration Document).
(17) Appointment by co-option by the Board of Directors on April 20, 2015, for the remainder of the term of office of Christian Lucas, who resigned, ratified by the Shareholders' General Meeting of July 10, 2015.
(18) CEA Investissement was successively represented by Christophe Gegout (from April 20, 2015 to May 2, 2016) and then Guillemette Picard (from May 2, 2016 until her resignation on September 23, 2020).

Throughout the year ended March 31, 2021 and to date, as far as the Company is aware, no member of the Board of Directors held more directorships than stipulated in Article L. 225-21 of the French Commercial Code and in the AFEP-MEDEF Code (see detailed information individual profiles below).

B. Summary individual profiles of the members of our Board of Directors currently in office

Éric Meurice

Chairman of the Board of Directors
Independent director
Chair of the Strategic Committee
Chair of the Compensation Committee
Member of the Nomination and Governance Committee, the Audit and Risks Committee and the Restricted Strategic Matters Committee

64 years old

Business address*
soitec

Skills
International
TMT
R&D
Governance/Legal
Executive Management

Committees
Chair and member of the Strategic Committee
Chair and member of the Compensation Committee
Member of the Nomination and Governance Committee
Member of the Audit and Risks Committee
Member of the Restricted Strategic Matters Committee

Years on the Board
3

Attendance rate at Board and Committee meetings in fiscal year 2020-2021
100%

Number of shares held: 1,000
Date of first appointment: July 26, 2018
Start date of current term: July 26, 2018
End date of current term: reappointment to be put to the shareholders' vote at the Shareholders' General Meeting of July 28, 2021

PROFESSIONAL EXPERIENCE

Éric Meurice was the Chief Executive Officer and President of ASML Holding N.V., a leading equipment manufacturer for the semiconductor industry, from October 2004 to June 2013, and its Chairman until March 2014.

From 2001 to 2004, he was Executive Vice President of the Thomson-RCA Television division. From 1995 to 2001, he led Western Europe, Eastern Europe, and emerging markets in the EMEA region for Dell Computer.

Before 1995, he acquired significant experience in the industrial and technology fields within ITT Semiconductors, Intel Corporation and Renault SA.

Éric Meurice has been an independent director at IPG Photonics Corp. since June 2014, UMICORE SA since April 2015 and Global Blue AG since May 2018.

He was a director on the Boards of NXP Semiconductors N.V, and of Meyer Burger AG up to May 2019. He also served as director of Verigy Ltd. until its acquisition by Advantest Corporation in 2011, and ARM Holdings plc until March 2014.

Éric Meurice graduated from École Centrale de Paris (France), and has a Master's degree in economics from Panthéon-Sorbonne University in Paris (France), and an MBA from Stanford University (California, USA).

MAIN POSITION OUTSIDE OUR COMPANY

- Company director.

OTHER CURRENT OFFICES HELD WITHIN OUR GROUP

N/A.

CURRENT OFFICES OUTSIDE OUR COMPANY

- IPG Photonics Corporation** (USA);
- Umicore, SA** (Belgium);
- Global Blue AG (Switzerland).

OFFICES OUTSIDE OUR COMPANY HAVING EXPIRED IN THE LAST FIVE YEARS

- NXP Semiconductors NV** (Netherlands) (until May 2019);
- Meyer Burger** (Switzerland) (until May 2019).

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

Paul Boudre

Chief Executive Officer

Member of the Strategic Committee

Permanent guest on the Restricted Strategic Matters Committee

Number of shares held: 53,892

Date of first appointment: July 3, 2012

Start date of current term: July 26, 2019

End date of current term: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2022

62 years old

Business address*
soitec

Skills
International
Industry
TMT
Governance/Legal
Executive Management

Committees
Member of the Strategic Committee
Permanent guest on the Restricted Strategic Matters Committee

Years on the Board
9

Attendance rate at Board and Committee meetings in fiscal year 2020-2021
100%

PROFESSIONAL EXPERIENCE

Since 2015, Paul Boudre has been the Chief Executive Officer of Soitec, a world leader in innovative semiconductor materials. He is also a member of the Board of Directors.

Paul joined the Company in 2007 as Director of Sales, Marketing and Business Development, where he focused on the development of new opportunities in the market and the SOI (Silicon-on-Insulator) ecosystem, making it possible to adopt this technology for consumer and "More Than Moore" applications.

In addition to his duties at Soitec, Paul also sits on several other Boards of Directors: Alphawave IP, a global leader in high-speed connectivity solutions for the world's technology infrastructure; Fogale Nanotech, a leader in high accuracy dimensional metrology; AENEAS, the Association for European NanoElectronics Activities. He is also Chairman of the SOI Industry Consortium, an international organization dedicated to promoting the understanding, development and adoption of technologies based on SOI and in whose launch he played a major role. He is also Vice-Chairman of the European Advisory Board of SEMI, a global industrial association serving the manufacturing supply chain for the electronics industry. Lastly, he is a member of the Advisory Board of CORES du Leti, a technological research institute of the French Alternative Energies and Atomic Energy Commission (CEA).

For more than 30 years, Paul has been active in the semiconductor industry, where he has acquired solid international experience. During his 10 years at KLA-Tencor, one of the first five global equipment manufacturers for the semiconductor industry, he led the group's European operations, then took the position of Vice President for Europe and the USA. Previously, he also carried out management duties in the industrial units of IBM Semiconductor (now belongs to GlobalFoundries), STMicroelectronics, Motorola Semiconductor (now belongs to NXP Semiconductors), and Atmel.

Paul is a graduate of the École nationale de chimie de Toulouse.

MAIN POSITION OUTSIDE OUR GROUP:

N/A.

OTHER CURRENT OFFICES HELD WITHIN OUR GROUP

- Director of Soitec Japan Inc. (Japan);
- Director of Soitec Microelectronics Singapore Pte Ltd. (Singapore);
- Soitec's legal representative in companies on whose Boards it sits.

CURRENT OFFICES OUTSIDE OUR GROUP

- Director of Alphawave IP (United Kingdom)**;
- Director of Fogale Nanotech (France);
- Director of AENEAS;
- Chairman of SOI Industry Consortium;
- Vice-Chairman of the European Advisory Board of SEMI;
- Member of CORES du Leti's Advisory Board.

OFFICES OUTSIDE OUR GROUP HAVING EXPIRED IN THE LAST FIVE YEARS

- Permanent representative of Soitec; Director of Exagan (France) (until April 2020).

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

Wissème Allali

Employee director

Compensation Committee

Number of shares held: 65

Date of first appointment: January 22, 2021 [1]

Start date of current term: January 22, 2021

End date of current term: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024

37 years old

Business address*
soitec

Skills
CSR/HR
Industry

Committees
Compensation Committee

Years on the Board
1

Attendance rate at Board and Committee meetings in fiscal year 2020-2021
100%

PROFESSIONAL EXPERIENCE

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

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

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

MAIN POSITION OUTSIDE OUR COMPANY

N/A.

OTHER CURRENT OFFICES HELD WITHIN OUR GROUP

N/A.

CURRENT OFFICES OUTSIDE OUR GROUP

N/A.

OFFICES OUTSIDE OUR GROUP HAVING EXPIRED IN THE LAST FIVE YEARS

N/A.

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*
(1) *Appointed by the CGT trade union.*

Françoise Chombar

Independent director

Member of the Strategic Committee, the Nomination and Governance Committee and the Restricted Strategic Matters Committee

59 years old

Business address*
soitec

Skills
International
CSR/HR
Industry
TMT
Executive Management

Committees
Member of the Strategic Committee
Member of the Nomination and Governance Committee
Member of the Restricted Strategic Matters Committee

Years on the Board
2

Attendance rate at Board and Committee meetings in fiscal year 2020-2021
85%

Number of shares held: 0

Date of first appointment: first appointment put to the shareholders' vote at the Shareholders' General Meeting of July 26, 2019

Start date of current term: July 26, 2019

End date of current term: reappointment to be put to the shareholders' vote at the Shareholders' General Meeting of July 28, 2021

PROFESSIONAL EXPERIENCE

Françoise Chombar has been Chief Executive Officer of Melexis since 2003, having co-founded the company in 1989 and holding a variety of positions in it, including Deputy Chief Executive Officer from 1997 to 2003. Melexis manufactures mixed signal semiconductor sensor and driver components mainly aimed at automotive applications.

At the same time, she is a director on the Board of Umicore (since 2016), a group specialized in materials technology and recycling, and Chairwoman of BioRICS, a health tech start-up.

She is also Chairwoman of STEM Platform, a consultative body of the Flemish regional government that aims to encourage young people to study sciences, technology, engineering and mathematics and to promote these disciplines to the general public.

In addition, she has been a mentor for the SOFIA Women's Network, a coaching organization for working women (from 1999 to 2016) and promotes the accession of women to Boards of Directors through her membership of the Women on Board non-profit.

Prior to joining Melexis, Françoise worked at Elmos, a German semiconductor supplier, where she was in charge of Production Planning and Customer Service (from 1985 to 1989).

Françoise holds a Master's degree in interpreting (Dutch, English and Spanish) from Ghent University.

MAIN POSITION OUTSIDE OUR COMPANY

- Co-founder and Chief Executive Officer of Melexis** (Belgium).

OTHER CURRENT OFFICES HELD WITHIN OUR GROUP

N/A.

CURRENT OFFICES OUTSIDE OUR GROUP

- Director of Umicore** (Belgium);
- Chairwoman of BioRICS (Belgium);
- Chairwoman of STEM Platform (Belgium).

OFFICES OUTSIDE OUR GROUP HAVING EXPIRED IN THE LAST FIVE YEARS

N/A.

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

4.

Laurence Delpy

Independent director

Chair of the Nomination and Governance Committee

Member of the Audit and Risks Committee, the Strategic Committee, the Compensation Committee and the Restricted Strategic Matters Committee

Number of shares held: 150

Date of first appointment: April 11, 2016

Start date of current term: July 26, 2019

End date of current term: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2022

50 years old

Business address*
soitec

Skills
Finance
International
TMT
Governance/Legal

Committees
Chair and member of the Nomination and Governance Committee
Member of the Audit and Risks Committee
Member of the Strategic Committee
Member of the Compensation Committee
Member of the Restricted Strategic Matters Committee

Years on the Board
5

Attendance rate at Board and Committee meetings in fiscal year 2020-2021
100%

PROFESSIONAL EXPERIENCE

In September 2020, Laurence Delpy was appointed Vice President EMEA Service Providers at Palo Alto Networks, a global leader in cybersecurity.

From 2016 to 2020, Laurence managed Nokia's mobile network business for the Asia-Pacific region and Japan where she lived and worked for 25 years.

She served as Vice President of Alcatel-Lucent's mobile business in Asia and Deputy Vice President of the network business in China within their joint venture, Alcatel-Lucent Shanghai Bell from 2012 to 2016.

Previously, she was Vice President and Chief Executive Officer of the GSM product line from 2010 to 2012.

Prior to that, she held several sales positions in Telstra, Alcatel and Alcatel-Alstom in Australia, South Asia and France.

Laurence graduated from the École supérieure de gestion in Paris, France and holds a degree in Business Administration. She also holds a certificate in general administration obtained at INSEAD in Singapore.

MAIN POSITION OUTSIDE OUR COMPANY

- Vice President Service Providers EMEA at Palo Alto Networks (Paris).

OTHER CURRENT OFFICES HELD WITHIN OUR GROUP

N/A.

CURRENT OFFICES OUTSIDE OUR GROUP

N/A.

OFFICES OUTSIDE OUR GROUP HAVING EXPIRED IN THE LAST FIVE YEARS

N/A.

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

Christophe Gegout

Independent director
Chair of the Audit and Risks Committee
Member of the Strategic Committee and the Restricted Strategic Matters Committee

Number of shares held: 0
Date of first appointment: April 20, 2015 (1)
Start date of current term: July 26, 2019
End date of current term: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2022

45 years old

Business address*
soitec

Skills
Finance
International
TMT
R&D
Governance/Legal

Committees
Chair of the Audit and Risks Committee
Member of the Strategic Committee
Member of the Restricted Strategic Matters Committee

Years on the Board
6

Attendance rate at Board and Committee meetings in fiscal year 2020-2021
97.5%

PROFESSIONAL EXPERIENCE

Since December 2020, Christophe Gegout has been a Managing Partner at Yotta Capital Partners, a French private equity firm dedicated to smart industry and the transition to a low-carbon economy. Previously, he was Investment Director at Meridiam, in charge of investments in SMEs within one of the leading global investment and public asset management firms.

Before that, he was Chief Financial Officer at the French Alternative Energies and Atomic Energy Commission (*Commissariat à l'énergie atomique et aux énergies alternatives* – CEA) from 2009 to 2015 and was then named Deputy General Manager, a position he held until 2018. At the CEA, he developed innovation partnerships with major international groups and European SMEs, as well as a new asset management business on behalf of third parties, focusing on ground-breaking innovations in the field of major transformations (digital, medical and energy revolutions), which is now led by Supernova Invest.

From 2001 to 2009, Christophe held various positions within the French Ministry of Economy and Finance, including advisor to Christine Lagarde, Finance Minister.

He is a graduate of the École polytechnique, Sciences-Po Paris, and ENSAE (French national school of statistics and economic administration).

MAIN POSITION OUTSIDE OUR COMPANY

- Managing Partner of Yotta Capital Partners (since December 2020).

OTHER CURRENT OFFICES HELD WITHIN OUR GROUP

N/A.

CURRENT OFFICES OUTSIDE OUR GROUP

- Director of Neoen** (France) (since June 2015).

OFFICES OUTSIDE OUR GROUP HAVING EXPIRED IN THE LAST FIVE YEARS

- Chairman of the CEA Investissement (France) Board of Directors (January 2011-October 2018);
- Director of Supernova Invest (France) (April 2017-October 2018);
- Director of FT1CI and of AREVA Group companies, including AREVA SA** (until October 2018);
- Director of Séché environnement** (France) (until November 2019);
- Director of Allego BV (Netherlands).

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*
** *Listed company.*
(1) *Appointment as permanent representative of CEA Investissement, director appointed by co-option by the Board of Directors on April 20, 2015, for the remainder of the term of office of Christian Lucas, who resigned, ratified by the Shareholders' General Meeting of July 10, 2015. Then, appointment as a director in his own right at the Shareholders' General Meeting of April 11, 2016, approved contingent upon final completion of the share capital increases reserved for Bpifrance Participations, CEA Investissement and National Silicon Industry Group (NSIG). The actual start date of the term was the same as the date of final completion of said reserved capital increases, i.e., May 2, 2016.*

Didier Landru

Employee director

Member of the Strategic Committee

Number of shares held: 45

Date of first appointment: January 18, 2021 (1)

Start date of current term: January 18, 2021

End date of current term: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024

49 years old

Business address*

soitec

Skills

CSR/HR

Industry

TMT

R&D

Committees

Member of the Strategic Committee

Years on the Board

1

Attendance rate at Board and Committee meetings in fiscal year 2020-2021

100%

PROFESSIONAL EXPERIENCE

Didier Landru is a senior expert in Soitec's Innovation Department, where he has held various R&D positions over the past 15 years, after an initial experience in a major semiconductor industry group.

Didier is a materials science engineer from Grenoble INP-Phelma and obtained his PhD in 2000 from the University of Grenoble-Alpes, in partnership with the University of Cambridge.

In addition, Didier has been an employee representative and trade union representative within various employee representative bodies.

MAIN POSITION OUTSIDE OUR COMPANY

N/A.

OTHER CURRENT OFFICES HELD WITHIN OUR GROUP

N/A.

CURRENT OFFICES OUTSIDE OUR GROUP

N/A.

OFFICES OUTSIDE OUR GROUP HAVING EXPIRED IN THE LAST FIVE YEARS

N/A.

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

(1) *Appointed by the CGC trade union.*

Satoshi Onishi

Member of the Nomination and Governance Committee

Number of shares held: 100

Date of first appointment: July 10, 2015

Start date of current term: July 26, 2018

End date of current term: reappointment to be put to the shareholders' vote at the Shareholders' General Meeting of July 28, 2021

58 years old

Business address*
soitec

Skills
International
Industry
TMT
Executive Management

Committees
Member of the Nomination and Governance Committee

Years on the Board
6

Attendance rate at Board and Committee meetings in fiscal year 2020-2021
100%

PROFESSIONAL EXPERIENCE

Satoshi Onishi is Director of the Office of the President of Shin-Etsu Chemical Co. Ltd.

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 During that time, he designed and developed, as project manager, numerous Shin-Etsu systems, applied both company-wide and to manufacturing processes.

Satoshi is an economics graduate from the University of Kagawa (Japan) in 1985, he also holds a Master's degree in Industrial Systems Engineering from the University of Florida.

MAIN POSITION OUTSIDE OUR COMPANY

- Director of the Office of the President of Shin-Etsu Chemical Co. Ltd. (Japan).

OTHER CURRENT OFFICES HELD WITHIN OUR GROUP

N/A.

CURRENT OFFICES OUTSIDE OUR GROUP

N/A.

OFFICES OUTSIDE OUR GROUP HAVING EXPIRED IN THE LAST FIVE YEARS

- President and Chief Executive Officer of Shin-Etsu Handotai Europe Ltd. (United Kingdom) (2012-2018).

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

Sophie Paquin

Permanent representative of Bpifrance Participations, director
Member of the Nomination and Governance Committee and the Compensation Committee

Number of shares held: 3,636,007 [(1)]
Date of first appointment: July 2, 2013
Start date of current term: July 26, 2019
End date of current term: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2022

43 years old

Business address*
soitec

Skills
Finance
International
CSR/HR
Governance/Legal

Committees
Member of the Nomination and Governance Committee
Member of the Compensation Committee

Years on the Board
5

Attendance rate at Board and Committee meetings in fiscal year 2020-2021
100%

PROFESSIONAL EXPERIENCE

Sophie Paquin has been General Counsel at Bpifrance Investissement since June 1, 2014.

Before that, Sophie worked at Latham & Watkins for eight years, a firm specialized in mergers and acquisitions and corporate finance for both French and international companies.

She joined the French Strategic Investment Fund when it was founded and worked in particular on structuring, negotiating and documenting investment transactions. In 2013, she worked with Bpifrance's Chief Executive Officer on the legal and operational aspects of the creation of the French public investment bank. Sophie is a lawyer and a graduate of ESSEC.

MAIN POSITION OUTSIDE OUR COMPANY

- General Counsel of Bpifrance Investissement (France).

OTHER CURRENT OFFICES HELD WITHIN OUR GROUP

N/A.

CURRENT OFFICES OUTSIDE OUR GROUP

- Director of Cosmeur SAS (France);
- Director of Tyrol Acquisition 1 SCA (Luxembourg).

OFFICES OUTSIDE OUR GROUP HAVING EXPIRED IN THE LAST FIVE YEARS

N/A.

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*
** *Listed company.*
(1) *Shares held by Bpifrance Participations.*

Guillemette Picard

Member of the Audit and Risks Committee, the Nomination and Governance Committee, the Compensation Committee, the Strategic Committee and the Restricted Strategic Matters Committee

45 years old

Business address*
soitec

Skills
Finance
International
CSR/HR
TMT
R&D

Committees
Member of the Audit and Risks Committee
Member of the Nomination and Governance Committee
Member of the Compensation Committee
Member of the Strategic Committee
Member of the Restricted Strategic Matters Committee

Years on the Board
5

Attendance rate at Board and Committee meetings in fiscal year 2020-2021
98%

Number of shares held: 124

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

Start date of current term: September 24, 2020 (2)

End date of current term: ratification of the co-option by the Board of Directors (which runs until the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2022) to be put to the shareholders' vote at the Shareholders' General Meeting of July 28, 2021

PROFESSIONAL EXPERIENCE

Guillemette Picard has been Director of Heath Technology at Nabla since September 2018. Nabla is a young, innovative firm committed to speeding up the development of artificial intelligence in healthcare. She has over 15 years of experience in data science and in financing new technology in various sectors of industry.

Previously, she was Head of Artificial Intelligence at Allianz France. From 2013 to 2017, she was Investment Director at Engie New Ventures. She helped set up the corporate venture capital fund and led its strategic investments in the digital and mobility sectors. From 2010 to 2013, she was a Technology Expert at the European Investment Bank (EIB), financing the developments of new energy technologies. From 2004 to 2010, she held various positions at Schlumberger in Europe and the US working on sensors and data analytics. She filed four patents in these fields.

Guillemette has an engineering degree from the École polytechnique and a PhD in statistical physics.

MAIN POSITION OUTSIDE OUR COMPANY

- Director – Health Technology, of Nabla (France).

OTHER CURRENT OFFICES HELD WITHIN OUR GROUP

N/A.

CURRENT OFFICES OUTSIDE OUR GROUP

- Director of CLS (France).

OFFICES OUTSIDE OUR GROUP HAVING EXPIRED IN THE LAST FIVE YEARS

N/A.

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

(1) *Appointment as the permanent representative of CEA Investissement, director, placed on record by the Board of Directors on May 2, 2016, following the appointment of Christophe Gegout as director in his own name at the corresponding end of his role as permanent representative of CEA Investissement.*

(2) *Appointment by co-option by the Board of Directors on September 24, 2020, for the remainder of the term of office of CEA Investissement, which resigned from the Board. Ratification of the appointment will be put to the shareholders' vote at the Shareholders' General Meeting of July 28, 2021.*

Kai Seikku

Member of the Strategic Committee, the Nomination and Governance Committee and the Compensation Committee

56 years old

Business address*
soitec

Skills
International
Industry
TMT
Executive Management

Committees
Member of the Strategic Committee
Member of the Nomination and Governance Committee
Member of the Compensation Committee

Years on the Board
2

Attendance rate at Board and Committee meetings in fiscal year 2020-2021
100%

Number of shares held: 2,000

Date of first appointment: May 6, 2019 (1)

Start date of current term: July 26, 2019

End date of current term: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2022

PROFESSIONAL EXPERIENCE

Since 2010, Kai Seikku has been President & Chief Executive Officer of Okmetic Oy, one of the top suppliers worldwide of tailor-made, high value-added silicon wafers for MEMS, sensors, discrete semiconductors and analog circuits.

Since Okmetic Oy was bought in 2016 by NSIG Group, an industrial holding company specialized in semiconductor materials and their ecosystem, he has also been Executive Vice-President of NSIG.

He is also a director of Inderes Oy (since 2016) and Verkkokauppa.com (since 2013) as well as an industrial consultant for Intera Partners, a private equity firm (since 2013).

Kai has more than 20 years' experience in executive management and as a company director.

Before joining Okmetic Oy, he worked in the food industry as Chief Executive Officer of HKScan Corporation (2005-2009) and in marketing as Finland Regional Manager of McCann-Erickson (2002-2005) and Chief Executive Officer of Hasan & Partners (1999-2005).

Kai began his career at Bossard Consultants (Gemini Consulting) (1991-1993) before joining the Boston Consulting Group (1993-1999) where he was project manager for Finland and Sweden.

He has a Masters' degree in Economics from Aalto University in Helsinki.

MAIN POSITION OUTSIDE OUR COMPANY

- President & Chief Executive Officer of Okmetic Oy (Finland);
- Executive Vice President of National Silicon Industry Group (NSIG) (China).

OTHER CURRENT OFFICES HELD WITHIN OUR GROUP

N/A.

CURRENT OFFICES OUTSIDE OUR GROUP

- Director of Inderes Oy (Finland);
- Director of Verkkokauppa.com** (Finland).

OFFICES OUTSIDE OUR GROUP HAVING EXPIRED IN THE LAST FIVE YEARS

- Director of Robit Oyj** (Finland) (2018-2020);
- Director of Zing Semiconductor Corporation** (China) (July 2016 – December 2017);
- Director of Technology Industries of Finland (Finland) (January 2012 – December 2018);
- Vice-Chair of the Board of the University of the Arts Helsinki (January 2015 – December 2017).

* *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 Shareholders' General Meeting of July 26, 2019.*

Thierry Sommelet

Member of the Audit and Risks Committee, the Strategic Committee and the Restricted Strategic Matters Committee

Number of shares held: 0 [(1)]

Date of first appointment: April 20, 2015

Start date of current term: July 26, 2019

End date of current term: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2022

51 years old

Business address*
soitec

Skills
Finance
CSR/HR
TMT
Governance/Legal

Committees
Member of the Audit and Risks Committee
Member of the Strategic Committee
Member of the Restricted Strategic Matters Committee

Years on the Board
6

Attendance rate at Board and Committee meetings in fiscal year 2020-2021
91.67%

PROFESSIONAL EXPERIENCE

Thierry Sommelet is Director, member of the Management Committee and Head of Capital Development for Technology, Media and Telecom at Bpifrance, the private financing arm of Banque Publique d'Investissement (formerly known as Fonds Stratégique d'Investissement, or "FSI"). He has nearly 20 years' experience in private and public financing in the technology, media and telecommunications sectors.

He also is a member of the Boards of Directors or Supervisory Boards of several technology, media and telecom companies, including listed companies in France and the United States.

Thierry began his career working in capital markets at Crédit Commercial de France in 1992 in Paris, then in New York.

After serving as Manager of the financial engineers' team at Renaissance Software (later bought by SunGard) in Los Altos, then as COO of InfosCE in 2001, he joined the Investments and Digital Investments Department of Caisse des Dépôts et Consignations in 2002, which he headed up from 2007.

After joining Fonds Stratégique d'Investissement in 2009, he joined the teams at Bpifrance Investissement when it was created in 2013.

Thierry is a graduate of the École nationale des ponts et chaussées. He also holds an MBA from INSEAD.

MAIN POSITION OUTSIDE OUR COMPANY

- Managing Director, member of the Management Committee, Head of Technology, Media, Telecom at Bpifrance (France).

OTHER CURRENT OFFICES HELD WITHIN OUR GROUP

N/A.

CURRENT OFFICES OUTSIDE OUR GROUP

- Director of:
  - Worldline Group** (France) (since November 2020),
  - Talend** (France),
  - Tyrol Acquisition 1 SCA. (Luxembourg);
  - Permanent representative of:
  - Bpifrance Participations, Director of Orange SA** (France) (since January 2021),
  - Bpifrance Participations, Director of Technicolor** (France) (since January 2017),
  - Bpifrance Investissement, Director of Idemia (France) (since June 2017).

OFFICES OUTSIDE OUR GROUP HAVING EXPIRED IN THE LAST FIVE YEARS

- Director of Groupe Ingenico** (France) (until 2020).
- Chairman of the Supervisory Board of Greenbureau SA (France) (until 2020).
- Member of the Supervisory Board of Sipartech (France) (until August 2016).
- Permanent representative of:
  - Bpifrance Investissement, member of the Supervisory Board of Mersen** (France) (until May 2018),
  - Bpifrance Participations, member of the Supervisory Board of Inside Secure** (France) (until December 2016).

* *Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.*
** *Listed company.*
(1) *Thierry Sommelet was appointed as a Board member on the proposal of Bpifrance Participations, which holds 3,636,007 shares and which is entitled to propose two Board members according to the Shareholders' Agreement entered into March 7, 2016 and amended on April 29, 2016. As an employee of Bpifrance, Thierry Sommelet is not authorized to hold directly any shares from Soitec nor to perceive any compensation for his role as a Soitec Board member.*

Jeffrey Wang

Member of the Audit and Risks Committee

Number of shares held: 0

Date of first appointment: May 6, 2019 (1)

Start date of current term: July 26, 2019

End date of current term: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2022

61 years old

Business address*
soitec

Skills
Finance
International
Industry
TMT
Executive Management

Committees
Member of the Audit and Risks Committee

Years on the Board
2

Attendance rate at Board and Committee meetings in fiscal year 2020-2021
100%

PROFESSIONAL EXPERIENCE

Since 2016, Jeffrey Wang has been Chief Executive Officer of Shanghai Simgui Technology Co. Ltd. (Simgui), a longstanding partner of Soitec and a leading global supplier of SOI wafers, tailor-made epitaxial wafers and other solutions for the semiconductor industry. In March 2019, he became Executive Vice President of NSIG, an industrial holding company specialized in semiconductor materials and their ecosystem development, to which Simgui belongs.

He has in-depth knowledge of the semiconductor industry with 30 years' experience in R&D, manufacturing, operations and management.

Before joining Simgui, he was Vice President, Operations (2008-2012) and then President & Executive Director (2012-2015) of Advanced Semiconductor Manufacturing Corporation (ASMC), a leading foundry of analog semiconductors (2008-2015).

Previously, he was General Manager of ANADIGICS China Corporation (2007-2008), Vice President, Operations of Shanghai Belling Corporation (2006-2007) and Senior Manager & Special Assistant of the Senior Vice President, Operations of Semiconductor Manufacturing International Corporation (SMIC) (2001-2006).

Jeffrey Wang started out in Silicon Valley as an engineer first at Vishay Siliconix (1995-2000) and then at Maxim Integrated Products (2000-2001).

He earned a BSc in physics and a PhD in physical chemistry from Fudan University (Shanghai) followed by post-doctoral work in applied physics at Harvard University.

MAIN POSITION OUTSIDE OUR COMPANY

- Board director & Chief Executive Officer of Shanghai Simgui Technology Co. Ltd. (China);
- Executive Vice President of National Silicon Industry Group (NSIG) (China).

OTHER CURRENT OFFICES HELD WITHIN OUR GROUP

N/A.

CURRENT OFFICES OUTSIDE OUR GROUP

N/A.

OFFICES OUTSIDE OUR GROUP HAVING EXPIRED IN THE LAST FIVE YEARS

- Director of Okmetic Oy (Finland) (July 2016 – January 2018)

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

(1) *Appointment by co-option by the Board of Directors on May 6, 2019, for the remainder of term of office of Weidong (Leo) Ren, who resigned, decided subject to the condition precedent of written confirmation of the resignation of Weidong (Leo) Ren. The effective start date of the term of office corresponds to the date of written confirmation of the resignation of Weidong (Leo) Ren, i.e., May 7, 2019. Ratification of the appointment and renewal of the term of office were approved at the Shareholders' General Meeting of July 26, 2019.*

Shuo Zhang

Independent director

Member of the Audit and Risks Committee, the Compensation Committee and the Strategic Committee

Number of shares held: 0

Date of first appointment: July 26, 2019

Start date of current term: July 26, 2019

End date of current term: reappointment to be put to the shareholders' vote at the Shareholders' General Meeting of July 28, 2021

56 years old

Business address*
soitec

Skills
Finance
International
Industry
TMT
Executive Management

Committees
Member of the Audit and Risks Committee
Member of the Compensation Committee
Member of the Strategic Committee

Years on the Board
2

Attendance rate at Board and Committee meetings in fiscal year 2020-2021
93.15%

PROFESSIONAL EXPERIENCE

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

Since 2017, she has also sat on the Board of Directors of Grid Dynamics and been an executive director of Telink Semiconductor Corp. In 2019, she joined the Board of PDF Solutions Corp.

Shuo Zhang has more than 25 years' experience in corporate management, marketing, sales and strategic commercial development with the semiconductors sector.

She has held various management positions at Cypress Semiconductors (2007-2015), Silicon Light Machines (2006-2007), Agilent Technologies (2000-2006), Altera (1998-2000), Quester Technologies (1996-1998) and LSI Logic (1994-1996).

She started out as a research assistant at the Chinese Academy of Sciences (1987-1989) and at Penn State University (1990-1994).

Shuo Zhang has an MSc in Engineering from Penn State University (USA), a BSc in Electrical Engineering from Zhejiang University (China) and an Executive Management degree from Stanford University (USA).

MAIN POSITION OUTSIDE OUR COMPANY

- Managing Partner & Chief Executive Officer of Renascia Partners LLC (USA);
- Advisory Partner of Benhamou Global Ventures (USA);
- Operating Partner at Atlantic Bridge Capital (USA).

OTHER CURRENT OFFICES HELD WITHIN OUR GROUP

N/A.

CURRENT OFFICES OUTSIDE OUR GROUP

Director of Grid Dynamics (USA);

Director of PDF Solutions Corp** (USA);

Executive Director of Telink Semiconductor Corp. (China).

OFFICES OUTSIDE OUR GROUP HAVING EXPIRED IN THE LAST FIVE YEARS

- Director of Ampleon (Netherlands) (October 2015 – December 2017).

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

4.

4.1.3.2 Main principles governing the composition of our Board

A. Statutory and contractual provisions

The composition of the Board of Directors is governed by Articles L. 225-17 *et seq.* of the French Commercial Code.

Additional rules and procedures are set out in our Company's by-laws (see section 9.1.2 *By-laws* of this Universal Registration Document) as well as in the Board of Directors' Internal Regulation.

The Shareholders' Agreement signed on March 7, 2016 and amended on April 29, 2016 between the Company's three "strategic investors" – Bpifrance Participations, CEA Investissement and NSIG Sunrise S.à.r.l. –, which is due to expire at the close of the July 28, 2021 Shareholders' General Meeting also contains specific provisions relating to the Company's governance (see section 4.1.3.2 F. *Representation of Bpifrance Participations, CEA Investissement and NSIG Sunrise S.à.r.l., our Company's "strategic investors"* of this Universal Registration Document).

B. Terms of office

Directors are appointed for three-year terms, expiring at the close of the Shareholders' General Meeting called to approve the financial statements for the fiscal year ended in the calendar year when they expire and held in that calendar year.

The members of our Board of Directors can always be reappointed.

C. Board Secretary

In accordance with Article 14 of the Company's by-laws and Article 2 a) of the Internal Regulation of our Board of Directors, on the recommendation of the Chairman, the Board may appoint a secretary, who is not required to be a Board member.

In the event that the Secretary of the Board is not a member of the Board, they are bound by the same confidentiality obligations as the other members of the Board. The Secretary of the Board will remain in office for a period determined by our Board of Directors and may be replaced by a simple decision of the Board of Directors.

D. Selection of directorship candidates

In accordance with Article 1 a) of our Board of Directors' Internal Regulation, the Board must make every effort to put forward directorship candidates who have industrial and/or accounting and financial skills. Furthermore, their profiles and skills should match the Company's needs and regulatory requirements as well, and to the extent possible, the recommendations of the AFEP-MEDEF Code of Corporate Governance.

Article 1 b) of the Board's Internal Regulation sets the age limit for holding the office of director within the Company at 74.

Our Board of Directors is guided by the recommendations of the Nomination and Governance Committee when deciding on putting forward new directorship candidates for appointment or co-option by shareholders. As part of its duties, the Nomination and Governance Committee follows a specific procedure for selecting the Company's future independent directors. In line with the AFEP-MEDEF Code, our Board of Directors particularly draws on the Nomination and Governance Committee's work on the Board's assessment of its own composition, organization and operation when identifying new candidates or putting forward directors for reappointment. This process guarantees a balanced diversity in terms of gender representation, nationalities, ages, skills and experience.

The Nomination and Governance Committee draws up a shortlist, assisted where necessary by an external consulting firm, which it puts forward to our Board to help it select candidates for co-option, appointment or reappointment as directors.

E. Independence

Pursuant to Article 1 a) of its Internal Regulation, our Board of Directors must use its best efforts to ensure that its composition, and in particular, its number of independent members, is in line with the recommendations of the AFEP-MEDEF Corporate Governance Code.

Each year, prior to the Shareholders' General Meeting held to approve the financial statements, our Board assesses the independence of each of the directors. The assessment is carried out based on the recommendations of the Compensation and Governance Committee established in line with the recommendations of the AFEP-MEDEF Code, taking into consideration the independence criteria applied by the Board and the specific circumstances and situation of each director. The findings of this assessment are set out in section 4.1.3.5 *Findings concerning the independence of our Board members* of this Universal Registration Document.

Each time a director is appointed or reappointed, the main aspects of their career path and our Board of Directors' conclusions as to their independence are disclosed at the Shareholders' General Meeting at which the shareholders are asked to vote on their appointment or renewal.

The ratio of independent members on our Company's Board of Directors remained stable in fiscal year 2020-2021 (see section 4.1.3.5 *Findings concerning the independence of our Board members* of this Universal Registration Document).

F. Representatives of Bpifrance Participations, CEA Investissement, and NSIG Sunrise S.à.r.l., our Company's "strategic investors"

In accordance with the Company's undertakings in the Shareholders' Agreement dated March 7, 2016, and amended on April 29, 2016, the Company puts resolutions to the shareholders' vote that provide for each of its three strategic investors to have:

- two representatives on the Board of Directors if the strategic investor's ownership interest in the Company is equal to or greater than 10%; or
- one representative on the Board of Directors if its ownership interest in the Company is between 5% and 10%.

These representation provisions apply until the expiry of the Shareholders' Agreement, i.e., until the close of the July 28, 2021 Shareholders' General Meeting.

In a reciprocal undertaking, when such a resolution is presented, the Company's three strategic investors vote in favor.

Moreover, each of the three strategic investors has undertaken that any director representing or put forward by that investor will resign from the Board if the investor's ownership interest falls below 10% of the Company's share capital. The other Board member identified as being related to that investor shall also resign if the stake were to fall below the level of 5% of share capital.

At June 9, 2021, the members of our Board of Directors representing our Company's three "strategic investors" or put forward by those investors were as follows:

- For Bpifrance Participations: Bpifrance Participations itself, represented by Sophie Paquin, and Thierry Sommelet.
- For CEA Investissement: Guillemette Picard.
- For NSIG Sunrise S.à.r.l.: Kai Seikku and Jeffrey Wang

To the best of the Company's knowledge, the term of the Shareholders' Agreement expires at the close of the July 28, 2021 Shareholders' General Meeting.

G. Our diversity policy

1. Objectives

In addition to the different rules applicable to its composition, our Board of Directors is committed to ensuring that the profiles of its members are diverse in terms of gender balance, nationality, qualifications and professional experience.

Their qualities and ethics are also key concerns for our Board in order to ensure balanced membership both for the Board itself and for its committees. The members of our Board of Directors must act with integrity, competence, diligence and involvement. They must also be pro-active and have strong abilities in terms of judgment and forward-thinking in order to perform their duties effectively, and in all circumstances in the best interests of our Company.

Their motivation to promote the Company's long-term value creation and be involved in determining its strategic directions are essential drivers of Soitec's strong growth and globalization.

Additionally, each director must be rigorous and have the availability required for the volume and frequency of Board and Committee meetings.

Our Board also assesses the independence of its members and regularly monitors its processes. Our Board also adheres to the AFEP-MEDEF Code and its recommendation that widely held companies without controlling shareholders should have an independence ratio of more than 50%. As such, our Board will assess director candidates in light of their potential independence status, as well as to maximize their contribution in the interests of our Company.

All of these objectives are reiterated in the Board of Directors' Internal Regulation.

Paul Boudre is the only director who is also an executive corporate officer of the Company.

2. Results

Following the changes during the last three fiscal years, our Board currently comprises six women and eight men (see below *Focus on balanced gender representation on our Board of Directors*).

The ratio of independent directors remained stable in fiscal year 2020-2021, at approximately 42% (see section 4.1.3.5 *Findings concerning the independence of our Board members* of this Universal Registration Document).

There are currently five different nationalities on our Board of Directors: nine French nationals, two Americans, and one Belgian, one Japanese and one Finnish director.

The overall average attendance rate at meetings of the Board of Directors and the Committees for fiscal year 2020-2021 was 97.69%.

The Board members, whose average age is 53, have strong and diverse experience, giving them varied, complementary and cross-business expertise, as described in section 4.1.3.1 *Current members of our Board of Directors* of this Universal Registration Document.

3. Focus on balanced gender representation on our Board of Directors

The composition of our Company's Board of Directors complies with Articles L. 225-17 and L. 225-18-1 of the French Commercial Code, particularly the requirement for the gender ratio of men to women or women to men to be no less than 40%.

Excluding the two employee directors, who, in accordance with Article L. 225-27-1 of the French Commercial Code, are not included in the gender ratio calculation, our Company's Board of Directors currently comprises 12 members, including five women, which corresponds to a ratio of women members of approximately 42%. In addition, the Compensation Committee and the Nomination and Governance Committee have a majority of women, the latter being chaired by a woman.

H. Non-voting member of the Board

Pursuant to Article 12.4 of our Company's by-laws, a non-voting member may sit on our Board of Directors.

The non-voting member is appointed by shareholders in a General Meeting, for a term of two-years, which may be renewed without limitation. The age limit for holding this position is seventy.

The non-voting member is invited to attend all meetings of the Board of Directors and takes part in the Board's discussions in an advisory capacity.

They may receive remuneration under the same terms and conditions as the directors, at the discretion of the Board of Directors.

The Board has not had a non-voting member since Sébastien Blot's term of office expired at the close of the July 25, 2016 Shareholders' General Meeting.

I. Employee directors

Members of the Board of Directors representing employees

At the September 23, 2020 Shareholders' General Meeting, our Company's by-laws were updated to align them with the requirements of Article L. 225-27-1 of the French Commercial Code concerning the appointment of employee directors.

At the end of fiscal year 2019-2020, the number of permanent employees holding an open-ended employment contract with one of the Group's French companies exceeded, for two consecutive fiscal years, the threshold of 1,000 (i.e., approximately 1,262 for fiscal year 2018-2019 and 1,364 for fiscal year 2019-2020).

French Law no. 2019-486 dated May 22, 2019 relating to companies' growth and transformation (the "Pacte law") reduced the threshold number of directors (from 12 to 8) above which a company is required to have two employee directors. Consequently, following the above-mentioned amendment to the by-laws, in view of the fact that the Board of Directors has 12 members, it now has to have two employee directors.

Pursuant to Article L. 225-27-1 of the French Commercial Code, when two or more employee directors have to be appointed, the procedures for such appointments are as follows:

(i) one of these directors is appointed by:

- an election held amongst our Company's employees and those of its subsidiaries, direct or indirect, having a registered office within French national territory, or
- our Group Committee defined by Article L. 2331-1 of the French Labor Code (*Code du travail*), the Central Works Council, or the Works Council of our Company, as applicable, or
- the trade union organization 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 our Company and those of its subsidiaries, direct or indirect, having a registered office within French national territory; and

(ii) the other director is appointed by the European Works Council ("EWC"), if such a council exists. The Group does not currently have an EWC.

Article 12, paragraph 5 of the by-laws states that:

- When two 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.
- When a single director is to be appointed, the appointment is made by the Group's Economic and Social Committee or, failing that, the Company's Economic and Social Committee.

In application of the above legal provisions and provisions of the by-laws, the trade union organizations that obtained the most votes in the first round of the elections referred to in Articles L. 2122-1 and L. 2122-4 of the French Labor Code were responsible for appointing the two employee directors. The Métallurgie Isère CFE-CGC trade union appointed Didier Landru on January 18, 2021, and the CGT trade union appointed Wissème Allali on January 22, 2021.

Subject to the legal provisions specifically applicable to the employee directors, these directors have the same rights, obligations and responsibilities as the other members of the Board of Directors. However, as they have operational duties within our Group, they are not eligible for directors' compensation in accordance with Article 12 of our by-laws.

Representatives of the Social and Economic Committee (SEC)

Representatives of the Social and Economic Committee take part in all meetings of the Board of Directors, in a non-voting capacity. Since January 1, 2020, following the creation of the Social and Economic Committee replacing the Works Council, the employees listed below have been appointed to represent the Social and Economic Committee at Board meetings. These representatives attend all Board meetings in a non-voting capacity, in accordance with Article L. 2312-72 of the French Labor Code.

- Christophe Alfano, representing the manual workers and employees section;
- Laurent Georgeon, representing the technicians section;
- Fabrice Lallement, representing the engineers and executives section;
- Kamel Mouhad, representing the manual workers and employees section; and
- Yan Vernet, representing the engineers and executives section.

Following the appointment – on January 18, 2021 and January 22, 2021 respectively – of two employee directors, on February 25, 2021, the five employees who represented the Social and Economic Council at Board meetings were replaced by two representatives, in accordance with Article L. 2312-75 of the French Labor Code and pursuant to the Board of Directors' decision on March 31, 2021 to allow two representatives of the Social and Economic Committee to attend Board meetings, instead of just the one representative required by law. The two representatives are:

- Éric Laho, technician, representing the technicians section; and
- Arnaud Hénault, representing the engineers and executives section.

4.1.3.3 Change in the composition of our Board since the beginning of fiscal year 2020-2021 and until March 31, 2021

At April 1, 2020, our Board of Directors comprised 12 members. At March 31, 2021, it comprised 14 members, since two members representing employees have joined the Board.

Since April 1, 2020, there have been several changes in the composition of the Board.

A. Resignation of CEA Investissement and appointment of Guillemette Picard as a director

In accordance with the Shareholders' Agreement dated March 7, 2016, as amended on April 29, 2016, the Company has undertaken to present the necessary resolutions to the vote of its shareholders in order that its three strategic investors (Bpifrance Participations, CEA Investissement and NSIG Sunrise S.à.r.l.) are represented by one or two people on the Board of Directors (depending on whether their ownership interest in the Company is more than, equal to, or below 10% or 5%).

As announced in a press release issued on August 4, 2020 (*Information related to the composition of Soitec's Board of Directors after CEA Investissement's stake fell below 10% of Soitec's share capital*), since CEA Investissement reduced its interest in our Company to below 10% of its share capital, it has only had one representative on the Board of Directors, i.e., CEA Investissement itself, represented by Guillemette Picard.

In the same press release, the Company disclosed that Christophe Gegout, who was qualified as an independent director at the Board meeting on June 10, 2020, would no longer represent CEA Investissement in his own name on Soitec's Board of Directors but that he would continue to serve as an independent director of the Company and that the end date of his term of office remained unchanged.

At the September 24, 2020 Board meeting (acting on a recommendation of the Nomination and Governance Committee and in accordance with the Shareholders' Agreement), Guillemette Picard was appointed by the Board as a non-independent director, replacing CEA Investissement, which has resigned from the Board. Guillemette Picard was appointed for the remainder of CEA Investissement's term of office, i.e., until the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2022.

Guillemette Picard was also appointed by the Board as a member of all five Board Committees.

Guillemette Picard's appointment as a Board member will be put to the shareholders for ratification at the July 28, 2021 Shareholders' General Meeting.

B. Appointment of Didier Landru and Wissème Allali as employee directors

On January 18, 2021 and January 22, 2021 respectively, Didier Landru and Wissème Allali were appointed as employee directors (see section 4.1.3.2 I. *Employee directors* of this Universal Registration Document), increasing the total number of Board members to 14.

In accordance with Article 12 of the Company's by-laws, Didier Landru and Wissème Allali were appointed for three-year terms, expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024.

Wissème Allali joined the Quality Department at Soitec in 2011, continuing a career as a quality specialist in various industries. She was promoted to the post of engineer in 2018, following a Master's degree in continuous improvement and operational excellence. In addition, Wissème was employee representative on our Company's CHSCT (health, safety and working conditions committee) from 2013 to 2015.

Didier Landru is a senior expert in Soitec's Innovation Department, where he has held various R&D positions over the past 15 years, after an initial experience in a major semiconductor industry group. Didier is a materials science engineer from Grenoble INP-Phelma and obtained his PhD in 2000 from the University of Grenoble-Alpes, in partnership with the University of Cambridge. In addition, Didier has been an employee representative and trade union representative within various employee representative bodies.

At its meeting on June 9, 2021, based on the recommendation of the Nomination and Governance Committee, the Board of Directors appointed Wissème Allali as a member of the Compensation Committee and Didier Landru as a member of the Strategic Committee. Prior to these appointments, Didier and Wissème were invited to attend three Compensation Committee meetings and two Strategic Committee meetings in March, May and June 2021.

4.1.3.4 Upcoming changes in the composition of our Board of Directors

The terms of office of Éric Meurice (an independent director and Chairman of the Board) and Satoshi Onishi (non-independent director) are due to expire at the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2021. At its meeting on March 31, 2021, based on the recommendation of the Nomination and Governance Committee, the Board of Directors decided that it would put forward these directors for reappointment at that Shareholders' General Meeting.

The Board noted in particular that:

- Éric Meurice, an independent director since July 26, 2018, who has been Chairman of the Board since March 27, 2019 and chairs the Strategic Committee and the Compensation Committee, has extensive knowledge of the industry in which our Group operates; and
- Satoshi Onishi, a non-independent director since July 10, 2015, is part of the Shin-Etsu group, which is a key player in Soitec's supply chain, and has a good understanding of our Group's goals and challenges, especially in the Asian market.

Lastly, given the significant number of terms of office expiring at the Shareholders' General Meeting to be called to approve the financial statements for the year ending March 31, 2022, and in order to ensure a smooth replacement of the members of our Board of Directors in accordance with the recommendations of the AFEP-MEDEF Code, Françoise Chombar and Shuo Zhang have resigned from their directorships, which they have held since the Shareholders' General Meeting of July 26, 2019, with effect from the close of the Shareholders' General Meeting of July 28, 2021.

At its meeting on June 9, 2021, and based on the recommendation of the Nomination and Governance Committee, the Board of Directors decided that it would propose the renewal of their respective directorships for a period of three years (in accordance with Article 12.2 of our Company's by-laws), expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024. The Board of Directors noted, in particular, that both Françoise Chombar and Shuo Zhang have been independent members of the Board since July 26, 2019.

Biographical details concerning Françoise Chombar and Shuo Zhang are presented in section 4.1.3.1 B. *Summary individual profiles of the members of our Board of Directors currently in office* of the 2020-2021 Universal Registration Document.

4.1.3.5 Findings concerning the independence of our Board members

A. Analysis by the Nomination and Governance Committee

In accordance with the recommendations of sections 6.2, 9.4 and 10 of the AFEP-MEDEF Code, the Board of Directors performs a yearly assessment of its composition, organization and operation, as well as those of its Committees.

As part of this assessment, the Board's members are asked to give their own opinion on their independence status based on the criteria set in section 9 of the AFEP-MEDEF Code.

INDEPENDENCE CRITERIA SET BY THE AFEP-MEDEF CODE AND APPLIED BY THE COMPANY

Criterion 1: Employee corporate officer within the previous five years

Not be and not have been within the previous five years:

- an employee or executive corporate officer of our Company;
- an employee, executive corporate officer or director of a company that Soitec consolidates;
- an employee, executive corporate officer or director of the parent company of Soitec or a company consolidated by that parent company.

Criterion 2: Cross-directorships

Not be an executive corporate officer of a company in which our Company directly or indirectly holds a directorship or in which an employee designated as such or an executive corporate officer of our Company (currently or for at least five years) holds a directorship.

Criterion 3: Significant business relations

Not be a significant customer, supplier, commercial banker, investment banker or consultant:

- that is significant to our Company or its Group;
- or for which our Company or its Group represents a significant share of its business.

The assessment of the significant nature of the relations with our Company or its Group is discussed by the Board and the quantitative and qualitative criteria that have led to this assessment (continuity, economic dependency, exclusivity, etc.) are explained in the annual report.

Criterion 4: Family ties

Not have a close family tie with a corporate officer.

Criterion 5: Statutory Auditors

Not have been a Statutory Auditor of our Company over the previous five years.

Criterion 6: Duration of term of office exceeding 12 years

Not have been a director of our Company for more than 12 years. Loss of the status of independent director occurs on the date of the 12th anniversary.

Criterion 7: Status of non-executive corporate officers

A non-executive corporate officer may not be considered as independent if they receive variable compensation in cash or in equity shares or any compensation related to the performance of our Company or our Group.

Criterion 8: Status of majority shareholders

Directors representing majority shareholders of our Company or its parent company may be considered independent if these shareholders do not take part in our Company's control. However, beyond a threshold of 10% in share capital or voting rights, the Board, upon the report by the Nomination and Governance Committee, will systematically discuss the qualification of independence by taking into account the composition of our Company's share capital and the existence of a potential conflict of interest.

As is the case each year, the Nomination and Governance Committee analyzed the independence status of each director in fiscal year 2020-2021, notably based on the information provided in the self-assessment questionnaire completed as part of the overall Board assessment process described in section 4.1.6 *Assessment of our Board of Directors* of this Universal Registration Document.

It confirmed that five members out of 12 (excluding the employee directors) are independent based on the criteria referred to above. The Board members who do not form part of the Group were selected for their experience in the semiconductor market or for their professional experience in other areas relevant to the Group's development.

The semiconductor market is known for its limited number of participants, meaning that the Group has, and is likely to maintain, business relations with Shin-Etsu Handotai, Shanghai Simgui Technology Co. Ltd. and the French Alternative Energies and Atomic Energy Commission (CEA). Several members of Soitec's Board of Directors (Satoshi Onishi, Jeffrey Wang, Kai Seikku and Christophe Gegout) occupy, or have occupied, posts within these organizations. Further details can be found in the directors' profiles in section 4.1.3.1 *Current members of our Board of Directors* of this Universal Registration Document. These business relations are taken into consideration by the Board of Directors when assessing each director's independence.

With regard to Éric Meurice, since his departure in May 2019 from NXP Semiconductors N.V. – one of the Company main customers –, the Nomination and Governance Committee considers that he meets all of the independence criteria set out in AFEP-MEDEF Code.

Concerning Christophe Gegout, a director originally put forward by CEA Investissement, the Nomination and Governance Committee confirmed that he could be considered as independent due to the fact that he:

- resigned from the CEA in September 2018 and has not received any remuneration from the CEA since that date;
- was an employee of the CEA, which is an entity that is independent from Soitec's shareholder CEA Investissement;
- no longer sits as a director put forward by CEA Investissement, since CEA Investissement's ownership interest in Soitec fell below the threshold of 10% of our Company's share capital;
- over the past years, and particularly as Chair of the Audit and Risks Committee, has factually demonstrated his freedom of judgment and vote versus the interests of CEA Investissement, enabling him to act and make decisions in complete independence.

Given these facts, the Nomination and Governance Committee deemed that Christophe Gegout fully met the applicable independence criteria.

As regards Guillemette Picard, who initially served as CEA's representative on the Board, she was appointed as a director in her own name in 2020. In addition, CEA's stake in Soitec has fallen below 10% of the Company's share capital. The Nomination and Governance Committee analyzed the independence status of Guillemette Picard and determined that she will meet all of the independence criteria when the Shareholders' Agreement expires on July 28, 2021 after the Shareholders' General Meeting. Given these facts, the Nomination and Governance Committee has decided to re-assess at a later date whether Guillemette Picard qualifies as an independent director.

B. Board of Directors' findings

At its meeting on June 9, 2021, having heard the report of the Nomination and Governance Committee on directors' independence, the Board noted that the ratio of independent directors was stable year on year, at approximately 42% (the employee directors are not included in this calculation in accordance with section 9.3 of the AFEP-MEDEF Code).

After discussion and analysis, the Board of Directors concluded that of its 12 members (excluding the employee directors), five are independent as they fully meet the eight criteria for independence listed in the AFEP-MEDEF Code, and more generally have no relationship with Soitec or its management that is likely to compromise the exercise of their freedom of judgment.

Even if all its members are not independent in light of the criteria set forth by the AFEP-MEDEF Code, our Board considers that it is independent in its decisions in view of its diversity of nationality, skills and personalities of its members and of the diversity of its strategic shareholdings, and that it adequately represents the interests of all shareholders.

In view of the expiration of the terms of office of eight members at the 2022 Shareholders' General Meeting, the Board of Directors is continuing its deliberations with the aim of improving its independence ratio, while taking care to maintain a balanced composition, notably in terms of skills and diversity.

C. Summary table on independence [(1)]

	Criterion 1	Criterion 2	Criterion 3	Criterion 4	Criterion 5	Criterion 6	Criterion 7	Criterion 8	Conclusion
	Employee corporate officer during the five previous years	Cross-directorships	Significant business relations	Family ties	Statutory Auditors	Duration of term of office exceeding 12 years	Status of non-executive corporate officers	Status of majority shareholders	
DIRECTORS CURRENTLY IN OFFICE									
Éric Meurice	✓	✓	✓	✓	✓	✓	✓	✓	✓
Paul Boudre	×	✓	✓	✓	✓	✓	✓	✓	×
Bpifrance Participations (represented by Sophie Paquin)	✓	✓	✓	✓	✓	✓	✓	×	×
Françoise Chombar [(2)]	✓	✓	✓	✓	✓	✓	✓	✓	✓
Laurence Delpy	✓	✓	✓	✓	✓	✓	✓	✓	✓
Christophe Gegout	✓	✓	✓	✓	✓	✓	✓	✓	✓
Satoshi Onishi	✓	✓	×	✓	✓	✓	✓	✓	×
Guillemette Picard	✓	✓	×	✓	✓	✓	✓	✓	×
Kai Seikku	✓	✓	×	✓	✓	✓	✓	×	×
Thierry Sommelet	✓	✓	✓	✓	✓	✓	✓	×	×
Jeffrey Wang	✓	✓	×	✓	✓	✓	✓	×	×
Shuo Zhang [(2)]	✓	✓	✓	✓	✓	✓	✓	✓	✓
BOARD MEMBERS IN OFFICE DURING THE FISCAL YEAR ENDED MARCH 31, 2021 AND WHOSE TERM HAS ENDED									
CEA Investissement	✓	✓	×	✓	✓	✓	✓	×	×

(1) Employee directors are not included in this percentage calculation, in accordance with section 9.3 of the AFEP-MEDEF Code.

(2) Françoise Chombar and Shuo Zhang resigned from their directorships with effect from July 28; 2021, in order to allow for a smoother staggering of the terms of office of the members of the Board of Directors. Further to their resignations, the Board of Directors decided to propose to the Shareholders' General Meeting on July 28, 2021 that they be reappointed for a term of three years (see section 4.1.3.4 Upcoming changes in the composition of our Board of Directors of this Universal Registration Document).

4.1.4 Organization, functioning and work of our Board of Directors

4.1.4.1 Tasks and work of our Board of Directors

A. Tasks of our Board of Directors

In accordance with Article L. 225-35 of the French Commercial Code, our Board of Directors determines the focuses of our Company's business and ensures its implementation.

Subject to the powers expressly granted to the Shareholders' General Meetings and within the limit of our Company's corporate purpose, the Board shall consider any issue affecting the proper functioning of our Company and shall resolve the matters relating to it.

Specifically, our Board of Directors:

- determines and regularly reviews our Group's strategy;
- appoints the corporate officers responsible for implementing this strategy, and ensures that the strategy is duly implemented by Executive Management;
- 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;
- controls our Group's management conducted by our Executive Management;
- defines our Company's financial communications policy;
- monitors the quality of the information provided to shareholders and the market, through the financial statements or in connection with significant transactions;
- determines the way in which Executive Management is to discharge its duties (i.e., whether or not the roles of Chairman of our Board of Directors and of Chief Executive Officer are combined) at the time of appointing and/or reappointing the Chairman of our Board of Directors or the Chief Executive Officer;
- reviews the related-party agreements referred to in Article L. 225-38 of the French Commercial Code; and
- performs the checks and verifications that it deems appropriate.

As required under Article L. 225-37-4, 3 of the French Commercial Code, a summary table of the authorizations currently in force given by the shareholders to our Board of Directors for the purpose of increasing the Company's share capital is provided in section 7.2.4.1 *Review of existing authorizations and their use* of this Universal Registration Document.

B. Role of the Chairman of our Board of Directors

In accordance with the Company's by-laws, the Chairman of the Board of Directors must not be over the age of 70.

Eric Meurice, an independent director, has chaired our Board of Directors since March 27, 2019.

In accordance with Article L. 225-51 of the French Commercial Code, he organizes and directs all of the work carried out by the Board. He shall report on this work at the next Shareholders' General Meeting to be held on July 28, 2021.

In order to enable our Board of Directors to determine the strategic direction for our Company's business, ensure its implementation, and examine all matters relating to the proper functioning of the Company, Éric Meurice is responsible for calling its meetings and setting their agenda.

He oversees the proper functioning of our Board and its Committees, and in particular ensures that the directors are able to fulfill their duties.

He ensures that Board members have the ability to address the issues which concern our Company through informed deliberations.

The Internal Regulation of the Board of Directors, as revised on June 9, 2021, reinforced the powers of the Board Chairman.

According to the Internal Regulation published on our website, the Chairman represents the Board of Directors and helps promote the Company's values and culture. The Chairman uses his best efforts to promote the Group's initiatives, particularly in terms of responsible environmental, social and governance (ESG) practices.

He ensures that the principles of good governance are duly applied.

If the roles of Chairman and Chief Executive Officer are separate, the Chairman of our Board of Directors ensures that a relationship of trust is nurtured and maintained between the Board and Executive Management, in order to guarantee that Executive Management implements the strategy defined by the Board of Directors.

The Chairman 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 Chairman may ask the Chief Executive Officer to provide him with any information or documentation that could give the Board and its Committees useful insight as regards to the above.

The Chairman of our Board of Directors is also responsible for preventing actual or potential conflicts of interest. To this end, he informs the Board of Directors of any actual or potential conflicts of interest involving Board members.

Lastly, in agreement with the Chief Executive Officer, he may represent the Company in its high-level dealings at both national and international level, particularly in its relations with public authorities, institutions, regulators, shareholders (having previously liaised with the Chief Executive Officer regarding issues impacting the Company's strategy or operations) and key stakeholders of the Company.

C. Board of Directors' information

1. Supporting documentation on meeting agendas

To enable our Board of Directors to perform its tasks, prior to each meeting, our Board members receive the documentation relating to the agenda (subject to actual or potential conflicts of interest that may arise).

Since October 2012, we have conducted an approach to dematerialize our Board files and Committees documents, thanks to the implementation of a secure document sharing platform. This has made the transmission of documents more secure, meaning the documents are automatically archived, and enables the Board members to access them at any time on a computer, tablet or smartphone. The consulted documents can be annotated digitally. The software used also ensures that the Board always has the most up-to-date documentation for its meetings.

2. Continuous information and resources

When they take office, each member receives the documentation required for understanding the rules of our Board's functioning.

Board members may also meet – with or without corporate officers being present – with certain senior Group executives, after first being updated by our Chief Executive Officer and our Chairman, except in certain circumstances (i.e., urgency, necessity, conflict of interest, Executive Committee members in regular contact with the Board of Directors).

Board members can also, if they deem necessary, be given training about our Company, its businesses and sectors of activity, and/or about corporate social responsibility issues. In compliance with applicable regulations, members of our Board representing employees are given appropriate training allowing them to perform their duties.

Beyond the meetings and legal obligations, if the importance or urgency of the information requires it, any information useful for exercising their duties is communicated to them.

Executive Management also periodically sends a scorecard to directors, indicating actual achievement levels for key indicators, particularly financial indicators, and including a comparison with budgeted levels.

The directors can also ask any of the Company's senior managers and its 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 Chairman of the Committee wishing to call on external advisors or experts informs and seeks the approval of the Board Chairman, and determines reasonable fees and acceptable terms of engagement that comply with industry standards.

D. Meetings of our Board of Directors

Our Board of Directors is convened by its Chairman, Éric Meurice, whenever necessary and at least four times a fiscal year.

Ten Board of Directors' meetings were held between April 1, 2020 and March 31, 2021, with an average attendance rate of 96.67%.

In order to have a quorum, at least one half of our Board members must be effectively present. Members taking part in the meeting via videoconference or any other telecommunications methods that enable identification are deemed to be present for the calculation of the *quorum* and majority.

A director may grant proxy to another director to act as their representative at a Board meeting. Each director may only hold one proxy for a given meeting. The proxies are attached to the attendance record.

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

The Board of Directors can also take decisions by way of a written consultation of its members, in accordance with the conditions set in the applicable regulations. Any such written consultations are referred to as meetings in this Universal Registration Document.

The working language of our Board of Directors is English, with translation into French where required. In the event of a discrepancy between the English and the French translation, the English prevails.

Furthermore, in accordance with Article 2. e) of the Board's 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 must be 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 Chairman 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 our Board of Directors.

However, no decisions, deliberations, actions or formal resolutions falling within the remit of our 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 2021-2022, the Board of Directors held a restricted meeting (i.e., without the presence of the Board members who are also members of Executive Management and without members in a potential conflict-of-interest situation) before each Board meeting, notably to discuss succession arrangements for the Chief Executive Officer along with his performance and compensation.

E. Work of our Board of Directors

Each year, our Board of Directors is required to examine and take decisions on topics that are identical from one fiscal year to another. These topics include, but are not limited to:

- the review of our Group's business and strategy, as well as the determination of its strategic directions;
- the approval of our budget;
- the approval of our statutory and consolidated annual and half-yearly financial statements;
- the approval of our Company's provisional financial statements;
- the determination of the compensation for our executive corporate officers;
- the review of the information made available to the public;
- the preparation of the Shareholders' General Meeting;
- its self-assessment;
- the review and/or approval of the new or renewed related-party agreements;
- the examination of the undertakings, endorsements and guarantees granted by our Company;
- the re-examination, if necessary, of its internal regulation;
- the review of certain press releases; and
- the approval of the minutes of its meetings.

In addition to recurring topics, a number of exceptional matters were reviewed by the Board during fiscal year 2020-2021, including the following:

Strategy

1. **Covid-19**
- June 10, 2020: Approval of a reviewed budget for fiscal year 2020-2021 and sensitivity analysis of the five-year business plan in light of the Covid-19 situation.

2. **Capital expenditure**
- November 18, 2020: Decision to increase the capital expenditure budget for fiscal year 2020-2021 due to higher investments in capacity dedicated to POI products.

Audit and Risks

1. **Compliance**
- June 10, 2020: Approval of a procedure for reviewing routine agreements entered into on arm's length terms falling within the scope of Article L. 225-39 of the French Commercial Code, as required pursuant to Article L. 22-10-12 of the French Commercial Code.

2. **Finance**
- September 24, 2020: Approval of an issue of approximately €325 million worth of bonds convertible into and/or exchangeable for new and/or existing ordinary shares ("OCEANE") maturing on October 1, 2025, launched on September 28, 2020 by way of a private placement.

Nominations and Governance

1. **Composition of our Board of Directors**
- August 4, 2020: Placing on record that following the reduction in CEA Investissement's ownership interest to below 10% of the Company's share capital, it would henceforth have only one representative on the Board (Guillemette Picard), with Christophe Gegout no longer representing the interests of CEA Investissement.
- September 24, 2020: Co-option of Guillemette Picard (formerly CEA Investissement's permanent representative) as a director in her own name to replace CEA Investissement, which resigned from the Board. Guillemette Picard was appointed by the Board for the remainder of CEA Investissement's term of office, i.e., until the close of the Shareholders' General Meeting called to approve the financial statements for the fiscal year ended March 31, 2022, and her appointment will be put forward for ratification at the July 28, 2021 Shareholders' General Meeting.
- March 31, 2021: Approval of training sessions for Wissème Allali and Didier Landru following their appointment as directors.
- March 31, 2021: Invitation for a second representative of the Social and Economic Committee to attend Board meetings, rather than just the legal minimum of one person.
- March 31, 2021: Decision to put forward Éric Meurice and Satoshi Onishi for reappointment as directors at the next Shareholders' General Meeting.

2. **Organization of the Committees**
- September 24, 2020: Appointment of Guillemette Picard as a member of all our Board Committees.
- March 31, 2021: Invitation for Wissème Allali and Didier Landru to attend meetings held by the Compensation Committee and the Strategic Committee with a view to formally appointing one of them as a member of each of these Committees at the Board of Directors' meeting to be held in June 2021.
- March 31, 2021: Drawing up questions regarding sustainable development to be put to the Compensation Committee.

3. **March 31, 2021: Review of the succession plan for the Chief Executive Officer**

Compensation

1. **Termination benefit and non-compete clause concerning the Chief Executive Officer**
- September 24, 2020: Decision to put forward a resolution at the Shareholders' General Meeting in order for our Chief Executive Officer to be eligible for a termination benefit and be subject to a non-compete clause in the event that he ceases to hold office, provided he agrees to terminate his employment contract.

2. **Performance share plans for employees and the Chief Executive Officer**
- November 18, 2020 and March 31, 2021: Launch of six free share plans for our employees and certain corporate officers, subject to presence and performance conditions.
- November 18, 2020: Authorization for the Chief Executive Officer to award preferred shares 2 ("PS 2") following the vesting of the first tranche of the Topaz 1 and Topaz 2 long-term co-investment plans.
- November 30, 2020: Launch of another long-term co-investment plan involving the issue of PS 2 to certain employees, and the launch of a free share plan involving the grant of PS 2.

4.1.4.2 Ethics

A. Duties of the members of our Board of Directors

1. Representing our 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 our Company's best interest.

All our directors, regardless of their role on the Board or the positions they may hold in other companies, must always act in accordance with those principles and with due care.

2. Knowledge of their obligations

The directors are required to know the general and specific obligations associated with their directorship duties. Board members must in particular know and comply with the applicable legal and regulatory provisions, as well as the rules specific to our Company resulting from our by-laws, internal regulations and Code of Good Conduct.

Furthermore, the directors must strive to comply with the recommendations of the AFEP-MEDEF Code.

3. Involvement of our directors in the Board's work

Under the terms of the Board's Internal Regulation, our directors undertake to give the necessary time and attention to their duties.

They undertake to attend and participate in all meetings of the Board of Directors and of any Committees to which they belong.

They must also attend Shareholders' General Meetings.

The terms for setting and distributing directors' compensation adopted by our Board of Directors are stricter than the recommendations of the AFEP-MEDEF Code according to which the effective participation of Board members must account for a major share of their variable compensation. The total amount of directors' compensation allocated to the members of our Board of Directors for fiscal year 2020-2021 was weighted in line with their respective actual attendance at the meetings held during the year, apart from for the Chairman, who receives €230,000 in fixed compensation for his role as Chairman (see sections 4.2.1.2 *Compensation of Éric Meurice, Chairman of our Board of Directors, for fiscal year 2020-2021* and 4.2.1.4 *Directors' compensation for 2020-2021* of this Universal Registration Document).

The following table sets out the disclosures required by the AFEP-MEDEF Code concerning individual attendance rates of the directors at Board and Committee meetings during fiscal year 2020-2021:

Name	Attendance at Board of Directors' meetings	Attendance at Strategic Committee meetings	Attendance at Audit and Risks Committee meetings	Attendance at Nomination and Governance Committee meetings	Attendance at Compensation Committee meetings	Attendance at Restricted Strategic Matters Committee meetings
Éric Meurice	100%	100%	100%	100%	100%	100%
Paul Boudre	100%	100%	-	-	-	-
Wissème Allali	100%	-	-	-	-	-
Françoise Chombar	70%	100%	-	100%	-	100%
Laurence Delpy	100%	100%	100%	100%	100%	100%
Christophe Gegout	100%	80%	100%	-	-	100%
Didier Landru	100%	-	-	-	-	-
Satoshi Onishi	100%	-	-	100%	-	-
Bpifrance Participations (represented by Sophie Paquin)	100%	-	-	100%	100%	-
CEA Investissement (represented by Guillemette Picard)*	100%	-	-	100%	100%	-
Guillemette Picard**	100%	100%	80%	100%	100%	100%
Kai Seikku	100%	100%	-	100%	100%	-
Thierry Sommelet	90%	80%	100%	-	-	100%
Jeffrey Wang	100%	-	100%	-	-	-
Shuo Zhang	90%	100%	89%	-	100%	-

* *CEA Investissement resigned as a director on September 23, 2020.*
** *Appointed by co-option by the Board of Directors on September 24, 2020, for the remainder of the term of office of CEA Investissement, which resigned from the Board. Ratification of the appointment will be put to the shareholders' vote at the Shareholders' General Meeting of July 28, 2021.*

4. Duty of confidentiality

In accordance with Article L. 225-37 of the French Commercial Code, the directors, as well as any other persons invited to attend meetings of the Board and/or its Committees, are subject to a duty of discretion concerning all confidential information which is identified as such by the Chairman of the Board of Directors or the person chairing the meeting if the Chairman is unable to attend.

Beyond this simple 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 our Board of Directors or its Committees.

In the case of a proven breach of confidentiality by one of our directors or any other person that attends meetings of our Board of Directors and/or its Committees, our Chairman of the Board of Directors is responsible for considering the consequences, which may be legal, regarding this breach.

B. General prevention of conflicts of interest

Based on the yearly disclosures provided to the Company by each of the corporate officers, and to the best of our Company's knowledge, there are no family ties between the corporate officers.

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.

Every director is also obligated to notify our Board of Directors of any situation involving a direct, indirect or even potential conflict of interest.

Furthermore, the Chairman of our Board of Directors can, at any time, request a written statement from our Board members indicating that they do not find themselves in an actual or potential conflict-of-interest situation. If an actual or potential conflict of interest exists and the Chairman considers that the reason for that conflict of interest can be disclosed, the directors in question refrain from taking part in deliberations or in any decisions taken by the Board or by the relevant Board Committees, and will not have access to the related documentation and discussions. However, the directors concerned may state their views before leaving the discussions.

The directors are also required to comply with the rules on conflicts of interest set out in our Company's Code of Good Conduct.

Furthermore, the Board of Directors' Internal Regulation contains a strict confidentiality obligation applicable to the five Board members representing the Company's three strategic investors: Bpifrance Participations, CEA Investissement and NSIG Sunrise S.à.r.l.

The latter are prohibited from having access to documentation and taking part in the discussions of the Board of Directors or Committees concerning:

- decisions involving a conflict-of-interest situation, or potential conflict;
- sensitive information relating to Smart Cut™ technology which could present an interest for the third-party entities in which they may be an investor and/or represented within any governance body of the said third-party entities.

In addition to the information provided above, see also:

- Section 4.1.3.2 F. *Representation of Bpifrance Participations, CEA Investissement and NSIG Sunrise S.à.r.l., our Company's "strategic investors"* of this Universal Registration Document, which refers to the Shareholders' Agreement signed on March 7, 2016 (and amended on April 29, 2016) between our Company and Bpifrance Participations, CEA Investissement and National Silicon Industry Group/NSIG Sunrise S.à.r.l, as well as the provisions of said Shareholders' Agreement concerning the composition of our Board of Directors (including information about the identity of the directors concerned).
- Section 4.1.3.5 *Findings concerning the independence of our Board members* of this Universal Registration Document, which explains the assessment of the independence status of the directors, with reference to any business relations that may concern certain Board members.
- Section 4.1.9 *Agreements with interested or related parties* of this Universal Registration Document, which sets out (i) the applicable procedure for reviewing related-party agreements, and (ii) the related-party agreements authorized by the Board of Directors which remained in force in fiscal year 2020-2021.

C. Restrictions applicable to, or which may relate to, members of the Company's administrative and management bodies

1. Share ownership requirement for members of our Board of Directors

Pursuant to Article L. 225-25 of the French Commercial Code, Article 13 of our Company's by-laws does not require Board members to own at least one Soitec share.

However, the Board of Directors' Internal Regulation, as amended on June 9, 2021, stipulates that the directors, with the exception of (i) permanent representatives appointed by legal-entity members of our Board, (ii) members representing institutional investors and (iii) members representing employees, must hold a significant number of Company shares, set at 100, in registered form.

2. Holding conditions for free shares allocated to corporate officers

The Chairman does not receive any free share grants.

The Chief Executive Officer currently holds 53,892 Company shares, comprising preferred shares ("PS 2") and ordinary shares. The ordinary shares mostly result from the conversion of the shares granted under the free preferred share plan of July 26, 2016 ("PS 1"), for which the holding conditions set by the Board of Directors stipulated that 10% of the ordinary shares resulting from the conversion (i.e., 21,845 shares) were to be held until the end of the corporate officer's term of office.

The same requirement applies to shares granted under the "Topaz" free preferred share plan of December 18, 2019 ("PS 2"), once the shares are converted into ordinary shares, and for the "Onyx" performance share plan dated November 18, 2020.

Moreover, when Paul Boudre was reappointed on July 26, 2019, the Board of Directors stipulated that he must hold a minimum of 10,000 Company shares in registered form until he ceases to serve as Chief Executive Officer.

3. Restrictions related to the Shareholders' Agreement entered into between our Company and its "strategic investors"

The Shareholders' Agreement entered into on March 7, 2016 between our Company and its "strategic investors" – Bpifrance Participations, CEA Investissement and National Silicon Industry Group/NSIG Sunrise S.à.r.l. – contains, in addition to governance clauses, a standstill clause, as well as a clause prohibiting the transfer of the Company's shares to any of its competitors, and requirements related to orderly sales or transfers of shares. To the best of the Company's knowledge, the term of the Shareholders' Agreement expires at the close of the July 28, 2021 Shareholders' General Meeting.

Standstill clause

The Shareholders' Agreement contains a standstill clause.

This clause corresponds to an undertaking by NSIG Sunrise S.à.r.l. not to purchase any shares or "OCEANE 2018" convertible bonds unless another shareholder of the Company (not acting in concert with NSIG Sunrise S.à.r.l.) acquires shares in the Company such that it would then hold more than 14.5% of the Company's share capital or voting rights. The restriction was applicable for a period of three years starting the day our Company increased its share capital with preferential subscription rights maintained on June 8, 2016 (the "Standstill Period").

The standstill clause was valid as long as none of our other shareholders crossed above this threshold, directly or indirectly, alone or in concert.

NSIG Sunrise S.à.r.l. was, however, free to subscribe for any shares issued by the Company as part of a capital increase during the Standstill Period.

Since the expiration of the Standstill Period on June 7, 2019, should NSIG Sunrise S.à.r.l acquire shares in the Company before the expiration of the Shareholders' Agreement at the close of the Shareholders' General Meeting called to approve the financial statements for the fiscal year ended March 31, 2021, it would lose its rights relating to the Company's governance (unless another shareholder of the Company – not acting in concert with NSIG Sunrise S.à.r.l. – comes to hold more than 14.5% of the Company's share capital or voting rights). In such a case, the undertakings given by the Company and its two other "strategic investors" to appoint NSIG Sunrise S.à.r.l. representatives to its governing bodies would become null and void.

The Company's shareholding structure at March 31, 2021 and June 9, 2021 is set out in section 7.1 *Our shareholding structure* of this Universal Registration Document.

Ban on transferring our Company's shares to a competitor

The Company's three "strategic investors" have undertaken not to transfer, by any means whatsoever, any shares or securities issued by the Company to any one of our Company's competitors throughout the term of the Shareholders' Agreement.

This ban also applies to convertible bonds issued by the Company, namely the OCEANE 2023 and OCEANE 2025 convertible bonds that are currently outstanding.

Requirement for orderly sales or transfers

The Shareholders' Agreement provided for a 90-day lock-up period. This period followed the settlement-delivery of shares acquired under the capital increase with preferential subscription rights on June 8, 2016.

Since the end of the lock-up period, any sale of shares held by each of our three "strategic investors" is subject to a requirement for orderly transfers.

Accordingly, on June 28, 2017 our three "strategic investors" each disposed of an equal number of 757,788 Company shares, amounting to 2,273,364 shares or 7.5% of our share capital.

The transaction was carried out by way of an accelerated book building reserved for institutional investors.

D. Compliance with stock market regulations

1. Prevention of breaches and insider trading – Closed periods

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 French financial markets authority (*Autorité des marchés financiers* – AMF), and (iii) the Board of Directors' Internal Regulation, the Company's directors and executive executives are prohibited from trading in our Company's shares during periods preceding results releases (i.e., for 30 calendar days before the Company releases its annual and half-year results, and for 15 calendar days before it releases its quarterly financial information), and in general for as long as they are privy to inside information.

2. Disclosure of securities transactions

Persons exercising executive responsibilities, including our Company's corporate officers, 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 our Company or debt securities issued by it, or derivative instruments, as well as transactions conducted in related financial instruments.

See section 4.1.7.2 *Transactions on our Company's securities carried out by our executives and persons closely related to them* of this Universal Registration Document, which presents a summary table of the transactions carried out on Soitec shares by persons exercising executive responsibilities within our Company and persons closely related to them, during fiscal year 2020-2021 and up to June 9, 2021.

E. Sanctions concerning corporate officers

Based on the disclosures provided to the Company by its corporate officers, and to the best of the Company's knowledge, in the past five years none of its corporate officers have been convicted of fraud or been associated with bankruptcy, sequestration, liquidation or receivership.

Furthermore, none of our corporate officers have been formally incriminated or been subject to an official public sanction by a statutory or regulatory authority (including designated professional bodies).

Likewise, over the past five years, none of our 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.

4.1.5 Composition, operation and work of our Board Committees

Focus on our five Board Committees

Our Board of Directors is supported by the work of the Committees that it has set up.

Since November 29, 2017, the Board has had five Committees.

The composition, organization, functioning and specific roles and responsibilities of each of the five Committees are set out in the Board of Directors' Internal Regulation.

The Committees are tasked with providing in-depth thought and analysis to the Board of Directors before its discussions, and contributing to the decision-making process.

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.

The Committees 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.

STRATEGIC COMMITTEE

Chair
Éric Meurice

Members	Attendance rate in fiscal year 2020-2021
Éric Meurice	100%
Paul Boudre	100%
Françoise Chombar	100%
Laurence Delpy	100%
Christophe Gegout	80%
Guillemette Picard (1)	100%
Kai Seikku	100%
Thierry Sommelet	80%
Shuo Zhang	100%
Didier Landru (2)	-

Number of members: 10 — Attendance rate: 95.56% — Independence ratio: 55.56% — Number of meetings: 5

AUDIT AND RISKS COMMITTEE

Chair
Christophe Gegout

Members	Attendance rate in fiscal year 2020-2021
Christophe Gegout	100%
Laurence Delpy	100%
Éric Meurice	100%
Guillemette Picard (1)	80%
Thierry Sommelet	100%
Jeffrey Wang	100%
Shuo Zhang	89%

Number of members: 7 — Attendance rate: 95.56% — Independence ratio: 57.14% — Number of meetings: 9

NOMINATION AND GOVERNANCE COMMITTEE

Chair
Laurence Delpy

Members	Attendance rate in fiscal year 2020-2021
Laurence Delpy	100%
Bpifrance Participations (represented by Sophie Paquin)	100%
Françoise Chombar	100%
Éric Meurice	100%
Satoshi Onishi (3)	100%
Guillemette Picard (1)	100%
Kai Seikku	100%

Number of members: 7 — Attendance rate: 100% — Independence ratio: 42.86% — Number of meetings: 8

COMPENSATION COMMITTEE

Chair
Éric Meurice

Members	Attendance rate in fiscal year 2020-2021
Éric Meurice	100%
Bpifrance Participations (represented by Sophie Paquin)	100%
Laurence Delpy	100%
Guillemette Picard (1)	100%
Kai Seikku	100%
Shuo Zhang	100%
Wissème Allali (2)	-

Number of members: 7 — Attendance rate: 100% — Independence ratio: 50% — Number of meetings: 6

RESTRICTED STRATEGIC MATTERS COMMITTEE

Meetings called on an exceptional basis

Members	Attendance rate in fiscal year 2020-2021
Françoise Chombar	100%
Laurence Delpy	100%
Christophe Gegout	100%
Éric Meurice	100%
Guillemette Picard (1)	100%
Thierry Sommelet	100%

Number of members: 6 — Attendance rate: 100% — Independence ratio: 66.67% — Number of meetings: 2

Number of members
Number of meetings
Attendance rate
Independence ratio

(1) *Appointed in her own name by the Board of Directors on September 24, 2020 following the resignation of CEA Investissement, of which she was the permanent representative until its resignation on September 23, 2020.*
(2) *Wissème Allali and Didier Landru, the employee directors, were appointed to the Compensation Committee and the Strategic Committee, respectively, by the Board of Directors on June 9, 2021.*
(3) *Appointed by the Board of Directors on June 10, 2020.*

4.1.5.1 Main principles for the composition and functioning of the Committees

A. Composition

Members of the Committees must be directors and are appointed individually by the Board of Directors.

A permanent representative of a legal entity that is a director may also be a member of a Committee. However, if they are replaced as the permanent representative of the legal entity, they immediately lose their status as a member of the Committee concerned.

One person may be a member of several Committees.

Committee Chairs are appointed by our Board of Directors based on a recommendation of the Nomination and Governance Committee, for a maximum term corresponding to their term of office as director.

The term of office of a member of one or more Committees shall coincide with their term of office as a director. Furthermore, these terms of office can be renewed.

B. Additional participants

- For the Audit and Risks Committee in particular, the following people attend meetings and contribute to discussions, in addition to its Committee members:
  - the Chief Financial Officer, alone or accompanied by one or several members of her team, and
  - the Company's Statutory Auditors, when their presence is required or useful in view of the agenda.
- The Chief Executive Officer may be invited to meetings of the Compensation Committee and the Nomination and Governance Committee, none of whose members may in any circumstances be an executive corporate officer. In the case of the Nomination and Governance Committee, prior notification to this effect will be given to the Chairman of the Nomination and Governance and the Chairman of the Board of Directors.

  Within the Compensation Committee, the Chief Executive Officer may not take part in deliberations concerning his compensation.

  Within the Nomination and Governance Committee, the Chief Executive Officer must be involved in the work related to selecting or appointing new Board members.

  It is standard practice for the Head of Human Resources to attend meetings of these two committees. Depending on the matters on the agenda, the Chief Financial Officer may also contribute to these two Committees.
- The Chief Executive Officer is invited to each Strategic Committee meeting (if he is not already a Committee member). In reality, since the start of his term as Chief Executive Officer, Paul Boudre has always been appointed as a full member of this Committee.

  It is standard practice for several members of the Executive Committee to attend Strategic Committee meetings and take part in its discussions.

  It is also standard practice for directors who are not members of the Strategic Committee to be invited to its meetings.
  - As Chief Executive Officer, Paul Boudre is a permanent guest for all meetings of the Restricted Strategic Matters Committee.
  - In her role as Board Secretary, the General Counsel attends all the meetings of the five Committees and helps with their preparation and organization.
  - More generally, any person that each of the five Committees wishes to hear in order to carry out their missions may be called upon to take part in the meetings.

  Furthermore, in line with the Board of Directors' Internal Regulation, each Committee Chair can, at their discretion, choose to invite any persons of their choice to attend Committee meetings, either on a permanent or one-off basis, for one or more meetings, depending on the matters discussed and provided that this does not create a conflict-of-interest situation.

Only the members of the Committee concerned can vote and take part in its discussions.

C. Functioning and resources

Each Committee can meet at any time at the request of the person chairing the meeting, the majority of its members, the Chairman of the Board of Directors, or one-third of the directors.

Meetings of the Audit and Risks Committee and the Strategic Committee are convened (via any means) by the Committee Chair or by two Committee members. Meetings of the Compensation Committee, the Nomination and Governance Committee and the Restricted Strategic Matters Committee are convened (via any means) by the Committee Chair or by half of the Committee members.

Committees can meet in person, via videoconference, or through other means of telecommunication that make it possible for participating members to be identified.

For Committee meetings to be quorate, at least half of the Committee members must be present or deemed to be present. A Committee member can be represented only by another member of the same Committee.

The Committees' working language is English.

At the end of each of its meetings, conclusions, proposals, opinions and/or recommendations of each of the five Committees are recorded in a report written in English that is communicated to the members of the Committee in question.

Each Committee Chair (or member of the Committee appointed for that purpose) reports to the Board of Directors on the Committee's work as well as on the Committee's opinions and/or recommendations.

This enables the Board of Directors to discuss and deliberate with appropriate information on those topics.

At the end of each Committee meeting, or whenever deemed appropriate, meetings of the Committees will be held without the presence of members of the Board of Directors who are also members of Executive Management, or of members in a potential conflict-of-interest situation, in order to discuss any specific issues as well as the internal functioning of the Committees. These restricted meetings are called by the Chairman of each Committee, who sets the agenda. The matters discussed may or may not be recorded in the minutes. As these restricted meetings have no decision-making power, no formal resolutions or actions falling within the remit of the Board of Directors or the Committee concerned may be taken during these restricted meetings. Any issues discussed that fall within the remit of the Board of Directors and require action must be brought to the Board's attention, placed on the agenda of its next ordinary meeting, and be subject to a formal decision.

In order to properly carry out their work, 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 Chairman 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 Chairman of the Committee in question informs the Board Chairman, who allocates the approved annual budget. The Chairman of the Committee in question may request additional funds from the Board if necessary, subject to the Committee Chairman informing the Board of Directors at its next meeting. In connection with the allocation of this specific budget, the Board Chairman or the Chairman 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 Chairman of the Board or, if the latter disagrees, the Chairman of the Nomination and Governance Committee, provided that a report is subsequently provided to the Board of Directors in this respect.

4.1.5.2 The Strategic Committee

A. Tasks

The Strategic Committee's tasks are as follows:

- to assist our Board of Directors in determining and regularly reviewing our Company's and Group's strategy, encompassing scope, business plans, budgets, a map of potential M&A transactions and opportunities;
- to this end, analyze our Group's situation and growth areas in order to submit proposals to the Board of Directors on the Group's strategy;
- through its analysis and discussions, clarify the Group's strategic objectives and assess the justifications and consequences of the most important strategic decisions submitted to the Board of Directors; and
- analyze and report on the competitive environment, with the basis for preparing the report and the report contents to be defined by the Chairman of the Strategic Committee.

B. Activity during fiscal year 2020-2021

In accordance with the Board of Directors' Internal Regulation, the Strategic Committee meets at least twice a year.

During fiscal year 2020-2021, the Strategic Committee met five times, with an attendance rate of 95.56%.

The Committee mainly worked on the following main topics:

- a sensitivity analysis of the five-year business plan in light of the Covid-19 situation;
- the impact of the Covid-19 situation on the free share plans;
- an inventory of the Group's products;
- and more generally, all subjects related to the Group's business and its strategy for the next five years.

4.1.5.3 The Audit and Risks Committee

A. Tasks

The Audit and Risks Committee helps our Board of Directors to ensure the accuracy and fairness of our statutory and consolidated financial statements and the quality of the information provided.

In accordance with Article L. 823-19 of the French Commercial Code and the AFEP-MEDEF Code, the Board of Directors entrusts it with the following tasks:

- concerning the financial statements and financial information:
  - to monitor the quality of the procedures for preparing the financial information and ensure that their implementation is followed-up,
  - to examine the annual financial statements before they are approved by our Board of Directors,
  - to ensure the relevance of accounting methods used and examine changes in accounting principles and rules used in preparing the financial statements, and preventing any breach of these rules,
  - to monitor any changes in the scope of consolidated companies and receive, if any, all necessary explanations,
  - to examine the intermediate and preliminary results as well as the accompanying comments before publication,
  - to ensure the quality of procedures in place, ensuring compliance with stock market regulations,
  - to be informed of the financial strategy and the terms and conditions of our Group's main financial transactions,
  - to prepare a quarterly scorecard of financial and operating data, allowing the Board of Directors to understand the business in terms of products and customers (actual and forecast), and
  - to prepare press releases for the financial markets along with presentations for financial analysts;
- concerning our Company's external audit:
  - to regularly communicate with our Statutory Auditors,
  - to steer our Statutory Auditors' selection procedure and submit the results of this selection to the Board of Directors,
  - to assess the proposals put forward and issue recommendations concerning the appointment of the Company's Statutory Auditors;
  - each year, to assess the amount of Statutory Auditors' fees,
  - to ensure the independence of our Statutory Auditors,
  - to monitor the application of the rules governing the performance by our Statutory Auditors of non-audit services,
  - each year, to examine with the Statutory Auditors their audit schedules, conclusions and recommendations, and any follow-up;
- concerning our Company's internal control:
  - to assess our Group's internal control systems,
  - to examine, with those responsible for internal control, their action plans and conclusions of such action plans, recommendations and follow-up,
  - to examine and formulate recommendations concerning annual capital expenditure,
  - to examine and formulate recommendations concerning exceptional capital expenditure that is not included in the annual capital expenditure;
- concerning risks:
  - to regularly review our Company's main financial risks and material off-balance-sheet commitments,
  - to give its opinion on the organization of internal control and be informed of this department's work schedule,
  - to examine the relevance of the risk analysis and monitoring procedures, by ensuring that an identification, quantification and prevention process for the main risks generated by our Group's activities is in place; and
  - to examine the sections of the Board of Directors' draft report on risk factors, internal control and risk management systems and procedures.

Focus on the Audit and Risks Committee Charter

On November 29, 2017, the Board of Directors approved a charter for the Audit and Risks Committee.

Since that date, this charter has been appended to the Board of Directors' Internal Regulation.

In the absence of any legally-imposed procedure, the Audit and Risks Committee has set up a procedure allowing it to meet its obligations pursuant to Article L. 822-11-2 of the French Commercial Code on the approval of non-audit services ("SACC") that may be provided by our Statutory Auditors or their networks.

Under the terms of said charter, each year, the Audit and Risks Committee reviews and pre-approves the list of authorized SACC and the list of prohibited services. If needed, these lists may be reviewed and amended by the Audit and Risks Committee at any time.

The duration of any pre-approval is twelve months, unless decided otherwise by the Audit and Risks Committee.

The appendices of the said charter present:

- **account certification services that do not require the prior approval of the Audit and Risks Committee other than that required for the audit fees budget;**
- **the legally-required SACC, whose implementation is imposed by the law or a regulation, which do not require the prior approval of the Audit and Risks Committee;**
- **the SACC that are not prohibited, as they benefit from prior approval according to the type of task. This prior approval according to type is adapted for services usually provided by our Statutory Auditors, for which an independence analysis has already been carried out, and which do not present risks for the independence of our Statutory Auditors;**
- **the non-prohibited SACC, for which individual approval is required; and**
- **those tasks which our Statutory Auditors and their network are prohibited from carrying out.**

B. Activity during fiscal year 2020-2021

The Audit and Risks Committee meets at least four times per year. During fiscal year 2020-2021, the Audit and Risks Committee met nine times, with an attendance rate of 95.56%.

For the purposes of carrying out its duties, the Committee had the opportunity for regular, independent discussions with our Statutory Auditors.

At each closing of the annual and half-year statutory and consolidated financial statements, the Audit and Risks Committee verified the closing process and read our Statutory Auditors' report.

The Committee also examined the off-balance-sheet commitments, the accounting options retained for establishing provisions, as well as our risk mapping.

It also reviewed the terms of each of the financial press releases and financial reports published during fiscal year 2020-2021, as well as the financial, accounting and economic items submitted for approval to the last Shareholders' General Meeting of September 23, 2020.

The Committee also examined the report by our Chairman of the Board of Directors on corporate governance drafted for the fiscal year ended March 31, 2020, in accordance with the provisions of Article L. 225-37 of the French Commercial Code.

The Committee also took part in the continued work on our Group's compliance with the provisions of law no. 2016-1691 of December 9, 2016 ("Sapin II law"). Thus, it enabled the Board to ensure that a system to prevent and detect corruption and influence peddling has been set up within our Group. Within this context, our Code of Good Conduct was updated in October 2018.

In addition to its recurring annual work, the Audit and Risks Committee worked particularly on the following topics:

- the budget for fiscal year 2020-2021, which was revised in light of the Covid-19 situation;
- a sensitivity analysis of the five-year business plan in light of the Covid-19 situation;
- an issue of approximately €325 million worth of bonds convertible into and/or exchangeable for new and/or existing ordinary shares ("OCEANE"), maturing on October 1, 2025, launched on September 28, 2020 by way of a private placement;
- an increase in capital expenditure linked to an acceleration in capacity investments related to POI products;
- a procedure for reviewing routine agreements entered into on arm's length terms falling within the scope of Article L. 225-39 of the French Commercial Code, as required pursuant to Article L. 22-10-12 of the French Commercial Code.

4.1.5.4 The Nomination and Governance Committee

A. Tasks

The Nomination and Governance Committee is charged by our Board of Directors with:

(i) implementing a procedure to select the future independent members of our Board of Directors, and discussing the criteria for determining the independence of directors;

(ii) periodically examining and reviewing issues regarding the functioning of our Board of Directors and the composition of our Board and its Committees, and making recommendations to our Board of Directors regarding the selection, co-option or appointment of new members, or reappointment of existing members. In doing so, the Nomination and Governance Committee takes account of the desired balance in the composition of the Board and the Board Committees in light of the composition of and developments in the Company's shareholding structure, and ensures that a diversity policy is applied in terms of independence, gender balance, nationality, qualifications and professional experience;

(iii) preparing, nearing the expiry of their terms of office, recommendations for the succession of the corporate officers. The Committee must also prepare a succession plan in the event of unforeseeable vacancy and ensure that appropriate succession arrangements and talent management policies are in place;
(iv) being informed upstream of the arrival or departure of any member of the Executive Committee, and more generally, making recommendations to the Chief Executive Officer as regards the composition of the Executive Committee;
(v) considering questions related to the effective development of good governance of the Company (e.g., annual assessment of our Board of Directors, independence of our Board of Directors and Committees, desirable functioning of our Board of Directors and Committees, balance of powers, corporate social responsibility, ethics, transparency, diversity) and making recommendations to our Board of Directors in this regard.

The Nomination and Governance Committee also ensures compliance with the governance (G) chapter of environmental, social and governance (ESG) programs. Within the scope of its duties, the Nomination and Governance Committee can make recommendations and submit reports to our Board of Directors.

B. Activity during fiscal year 2020-2021

In accordance with the Board of Directors' Internal Regulation, the Nomination and Governance Committee meets at least once a year, prior to the approval of the agenda of the Shareholders' General Meeting, to examine the draft resolutions on directors' terms of office that will be put to the vote of the Company's shareholders. Once a year, the Nomination and Governance Committee also meets to hear the Chief Executive Officer report on changes in the management and organization of the Executive Committee.

During fiscal year 2020-2021, the Nomination and Governance Committee met eight times, with an attendance rate of 100%.

In addition to its recurring annual work, the Nomination and Governance Committee mainly worked on the following topics:

- training, and the process for appointing new employee directors as members of the Board Committees;
- invitation for a second representative of the Social and Economic Committee to attend Board meetings, rather than just the legal minimum of one person;
- consequences of CEA Investissement reducing its ownership interest to below 10% of the Company's share capital;
- co-option of Guillemette Picard as a director by the Board, replacing CEA Investissement, and appointment of Guillemette Picard as a member of all the Board Committees;
- review of the succession plan of our Chief Executive Officer;
- recommendation to put forward Éric Meurice and Satoshi Onishi for reappointment as directors;
- drawing up questions on environment and social issues to be put to the Compensation Committee.

4.1.5.5 The Compensation Committee

A. Tasks

The Compensation Committee is entrusted by our Board of Directors:

(i) to make recommendations and seek the Board of Directors' approval for compensation, pension and other benefit schemes, fringe benefits and miscellaneous financial entitlements, and more generally, all elements of compensation and incentive bonuses, including share-based payments, awarded to the Chairman and members of our Board of Directors, our Chief Executive Officer, our Deputy Chief Executive Officers and any employee directors or corporate officers;
(ii) to make recommendations and seek the Board of Directors' approval for awards of Company stock subscription or purchase options, free shares or any other financial instruments to our Group's corporate officers and employees;
(iii) to make recommendations and seek approval for the criteria used to determine the variable compensation of our Chief Executive Officer and Deputy Chief Executive Officers;
(iv) to make recommendations to our Chief Executive Officer for compensation and any other benefits, particularly pension benefits, and more generally on any element of fixed or variable compensation or incentive bonuses, including share-based payments, for members of the Executive Committee;
(v) to be informed of the Company's compensation policy;
(vi) to make recommendations and seek the Board of Directors' approval for contractual compensation conditions and severance pay not provided for in company bargaining agreements for our Chief Executive Officer and members of the Executive Committee; and
(vii) more generally, to make recommendations to our Board of Directors and give opinions on any issues regarding the Company's compensation policy, and ensure that this policy is consistent.

The Compensation Committee is also responsible for monitoring the environment and social (ES) chapters of environmental, social and governance (ESG) programs. Within the scope of its duties, the Compensation Committee can make recommendations to our Chief Executive Officer and Board of Directors as regards reporting on environmental and social matters.

B. Activity during fiscal year 2020-2021

In accordance with the Board of Directors' Internal Regulation, the Compensation Committee meets at least once a year, prior to the approval of the agenda of the Shareholders' General Meeting, to examine the draft resolutions that will be submitted to our shareholders for approval and which concern the setting of the compensation of corporate officers (*ex-ante* and *ex-post* say-on-pay). Furthermore, the Compensation Committee meets once a year and/or before any proposed long-term incentive plan to hear the Chief Executive Officer present the compensation policy for members of the Executive Committee as observed in previous fiscal years, and the compensation policy recommended for the next fiscal year.

During the fiscal year ended March 31, 2021, the Compensation Committee met six times, with an attendance rate of 100%.

In addition to its recurring annual work, the Compensation Committee particularly worked on the following topics:

- putting in place a termination benefit and a non-compete clause for our Chief Executive Officer which would apply in the event that he ceases to hold office, provided he agrees to terminate his employment contract;
- setting up six free share plans for the Company's employees and, if applicable, corporate officers, subject to presence and performance conditions;
- launch of another long-term co-investment plan involving the issue of PS 2 to certain employees and a PS 2 free share plan;
- delivery of PS 2 following the vesting of the first tranche of the Topaz 1 and Topaz 2 long-term co-investment plans.

4.1.5.6 Restricted Strategic Matters Committee

A. Tasks

The Restricted Strategic Matters Committee's responsibility is to report on any planned transfer (whether by sale, license or by any other means) or any other joint venture project involving Smart Cut™, and to issue recommendations to the Board of Directors accordingly.

B. Activity during fiscal year 2020-2021

During fiscal year 2020-2021, the Restricted Strategic Matters Committee met twice, with an attendance rate of 100%.

4.1.6 Assessment of our Board of Directors

4.1.6.1 Assessment method

In accordance with the recommendations of sections 6.2 and 10 of the AFEP-MEDEF Code and the Board of Directors' Internal Regulation, our Board of Directors performs an annual assessment of its composition, organization and functioning, as well as those of its Committees.

It may take the form of anonymous questionnaires sent to each Board member, or also an assessment conducted with the assistance of an external consultant.

The results of the assessment are presented and discussed at a Board of Directors' meeting, under the direction of the Chair of the Nomination and Governance Committee.

The various roles and responsibilities and duties of our Board and its members are reviewed and assessed, and recommendations (where applicable) are made to improve the functioning of our Board. The results are presented to our shareholders annually in the corporate governance report for the fiscal year concerned.

4.1.6.2 Analysis by the Nomination and Governance Committee and findings of our Board of Directors for fiscal year 2020-2021

The Nomination and Governance Committee carried out a self-assessment of the composition, organization and functioning of the Board of Directors and the Board Committees for fiscal year 2020-2021 based on a detailed, comprehensive questionnaire as well as individual interviews led by the Chairman of the Board and the Chair of the Nomination and Governance Committee, including an individual assessment of each member of the Board of Directors.

The Nomination and Governance Committee reviewed the findings of the assessment at its meeting on May 12, 2021.

On June 9, 2021, the summary of its work was presented to our Board of Directors, which noted that the responses to the questionnaire and the individual interviews showed that the directors were satisfied with the composition, organization and functioning of the Board of Directors and its Committees, subject to the possibilities for improvement mentioned below.

In particular, the self-assessment identified constant improvement in member participation in Board and Committee meetings, as well as progress in the quality of discussions with open debates on a variety of subjects and of the preparation of meetings and the communication of minutes.

During the individual interviews, the directors expressed their satisfaction with the independence and diversity of skills of the Board members and the quality of their collegial working. The directors also noted that important decisions were dealt with in a constructive, efficient, collegial and mature manner and emphasized in this respect that the internal dynamics of the Board had been strengthened by the opportunity to address any critical issues raised.

The following areas for improvement were identified, both in the responses to the questionnaire and in the individual interviews:

- further improvements in the efficiency of the functioning of the Board of Directors; and
- enhanced dialogue and trust between the Board and Executive Management.

At the same meeting, the Board amended its Internal Regulation for this purpose (see section 4.1.2.1 of this Universal Registration Document).

In addition, as is the case each year, the Nomination and Governance Committee analyzed the independence of each director in fiscal year 2020-2021, notably taking into account the information provided in the self-assessment questionnaire. For further details, see section 4.1.3.5 *Findings concerning the independence of our Board members* of this Universal Registration Document.

4.1.7 Interests held by members of our administrative and management bodies

4.1.7.1 Interests in our Company's share capital held by members of the administrative and management bodies

NUMBER OF COMPANY SHARES HELD BY MEMBERS OF THE ADMINISTRATIVE AND MANAGEMENT BODIES

At June 9, 2021, members of our administrative and management bodies owned the following number of shares making up our share capital:

Full name/Company name	Capacity	Number of shares held
Éric Meurice	Chairman of the Board of Directors	1,000
Paul Boudre	Chief Executive Officer and Director	53,892
Wissème Allali	Employee director	65
Bpifrance Participations (represented by Sophie Paquin)	Director	3,636,007
Françoise Chombar	Director	-
Laurence Delpy	Director	150
Christophe Gegout	Director	-
Didier Landru	Employee director	45
Satoshi Onishi	Director	100
Guillemette Picard	Director	124
Kai Seikku	Director	2,000
Thierry Sommelet	Director	-
Jeffrey Wang	Director	-
Shuo Zhang	Director	-

4.1.7.2 Transactions on our Company's securities carried out by our executives and persons closely related to them

In accordance with Article L. 621-18-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and Articles 223-23 and 223-26 of the AMF's General Regulation, the tables below present in chronological order a summary of all transactions carried out on our Company's securities during fiscal year 2020-2021 and up until June 9, 2021, by persons with executive duties in our Company, and those persons closely related to them.

Please note that these transactions are only disclosed when their aggregate value exceeds €20,000 per disclosing party in a given a calendar year.

Disclosing party	CEA Investissement	Laurence Delpy	Paul Boudre
Capacity	Director	Director	Chief Executive Officer and Director
Issuer	Soitec	Soitec	Soitec
LEI	969500ZR92SQCU9TST26	969500ZR92SQCU9TST26	969500ZR92SQCU9TST26
Type of financial instrument	Ordinary shares	Ordinary shares	PS 2
Financial instrument identification code	FR0013227113	FR0013227113	FR0013473410
Number of financial instruments	1,065,000	525	12,792
Type of transaction	Sale	Sale	Vesting (1)
Transaction date	July 31, 2020	December 1, 2020	December 18, 2020
Place of transaction	Not on a trading platform	Euronext Paris	Not on a trading platform
Unit price	€98.4500	€147.6592	€88.9000
Total amount of the transaction	€104,849,250.00	€77,521.08	€1,137,208.80

(1) Linked to the vesting of PS 2 convertible into ordinary shares (not admitted to trading) allocated free of consideration by our Board of Directors on December 18, 2019.

4.1.8 Corporate Governance Code

The Company has adopted the **AFEP-MEDEF Code** as its corporate governance reference framework.

The Code may be consulted at www.afep.com, using this link:

www.afep.com/wp-content/uploads/2020/01/Afep_Medef-Code-revision-2020-EN-.pdf

At the date of approval of this corporate governance report, the following recommendations of the AFEP-MEDEF Code were not applied by our Company:

AFEP-MEDEF recommendations	Company's position and justification
Recommendation relating to the proportion of independent members of the Board of Directors (section 9.3): *"The independent directors should account for half the members of the Board in widely held corporations without controlling shareholders."*	Based on the Nomination and Governance Committee's annual assessment of the independence of the directors, carried out using the study performed by Egon Zehnder (an independent firm specialized in corporate governance), at its June 10, 2020 meeting, the Board of Directors noted that Christophe Gegout – who had been appointed as a director on the proposal of CEA Investissement – could henceforth qualify as an independent director. At its annual review of directors' independence for 2020-2021, the Nomination and Governance Committee confirmed this qualification and also noted that, following the reduction in CEA Investissement's ownership interest to below 10% of the Company's capital in July 2020, Christophe Gegout is no longer the representative of CEA Investissement (see section 4.1.3.5 *Findings concerning the independence of our Board members* of this Universal Registration Document). Consequently, five of the 12 Board members meet the independence criteria (the employee directors are not included in this calculation), representing approximately 42%. As the quality of a Board of Directors depends on much more than merely the percentage of its independent directors, the Company first and foremost seeks directors of integrity who are competent, pro-active and engaged and who will have a high attendance rate (in accordance with the requirements described in section 9.1 of the AFEP-MEDEF Code). Nevertheless, as our Company is aware of the benefit of having a significant proportion of independent directors, it is pursuing its objective of increasing the Board's independence ratio. To this end, since the beginning of fiscal year 2016-2017, it has focused its search for future members on candidates qualifying for independence status, while respecting the appropriate balance of its composition, notably in terms of skills and diversity, as well as the provisions relative to the composition of our Board of Directors set out in our Company's Shareholders' Agreement (which is due to expire at the close of the Shareholders' General Meeting of July 28, 2021).
Recommendation relating to term of office of directors (section 14.2): *"Terms of office should be staggered so as to avoid replacement of the entire body and to favor a smooth replacement of directors."*	Ten members of the Board of Directors were reappointed at the end of the Shareholders' General Meeting of July 26, 2019. The expiry of these directorships coincides because of the following three events, which all occurred during the same fiscal year (2016-2017): • the need to appoint more women to our Board of Directors resulted in the appointment of three new women directors on April 11, 2016; • the signature of our Company's Shareholders' Agreement (as amended on April 29, 2016) resulted in the appointment of four additional Board members on May 2, 2016; • the shortening of our Board members' terms of office from four to three years, which was approved on July 25, 2016, resulted in the end of the term of one director and that person's reappointment on the same date. In order to allow for a smoother staggering of the terms of office of the members of the Board of Directors, Shuo Zhang and Françoise Chombar have resigned from their respective directorships with effect from the close of the Shareholders' General Meeting of July 28, 2021, and the Board of Directors decided at its meeting on June 9, 2021 to propose to the Shareholders' General Meeting of July 28, 2021 that they be reappointed for a term of three years. Accordingly, our Company's shareholders will be invited to renew the terms of office of four members of our Board of Directors at the Shareholders' General Meeting of July 28, 2021, and eight terms of office (instead of 10) will expire at the end of the Shareholders' General Meeting to be called to approve the financial statements for fiscal year 2021-2022. The Nomination and Governance Committee will continue its deliberations with a view to improving the staggering of the terms of office of the members of the Board of Directors when the eight remaining terms of office expire in 2022.
Recommendation relating to the composition of the Audit Committee (section 16.1) *"The proportion of independent directors on the Audit Committee should be at least equal to two-thirds."*	With four independent members out of seven, the Audit and Risks Committee's independence ratio is approximately 57%, i.e., slightly less than the two-thirds recommended in the AFEP-MEDEF Code. However, the Board considers that the most important factor is for the Audit and Risks Committee to comprise members selected for their accounting and financial skills, as recommended in section 16.1 of the AFEP-MEDEF Code. It should also be noted that this Committee includes directors representing the Company's "strategic investors", or directors put forward by them. The majority of the Audit and Risks Committee's members are independent, however, and the Committee's independence is also strengthened by the fact that its Chair is an independent director (guaranteeing open debate, as well as the proper functioning and effectiveness of the Committee).
Recommendation relating to the composition of the Nomination Committee (section 17.1) *The Nomination Committee "must mostly consist of independent directors."*	The number of independent members on our Company's Nomination and Governance Committee is not greater than half the total number of members since they are three out of seven (the independence ratio is therefore 43%). However, the Board considers this composition satisfactory in light of (i) the necessary presence of directors representing or put forward by our "strategic investors", and (ii) the Committee's overall independence, given its strong diversity in terms of gender, nationalities, the seniority of its members and the excellent fit of their skills and profiles. Furthermore, our Company believes that both the quality and experience of the independent members comprising the Nomination and Governance Committee, as well as the fact that the Chair of this Committee is one of them, promotes open debate and the proper functioning and efficiency of the Committee.

Recommendation relating to the composition of the Compensation Committee (section 18.1): *"It […] must mostly consist of independent directors."* *"It is recommended […] that one of its members should be an employee director."*	*"It […] must mostly consist of independent directors."* There is not a majority proportion of independent directors on the Compensation Committee, but there is an equal number of independent and non-independent directors (with three independent members out of six, i.e., 50%). The composition of the Compensation Committee complies with the provisions of our Company's Shareholders' Agreement, which does not currently – and will not until the close of the Shareholders' General Meeting of July 28, 2021 – enable it to comply exactly with the requirements of the AFEP-MEDEF Code. However, the Committee's composition is well-balanced. The Compensation Committee is chaired by an independent director, Éric Meurice. Lastly, the Board believes that both the quality and experience of independent members ensure open debate and that the current composition does not undermine the proper functioning of the Committee. *"It is recommended […] that one of its members should be an employee director."* Didier Landru and Wissème Allali (who were appointed as employee directors in January 2021) were both invited to attend the Compensation Committee meetings held on March 30, 2021, May 12, 2021 and June 8, 2021, and the Strategic Committee meetings held on March 29, 2021 and June 8, 2021, in order to facilitate the take-up of their duties and enable them to familiarize themselves with the Committees' work prior to the Board of Directors officially deciding to appoint them as a member of either of those committees. At its June 9, 2021 meeting, the Board of Directors formally decided to appoint Wissème Allali as a member of the Compensation Committee and Didier Landru as a member of the Strategic Committee.
Recommendation relating to ethical rules for directors (section 20): *"In the absence of legal provisions to the contrary, the director should personally be a shareholder and, by virtue of the provisions in the by-laws or the internal regulation, hold a minimum number of shares that is significant in relation to the compensation awarded to them."*	Article 1 d) of the Board's International Regulation notably stipulates that: *"Pursuant to Article 13 of the by-laws of the Company, directors are not required to hold shares of the Company.* *However, in order to comply with section 20 of the Corporate Governance Code, in the absence of legal provisions to the contrary, the directors (whether they be natural persons or permanent representatives of legal entities) will ensure that they are shareholders of our Company in a personal capacity and have a minimum number of shares that is significant in relation to the directors' compensation allocated. This requirement does not apply to permanent representatives appointed by directors who are legal entities, to directors representing institutional investors and to directors representing employees.* *One hundred (100) registered shares are considered a significant number of shares."* At the date hereof, seven of our Company's 12 directors are Soitec shareholders, (the employee directors are not included in this calculation). This clearly illustrates that, in compliance with insider trading regulations, the Board is moving towards full compliance with this recommendation. Since the amendment to the Internal Regulation on June 9, 2021, permanent representatives of legal entities and Board members representing institutional investors, who, by definition, hold a significant number of Company shares in their capacity as shareholders, are not personally required to hold Company shares. As employees of Bpifrance, Thierry Sommelet and Sophie Paquin are not authorized to directly hold Company shares.

4.1.9 Agreements with interested or related parties

4.1.9.1 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 our Statutory Auditors, our Board of Directors adopted a procedure for reviewing agreements concerning routine transactions and entered into on arm's length terms. This procedure – which is described in the Company's 2019-2020 Universal Registration Document – was applied for the first time in the fiscal year ended March 31, 2021. As part of its annual review of this procedure, and in light of the fact that it was the first year that it was implemented, at its June 9, 2021 meeting, our Board of Directors decided (after discussion with our Statutory Auditors) to align it more closely with how our Company operates. The procedure for agreements with interested parties concerning routine transactions and entered into on arm's length terms, as amended, is described below.

The procedure describes the methods used by our Group to regularly assess whether agreements entered into by our Company that are not classified as "regulated" agreements do actually meet the criteria for such classification, and recalls the rules for classifying agreements as "regulated" or as agreements concerning routine transactions and entered into on arm's length terms (i.e., agreements not requiring approval).

Our review procedure for such agreements takes into consideration the Guide published by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) on regulated and routine 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 our Company and an interested party must inform our Legal Department prior to the conclusion, amendment or execution of said agreement, even where it is likely to be classified as a routine agreement.

Moreover, in accordance with the applicable regulations, any person that may directly or indirectly benefit from a regulated agreement is required to disclose their interests to the Board of Directors as soon as they become aware of the agreement concerned.

Our Legal Department 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 regulated agreement, a routine agreement or a prohibited agreement. If the criteria are met for qualifying the agreement as an agreement concerning routine operations entered into on arm's length terms, then the agreement 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 under the applicable laws.

If, upon completion of its assessment, our Legal Department considers that the agreement is liable to be considered as a regulated agreement, the corresponding procedure will be carried out under the supervision of our Board of Directors and said agreement must receive prior authorization from our Board of Directors in accordance with our 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 4.1.9.2 *Rules on regulated agreements* of this Universal Registration Document).

Our Legal Department holds a list of routine agreements with interested parties, which is based on either the information to which the Legal Department has access or on the disclosures provided to it.

A list of routine agreements is also drawn up on March 31 each year, is reviewed in detail by the Legal Department and the Finance Department, and is provided to the Company's Statutory Auditors annually.

The list is provided to the Audit and Risks Committee on an annual basis and, where necessary, is discussed at that Committee's meeting dedicated to preparing for the sign-off of the Company's annual financial statements.

The Audit and Risks Committee reports once a year to the Board of Directors on the effective application of the procedure and proposes any 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 routine.

4.1.9.2 Rules on regulated agreements

When an agreement entered into between the Company and an interested party is not deemed to be routine (but is not prohibited within the meaning of Article L. 225-43 of the French Commercial Code), it is classified as a regulated agreement and requires the prior authorization of the Board of Directors in accordance with the applicable laws. Any interested parties – i.e., those persons who stand to benefit from the agreement directly or indirectly – may not take part in the Board of Directors' vote on whether to grant the authorization.

The Chairman of the Board of Directors informs the Statutory Auditors about any regulated agreements that have been authorized and entered into, and submits them for shareholder approval at the Shareholders' General Meeting. 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 Shareholders' 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, regulated agreements authorized in prior years which remained in force during the year under review are examined by our Board of Directors and described in a special report issued by the Statutory Auditors.

A. Regulated agreements entered into during the fiscal year ended March 31, 2021

No regulated agreements were entered into during fiscal year 2020-2021.

B. Regulated agreements entered into and authorized in prior fiscal years which remained in force in the fiscal year ended March 31, 2021

Pursuant to Article L. 225-40-1 of the French Commercial Code, the regulated agreements authorized in prior years which remained in force during the year (as listed below) have been reviewed by our Board of Directors and are described in the Statutory Auditors' special report in section 8.3 *Statutory Auditors' special report on related-party agreements* of this Universal Registration Document.

1. With the French Alternative Energies and Atomic Energy Commission (*Commissariat à l'énergie atomique et aux énergies alternatives* – CEA)

On July 27, 2018, the Company signed a multi-year framework R&D partnership agreement with the CEA for the purpose of defining the terms and conditions for performing R&D work in a collaborative undertaking between the CEA and the Company. This agreement was entered into with retroactive effect from January 1, 2018 for a five-year term, i.e., until December 31, 2022.

Pursuant to this agreement, the CEA invoiced our Company €3,733,000 during the fiscal year ended March 31, 2021.

2. With the French Alternative Energies and Atomic Energy Commission (CEA)

On July 27, 2018, our Company signed an agreement with the CEA on patent licensing and the provision of know-how for the manufacture and sale of substrates. The purpose of the agreement was to set the terms and conditions for utilizing patents and expertise. It was signed with retroactive effect from January 1, 2017 and will expire at the latest on December 31, 2027 or the expiration date of the last patent or the last item of know-how covered by the agreement.

Pursuant to this agreement, the CEA invoiced our Company €10,697,662.03 during the fiscal year ended March 31, 2021.

3. With Shanghai Simgui Technology Co. Ltd. (Simgui)

On December 27, 2018, the Company signed an Amended and Restated License and Technology Transfer Agreement with Simgui. The purpose of this agreement was to enable Simgui – in connection with the increased production capacity for 200-mm SOI wafers – to manufacture those products in China and sell them exclusively to the Company for resale to the global market using our Smart Cut™ technology. This agreement was entered into with retroactive effect from January 1, 2019 for a six-year term, i.e., until December 31, 2024.

Our Company did not invoice any amounts to Simgui under this agreement during the fiscal year ended March 31, 2021.

4. With Shanghai Simgui Technology Co. Ltd. (Simgui)

On December 27, 2018, the Company signed an Amended and Restated SOI Supply Agreement with Simgui relating to the supply to the Company of SOI wafers manufactured by Simgui in accordance with the terms and conditions of the license and technology transfer agreement referred to in section 3 above. This agreement was entered into with retroactive effect from January 1, 2019 for a six-year term, i.e., until December 31, 2024.

Pursuant to the agreement, Simgui invoiced our Company US$51,845,684 during the fiscal year ended March 31, 2021.

5. With Shanghai Simgui Technology Co. Ltd. (Simgui)

On December 27, 2018, the Company signed an Amended and Restated Bulk Supply Agreement with Simgui relating to the supply by the Company to Simgui of raw materials for the production of SOI wafers in accordance with the terms and conditions of the license and technology transfer agreement referred to in section 3 above. This agreement was entered into with retroactive effect from January 1, 2019 for a six-year term, i.e., until December 31, 2024.

Pursuant to the agreement, our Company invoiced Simgui US$23,174,751.50 during the fiscal year ended March 31, 2021.

6. With Bpifrance Participations, CEA Investissement and NSIG Sunrise S.à.r.l.

A Shareholders' Agreement was signed on March 7, 2016 (and amended on April 29, 2016) between our Company and our three "strategic investors", i.e., Bpifrance Participations, CEA Investissement, and National Silicon Industry Group/NSIG Sunrise S.à.r.l. The Board of Directors authorized this agreement in advance on March 3, 2016, and it remained in force throughout the fiscal year ended March 31, 2021. It is due to expire at the Shareholders' General Meeting of July 28, 2021 and will not, to the Company's knowledge, be renewed.

This Shareholders' Agreement primarily relates to the organization of our Company's corporate governance.

4.1.9.3 Agreements between the Company's corporate officers and/or shareholders with over 10% of voting rights and any Soitec subsidiary

In accordance with Article L. 225-37-4, 2° of the French Commercial Code, please note that during the fiscal year ended March 31, 2021, there were no agreements on non-current transactions or concluded under abnormal conditions, either directly or by way of an intermediary, between any of our corporate officers or shareholders with more than 10% of our voting rights and one of our subsidiaries.

For information purposes, agreements entered into (or renewed) in fiscal year 2020-2021, either directly or through an intermediary, between the Company's corporate officers or shareholders holding more than 10% of its voting rights and any of its subsidiaries, gave rise to cash flows involving the Company's subsidiaries. The amounts of these cash flows are set out in note 5.3 "Related-party disclosures" to the 2020-2021 consolidated financial statements in section 6.2.1.2 *Notes to the consolidated financial statements at March 31, 2021* of this Universal Registration Document.

4.1.9.4 Service agreement disclosures

There are no service agreements granting future benefits between the members of our administrative or management bodies and our Company or any of our subsidiaries.

4.1.9.5 Related parties

Please see note 3.5.3 "Related-party disclosures" to the 2020-2021 consolidated financial statements in section 6.2.1.2 *Notes to the consolidated financial statements at March 31, 2021* of this Universal Registration Document. This sets out the principal transactions entered into with our related parties during the course of the two previous fiscal years ended March 31, 2020 and March 31, 2021.

4.2 Compensation

4.2.1 Compensation of our corporate officers for fiscal year 2020-2021

This section contains the disclosures required pursuant to Article L. 22-10-9 I of the French Commercial Code in relation to the compensation of our Company's corporate officers for fiscal year 2020-2021, which will be submitted to Soitec's shareholders for approval in the 10th resolution of the July 28, 2021 Shareholders' General Meeting in accordance with Article L. 22-10-34 I of the French Commercial Code.

For the Chairman of the Board of Directors and the Chief Executive Officer, all of the compensation components described below are in line with the compensation policy that was approved by the shareholders at the September 23, 2020 Shareholders' General Meeting in application of Article L. 20-10-8 of the French Commercial Code.

The compensation of the members of the Board of Directors was paid out of the aggregate budget approved at the September 23, 2020 Shareholders' General Meeting and complies with the principles set out in the 2019-2020 Universal Registration Document.

4.2.1.1 Compensation of Paul Boudre, Chief Executive Officer, for fiscal year 2020-2021

In accordance with the compensation policy approved at the September 23, 2020 Shareholders' General Meeting, the compensation of Paul Boudre, Chief Executive Officer, comprises a fixed portion, an annual variable portion, and long-term compensation.

No compensation was paid or granted to Paul Boudre by any entities controlled by the Company, and he did not receive any remuneration in his capacity as a director of the Company.

Paul Boudre is the beneficiary of certain benefits and commitments, which are described below, and his employment contract was voluntarily terminated in 2020.

No exceptional compensation was paid or granted to Paul Boudre during fiscal year 2020-2021.

The relative proportions of Paul Boudre's fixed and variable compensation are as follows:

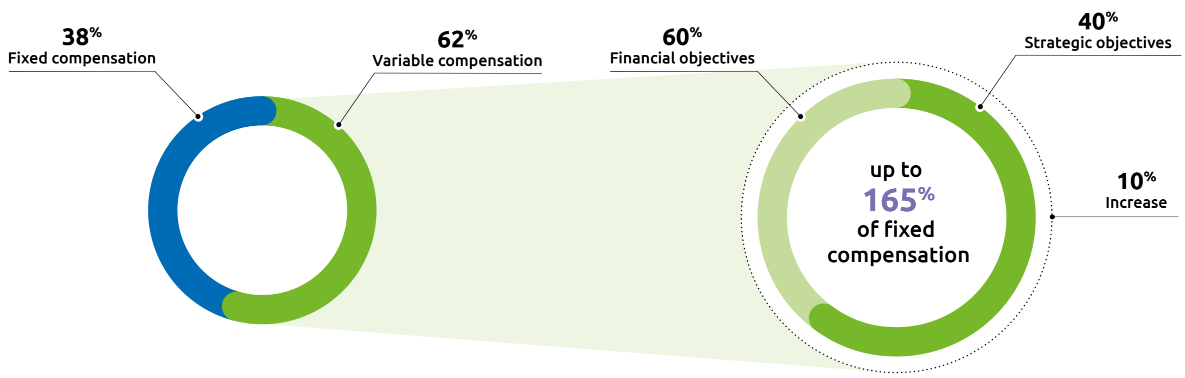


TABLE 1 (BASED ON THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – SUMMARY OF COMPENSATION, STOCK OPTIONS AND FREE SHARES ALLOCATED TO PAUL BOUDRE, CHIEF EXECUTIVE OFFICER *(in €)*

Paul Boudre **Chief Executive Officer** *Start of first term of office: January 16, 2015* *End of current term of office: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2022*	**Fiscal year 2019-2020**	**Fiscal year 2020-2021**
Compensation granted for the fiscal year (details in table 2 below) (1)	1,302,920	1,238,488.20
Valuation of multi-annual variable compensation granted during the fiscal year	None	None
Valuation of stock options allocated during the fiscal year	None	None
Valuation of performance or preferred shares allocated free of consideration during the fiscal year (2)	2,691,924.94	1,243,047
Valuation of other long-term compensation plans	None	None
TOTAL	**3,994,844.94**	**2,481,535.20**

(1) Gross amount.
(2) Shares valued in accordance with IFRS 2.

TABLE 2 (BASED ON THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – SUMMARY OF THE COMPENSATION OF PAUL BOUDRE, CHIEF EXECUTIVE OFFICER *(in €)*

Paul Boudre **Chief Executive Officer** *Start of first term of office: January 16, 2015* *End of current term of office: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2022*	**Fiscal year 2019-2020**		**Fiscal year 2020-2021**	
	Amount granted	**Amount paid**	**Amount granted**	**Amount paid**
Fixed compensation	550,000	550,000	550,000	550,000
Annual variable compensation	728,200 (1)	783,748 (2)	654,500 (3)	728,200 (1)
Variable/fixed proportion	132.4%	165%	119%	132.4%
Exceptional compensation	-	-	-	-
Compensation granted in his capacity as a director and Board Committee member	None	None	None	None
Benefits in kind	36,300 (4)	36,300 (4)	33,988.20 (4)	33,988.20 (4)
TOTAL	**1,314,500**	**1,370,048**	**1,238,488.20**	**1,312,188.20**

(1) Variable compensation for fiscal year 2019-2020 paid in fiscal year 2020-2021.
(2) Variable compensation for fiscal year 2018-2019 paid in fiscal year 2019-2020.
(3) Variable compensation for fiscal year 2020-2021 that will be paid in fiscal year 2021-2022, subject to shareholders' approval at the July 28, 2021 Shareholders' General Meeting.
(4) Corresponding to the use of a company car as well as private unemployment insurance and key-person insurance.

A. Annual fixed compensation

Paul Boudre is granted fixed compensation in his capacity as Chief Executive Officer for the duties and responsibilities inherent to that position.

The amount of the Chief Executive Officer's fixed compensation is not systematically revised each year. The Board of Directors last reviewed it on July 26, 2018, with effect from January 1, 2019. The previous revision was in April 1, 2010.

Paul Boudre's annual fixed compensation for the fiscal year ended March 31, 2021 amounted to €550,000, paid in 12 equal installments during fiscal year 2020-2021.

B. Annual variable compensation

In accordance with the compensation policy set by our Board of Directors and approved at the September 23, 2020 Shareholders' General Meeting, the variable portion of Paul Boudre's compensation for fiscal year 2020-2021 could have ranged from 0% to 165% of his fixed compensation, i.e., a maximum gross amount of €907,500.

If the target values of the objectives set by our Board of Directors were achieved, the variable portion would have corresponded to 100% of his fixed compensation, with the achievement of the budget commitments representing 90% of the target amounts of the financial criteria (as for the three previous fiscal years). Unlike in previous years, and as provided for in the compensation policy approved at the September 23, 2020 Shareholders' General Meeting, an EBITDA threshold was also added for fiscal year 2020-2021, which had to be achieved for Paul Boudre's variable compensation to be able to exceed 100% of his fixed compensation. If this threshold was not reached, the variable portion of his compensation would have been capped at 100% of his fixed compensation, even if the achievement levels of his other objectives were such that the variable portion should have exceeded 100% of his fixed compensation.

Any outperformance 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, as was the case for fiscal years 2018-2019 and 2019-2020, it was decided that the amount of Paul Boudre's variable compensation for 2020-2021 could be increased by a further 10% if an additional objective was achieved related to increasing the market share of the main Soitec SOI products. Consequently, if this objective was met, his total variable compensation could have represented up to 165% of his fixed compensation. This objective related to the increase in market share of certain Soitec products.

The amount of compensation paid was to be calculated on a gross basis.

The weightings of the categories of the applicable objectives were set as follows:

- the financial objectives represented 60% of the total objectives used to assess the amount of the variable compensation;
- the strategic objectives represented 40%, and notably included several CSR criteria, in accordance with the recommendations of the AFEP-MEDEF Code. In practice, each of the strategic objectives has several sub-objectives so that if they are all achieved, the strategic portion reaches the maximum level of outperformance, i.e., 60%.

Type of objective and description	**Weighting**
I. FINANCIAL OBJECTIVES	**60%**
1. Level of revenue *(in US$ millions)*	20%
2. Level of consolidated EBITDA *(in % of revenue in € at constant exchange rates)*	20%
3. Level of consolidated cash *(in € million)*	20%
II. STRATEGIC OBJECTIVES	**40%**
5 contributions identified as our Group's main growth drivers including:	
1. Innovation (3 objectives)	*15%*
2. Partnerships (2 objectives)	*6.7%*
3. Customer/design wins	*5%*
4. Leadership & governance (3 objectives)	*8.3%*
5. ESG (2 objectives: quality of life at work and fight against climate change)	*5%*
III. ADDITIONAL STRATEGIC OBJECTIVE Increase in market share of certain Soitec products	**10% INCREASE IN TOTAL VARIABLE COMPENSATION**

At its June 9, 2021 meeting, acting on the recommendation of the Compensation Committee, our Board of Directors set the variable portion of Paul Boudre's compensation for fiscal year 2020-2021 at 119% of his fixed compensation.

Accordingly, Paul Boudre's annual variable compensation for fiscal year 2020-2021 represents a total gross amount of €654,500. The payment of this compensation is subject to the shareholders at the July 28, 2021 Shareholders' General Meeting approving the components of compensation paid during or granted for fiscal year 2020-2021 to the Chief Executive Officer, as described below (see section 4.2.2 of this Universal Registration Document).

On the recommendation of the Compensation Committee, our Board of Directors noted the achievement of financial and strategic criteria (representing 60% and 40% of the variable compensation of the target values, respectively) as follows:

ASSESSMENT OF THE ACHIEVEMENT LEVELS OF THE PERFORMANCE CONDITIONS UNDERLYING THE ANNUAL VARIABLE COMPENSATION FOR FISCAL YEAR 2020-2021:

Relative weighting of each performance indicator	Minimum	Target	Maximum	Achievement level	Variable portion
Revenue (20%)	550	676	732	673 (96.8%)	19.4%
Consolidated EBITDA (20%)	27%	30.6%	32.5%	30.7% (103%)	20.6%
Consolidated cash (20%)	133	161	181	174 (132.5%)	26.5%
Innovation					
Qualification of product (FD-SOI)				Achieved	7.5%
Delivery (proto FD-SOI)				Achieved	5%
Deliveries (proto SIC)				Achieved	10%
Partnerships					
RF-SOI China				Partial	2.5%
Chinese commitments on FD-SOI				Achieved	5%
Commercial success/design					
POI and FD-SOI				Achieved	7.5%
Leadership and governance					
Development plan for senior managers				Achieved	2.5%
Diversity policy				Achieved	5%
Governance improvement				Not achieved	0%
ESG					
Quality of life at work			70%	72%	5%
Reducing the carbon footprint per unit produced			-2.5%	-2.5%	2.5%
Increase criterion					
Increase in market share of certain products			80%	< 80%	0
Overall achievement rate					**119%**

Revenue was very close to the objective set, while EBITDA margin exceeded the budgeted amount and consolidated cash significantly outperformed the targeted level. All the financial criteria correspond to a 66.5% bonus.

Almost all the strategic objectives were fully achieved, with the exception of the partnerships to be established in China and Taiwan for the RF-SOI (partially achieved) and the governance improvement criterion, which was based on a discretionary assessment by the Board, ruling, on the recommendation of the Compensation Committee, that the achievements in this area were insufficient and were not successful.

C. Long-term variable compensation

1. Performance share plan (Onyx 2023 plan)

Pursuant to the authorization granted at the July 26, 2019 Shareholders' General Meeting, at its November 18, 2020 meeting, the Board of Directors decided to allocate Paul Boudre 13,306 free performance shares, corresponding to ordinary shares of the Company and representing a value of €1,263,047. At the date of this 2020-2021 Universal Registration Document, these shares corresponded to 0.04% of the Company's capital.

This performance share allocation is in line with the compensation policy approved by the shareholders at the September 23, 2020 Shareholders' General Meeting.

The free performance shares allocated to Paul Boudre are subject to a vesting period running from November 18, 2020 to August 1, 2023. At the end of the vesting period, they will vest to Paul Boudre, subject to the fulfillment of the presence condition, assessed in thirds on three successive performance achievement dates, i.e., July 1, 2021, 2022 and 2023 (except in the event of (i) dismissal for gross negligence or misconduct in which case the presence condition is deemed not to be fulfilled and (ii) death, invalidity and retirement with a full benefit where the presence condition is deemed to be fulfilled), and if the Board of Directors places on record that the performance conditions have been met as follows:

- one-third (33.33%) of the shares will be subject to a performance condition based on consolidated EBITDA margin;
- one-third (33.33%) of the shares will be subject to a performance condition based on consolidated revenue;
- one-third (33.33%) of the shares will be subject to a performance condition based on the Company's Total Shareholder Return (TSR) compared to the Euro Stoxx 600 Technology index.

As an exception, in the event of retirement with a full benefit during the vesting period, Paul Boudre, as well as all the beneficiaries of the Onyx 2023 plan will remain entitled to the shares vesting at the end of the vesting period subject to the level of achievement of the above performance conditions.

In accordance with Article L. 225-197-1 of the French Commercial Code, the Board of Directors also decided that Paul Boudre will be required to hold at least 10% of the vested ordinary shares delivered to him under this plan until he ceases to serve as Chief Executive Officer.

2. Vesting of PS 2 (Topaz plan)

At its meeting on December 18, 2019, the Board of Directors used the delegation of authority granted at the July 26, 2019 Shareholders' General Meeting to set up a co-investment plan. Under this plan, Paul Boudre was allocated, free of consideration, 31,982 new preferred shares, not admitted to trading on Euronext Paris and convertible into ordinary shares of our Company ("PS 2").

On initial allocation, our Board of Directors decided that the PS 2 will vest, subject to compliance with the presence condition at the end of three vesting periods as follows:

- 40% of the PS 2 allocated will vest on December 18, 2020 at the latest;
- 30% of the PS 2 allocated will vest on August 1, 2021 at the latest; and
- 30% of the PS 2 allocated will vest on August 1, 2022 at the latest.

On December 18, 2020, 12,792 of the PS 2 allocated to Paul Boudre by the Board of Directors on December 18, 2019 vested, after the Board placed on record that the presence condition had been met.

No later than August 1, 2021 and August 1, 2022, another tranche of PS 2 will vest for Paul Boudre, provided that he meets the presence condition set by the Board when it decided on the allocation. According to this decision, in the event of the termination of his duties as Chief Executive Officer, Paul Boudre will lose his right to the PS 2 whose vesting date is more than 12 months after the termination of his duties, unless the termination of his duties is due to (a) resignation for personal reasons or (b) dismissal for gross misconduct, in which cases he will lose his right to all the PS 2 which have not vested on the date of the termination of his duties.

The vested PS 2 would be convertible into ordinary shares of our Company, subject to meeting demanding performance conditions based on the achievement of objectives relating to EBITDA, revenue and the Total Shareholder Return (TSR) of our Company's ordinary share compared with the Euro Stoxx 600 Technology index. These performance conditions stipulated in the terms and conditions of the PS 2 were approved at the Shareholders' General Meeting of July 26, 2019 (in the 33rd resolution concerning the creation of the PS 2).

Subject to achieving the minimum and sufficient rate of the performance objectives, the PS 2 will be converted into ordinary shares on a date set by our Board of Directors between August 1, 2022, and no later than the 180th calendar day after the date of approval by the Shareholders' General Meeting of our Group's consolidated financial statements for the fiscal year ending March 31, 2022. As an exception, the PS 2 may be converted early (and be subject to early vesting for this purpose) in the event of a Complex Major External Growth Transaction or a Substantial Equity Investment (as defined in the Company's by-laws set out in section 9.1.2 of this Universal Registration Document), in accordance with their terms and conditions.

In the event that the minimum rate is not achieved, the number of ordinary shares into which the PS 2 could be converted would be equal to zero, and the vested PS 2 may be repurchased by our Company at its initiative no later than the 180th calendar day after the publication date of our Group's consolidated financial statements for the fiscal year ending March 31, 2022, at their par value in anticipation of their cancellation.

In addition, the PS 2 may not be transferred for any reason whatsoever before the earliest of the following three dates (the capitalized terms are defined in Article 10 of our Company's by-laws set out in section 9.1.2 of this Universal Registration Document):

- the Conversion Date (the conversion date of the PS 2 into ordinary shares, as set by the Board of Directors, which must be no later than the 180th calendar day after the date of approval by the Shareholders' General Meeting of our Group's consolidated financial statements for the fiscal year ending March 31, 2022;
- the Repurchase Date (the date on which the Company repurchases the PS 2 at their par value if the performance objectives are not achieved); and
- July 26, 2029.

These dates will not apply if the PS 2 are converted early, notably in the event of a Complex Major External Growth Transaction or a Substantial Equity Investment (as defined in Article 10 of our Company's by-laws set out in section 9.1.2 of this Universal Registration Document), it being specified that the PS 2 that vested on December 18, 2020 will, in all circumstances, remain subject to a lock-up period of no less than one year in accordance with the provisions of Article L. 225-197-1 of the French Commercial Code.

These conditions and, more generally, the characteristics of the PS 2 are described in Article 10 of our Company's by-laws set out in section 9.1.2 of this Universal Registration Document. Details of the Topaz plan are provided in section 7.2.3 of this Universal Registration Document.

TABLE 6 (BASED ON THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – SHARES ALLOCATED FREE OF CONSIDERATION TO PAUL BOUDRE IN FISCAL YEAR 2020-2021

Corporate officer	Plan	Number of shares allocated in fiscal year 2020-2021	Value of the shares in accordance with IFRS 2	Vesting date	End of lock-up period	Performance conditions
Paul Boudre	Onyx 2023 plan Allocation decided by the Board of Directors on November 18, 2020 Delegation granted at the July 26, 2019 SGM	13,306	1,263,047	August 1, 2023	August 1, 2023	• One-third (33.33%) of the shares will be subject to a performance condition based on consolidated EBITDA margin. • One-third (33.33%) of the shares will be subject to a performance condition based on consolidated revenue. • One-third (33.33%) of the shares will be subject to a performance condition based on the Company's Total Shareholder Return (TSR) compared to the Euro Stoxx 600 Technology index.

TABLE 7 (BASED ON THE TEMPLATE IN THE AFEP-MEDEF CODE) – SHARES THAT VESTED IN FISCAL YEAR 2020-2021

Paul Boudre	Topaz plan Allocation decided by the Board of Directors on December 18, 2019	Number of shares that vested during the year: 12,792 PS 2 The PS 2 may not be transferred before the earliest of the following three dates: (i) the Conversion Date (1), (ii) the Repurchase Date (2), or (iii) July 26, 2029

(1) The conversion date of the PS 2 into new or existing ordinary Company shares (the "Conversion Date") shall be determined by the Board of Directors, and said Conversion Date shall, in any event, be no later than the 180th calendar day after the date of approval by the Shareholders' General Meeting of our Group's consolidated financial statements for the fiscal year ending March 31, 2022.

(2) In the event that the performance objectives are not achieved and the number of ordinary shares to which the PS 2 would entitle the holder upon conversion, by applying the Conversion Ratio, equals zero, the PS 2 may be repurchased by the Company at its initiative no later than the 180th calendar day after the publication date of our Group's consolidated financial statements for the fiscal year ending March 31, 2022 (the "Repurchase Date"), at their par value, in accordance with the provisions of Article L. 228-12 III of the French Commercial Code.

TABLE 10 (BASED ON THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – HISTORY OF FREE SHARE ALLOCATIONS MADE TO PAUL BOUDRE – INFORMATION ON FREE SHARE ALLOCATIONS

	Topaz plan (PS 2)	Onyx 2023 plan (ordinary shares)
Date of Shareholders' General Meeting	07/26/2019	07/26/2019
Date of Board of Directors' meeting	12/18/2019	11/18/2020
Total number of shares allocated	195,960	59,915
Number of shares allocated to Paul Boudre	**31,982**	**13,306**
Date of conditional allocation	12/18/2019 (1)	11/18/2020
Vesting date	40% of the PS 2 vested on 12/18/2020 30% of the PS 2 will vest on 08/01/2021 30% of the PS 2 will vest on 08/01/2022 (2)	08/01/2023
End of lock-up period	08/01/2022 (3)	08/01/2023
Performance conditions	Yes	Yes
Number of shares vested for Paul Boudre as at March 31, 2020	12,792 PS 2	-
Total number of canceled or forfeited shares	6,190	-
Performance shares outstanding at the end of the fiscal year (March 31, 2021)	113,909	59,915

(1) Date of allocation of conditional rights to PS 2.
(2) Vesting date for PS 2 (for the Topaz no. 2 plan) The presence condition applicable to the free PS 2 is assessed at the end of each vesting period and the performance conditions were set at the Shareholders' General Meeting of July 26, 2019 in relation to the creation of the PS 2.
(3) In the event that the performance objectives are not achieved and the number of ordinary shares to which the PS 2 would entitle the holder upon conversion, by application of the Conversion Ratio (as this term is defined in the terms and conditions of the PS 2), equals zero, the PS 2 may be repurchased by our Company at its initiative no later than the 180th calendar day after the publication date of our Group's consolidated financial statements for the fiscal year ending March 31, 2022 (the "Repurchase Date"), at their par value, in accordance with the provisions of Article L. 228-12 III of the French Commercial Code.

D. Other benefits and commitments given to Paul Boudre

1. Termination benefit and non-compete indemnity

Following the shareholders' approval at the September 23, 2020 Shareholders' General Meeting of the compensation policy applicable to the Chief Executive Officer for fiscal year 2020-2021, on November 24, 2020 Paul Boudre voluntarily terminated his employment contract entered into on January 15, 2007 (which had been suspended since June 1, 2008). He also authorized the Company to waive the non-compete obligation to which he was bound by contract. Accordingly, the Company waived this non-compete obligation which did not give rise to compensation.

Details of the termination benefit and non-compete indemnity for which Paul Boudre could be eligible if he ceases to serve as Chief Executive Officer are provided in section 4.2.3.2 G. of this 2020-2021 Universal Registration Document.

The maximum amounts that Paul Boudre could receive for the termination benefit and non-compete indemnity would be €1,204,500 and €602,250 respectively.

No payments were made in relation to these commitments in fiscal year 2020-2021.

TABLE 11 (BASED ON THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – EMPLOYMENT CONTRACT, PENSION PLAN AND INDEMNITIES FOR TERMINATION OR CHANGE OF DUTIES – PAUL BOUDRE, CHIEF EXECUTIVE OFFICER

	Employment contract		Supplementary pension plan		Indemnities or benefits for termination or change of duties		Non-compete indemnity	
Name	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
Paul Boudre **Chief Executive Officer** *Start of first term of office: January 16, 2015* *End of current term of office: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2022*		× *	× **		×		×	

** Paul Boudre voluntarily terminated his employment contract on November 24, 2020.*
*** The "Article 39" defined benefit plan has been closed to new entrants since July 2019, and no new entitlements have accrued under the plan since January 1, 2020.*

2. Pension plans

Paul Boudre is a member of an "Article 83" defined contribution pension plan, as are all the employees of the Economic and Social Unit comprising Soitec SA and Soitec Lab. The main components of this plan are presented in section 4.2.5 *Amounts provisioned by our Group for the payment of pension, retirement or similar benefits* of this Universal Registration Document.

Under this pension plan, the expense recorded by the Company for the 2020-2021 fiscal year for Paul Boudre amounted to €13,245.79.

Paul Boudre is also a member of an "Article 39" defined benefit supplementary pension plan applicable to certain senior managers (senior managers III C and corporate officers). The main components of this plan are presented in section 4.2.5 *Amounts provisioned by our Group for the payment of pension, retirement or similar benefits* of this Universal Registration Document.

This plan has been closed to new entrants since July 4, 2019, and no entitlements have accrued under the plan since that date. The entitlements of the plan's beneficiaries were frozen as of December 31, 2019. No additional entitlements under the defined benefit supplementary pension plan will therefore accrue to Paul Boudre for any periods of employment subsequent to January 1, 2020.

At March 31, 2021, the estimated amount of the pension that could be paid to Paul Boudre under the "Article 39" defined benefit supplementary pension plan was €118,041.

3. Benefits of any kind

Paul Boudre receives benefits in kind consisting of a company car and private unemployment insurance, representing a total amount of €22,819.92 for fiscal year 2020-2021.

In November 2018, the Company also took out a death and disability policy for Paul Boudre, representing a capital payment to his heirs and assigns of €1.5 million. This key-person insurance is tagged on to the collective key-person insurance policy taken out by our Company. The premiums paid for the death and disability insurance set up for the benefit of Paul Boudre's heirs and assigns amounted to €11,168.28 in fiscal year 2020-2021.

4.2.1.2 Compensation paid to Éric Meurice, Chairman of our Board of Directors, for fiscal year 2020-2021

In accordance with the compensation policy approved by the shareholders at the September 23, 2020 Shareholders' General Meeting, the compensation of Éric Meurice, Chairman of the Board of Directors, has been revised in order to solely comprise an annual fixed amount of €230,000 gross, calculated proportionately to the length of his term of office in number of days. The change in his compensation was justified by (i) the increase in the number of meetings held by our Board of Directors and its Committees, and (ii) a benchmark comparison with the compensation granted to non-executive Chairpersons in similar companies.

In view of the Covid-19 crisis, it was decided that this revised compensation would only become effective as from April 1, 2021, with the authorization given to the Board of Directors to anticipate its implementation as from April 1, 2020 if the Company's revenue increased during the fiscal year from April 1, 2020 to March 31, 2021.

At its meeting on June 9, 2021, based on the recommendation of the Compensation Committee, our Board of Directors (i) noted that consolidated revenue for fiscal year 2020-2021 increased by 1% on a like-for-like basis (i.e., based on a comparable Group structure and constant exchange rates) (see the fourth-quarter revenue release for fiscal year 2020-2021 dated April 22, 2021), and (ii) therefore decided to apply Éric Meurice's new compensation retroactively as from April 1, 2020.

In accordance with the compensation policy approved by the shareholders at the September 23, 2020 Shareholders' General Meeting and the Board's decision of June 9, 2021, our Company granted Éric Meurice a total gross amount of €230,000 in compensation for fiscal year 2020-2021.

Travel costs incurred by our Company's directors in connection with their directorship duties are reimbursed by our Company on presentation of receipts.

TABLE 1 (BASED ON THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – SUMMARY OF COMPENSATION, STOCK OPTIONS AND SHARES ALLOCATED TO ÉRIC MEURICE, CHAIRMAN OF THE BOARD OF DIRECTORS *(in €)*

Éric Meurice Chairman of the Board of Directors	Fiscal year 2019-2020	Fiscal year 2020-2021
Compensation granted for the fiscal year (details in table 2 below) (1)	155,547	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 free of consideration during the fiscal year (2)	N/A	N/A
Valuation of other long-term compensation plans	N/A	N/A
TOTAL	**155,547**	**230,000**

(1) Gross amount.
(2) Shares valued in accordance with IFRS 2.

TABLE 2 (BASED ON THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – SUMMARY OF THE COMPENSATION OF ÉRIC MEURICE, CHAIRMAN OF THE BOARD OF DIRECTORS *(in €)*

Éric Meurice Chairman of the Board of Directors	Fiscal year 2019-2020 Gross amount granted	 Gross amount paid	Fiscal year 2020-2021 Gross amount granted	 Gross amount paid
Fixed compensation	50,000 (2)	685	230,000 (3)	50,000
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	105,547	39,976 (1)	N/A	105,547
Benefits in kind	N/A	N/A	N/A	N/A
TOTAL	**155,547**	**40,661**	**230,000**	**155,547**

(1) This amount relates to the period when Éric Meurice was not Chairman of the Board.
(2) Amount paid out of the aggregate budget for the compensation of the members of the Board of Directors.
(3) Amount not paid out of the aggregate budget for the compensation of the members of the Board of Directors.

TABLE 11 (BASED ON THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – EMPLOYMENT CONTRACT, PENSION PLAN AND INDEMNITIES FOR TERMINATION OR CHANGE OF DUTIES – ÉRIC MEURICE, CHAIRMAN OF THE BOARD OF DIRECTORS

	Employment contract		Supplementary pension plan		Indemnities or benefits for termination or change of duties		Non-compete indemnity	
Name	Yes	No	Yes	No	Yes	No	Yes	No
Éric Meurice **Chairman of the Board of Directors** *Start of first term of office: March 27, 2019* *End of current term of office: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ended March 31, 2021*		×		×		×		×

4.2.1.3 Pay ratios – Changes in compensation, Company performance, and pay ratios

In accordance to Article L. 225-37-3, 6° and 7° of the French Commercial Code, the follow section sets out the ratios between the compensation levels of the Chairman 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.

Despite the governance changes over the past five years, Paul Boudre was compensated for his role as Chief Executive Officer. During fiscal year 2015-2016, Paul Boudre was also Chairman of the Board of Directors until July 11, 2016, when the roles of Chairman of the Board and Chief Executive Officer were separated, with the appointment of Victoire De Margerie as Chair of Board.

B. Scope

In accordance with the AFEP-MEDEF Code and section 26.2 "Annual information", the ratios were calculated based on Soitec's Economic and Social Unit, which is representative of the headcount and different socio-professional categories of the Soitec Group in France. Soitec's Economic and Social Unit is composed of Soitec SA and Soitec Lab, which used to be a single entity until March 31, 2020 and represented, at the end of the fiscal year, 98% of the total headcount in France (wholly-owned subsidiaries). 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 our Group. Give the small headcount of Soitec Lab (less than 10 employees), ratios for listed entity compensation have not been calculated based on Soitec Lab because they are similar to the ratios for the Economic and Social Unit.

C. Compensation components used for calculating the numerator and denominator

Soitec's ratios were calculated on a comparable basis between corporate officers and employees by analyzing the following elements:

- The compensation for the Chief Executive Officer is the compensation paid during fiscal year Y. It includes his base salary, annual variable compensation paid during fiscal year Y for fiscal year Y-1, exceptional bonuses, benefits in kind (company car allowance) and shares allocated during fiscal year Y, valued under IFRS 2, as recommended by the AFEP.
- The compensation for the Chairman of the Board of Directors corresponds to the amounts defined in the compensation policy applicable to the Chairman of the Board of Directors, plus the amounts due for his attendance at meetings of the Board and Board Committees (assuming an attendance rate at 100% at these meetings)

- For employees, the compensation is the full-time equivalent paid during fiscal year Y. It includes their base salary, seniority bonuses, other fixed bonuses, the exceptional purchasing power bonus paid in France, variable compensation paid during fiscal year Y, mandatory and voluntary profit-sharing, employer matching contributions paid during fiscal year Y, and shares allocated during fiscal year Y, valued under IFRS 2.

D. Pay ratios

1. Changes in compensation

In accordance with Article L. 225-37-3, 7°, the compensation of the Chairman of the Board of Directors, the Chief Executive Officer and the employees is presented below:

CHANGES IN COMPENSATION

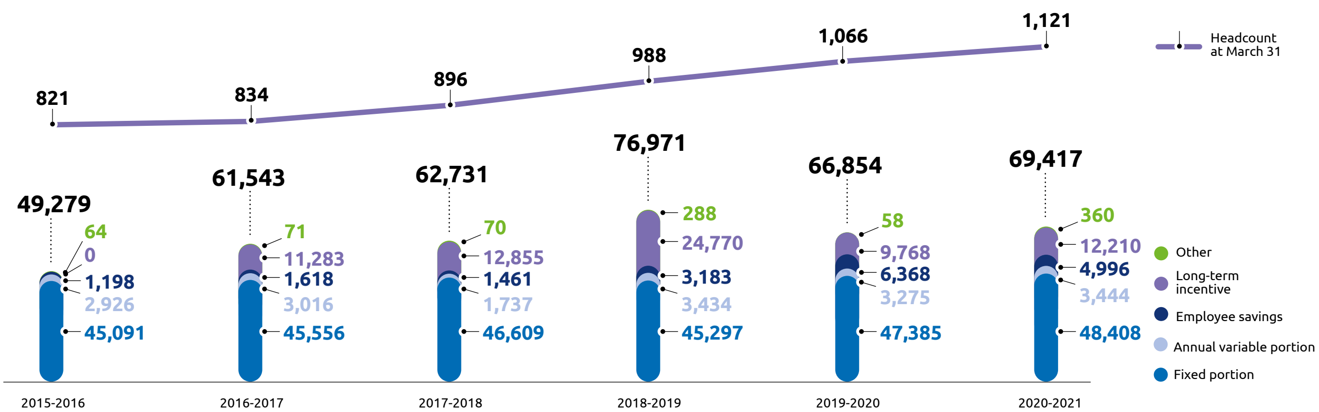
	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Chairman of the Board compensation	-	€88,000	€119,000	€155,547	€230,000
Change compared to the previous fiscal year (Y/Y-1) (in %)	-	-	*+35%*	*+31%*	*+48%*
Chief Executive Officer compensation	€3,060,325	€1,012,305	€1,051,255	€4,042,089	€2,480,314
Change compared to the previous fiscal year (Y/Y-1) (in %)	*+281%*	*-74%*	*+4%*	*+285%*	*-39%*
Average compensation of Soitec employees	€61,543	€62,731	€76,971	€66,854	€69,417
Change compared to the previous fiscal year (Y/Y-1) (in %)	*+25%*	*+2%*	*+23%*	*-13%*	*+4%*

2. Reminder of the compensation paid to the Chairmen of the Board over the 2016-2021 period:

- During fiscal year 2018-2019, Thierry Sommelet (Chairman of the Board from March 1, 2018 to March 27, 2019) waived his compensation of €96,629 for that fiscal year. Based on compensation paid, the ratios were 0 compared to the average and median of annualized employee compensation.
- During fiscal year 2019-2020, Éric Meurice (Chairman of the Board as of March 27, 2019) received total compensation of €152,574 for that fiscal year. Based on compensation paid, the ratios were respectively 2.2 and 2.7 compared to the average and median of annualized employee compensation.

4.

› CHANGES IN AVERAGE EMPLOYEE COMPENSATION IN EUROS AND HEADCOUNTS



The fixed compensation of the Chief Executive Officer was reviewed in fiscal year 2018-2019. The last increase had occurred in 2010.

During fiscal years 2017-2018, 2018-2019 and 2020-2021, Soitec implemented free performance shares plans for all employees, including those employed in foreign entities for the plan allocated on July 26, 2018, which explains the increases in average compensation. This reflects our Group's strategy in terms of sharing value creation and fostering employees' performance over the long-term. Beneficiaries of the long-term management incentive plan (MIP), including the Chief Executive Officer, have waived their rights to receive the shares. Besides, the co-investment plan implemented during fiscal year 2019-2020 was opened to all employees of wholly-owned entities in France and Singapore.

During fiscal years 2018-2019 and 2020-2021, Soitec paid the exceptional purchasing power bonus to eligible employees, which amounted to up to €1,000. Lastly, fiscal year 2019-2020 was the first year with the payment of the mandatory profit-sharing, in addition to the existing voluntary profit-sharing scheme.

The salary policy applied within the scope concerned is the result of agreements concluded with the representative trade union organizations for each of the years considered in the analysis. Voluntary profit-sharing, mainly based on our Group's financial performance (EBITDA), has been set up through three-year agreements signed by all the representative trade unions in 2016 and 2019.

3. Compensation ratios: including the entire value of the long-term incentive allocated during the fiscal year

Chairman of the Board of Directors	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Pay ratio compared to the average compensation of Soitec employees (excluding corporate officers)	–	1	2	2	3
Pay ratio compared to the median compensation of Soitec employees (excluding corporate officers)	–	2	2	3	4

Chief Executive Officer	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Pay ratio compared to the average compensation of Soitec employees (excluding corporate officers)	50	16	14	60	36
Pay ratio compared to the median compensation of Soitec employees (excluding corporate officers)	71	18	16	80	44

4. Company performance

Performance criteria selected for the comparison

Three criteria were selected in order to assess the Company's 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: Soitec's Total Shareholder Return (TSR) compared to the Euro Stoxx 600 Technology index.

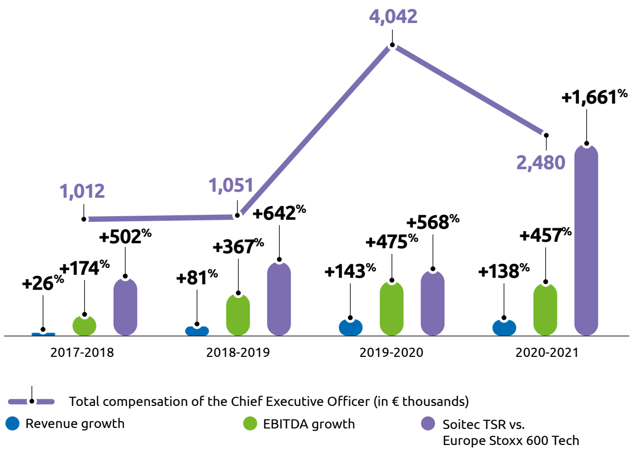
CHANGE IN THE COMPANY'S PERFORMANCE

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
EBITDA *(in € millions)*	32.1	88.0	149.8	184.5	178.7
Change compared to the previous fiscal year (Y/Y-1) (in %)	-	*+174%*	*+70%*	*+23%*	*-3%*
Revenue *(in € millions)*	*245.7*	*310.6*	*443.9*	*597.5*	*583.8*
Change compared to the previous fiscal year (Y/Y-1) (in %)	-	*+26%*	*+43%*	*+35%*	*-2%*
Soitec TSR – Europe Stoxx 600 Technology's TSR	301%	502%	642%	568%	1,661%
Change compared to the previous fiscal year (Y/Y-1) (in %)	-	*+53%*	*+28%*	*-12%*	*+192%*

Compensation of the Chief Executive Officer compared with the Group's performance

Over the 2016-2021 period, the increase in the total compensation of the Chief Executive Office is correlated with Soitec's performance over the same period, with increases as follows:

- up 138% in revenue;
- up €146.6 million in EBITDA;
- up 240% compared to the Europe Stoxx 600 Technology index.



4.2.1.4 Directors' compensation for fiscal year 2020-2021

The directors' compensation for fiscal year 2020-2021 was determined in accordance with the rules set by the Board of Directors and the compensation policy approved by the shareholders' at the September 23, 2020 Shareholders' General Meeting.

At that Meeting, the shareholders increased the annual maximum aggregate amount of directors' compensation to €780,000 gross (versus €720,000 gross for fiscal year 2019-2020). This increase notably reflects the higher number of meetings held by our Board of Directors and certain Board Committees. The compensation of the Chairman of the Board of Directors is no longer included in the budget.

Due to the economic uncertainties caused by the Covid-19 crisis, at the September 23, 2020 Shareholders' General Meeting, the Board recommended that the increase should only come into effect for the fiscal year beginning on April 1, 2021 and ending on March 31, 2022. However, the Board also proposed that it could be applied retroactively as from April 1, 2020 if the Company recorded a rise in its revenue for the fiscal year ended March 31, 2021.

At its meeting on June 9, 2021, based on the recommendation of the Compensation Committee, our Board of Directors (i) noted that consolidated revenue for fiscal year 2020-2021 increased by 1% on a like-for-like basis (i.e., based on a comparable Group structure and constant exchange rates) (see the fourth-quarter revenue release for fiscal year 2020-2021 dated April 22, 2021), and (ii) therefore decided to apply Éric Meurice's new compensation retroactively as from April 1, 2020.

Each director's compensation is set based on their actual attendance at meetings of the Board of Directors and of any Board Committee(s) of which they are a member.

Directors who have an operational and/or executive role within our Group do not receive compensation in their capacity as directors.

In fiscal year 2020-2021, the aggregate gross amount of directors' compensation was €695,144, compared with €454,232 gross for the fiscal year ended March 31, 2020. The compensation of the Chairman of the Board of Directors is not included in this budget.

Travel costs incurred by our Company's directors in connection with their directorship duties are reimbursed by our Company on presentation of receipts.

The table below shows the amount of compensation granted and paid to each individual director in the last two fiscal years, based on their actual attendance at meetings of the Board of Directors and of any Board Committee(s) of which they are a member. The individual meeting attendance rates for each director in fiscal year 2020-2021 are provided in section 4.1.4.2 of this Universal Registration Document.

TABLE 3 (BASED ON THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – COMPENSATION RECEIVED BY NON-EXECUTIVE DIRECTORS *(in €)*

	Fiscal year 2019-2020		Fiscal year 2020-2021	
Director	**Amount granted**	**Amount paid**	**Amount granted**	**Amount paid**
Wissème Allali [(1)]				
Fixed compensation for duties as a member of the Board of Directors and Board Committee(s)	N/A	N/A	N/A	N/A
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	N/A	N/A	- [(1)]	- [(1)]
Monica Beltrametti [(2)]				
Fixed compensation for duties as a member of the Board of Directors and Board Committee(s)	-	-	N/A	N/A
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	24,224	68,147	N/A	24,224
Other compensation	-	-	N/A	N/A
Bpifrance Participations (represented by Sophie Paquin)				
Fixed compensation for duties as a member of the Board of Directors and Board Committee(s)	-	-	-	-
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	42,508	52,000	72,000	42,508
Other compensation	-	-	-	-
Françoise Chombar				
Fixed compensation for duties as a member of the Board of Directors and Board Committee(s)	-	-	-	-
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	26,746		58,200	26,746
Other compensation	-	-	-	-
Laurence Delpy				
Fixed compensation for duties as a member of the Board of Directors and Board Committee(s)	-	-	-	-
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	93,143	95,000	115,000	93,143
Other compensation	-	-	-	-
Nadine Foulon-Belkacémi [(2)]				
Fixed compensation for duties as a member of the Board of Directors and Board Committee(s)	-	-	N/A	N/A
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	18,973	69,908	N/A	18,973
Other compensation	-	-	N/A	N/A
Christophe Gegout				
Fixed compensation for duties as a member of the Board of Directors and Board Committee(s)	-	-	-	-
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	66,111	65,286	86,400	66,111
Other compensation	-	-	-	-
Didier Landru [(1)]				
Fixed compensation for duties as a member of the Board of Directors and Board Committee(s)	N/A	N/A	N/A	N/A
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	-	-	-	-

	Fiscal year 2019-2020		Fiscal year 2020-2021	
Director	**Amount granted**	**Amount paid**	**Amount granted**	**Amount paid**
Éric Meurice [3]				
Fixed compensation for duties as a member of the Board of Directors and Board Committee(s)	-	-	N/A	N/A
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	155,547	40,661	N/A	155,547
Other compensation	-	-	-	-
Satoshi Onishi				
Fixed compensation for duties as a member of the Board of Directors and Board Committee(s)	-	-	-	-
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	20,222	18,571	56,471	20,222
Other compensation	-	-	-	-
CEA Investissement [4]				
Fixed compensation for duties as a member of the Board of Directors and Board Committee(s)	-	-	-	-
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	39,619	49,111	34,718	39,619
Other compensation	-	-	-	-
Guillemette Picard [5]				
Fixed compensation for duties as a member of the Board of Directors and Board Committee(s)	-	-	-	-
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	N/A	N/A	49,399	N/A
Other compensation	-	-	-	-
Kai Seikku				
Fixed compensation for duties as a member of the Board of Directors and Board Committee(s)	-	-	-	-
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	47,676		85,000	47,676
Other compensation	-	-	-	-
Thierry Sommelet				
Fixed compensation for duties as a member of the Board of Directors and Board Committee(s)	-	-	-	-
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	0 [4]	-	0 [4]	0 [4]
Other compensation	-	-	-	-
Qingyu (Jeffrey) Wang				
Fixed compensation for duties as a member of the Board of Directors and Board Committee(s)	-	-	-	-
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	31,434		59,000	31,434
Other compensation	-	-	-	-
Shuo Zhang				
Fixed compensation for duties as a member of the Board of Directors and Board Committee(s)	-	-	-	-
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	41,605		78,956	41,605
Other compensation	-	-	-	-

Director	Fiscal year 2019-2020		Fiscal year 2020-2021	
	Amount granted	Amount paid	Amount granted	Amount paid
Weidong (Leo) Ren (6)				
Fixed compensation for duties as a member of the Board of Directors and Board Committee(s)	-	-	N/A	N/A
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	1,971	59,841	N/A (5)	1,971
Other compensation	-	-	N/A	N/A
Nabeel Gareeb (7)				
Fixed compensation for duties as a member of the Board of Directors and Board Committee(s)	-	-	N/A	N/A
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	N/A	17,096	N/A (5)	N/A
Other compensation	-	-	N/A	N/A
TOTAL	**609,679**	**535,621**	**695,144** (8)	**609,779**

(1) The two employee directors appointed in 2021 do not receive any compensation in their capacity as members of the Board. However, they do receive a salary under their respective employment contracts.

(2) The terms of office of Nadine Foulon-Belkacémi and Monica Beltrametti expired at the close of the July 26, 2019 Shareholders' General Meeting and were not renewed.

(3) The compensation of the Chairman of the Board of Directors is not included in the budget for the compensation of directors for fiscal year 2019-2020.

(4) CEA Investissement resigned from the Board on September 23, 2020. Following this resignation, our Board of Directors co-opted Guillemette Picard as a director in her own name, to replace CEA Investissement for the remainder of its term of office (i.e., until the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2022). The shareholders will be asked to ratify this appointment at the Shareholders' General Meeting to be held on July 28, 2021.

(5) Thierry Sommelet waived his compensation for his duties as a member of the Board of Directors and Board Committee(s).

(6) Weidong (Leo) Ren resigned from the Board on May 7, 2019.

(7) Nabeel Gareeb resigned from the Board on March 27, 2019.

(8) The compensation of the Chairman of the Board of Directors is not included in the budget for the compensation of directors. It was not taken into account for the total amount granted.

4.2.2 Components of compensation paid during or granted for fiscal year 2020-2021 to the Chief Executive Officer and the Chairman of the Board of Directors to be submitted for shareholder approval at the July 28, 2021 Shareholders' General Meeting

This section describes the components of the compensation of the Chief Executive Officer and the Chairman of the Board of Directors for fiscal year 2020-2021, which, in accordance with Article L. 22-10-34, II of the French Commercial Code, will be submitted for shareholder approval at the July 28, 2021 Shareholders' General Meeting (in the 11th and 12th resolutions respectively).

COMPENSATION OF THE CHIEF EXECUTIVE OFFICER, PAUL BOUDRE, FOR FISCAL YEAR 2020-2021 ***(gross amounts)*** *(to be submitted for shareholder approval at the July 28, 2021 SGM – 11th resolution)*

Compensation components submitted for shareholder approval	Amounts paid in fiscal year 2020-2021	Amounts granted for fiscal year 2020-2021 or accounting value	Description
Fixed compensation	€550,000	€550,000	Paul Boudre's fixed compensation for fiscal year 2020-2021 is in line with the compensation policy approved by the shareholders at the September 23, 2020 Shareholders' General Meeting. The amount of his fixed compensation has remained unchanged since January 1, 2019.
Annual variable compensation	€728,200 Amount paid in fiscal year 2020-2021 for fiscal year 2019-2020 Compensation approved in the 6th resolution of the September 23, 2020 SGM	€654,500 Amount granted for fiscal year 2020-2021 Payment subject to shareholder approval in the 11th resolution of the July 28, 2021 SGM	The variable portion of Paul Boudre's compensation for fiscal year 2020-2021 could have represented between 0% to 165% of his fixed compensation, i.e., a maximum gross amount of €907,500. If the target values of the objectives set by our Board of Directors were achieved, the variable portion would have corresponded to 100% of his fixed compensation, with the achievement of the budget commitments representing 90% of the target amounts of the financial criteria. Unlike in previous years, and as provided for in the compensation policy approved at the September 23, 2020 Shareholders' General Meeting, an EBITDA threshold was also added for fiscal year 2020-2021, which had to be achieved for Paul Boudre's variable compensation to be able to exceed 100% of his fixed compensation. If this threshold was not reached, the variable portion of his compensation would have been capped at 100% of his fixed compensation, even if the achievement levels of his other objectives were such that the variable portion should have exceeded 100% of his fixed compensation. Any outperformance of the target values of the financial objectives could have been taken into account subject to a cap representing 150% of his fixed compensation. Lastly, the amount of Paul Boudre's variable compensation for fiscal year 2020-2021 could have been increased by a further 10% if an additional strategic objective was achieved, thereby bringing his total variable compensation to 165% of his fixed compensation. The three financial objectives (revenue, consolidated EBITDA and consolidated cash) each had a 20% weighting and therefore together accounted for 60% of all the objectives underlying the variable compensation. The strategic objectives had a 40% weighting, breaking down as: innovation (15%), partnerships (6.7%), customer/design wins (5%), leadership & governance (8.3%) and ESG (5%). Based on the recommendation of the Compensation Committee, the Board of Directors noted a level of achievement of the objectives of up to 119%.
Multi-annual variable compensation	-		N/A Paul Boudre's long-term variable compensation in his capacity as Chief Executive Officer corresponds to free performance share allocations (see below).
Exceptional compensation	-		Paul Boudre did not receive any exceptional compensation for fiscal year 2020-2021.
Stock options, performance shares or other long-term benefits	€1,137,209 For PS 2 shares vested on December 18, 2020	€1,263,047 For the ordinary performance shares allocated in fiscal year 2020-2021	Pursuant to the authorization granted in the 32nd resolution of the July 26, 2019 Shareholders' General Meeting, at its November 18, 2020 meeting, the Board of Directors decided to allocate Paul Boudre 13,306 free performance shares, corresponding to ordinary shares of the Company and representing approximately 0.04% of its capital. The performance conditions that had to be met in order for these ordinary performance shares to vest are described in section 4.2.3.2 C. of the 2020-2021 Universal Registration Document. Also during the year, 12,792 PS 2 vested for Paul Boudre (see section 4.2.3.2 C. of the 2020-2021 Universal Registration Document).
Directors' compensation	-		In accordance with Soitec's policy, Paul Boudre did not receive any directors' compensation during fiscal year 2020-2021, as he holds an executive position within the Company.

Compensation components submitted for shareholder approval	Amounts paid in fiscal year 2020-2021	Amounts granted for fiscal year 2020-2021 or accounting value	Description
Benefits of any kind	-	€33,988.2	Paul Boudre received benefits in kind comprising a company car, private unemployment insurance and key-person insurance providing death and disability coverage.
Termination benefit	€0	None	If Paul Boudre ceases to serve as Chief Executive Officer, he could be entitled to a termination benefit and a non-compete indemnity. The termination benefit would represent one year's worth of the gross compensation paid to him during the fiscal year preceding his departure (i.e., fixed compensation and any bonuses or variable compensation). It would be due and payable for any type of forced departure (except in the event of serious misconduct), provided that 75% of the cumulative EBITDA amounts as approved in the budget is achieved for the two fiscal years preceding his departure. Paul Boudre is eligible for a non-compete indemnity as consideration for the non-compete clause to which, unless the Board of Directors decides to waive his obligations at the time of his departure, he will be subject for the 12-month period following the date on which he ceases to serve as Chief Executive Officer. The amount of this indemnity will correspond to 50% of the gross annual compensation paid to him in the previous fiscal year (i.e., fixed compensation and any bonuses or variable compensation). It will be paid monthly over a period of 12 months. The Board of Directors can, however, decide to waive this non-compete clause, at its discretion and with no financial compensation. No payments were made in relation to these commitments in fiscal year 2020-2021.
Supplementary pension plans	€13,245.79	€13,245.79 under the "Article 83" defined contribution pension plan	Paul Boudre is a member of an "Article 83" defined contribution pension plan, as are all the employees of the Economic and Social Unit comprising Soitec SA and Soitec Lab. The main components of this plan are presented in section 4.2.5 *Amounts provisioned by our Group for the payment of pension, retirement or similar benefits* of this Universal Registration Document. Under this pension plan, the expense recorded by the Company for the 2020-2021 fiscal year for Paul Boudre amounted to €13,245.79. The benefits resulting from the contributions made during the year will be deducted from the defined benefit plan (Article 39), whose entitlements are frozen. Paul Boudre is also a member of an "Article 39" defined benefit supplementary pension plan applicable to certain senior managers (senior managers III C and corporate officers). The essential components of this scheme are presented in section 4.2.5 *Amounts provisioned by our Group for the payment of pension*, retirement or similar benefits of this Universal Registration Document. This plan has been closed to new entrants since July 4, 2019, and the entitlements of the plan's beneficiaries were frozen as of December 31, 2019. At March 31, 2021, the estimated amount of the pension that could be paid to Paul Boudre under the "Article 39" defined benefit supplementary pension plan was €118,041.

COMPENSATION OF THE CHAIRMAN OF THE BOARD OF DIRECTORS, ÉRIC MEURICE, FOR FISCAL YEAR 2020-2021 *(gross amounts)*

Compensation components submitted for shareholder approval	Amounts paid in fiscal year 2020-2021	Amounts granted for fiscal year 2020-2021 or accounting value	Description
Fixed compensation	**€155,547**	**€230,000**	Éric Meurice's fixed compensation for fiscal year 2020-2021 is in line with the compensation policy approved by the shareholders at the September 23, 2020 Shareholders' General Meeting. In accordance with the compensation policy approved by the shareholders at the September 23, 2020 Shareholders' General Meeting, the compensation of Éric Meurice, Chairman of the Board of Directors, has been revised in order to solely comprise an annual fixed amount of €230,000 gross, calculated proportionately to the length of his term of office in number of days. The change in his compensation was justified by (i) the increase in the number of meetings held by our Board of Directors and its Committees, and (ii) a benchmark comparison with the compensation granted to non-executive Chairpersons in similar companies. The compensation policy provided for an effective date as from April 1, 2021, but authorized the Board of Directors to decide on its early implementation as from April 1, 2020 if the Company's revenue increased during the fiscal year from April 1, 2020 to March 31, 2021. At its meeting on June 9, 2021, based on the recommendation of the Compensation Committee, our Board of Directors (i) noted that consolidated revenue for fiscal year 2020-2021 increased by 1% on a like-for-like basis (i.e., based on a comparable Group structure and constant exchange rates) (see the fourth-quarter revenue release for fiscal year 2020-2021 dated April 22, 2021), and (ii) therefore decided to apply Éric Meurice's new compensation retroactively as from April 1, 2020.
Annual variable compensation	None		Éric Meurice does not receive any annual variable compensation.
Multi-annual variable compensation	None		Éric Meurice does not receive any multi-annual variable compensation.
Exceptional compensation	None		Éric Meurice does not receive any exceptional compensation.
Stock options, performance shares or other long-term benefits	None		Éric Meurice does not receive any stock options, performance shares or other long-term benefits.
Directors' compensation	None	None	In view of the retroactive application of Éric Meurice's new compensation, in line with the compensation policy approved by the shareholders' at the September 23, 2020 Shareholders' General Meeting and the Board of Directors' decision taken on June 9, 2021, the compensation of Éric Meurice, Chairman of the Board of Directors, solely comprises an annual fixed amount of €230,000 gross, calculated proportionately to the length of his term of office in number of days. This compensation no longer forms part of the budget allocated for the compensation of the members of the Board of Directors.
Benefits of any kind	None		Éric Meurice did not receive any benefits in kind for fiscal year 2020-2021.
Termination benefit	None		Éric Meurice is not eligible for a termination benefit.
Supplementary pension plans	None		Éric Meurice is not a member of any supplementary pension plan.

4.2.3 Compensation policies applicable to our corporate officers

The compensation policies for the Company's corporate officers were defined by our Board of Directors at its meetings on June 9 and June 25, 2021, based on the recommendations of the Compensation Committee. As required under Article L.22-10-8, II of the French Commercial Code, these policies will be submitted for shareholder approval at the Shareholders' General Meeting to be held on July 28, 2021:

- for the Chief Executive Officer in the 14th resolution;
- for the Chairman of the Board of Directors in the 13th resolution; and
- for the members of the Board of Directors (other than the Chairman and the Chief Executive Officer) in the 15th resolution.

4.2.3.1 Principles and rules for determining the compensation and benefits granted to the Company's corporate officers

The compensation policies applicable to the Company's corporate officers are in Soitec's best interests, contribute to the success of its commercial strategy and help ensure its longevity. In particular, they encourage directors to attend and participate in the Board's work. Additionally, the fact that annual variable compensation and long-term compensation are based on exacting and stable criteria adapted to the Group's imperatives ensures that corporate officers' compensation is aligned with shareholders' interests.

In accordance with the AFEP-MEDEF Code, the compensation policies for the Chairman and the Chief Executive Officer are intended to ensure that their compensation packages are competitive and adapted to Soitec's business strategy and operating context, and are designed to promote the Company's performance and competitiveness in the mid and long term. They also take into account the compensation and employment conditions of Soitec's employees. In particular, the same performance criteria for multi-annual variable compensation plans apply to eligible corporate officers and employees and the fairness ratio, as set out in section 4.2.1.3 of this Universal Registration Document, shows a decrease in the compensation multiple of the Chief Executive Officer compared to the median compensation. The structuring of the Chief Executive Officer's variable compensation, the terms and conditions of the long-term incentive plans and the compensation levels of the Chairman of the Board and the directors were carefully reviewed by the Compensation Committee in 2020. In 2021, the Compensation Committee closely reviewed the Chief Executive Officer's multi-annual compensation, particularly with regard to market guidance and practices.

The compensation policies for the corporate officers set by the Board of Directors based on the recommendations of the Compensation Committee are reviewed annually, as recommended by the Compensation Committee. The same process applies for changes to the corporate officers' compensation policies.

At meetings of the Board of Directors and the Compensation Committee (where applicable), the Chairman of the Board of Directors and the Chief Executive Officer abstain from participating in the discussions and votes on the compensation policy relating to themselves, thereby avoiding any potential conflict of interest.

Based on the recommendations of the Compensation Committee, the Board of Directors sets the compensation and benefits of the corporate officers taking into account the provisions of the AFEP-MEDEF Code. The components of the compensation packages are set in a comprehensive manner, taking into consideration all commitments given by the Company, including indemnities or benefits that are due or could be due for the take-up, termination or change in duties, or subsequent to exercising such duties. The compensation packages for the Chairman and the Chief Executive Officer are set in line with the duties assigned to them and take into account their experience and market practices. If a new corporate officer (other than a director) is appointed, their compensation package will be set by the Board of Directors based on the recommendations of the Compensation Committee, in compliance with the compensation principles applicable to each corporate officer as described below and subject to the applicable caps.

None of the compensation policies provide for the possibility for the Company to require the restitution of any variable compensation.

An overall compensation policy for the Company's corporate officers was approved in the 8th resolution of the September 23, 2020 Shareholders' General Meeting. At the forthcoming Shareholders' General Meeting to be held on July 28, 2021, the shareholders will be asked to vote on:

- the compensation policy for the Chief Executive Officer similar to the previous one. This compensation policy is described in section 4.2.3.3 below;
- the compensation policy for the Chairman of the Board of Directors. This policy is unchanged from the previous one adopted in 2020, which provided that the Chairman's compensation would henceforth solely comprise fixed compensation. This compensation policy is set out in section 4.2.3.4 below; and
- the compensation policy for the members of the Board of Directors (other than the Chief Executive Officer and the Chairman of the Board). This policy is also unchanged from the previous one adopted in 2020, which provided for an increase in the aggregate amount of directors' compensation. This compensation policy is described in section 4.2.3.5 below.

The information relating to fiscal year 2019-2020, disclosed pursuant to Article L. 22-10-9 I of the French Commercial Code, was also approved at the September 23, 2020 Annual General Meeting.

4.2.3.2 Compensation policy for the Chief Executive Officer (executive corporate officer)

The compensation policy for the Chief Executive Officer, which takes into account the principles described in section 4.2.3.1 above, provides for the following compensation components: (i) a fixed portion, (ii) an annual variable portion, (iii) a long-term variable portion and (iv) certain commitments and benefits. It does not provide for any additional compensation from any entities consolidated by the Company.

In respect of the compensation policy approved at the September 23, 2020 Shareholders' General Meeting, the Board of Directors decided on June 25, 2021 to amend the presence condition applicable to the multi-annual compensation in order to include, in accordance with the AMF guidance published in 2020 and the AFEP-MEDEF Code, a provision by which the Chief Executive Officer would maintain *prorata temporis* rights in the event of his retirement with a full benefit.

If a new executive corporate officer is appointed during fiscal year 2021-2022, such as a Deputy Chief Executive Officer, for example, their compensation package will be set by the Board of Directors based on the recommendations of the Compensation Committee and in compliance with the principles applicable to the Chief Executive Officer described below and subject to the related caps.

A. Fixed compensation

The Chief Executive Officer's annual fixed compensation is set in line with the principles described in section 4.2.3.1 above. In accordance with the AFEP-MEDEF Code, the Chief Executive Officer's fixed compensation is only reviewed at relatively long intervals.

Paul Boudre's annual fixed compensation has been set at a gross amount of €550,000, paid in 12 equal monthly installments. This amount, set by our Board of Directors on July 26, 2018, came into effect on January 1, 2019, and has remained unchanged since that date.

B. Variable compensation

The Chief Executive Officer's annual variable compensation, which is subject to the achievement of pre-determined performance conditions defined by the Board of Directors based on recommendations issued by the Compensation Committee, can represent between 0% and 165% of the Chief Executive Officer's annual fixed compensation. On the recommendation of the Compensation Committee, the Board decided to maintain the structuring and weighting implemented during the 2020-2021 fiscal year, based on an analysis of market practices and a perspective of earning expectations in view of the performance of the various companies of the panel, carried out by reputed independent consultants specialized in the compensation of executive corporate officers.

The respective weightings of the financial (60%) and strategic (40%) objectives are therefore unchanged, as are the nature of the financial objectives and the principle of a criterion which allows for a 10% increase of the result obtained. The strategic criteria cover the Company's main strategic issues, in line with what was put in place for the previous fiscal year, adapting the criteria to the roadmap for the 2021-2022 fiscal year in the areas of innovation, commercial challenges, partnerships, leadership and governance. In accordance with the AFEP-MEDEF recommendations, three criteria relate to the Company's social and environmental responsibility (diversity, quality of life at work and climate).

At its meeting on June 9, 2021, acting on the recommendations of the Compensation Committee, the Board set the following weightings and objectives for Paul Boudre's variable compensation for fiscal year 2021-2022:

Type of objective and description	Weighting
I. FINANCIAL OBJECTIVES	**60%**
1. **Level of revenue** *(in US$ millions)*	20%
2. **Level of consolidated EBITDA** *(in % of revenue in € at constant exchange rates)*	20%
3. **Level of operating cash** *(in € millions)*	20%
II. STRATEGIC OBJECTIVES*	**40%**
5 contributions identified as the Group's main growth drivers including:	
1. Innovation (2 objectives)	14%
2. Partnerships (2 objectives)	14%
3. Commercial success/design (2 objectives)	14%
4. Growth strategy	5%
5. Governance	2.5%
6. ESG – Social/diversity, QLW (2 objectives)	8%
7. ESG - Climate	2.5%
III. ADDITIONAL STRATEGIC OBJECTIVE **Confidential criterion**	**10% INCREASE IN TOTAL VARIABLE COMPENSATION**

* *The strategic objectives have a 60% weighting, which corresponds to the maximum level of outperformance.*

As was the case for the five previous fiscal years:

- if the target values of the objectives set by our Board of Directors are achieved, the variable portion will correspond to 100% of Paul Boudre's fixed compensation;
- the achievement of the budget objectives will represent 90% of the target amounts of the financial criteria; and
- any outperformance of the target values of the financial objectives can be taken into account subject to a cap representing 150% of his fixed compensation.

If the consolidated EBITDA objective is not reached, the variable portion of his compensation will be capped at 100% of his fixed compensation, even if the achievement levels of his other objectives are such that the variable portion should exceed 100% of his fixed compensation.

Most of the strategic objectives have several sub-objectives, whose cumulative achievement corresponds to the level of outperformance at 150%.

As was the case for fiscal year 2020-2021, the amount of Paul Boudre's variable compensation for fiscal year 2021-2022 based on the financial and strategic objectives can be increased by a further 10% if an additional objective is achieved related to increasing the market share of the main Soitec SOI products. Consequently, if this objective is met, his total variable compensation could represent up to 165% of his fixed compensation.

The amount of compensation paid will be calculated on a gross basis.

Details of the assessment of the achievement levels of the performance criteria underlying the calculation of the Chief Executive Officer's annual variable compensation will be provided in the 2021-2022 Universal Registration Document. This variable compensation will only be paid if the shareholders at the 2022 Shareholders' General Meeting approve the Chief Executive Officer's compensation components in application of Article L. 22-10-34, II of the French Commercial Code.

C. Long-term variable compensation – Performance shares

After having implemented long-term incentives based on preferred shares in 2016 and 2019 in order to attract talents and sustain the Company's growth, the Board of Directors considers that a long-term incentive continues to be particularly suited to the position of Chief Executive Officer in view of the direct contribution that he is expected to make to Soitec's long-term performance.

Consequently, each year the Chief Executive Officer is allocated free performance shares (corresponding to ordinary shares of the Company). The value of the performance shares allocated – corresponding to their accounting value measured at allocation-date fair value – may not exceed 300% of the Chief Executive Officer's annual fixed compensation.

The vesting of the free shares allocated to the Chief Executive Officer is subject to the achievement of performance criteria based on financial objectives and, in some cases, non-financial objectives, assessed at the end of the 2024-2025 fiscal year. At the end of a vesting period of at least three years, the final number of free shares that vest will be calculated based on the Board of Directors' assessment of several appropriate financial objectives (such as EBITDA, revenue and the Total Shareholder Return (TSR) of our Company's ordinary share compared with the Euro Stoxx 600 Technology index). Other criteria may be taken into account, in particular based on the Company's corporate social responsibility. No lock-up period will apply at the end of the vesting period. However, the Chief Executive Officer is required to hold a certain number of vested shares in registered form, for the duration of his term of office. The value of these shares has been set by the Board of Directors at 10% of the Chief Executive Officer's annual fixed compensation as at the vesting date.

The vesting of the performance shares allocated to the Chief Executive Officer is also subject to a *prorata temporis* presence condition, i.e., one third of each allocation being subject to the beneficiary's 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 *prorata temporis* basis (where appropriate, the Board of Directors may waive the 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.

D. Benefits in kind

The Chief Executive Officer is entitled to the following benefits in kind: a company car, private unemployment insurance and key-person insurance providing death and disability coverage.

E. Directors' compensation

The Chief Executive Officer does not receive any compensation for the directorship duties that he performs within the Company or any entities controlled by Soitec.

F. Supplementary pension plans

The Chief Executive Officer is eligible for the "Article 83" defined contribution pension plan, which also applies to all employees of Soitec's Economic and Social Unit. The plan is described in section 4.2.5 of this Universal Registration Document.

Paul Boudre is a member of the "Article 39" defined benefit supplementary pension plan described in section 4.2.5 of this Universal Registration Document. No entitlements have accrued under this plan since January 1, 2020.

G. Commitments given by our Company to the Chief Executive Officer in relation to the take-up, termination or change of his executive corporate officer duties

In accordance with the conditions set out in the applicable regulations and the AFEP-MEDEF Code, the Board of Directors may grant the Chief Executive Officer commitments concerning compensation, indemnities or benefits that are due or could be due for the termination or a change of his executive corporate officer duties, or subsequent to exercising such duties. Examples include a termination benefit, non-compete indemnity, and pension and post-employment benefits.

Commitments given to Paul Boudre

The AFEP-MEDEF Code recommends that when an employee becomes a Chief Executive Officer, the employment contract between that employee and the Company or another Group entity should be terminated. Consequently, on November 24, 2020, Paul Boudre resigned from his employment contract that was originally entered into on January 15, 2007 (and which had been suspended since June 1, 2008).

The termination of his employment contract entitled him, in particular in the event of an agreed termination or dismissal, to a notice period and/or the payment of compensation, in application of the French Labor Code and the collective bargaining agreement for engineers and managers in the metallurgy industry.

His employment contract also included a non-compete clause applicable for one year as from the termination date, renewable for one further year. If this non-compete clause had been applied, Paul Boudre would have been paid an indemnity corresponding to 60% of his gross compensation during the non-compete period. However, the Company had the option to waive this non-compete clause subject to Paul Boudre's agreement.

Paul Boudre asked to be relieved from performing his duties during the notice period and authorized the Company to waive the non-compete obligation with no financial compensation so that his resignation did not result in any payment.

Following the termination of his employment contract, and in view of the fact that the shareholders at the September 23, 2020 Shareholders' General Meeting had approved his compensation policy amended to provide for such commitments, at its meeting on September 24, 2020 the Board of Directors decided to grant the following commitments to Paul Boudre:

i. A termination benefit

The termination benefit would represent one year's worth of the gross compensation paid to him during the fiscal year preceding his departure (i.e., fixed compensation and any bonuses or annual variable compensation).

It would be due and payable for any type of forced departure (except in the event of serious misconduct), provided that at least 75% of the cumulative EBITDA budget amounts is achieved for the two fiscal years preceding his departure, as approved by the Board of Directors.

In accordance with the AFEP-MEDEF Code, no benefit will be paid if he leaves the Company on his own initiative to take up a new position (except in the event of forced departure), or to hold another position within the Group.

ii. A non-compete indemnity

Paul Boudre is eligible for a non-compete indemnity as consideration for the non-compete clause to which he will be subject for the 12-month period following the date on which he ceases to serve as Chief Executive Officer. The amount of this indemnity will correspond to 50% of the gross annual compensation paid to him in the previous fiscal year (i.e., fixed compensation and any bonuses or variable compensation). It will be paid monthly over a period of 12 months.

The Board of Directors can, however, decide to waive this non-compete clause, at its discretion and with no financial compensation.

H. Exceptional compensation

The Company does not plan to pay Paul Boudre any exceptional compensation in fiscal year 2021-2022.

4.2.3.3 Compensation policy for the Chairman of the Board of Directors (non-executive corporate officer)

The compensation policy for the Chairman of the Board of Directors, which takes into account the principles described in section 4.2.3.1 above, provides that the Chairman's compensation solely comprises fixed compensation, i.e., with no variable portion.

This policy is unchanged compared with the compensation policy approved at the September 23, 2020 Shareholders' General Meeting, which already provided for a change to the policy effective from fiscal year 2021-2022. This compensation is no longer charged to the overall compensation budget for directors.

A. Fixed compensation

The Board of Directors may grant fixed compensation to the Chairman of the Board of Directors. He may only receive directors' compensation if he does not receive any fixed compensation, in accordance with the conditions set in the compensation policy applicable to directors described in section 4.2.3.5 below.

In view of the roles and responsibilities assigned to Éric Meurice as Chairman of the Board of Directors, as well as his knowledge of the Company and his experience, at its meeting on June 9, 2020, the Board decided to grant him annual fixed compensation representing a gross amount of €230,000, payable on a monthly basis.

This corresponds to a median reference level based on a list of 28 comparable companies in the CAC Mid 60 index, based on data for 2019 analyzed by an independent firm. The panel was made up of all the companies in the index that have separated the positions of Chairman and Chief Executive Officer, with the exception of chairpersonships held by representatives of the main shareholders of these companies.

B. Benefits in kind/Other commitments

The Chairman does not receive any benefits in kind and has not been given any other commitments.

C. Reimbursement of expenses

The Chairman is entitled to the reimbursement of any travel expenses incurred in connection with his duties, on presentation of receipts.

4.2.3.4 Compensation policy for our directors (other than the Chairman and the Chief Executive Officer)

A. Principles

In accordance with the law, and on the recommendation of the Board of Directors, the Shareholders' General Meeting sets the total annual amount that can be allocated to the directors as compensation for their duties (the "Budget").

The Budget thus approved at the Shareholders' General Meeting remains applicable and unchanged for each successive fiscal year until changed by the shareholders via a new resolution submitted for their approval.

At the September 23, 2020 Shareholders' General Meeting, the Budget was set at a gross maximum amount of €780,000, bearing in mind that the Chairman's compensation is no longer included in the Budget.

The amounts due by our Company for any social contributions and charges levied on the payment of directors' compensation are not charged to the Budget.

B. Allocation principles

The compensation paid to each individual director is adapted to the specific roles and responsibilities of that director and the time they devote to their directorship. Consequently, the criteria for allocating the Budget – which are set by the Board of Directors based on recommendations issued by the Compensation Committee and are submitted for shareholder approval at the Shareholders' General Meeting as part of the resolution on approving the policy for directors' compensation – are based on the following factors:

- the directors receive compensation for their directorship duties, except for (i) directors who have an operational and/or executive role within our Group and (ii) the Chairman of the Board of Directors, if he receives other compensation for his role as Chairman;
- the total amount of compensation granted to each director is pro-rated to the actual time that they have held their directorship during the compensation period concerned;
- regular attendance at the meetings of the Board of Directors and the Committees is rewarded (100% of their compensation is based on directors' attendance rate); 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. As a reminder, in accordance with the Company's by-laws, employee directors are not eligible for directors' compensation.

The maximum amount of the Budget is allocated among the individual directors as follows:

Functions	Compensation based on a 100% attendance rate
Seat on the Board of Directors	€46,000 (gross)
Seat on a Committee (other than the Restricted Strategic Matters Committee)	€13,000 (gross)
Chair of a Committee	€17,000 (gross)

The above allocation is based on an attendance rate of 100% for our directors over the full fiscal year in question.

C. Other

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.

In addition, the Board may allocate exceptional compensation to a director for a specific assignment commissioned in accordance with the applicable regulations.

Employee directors have a permanent employment contract with the Company which can be terminated under the terms and conditions provided for by labor law and the applicable collective bargaining agreement, subject to the authorization of the Labor Inspectorate.

4.2.4 Compensation and benefits of our Executive Committee (ExCom) members

At March 31, 2021, our Executive Committee (ExCom) had 11 members, excluding corporate officers (11 members at March 31, 2020), resulting in an average headcount of 11 over the year. The total gross compensation paid by our Group to members of the ExCom, excluding corporate officers, and including direct and indirect benefits of executives was €4,764 thousand for the fiscal year ended March 31, 2021.

(in € thousands)	March 31, 2021	March 31, 2020
Short-term benefits	4,764*	3,796
Post-employment benefits	-	-
Accounting value of share-based payments	6,659	3,829
TOTAL GROSS COMPENSATION PAID TO EXCOM MEMBERS	**11,423**	**7,625**

* *The amounts indicated are calculated taking into account the maximum variable compensation to which the members of the Executive Committee are entitled.*

4.2.5 Amounts provisioned by our Group for the payment of pension, retirement or similar benefits

In addition to mandatory supplementary plans, our Company has set up the plans described below for all or certain employees of our Company as well as for our Chief Executive Officer, Paul Boudre.

These plans are in line with the recommendations of the AFEP-MEDEF Code regarding supplementary pension plans for corporate officers.

Article 83 – Defined contribution supplementary pension plan

Under the "Article 83" pension plan, entitlements accrue on an individual basis according to the contribution rate. This plan is applicable to all employees of Soitec's Economic and Social Unit.

Our Company's commitment is limited to the payment of its share of the contributions to the insurance company which manages the plan.

The rights vest even in the event of resignation or dismissal.

On retirement, payment of the annuity is compulsory.

In case of death before retirement, the designated beneficiary receives a capital lump sum.

In case of death after retirement, if the reversionary option has been chosen, all or part of the pension is paid to the spouse or to other beneficiaries if the agreement so provides.

The cost of this plan is borne 100% by our Company via contributions to compensation Tranches A, B and C (3.07%, 3.43% and 4.71% respectively).

Paul Boudre is a beneficiary of this plan under the same conditions as the Company's employees, with contributions based on his compensation up to Tranche C (representing a total basis of €329,088), i.e., €13,245.79 for fiscal year 2020-2021.

Article 39 – Defined benefit supplementary pension plan set up for certain senior managers (8 at December 31, 2019) and Paul Boudre (closed and frozen)

The "Article 39" plan is a collective defined benefit pension plan, mentioned in Article L. 137-11 of the French Social Security Code (*Code de la sécurité sociale*), set up with effect from October 1, 2004 and financed by our Company.

This plan applies to certain senior managers, i.e., (i) senior managers classified as grade III C in the national collective bargaining agreement for engineers and managers in the metallurgy industry, and (ii) corporate officers.

To be eligible for a pension under this plan, beneficiaries must be at least 60 years of age and have claimed their social security and complementary AGIRC-ARRCO pensions. In order to benefit from this supplementary plan, the beneficiaries must form part of our Company when they retire: entitlements relating to defined benefits are lost if the beneficiaries leave our Company before retirement. However, this presence condition does not apply in the event of the early retirement, disability or departure of a beneficiary over 55 years of age at our Company's initiative, who does not return to work before retirement.

Entitlements under this plan are expressed as a percentage of a reference salary equal to the last gross annual compensation paid during the last 12 months prior to leaving our Company, excluding exceptional compensation or bonuses.

This pension plan provides its beneficiaries with a pension equal to 9.80% of the reference salary, after deduction of the pension paid by the defined contribution plan.

On retirement, payment of the annuity is compulsory.

This plan is entirely financed by our Company through premiums paid on an insurance contract (that is externally management). These premiums are subject to a specific contribution paid by our Company, as provided for in Article L. 137-11 of the French Social Security Code, at a rate of 24%.

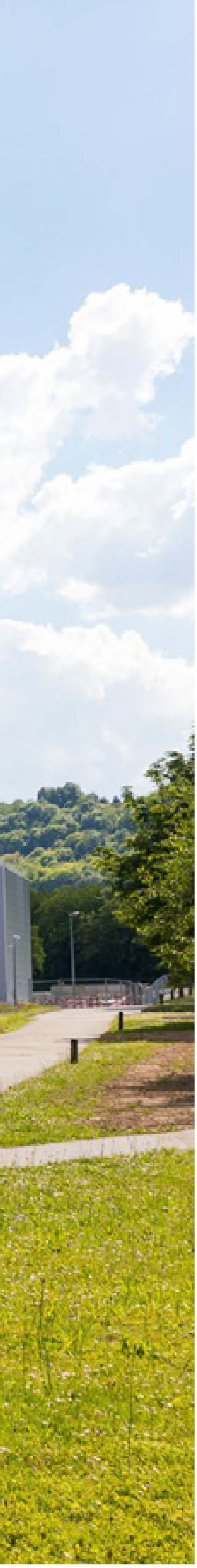
In accordance with the provisions of Order No. 2019-697 of July 3, 2019, this plan has been closed to new entrants since July 4, 2019 and the beneficiaries' entitlements were frozen as of December 31, 2019 (no additional entitlements have accrued under this defined benefit supplementary pension plan for periods of employment after January 1, 2020).

Paul Boudre is a beneficiary of this plan under the conditions described above (the same conditions as those applicable to employee beneficiaries, without any additional benefits). At March 31, 2021, the estimated amount of the pension that may be paid to Paul Boudre under the "Article 39" plan is €115 thousand, compared to €104 thousand at March 31, 2020.

At March 31, 2021, the sums provisioned by our Company for the purpose of the payment to Paul Boudre of a pension and other post-employment benefits totaled to €3,536 thousand, compared to €2,997 thousand for the previous fiscal year.

At the same date, provisions for the payment of pensions and other post-employment benefits for the six employees eligible for this plan amounted to €2,963 thousand, compared with €2,880 thousand for the previous fiscal year.

soitec



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Comments on the fiscal year

5.1 Analysis of the financial position and consolidated results for the fiscal year

This section forms part of the management report of our Company, Soitec SA. It should be read in conjunction with our Group's consolidated financial statements for the year ended March 31, 2021, which are presented in section 6.2 *Consolidated financial statements* below.

Pursuant to Regulation (EC) 1606/2002 of July 19, 2002 on the application of international accounting standards, our Group's consolidated financial statements have been prepared in accordance with the standards and interpretations published by the International Accounting Standards Board (IASB), adopted by the European Union and mandatory for consolidated financial statements.

These standards are available on the European Commission's website (www.ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/financial-reporting_en), and include international accounting standards (IAS and IFRS), as well as the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Standards Interpretations Committee (IFRS IC).

The accounting rules and methods applied to prepare the consolidated financial statements are the same as those used to prepare the consolidated financial statements for the year ended March 31, 2020, with the exception of the new standards, amendments and interpretations described in note 2 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.

5.1.1 Business review and consolidated results

5.1.1.1 Main business trends in fiscal year 2020-2021

As expected, fiscal year 2020-2021, during which business was stable at constant exchange rates, was a period of transition between two years of strong growth:

- 28% growth year on year at constant exchange rates in fiscal year 2019-2020;
- 1% growth year on year at constant exchange rates in fiscal year 2020-2021.

In this context, our Group maintained a high level of profitability, with EBITDA for the Electronics business coming in at 30.7%, while pressing ahead with our investment efforts in preparation for growth in fiscal year 2021-2022 and beyond.

During the year, our Group also continued to ramp up the development of the Singapore site which, thanks to the investments during the year and those planned in the future, will pave the way for large scale and long term production of 300 mm SOI wafers. In addition, customer qualifications continued during fiscal year 2020-2021. Additional refresh and epitaxy capacities were also put in place during the year.

As planned, our Group pursued the industrial development of our Bernin 3 plant for innovative Piezoelectric-on-Insular (POI) products. Boosting manufacturing capacity for these products will enable us to meet our customers' growing demand for 4G and 5G smartphone filters.

Covid-19

Since the onset of the Covid-19 health crisis, our Group's priority has been to safeguard the health of its employees, as well as that of the people working for its various partners, subcontractors and customers, and of the wider communities with which our Company interacts.

Firmly determined to support our customers in this difficult environment, our Group was able to maintain production throughout the year to March 31, 2021, in particular at the Bernin and Singapore plants, by implementing drastic safety measures. Our Group continued to deliver to its customers to meet demand and also pursued all of its major R&D projects.

Our Group incorporated the business impacts of the health crisis into its guidance announced in June 2020. There was no other material impact on the income statement for the year ended March 31, 2021. The assumptions retained on closing the consolidated financial statements have been reviewed taking into account information relating to the Covid-19 crisis, with no material impact on the consolidated financial statements at March 31, 2021.

5.1.1.2 Income statement

(in € millions)	2020-2021	2019-2020	2018-2019
Revenue	**583.8**	**597.5**	**443.9**
Gross profit	183.5	195.4	165.0
Current operating income	**90.0**	**117.7**	**108.4**
as % of revenue	*15.4%*	*19.7%*	*24.4%*
Other operating income and expenses	0.4	1.8	0.5
Operating income (EBIT)	**90.4**	**119.5**	**108.9**
as % of revenue	*15.5%*	*20%*	*24.5%*
Net loss from discontinued operations*	(1.4)	(0.9)	0.3
NET PROFIT – GROUP SHARE	**72.7**	**109.7**	**90.2**
as % of revenue	*12.4%*	*18.4%*	*20.3%*

* *In fiscal year 2019-2020, the financing activities relating to the South African solar power plant were restated in application of IFRS 5.*

Revenue of

€583.8m

Stable at constant exchange rates

EBITDA*

30.7%

of revenue

(31% in fiscal year 2019-2020)

* *EBITDA margin for the Electronics business.*

EBITDA

(in € millions)	2020-2021	2019-2020
Electronics EBITDA	179.0	185.4
Electronics EBITDA margin	30.7%	31.0%
Other Business EBITDA	(0.3)	(0.9)
Group EBITDA	178.7	184.5
Group EBITDA margin	30.6%	30.9%

EBITDA represents operating income (EBIT) before depreciation, amortization, non-monetary items related to share-based payments and impairment of current assets and provisions, and excludes income from disposals of assets. EBITDA is a non-IFRS performance measure used to assess our Group's ability to generate cash from its operating activities.

5.1.1.3 Revenue

As expected in fiscal year 2020-2021, business was stable at constant scope and exchange rates (1), with 2020-2021 consolidated revenue coming out at €583.8 million, versus €597.5 million in fiscal year 2019-2020, up 1% at constant exchange rates (1) and down 2% taking into account the currency effect (unfavorable 3% impact, or €19 million).

Sales of 150/200 mm wafers were up 1% (up 4% at constant exchange rates (1)) on fiscal year 2019-2020, while sales of 300 mm wafers were down 6% (down 3% at constant exchange rates (1)).

Sales of RF-SOI substrates (all sizes) were steady in comparison with fiscal year 2019-2020. The performance of other products was more contrasted, with a steep rise in sales of POI and Imager-SOI substrates and a drop in sales of Power-SOI, FD-SOI and Photonics-SOI substrates.

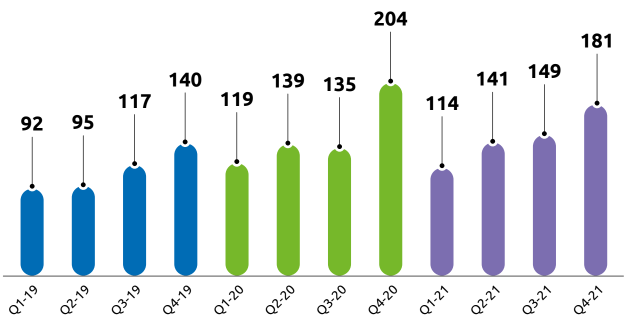
The deployment of 4G and 5G generations of smartphones continues to be our Group's main growth driver, especially among products for radiofrequency applications, including filters. Demand for our applications in the automotive, Internet of Things, edge artificial intelligence and cloud computing segments was sustained.

The quarterly performance was more even, with revenue rising quarter-by-quarter throughout the year.

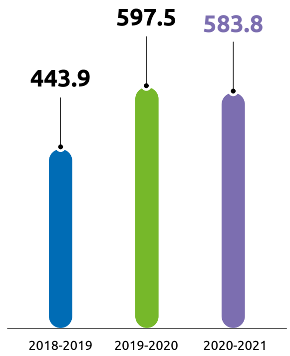
5.

(1) At constant exchange rates and comparable scope of consolidation; scope effects relate to the acquisition of Soitec Belgium (formerly EpiGaN) in May 2019.

› CHANGE IN REVENUE BY QUARTER
(in € millions)



› REVENUE
(in € millions)



BREAKDOWN OF ELECTRONICS REVENUE BY PRODUCT

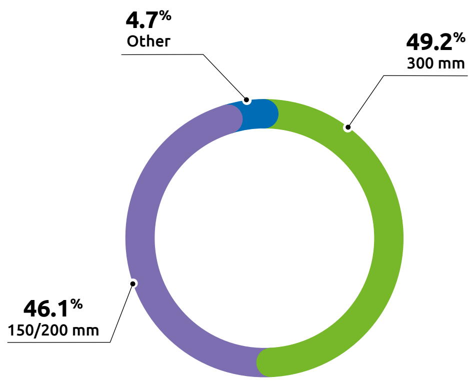
(in € millions)	Year ended March 31, 2021	Year ended March 31, 2020	Change *(in %)*
Electronics – 300 mm SOI	277	294	-6%
Electronics – 150/200 mm	277	276	1%
Royalties and other*	30	28	5%
REVENUE	**584**	**598**	**-2%**

* *Including revenue relating to Dolphin Design.*

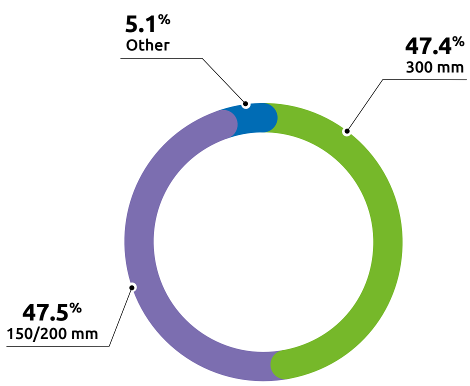
Our Electronics division accounted for all of the Group’s revenue in fiscal year 2020-2021, as was the case in the previous fiscal year.

› **BREAKDOWN AND CHANGE IN REVENUE BY WAFER TYPE *(in € millions)***

Fiscal year 2019-2020



Fiscal year 2020-2021



150/200 mm

up 4%

at constant exchange rates versus fiscal year 2019-2020

Sales of small-diameter wafers (150 mm and 200 mm) were up 1% year on year (up 4% at constant exchange rates [(1)]) to €277 million, versus €276 million in fiscal year 2019-2020.

- Sales of RF-SOI 200 mm wafers advanced slightly, and continued to be driven by higher RF-SOI surface content for radiofrequency applications.
- Growth in sales of 150 mm POI (Piezoelectric-on-Insulator) substrates followed the ramp-up in production enabled by the ongoing expansion in 150 mm production capacity at the Bernin plant. Our Group's POI substrates represent a strong value proposition for 4G and 5G smartphone filters for mass markets.
- In parallel, Power-SOI wafer sales were down in 2020, reflecting the difficulties encountered by the automotive market due to the Covid-19 health crisis.

Sales of 300 mm wafers were down 6% (and down by 3% at constant exchange rates [(1)]) to €277 million, versus €294 million in fiscal year 2019-2020.

- RF-SOI 300 mm wafer sales remained at a high level, albeit down slightly compared to the previous fiscal year, and continued to be supported by the 4G market as well as the rollout of the first generations of 5G smartphones. In addition, our Group successfully obtained several RF-SOI-based design wins for Wifi-6 Front-end Modules with major OEMs.
- Sales of FD-SOI substrates were down year on year, but did register an upturn from the third quarter of fiscal year 2020-2021, with growth in prototype creations for 5G, edge computing and automotive applications. The segment was also supported by the announcement by fabless manufacturers of a reinforced FD-SOI-based offering.
- Sales of Imager-SOI for 3D applications for smartphones were up year on year.
- The ramp up in production of 300 mm wafers at our Singapore plant and customer qualifications continued throughout fiscal year 2020-2021.

300 mm

down 3%

at constant exchange rates versus fiscal year 2019-2020

Revenue from licenses and other income

Royalties and other income amounted to €29.7 million in fiscal year 2020-2021, versus €28.3 million in the same year-ago period. At constant scope and exchange rates, revenue expanded by 6% thanks to business growth at Dolphin Design SAS.

GEOGRAPHIC BREAKDOWN OF ELECTRONICS DIVISION REVENUE

	2020-2021	2019-2020	2018-2019
United States	14%	20%	19%
Europe	25%	25%	44%
Asia	61%	55%	37%

BREAKDOWN OF REVENUE BY CUSTOMER

	2020-2021	2019-2020	2018-2019
Top 5 customers	66%	64%	56%
Next 5 customers	19%	24%	28%
Other customers/Royalties	15%	12%	16%

The top five customers represented 66% of revenue in fiscal year 2020-2021, compared to 64% in the same year-ago period.

Other Business

This segment comprises the Solar Energy business, and has not recorded any meaningful revenue over the last three fiscal years.

In accordance with IFRS 5 on discontinued operations, the income and expenses of the Other Business segment are presented in a single caption in the consolidated income statement, under "Net loss from discontinued operations".

5.1.1.4 Gross profit: 31.4% of revenue

Gross profit corresponds to total revenue less the cost of sales.

Cost of sales comprises:

- **production costs**: including the cost of raw materials, mainly silicon, manufacturing costs including direct labor costs, depreciation and maintenance costs on production equipment and clean room infrastructure, and the share of general and administrative expenses allocated to production;
- **distribution costs;**
- **patent royalties** (mainly paid to CEA-Leti for the use of Smart Cut™ technology).

Gross profit came out at €184 million (31.4% of revenue) in fiscal year 2020-2021, compared to €195 million (32.7% of revenue) in fiscal year 2019-2020. Despite the beneficial impact of the decrease in raw materials purchase prices further to the renegotiation of our supply agreements, as expected, our Group posted a slight decrease in gross margin as a percentage of revenue, which was affected by:

- an unfavorable currency effect;
- lower production capacity utilization at our Bernin 1 (200 mm) and Bernin 2 (300 mm) plants; and
- the impact of higher depreciation and amortization charges in the wake of the high levels of investment over recent months.

5.1.1.5 Sharp increase in R&D costs (up €11.9 million)

Where the criteria for capitalization under IAS 38 are not met, R&D costs are expensed as incurred.

They essentially comprise:

- salaries and social security contributions, including share-based payments;
- operating costs of clean room and R&D equipment;
- materials consumed in finalizing and manufacturing prototypes;
- subcontracting to public research centers and private laboratories, as well as under cooperation agreements; and
- costs relating to maintaining and strengthening our Group's intellectual property rights.

Amounts received under subsidy agreements are deducted from gross R&D costs when determining the net amount recognized in the income statement.

Our Group receives tax research credits ("CIR"). These are deducted from R&D costs in the income statement in accordance with IAS 20.

R&D costs were up €11.9 million to €44.4 million in fiscal year 2020-2021, versus €32.5 million in fiscal year 2019-2020. R&D costs represented 7.6% of consolidated revenue in fiscal year 2020-2021, versus 5.4% in the same year-ago period.

Gross R&D costs

12.7%

of fiscal year 2020-2021 revenue

This increase mainly reflects higher levels of gross R&D expenditure (up €7.2 million compared to fiscal year 2019-2020), in large part due to the continued development efforts (hiring, subcontracting with the CEA and higher depreciation and amortization expense) as well as a decrease in prototype sales.

This expenditure reflects our Group's continued strategy of forging a unique market positioning through next-generation products based on SOI substrates and on new POI, Gan and SIC substrates, thereby addressing the numerous market opportunities in this area.

5.1.1.6 Sales and marketing expenses

Sales and marketing expenses were up €1.5 million year on year to €11.7 million, versus €10.1 million in fiscal year 2019-2020. They represented 2% of revenue in the year to March 31, 2021, versus 1.7% in the year to March 31, 2020. This increase reflects the ongoing restructuring of our salesforce.

5.1.1.7 General and administrative expenses

General and administrative expenses for the Electronics business increased by €2.4 million to €37.4 million in fiscal year 2020-2021, versus €35.0 million in the same year-ago period.

The increase in this caption is mainly attributable to:

- higher personnel costs for hiring and other compensation-related costs, including share-based payments (due mainly to the rise in the Soitec share price); and
- higher depreciation and amortization expense (IT equipment).

General and administrative expenses

6.4%

of revenue

5.9% in fiscal year 2019-2020

General and administrative expenses represented 6.4% of our revenue in fiscal year 2020-2021, versus 5.9% in the same year-ago period. Although business levels remained stable in light of the current context, general and administrative expenses increased due to new hires launched during the previous fiscal year and the reinforcement of our Group's organizational structure in anticipation of expected growth in 2021-2022 and beyond.

5.1.1.8 Current operating income of €90 million

Current operating income is calculated by deducting net R&D costs, general and administrative expenses and sales and marketing expenses from gross profit.

Current operating income amounted to €90 million in fiscal year 2020-2021 (15.4% of revenue), versus €117.7 million (19.7% of revenue) in fiscal year 2019-2020, impacted by the decline in gross profit in absolute terms and by the increase in R&D costs and general and administrative expenses.

5.1.1.9 Operating income of €90.4 million (15.5% of revenue)

Operating income is the sum of current operating income and other operating income and expenses.

Other operating income and expenses represented net income of €0.4 million for the fiscal year, mainly reflecting the gain on the disposal of Dolphin Design's Mémoire business.

For the year to March 31, 2020, other operating income and expenses represented net income of €1.8 million, and mainly comprised the gain on the sale of the Villejust industrial facility, which had stood idle for a number of years.

Operating income came to €90.4 million, down €29.1 million from €119.5 million one year earlier, affected by the same factors as current operating income.

5.1.1.10 EBITDA

EBITDA from continuing operations (Electronics business) in fiscal year 2019-2020 amounted to €185.4 million (31% of revenue).

The level of EBITDA in the year to March 31, 2021 was impacted by the decline in gross profit (excluding the impact of depreciation and amortization) combined with the increase in general and administrative expenses generated by our Company's organizational structuring.

EBITDA from continuing operations (Electronics) amounted to €179 million for the year to March 31, 2021 (30.7% of revenue), in line with our Group's expectations. While revenue was stable at constant exchange rates and contracted by 2% as reported due to unfavorable currency effects, the Group managed to maintain a high level of profitability while pressing ahead with its organizational structuring efforts.

5.1.1.11 Net financial expense

In fiscal year 2020-2021, our Group posted net financial expense of €14.8 million compared to net financial expense of €4.1 million in fiscal year 2019-2020.

This caption mainly includes:

- €8.2 million in finance costs incurred in connection with the OCEANE 2023 and 2025 convertible bond issues (€4.4 million in fiscal year 2019-2020 in connection with the OCEANE 2025 convertible bond issued in October 2020);
- a €3.6 million foreign exchange loss (versus a foreign exchange gain of €0.6 million in fiscal year 2019-2020) as a result of changes in the EUR/USD exchange rate over the period.

5.1.1.12 Net loss from discontinued operations

For fiscal year 2020-2021, the net loss from discontinued operations came out at €1.4 million, compared to a net loss of €0.9 million for fiscal year 2019-2020.

This mainly reflected:

- the tax impact;
- unfavorable exchange rate effects due to the depreciation of the South African rand against the euro.

5.1.1.13 Net profit and income tax

Our Group recorded net profit of €72.7 million in 2020-2021 versus net profit of €109.7 million one year earlier. The decrease in net profit was attributable to the fall in operating income and higher net financial expense, partly offset by lower tax expense.

Basic earnings per share came out at €2.19 (versus €3.4 in fiscal year 2019-2020). Diluted earnings per share were €2.16 (versus €3.32 in fiscal year 2019-2020).

5.1.1.14 Statement of financial position

(in € millions)	March 31, 2021	March 31, 2020	March 31, 2019
Non-current assets	559	445	374
Current assets	365	365	258
Cash and cash equivalents	644	191	175
Assets held for sale	0	0	17
TOTAL ASSETS	**1,568**	**1,001**	**824**
Total equity	676	552	398
Financial debt	648	245	222
Provisions and other non-current liabilities	44	41	21
Operating payables	200	164	176
Liabilities related to assets held for sale	0	0	6
TOTAL EQUITY AND LIABILITIES	**1,568**	**1,001**	**824**

Non-current assets mainly comprise fixed assets, financial assets (equity investments), the fair value of currency hedges and deferred tax assets. The €113.3 million increase in non-current assets versus March 31, 2020 is mainly attributable to:

- a €11.7 million net increase in intangible assets, reflecting:
  - €14.7 million in capitalized development costs,
  - €12 million in software acquisitions,
  - partially offset by the €14.7 million amortization charge during the fiscal year;
- an €81 million net increase in property, plant and equipment, reflecting:
  - €137 million in additions to property, plant and equipment (including new leases), including:
    - industrial equipment both for the Bernin facility (plant dedicated to manufacturing 300 mm wafers as well as the Bernin 3 plant for POI substrates) and for Singapore, mainly as a result of setting up the 300 mm SOI production line for RF-SOI and FD-SOI products,
    - R&D equipment,
    - fittings and fixtures;
  - a negative €8.8 million in currency effects,
  - partially offset by disposals for €1.7 million and a €45.2 million depreciation charge;
- a €1.7 million decrease in non-current financial assets. Non-current financial assets comprise investments in non-consolidated companies and the fair value of currency hedges with a maturity of more than 12 months. The decrease is mainly attributable to the sale of Exagan shares during the year. As the shares had been remeasured at fair value at March 31, 2020, the transaction had a non-material impact on our Group's consolidated financial statements for fiscal year 2020-2021;
- a €15.9 million increase in deferred tax assets, notably due to the recognition of additional deferred tax assets on tax loss carry-forwards for €13 million;
- a €6.4 million increase in other non-current assets (€15.4 million at March 31, 2021 versus €9 million at March 31, 2020), mainly reflecting research tax credit receivables.

Changes in current assets and liabilities are described in section 5.1.3.1.

Financial debt increased from €244.7 million at March 31, 2020 to €648.5 million at the reporting date, due mainly to:

- the OCEANE 2025 convertible bond issue in October 2020 in an amount of €321 million net of issuance costs, of which €286 million was recorded in liabilities and €35 million in equity;
- drawdowns in an amount of €95 million on the IPCEI loan taken out with Caisse des Dépôts et Consignations;
- the bank loan taken out by our Singapore-based subsidiary in an amount of €39 million, net of repayments during the year;
- new leases contracted during the year, which increased overall debt by €4.1 million, and leases restated under IFRS 16, which increased debt by €10.6 million;
- the repayment of lease liabilities and lines of credit, which reduced debt by €12.8 million and €31.1 million, respectively;
- the unwinding of the discount on bond issues, which increased debt by €8.2 million.

Net debt (financial debt less cash and cash equivalents) decreased from €53.7 million to €4.1 million, thanks to the cash generated during the year (net of capital expenditure).

As a result, the gearing (net debt/equity) ratio improved from 9.7% at end-March 2020 to 0.6% at end-March 2021.

See note 3.15 to the consolidated financial statements for a breakdown of financial debt (section 6.2.1.2 of this Universal Registration Document).

At the same time, equity increased from €551.7 million at March 31, 2020 to €675.5 million at March 31, 2021, lifted mainly by net profit for the year and the equity component of the OCEANE 2025 bond for €34.9 million.

5.1.2 Investments

Our Group's investment policy is designed to maintain production capacity in line with the demand expressed by customers or inferred from market trends, while maintaining an appropriate return on investment.

Most of the production equipment used by our Group is standard equipment in the semiconductor industry. Therefore, there is little risk of a supply chain or support disruption. The manufacturing and qualification lead times of equipment suppliers are generally nine to twelve months.

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 remain high (automated production management, logistic flows, etc.) even though our Group has made extensive use of IT service hosting.

5.1.2.1 Main capital expenditure in fiscal year 2020-2021

The Group recorded a significant €163 million in capital expenditure during the year, representing a cash outflow of €138 million.

In line with the previous year, capital expenditure was mainly devoted to increasing our production capacity for 300 mm wafers at the Pasir Ris facility in order to adapt to growth in demand, as well as to gradually increasing production capacity for 150 mm wafers (POI).

Bernin 1 and Bernin 2	Bernin 3	Pasir Ris (Singapore)
200 mm wafers 300 mm wafers	POI (new engineered substrates for filters)	300 mm wafers for FD-SOI and RF-SOI 300 mm materials refresh lines Epitaxy
Investment in production capacity	Expansion of production line capacity for POI substrates for product launches	Expansion of production capacity beyond the Bernin site to meet demand Limiting the risk of dependency on our raw materials supply for silicon wafers by setting up 300 mm and epitaxy materials refresh capacity
€10 million in capital expenditure	€40 million in capital expenditure	€67 million in capital expenditure

These capacity investments include machinery and facilities dedicated to clean rooms (water, electricity, gas, etc.).

In addition to these industrial investments, the Group also invested €8 million in IT equipment and €23 million in research (including capitalized R&D costs), in addition to equity investments in connection with Soitec Belgium and Dolphin Design SAS.

5.1.2.2 Main future capital expenditure

In 2021-2022, our Group will continue its investment efforts, with the related outflows for the fiscal year expected to total around €240 million.

From an industrial standpoint:

- at Bernin:
  - continued investments in the Bernin 3 facility directed towards new engineered filter substrates in order to increase production capacity for POI products,
  - investments due to obsolescence and to improve security, the carbon footprint, etc.;
- in Singapore, investments will continue to be dedicated to (i) the gradual addition of 300 mm wafer production capacity with the aim of achieving a full production capacity of 1,000,000 wafers per year to meet growing demand for 300 mm FD-SOI and RF-SOI wafers, and (ii) the installation of additional refresh (raw materials recycling) capacity.

€240m
in capital expenditure

In addition, we also plan to invest in IT and R&D (equipment and capitalized costs).

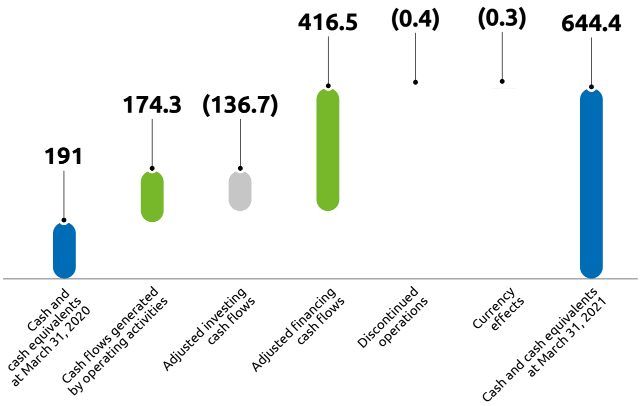
5.

5.1.3 Cash flows and financial position

5.1.3.1 Cash flows

During fiscal year 2020-2021, our Group's available cash increased from €191 million at March 31, 2020 to €644 million at the reporting date.

› CHANGE IN THE NET CASH POSITION OVER FISCAL YEAR 2020-2021



The investing and financing cash flows shown above are taken from the IFRS statement of cash flows, adjusted to include new leases (representing €4.1 million in fiscal year 2020-2021) in financing cash flows in respect of leaseback transactions (not net of investments).

The cash balance at March 31, 2021 includes ZAR 125 million (€7.4 million) relating to the sale of the shares in our South African subsidiary, held in our lawyer's bank account in South Africa pending clearance for the repatriation of these funds to France.

- **Cash flows generated by operating activities during the fiscal year amounted to €174 million**, up sharply on the €100 million recorded in fiscal year 2019-2020. This improvement was mainly driven by gross operating cash flows of €179 million (down from €185 million the previous year) and a €9 million change in working capital (€59 million in fiscal year 2019-2020), partially offset by income tax paid in an amount of €14 million (€25 million in fiscal year 2019-2020). The improvement in working capital was attributable to:
  - a €14 million increase in other operating liabilities, mainly due to the increase in payroll taxes payable and amounts due to fixed-asset suppliers;
  - a €7 million increase in trade payables (year-end business effect).

  These improvements were partly offset by:
  - a €9 million increase in inventories in connection with growth in sales of POI products for filters;
  - a decrease in other current assets in an amount of €3 million.
- These operating cash flows financed investments over the period. **Adjusted net cash used in investing activities amounted to €136 million for fiscal year 2020-2021**, versus €108 million in the prior fiscal year (excluding the €25 million impact of the acquisition of Soitec Belgium), mainly comprising:
  - capital expenditure during the year, as described in section 5.1.2;
  - proceeds from the sale of Exagan shares, net of cash used for other equity investments.
- **Adjusted net cash generated by financing activities totaled €416 million in fiscal year 2020-2021**, up from €37 million in the prior fiscal year, mainly comprising:
  - the OCEANE 2025 convertible bond for €321 million (net of issuance costs);
  - the €95 million drawdown on the IPCEI loan taken out with Caisse des Dépôts et Consignations in connection with the Nano 2022 program;
  - the bank loan taken out by our Singapore-based subsidiary in an amount of €39 million, net of repayments during the year;
  - new leases for €4 million;
  - partly offset by repayments during the period (leases and pre-financing lines in respect of research tax credits);

  In total, our Group's cash and cash equivalents amounted to €644 million at March 31, 2021 (€191 million at March 31, 2020).

5.1.3.2 Sources of financing

Our Group's primary objective is to have the necessary and sufficient financial resources to fund the growth of its business. As such, it systematically reinvests its earnings to promote an industrial growth strategy focused on strong product innovation. It has in the past called on its shareholders, and other investors, to finance its capital spending through capital increases and convertible bond issues.

Driven by net profit and the equity component of our convertible bond during the period under review, the Group continued to strengthen its equity, which stood at €675.5 million at March 31, 2021 versus €551.7 million at March 31, 2020.

At March 31, 2021, the Group had a comfortable liquidity position, comprising:

- available cash of €644 million;
- net debt of €4.1 million (versus €53.7 million at March 31, 2020);
- sufficient net cash from operating activities to cover capital expenditure.

During the fiscal year, our Group also took out a new line of credit, bringing its total lines of credit to €75 million across a pool of seven banks. No drawdowns had been made as at end-March 2021. During the fiscal year, one of the Group's existing lines was restructured, extending its maturity to 2025, and another line was renegotiated and is now repayable at maturity. These credit lines are repayable at maturity no later than June 2025.

The Group finances a portion of its industrial capital expenditure through:

- leases in France and Belgium (additional €4.1 million in fiscal year 2020-2021);
- a bank loan dedicated to Singapore: in November 2020, the Group arranged a five-year syndicated loan maturing in 2025 with four Asia-based banks to fund new equipment for our Singapore site, in an amount of €44 million;
- government funding in the form of a €200 million long-term loan granted by Banque des Territoires: on March 27, 2020, our Group was granted a €200 million 12-year loan by Banque des Territoires (Caisse des Dépôts Group) pursuant to the *Programme d'investissements d'avenir* (PIA) as part of the Nano 2022 program. Drawdowns from this credit line will be staggered over the next few years to support both the financing of R&D programs and investments in infrastructure projects that will be industrialized for the first time in France. The Group drew down a total of €95 million during the year, and the €105 million balance will be used to fund capital expenditure over the next three years;

Our Group also tries to obtain as much funding as possible for its R&D costs through subsidies.

Further information on the financing of our Company and our Group is provided in note 3.15 to the consolidated financial statements (section 6.2.1.2 of this Universal Registration Document).

5.2 Subsequent events

None

5.3 Trends and objectives

› OUTLOOK FOR FISCAL YEAR 2021-2022

Revenue
approx.
up **40%**
at constant exchange rates

Electronics EBITDA
approx.
32%

CAPEX
approx.
€240m

For fiscal year 2021-2022, our Group is targeting revenue of approximately US$950 million (or €800 million based on a EUR/USD exchange rate of 1.20), representing growth of around 40% at constant scope and exchange rates compared to fiscal year 2020-2021.

Organic growth is expected across all diameters:

- our Group expects strong growth in 300 mm wafer sales driven by RF-SOI to support the ongoing deployment of 5G smartphones, by FD-SOI with applications in 5G, edge computing and automotive, as well as by Imager-SOI;
- Soitec also expects further growth in 200 mm wafer sales thanks to the continuous increase in RF-SOI content in smartphones;
- lastly, our Group expects a sharp increase in 150 mm POI wafer sales.

Our Group expects its fiscal year 2021-2022 Electronics EBITDA margin to reach around 32%, which represents an approximate 130 basis points improvement from fiscal year 2020-2021. Despite expected unfavorable currency impacts, our Group will benefit from a full loading of its Bernin 1 and Bernin 2 production facilities and a higher loading of its Singapore plant, as well as favorable raw material prices due to its long-term supplier agreements.

In addition, our Group anticipates that Electronics adjusted net capital expenditure will reach around €240 million in fiscal year 2021-2022, essentially reflecting an acceleration in capacity investments to support the ramp-up of the 300 mm plant in Singapore and a further increase in 150 mm POI wafer production capacity at Bernin 3.

For more information on anticipated capital expenditure, see section 5.1.3.2 Main future capital expenditure.

Existence of any known trends, uncertainties or demands or any commitments or events reasonably likely to affect the Company's outlook

Please refer to the different risk factors to which our Group is exposed, which are described in Chapter 2 of this Universal Registration Document.

5.4 Analysis of the financial position and results of the Company

This section forms part of the management report of our Company, Soitec SA. It should be read in conjunction with our Company's annual financial statements for the year ended March 31, 2021, which are presented in section 6.3 *Company financial statements* of this Universal Registration Document.

The annual financial statements for the year ended March 31, 2021, have been prepared in accordance with the presentation rules and measurement methods pursuant to the regulations in force. The presentation rules and measurement methods used are the same as those for the previous fiscal year.

Our Company is the parent company of our Group.

Our Company, as a manufacturer, supplies some of its subsidiaries. It also operates sales activities worldwide in addition to supplying our subsidiaries and distributors.

The relations between our Company and our subsidiaries are formalized through agreements, both with regard to the distribution of our Company's products and the operation of the subsidiaries.

5.4.1 Accounting policies

The Company financial statements at March 31, 2021, are presented in accordance with the accounting principles generally accepted in France for annual financial statements.

5.4.2 Our Company's financial position

Our Company's total net revenue came out at €550 million in fiscal year 2020-2021, versus €577 million for the previous fiscal year.

Please refer to section 5.1.1 of this Universal Registration Document for additional information on our Company's business operations during fiscal year 2019-2020.

5.4.3 Main changes in our Company's balance sheet

The main changes in the balance sheet during fiscal year 2020-2021 reflect the strengthening of our investment capacity through the issuance of OCEANE 2025 convertible bonds for €325 million (gross, before issuance costs) and the arrangement of a €95 million long-term loan with Banque des Territories under the Nano 2022 program, which will provide our Company with additional flexibility in operational and strategic terms.

Capitalized development costs recognized in intangible assets represented €9 million at the reporting date, and the increase in property, plant and equipment chiefly reflects the industrial development of our Bernin 3 plant in preparation for the production of engineered POI substrates.

The increase in financial assets reflects higher current account financing at the Singapore plant as well as an increase in equity investments in Soitec Lab, Concentrix Holding and Dolphin Design for €5 million, €3.8 million and €2 million respectively.

5.4.3.1 Assets

Non-current assets

Non-current assets increased from €391.4 million at March 31, 2020, to €473.4 million at March 31, 2021.

Intangible assets include €39 million in capitalized development projects at March 31, 2021, recognized in accordance with Article 311-3.2 of the French General Chart of Accounts (PCG), of which €12 million recorded under intangible assets in progress.

Purchases of property, plant and equipment amounted to €55 million, and mainly comprised industrial equipment for the Bernin 3 plant.

Current assets

Current assets rose from €419 million at March 31, 2020, to €812 million at March 31, 2021.

This sharp increase is mainly attributable to:

- an increase in available cash to €437 million versus €127 million one year earlier, mainly due to the issuance of the OCEANE 2025 convertible bond;
- an increase in marketable securities to €140 million at March 31, 2021, versus €20 million at March 31, 2020;
- a decrease in raw materials inventories in line with our Company's strong business growth (mainly in 300 mm products);
- a decrease in trade receivables;
- a slight decrease in other receivables due to the systematic offsetting of research tax credit receivables against corporate income tax payable.

5.4.3.2 Equity and liabilities

Equity

Equity stood at €501 million at March 31, 2021, versus €432 million at March 31, 2020. The increase in equity principally reflects net profit for the year of €68.7 million.

Provisions for contingencies and expenses

Provisions for contingencies and expenses stood at €5.2 million at March 31, 2021, compared to €2.5 million at March 31, 2020. The increase in this caption mainly reflects a provision for foreign exchange losses in an amount of €2.0 million at March 31, 2021 (versus €0.7 million at March 31, 2020) and a provision for contingencies on the futures market for €1.4 million.

Liabilities

Financial debt increased sharply year on year, due to the OCEANE 2025 convertible bond issue in October 2020 in an amount of €321 million, net of issuance costs.

€394 thousand of the €3,942 thousand in issuance costs incurred on the OCEANE 2025 bonds convertible into and/or exchangeable for new or existing shares maturing on October 1, 2025, was amortized in fiscal year 2020-2021.

€485 thousand of the €2,426 thousand in issuance costs incurred on the OCEANE 2023 bonds convertible into and/or exchangeable for new or existing shares maturing on June 28, 2023, was amortized in fiscal year 2020-2021.

At March 31, 2021, €94,559 thousand of the €200 million long-term loan arranged with Banque des Territoires had been drawn down and was presented in financial debt.

5.4.4 Our Company's operating profit

Our Company's revenue amounted to €550.0 million, versus €577.4 million for fiscal year 2019-2020, representing a decrease of 4.7%.

Total operating income amounted to €611.3 million, compared to €636.5 million for fiscal year 2019-2020, representing a decrease of 4.0% attributable to lower sales of Power-SOI, FD-SOI and Photonics-SOI substrates.

Operating expenses for the fiscal year amounted to €539 million, versus €541 million in fiscal year 2019-2020, and operating profit came out at €73 million, versus €96 million one year earlier.

The financial statements for fiscal year 2020-2021 show net profit of €68,685,970, compared to net profit of €99,727,193 for fiscal year 2019-2020.

For additional information on our Company's financial position for the two fiscal years preceding March 31, 2021, readers are invited to refer to the management reports drawn up by our Board of Directors for those fiscal years, particularly page 161 of the 2018-2019 Registration Document filed with the French financial markets authority (*Autorité des marchés financiers* – AMF) under no. D.19-0649, and page 179 of the 2019-2020 Universal Registration Document, filed with the AMF under no. D.20-0782.

5.4.5 Proposed appropriation of net profit for fiscal year 2020-2021

Our Board of Directors will submit the following proposal for approval by the Shareholders' General Meeting to be held on July 28, 2021:

- appropriate €17,264.40 to the legal reserve, bringing it up to 10% of the share capital, which would be increased from €6,655,780.20 to €6,673,044.60; and
- appropriate the balance of €68,668,701.52 to "Retained earnings", which would be increased from €252,472,049.19 to €321,140,750.71.

5.4.6 Non-deductible expenses

In accordance with the provisions of Article 223 *quater* of the French Tax Code (*Code général des impôts*), the Company financial statements for fiscal year 2020-2021 include an amount of €107,836 corresponding to non-deductible expenses.

5.4.7 Disclosures pursuant to Article D. 441-4 Art 1 of the French Commercial Code (*Code de commerce*) on payment terms of suppliers and customers

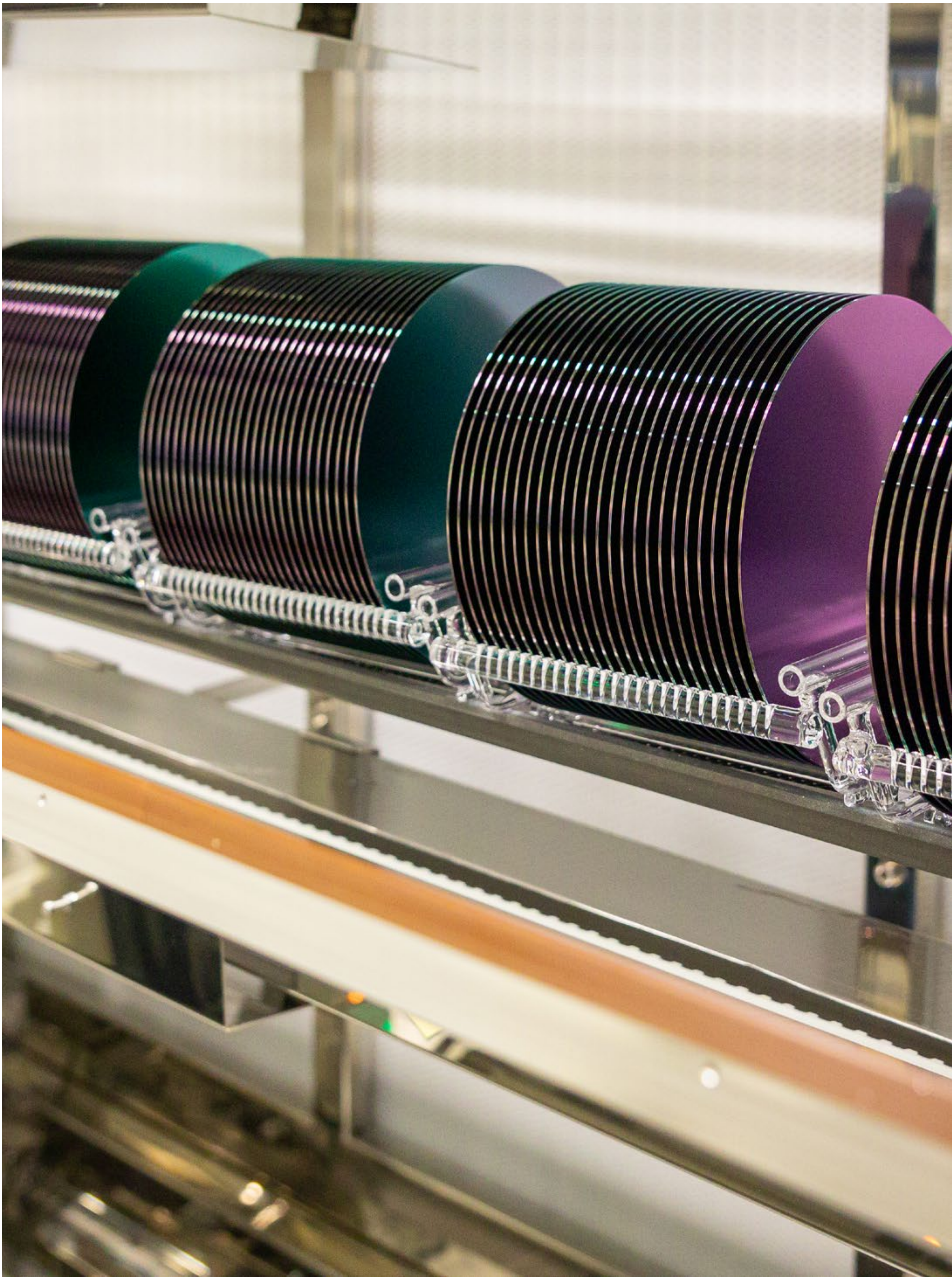
Information on payment terms at March 31, 2021

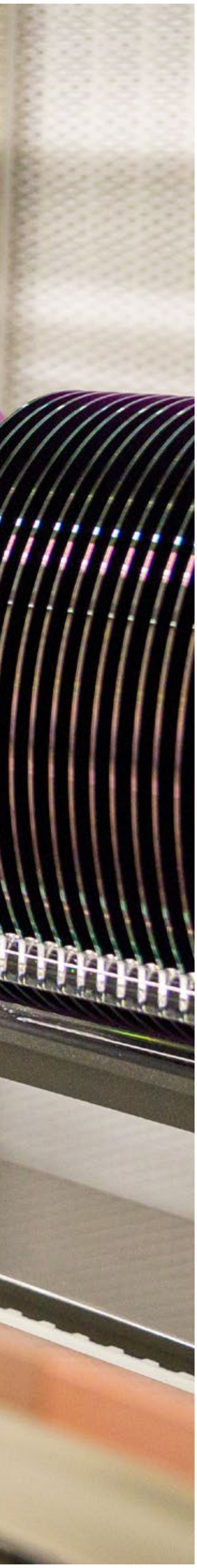
PAST DUE INVOICES RECEIVED BUT NOT SETTLED AT THE REPORTING DATE

	0 day (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and over	Total (1 or more days)
(A) BREAKDOWN OF PAST DUE PAYMENTS						
Number of invoices concerned	2,289					710
Total amount of invoices concerned including VAT (€)	56,911,774	6,234,228	1,059,117	412,109	2,018,072	9,723,526
% of total purchases in the fiscal year	13.01%	1.43%	0.24%	0.09%	0.46%	2.22%
(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 (mainly 45 days after the supplier invoice issue date)					

PAST DUE INVOICES ISSUED BUT NOT SETTLED AT THE REPORTING DATE

	0 day (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and beyond	Total (1 or more days)
(A) BREAKDOWN OF PAST DUE PAYMENTS						
Number of invoices concerned	480					48
Total amount of invoices concerned including VAT (€)	60,677,031	2,650,255	16,651	0	1,138,530	3,805,437
% of revenue for the fiscal year	11.35%	0.50%	0.00%	0.00%	0.21%	0.71%
(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					





6 Financial statements

6.1 Historical financial information

Pursuant to Article 19 of Regulation (EU) 2017/1129 of the European Parliament and of the Council, the following information is incorporated by reference in this Universal Registration Document:

- our Group's annual financial statements at March 31, 2019 and the corresponding audit reports appearing on pages 206 *et seq.* and pages 224 *et seq.* of the Registration Document filed with the French financial markets authority (*Autorité des marchés financiers* – AMF) on July 4, 2019 under no. D.19-0649;
- our Group's consolidated financial statements at March 31, 2019 and the corresponding audit reports appearing on pages 166 *et seq.* and 203 *et seq.* of the Registration Document filed with the AMF on July 4, 2019 under no. D.19-0649;
- our Group's annual financial statements at March 31, 2020 and the corresponding audit reports appearing on pages 226 *et seq.* and pages 245 *et seq.* of the Registration Document filed with the AMF on September 2, 2020 under no. D.20-0782;
- our Group's consolidated financial statements at March 31, 2020 and the corresponding audit reports appearing on pages 184 *et seq.* and 223 *et seq.* of the Registration Document filed with the AMF on September 2, 2020 under no. D.20-0782;

The sections of these document that are not incorporated by reference are either not relevant for the investor, or are covered elsewhere in this Universal Registration Document.

The documents cited above are available on our Company's website (www.soitec.com) and the AMF's website (www.amf-france.org).

6.2 Consolidated financial statements

6.2.1 Group consolidated financial statements

6.2.1.1 Our consolidated financial statements at March 31, 2021

CONSOLIDATED INCOME STATEMENT

(in € thousands)	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Revenue	**3.1**	**583,761**	**597,549**
Cost of sales		(400,284)	(402,123)
Gross profit		**183,477**	**195,426**
Sales and marketing expenses		(11,712)	(10,195)
R&D costs	4.2	(44,378)	(32,494)
General and administrative expenses		(37,397)	(35,042)
Current operating income		**89,990**	**117,695**
Other operating income	4.4	392	1,911
Other operating expenses	4.4	(30)	(100)
Operating income	**3.1**	**90,352**	**119,506**
Financial income	4.5	475	3,229
Financial expense	4.6	(15,264)	(7,302)
Net financial expense		**(14,789)**	**(4,073)**
Profit before tax	**4.7**	**75,563**	**115,433**
Income tax	4.7	(1,494)	(4,885)
Net profit from continuing operations		**74,069**	**110,548**
Net profit/(loss) from discontinued operations	4.9	(1,398)	(867)
CONSOLIDATED NET PROFIT		**72,671**	**109,681**
NET PROFIT – GROUP SHARE		**72,671**	**109,681**
Basic earnings per share *(in euros)*	4.8	2.19	3.40
Diluted earnings per share *(in euros)*	4.8	2.16	3.32

Basic earnings per share amounted to €2.19, including earnings per share of €2.23 relating to continuing operations and a €0.04 loss per share attributable to discontinued operations.

Diluted earnings per share comes out at €2.16, including earnings per share of €2.20 relating to continuing operations and a €0.04 loss per share attributable to discontinued operations.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in € thousands)	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Consolidated net profit		**72,671**	**109,681**
Items that may be reclassified to the income statement		**(13,991)**	**4,129**
• of which: foreign exchange gains/(losses) on translation of foreign operations		(11,611)	4,411
• of which: changes in the fair value of hedging instruments		(3,325)	(415)
• of which: tax on items recognized in other comprehensive income		945	133
Items that may not be reclassified to the income statement		**(968)**	**(1,545)**
• of which: actuarial gains/(losses) on defined benefit plans	5.1	(1,365)	(2,088)
• of which: tax impact		397	543
Income and expenses recognized in other comprehensive income		**(14,959)**	**2,584**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**57,712**	**112,265**
Group share		*57,712*	*112,265*

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets *(in € thousands)*	Notes	March 31, 2021	March 31, 2020
NON-CURRENT ASSETS			
Intangible assets	3.2	99,126	87,471
Property, plant and equipment	3.3	378,157	297,154
Non-current financial assets	3.5	12,704	14,428
Other non-current assets	3.6	15,403	8,997
Deferred tax assets	4.7	53,119	37,176
Total non-current assets		**558,509**	**445,226**
CURRENT ASSETS			
Inventories	3.7	124,309	123,291
Trade receivables	3.8	157,422	167,409
Other current assets	3.9	77,079	73,945
Current financial assets	3.10	6,336	351
Cash and cash equivalents	3.11	644,376	190,998
Total current assets		**1,009,522**	**555,994**
TOTAL ASSETS		**1,568,031**	**1,001,220**

Equity and liabilities *(in € thousands)*	Notes	March 31, 2021	March 31, 2020
EQUITY			
Share capital	3.13	66,730	66,558
Share premium	3.13	83,183	82,426
Reserves and retained earnings		533,159	395,355
Other reserves	3.13	(7,572)	7,387
Equity – Group share		675,500	551,726
Total equity		**675,500**	**551,726**
NON-CURRENT LIABILITIES			
Long-term financial debt	3.15	612,273	192,521
Provisions and other non-current liabilities	3.16	43,800	40,515
Total non-current liabilities		**656,073**	**233,036**
CURRENT LIABILITIES			
Short-term financial debt	3.15	36,206	52,182
Trade payables	3.17	78,989	76,318
Provisions and other current liabilities	3.18	121,263	87,958
Total current liabilities		**236,458**	**216,458**
TOTAL EQUITY AND LIABILITIES		**1,568,031**	**1,001,220**

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, 2019	**62,762**	**61,200**	**(432)**	**269,985**	**4,803**	**398,317**	**398,317**
Items that may be reclassified to the income statement	**-**	**-**	**-**	**-**	**4,129**	**4,129**	**4,129**
• of which: foreign exchange gains/(losses) on translation of foreign operations	-	-	-	-	4,411	4,411	4,411
• of which: changes in the fair value of hedging instruments	-	-	-	-	(415)	(415)	(415)
• of which: tax on items recognized in other comprehensive income	-	-	-	-	133	133	133
Items that may not be reclassified to the income statement	-	-	-	-	**(1,545)**	**(1,545)**	**(1,545)**
• of which: changes in the fair value of non-current assets	-	-	-	-			
• of which: actuarial gains/(losses) on defined benefit plans	-	-	-	-	(2,088)	(2,088)	(2,088)
• of which: tax impact	-	-	-	-	543	543	543
Total income and expenses in the fiscal year recognized in other comprehensive income	**-**	**-**	**-**	**-**	**2,584**	**2,584**	**2,584**
Net profit from continuing operations	-	-	-	110,548	-	110,548	110,548
Net loss from discontinued operations	-	-	-	(867)	-	(867)	(867)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-**	**-**	**-**	**109,681**	**2,584**	**112,265**	**112,265**
Capital increase	3,796	21,226	-	(3,187)	-	21,835	21,835
Share-based payments and tax impact	-	-	-	20,295	-	20,295	20,295
Change in liabilities relating to put options granted to non-controlling interests	-	-	-	(981)	-	(981)	(981)
Other	-	-	55	(60)	-	(5)	(5)
MARCH 31, 2020	**66,558**	**82,426**	**(377)**	**395,732**	**7,387**	**551,726**	**551,726**

(in € thousands)	Share capital	Share premium	Treasury shares	Reserves and retained earnings	Other reserves	Equity – Group share	Total equity
March 31, 2020	**66,558**	**82,426**	**(377)**	**395,732**	**7,387**	**551,726**	**551,726**
Items that may be reclassified to the income statement	**-**	**-**	**-**	**-**	**(13,991)**	**(13,991)**	**(13,991)**
• of which: foreign exchange gains/(losses) on translation of foreign operations	-	-	-	-	(11,611)	(11,611)	(11,611)
• of which: changes in the fair value of hedging instruments	-	-	-	-	(3,325)	(3,325)	(3,325)
• of which: tax on items recognized in other comprehensive income	-	-	-	-	945	945	945
Items that may not be reclassified to the income statement	-	-	-	-	**(968)**	**(968)**	**(968)**
• of which: changes in the fair value of non-current assets	-	-	-	-			
• of which: actuarial gains/(losses) on defined benefit plans	-	-	-	-	(1,365)	(1,365)	(1,365)
• of which: tax impact	-	-	-	-	397	397	397
Total income and expenses in the fiscal year recognized in other comprehensive income	**-**	**-**	**-**	**-**	**(14,959)**	**(14,959)**	**(14,959)**
Net profit from continuing operations	-	-	-	74,069	-	74,069	74,069
Net loss from discontinued operations	-	-	-	(1,398)	-	(1,398)	(1,398)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-**	**-**	**-**	**72,671**	**(14,959)**	**57,712**	**57,712**
Capital increase	172	757	-	-	-	929	929
Share-based payments and tax impact	-	-	-	27,106	-	27,106	27,106
OCEANE 2025 convertible bonds	-	-	-	34,859	-	34,859	34,859
Change in liabilities relating to put options granted to non-controlling interests	-	-	-	3,347	-	3,347	3,347
Treasury share transactions	-	-	8	-	-	8	8
Other	-	-	-	(187)	-	(187)	(187)
MARCH 31, 2021	**66,730**	**83,183**	**(369)**	**533,528**	**(7,572)**	**675,500**	**675,500**

CONSOLIDATED STATEMENT OF CASH FLOWS

(in € thousands)	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Net profit from continuing operations		74,069	110,548
Net loss from discontinued operations		(1,398)	(867)
CONSOLIDATED NET PROFIT		**72,671**	**109,681**
Adjustments for:			
Depreciation and amortization expense	3.2, 3.3, 4.3	59,860	45,520
Impairment of non-current assets and accelerated depreciation	3.3	-	32
Provisions, net	3.5, 3.7, 3.8	6,774	1,854
Provision for retirement benefit obligations	5.1	837	(207)
Proceeds from disposals of assets	4.4	1,215	(790)
Income tax	4.7	1,494	4,884
Net financial expense	4.5, 4.6	14,789	4,073
Share-based payments		19,963	19,526
Non-cash items relating to discontinued operations		1,067	(79)
Changes in:			
Inventories		(9,377)	(51,914)
Trade receivables		384	(33,794)
Other receivables		(3,020)	11,096
Trade payables		7,375	11,790
Other liabilities		13,984	3,749
Changes in working capital and income tax paid relating to discontinued operations		(26)	(139)
Income tax paid		(14,040)	(25,649)
NET CASH GENERATED BY OPERATING ACTIVITIES		**173,950**	**99,632**
Of which continuing operations		*174,307*	*100,717*
Purchases of intangible assets		(24,221)	(31,085)
Purchases of property, plant and equipment		(109,384)	(53,037)
Proceeds from disposals of intangible assets and property, plant and equipment		438	2,217
Acquisitions of subsidiaries, net of cash acquired		(992)	(25,502)
(Acquisitions) and disposals of financial assets		1,099	(1,175)
Interest received		447	437
Investment/divestment flows related to discontinued operations		-	17,085
NET CASH USED IN INVESTING ACTIVITIES		**(132,613)**	**(91,060)**
Of which continuing operations		*(132,613)*	*(108,145)*
Convertible bond (net of issue costs) – OCEANE 2025		321,058	-
Capital increase		930	21,834
Change in interest in subsidiaries without change of control		(2,000)	-
Financing received from non-controlling interests		190	900
Loans and drawdowns on credit lines		143,166	22,274
Repayment of borrowings (including leases)		(48,928)	(31,320)
Interest paid		(2,066)	(1,998)
Financing flows related to discontinued operations		(2)	18
NET CASH GENERATED BY FINANCING ACTIVITIES		**412,348**	**11,708**
Of which continuing operations		*412,350*	*11,690*
Effects of exchange rate fluctuations		(307)	(4,591)
CHANGE IN NET CASH		**453,378**	**15,689**
Of which continuing operations		*453,737*	*(329)*
Cash and cash equivalents at beginning of the period		**190,998**	**175,308**
Cash and cash equivalents at end of the period		**644,376**	**190,998**

6.2.1.2 Notes to our consolidated financial statements at March 31, 2021

6.

NOTE 1. OVERVIEW OF OUR COMPANY AND BUSINESS ACTIVITY

Soitec SA is a *société anonyme* (French joint-stock corporation) listed on Euronext Paris (Compartment A). Soitec SA and its subsidiaries are hereinafter referred to as "our Group". Soitec SA is hereinafter referred to as "our Company".

In fiscal year 2020-2021, our Group operated in two business segments:

- **Electronics**: our Group's historical activity in the semiconductor sector, producing and marketing substrates and components for the semiconductor industry;
- **Other Business**: operations that have largely been discontinued by our Group, including mainly in the Solar Energy sector. This segment also included the financing activities related to the Touwsrivier solar power plant in South Africa (sold in fiscal year 2019-2020), as well as certain ongoing maintenance activities, primarily in Europe and the United States.

On June 9, 2021, the Board of Directors adopted our Group's consolidated financial statements for the year ended March 31, 2021, which will be submitted for approval at the Shareholders' General Meeting to be held on July 28, 2021.

NOTE 2. ACCOUNTING POLICIES

2.1 Statement of compliance

Pursuant to Regulation (EC) 1606/2002 of July 19, 2002 on the application of international accounting standards, our Group's consolidated financial statements have been prepared in accordance with the standards and interpretations published by the International Accounting Standards Board (IASB), adopted by the European Union and mandatory for consolidated financial statements.

These standards are available on the European Commission's website, and include international accounting standards (IAS and IFRS), as well as the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Standards Interpretations Committee (IFRS IC).

2.2 Basis of preparation

Presentation currency

Our Group's presentation currency is the euro. The consolidated financial statements are presented in thousands of euros and all amounts are rounded to the nearest thousand, unless otherwise stated.

Change in accounting policies

The accounting policies are identical to those applied in the consolidated financial statements for the year ended March 31, 2020.

The standards, amendments and interpretations used to prepare the consolidated financial statements for the year ended March 31, 2021 are those published in the Official Journal of the European Union before March 31, 2021, and mandatory on that date. This reference framework is available from the European Commission's website.

Our Group has applied the following standards, amendments and interpretations, published by the IASB and adopted by the European Union, and mandatory for reporting periods beginning on or after April 1, 2020:

- amendments to IAS 1 and IAS 8 – Definition of Material;
- amendments to the References to the Conceptual Framework;
- amendments to IFRS 9, IAS 39 and IFRS 7 – Interest Rate Benchmark Reform – Phase 1;
- amendments to IFRS 3 – Definition of a Business.

These new standards, amendments and interpretations had no material impact on our Group's consolidation financial statements.

Standards, amendments and interpretations applicable in advance to reporting periods beginning on or after April 1, 2020

The new standards, amendments and interpretations applicable to reporting periods beginning on or after April 1, 2020 were not early adopted by our Group at March 31, 2021. They concern:

- IFRS 17 – Insurance Contracts;
- amendments to IAS 1 – Classification of Liabilities as Current or Non-current;
- amendments to IFRS 3 – References to the Conceptual Framework;
- amendments to IAS 16 – Property, Plant and Equipment – Proceeds Before Intended Use;
- amendments to IAS 37 – Onerous Contracts – Cost of Fulfilling a Contract;
- amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark Reform – Phase 2.

These new standards, amendments and interpretations are not expected to have a material impact on our Group's consolidated financial statements.

2.3 Significant accounting judgments

As part of the normal process of preparing consolidated financial statements, the determination of certain items requires Group management to make estimates and assumptions 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:

- the impairment of non-current assets;
- the accounting value of share-based payments;
- the impairment of inventories;
- the recognition of tax loss carryforwards;
- the amount of provisions for contingencies and charges; and
- provisions for employee benefits and trade obligations.

These assumptions, estimates and assessments are prepared on the basis of available information or situations prevailing at the reporting date of the consolidated financial statements for the year ended March 31, 2021. In the event of changes in the underlying assumptions or in the prevailing economic conditions, in particular relation to Covid-19, the amounts presented in our Group's future financial statements could differ materially from the current estimates.

2.4 Highlights of the year

Covid-19

Since the onset of the Covid-19 health crisis, our Group's priority has been to safeguard the health of its employees, as well as that of the people working for its various partners, subcontractors and customers, and of the wider communities with which our Company interacts.

Firmly determined to support our customers in this difficult environment, our Group was able to maintain production throughout the year to March 31, 2021, in particular at the Bernin and Singapore plants, by implementing drastic safety measures. Our Group continued to deliver to its customers to meet demand and also pursued all of its major R&D projects.

Our Group incorporated the business impacts of the health crisis into its guidance announced in June 2020. There was no other material impact on the income statement for the year ended March 31, 2021. The assumptions retained on closing the financial statements have been reviewed taking into account information relating to the Covid-19 crisis, with no material impact on the consolidated financial statements at March 31, 2021.

OCEANE 2025 convertible bonds

On October 1, 2020, our Group issued bonds convertible into and/or exchangeable for new and/or existing ordinary shares (OCEANE convertible bonds) maturing on October 1, 2025, through a private placement with qualified investors for a nominal amount of €325 million.

This issue will provide our Group with additional flexibility in operational and strategic terms and enable it to fund potential growth opportunities.

The bonds were issued at their par value and bear no interest. The par value per bond was set at €174.34, representing a premium of 45.0% over the reference price of the share on the Euronext Paris regulated market.

Unless they have been converted, exchanged, redeemed, or repurchased and canceled before that date, the bonds will be redeemed at their par value on October 1, 2025. Our Group may also deliver new and/or existing ordinary shares in lieu of a cash redemption under the terms of the Share Redemption Option. The OCEANE convertible bonds may be redeemed early at the Company's discretion, subject to certain conditions.

Employee share ownership plans

Free share allocation plans for employees

Pursuant to the authorizations granted by the Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2019, in order to acknowledge efforts to reach our Company's objectives and continue supporting customers in recent months in spite of the constraints caused by the health crisis, at its meeting on November 18, 2020, the Board of Directors decided to exceptionally allocate a free share plan to all employees, representing a maximum dilution of 0.43% of the share capital, subject to performance conditions.

At the same meeting, the Board of Directors also decided to allocate free shares subject to the same performance conditions to 22 executives, representing a maximum dilution of 0.18% of the share capital, including 0.04% in respect of our Chief Executive Officer, as well as 1,271 additional free shares allocated on March 31, 2021.

A total of 211,702 ordinary shares were allocated under these two plans, subject to the following conditions:

- a presence condition;
- performance conditions:
  - EBITDA and revenue objectives for the year ending March 31, 2023, and
  - the Total Shareholder Return (TSR) of our Company's ordinary shares compared to the Euro Stoxx 600 Technology index between November 18, 2020, and the publication date of our Group's consolidated financial statements for the year ending March 31, 2023.

"Topaz" co-investment plan

The Extraordinary Shareholders' General Meeting of July 26, 2019 authorized the Board of Directors to allocate free preferred shares ("PS 2") and created a new category of preferred shares convertible into ordinary shares ("PS 2") based on the achievement of objectives relating to EBITDA, revenue and the Total Shareholder Return (TSR) of our Company's ordinary shares compared to the Euro Stoxx 600 Technology index.

- In fiscal year 2019-2020, 97,980 PS 2 were subscribed by employees and corporate officers at a unit price of €84.17, and our Board of Directors issued 97,980 PS 2:
  - the free PS 2 vest in tranches (40% on December 18, 2020, 30% on August 1, 2021 and 30% on August 1, 2022);
  - following the vesting of the initial tranche, 75,861 PS 2 were issued on December 18, 2020.
- The plan was reopened on November 18, 2020, and further to the subscription of 10,461 PS 2 by employees at a unit price of €88.9, our Board of Directors issued 10,461 PS 2 on November 30, 2020:
  - the subscriptions to PS 2 gave rise to a capital increase in the amount of €929,983, including the share premium;
  - the free PS 2 vest in tranches (60% on January 10, 2022 and 40% on November 30, 2022).

Free share allocation plan for certain employees of Dolphin Design SAS

On November 18, 2020, pursuant to the authorizations granted by the Shareholders' General Meeting of July 26, 2019, our Board of Directors set up a free ordinary share allocation plan for certain employees of our Group's subsidiary, Dolphin Design SAS. This plan is subject to a presence condition (presence in the Group until August 1, 2024) and performance conditions (revenue and EBITDA for fiscal years 2021-2022 to 2023-2024). A total of 9,500 ordinary shares were conditionally allocated to employees under the plan.

Other free share allocations

Pursuant to the authorizations granted by the Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2019, at its meeting of November 18, 2020, the Board of Directors of our Company granted 7,394 ordinary shares to an employee of our Group.

This plan is subject to:

- a presence condition (presence in the Group until November 18, 2022);
- performance conditions based on:
  - EBITDA and revenue objectives for the year ending March 31, 2022, and
  - the Total Shareholder Return (TSR) of our Company's ordinary shares compared to the Euro Stoxx 600 Technology index between July 26, 2019, and the publication date of our Group's consolidated financial statements for the year ending March 31, 2022.

This allocation was in addition to the 38,816 ordinary shares already allocated pursuant to this authorization in fiscal year 2019-2020.

Soitec wins employee share ownership Grand Prix

On February 5, 2021, Soitec was awarded the employee share ownership Grand Prix by the French employee share ownership federation (*Fédération de l'Actionnariat Salarié* – FAS).

This prestigious award recognizes our unwavering commitment to sharing value with employees since the 2015 turnaround, and throughout these years of strong and profitable growth. We are particularly proud that our approach, based on a leveraged free performance share offer and preferred share co-investment plans, and which has been very popular with our employees, may be a source of inspiration for other businesses.

Acquisition of an additional 20% interest in Dolphin Design SAS

On November 13, 2020, Soitec acquired a further 20% stake in Dolphin Design SAS from its partner MBDA for €2,000 thousand, thereby increasing its interest in that company to 80%. MBDA continues to own the residual 20% of the share capital, on which Soitec has a call option. Due to the option in respect of the interest owned by MBDA, Dolphin Design SAS was already fully consolidated in our Group's consolidated financial statements. As a result, the acquisition of the additional interest had no impact on the consolidated financial statements.

Tax inspection

On December 24, 2019, the French tax authorities began an assessment of Soitec's accounting and all of its tax returns for the period from April 1, 2016 to March 31, 2019, and of its taxable profits for the period from April 1, 2015 to March 31, 2016 contributing to our Company's overall loss, pursuant to the provisions of Article L. 169 paragraph 7 of the French Book of Tax Procedures (*Livre des Procédures Fiscales*).

At this stage of the assessment, our Group has not identified any elements justifying setting aside a provision for risks.

2.5 Significant accounting policies

A. Consolidation principles and scope

All entities controlled by our Group are fully consolidated.

Our Group considers that it has exclusive control over an investee when (i) it has power over the investee, (ii) it is exposed to or has rights to variable returns from its involvement with the investee, and (iii) it has the ability to affect those returns through its power over the investee.

The financial statements of subsidiaries are included in the consolidated financial statements from the date control is effectively transferred until the date that control ceases.

At March 31, 2021, the consolidated financial statements include the financial statements of our Company and our subsidiaries listed below:

Entity	Date of consolidation	Percentage interest	Country	Functional currency
Soitec USA LLC	1997	100.0%	United States	US dollar
Soitec Japan Inc.	June 2004	100.0%	Japan	Japanese Yen
Soitec Microelectronics Singapore Pte Ltd.	June 2006	100.0%	Singapore	US dollar
Soitec Korea LLC	July 2011	100.0%	South Korea	US dollar
Soitec Corporate Services SAS	July 2012	100.0%	France	Euro
Soitec Trading Shanghai Co. Ltd.	November 2013	100.0%	China	Yuan
Frec|n|sys SAS	October 2017	100.0%	France	Euro
Dolphin Design SAS (2)	August 2018	100.0%	France	Euro
Dolphin Ltd. (2)	August 2018	100.0%	Israel	Shekel
Dolphin Inc. (2)	August 2018	100.0%	Canada	Canadian dollar
Soitec Lab SAS	March 2019	100.0%	France	Euro
Soitec Newco 2 SAS	March 2019	100.0%	France	Euro
Soitec Newco 3 SAS	March 2019	100.0%	France	Euro
Soitec Newco 4 SAS	March 2019	100.0%	France	Euro
Soitec Asia Holding Pte. Ltd.	March 2019	100.0%	Singapore	US dollar
Soitec Belgium NV (3)	May 2019	100.0%	Belgium	Euro
SOLAR ENERGY SEGMENT ENTITIES				
Soitec USA Holding Inc.	December 2009	100.0%	United States	US dollar
Soitec Solar Industries LLC	December 2009	100.0%	United States	US dollar
Soitec Solar Development LLC	September 2010	100.0%	United States	US dollar
Soitec Solar RSA Ltd.	April 2011	100.0%	South Africa	Rand
Soitec Solar France SAS	October 2011	100.0%	France	Euro
Concentrix Holding SAS	March 2018	100.0%	France	Euro
PROJECT ENTITIES IN THE SOLAR SEGMENT (1)				
CPV Power Plant No. 2 (Pty) Ltd.	September 2010	100.0%	South Africa	Rand

(1) In the context of its Solar Energy business, our Group formed special purpose entities to hold the permits, administrative authorizations, costs and income associated with solar power plant projects. In general, the intention was to sell these legal entities to investors when the projects were sufficiently advanced.
(2) Acquisition of 80% of the shares and a put option on the outstanding 20% of the share capital held by non-controlling interests.
(3) On June 25, 2020, EpiGaN was renamed Soitec Belgium. Acquisition of 96.7% of the shares and a put option on the outstanding 3.3% of the share capital held by non-controlling interests.

Changes in scope of consolidation

There were no changes in the scope of consolidation in fiscal year 2020-2021.

Change in percentage interest

On November 13, 2020, Soitec acquired a further 20% stake in Dolphin Design SAS from its partner MBDA for €2,000 thousand, thereby increasing its interest in that company to 80%. MBDA continues to own the residual 20% of the share capital, which remains subject to a put option.

Balances and transactions between Group companies are eliminated in consolidation.

Business combinations are accounted for using the acquisition method. In the event of an acquisition, the acquiree's identifiable assets and liabilities that meet the IFRS 3 recognition criteria are carried at fair value as determined at the acquisition date, except non-current assets classified as assets held for sale which are recorded at fair value less costs to sell.

Accounting rules governing business combinations and transactions with non-controlling interests include the following:

- acquisition costs are expensed at the acquisition date;
- the impact of acquisitions of non-controlling interests in a subsidiary that is already controlled and of divestments of interests without loss of control is recognized directly within equity without impacting goodwill or income;
- changes in the value of assets and liabilities relating to acquisitions recognized on a provisional basis (due to independent appraisal reports or further analyses not yet having been completed) are recorded as a retrospective adjustment to goodwill if they occur within 12 months of the acquisition date. After this period, any changes are recorded directly in income. Any contingent consideration (earn-outs) is measured at acquisition-date fair value. If the obligation to pay contingent consideration meeting the definition of a financial instrument was classified in equity, it is not remeasured and is recognized in equity when settled. Otherwise, any contingent consideration is measured at fair value at the end of each period and any potential changes are taken directly to income. Changes in the value of liabilities relating to put options granted to non-controlling interests, other than the impact of accretion, are recorded within other comprehensive income.

B. Translation of the financial statements of foreign subsidiaries

Our Group's presentation currency is the euro. Our Company's functional currency is the euro, and the functional currency of each subsidiary is specified above.

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, 2021;
- 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;
- 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".

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".

C. Intangible assets

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 (CGU) or groups of CGUs that are expected to benefit from the combination. Goodwill is not amortized but is tested for impairment at the end of each reporting period or whenever there is an indication that it may be impaired. Impairment losses recognized against goodwill cannot be reversed.

Other intangible assets

Intangible assets acquired separately by our Group are recognized at their acquisition cost, which corresponds to their acquisition-date fair value for assets acquired through business combinations. They mainly include software applications, which are accounted for at their purchase price and amortized using the straight-line method (one to five years) and project development costs (amortized over their estimated useful lives, typically between 8 and 10 years).

In accordance with IAS 38, development costs are capitalized if the following criteria are met:

- our Group has the intention and technical ability to complete the development project;
- it is highly probable that the future economic benefits attributable to the development costs will flow to our Group, generally evidenced by current orders or contracts;
- the costs can be measured reliably;
- our Group has the capacity to use or sell the intangible asset;
- our Group has the necessary resources to complete the project.

R&D costs that do not fully meet the above criteria are recognized in the income statement under "R&D costs" in the fiscal year in which they are incurred.

Our Group has defined an eight-stage life cycle for R&D projects. Upon the completion of each stage (milestone), a decision is made to either continue or discontinue the project. The first five stages cover exploratory research (evaluation of technologies), while the following two phases correspond to product development, generally in conjunction with a potential customer. The final stage involves high-volume industrialization of the product.

Costs incurred during exploratory research phases are recognized in the income statement, and development costs are capitalized if they meet the criteria of IAS 38, otherwise they remain expensed. Costs incurred in the industrialization phase are recognized in cost of sales.

Prototype sales and subsidies (including research tax credits) relating to capitalized development costs are initially recorded as deferred income and then taken to income as and when the associated development costs are amortized.

D. Property, plant and equipment

In accordance with IAS 16, property, plant and equipment are measured at acquisition cost less accumulated depreciation and any impairment losses. Subsequent expenditure is included in the carrying amount of the asset or, where applicable, recognized as a separate asset when it is probable that the future economic benefits associated with the asset will flow to our Group and the cost of the asset can be measured reliably. The carrying amount of replaced components is derecognized. All repair and maintenance costs are recognized in the income statement.

Depreciation is calculated on a straight-line basis over the following estimated useful lives:

Buildings and fittings	15 to 30 years
Equipment and tooling	3 to 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.

E. Leases

The value of the asset (corresponding to the right to use the underlying asset) and the lease liability (corresponding to the obligation to make lease payments) are initially measured at the present value of future lease payments, as well as estimated payments at the end of the contract. The lease term is defined contract by contract and corresponds to the non-cancellable period of the commitment, taking into account any optional periods where it is reasonably certain that they will be exercised.

Lease payments are apportioned between payments of the interest and of the principal of the lease liability. Right-of-use assets are depreciated over the term of the lease plus any optional periods where it is reasonably certain that they will be exercised.

Our Group applies the exemptions provided for by IFRS 16 for leases with a lease term of 12 months or less and for leases whose underlying asset is of low value when new (less than US$5,000). These rents are recognized directly as expenses. When signing an agreement, our Group determines whether this constitutes or contains a lease. Any agreement which constitutes or contains a lease grants the right to control the use of the asset identified for a period of time, in exchange for consideration. To determine whether an agreement grants the right to control the use of an identified asset, our Group applies the definition of a lease provided by IFRS 16.

F. Acquisition expenses for non-current assets

Acquisition costs are included in the value of property, plant and equipment, intangible assets and investment property, 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.

G. Impairment of non-current assets

IAS 36 defines the procedures that a company must apply to ensure that the carrying amount of its assets does not exceed their recoverable amount, which is the amount that is expected to be recovered from their use or sale. Besides goodwill and indefinite-lived intangible assets that are systematically tested for impairment each year, the recoverable amount of an asset is estimated whenever there is an indication that its value may be impaired.

Cash-generating units (CGUs)

A cash-generating unit is the smallest group of identifiable assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

In the Electronics segment, our Group has identified two CGUs, each of which is centrally managed and has its own customer base and production capacity organized so as to optimize utilization regardless of geographical location. These two CGUs are:

- *Electronics*: serving the Group's various substrate markets, leveraging the production capacity of the Bernin 1, Bernin 2, Bernin 3, Hasselt (Belgium) and Singapore plants;
- *Integrated circuit design*: design of low-power electronic circuits (Dolphin Design business).

The Electronics CGU includes the "Small diameter" and "300 mm" sub-groups, which were previously presented as separate CGUs. The Group's business and investment decisions are managed at the level of the "Electronics" CGU.

Impairment indicators

Our Group regularly compares actual results to forecast results for all of its businesses in order to identify any impairment.

Determining the recoverable amount

When circumstances or events indicate that a non-current asset may be impaired, our Group reviews the recoverable amount of the asset (or the group of assets to which it belongs).

Goodwill, other indefinite-lived intangible assets and capitalized development costs (where the underlying asset has not yet been commissioned) are tested for impairment at least once a year.

The recoverable amount is the higher of its fair value less costs to sell and its value in use. It is estimated separately for each asset. Where this is not possible, assets are pooled into groups of CGUs for which the recoverable amount is then calculated.

Fair value less costs to sell is the amount that could be obtained from the sale of an asset in an arm's length transaction between knowledgeable willing parties, less costs to sell.

Value in use is the present value of the future cash flows expected to be derived from the continuous use of an asset and from its disposal at the end of its useful life. Value in use is determined using cash flows estimated using business plans or budgets typically drawn up over a five-year period, taking into account the specific risks inherent to the technological nature of our Group's business activity.

Impairment

An impairment loss is recognized as soon as the carrying amount of an asset or the CGU to which it belongs exceeds its recoverable amount. Impairment losses are expensed under "Other operating income and expenses".

Impairment losses recognized in prior periods for an asset other than goodwill may be reversed if, and only if, there is an indication that the previously-recognized loss in value has ceased to exist or has reduced, and if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. However, the reversal of an impairment loss must not result in the carrying amount of the asset exceeding the carrying amount that would have been determined had no impairment been recognized for the asset in prior periods.

H. Financial assets

In accordance with IFRS 9, 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	Assets measured at fair value through profit or loss
Derivative financial instruments (positive fair value)	Fair value – hedging instrument
Deposits and guarantees	Assets at amortized cost
Other	Assets at amortized cost
Trade receivables	Assets at amortized cost
Cash and cash equivalents	Assets at amortized cost

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. These assets are measured at fair value. 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.

I. Financial liabilities

Financial liabilities are classified into two categories:

- financial liabilities at amortized cost;
- financial liabilities at fair value through profit or loss.

Financial liabilities	Classification according to IFRS 9
Derivative financial instruments (negative fair value)	Fair value – hedging instrument
Other financial debt	Amortized cost
OCEANE convertible bonds	Amortized cost
Drawn committed credit lines	Amortized cost
Other financial liabilities	Amortized cost
Trade payables	Amortized cost

Financial liabilities at amortized cost

Borrowings and other financial liabilities (including trade payables) are carried at amortized cost using the effective interest rate method. Issue costs, issue premiums and redemption premiums are included in the amortized cost of borrowings and financial debt. They are shown as reductions or increases in borrowings, as appropriate, and are amortized on an actuarial basis.

Financial liabilities at fair value through profit or loss

A financial liability is classified as a financial liability at fair value through profit or loss if it is held for trading, whether it is a derivative or is designated as such at the time of its initial recognition. Financial liabilities measured at fair value through profit or loss are measured at fair value, with the resulting net gains and losses, including interest expense, taken to profit or loss.

J. Financial instruments

Hedging derivatives

Our Group hedges its currency risk on certain transactions denominated in US dollars using derivatives (forward sales, options). These derivative instruments only hedge currency risk arising from firm commitments or highly probable future transactions.

Our Group may also hedge interest rate risk on floating-rate borrowings.

Derivatives are initially recognized at fair value upon acquisition. Attributable transaction costs are recognized in the income statement when incurred. For derivatives not meeting hedge accounting criteria, following initial recognition, changes in fair value are taken immediately to income.

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 income 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 income 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 financial instruments

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.

K. Inventories

Inventories of raw materials and consumables are stated at acquisition cost. An allowance for impairment is booked for obsolete or surplus items.

Finished goods are carried at production cost except for those whose cost exceeds their selling price during the start-up phase of production and obsolete or surplus items. An impairment allowance is recognized to write down the carrying amount of finished goods to their realizable value less proportionate selling expenses.

Work-in-progress is measured using the same principles, in accordance with the percentage of completion of production.

L. Trade receivables

Trade receivables are initially measured at the transaction price if they do not have a significant financing component. After initial recognition, they are carried at amortized cost using the effective interest rate method.

Trade receivables in foreign currencies are remeasured at the closing rate.

Impairment

An impairment loss is recorded if there is an objective indication based on a case-by-case analysis that our Group might not be able to recover part of or all of its receivables.

M. Assets held for sale

Non-current assets held for sale (or disposal groups) are classified as "Assets held for sale" when it is highly probable that they will be recovered principally through a sale transaction rather than through continued use. Assets held for sale may be a component of an entity, a disposal group or a separate non-current asset.

On initial classification as held for sale, non-current assets and disposal groups are carried at the lower of their carrying amount and their fair value less costs to sell.

Impairment losses resulting from the classification of an asset (or a group of assets and liabilities) as held for sale or distribution plus gains and losses from subsequent revaluations are recognized in profit or loss. Once classified as assets held for sale, the corresponding non-current assets cease to be depreciated.

N. Cash and cash equivalents

Cash and cash equivalents primarily consist of interest-bearing accounts and term deposits readily convertible into cash that are not exposed to a significant interest rate risk.

Investments with a maturity of more than three months with no early exit options, along with investments in money-market UCITS which do not meet the criteria for recognition as cash equivalents under IAS 7, are classified within other financial assets.

To determine whether an investment is eligible to be classified as a cash equivalent, the Group follows the AMF guidance issued in October 2011 (AMF position no. 2011-13 on the classification of UCITS money-market funds as cash equivalents).

O. Equity

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.

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.

Share-based payments

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 all relate to equity-settled plans.

For free share allocations, fair value is also determined according to the characteristics of the plan, market data at the allocation date and an assumption of the employee's continued presence on the payroll at the end of the vesting period. If the plan does not specify the vesting arrangements, the expense is recognized in full as soon as the plan is allocated. Otherwise, the expense is recognized over the vesting period as and when the vesting conditions are met.

P. Provisions

A provision is recognized when our Group has a present (legal or constructive) obligation arising from a past event, the amount of which can be estimated reliably, and the settlement of which is expected to result in an outflow of resources embodying economic benefits for our Group. Provisions are discounted where the impact of discounting is material.

A provision for restructuring costs is only recognized when there is a constructive obligation towards a third party arising from a decision by management prior to the reporting date evidenced by a detailed, formal plan that has been announced to the parties concerned.

Contingent liabilities consist of a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the control of the entity, or a present obligation for which an outflow of resources is unlikely. Contingent liabilities are not recognized but are disclosed in the notes.

Q. Retirement benefit obligations and related benefits

Retirement indemnities and related benefits

French law provides for the payment of a lump-sum indemnity on retirement. This indemnity is calculated based on the employee's length of service and level of compensation upon retirement. Rights only vest for employees who are still with our Company upon retirement.

Other pension plans

Our Group has entered into an agreement to supplement statutory retirement benefits. In addition to statutory benefits, our Group operates a supplementary pension plan for certain employees. This defined benefit plan is managed by an outside agency.

In the United States, Soitec USA LLC pays into a funded pension plan under section 401(k) of the US Internal Revenue Code. This defined contribution pension plan is exempt from tax and covers the majority of US employees.

Defined benefit plans are measured on an actuarial basis using the projected unit credit method, which factors in demographic (salary trends, age upon retirement, staff turnover, mortality rate) and financial (discount and inflation rate) assumptions. Actuarial gains and losses resulting from the revision of calculation assumptions are recognized immediately in other comprehensive income (equity) 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.

R. Revenue recognition

All trade receivables are reported under "Trade receivables".

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.

In accordance with IFRS 15, revenue is recognized when control of goods or services is transferred to customers in exchange for the consideration to which our Group expects to be entitled. Recognition is based on a five-step analysis:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract;
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract;
- recognize revenue when (or as) the entity satisfies the performance obligations.

Revenue derives primarily from product sales and, to a lesser extent, from licensing and development arrangements. Revenue recognition criteria and conditions are as follows:

- silicon wafer sales are recognized as revenue when control of the goods is transferred to the customer under the terms of sale set out in the customer contracts. Revenue is generally recognized when the customer accepts delivery of the goods at its facilities or when the goods leave the warehouses of our Group's entities, depending on the Incoterm in use;
- development sales (income from Dolphin Design SAS, principally):
  - 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.

Our Group may become involved in contracts in which invoicing does not take place when the products are delivered, but when they are consumed by our customers. In this case, our Group analyzes the control transfer criteria stipulated in IFRS 15 and, in particular:

- the reason for implementing such an arrangement (intention of the parties);
- storage and identification of the products within dedicated areas;
- products being ready for physical transfer to the customer within a very short period of time;
- impossibility of selling the products to other customers.

When these criteria are met, revenue is recorded.

S. Gross profit

Gross profit represents revenue less the total cost of sales. Cost of sales includes the cost of resources used in the production of goods sold (raw materials, consumables, personnel costs, depreciation and amortization, energy and fluids).

T. Sales and marketing expenses

Sales and marketing expenses comprise costs incurred by the Sales & Business Development and Strategic Marketing Departments. They primarily consist of personnel costs and expenses relating to trade fairs, consulting and travel.

U. R&D costs

R&D costs include costs that do not meet the criteria for recognition as intangible assets as defined in note C. "Intangible assets". These costs are shown net of prototype sales made as part of R&D activities, any research tax credits, and subsidies recognized in income for the period.

Subsidies received, for which financing agreements have been signed and administrative authorizations obtained, are recorded as deferred income in the statement of financial position (if they relate to projects meeting IAS 38 criteria). Subsidies are invoiced to the relevant bodies following project reviews, based on the milestones set out in the grant agreements.

If they do not pertain to capitalized projects, subsidies are recognized immediately in income based on the stage of completion of the corresponding projects.

Support for R&D activities may also take the form of repayable advances. These advances are recognized within borrowings and financial debt if the corresponding projects meet the criteria for capitalization as R&D costs or if it is likely that the advance will be repaid. If the criteria are not met, repayable advances are treated in the same way as subsidies received.

V. General and administrative expenses

General and administrative expenses comprise costs incurred by support functions less the portion allocated to production costs. These support functions include Executive Management, finance, human resources, legal, communications, quality and IT.

W. Other operating income and expenses

This item shows the effects of major events occurring during the accounting period that are liable to skew analyses of the Group's recurring performance. This includes a limited number of unusual, abnormal, infrequent and material income and expense items. It includes non-recurring restructuring costs, impairment losses charged against non-current assets and goodwill, and transaction costs related to acquisitions of equity interests.

X. Net financial expense

Financial income and expenses comprise the cost of financial debt, dividends received from non-consolidated subsidiaries, changes in the fair value of financial assets excluding cash and derivatives not eligible for hedge accounting, gains and losses on the disposal of financial assets, gains and losses on discounting, and foreign exchange gains and losses on items not included in net debt.

Y. Income tax and deferred taxes

Income tax expense represents the sum of income tax due by our Group's companies and deferred taxes. Income tax is recognized in the income statement except where it relates to items recognized in other comprehensive income, in which case it is also recognized in other comprehensive income.

Deferred tax is accounted for using the balance sheet liability method. The amount of tax expense calculated is influenced by the change in the receivable or liability attributable to the change in the income tax rate from one year to the next (liability method of tax allocation). Deferred tax assets are recognized only when it is probable that taxable profits will be available against which the deferred tax asset can be utilized. The recoverability of deferred tax assets is measured by reference to the business plans used for impairment testing over a three-year time horizon.

A deferred tax asset is recognized when the following conditions are met:

- the entity has sufficient taxable temporary differences involving the same tax authority and the same taxable entity or tax group, which will result in taxable amounts against which the unused tax credits or tax losses may be utilized before they expire;
- it is probable that the entity will generate taxable profits before the unused tax credits or tax losses expire.

No deferred tax asset is recognized to the extent that it is unlikely that the entity will report taxable profit against which the unused tax credits or tax losses can be utilized.

Z. Earnings per share

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.

AA. Discontinued operations

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.

AB. Comprehensive income

The main components of comprehensive income are changes in the fair value of financial assets, actuarial gains and 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 income.

NOTE 3. NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION AND SEGMENT INFORMATION

3.1 Segment information

Segment information is presented in accordance with IFRS 8.

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 the section "Overview of our Company and business activity", based on the following operating segments:

- production and marketing of substrates and components for the semiconductor industry (Electronics);
- other discontinued operations of our Group (Other Business). These consist mainly of the Solar Energy business (operation and maintenance of photovoltaic installations).

The EBITDA figure reported in the segment analysis table represents operating income (EBIT) before depreciation, amortization, non-cash items relating to share-based payments, changes in provisions relating to current assets, and provisions for contingencies and charges, excluding disposals gains and losses.

This indicator is a non-IFRS performance measure of the Group's capacity to generate cash flows from its operating activities. EBITDA is not defined within the scope of IFRS and should not be considered as an alternative to any other financial indicator.

Segment information is presented below:

BREAKDOWN OF THE CONSOLIDATED INCOME STATEMENT

	March 31, 2021			March 31, 2020		
(in € thousands)	Electronics	Other Business	Total	Electronics	Other Business	Total
Revenue	**583,761**	-	**583,761**	597,549	-	597,549
Gross profit	**183,477**	-	**183,477**	**195,426**	-	**195,426**
Gross R&D operating costs	*(74,133)*	-	*(74,133)*	*(66,889)*	-	*(66,889)*
Sales of prototypes and other income	*4,579*	-	*4,579*	*9,013*	-	*9,013*
Subsidies and repayable advances	*25,176*	-	*25,176*	*25,382*	-	*25,382*
Net R&D costs	(44,378)	-	(44,378)	(32,494)	-	(32,494)
Sales and marketing expenses	(11,712)	-	(11,712)	(10,195)	-	(10,195)
General and administrative expenses	(37,397)	-	(37,397)	(35,042)	-	(35,042)
Current operating income	**89,990**	**-**	**89,990**	**117,695**	**-**	**117,695**
Other operating income	*392*	-	*392*	*1,911*	-	*1,911*
Other operating expenses	*(30)*	-	*(30)*	*(100)*	-	*(100)*
Other operating income and expenses	362	-	362	1,811	-	1,811
Operating income (EBIT)	**90,352**	**-**	**90,352**	**119,506**	**-**	**119,506**
Neutralization of reconciliation items						
Depreciation and amortization expense	59,860	-	59,860	45,520	-	45,520
Impairment of non-current assets and accelerated depreciation		-		32	-	32
Share-based payments	19,963	-	19,963	19,526	-	19,526
Provisions, net	6,774	-	6,774	1,854	-	1,854
Provision for retirement benefit obligations	837	-	837	(207)	-	(207)
Gains/(losses) on disposals of assets	1,215	-	1,215	(790)	-	(790)
EBITDA from discontinued operations		(331)	(331)		(946)	(946)
EBITDA	**179,001**	**(331)**	**178,670**	**185,441**	**(946)**	**184,495**

BREAKDOWN OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in € thousands)	March 31, 2021			March 31, 2020		
	Electronics	Other Business	Total	Electronics	Other Business	Total
Intangible assets, net	99,126	-	99,126	87,471	-	87,471
of which goodwill	*20,765*	-	20,765	20,765	-	20,765
Property, plant and equipment, net	378,157	-	378,157	297,154	-	297,154
Non-current financial assets	12,704	-	12,704	14,428	-	14,428
Other non-current assets	15,403	-	15,403	8,997	-	8,997
Non-current assets (1)	**505,390**	**-**	**505,390**	**408,050**	**-**	**408,050**
Inventories	124,309	-	124,309	123,291	-	123,291
Trade receivables	157,422	-	157,422	167,409	-	167,409
Other current assets	76,879	200	77,079	73,820	125	73,945
Current financial assets	6,336	-	6,336	351	-	351
Current assets (2)	**364,946**	**200**	**365,146**	**364,871**	**125**	**364,996**
Trade payables	(78,856)	(133)	(78,989)	(76,100)	(218)	(76,318)
Other current and non-current liabilities	(158,903)	(6,160)	(165,063)	(118,661)	(5,555)	(124,216)
Current and non-current liabilities (3)	**(237,759)**	**(6,293)**	**(244,052)**	**(194,761)**	**(5,773)**	**(200,534)**
CAPITAL EMPLOYED (1) + (2) + (3)	**632,577**	**(6,093)**	**626,484**	**578,160**	**(5,648)**	**572,512**

Breakdown of revenue

All revenue is generated by the Electronics segment, and breaks down as follows:

(in € thousands)	March 31, 2021	March 31, 2020
Electronics – 300 mm SOI	276,650	294,363
Electronics – Small diameter	277,376	274,933
Royalties and other	29,735	28,253
REVENUE	**583,761**	**597,549**

Revenue by geographic area break down as follows:

(in € thousands)	March 31, 2021	March 31, 2020
Europe	145,709	150,529
Asia	358,600	328,202
United States	79,452	118,818
REVENUE	**583,761**	**597,549**

3.2 Intangible assets

Intangible assets break down as follows:

(in € thousands)	Gross value	Accumulated amortization	Impairment	Net value
Goodwill	34,060	-	(13,295)	20,765
Capitalized development projects	28,496	(1,159)	-	27,337
Concessions, patents and other rights	5,519	(5,519)	-	-
Software	73,954	(62,600)	-	11,354
Other intangible assets	19,900	(2,224)	-	17,676
Intangible assets in progress	10,576	-	(237)	10,339
MARCH 31, 2020	**172,505**	**(71,502)**	**(13,532)**	**87,471**
Goodwill	34,060	-	(13,295)	20,765
Capitalized development projects	31,696	(5,567)	-	26,129
Concessions, patents and other rights	5,520	(5,520)	-	-
Software	85,107	(69,333)	-	15,774
Other intangible assets	19,900	(4,381)	-	15,519
Intangible assets in progress	21,177	-	(238)	20,939
MARCH 31, 2021	**197,460**	**(84,801)**	**(13,533)**	**99,126**

For the year ended March 31, 2021, changes in the net value of each intangible asset category can be analyzed as follows:

(in € thousands)	*Goodwill*	Capitalized development projects	Software	Other intangible assets	Intangible assets in progress	Total
MARCH 31, 2019	**8,471**	**-**	**6,682**	**1,683**	**21,643**	**38,479**
Commissioned assets	-	26,853	6,039	-	(32,892)	0
Acquisitions	-	1,643	4,729	-	23,198	29,570
Change in scope	11,947	-	-	18,000	-	29,947
Reclassifications and other changes	347	-	(274)	-	(1,630)	(1,557)
Translation adjustments	-	-	63	-	20	83
Amortization (expense for the period)	-	(1,159)	(5,885)	(2,007)	-	(9,051)
MARCH 31, 2020	**20,765**	**27,337**	**11,354**	**17,676**	**10,339**	**87,471**
Commissioned assets	-	1,044	7,466	-	(8,510)	0
Acquisitions	-	2,186	5,383	-	19,112	26,681
Reclassifications and other changes	-	(30)	(116)	-	28	(118)
Translation adjustments	-	-	(168)	-	(30)	(198)
Amortization (expense for the period)	-	(4,408)	(8,145)	(2,157)	-	(14,710)
MARCH 31, 2021	**20,765**	**26,129**	**15,774**	**15,519**	**20,939**	**99,126**

At March 31, 2021, intangible assets in progress included €16,347 thousand attributable to capitalized development projects, with the balance concerning software purchases.

Software for €7,466 thousand installed over the fiscal year mainly concerns production management software at the Pasir Ris (Singapore) and Bernin (France) facilities.

3.3 Property, plant and equipment

Property, plant and equipment break down as follows:

(in € thousands)	Gross value	Accumulated depreciation	Impairment	Net value
Buildings [1]	276,484	(173,276)	(20,308)	82,900
Equipment and tooling [1]	550,072	(386,733)	(4,386)	158,953
Other property, plant and equipment [1]	19,698	(14,142)	-	5,556
Property, plant and equipment in progress	52,366	-	(2,621)	49,745
MARCH 31, 2020	**898,620**	**(574,151)**	**(27,315)**	**297,154**
Buildings [1]	288,550	(181,188)	(18,976)	88,386
Equipment and tooling [1]	622,259	(410,764)	(1,399)	210,096
Other property, plant and equipment [1]	21,843	(15,880)	-	5,963
Property, plant and equipment in progress	76,301	-	(2,589)	73,712
MARCH 31, 2021	**1,008,953**	**(607,832)**	**(22,964)**	**378,157**
of which property, plant and equipment held under leases pursuant to IFRS 16	*85,024*	*(22,079)*	*(140)*	*62,805*

(1) Of which assets held under leases:

(in € thousands)	Gross value	Accumulated depreciation	Impairment	Net value
Buildings	13,869	(3,560)	-	10,309
Equipment and tooling	56,841	(8,609)	(1,741)	46,491
Other property, plant and equipment	807	(457)	-	350
MARCH 31, 2020	**71,517**	**(12,626)**	**(1,741)**	**57,150**
Buildings	22,519	(5,138)	-	17,381
Equipment and tooling	61,015	(16,313)	(140)	44,562
Other property, plant and equipment	1,490	(628)		862
Property, plant and equipment in progress	-	-	-	-
MARCH 31, 2021	**85,024**	**(22,079)**	**(140)**	**62,805**

The following table presents the change in the net value of right-of-use assets by category of non-current asset:

(in € thousands)	Buildings	Equipment and tooling	Other non-current assets	Total
NET VALUE OF RIGHT-OF-USE ASSETS – MARCH 31, 2020	**10,309**	**46,491**	**350**	**57,150**
Increase (right-of-use assets recognized during the fiscal year)	9,482	4,348	948	14,778
Depreciation	(2,240)	(6,277)	(416)	(8,933)
Translation adjustments	(170)	-	(20)	(190)
NET VALUE OF RIGHT-OF-USE ASSETS – MARCH 31, 2021	**17,381**	**44,562**	**862**	**62,805**

Further to a review and in order to align the lease with the projected utilization period of the building, our Group extended the term of the lease on the office building at the Bernin facility by nine additional years to 12 years, giving rise to an additional right-of-use asset in the amount of €5,562 thousand.

For the year ended March 31, 2021, changes in the net value of each category of property, plant and equipment can be analyzed as follows:

(in € thousands)	Buildings	Equipment and tooling	Other	Property, plant and equipment in progress	Total
MARCH 31, 2019	**83,549**	**82,160**	**3,042**	**84,842**	**253,593**
Commissioned assets	2,306	65,738	2,369	(70,413)	0
Acquisitions	2,854	1,094	751	45,463	50,162
Change in scope	868	1,451	944	935	4,198
Leased assets (IFRS 16)	3,200	32,288	50	(10,766)	24,772
Reclassifications and other changes	(127)	(703)	(78)	(892)	(1,800)
Translation adjustments	1,003	1,146	34	899	3,082
Depreciation (expense for the period)	(10,753)	(24,161)	(1,556)	-	(36,470)
Impairment and accelerated depreciation	-	-	-	(32)	(32)
Disposals or retirements (net value)	-	(60)	-	(291)	(351)
MARCH 31, 2020	**82,900**	**158,953**	**5,556**	**49,745**	**297,154**
Commissioned assets	10,037	82,957	1,828	(94,822)	0
Acquisitions	245	956	159	120,495	121,855
Leased assets (IFRS 16)	9,482	4,348	948	-	14,778
Translation adjustments	(2,586)	(4,624)	(134)	(1,445)	(8,789)
Depreciation (expense for the period)	(11,702)	(31,179)	(2,269)	-	(45,150)
Disposals or retirements (net value)	10	(1,315)	(125)	(261)	(1,691)
MARCH 31, 2021	**88,386**	**210,096**	**5,963**	**73,712**	**378,157**

Acquisitions mainly concern industrial investments for the Bernin (POI products, Bernin 3) and Pasir Ris (300 mm wafers) facilities, designed to increase capacity in line with forecast demand.

3.4 Value of non-current assets

Goodwill

In accordance with the description set out in note 2.5.G., our Group conducts impairment tests on the "Electronics" and "Integrated circuit design" CGUs.

The assumptions used for the March 31, 2021 impairment tests are as follows:

	Electronics	Integrated circuit design
Long-term growth rate	1.5%	1.5%
Discount rate	11.3%	19.0%

The business plan used for the impairment tests is based on average annual revenue growth of 24% for the "Electronics" CGU and of 22% for the "Integrated circuit design" CGU over the next five years.

At March 31, 2021, these tests did not identify any loss in value or any material sensitivity to any possible, reasonable change in the key assumptions used (notably, revenue trends).

Specific assets

Industrial plant in Singapore

The Electronics business' Singapore plant was built in 2008 to increase 300 mm-wafer production capacity. Due to the downturn in demand, most of the production of 300 mm wafers was transferred to the Bernin site in September 2013 and the Singapore clean room remained dormant. One of the options considered by management had been to sell the plant. In view of the indication of a loss of value due to the plant being idled, an impairment loss was recognized based on an appraisal by an independent expert (US$22 million impairment loss recognized in fiscal year 2015-2016).

The indicators used by our Group to assess whether this impairment loss should be reversed mainly include the actual level of utilization in relation to the capacity and size of the plant, as well as its profitability. Considering in particular the low level of utilization of the Singapore plant in fiscal year 2020-2021, the impairment loss has not been reversed at this stage.

3.5 Non-current financial assets

Non-current financial assets break down as follows:

(in € thousands)	March 31, 2021	March 31, 2020
Investments	11,935	14,745
Loans	1,230	180
Deposits and guarantees	92	85
Derivative financial instruments (positive fair value)	36	5
Other financial assets	83	-
Gross value	**13,376**	**15,015**
Impairment of investments	(492)	(407)
Impairment of loans	(180)	(180)
Impairment	**(672)**	**(587)**
NON-CURRENT FINANCIAL ASSETS, NET	**12,704**	**14,428**

Our Group subscribed to convertible bonds in Greenwaves in an amount of €1,050 thousand.

"Investments" breaks down as follows:

	March 31, 2021				March 31, 2020			
(in € thousands)	Gross value	Provisions	Net value	% held	Gross value	Provisions	Net value	% held
Greenwaves Technologies	3,299	-	3,299	16.58%	3,299	-	3,299	16.58%
Technocom	3,850	(152)	3,698	8.00%	3,350	(67)	3,283	8.00%
Shanghai Simgui Technology Co. Ltd.	4,441	-	4,441	2.70%	4,441	-	4,441	2.70%
Cissoïd	340	(340)	-	0.19%	340	(340)	-	0.19%
Exagan	-	-	-	-	3,310	-	3,310	15.24%
Other	5	-	5	-	5	0	5	-
INVESTMENTS	**11,935**	**(492)**	**11,443**	**-**	**14,745**	**(407)**	**14,338**	**-**

In fiscal year 2020-2021, our Group sold its interest in Exagan for €3,043 thousand (after deducting disposal costs). The disposal gain recognized in fiscal year 2020-2021 was not material as our Group's interest was sold at a selling price corresponding to its fair value at March 31, 2020.

3.6 Other non-current assets

Other non-current assets break down as follows:

(in € thousands)	March 31, 2021	March 31, 2020
Tax receivables	10,831	4,853
Prepayments on orders of non-current assets	3,995	3,527
Deposits and guarantees	577	617
Gross value	**15,403**	**8,997**
Impairment	-	-
OTHER NON-CURRENT ASSETS, NET	**15,403**	**8,997**

At March 31, 2021, non-current tax receivables in the amount of €10,831 thousand mainly correspond to research tax credits attributable to Dolphin Design and Soitec SA for €6,524 thousand and €2,573 thousand, respectively.

The total value of research tax credits receivable (current and non-current portions) amounted to €25,632 thousand at March 31, 2021 (€34,342 thousand at March 31, 2020).

3.7 Inventories

Inventories break down as follows:

(in € thousands)	March 31, 2021	March 31, 2020
Raw materials	86,779	85,070
Work-in-progress	27,476	18,008
Finished products and goods	26,266	31,034
Gross value	**140,520**	**134,112**
Allowances	(16,211)	(10,821)
INVENTORIES, NET	**124,309**	**123,291**

3.8 Trade receivables

Trade receivables break down as follows:

(in € thousands)	March 31, 2021	March 31, 2020
Trade receivables	157,803	167,632
Allowances	(381)	(223)
TRADE RECEIVABLES, NET	**157,422**	**167,409**

At March 31, 2021, the aged analysis of trade receivables was 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	157,803	150,910	4,626	818	852	597
Allowances	(381)	-	-	(280)	-	(101)
Net value at March 31, 2021	**157,422**	**150,910**	**4,626**	**538**	**852**	**496**
Gross value	167,632	158,480	7,255	480	554	863
Allowances	(223)	-	-	-	-	(223)
Net value at March 31, 2020	**167,409**	**158,480**	**7,255**	**480**	**554**	**640**

3.9 Other current assets

Other current assets break down as follows:

(in € thousands)	March 31, 2021	March 31, 2020
Tax and social security receivables	41,822	42,598
Receivables on disposals of assets	1,747	-
Prepaid expenses	2,370	2,141
Subsidies receivable	25,606	25,927
Prepayments on orders of current assets	3,811	1,565
Deposits and guarantees	92	39
Other	1,631	1,704
Gross value	**77,079**	**73,974**
Allowances	-	(29)
OTHER CURRENT ASSETS, NET	**77,079**	**73,945**

At March 31, 2021, tax receivables mainly include research tax credits in an amount of €14,803 thousand (€31,633 thousand at March 31, 2020), as well as tax receivables for €17,460 thousand (€6,539 thousand at March 31, 2020).

Operating subsidies receivable are as follows:

(in € thousands)	March 31, 2021	March 31, 2020
Operating subsidies receivable at beginning of period	25,927	19,561
Changes in scope of consolidation and other reclassifications (1)	2,070	792
Received during the period	(15,032)	(11,505)
Recognized in income	13,232	16,853
Translation adjustments	(591)	226
OPERATING SUBSIDIES RECEIVABLE AT END OF PERIOD	**25,606**	**25,927**

(1) At March 31, 2021, other reclassifications chiefly include subsidies on investment programs in Singapore for €1,194 thousand.

At March 31, 2021, subsidies receivable primarily concern the Nano 2022 program (€9,582 thousand) for Soitec SA and Soitec Lab, as well as programs financed by the Singapore Economic Development Board (€10,223 thousand).

3.10 Current financial assets

Current financial assets break down as follows:

(in € thousands)	March 31, 2021	March 31, 2020
Loans	34	34
Accrued interest	87	90
Prepaid expenses	30	78
Deposits and guarantees	275	139
Derivative financial instruments (positive fair value)	5,610	10
Other	300	-
Gross value	**6,336**	**351**
Allowances	-	-
CURRENT FINANCIAL ASSETS, NET	**6,336**	**351**

Derivative financial instruments with a positive fair value for €5,610 thousand correspond to the fair value of currency hedges (mainly forward sales of US dollars) with a maturity of less than 12 months.

3.11 Cash and cash equivalents

Cash and cash equivalents break down as follows:

(in € thousands)	March 31, 2021	March 31, 2020
Cash	504,260	170,994
Cash equivalents	140,116	20,004
TOTAL CASH AND CASH EQUIVALENTS	**644,376**	**190,998**

Cash includes cash held in interest-bearing accounts, and cash equivalents correspond to sight deposits.

Cash at bank is principally denominated in euros (88% of the total) and US dollars (10% of the total).

The cash balance at March 31, 2021 includes ZAR 125 million (€7.2 million), related to the sale of the shares held in our former South African subsidiary. These funds were received by the Group in full on May 7, 2021, after receiving clearance for their repatriation.

3.12 Assets and liabilities held for sale

Further to the sale in fiscal year 2019-2020 of the financial assets related to the solar power plant in South Africa (equity-accounted investments in CPV Power Plant No. 1, 20% stake, and the repayment of the loan granted to one of the shareholders of the Touwsrivier plant), the Group no longer has any assets or liabilities held for sale.

The provisions relating to business either abandoned or sold and to the underlying commitments (mainly warranties given) are presented with the other provisions in the statement of financial position.

3.13 Issued capital and reserves

Share capital and share premium

At March 31, 2021, our Company's share capital comprised ordinary shares and preferred shares, all with a par value of €2.00.

(number of shares)	March 31, 2021	March 31, 2020
Ordinary shares with a par value of €2.00	33,180,921	33,180,921
Preferred shares with a par value of €2.00	184,302	97,980
TOTAL	**33,365,223**	**33,278,901**

Movements in the share capital during fiscal year 2020-2021 were as follows:

- November 30, 2020: issue of 10,461 preferred shares ("PS 2") subscribed in cash by employees at a price of €88.90 in the context of the reopening of the "Topaz" co-investment plan: capital increase of €20,922 and share premium of €909,061;
- December 18, 2020: issue of 75,861 free preferred shares ("PS 2") further to the vesting of the initial tranche of free PS 2 allocated on November 30, 2020 as part of the "Topaz" co-investment plan: capital increase of €151,722 (deducted from the share premium).

Treasury shares

At March 31, 2021, our Company held 4,351 treasury shares.

	March 31, 2021	March 31, 2020
Number of treasury shares	4,351	4,442
Gross value *(in € thousands)*	369	377
Unrealized capital gain/(loss) *(in € thousands)*	350	(67)

The gross value of these treasury shares along with gains or losses on disposal are deducted from equity.

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 currency hedges	Deferred taxes	Gains/(losses) on disposals of treasury shares	Other changes	Translation adjustments	Total
March 31, 2019	**(5,389)**	**1**	**772**	**1,001**	**(15,729)**	**24,146**	**4,802**
Changes during the period	(2,088)	(415)	676	-	-	4,412	2,585
March 31, 2020	**(7,477)**	**(414)**	**1,448**	**1,001**	**(15,729)**	**28,558**	**7,387**
Changes during the period	(1,365)	(3,325)	1,342	-	-	(11,611)	(14,959)
MARCH 31, 2021	**(8,842)**	**(3,739)**	**2,790**	**1,001**	**(15,729)**	**16,947**	**(7,572)**

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.

Dividends

Our Board of Directors will ask the Shareholders' General Meeting to be held on July 28, 2021 to appropriate the net profit for the year to reserves and retained earnings, and not to pay a dividend.

3.14 Share-based payment

Impact of share-based payments on the consolidated income statement

Plans dated July 26, 2018

At its July 26, 2018 meeting, our Board of Directors decided to set up two free ordinary share allocation plans, intended for all employees of our Company and its subsidiaries and designed to involve them in our Group's growth.

Under the plans, subject to continued presence in the Group, length of service and performance conditions, a total of 308,263 ordinary shares were allocated to employees, representing approximately 1.1% of our Company's share capital at that date.

Subject to the achievement of all the conditions set under the rules of these plans, the ordinary shares allocated will definitively vest for beneficiaries on the first working day following July 26, 2021.

For the year to March 31, 2021, the expense recognized in the income statement for these free share allocation plans was €12,197 thousand (including €6,007 thousand in social security contributions).

Co-investment plan

The Extraordinary Shareholders' General Meeting of July 26, 2019 authorized the Board of Directors to allocate free preferred shares ("PS 2") based on the achievement of objectives relating to EBITDA, revenue and the Total Shareholder Return (TSR) of our Company's ordinary shares compared to the Euro Stoxx 600 Technology index.

Vesting of the PS 2 is subject to a presence condition.

In fiscal year 2019-2020:

- 97,980 PS 2 were subscribed by employees and corporate officers at a unit price of €84.17, and our Board of Directors issued 97,980 PS 2.
- Subject to a presence condition, the free PS 2 vest in tranches (40% on December 18, 2020, 30% on August 1, 2021 and 30% on August 1, 2022). On December 18, 2020, following the vesting of the first tranche, 75,861 PS 2 were issued.

The plan was reopened on November 18, 2020, and further to the subscription of 10,461 PS 2 by employees at a unit price of €88.9, our Board of Directors issued 10,461 PS 2 on November 30, 2020:

- Subject to a presence condition, the free PS 2 vest in tranches (60% on January 10, 2022 and 40% on November 30, 2022).
- The subscription price of €88.90 per PS 2 was determined by an independent expert after a 25% illiquidity discount was taken into account.
- The fair value of each of the two tranches was measured using best estimates, based on:
  - the probability of achieving the revenue and EBITDA objectives (according to our business plan);
  - the number of instruments to be issued, taking into account the employee turnover rate.

This plan gave rise to an expense of €9,885 thousand (of which €421 thousand attributable to social security contributions) in the income statement for the year to March 31, 2021.

Free share allocation plan reserved for certain employees

Pursuant to the authorizations granted by the Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2019, our Board of Directors made the following allocations to certain employees:

- 23,953 ordinary shares at its meeting on December 18, 2019;
- 14,863 ordinary shares at its meeting on March 17, 2020;
- 7,394 ordinary shares at its meeting on November 18, 2020.

The primary objective of these allocations was to enable the creation of a long-term incentive plan based on the results of our Group for certain employees of our Company and its affiliates.

These allocations are subject to:

- a presence condition;
- performance conditions based on objectives related to EBITDA, revenue and the Total Shareholder Return (TSR) of our Company's ordinary shares.

These plans gave rise to an expense of €1,253 thousand (including €370 thousand in social security contributions) in the income statement for the year to March 31, 2021.

Free share allocation plans for all of our employees and for management

Pursuant to the authorizations granted by the Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2019, in order to acknowledge efforts to reach our Company's objectives and continue supporting customers in recent months in spite of the constraints caused by the health crisis, at its meeting on November 18, 2020, the Board of Directors decided to exceptionally allocate a free share plan to all employees, representing a maximum dilution of 0.43% of the share capital, subject to performance conditions.

At the same meeting, the Board of Directors also decided to allocate free shares subject to the same performance conditions to 22 executives, representing a maximum dilution of 0.18% of the share capital, including 0.04% in respect of our Chief Executive Officer, as well as 1,271 additional free shares allocated on March 31, 2021.

211,702 ordinary shares were allocated under these two plans, subject to the following conditions:

- a presence condition;
- performance conditions:
  - EBITDA and revenue objectives for the year ending March 31, 2023, and
  - the Total Shareholder Return (TSR) of our Company's ordinary shares compared to the Euro Stoxx 600 Technology index between November 18, 2020, and the publication date of our Group's consolidated financial statements for the year ending March 31, 2023.

These plans gave rise to an expense of €4,379 thousand (including €609 thousand in social security contributions) in the income statement for the year to March 31, 2021.

Free share allocation plan for certain employees of Dolphin Design SAS

On November 18, 2020, pursuant to the authorizations granted by the Shareholders' General Meeting of July 26, 2019, our Board of Directors set up a free ordinary share allocation plan for certain employees of our Group's subsidiary, Dolphin Design SAS. This plan is subject to a presence condition (presence in the Group until August 1, 2024) and performance conditions (revenue and EBITDA for fiscal years 2021-2022 to 2023-2024). A total of 9,500 ordinary shares were conditionally allocated to employees under the plan.

This plan gave rise to an expense of €111 thousand (of which €17 thousand in social security contributions) in the income statement for the year to March 31, 2021.

Share-based payments

Free shares: the table below shows the utilization of the authorizations granted by the Shareholders' General Meeting relating to the allocation of free shares during the year ended March 31, 2021:

Date of Shareholders' General Meeting	**03/23/2018**	**07/26/2019**	**07/26/2019**	**07/26/2019**	**07/26/2019**	**07/26/2019**
Date of Board of Directors' meeting	07/26/2018	12/18/2019	03/17/2020	11/18/2020	11/18/2020	11/18/2020
Number of shares	**344,981**	**23,953**	**14,863**	**150,516**	**59,915**	**7,394**
Of which number of shares for corporate officers	-	-	-	-	*13,306*	-
Vesting period	07/26/2018 to 07/26/2021	12/19/2019 to 08/01/2022	03/17/2020 to 08/01/2022	11/18/2020 to 08/01/2023	11/18/2020 to 08/01/2023	11/18/2020 to 11/18/2022
Holding period	N/A	N/A	N/A	N/A	N/A	N/A
Number of shares vested	**403**	**-**	**-**	**-**	**-**	**-**
Number of shares outstanding	**280,565**	**17,581**	**14,863**	**140,805**	**59,915**	**7,394**

Preferred shares: the table below shows the utilization of the authorizations granted by the Shareholders' General Meeting relating to the allocation of preferred shares during the year ended March 31, 2021:

Date of Shareholders' General Meeting	**07/26/2019**	**07/26/2019**
Date of Board of Directors' meeting	12/18/2019	11/18/2020
Number of preferred shares (PS) allocated	**293,940** (1)	**42,183** (2)
Of which number of preferred shares for corporate officers	*31,982*	-
Date of conditional allocation of PS	12/18/2019	11/18/2020
Date of vesting of PS	08/01/2022 (3)	11/30/2022 (4)
Date of conversion into ordinary shares (OS)	08/01/2022	11/30/2022
Number of ordinary shares issued	-	-
Maximum number of ordinary shares remaining to be issued	227,818	84,366

(1) 97,980 PS purchased by employees and 195,960 PS allocated free of consideration.
(2) 10,461 PS purchased by employees and 28,122 PS allocated free of consideration.
(3) First tranche on December 18, 2020 (40%), second tranche on August 1, 2021 (30%) and third tranche on August 1, 2022 (30%).
(4) First tranche on January 10, 2022 (60%) and second tranche on November 30, 2022 (40%).

3.15 Borrowings and financial debt

(in € thousands)	Effective interest rate *(in %)*	Currency	Maturity	March 31, 2021	March 31, 2020
CURRENT					
Industrial equipment (in EUR)	0.25%-1.68%	EUR	2021-2027	10,448	9,657
Other equipment (in JPY)	3.48%	JPY	2021	-	14
Leases	0.60%-5.18%	EUR	2021-2033	2,276	1,374
Leases	1.87%-3.48%	USD	2021-2025	22	71
Leases	2.60%-3.48%	JPY	2021-2024	8	92
Leases	3.48%	KRW	2022	11	11
Leases	2.60%	Other currency	2021-2024	35	35
Loans					
France bank loans	1.58%-5.5%	EUR	2021-2024	40	46
Singapore bank loans	1.87%	EUR	2024-2025	9,235	-
CDC loan	1.27%-1.49%	EUR	2032	73	-
Other					
Repayable advances	-	EUR	2021	2,772	1,664
Derivative financial instruments (negative fair value)	-	EUR	2021	5,014	1,096
Finance payables	-	EUR	2021	1,441	999
Drawn committed credit lines (principal, in EUR)	0.62%-2%	EUR	2021	3,543	34,021
Put options		EUR	-		2,000
Other financial liabilities	1.63%	EUR	2021	1,288	1,101
CURRENT FINANCIAL DEBT				**36,206**	**52,182**
NON-CURRENT					
Leases (IFRS 16)					
Industrial equipment (in EUR)	0.25%-1.68%	EUR	2021-2027	30,440	37,427
Other equipment (in JPY)	3.48%	JPY	2021	-	19
Leases	0.60%-5.18%	EUR	2021-2033	11,450	3,990
Leases	1.87%-3.48%	USD	2021-2025	43	24
Leases	2.60%-3.48%	JPY	2021-2024	2	11
Leases	3.48%	KRW	2022	-	11
Leases	2.60%	Other currency	2021-2024	69	98
Loans					
Bonds: OCEANE 2023 convertible bonds	0.00%	EUR	2023	139,350	134,829
Bonds: OCEANE 2025 convertible bonds	0.00%	EUR	2025	289,868	-
France bank loans	1.58%-5.5%	EUR	2021-2024	1,041	61
Singapore bank loans	1.87%	EUR	2024-2025	30,186	-
CDC loan	1.27%-1.49%	EUR	2032	94,559	-
Other					
Repayable advances	-	EUR	2021-2028	5,178	6,605
Drawn committed credit lines	0.56%-0.56%	EUR	2023	2,161	-
Derivative financial instruments (negative fair value)	-	EUR	2022-2023	3,267	63
Put options	-	EUR	2022-2024	4,547	7,836
Other financial liabilities	-	EUR	2022	111	1,548
NON-CURRENT FINANCIAL DEBT				**612,273**	**192,523**

Borrowings and financial debt break down as follows:

OCEANE 2025 convertible bonds

On October 1, 2020, our Company issued bonds convertible into and/or exchangeable for new and/or existing shares (OCEANE convertible bonds) maturing on October 1, 2025, for an amount of €325 million. Issue costs amounted to €3,942 thousand.

After initially measuring the debt component at €289,713 thousand, an amount of €35,287 thousand (gross, before deduction of issue costs) was recognized in equity in fiscal year 2020-2021. The amount recognized in the income statement for the year to March 31, 2021 in respect of interest expenses relating to discounting the debt and amortizing issue fees amounted to €3,668 thousand.

OCEANE 2023 convertible bonds

On June 28, 2018, our Company issued bonds convertible into and/or exchangeable for new and/or existing shares (OCEANE convertible bonds) maturing on June 28, 2023, for an amount of €150 million.

After initially measuring the debt component at €129,293 thousand, an amount of €20,707 thousand (gross, before deduction of issue costs) was recognized in equity in fiscal year 2018-2019. The amount recognized in the income statement for the year to March 31, 2021 in respect of interest expenses relating to discounting the debt and amortizing issue fees amounted to €4,520 thousand.

Leases

Our Group signed new equipment finance leases (financing of production equipment for our Bernin and Hasselt [Belgium] sites) for a total amount of €4,085 thousand, with interest at rates of between 0.39% and 1.23%.

The €10,639 thousand increase in operating leases during the fiscal year mainly concerns:

- the nine-year extension of the lease term for the office building at the Bernin facility;
- new property leases signed concerning the facilities at Bernin, Meylan (Dolphin Design) and in Belgium (Soitec Belgium);
- the use of offices and clean rooms as part of our SiC pilot line hosted by CEA.

Long-term €200 million loan with Banque des Territoires

On March 27, 2020, our Group was granted a loan from Banque des Territoires (Caisse des Dépôts group) under the *Programme d'investissements d'avenir* (PIA), as part of the Nano 2022 program. Drawdowns from this credit line will be staggered over the next few years to support both the financing of R&D programs and investments in infrastructure projects that will be industrialized for the first time in France. This amortizing loan is for a maximum amount of €200 million and is subject to investment conditions. It is repayable on the twelfth anniversary of inception (2032), including a 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%.

During fiscal year 2020-2021, our Group drew down €94,559 thousand under this loan.

Bank loans

In November 2020, our Group arranged a five-year syndicate loan maturing in 2025 with four Asia-based banks to fund new equipment for our Singapore site, for an initial amount of €44,406 thousand. The loan bears interest at 3-month Euribor plus an average spread of 1.87%. A warranty was set up in respect of the financed equipment.

Bank credit lines

During fiscal year 2020-2021, Dolphin Design arranged a €2,161 thousand credit line corresponding to the financing of the receivable on the French tax authorities in respect of the 2019 research tax credit.

Repayable advances

The liabilities corresponding to the repayable advances collected under the Nanosmart, Guépard and Allegro 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 of FD-SOI and SOI for radiofrequency applications could result in the reclassification as debt of a portion of the repayable advances received under the Nanosmart program recognized in income in previous fiscal years. The theoretical maximum amount that could be reclassified is €8,007 thousand, although the probability of reaching this level is very low.

Similarly, 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 income in previous fiscal years. The theoretical maximum amount that could be reclassified is €8,295 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 income is €4,775 thousand.

Put options

Dolphin

The Dolphin Design SAS shareholder agreement includes a put option under which MBDA can require our Group to purchase its 40% interest in Dolphin Design SAS between November 1, 2022 and December 31, 2022, with an option for our Group to acquire an initial 20% tranche in November 2020. This option constitutes a liability valued at €6,767 thousand at March 31, 2020.

In November 2020, our Group exercised the option to acquire 20% of Dolphin Design SAS at a pre-determined price of €2,000 thousand. The option on the residual 20% was valued at €3,525 thousand at March 31, 2021, based on best estimates of the achievement of the performance criteria based on the business plan.

Soitec Belgium

At March 31, 2021, Soitec Belgium's co-founding directors hold 3.39% of the share capital. The shareholder agreement provides for a cross put/call option for these directors at a price that will be determined according to the level of achievement of performance criteria. At March 31, 2021, the fair value of this liability was measured at €1,022 thousand (€3,069 thousand at March 31, 2020), based on best estimates of the achievement of the performance criteria based on the business plan over the contractual period.

Other financial liabilities

Other financial liabilities mainly concern the deferred portion of the firm purchase price for Soitec Belgium.

Borrowings and debt fall due as follows:

(in € thousands)	March 31, 2021				March 31, 2020
	Less than 1 year	1 to 5 years	More than 5 years	Total	
LEASES (IFRS 16)					
Equipment leases	10,448	28,284	2,156	40,888	47,116
Other leases	2,352	5,880	5,684	13,916	5,719
LOANS					
Bonds: OCEANE 2023 convertible bonds	-	139,350	-	139,350	134,829
Bonds: OCEANE 2025 convertible bonds	-	289,868	-	289,868	-
Bank loans	9,348	65,421	60,365	135,134	107
OTHER BORROWINGS AND FINANCIAL DEBT:					
Repayable advances	2,772	4,335	843	7,950	8,269
Derivative financial instruments (negative fair value)	5,014	3,267	-	8,281	1,159
Drawn committed credit lines	3,543	2,161	-	5,704	34,021
Put options	-	4,547	-	4,547	9,836
Other financial liabilities	2,729	111	-	2,840	3,648
TOTAL BORROWINGS AND FINANCIAL DEBT	**36,206**	**543,224**	**69,048**	**648,479**	**244,704**

The following table presents changes in liabilities arising from financing activities:

(in € thousands)	March 31, 2020	Change in cash and cash equivalents	Non-cash movements			March 31, 2021
			Change	Translation adjustments	Change in scope of consolidation	
Borrowings and other financial debt – non-current portion	142,726	449,334	-	(390)	(29,958)	561,712
Borrowings and other financial debt – current portion	37,175	(22,876)	-	(116)	-	14,183
Leases (IFRS 16)	52,835	(12,749)	14,724	(5)	-	54,805
Other	-	(136)	136	-	-	-
Derivative financial instruments (positive fair value)	-	(36)	-	-	-	(36)
TOTAL LIABILITIES ARISING FROM FINANCING ACTIVITIES	**232,736**	**413,537**	**14,860**	**(511)**	**(29,958)**	**630,664**

Leases recognized pursuant to IFRS 16 are recorded under financial debt in the following categories:

(in € thousands)	Net carrying amount of lease liabilities at March 31, 2020	Increase in lease liabilities	Decrease in lease liabilities	Translation adjustments	Net carrying amount of lease liabilities at March 31, 2021
Buildings	5,423	9,303	(1,858)	(3)	12,865
Equipment	47,116	4,085	(10,310)	(1)	40,890
Other non-current assets	296	1,336	(580)	(1)	1,050
TOTAL LEASES RECOGNIZED PURSUANT TO IFRS 16	**52,835**	**14,724**	**(12,748)**	**(5)**	**54,805**

3.16 Provisions and other non-current liabilities

Provisions and other non-current liabilities break down as follows:

(in € thousands)	March 31, 2021	March 31, 2020
Deferred income	18,570	16,914
Deferred tax liabilities	3,633	4,257
Non-current liabilities	**22,203**	**21,171**
Provisions	21,597	19,344
PROVISIONS AND OTHER NON-CURRENT LIABILITIES	**43,800**	**40,515**

At March 31, 2021, deferred income mainly comprises:

- sales of prototypes and research tax credits/subsidies relating to capitalized development costs (for €4,589 thousand and €8,625 thousand respectively versus €4,807 thousand and €6,027 thousand respectively at March 31, 2020);
- subsidies to be recognized in income for €4,497 thousand (€4,840 thousand at March 31, 2020);
- royalties to be recognized in income in the amount of €859 thousand (€1,241 thousand at March 31, 2020).

Non-current provisions for contingencies and charges mainly comprises €16,964 thousand in provisions for retirement benefit obligations (€14,382 thousand at March 31, 2020), as well as €4,633 thousand in provisions linked to commitments given in connection with the Solar Energy business (€4,962 thousand at March 31, 2020).

Changes in provisions

Provisions break down as follows:

(in € thousands)	March 31, 2020	Additions for the period	Reversals (utilized)	Reversals (surplus)	Translation adjustments	Actuarial gains/(losses) classified in other comprehensive income	March 31, 2021
CURRENT PROVISIONS							
Litigation	1,888	464	-	(490)	-	-	1,862
Restructuring	235	80	-	-	(12)	-	303
Total current	**2,123**	**544**	**-**	**(490)**	**(12)**	**-**	**2,165**
NON-CURRENT PROVISIONS							
Retirement benefit obligations	14,382	2,120	(745)	(158)	-	1,365	16,964
Total non-current	**14,382**	**2,120**	**(745)**	**(158)**	**-**	**1,365**	**16,964**
Provisions linked to the Solar Energy business*	5,555	36	(397)	(130)	30	-	5,094
TOTAL PROVISIONS	**22,060**	**2,700**	**(1,142)**	**(778)**	**18**	**1,365**	**24,223**

* *Of which €461 thousand current and €4,633 thousand non-current.*

The provision for retirement benefit obligations is analyzed in note 5.1.

Provisions relating to discontinued or sold operations (Solar Energy business) and the underlying commitments amount to €5,094 thousand, of which a non-current portion for €4,633 thousand and a current portion for €462 thousand, breaking down as follows:

(in € thousands)	March 31, 2020	Additions for the period	Reversals (utilized)	Reversals (surplus)	Translation adjustments	March 31, 2021
• Dismantling of solar power plants (excl. US) and compensation	3,844	-	-	-	-	3,844
• Cost of discontinuing operations	828	16	(249)	-	-	595
Freiburg site	**4,672**	**16**	**(249)**	**-**	**-**	**4,439**
• Cost of discontinuing operations	416	-	(62)	(130)	(27)	197
San Diego site	**416**	**-**	**(62)**	**(130)**	**(27)**	**197**
• Cost of discontinuing operations	467	20	(86)		57	458
South African site	**467**	**20**	**(86)**		**57**	**458**
TOTAL	**5,555**	**36**	**(397)**	**(130)**	**30**	**5,094**

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.

3.17 Trade payables

Trade payables break down as follows:

(in € thousands)	March 31, 2021	March 31, 2020
TRADE PAYABLES	**78,989**	**76,318**

Trade payables correspond to short-term operating payables.

3.18 Provisions and other current liabilities

Provisions and other current liabilities break down as follows:

(in € thousands)	March 31, 2021	March 31, 2020
Prepayments received on customer orders	17,953	16,768
Payable to fixed asset suppliers	31,497	11,538
Tax and social security payables	57,807	51,600
Deferred income	4,584	3,084
Other liabilities	6,796	2,252
Other current liabilities	**118,637**	**85,242**
Provisions	**2,626**	**2,716**
PROVISIONS AND OTHER CURRENT LIABILITIES	**121,263**	**87,958**

Provisions are detailed in note 3.16.

At March 31, 2021, other liabilities mainly include subsidies to be paid over to R&D partners for €3,456 thousand, and directors' compensation (formerly known as directors' fees) for €1,010 thousand.

NOTE 4. NOTES TO THE CONSOLIDATED INCOME STATEMENT

4.1 Personnel costs

Personnel costs break down as follows:

(in € thousands)	March 31, 2021	March 31, 2020
Wages and salaries, including social security costs (1)	(125,816)	(124,149)
Pension costs	(837)	208
Share-based payment expenses (2)	(28,173)	(21,729)
TOTAL PERSONNEL COSTS	**(154,826)**	**(145,670)**

(1) Wages and salaries also include incentive and mandatory profit-sharing expenses.
(2) Including social security contributions.

Our Group's average number of employees measured on a full-time equivalent basis is as follows:

(full-time equivalent)	March 31, 2021	March 31, 2020
Production	989	919
R&D	353	339
Sales and marketing	33	31
Management and administrative staff	213	196
TOTAL FULL-TIME EQUIVALENT HEADCOUNT	**1,588**	**1,484**

4.2 R&D costs

R&D costs break down as follows:

(in € thousands)	March 31, 2021	March 31, 2020
Gross R&D operating costs	**(74,133)**	**(66,889)**
of which cost of amortization of capitalized projects	*(4,408)*	*(987)*
Sales of prototypes	1,863	7,859
R&D subsidies recognized in income	8,872	11,246
Research tax credit	16,304	14,136
Other income	2,716	1,154
Total income deducted from gross operating costs	**29,755**	**34,395**
TOTAL R&D OPERATING COSTS, NET	**(44,378)**	**(32,494)**

In fiscal year 2020-2021, our Group capitalized €14,619 thousand in development costs (€17,544 thousand in fiscal year 2019-2020).

4.3 Depreciation and amortization expense

Depreciation and amortization expense in the income statement break down as follows:

(in € thousands)	March 31, 2021	March 31, 2020
Cost of sales	(44,650)	(35,496)
R&D costs	(12,705)	(8,250)
Sales and marketing expenses	(271)	(137)
Administrative expenses	(2,234)	(1,637)
TOTAL DEPRECIATION AND AMORTIZATION EXPENSE	**(59,860)**	**(45,520)**

The increase in depreciation and amortization expense reflects the high levels of investment over the past few years.

IFRS 16 – Leases

(in € thousands)	Depreciation of right-of-use assets for the year ended March 31, 2021	Interest expense on lease liabilities for the year ended March 31, 2021	Rental expenses for the year ended March 31, 2021
LEASES RECOGNIZED PURSUANT TO IFRS 16			
Buildings	(1,850)	(132)	(2,038)
Equipment	(8,014)	(313)	(10,583)
Other non-current assets	(603)	(26)	(552)
Total leases recognized pursuant to IFRS 16	**(10,467)**	**(471)**	**(13,173)**
Short-term or low-value leases (exemption)	-	-	(1,358)
Total leases not restated	**-**	**-**	**(1,358)**
TOTAL	**(10,467)**	**(471)**	**(14,531)**

4.4 Other operating income and expenses

Other operating income and expenses in the income statement break down as follows:

(in € thousands)	March 31, 2021	March 31, 2020
Gains on assets disposals	392	1,906
Other operating income	-	5
Total other operating income	**392**	**1,911**
Other operating expenses	(30)	(100)
Total other operating expenses	**(30)**	**(100)**
TOTAL OTHER OPERATING INCOME AND EXPENSES, NET	**362**	**1,811**

For the year to March 31, 2021, other operating income includes the disposal gain on Dolphin Design's Mémoire business for €392 thousand.

For the year to March 31, 2020, other operating income included the capital gain on the sale of the Villejust industrial facility for €1,906 thousand. The facility had been dormant for four years and its value written down in full in the consolidated financial statements.

4.5 Financial income

Financial income breaks down as follows:

(in € thousands)	March 31, 2021	March 31, 2020
Remeasurement of financial assets at fair value	-	1,872
Other interest income	376	424
Other financial income	99	-
Reversal of provisions	-	344
Net foreign exchange gains/(losses)*	-	589
TOTAL FINANCIAL INCOME	**475**	**3,229**

* *Foreign exchange gains and losses are presented net.*

For the year to March 31, 2021, financial income comprises:

- interest income for €376 thousand;
- dividends received from non-consolidated investments for €99 thousand.

For the year to March 31, 2020, other financial income comprised:

- remeasurement at fair value of financial assets (investments) for €1,872 thousand;
- interest income for €424 thousand;
- reversals of impairment for investments for €344 thousand;
- a net exchange gain for €589 thousand.

4.6 Financial expense

Financial expenses break down as follows:

(in € thousands)	March 31, 2021	March 31, 2020
Interest on borrowings and bank current accounts	(1,044)	(230)
Interest on leases	(471)	(381)
Interest on OCEANE convertible bonds	(8,189)	(4,398)
Other interest expense	(435)	(370)
Impairment of financial assets – Investments	(86)	(67)
Other financial expenses	(1,436)	(1,856)
Net foreign exchange gains/(losses)*	(3,603)	-
TOTAL FINANCIAL EXPENSES	**(15,264)**	**(7,302)**

* *Foreign exchange gains and losses are presented net.*

For the year to March 31 2021, other interest expense and financial expense comprises:

- finance costs incurred in connection with convertible bond issues, which increased due to the OCEANE 2025 convertible bond issue in October 2020;
- a foreign exchange loss attributable mainly to the depreciation of the US dollar versus the euro during fiscal year 2020-2021.

For the year to March 31, 2020, other interest and financial expenses mostly related to unwinding the discount on repayable advances for R&D projects, and interest costs on retirement benefit obligations.

4.7 Income tax

For the year to March 31, 2021, the net tax expense for the fiscal year was €1,494 thousand, reflecting current tax expense of €9,575 thousand originating mainly from our Company and our Japanese subsidiary, partially offset by the recognition of deferred tax assets of €8,081 thousand (of which €12,956 thousand in tax loss carryforwards recognized during the fiscal year).

The difference between the theoretical income tax calculated at the standard tax rate in France (32.02% for the year to March 31, 2021) and the effective tax expense in the income statement breaks down as follows:

(in € thousands)	March 31, 2021	March 31, 2020
Theoretical income tax benefit/(expense) at the applicable rate	(23,748)	(39,445)
Unrecognized deferred tax assets	(1,948)	(1,419)
Non-deductible provisions and expenses (permanent difference)	(462)	(76)
Non-taxable income (research tax credit)	5,022	5,748
Utilization of tax loss carryforwards	11,825	22,213
Recognition of tax loss carryforwards	12,956	7,015
Adjustments for differences in income tax rates	(178)	2,987
Share-based payments	(4,683)	(6,382)
Other differences	(279)	4,474
TOTAL INCOME TAX BENEFIT/(EXPENSE)	**(1,494)**	**(4,885)**

Deferred tax assets and liabilities chiefly break down as follows, by nature:

(in € thousands)	March 31, 2020	Income statement	Other comprehensive income	March 31, 2021
DEFERRED TAX ASSETS				
Tax losses carried forward, net	39,445	12,956	-	52,401
Temporary differences (1)	2,371	31	-	2,402
Other items (2)	9,858	1,803	7,541	19,202
Total deferred tax assets	**51,674**	**14,790**	**7,541**	**74,005**
DEFERRED TAX LIABILITIES				
Net deferred taxes on leases	(4,451)	275	-	(4,176)
Deferred taxes on financial instruments	304	(551)	945	698
Other items (2)	(14,608)	(6,432)		(21,040)
Total deferred tax liabilities	**(18,755)**	**(6,708)**	**945**	**(24,518)**
DEFERRED TAXES, NET	**32,919**	**8,082**	**8,486**	**49,487**

(1) Temporary differences mainly comprise non-tax-deductible provisions.
(2) In fiscal year 2020-2021, other items mainly include deferred tax on the free share allocation plans for €13.3 million, retirement benefit obligations for €4.4 million, repayable advances for €4.6 million, the equity component of the OCEANE 2023 convertible bonds for €10.9 million, as well as deferred tax liabilities on intangible assets identified during the acquisitions of Soitec Belgium and Dolphin Design SAS for €3.9 million.

6.

Deferred tax assets include an amount of €52,401 thousand relating to tax loss carryforwards in France which our Group expects to utilize in the coming years. Tax loss carryforwards (base) in France (mainly attributable to Soitec SA) totaled €623,441 thousand at March 31, 2021.

Unrecognized tax loss carryforwards amounted to US$11,654 thousand for Soitec Microelectronics Singapore, US$308,515 thousand for Soitec USA Holding (to be utilized by March 31, 2027) and €9,256 thousand for Soitec Belgium.

4.8 Earnings per share

The share data used to calculate basic and diluted earnings per share are as follows:

(number of shares)	March 31, 2021	March 31, 2020
Weighted average number of ordinary shares (excluding treasury shares) used to calculate basic earnings per share	33,176,570	32,245,503
Effects of dilution		
Preferred shares	85,262	-
OCEANE convertible bonds	1,435,818	1,435,818
Free shares	316,657	302,848
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES (EXCLUDING TREASURY SHARES) ADJUSTED FOR DILUTED EARNINGS PER SHARE	**35,014,307**	**33,984,169**

In addition to the dilutive shares described above, 2,306,332 potentially dilutive equity instruments at March 31, 2021 are excluded from the calculation of diluted earnings per share for the year then ended as they are either anti-dilutive or conditional on the achievement of performance conditions that had not been attained at the reporting date.

4.9 Net profit/(loss) from discontinued operations

(in € thousands)	March 31, 2021	March 31, 2020
Revenue	**-**	**-**
Income/(expenses) for the period	181	(162)
Current operating income/(loss)	**181**	**(162)**
Other operating expenses, net	-	(421)
Operating income/(loss)	**181**	**(583)**
Gain on sale of residual assets in South Africa	-	589
Net financial expense	(612)	(819)
Profit/(loss) before tax	**(431)**	**(813)**
Income tax	(967)	(54)
NET PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS	**(1,398)**	**(867)**

For the year to March 31, 2021, the net loss from discontinued operations mainly corresponds to income tax expense for €967 thousand and foreign exchange losses for €612 thousand.

For the year to March 31, 2020, the net loss from discontinued operations amounted to €867 thousand, attributable mainly to an unfavorable currency effect, which was offset in part by the gain recognized on the disposal of assets in South Africa.

NOTE 5. OTHER INFORMATION

5.1 Retirement benefit obligations and other post-employment benefits

Benefit obligations

(in € thousands)	March 31, 2021	March 31, 2020
Retirement benefit obligations	16,964	14,800
Fair value of plan assets	-	(418)
BENEFIT OBLIGATIONS RECOGNIZED IN THE STATEMENT OF FINANCIAL POSITION	**16,964**	**14,382**

Our Group recognizes retirement benefit obligations in the statement of financial position based on the most likely estimated obligation using information available at the reporting date. The impact of changes in actuarial assumptions is recognized in other comprehensive income under "Actuarial gains/(losses) on defined benefit plans".

Retirement benefit obligations

Description of plans

Retirement and other employee benefits granted to long-term personnel relate solely to active employees. Benefits are granted under either defined contribution or defined benefit plans. Provisions are set aside only for defined benefit plans. These mainly consist of retirement indemnities plus other pension obligations and supplementary retirement gratuities.

In certain cases, obligations under defined benefit plans are covered by funds, which are regularly valued by independent actuaries. The value of any such funds is deducted from the corresponding liability. Plan assets include secure/dynamic investment vehicles, based on an analysis carried out with the entity of its obligations in light of the expected retirement dates of its employees.

	March 31, 2021	March 31, 2020
Retirement age	62-65 years depending on the category	62-65 years depending on the category
Turnover assumptions (average)	0.00% to 5.75% depending on age	0.00% to 5.75% depending on age
Annual inflation rate	1.60%	2.00%
Annual salary increase rate	1.00% to 2.50%	1.00% to 2.50%
Contribution rate	24%	24%
Annual discount rate	0.75%	1.40%

The sensitivity of the benefit obligation to the discount rate assumption (increase or decrease of 1 percentage point compared to the base rate) is indicated below:

	Annual discount rate		
	-0.25%	0.75%	1.75%
	1-point decrease	Base scenario	1-point increase
PRESENT VALUE OF BENEFIT OBLIGATION	**19%**	**100%**	**-18%**

Change retirement benefit obligation

(in € thousands)	March 31, 2021	March 31, 2020
Benefit obligation at beginning of the period	**14,799**	**13,320**
Service cost	1,493	1,245
Interest cost	210	147
Benefits paid	(745)	(1,334)
Other benefits	(158)	(359)
Change in scope	-	(308)
Actuarial gains/(losses)	1,365	2,088
BENEFIT OBLIGATION AT END OF THE PERIOD	**16,964**	**14,799**

Change in fair value of plan assets

(in € thousands)	March 31, 2021	March 31, 2020
Fair value of plan assets at beginning of the period	**418**	**410**
Benefits paid net of contributions	(420)	-
Return on plan assets	5	4
Actuarial gains/(losses)	(3)	4
Fair value of plan assets at end of the period	**-**	**418**

Change in benefit obligation recognized in the statement of financial position

(in € thousands)	March 31, 2021	March 31, 2020
Benefit obligation at beginning of the period	**14,381**	**12,910**
Service cost	1,493	1,245
Interest cost	210	147
Return on plan assets	(5)	(4)
Actuarial gains/(losses)	1,368	2,084
Benefits paid – benefits paid out of insurance fund	(325)	(1,334)
Change in scope	-	(308)
Other benefits	(158)	(359)
BENEFIT OBLIGATION AT END OF THE PERIOD	**16,964**	**14,381**

Expenses recognized in the income statement

(in € thousands)	March 31, 2021	March 31, 2020
Service cost	1,493	1,245
Interest cost	210	147
Expected return on plan assets	415	(4)
TOTAL EXPENSE RECOGNIZED IN THE INCOME STATEMENT	**2,117**	**1,388**

5.2 Contractual obligations and commitments

Contractual obligations and commitments break down as follows:

(in € thousands)	March 31, 2021 Less than 1 year	1 to 5 years	More than 5 years	Total	March 31, 2020 Total
Commitments given shown off-balance sheet					
Lease obligations	-	-	-	-	57
Pledges	-	-	-	-	18,000
Guarantees given	-	59,401	20,004	79,405	25,165
Other commitments	20,244	60,631		80,875	27,382
TOTAL CONTRACTUAL OBLIGATIONS IN THE STATEMENT OF FINANCIAL POSITION AND OFF-BALANCE SHEET	**20,244**	**120,032**	**20,004**	**160,280**	**70,604**
Commitments received					
UNDRAWN COMMITTED CREDIT LINES	**-**	**75,000**	**-**	**75,000**	**45,000**

At March 31, 2021, guarantees, pledges and commitments given totaled €160,280 thousand, and mainly concern:

- guarantees given on equipment financed by the syndicated loan in Singapore for an amount of €39,789 thousand;
- guarantee given to the project company for the Touwsrivier solar power plant (CPV Power Plant no. 1) for €20,000 thousand;
- guarantee given to Société Générale for €14,211 thousand in the scope of two agreements (for €7,711 thousand and €6,500 thousand) in respect of advances from one of our customers;
- guarantee given to the acquirers of the Desert Green solar power plant for €3,028 thousand;
- commitment to purchase raw materials from the supplier SK Siltron over four years, effective since April 1, 2020, for €80,875 thousand.

5.3 Related-party disclosures

At March 31, 2021, the members of the Board of Directors were as follows:

- Éric Meurice;
- Paul Boudre, who leads our Group as Chief Executive Officer;
- Bpifrance Participations, represented by Sophie Paquin;
- CEA Investissement, represented by Guillemette Picard;
- Thierry Sommelet, on the proposal of Bpifrance Participations;
- Jeffrey Wang, on the proposal of NSIG;
- Kai Seikku, on the proposal of NSIG;
- Laurence Delpy;
- Christophe Gegout;
- Satoshi Onishi;
- Françoise Chombar;
- Shuo Zhang;
- Wissème Allali;
- Didier Landru.

Four of the 14 directors are independent (Éric Meurice, Laurence Delpy, Françoise Chombar and Shuo Zhang). They have no executive mandate within our Company or Group, do not have a relationship of any nature whatsoever with our Company, our Group or our Executive Management that might compromise their freedom of opinion, and do not have any specific ties with them.

On February 2, 2021, two employee directors, Wissème Allali and Didier Landru, joined the Board of Directors.

Shin-Etsu Handotai Co. Ltd.

In the year to March 31, 2021, purchases of raw materials from Shin-Etsu Handotai represented €142,265 thousand (€185,276 thousand in the year ended March 31, 2020). Our Group invoiced €3,995 thousand to Shin-Etsu Handotai in respect of fiscal year 2020-2021 (€3,599 thousand in respect of fiscal year 2019-2020).

Other related parties

In fiscal year 2020-2021, our Group paid €4,276 thousand to CEA under the R&D agreement (€7,344 thousand in fiscal year 2019-2020), €6,293 thousand under the newly signed hosting agreement (€834 thousand in fiscal year 2019-2020) and €10,698 thousand in patent royalties (€4,960 thousand in fiscal year 2019-2020). In the year to March 31, 2021, our Group invoiced CEA €1,831 thousand, mainly in connection with the sale of 300 mm wafers (€1,484 thousand in the year to March 31, 2020).

During the fiscal year, our Group paid Simgui US$51,800 thousand for the purchase of 200 mm SOI wafers (US$45,500 thousand in fiscal year 2019-2020).

Our Group invoiced Simgui US$23,200 thousand in silicon substrates (US$19,100 thousand in fiscal year 2019-2020).

In fiscal year 2019-2020, our Group invoiced clean room services to Exagan, where our Company is a director represented by Chief Executive Officer Paul Boudre, for €393 thousand. Our Company is no longer a director of Exagan further to the disposal of our interest in that company during fiscal year 2020-2021.

During the fiscal year, our Group reimbursed €2 million in respect of programs subsidized by Bpifrance, and received €1 million from Bpifrance Financement under the Allegro program. During the fiscal year, the Group obtained receivable financing from Bpifrance Financement in respect of research tax credits for €2.2 million.

At March 31, 2021, our Executive Committee (ExCom) had 11 members, excluding corporate officers (12 at March 31, 2020), resulting in an average membership of 11 over the fiscal year (10.5 in fiscal year 2019-2020). The total gross compensation paid by our Group to ExCom members, excluding corporate officers, and including direct and indirect benefits of executives, was €11,423 thousand for the year ended March 31, 2021.

(in € thousands)	March 31, 2021	March 31, 2020
Short-term benefits	4,764	3,796
Post-employment benefits	-	-
Accounting value of free shares allocated during the fiscal year	6,659	3,829
TOTAL GROSS COMPENSATION GRANTED TO GROUP EXECUTIVES	**11,423**	**7,625**

Over the 2020-2021 fiscal year, executives excluding corporate officers were allocated:

- 18,672 preferred shares, on a conditional basis, subject to service and performance conditions, as part of the reopening of the "Topaz" plan;
- 7,294 free ordinary shares subject to service and performance conditions for fiscal year 2021-2022;
- 44,435 free ordinary shares subject to service and performance conditions for fiscal year 2022-2023, as part of the "Onyx" and "Opale" plans;
- 42,062 preferred shares ("PS 2"), issued further to the vesting period of the initial tranche of shares under the "Topaz" plan.

The gross amount of compensation allocated to corporate officers and non-employee directors was as follows:

(in € thousands)	March 31, 2021	March 31, 2020
Short-term benefits	1,491	1,494
Post-employment benefits	-	-
Termination benefits	-	-
Accounting value of free shares allocated during the fiscal year	1,854	1,068
Total compensation granted to corporate officers	**3,345**	**2,562**
Compensation	1,010	627
Reimbursement of travel expenses	8	65
Total compensation awarded to corporate officers and non-employee directors	**4,363**	**3,254**

During fiscal year 2020-2021:

- 13,306 ordinary shares were allocated on a conditional basis to corporate officers under the "Onyx" plan, subject to presence and performance conditions;
- 12,792 preferred shares were issued to corporate officers further to the vesting period of the initial tranche of shares under the "Topaz" plan.

5.4 Financial risk management

Financial risk management objectives and policies

Currency risk management

Our Group's objectives are to hedge foreign exchange risk on commercial transactions recognized in the statement of financial position and on highly probable future transactions. During fiscal year 2020-2021, our Group's policy regarding exposure to foreign exchange risk on its future commercial transactions was to hedge a substantial portion of the risk for 2020-2021 using derivatives (mainly futures) based on operating budgets. The useful lives of these instruments matches our Group's payment flows. Our Group applies hedge accounting as defined by IFRS 9. Our Group's policy is not to use instruments for speculative purposes.

Interest rate risk management

Our Group aims to hedge interest rate risk on material financing arrangements. During fiscal year 2020-2021, our Group's policy regarding exposure to interest rate risk on floating-rate borrowings was to hedge a substantial portion of the exposure to interest rate risk using derivative financial instruments (caps) based on floating-rate agreements.

The table below summarizes the maturity profile of our Group's financial liabilities at March 31, 2020 and 2021:

(in € thousands)	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Borrowings and financial debt	23,270	27,913	184,738	7,784	243,705
Other financial liabilities	999	-	-	-	999
Trade payables	69,286	7,032	-	-	76,318
Other liabilities	58,479	29,479	15,358	20,900	124,216
MARCH 31, 2020	**152,034**	**64,424**	**200,096**	**28,684**	**445,238**
Borrowings and financial debt	10,724	24,042	543,224	69,048	647,038
Other financial liabilities	1,441	-	-	-	1,441
Trade payables	78,928	61	-	-	78,989
Other liabilities	72,561	48,703	16,577	27,223	165,064
MARCH 31, 2021	**163,654**	**72,806**	**559,801**	**96,271**	**892,531**

	March 31, 2021				
(in € thousands)	Notes	Carrying amount	Fair value through other comprehensive income	Fair value through profit or loss	Amortized cost
NON-CURRENT FINANCIAL ASSETS					
Non-consolidated investments	3.5	11,443	-	11,443	-
Derivative financial instruments (positive fair value)	3.5	36	-	36	-
Deposits and guarantees	3.5	92	-	-	92
Non-current financial assets		**11,571**	**-**	**11,479**	**92**
CURRENT FINANCIAL ASSETS					
Derivative financial instruments (positive fair value)	3.10	5,610	2,896	2,714	-
Other	3.10	726	-	-	726
Current financial assets		**6,336**	**2,896**	**2,714**	**726**
Trade receivables	3.8	157,422	-	-	157,422
Cash and cash equivalents	3.11	644,376	-	644,376	-
TOTAL FINANCIAL ASSETS		**819,705**	**2,896**	**658,569**	**158,240**
FINANCIAL LIABILITIES					
Derivative financial instruments (negative fair value)	3.15	(8,281)	(6,637)	(1,644)	-
Other financial debt	3.15	(203,835)	-	-	(203,835)
OCEANE 2023 convertible bonds	3.15	(139,350)	-	-	(139,350)
OCEANE 2025 convertible bonds	3.15	(289,868)	-	-	(289,868)
Drawn committed credit lines	3.15	(5,704)	-	-	(5,704)
Current and non-current financial liabilities		**(647,038)**	**(6,637)**	**(1,644)**	**(638,757)**
Other financial liabilities	**3.15**	**(1,441)**	**-**	**-**	**(1,441)**
Trade payables	**3.17**	**(78,989)**	**-**	**-**	**(78,989)**
TOTAL FINANCIAL LIABILITIES		**(727,468)**	**(6,637)**	**(1,644)**	**(719,187)**

Financial assets and liabilities were as follows at March 31, 2020:

		March 31, 2020			
(in € thousands)	Notes	Carrying amount	Fair value through other comprehensive income	Fair value through profit or loss	Amortized cost
NON-CURRENT FINANCIAL ASSETS					
Non-consolidated investments	3.5	14,338	-	14,338	-
Derivative financial instruments (positive fair value)	3.5	5	-	5	-
Deposits and guarantees	3.5	85	-		85
Non-current financial assets		**14,428**	**-**	**14,343**	**85**
CURRENT FINANCIAL ASSETS					
Derivative financial instruments (positive fair value)	3.10	10	-	10	-
Other	3.10	341	-		341
Current financial assets		**351**	**-**	**10**	**341**
Trade receivables	3.8	167,409	-	-	167,409
Cash and cash equivalents	3.11	190,998	-	190,998	-
TOTAL FINANCIAL ASSETS		**373,186**	**-**	**205,351**	**167,835**
FINANCIAL LIABILITIES					
Derivative financial instruments (negative fair value)	3.15	(1,159)	(415)	(744)	-
Other financial debt	3.15	(73,697)	-	-	(73,697)
OCEANE 2023 convertible bonds	3.15	(134,829)	-	-	(134,829)
Drawn committed credit lines	3.15	(34,021)	-	-	(34,021)
Current and non-current financial liabilities	**3.15**	**(243,706)**	**(415)**	**(744)**	**(242,547)**
Other financial liabilities	**3.15**	**(999)**	**-**	**-**	**(999)**
Trade payables	**3.17**	**(76,318)**	**-**	**-**	**(76,318)**
TOTAL FINANCIAL LIABILITIES		**(321,023)**	**(415)**	**(744)**	**(319,864)**

Classification of financial instruments pursuant to IFRS 13:

The breakdown of financial instruments by level in the fair value hierarchy is as follows:

(in € thousands)	Notes	Level 1	Level 2	Level 3	Carrying amount in the statement of financial position
ASSETS					
Non-consolidated investments	3.5	-	-	11,443	11,443
Cash and cash equivalents	3.11	644,376	-	-	644,376
Derivative financial instruments (positive fair value)	3.10	-	5,646	-	5,646
LIABILITIES					
Derivative financial instruments (negative fair value)	3.15	-	(8,281)	-	(8,281)
NET VALUE AT MARCH 31, 2021		**644,376**	**(2,635)**	**11,443**	**653,184**
ASSETS					
Non-consolidated investments	3.5	-	-	14,338	14,338
Cash and cash equivalents	3.11	190,998	-	-	190,998
Derivative financial instruments (positive fair value)	3.11	-	15	-	15
LIABILITIES					
Derivative financial instruments (negative fair value)	3.15	-	(1,159)		(1,159)
NET VALUE AT MARCH 31, 2020		**190,998**	**(1,144)**	**14,338**	**204,192**

The fair value hierarchy is described in note 2.5.J.

Financial instruments used

Currency risk

The exchange rates used to translate the financial statements of subsidiaries with functional currencies other than the euro were as follows (rate against the euro):

	Average rate		Closing rate	
Currency	**March 31, 2021**	**March 31, 2020**	**March 31, 2021**	**March 31, 2020**
US dollar	0.85195	0.90155	0.85288	0.91274
Yen	0.00810	0.00829	0.00770	0.00841
Rand	0.05599	0.05566	0.05764	0.05100

The table below shows the financial instruments contracted to hedge currency risk at March 31:

		March 31, 2021		March 31, 2020	
Type *(in € thousands)*	**Currency**	**Market value (net)**	**Position hedged**	**Market value (net)**	**Position hedged**
Hedging of statement of financial position items		**1,069**	**-**	**(727)**	**-**
of which eligible for hedge accounting (hedging of trade receivables)		-	-	-	-
Forward sales	USD to EUR	2,439	63,539	(727)	73,932
of which not eligible for hedge accounting		-	-	-	-
Forward sales (hedging of trade receivables)	USD to EUR	-	-	-	-
Forward sales (hedging of financial assets)	ZAR to EUR	(1,370)	7,205	-	-
Cash flow hedges		**(3,740)**	**-**	**(415)**	**-**
of which eligible for hedge accounting		-	-	-	-
Forward sales	USD to EUR	(3,740)	357,527	(415)	132,439
of which not eligible for hedge accounting		-	-	-	-
Forward sales	USD to EUR	-	-	-	-
TOTAL HEDGES		**(2,671)**		**(1,142)**	

Market value was estimated using one or more commonly used models.

Sensitivity analysis of net exposure after currency hedging

The exchange rates of our Group's three main currencies at March 31, 2021 were as follows:

- EUR/USD: €1 for US$1.1725 (€1 for US$1.0956 at March 31, 2020);
- EUR/JPY: €1 for JPY 129.90 (€1 for JPY 118.90 at March 31, 2020);
- EUR/ZAR: €1 for ZAR 17.35 (€1 for ZAR 19.61 at March 31, 2020).

The scope used to analyze sensitivity to exchange rate risks includes receivables and other assets, debts and other liabilities and cash, the portion of commercial cash flows falling within the hedged period as well as derivatives used to hedge foreign exchange exposures.

A 10% increase in the euro against these currencies at March 31 would reduce earnings in the amounts indicated below (based on the receivables and payables denominated in foreign currency presented in the statement of financial position at March 31, 2021). For the purposes of this analysis, all other variables (in particular interest rates) are assumed to have remained constant.

(in € thousands)	March 31, 2021	March 31, 2020
US dollar	(7,872)	(7,534)
Yen	674	219
Singapore dollar	(1,303)	(674)
Rand	(109)	(1,440)
Other currencies	(451)	(443)
Increase/(decrease) in earnings resulting from a 10% increase in the value of the euro	**(9,061)**	**(9,872)**

A 10% decrease in the euro against these currencies at March 31 would increase earnings in the amounts indicated below (based on the receivables and payables denominated in foreign currency presented in the statement of financial position at March 31, 2021). For the purposes of this analysis, all other variables (in particular interest rates) are assumed to have remained constant.

(in € thousands)	March 31, 2021	March 31, 2020
US dollar	9,621	9,208
Yen	(824)	(268)
Singapore dollar	1,592	824
Rand	133	1,760
Other currencies	552	541
Increase/(decrease) in earnings resulting from a 10% decrease in the value of the euro	**11,074**	**12,065**

Interest rate risk

Our Group's medium and long-term debt is partly contracted at floating rates and partly at fixed rates.

A significant portion of the exposure to interest rate risk attributable to the floating-rate loan in Singapore was hedged using a 0.25% cap.

A 1% increase in interest rates applied to floating-rate debt and investments would have led to a decrease of approximately €263 thousand in net financial income or expense.

A 1% decrease in interest rates applied to the portion of debt and investments at floating rates would have had no impact on net financial income or expense.

Credit risk

The financial instruments on which our Group potentially incurs a credit risk are mainly cash and trade receivables. Our Group has put in place a cash management policy to optimize its investments in liquid short-term and low-risk financial instruments. Our Group's cash and cash equivalents are deposited mainly with leading international financial institutions.

Our Group sells its products to customers within the semiconductor industry, located mainly in the US, Asia, and Europe. At March 31, 2021, six customers individually represented more than 5% of Group revenue and together accounted for 73% of revenue. At March 31, 2020, eight customers individually represented more than 5% of Group revenue and together accounted for 88% of revenue.

Our Group periodically assesses the credit risk and financial position of its customers and books provisions for potential losses on uncollectible receivables. The amount of these losses has remained non-material in recent years.

Equity risk

Our Group does not hold any non-consolidated investments or investments traded on a regulated market.

Liquidity risk

CASH FLOW MATURITY SCHEDULE FOR FINANCIAL DEBT

The following table shows the timing of repayment of financial liabilities recognized at March 31, 2021 at their nominal amount, including interest recognized and not discounted.

	Contract maturity date						
	Amount due						
(in € thousands)	Less than 1 year	1-2 years	2-3 years	3-5 years	More than 5 years	Total	Amount recognized in the statement of financial position at March 31, 2021
NON-DERIVATIVE FINANCIAL INSTRUMENTS WITH A NEGATIVE FAIR VALUE							
Leases pursuant to IFRS 16	13,196	12,689	10,984	11,191	8,024	56,084	54,805
Bonds and other borrowings	21,433	171,386	25,122	360,782	63,839	642,562	631,176
Trade payables	78,856	-	-	-	-	78,856	78,856
Other payables (excluding tax and social security payables)	56,240	-	-	-	-	56,240	56,246
Total non-derivative financial instruments with a negative fair value	**169,725**	**184,075**	**36,106**	**371,973**	**71,863**	**833,742**	**821,083**
DERIVATIVE FINANCIAL INSTRUMENTS							
Interest rate derivatives	-	-	-	-	-	-	-
Currency derivatives	5,014	3,267	-	-	-	8,281	8,281
Other derivatives	-	-	-	-	-	-	-
Total derivative financial instruments	**5,014**	**3,267**	**-**	**-**	**-**	**8,281**	**8,281**
TOTAL FINANCIAL LIABILITIES	**174,739**	**187,342**	**36,106**	**371,973**	**71,863**	**842,023**	**829,364**

Our Group has access to financing from the capital markets in the form of:

- long-term borrowings: convertible bond issues (and capital increases in 2016);
- specific debt instruments (loan with the CDC, syndicated loan in Singapore);
- lease financing in France and Belgium for capital spending purposes; and
- committed credit lines.

At March 31, 2021, in addition to cash and cash equivalents as presented in the statement of financial position (€644 million), our Group's liquidity was backed by:

- **Committed credit lines**

  A March 31, 2021, our Group had bank credit lines worth €75 million with seven banks. These credit lines are repayable at maturity no later than June 2025. They bear a commitment fee of 0.20% or a non-utilization fee of 0.05%, and a utilization fee ranging from Euribor 0.60% to 0.85%, depending on the credit line, and do not include any covenants.

  These credit lines were entirely undrawn at March 31, 2021.

- **Residual drawdown rights on the €200 million long-term loan from Banque des Territoires**

  As explained in note 3.15 "Borrowings and financial debt", our Group was granted a 12-year loan for a maximum amount of €200 million from Banque des Territoires (Caisse des Dépôts group) under the *Programme d'investissements d'avenir* (PIA), as part of the Nano 2022 program. Other than the obligation to maintain the financed assets in France, this 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, 2021, €94,559 thousand of this loan had been drawn down and was presented in financial debt. A further €105,441 thousand can be drawn under the loan subject to investments meeting eligibility criteria (technologies covered by the Nano 2022 program).

Capital management

Our Group's primary objective is to have the necessary and sufficient financial resources to fund the growth of its business. To this end, it has in the past called on its shareholders to finance its capital spending through capital increases and convertible bond issues. Focusing on an industrial growth strategy geared towards strong product innovation, our Group systematically reinvests earnings in its business.

Our Company ownership structure is characterized by the presence of three strategic investors – Bpifrance Participations, CEA Investissement and NSIG Sunrise S.à.r.l., which hold 10.90%, 7.71% and 10.90%, respectively, of the share capital – plus a number of institutional investors.

NOTE 6. SUBSEQUENT EVENTS

None

6.2.2 Statutory Auditors' report on the consolidated financial statements at March 31, 2021

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.

For the year ended March 31, 2021

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 March 31, 2021.

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 March 31, 2021 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, 2020 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

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Recognition of deferred tax assets relating to tax loss carryforwards in France

Risk identified	Our response
As at March 31, 2021, your Group recognized deferred tax assets amounting to €52m in respect of tax loss carryforwards in France. Tax loss carryfowards in France for which no deferred tax asset was recognized amount to €623m as at March 31, 2021, as stated in Note 4.7 to the consolidated financial statements. A deferred tax asset relating to tax loss carry forwards is only recognized if your 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 2.5.Y to the consolidated financial statements. We considered the recognition of deferred tax assets relating to tax loss carry forwards in France 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 before their possible expiry; • your 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 March 31, 2021, capitalized development costs represent a net amount of €48m in your Group's consolidated balance sheet. As described in Notes 2.5.C and 2.5.G of the notes to the consolidated financial statements, development costs incurred by your 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 your 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 your 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, and their correct application; • testing, by sampling, the consistency of the amounts recorded in assets as at March 31, 2021 with the underlying supporting documentation; • evaluating the data and assumptions used by your Group for the impairment testing of capitalized development costs through inquiries of Management; • verifying the arithmetical accuracy of these tests.

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 your Group given in the Board of Directors' 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 your Group given in the management report OR is included in the Group management report, it being specified that, in accordance with Article L. 823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

Report on Other Legal and Regulatory Requirements

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the Statutory Auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the CEO, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 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 July 25, 2016.

As at March 31, 2021, our firms were in the fifth 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 your 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 your Company or to cease operations.

The Audit and Risks Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of your Company or the quality of management of the affairs of your 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 your 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 your 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 your Group to express an opinion on the consolidated financial statements. The Statutory Auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit and Risks Committee

We submit to the Audit and Risks Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit and Risks Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit and Risks Committee with the declaration provided for in Article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for Statutory Auditors. Where appropriate, we discuss with the Audit and Risks Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense and Lyon, July 1, 2021

The Statutory Auditors
French original signed by

KPMG Audit		Ernst & Young Audit
Jacques Pierre	Stéphane Devin	Nicolas Sabran
Partner	*Partner*	*Partner*

6.

6.3 Statutory financial statements

6.3.1 Company financial statements

6.3.1.1 Our Company financial statements at March 31, 2021

BALANCE SHEET – ASSETS

(in € thousands)	Gross amount	Depr., amort., impair.	March 31, 2021	March 31, 2020
Uncalled subscribed capital	-	-	-	-
INTANGIBLE ASSETS				
Start-up costs	-	-	-	-
Development costs	26,823	4,355	22,469	25,850
Concessions, patents and similar rights	60,919	52,913	8,006	5,497
Business goodwill	-	-	-	-
Other intangible assets	16,050	-	16,050	7,931
Prepayments received on intangible assets	-	-	-	-
PROPERTY, PLANT AND EQUIPMENT				
Land	2,409	302	2,107	1,959
Buildings	7,663	4,823	2,840	2,879
Technical installations, equipment, tooling	257,458	196,428	61,030	37,846
Other property, plant and equipment	70,924	50,656	20,268	20,336
Property, plant and equipment in progress	31,400	-	31,400	27,064
Advances and prepayments	-	-	-	-
NON-CURRENT FINANCIAL ASSETS				
Investments in equity-accounted companies	-	-	-	-
Other investments	195,162	492	194,669	184,900
Advances to equity investments	112,837	-	112,837	76,635
Other long-term investments	1,050	-	1,050	
Loans	-	-	-	-
Other non-current financial assets	907	180	727	510
NON-CURRENT ASSETS	**783,602**	**310,149**	**473,453**	**391,406**
INVENTORY AND WORK IN PROGRESS				
Raw materials, supplies	52,875	8,801	44,074	56,414
Work-in-progress – goods	22,468	1,287	21,182	13,085
Work-in-progress – services	-	-	-	-
Semi-finished and finished products	23,639	4,151	19,488	22,297
Goods held for resale	943	289	654	459
Prepayments on orders of non-current assets	4,549		4,549	4,572
RECEIVABLES				
Trade receivables (1)	106,561	11	106,550	123,409
Other receivables (1)	35,547		35,547	50,435
Subscribed capital called but unpaid	-	-	-	-
MISCELLANEOUS				
Marketable securities (of which treasury shares)	140,116	-	140,116	20,004
Cash at bank and at hand	437,480	-	437,480	127,034
ACCRUALS				
Prepaid expenses (1)	1,937	-	1,937	1,690
CURRENT ASSETS	**826,115**	**14,539**	**811,576**	**419,399**
Debt issue costs to be amortized	4,639	-	4,639	1,577
Bond redemption premiums	-	-	-	-
Unrealized foreign exchange losses	4,784	-	4,784	690
TOTAL ASSETS	**1,619,140**	**324,688**	**1,294,452**	**813,072**
(1) Portion due in more than 1 year			*6,795*	*8,023*

BALANCE SHEET – EQUITY AND LIABILITIES

(in € thousands)	March 31, 2021	March 31, 2020
Share capital (of which paid up: 66,514)	66,730	66,558
Share, merger and contribution premiums	83,166	82,409
Revaluation reserve (of which equity accounting)	-	-
Legal reserve	6,656	6,276
Statutory or contractual reserves	-	-
Regulated reserves (incl. provision for foreign exchange)	-	-
Other reserves (including purchase of original works of art)	23,116	23,116
Retained earnings	252,472	153,124
NET PROFIT	**68,686**	**99,727**
Investment subsidies	-	-
Tax-driven provisions	263	392
EQUITY	**501,089**	**431,602**
Proceeds from issues of securities	-	-
Conditional advances	24,128	25,267
OTHER EQUITY	**24,128**	**25,267**
Provisions for contingencies	5,238	2,506
Provisions for expenses	-	-
PROVISIONS	**5,238**	**2,506**
FINANCIAL DEBT		
Convertible bonds	475,000	150,000
Other bonds	-	-
Borrowings and debt with credit institutions (1) (2)	94,632	31,282
OPERATING PAYABLES		
Trade payables	90,531	82,461
Prepayments received on outstanding orders (1)	14,700	0
Tax and social security payables (1)	44,210	42,599
MISCELLANEOUS LIABILITIES		
Amounts due on fixed assets (1)	15,548	8,492
Other liabilities (1)	11,367	22,512
ACCRUALS		
Deferred income (1)	16,248	14,018
LIABILITIES	**762,237**	**351,364**
Unrealized foreign exchange gains	1,760	2,333
TOTAL EQUITY & LIABILITIES	**1,294,452**	**813,072**
(1) Prepayments and deferred income due within 1 year	*87,964*	*187,651*
(2) Of which bank outstandings, bank credit balances		*31,282*

INCOME STATEMENT

(in € thousands)	France	Export	Year ended March 31, 2021	Year ended March 31, 2020
Sales of goods	105	16,716	16,821	16,407
Sales of goods produced	58,923	440,534	499,456	533,258
Sales of services provided	981	32,785	33,766	27,690
Net revenue	**60,009**	**490,035**	**550,043**	**577,355**
Production in inventory			7,799	7,675
Stored production			7,672	7,952
Operating subsidies			11,621	13,957
Reversals on depreciation, provisions and transfer of expenses [9]			14,492	12,510
Other income [1] [11]			19,698	17,060
Operating income [2]			**611,325**	**636,510**
Purchases of goods held for resale (including customs duties)			63,119	58,607
Changes in inventory (goods)			(455)	175
Purchases of raw materials and supplies (and customs duties)			215,485	273,263
Changes in inventory (raw materials and supplies)			11,107	(23,094)
Other purchases and external expenses [3] [6 bis]			70,578	73,642
Taxes and similar payments			5,211	6,960
Wages and salaries			64,453	63,738
Social security contributions [10]			36,438	30,184
OPERATING EXPENSES				
Fixed assets: depreciation and amortization expense			25,171	20,692
Fixed assets: impairment charge			-	32
Current assets: impairment charge			12,596	10,523
Additions to provisions			1,434	234
Other costs [12]			33,571	25,626
Operating expenses [4]			**538,707**	**540,584**
OPERATING PROFIT			**72,618**	**95,926**
JOINT OPERATIONS				
Profits allocated or losses transferred			-	-
Losses incurred or profits transferred			-	-
FINANCIAL INCOME				
Financial income from investments [5]			99	
Income from other marketable securities and investments			-	-
Other interest income [5]			2,284	3,024
Reversal of impairment and provisions, expense transfers			758	69,711
Positive translation adjustments			2,671	1,687
Net income from sales of marketable securities			-	-
Financial income			**5,812**	**74,422**
Additions to amortization, impairment and provisions for financial assets			2,565	825
Interest and similar expense [6]			1,258	1,477
Negative translation adjustments			6,708	1,827
Net expense on disposals of marketable securities				
Financial expense			**10,531**	**4,130**
NET FINANCIAL INCOME/(EXPENSE)			**(4,719)**	**70,293**
RECURRING PROFIT BEFORE TAX			**67,899**	**166,219**
Non-recurring income on management transactions			1	
Non-recurring income on corporate actions			14,093	23,856
Reversal of impairment and provisions, expense transfers			129	129
Non-recurring income			**14,223**	**23,985**
Non-recurring expenses on management transactions [6 bis]			-	105
Non-recurring expenses on corporate actions			14,736	88,769
Non-recurring expenses for depreciation, amortization, impairment and provisions			-	-

(in € thousands)	France	Export	Year ended March 31, 2021	Year ended March 31, 2020
Non-recurring expenses			**14,736**	**88,874**
NON-RECURRING INCOME/(LOSS) (7) (8)			**(512)**	**(64,889)**
Employee profit-sharing plan			52	1,107
Income tax			(1,352)	495
Total income			**631,360**	**734,917**
Total expenses			**562,674**	**635,190**
NET PROFIT OR LOSS			**68,686**	**99,727**
(1) Of which relating to net income on long-term transactions			-	-
(2) Of which:				
- income from property rentals			-	-
- operating income from previous fiscal years.			-	-
(3) Of which:				
- property leases			-	-
- equipment leases			*9,717*	*7,135*
(4) Of which operating costs from previous fiscal years (h)			-	-
(5) Of which: income concerning related parties			*1,890*	*2,652*
(6) Of which: interest concerning related parties			*230*	*676*
(6 bis) Of which: charitable donations (Article 238 bis of the French Tax Code)			-	-
(7) Details of non-recurring income and expenses			-	-
(8) Details of income and expenses from previous fiscal years			-	-
(9) Of which expense transfers			*3,928*	*2,851*
(10) Of which owners' contributions			-	-
(11) Of which royalties for concessions, patents, licenses (income)			*4,999*	*5,304*
(12) Of which royalties for concessions, patents, licenses (expense)			*5,472*	*5,427*

6.3.1.2 Notes to our Company financial statements

The total balance sheet prior to appropriation for the fiscal year ended March 31, 2021, represents €1,294,452,088.77. The income statement, presented in list form, shows total expenses of €562,674,184.09, total income of €631,360,150.01 and net profit of €68,685,965.92.

The fiscal year runs from April 1, 2020, to March 31, 2021.

The notes and tables presented below are an integral part of the annual financial statements.

Our Board of Directors will submit the following proposal for approval by our shareholders at the Shareholders' General Meeting to be held on July 28, 2021:

- appropriate €17,264.40 to the legal reserve, bringing it up to 10% of the share capital, which would be increased from €6,655,780.20 to €6,673,044.60; and
- appropriate the balance of €68,668,701.52 to "Retained earnings", which would be increased from €252,472,049.19 to €321,140,750.71.

Our annual financial statements were approved by the Board of Directors on June 9, 2021.

Accounting rules and methods and notes to the balance sheet

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, and the accruals basis of accounting, pursuant to the general rules of preparing and presenting annual financial statements.

The basic method used to measure accounting items is the historical cost method.

A. General principles and conventions

The financial statements were prepared in accordance with ANC Regulation no. 2014-03 of June 5, 2014, as updated by ANC Regulations no. 2018-07 of December 10, 2018 and no. 2020-09 of December 4, 2020 on the French General Chart of Accounts (PCG) and French generally accepted accounting policies, as well as ANC Regulation 2015-05 on forward financial instruments and hedging transactions.

B. Highlights of the fiscal year

OCEANE 2025 convertible bond

On October 1, 2020, our Company issued bonds convertible into and/or exchangeable for new or existing ordinary shares (OCEANE convertible bonds) maturing on October 1, 2025, through a private placement with qualified investors for a nominal amount of €325 million.

This issue will provide our Company with additional flexibility in operational and strategic terms and enable it to fund potential growth opportunities.

The bonds were issued at their par value and bear no interest. The par value per bond was set at €174.34, representing a premium of 45.0% over the reference price of the share on the Euronext Paris regulated market.

Unless they have been converted, exchanged, redeemed, or repurchased and canceled before that date, the bonds will be redeemed at their par value on October 1, 2025. Our Company may also deliver new and/or existing ordinary shares in lieu of a cash redemption under the terms of the Share Redemption Option. The OCEANE bonds may be redeemed in advance of term at the Company's discretion, subject to certain conditions.

Free share allocation plans for employees

Pursuant to the authorization granted by the Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2019, and in order to acknowledge the efforts undertaken to achieve the Company's targets and continue supporting customers in recent months in spite of the constraints generated by the health crisis, the Board of Directors decided at its meeting of November 18, 2020 to exceptionally allocate a free share plan to all employees of our Group. Subject to performance conditions, this plan represents a maximum dilution of 0.43% of the share capital.

At the same meeting, the Board of Directors also decided to allocate free shares subject to the same performance conditions to 22 executives, representing a maximum dilution of 0.18% of the share capital, including 0.04% in respect of our Chief Executive Officer, as well as 1,271 additional free shares allocated on March 31, 2021.

A total of 211,702 ordinary shares were allocated under these two plans, subject to the following conditions:

- a presence condition;
- performance conditions:
  - EBITDA and revenue objectives for the year ending March 31, 2023, and
  - the Total Shareholder Return (TSR) of our Company's ordinary shares compared to the Euro Stoxx 600 Technology index between November 18, 2020, and the publication date of our Company's financial statements for the fiscal year ending March 31, 2023.

"Topaz" co-investment plan

The Extraordinary Shareholders' General Meeting of July 26, 2019 authorized the Board of Directors to allocate free preferred shares ("PS 2") and created a new category of preferred shares convertible into ordinary shares ("PS 2") based on the achievement of objectives relating to EBITDA, revenue and the Total Shareholder Return (TSR) of our Company's ordinary shares compared to the Euro Stoxx 600 Technology index.

- In fiscal year 2019-2020, 97,980 PS 2 were subscribed by employees and corporate officers at a unit price of €84.17, and our Board of Directors issued 97,980 PS 2.

  The free PS 2 vest in tranches (40% on December 18, 2020, 30% on August 1, 2021 and 30% on August 1, 2022).

  Following the vesting of the initial tranche, 75,861 PS 2 were issued on December 18, 2020.
- The plan was reopened on November 18, 2020, and further to the subscription of 10,461 PS 2 by employees at a unit price of €88.9, our Board of Directors issued 10,461 free PS 2.

  The free PS 2 vest in tranches (60% on January 10, 2022 and 40% on November 30, 2022).

  The subscriptions to PS 2 gave rise to a capital increase in the amount of €929,983, including the share premium.

Free share allocation plan for certain employees of Dolphin Design SAS

On November 18, 2020, pursuant to the authorizations granted by the Shareholders' General Meeting of July 26, 2019, our Board of Directors implemented a free share allocation plan (ordinary shares) for certain employees of our Company's subsidiary, Dolphin Design SAS. This plan is subject to a presence condition (presence in the Group until August 1, 2024) and performance conditions (revenue and EBITDA for fiscal years 2021-2022 to 2023-2024). A total of 9,500 ordinary shares were conditionally allocated to employees under the plan.

Other free share allocations

Pursuant to the authorizations granted by the Ordinary and Extraordinary Shareholders General Meeting held on July 26, 2019, at its meeting of November 18, 2020, the Board of Directors of our Company granted 7,394 ordinary shares to an employee of a subsidiary of our Company.

This plan is subject to:

- a presence condition (presence in the Group until November 18, 2022);
- performance conditions based on:
  - EBITDA and revenue objectives for the year ending March 31, 2022, and
  - the Total Shareholder Return (TSR) of our Company's ordinary shares compared to the Euro Stoxx 600 Technology index between July 26, 2019, and the publication date of our Group's consolidated financial statements for the year ending March 31, 2022.

This allocation was in addition to the 38,816 ordinary shares already allocated pursuant to this authorization in fiscal year 2019-2020.

Soitec wins employee share ownership Grand Prix

On February 5, 2020, our Company was awarded the employee share ownership Grand Prix by the French employee share ownership federation (*Fédération de l'Actionnariat Salarié* – FAS).

This prestigious award recognizes our unwavering commitment to sharing value with employees since the 2015 turnaround, and throughout these years of strong and profitable growth. We are particularly proud that our approach, based on a leveraged free performance share offer and preferred share co-investment plans, and which has been very popular with our employees, may be a source of inspiration for other businesses.

Summary of capital increases

Further to these transactions, the share capital is now comprised of 33,180,921 ordinary shares with a par value of €2.00 each and 184,302 preferred shares ("PS 2") with a par value of €2 each, i.e., a total of €66,730,446.

Acquisition of an additional 20% interest in Dolphin Design SAS

On November 13, 2020, Soitec acquired a further 20% stake in Dolphin Design SAS from its partner MBDA for €2,000 thousand, thereby increasing its interest in that company to 80%. MBDA continues to own the residual 20% of the share capital, on which Soitec has a call option.

Managing the Covid-19 public health crisis

Since the onset of the Covid-19 health crisis, our Company's priority has been to safeguard the health of its employees, as well as that of the people working for its various partners, subcontractors and customers, and of the wider communities with which our Company interacts.

Firmly determined to support our customers in this difficult environment, our Company was able to maintain production throughout the year to March 31, 2021, in particular at the Bernin and Singapore plants, by implementing drastic safety measures. Our Company continued to deliver to its customers to meet demand as well as pursuing all its major R&D projects.

Our Company incorporated the business impacts of the health crisis into its guidance announced in June 2020. There was no other material impact on the income statement for the fiscal year ended March 31, 2021. The assumptions retained on closing the financial statements have been reviewed taking into account information relating to the Covid-19 crisis, with no material impact on the consolidated financial statements at March 31, 2021.

Tax inspection

On December 24, 2019, the tax authorities began an assessment of Soitec's accounting and all of its tax returns for the period from April 1, 2016 to March 31, 2019, and of its taxable profits for the period from April 1, 2015 to March 31, 2016 contributing to our Company's overall loss, pursuant to the provisions of Article L. 169 paragraph 7 of the French Book of Tax Procedures (*Livre des Procédures Fiscales*).

At this stage of the assessment, the Company has not identified any items justifying setting aside a provision for risks.

C. Subsequent events

None

D. Intangible assets and property, plant and equipment

Intangible assets mainly include software, which is recognized at purchase price and amortized on a straight-line basis over its estimated useful life of eight years, and include development projects for €37,995 thousand, capitalized in accordance with Article 311-3.2 of the French General Chart of Accounts (PCG).

Development costs are capitalized if they meet the following criteria:

- our Company has the intention and technical ability to complete the development project;
- it is highly probable that the future economic benefits attributable to the development costs will flow to our Group, generally evidenced by current orders or contracts;
- the costs can be measured reliably;
- our Company has the ability to use or sell the intangible asset;
- our Company has the necessary resources to complete the project.

R&D costs that do not fully meet the above criteria are expenses in the fiscal year during which they are incurred.

Our Company has defined an eight-stage life cycle for R&D projects. Upon the completion of each stage (milestone), a decision is made to either continue or discontinue the project. The first five stages cover exploratory research (evaluation of technologies), while the following two phases correspond to product development, generally in conjunction with a potential customer. The final stage involves high-volume industrialization of the product.

Costs incurred during exploratory research phases are expensed, and development costs are capitalized if they meet the criteria for recognition as an asset, otherwise they are expensed. Costs incurred in the industrialization phase are recognized in cost of sales.

Prototype sales and subsidies (including research tax credits) relating to capitalized development costs are initially recorded as deferred income and then taken to income as and when the associated development costs are amortized.

Capitalized development costs, even if the underlying asset has not yet been commissions, are subject to impairment tests at least once a year.

Property, plant and equipment is valued at acquisition cost. Property, plant and equipment is depreciated using the straight-line method over its estimated useful life, as follows:

Buildings, fixtures and fittings	15 to 30 years
Equipment and tooling	3 to 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

E. Non-current financial assets

Non-current financial assets include equity investments, advances to equity investments, deposits and bonds, and treasury shares.

Equity investments are valued at their historical acquisition price At the end of the fiscal year, a review of the value of equity investments is carried out consisting of analyzing their book value, mainly based on the remeasured net asset value or on the realizable value of the companies concerned. They are carried in the balance sheet at the lower of historical cost and book value.

The value of the shares in our subsidiaries is adjusted in line with the results of the remeasurement based on the economic situation of each one.

During fiscal year 2020-2021, our Company invested or increased its equity interest in:

- Technocom 3, for €500 thousand;
- Concentrix Holding, for €3,794 thousand following the acquisition of shares by Soitec USA Holding
- Dolphin Design, further to the acquisition of an additional 20% interest from its partner MBDA for €2,000 thousand, thereby increasing its interest in that company to 80%.
- Soitec Lab, for €5 million further to a capital increase in accordance with the commitment contained in the contribution agreement of March 31, 2020.
- Greenwaves, for €1,050 thousand, by subscribing to a convertible bond.

In fiscal year 2020-2021, our Company:

- sold its stake in Exagan for €3,043 thousand (after deduction of disposal costs), generating a capital gain of €1,605 thousand.

SUMMARY OF OUR COMPANY'S EQUITY INVESTMENTS

Company *(in € thousands)*	Gross value March 31, 2021	Impairment April 1, 2020	Impairment Change	Impairment March 31, 2021	Net value March 31, 2021
EQUITY INVESTMENTS					
Soitec USA Holding Inc.	17	-	-	-	17
Soitec Japan Inc.	2,637	-	-	-	2,637
Soitec Korea LLC	328	-	-	-	328
Soitec Corporate Services SAS	1	-	-	-	1
Soitec Trading Shanghai Co. Ltd.	102	-	-	-	102
Frec|n|sys SAS	2,949	-	-	-	2,949
Concentrix Holding SAS	3,894	-	-	-	3,894
Dolphin Design SAS	5,300	-	-	-	5,300
Soitec Asia Holding Pte. Ltd.	126,393	-	-	-	126,393
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	34,441	-	-	-	34,441
Cissoid	340	340	-	340	-
Technocom*	3,850	67	86	152	3,698
Shanghai Simgui Technology Co. Ltd.	4,441	-	-	-	4,441
Greenwaves Technologies SAS	3,299	-	-	-	3,299
TOTAL	**195,162**	**407**	**86**	**492**	**194,669**

* *Reversal of impairment of the equity investment in Technocom 2 for €62 thousand.*
Reversal of impairment of the equity investment in Technocom 3 for €24 thousand.

SUMMARY OF IMPAIRMENT OF ADVANCES TO EQUITY INVESTMENTS

Company *(in € thousands)*	Gross value March 31, 2021	Impairment April 1, 2020	Impairment Change	Impairment March 31, 2021	Net value March 31, 2021
ADVANCES TO EQUITY INVESTMENTS					
Soitec Microelectronics Singapore Pte Ltd.	98,232	-	-	-	98,232
Soitec Asia Holding Pte. Ltd.	31	-	-	-	31
Soitec Lab SAS	7,926	-	-	-	7,926
Frec|n|sys SAS	-	-	-	-	-
Soitec Belgium	1,037	-	-	-	1,037
Dolphin Design SAS	5,612	-	-	-	5,612
TOTAL	**112,837**	**-**	**-**	**-**	**112,837**

At March 31, 2021, our Company had a portfolio of 4,351 treasury shares.

	March 31, 2021
Number of treasury shares	4,351
Gross value *(in € thousands)*	369

F. 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 products to their realizable value less proportionate selling expenses.

Work-in-progress is measured using the same principles, in accordance with the percentage of completion of production.

They are broken down as follows:

Inventory category *(in € thousands)*	Gross value at March 31, 2021	Allowances	Net value at March 31, 2021
Raw materials	31,294	4,958	26,335
Consumables	21,581	3,842	17,739
Work in progress	22,468	1,287	21,182
Finished products	23,639	4,151	19,488
Goods held for resale	943	289	654
TOTAL	**99,925**	**14,528**	**85,397**

G. Receivables

Trade receivables, which generally fall due between 30 and 90 days, are recognized at face value.

These receivables are subsequently carried at amortized cost, less any impairment losses on non-recoverable amounts. An allowance is recognized whenever there is an objective indication that our Company may not be able to recover its receivables. Identified non-recoverable receivables are written off in full.

Allowances for doubtful receivables declined by €63 thousand over the year, further to the write off of certain receivables that were non-recoverable. These concern the Lighting business, discontinued by our Company in 2016.

H. Other receivables

Other receivables related to tax and social security receivables, as well as subsidies receivable amounting to €35.5 million.

Subsidies receivable amounting to €11.9 million and mainly concern the following programs:

- Ocean 12, for €1,634 thousand;
- Nano 2022, for €9,335 thousand.

The "State and local authorities" item includes a research tax credit of €13,440 thousand, mainly concerning the 2019, 2020 and 2021 research tax credits.

The most recent CICE receivables, comprising 2016 and 2018 CICEs, have been repaid and offset against income tax during the fiscal year.

I. 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 a significant interest rate risk.

Cash at bank is principally denominated in euros (95% of the total) and US dollars (4% of the total).

At March 31, 2021, these items amounted to €140.1 million and €437.5 million for marketable securities and cash and cash equivalents, respectively, compared to €20 million and €127 million respectively at the end of fiscal year 2019-2020.

J. 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 €3,373.5 thousand at the fiscal year-end.

K. Debt issue costs

OCEANE 2025 convertible bonds

On October 1, 2020, our Company issued bonds convertible into and/or exchangeable for new and/or existing shares (OCEANE convertible bonds) maturing on October 1, 2025, for an amount of €325 million. Issue costs amounted to €3,942 thousand.

Issue costs are amortized on a straight-line basis over five years. Amortization recognized during the fiscal year in respect of these costs amounted to €394 thousand.

OCEANE 2023 convertible bonds

On June 28, 2018, our Company issued bonds convertible into and/or exchangeable for new and/or existing shares (OCEANE convertible bonds) maturing on June 28, 2023, for an amount of €150 million.

€2,426 thousand in costs relating to the bond issue are being amortized on a straight-line basis over five years. Amortization recognized during the fiscal year in respect of these costs amounted to €485 thousand.

L. Equity

Movements in the share capital during fiscal year 2020-2021 were as follows:

- November 18, 2020: issue of 10,461 preferred shares 2 ("PS 2") subscribed by employees at a price of €88.90 in cash in the context of the reopening of the "Topaz" co-investment plan: capital increase of €20,922 and share premium of €909,061;
- December 18, 2020: issue of 75,861 free preferred shares ("PS 2") further to the vesting of the initial tranche of free PS 2 allocated on November 18, 2020 as part of the "Topaz" co-investment plan: capital increase of €151,722 (deducted from the share premium).

M. Other equity

During the year, our Company repaid €1,750 thousand of the advance received for the Nanosmart program, and made a payment of €612 thousand to finance the Allégro project.

N. Borrowings and financial debt

This item consists mainly of bonds convertible into new or existing shares (OCEANE convertible bonds) maturing on June 28, 2023, for an amount of €150 million, and on October 1, 2025 for €325 million.

At March 31, 2021, our Company had bank credit lines worth €75 million with seven banks. These credit lines are repayable at maturity no later than June 2025. They bear a commitment fee of 0.20% or a non-utilization fee of 0.05%, and a utilization fee ranging from Euribor +0.60% to 0.85%, depending on the credit line, and do not include any covenants.

These credit lines were entirely undrawn at March 31, 2021.

O. Financial instruments

Hedging derivatives

Our Company hedges its currency risk on certain transactions denominated in US dollars using derivatives (forward sales, options). These derivative instruments only hedge currency 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.

A provision for risk on the futures market was recognized at the end of this fiscal year for €1,370 thousand to cover a transaction in South African rand.

The following table shows the portfolio of financial instruments at March 31, 2021 and at March 31, 2020, used to hedge currency risks:

Type *(in € thousands)*	Currency	March 31, 2021 Market value (net)	March 31, 2021 Position hedged	March 31, 2020 Market value (net)	March 31, 2020 Position hedged
Hedging of statement of financial position items		**1,069**	**-**	**(1,142)**	**-**
of which eligible for hedge accounting (hedging of trade receivables)		-	-	-	-
Forward sales	USD to EUR	2,439	65,915	(727)	73,932
of which not eligible for hedge accounting		-	-	-	-
Forward sales (hedging of trade receivables)	USD to EUR	-	-	-	-
Forward sales (hedging of financial assets)	ZAR to EUR	(1,370)	5,774		
Cash flow hedges		**(3,740)**	**-**	**(415)**	**-**
of which eligible for hedge accounting		-	-	-	-
Forward sales	USD to EUR	(3,740)	350,797	(415)	132,439
of which not eligible for hedge accounting		-	-	-	-
Forward sales	USD to EUR	-	-	-	-
TOTAL HEDGES		**(2,671)**		**(1,142)**	

The maturities of the financial hedging instruments fall within the upcoming fiscal year 2021-2022 and the first half-year of fiscal year 2022-2023.

Market value was estimated using one or more commonly used models.

Currency risk

Our Company's policy on exposure to currency risk on its future trading transactions is to hedge a substantial portion of the currency risk at the end of the fiscal year by using derivative instruments on the basis of operating budgets.

All of our Company's future cash flows are subject to detailed forecasts for the coming fiscal year, and the next four years as part of the business plan. The currency risks identified are hedged by forward sales or options contracts, in order to minimize the currency position.

Our Company's Cash Management Department is entitled to hedge the exchange rate on cash flow forecasts (taking into account available credit lines), based on cash flow forecasts using forward contracts or options.

The useful life of these instruments matches the settlement flows.

However, our policy is not to use instruments for speculative purposes.

The exchange rates of our Company's three main currencies at March 31, 2021 were as follows:

- EUR/USD: €1 for US$1.1725 (€1 for US$1.0956 at March 31, 2020);
- EUR/JPY: €1 for JPY 129.90 (€1 for JPY 118.90 at March 31, 2020);
- EUR/ZAR: €1 for ZAR 17.35 (€1 for ZAR 19.61 at March 31, 2020).

Credit risk

The financial instruments on which our Company potentially incurs a credit risk are mainly cash and trade receivables. Our Company has implemented a cash flow management policy with the objective of optimizing its investments in short-term and low-risk financial liquid instruments. Our Company's cash and cash equivalents are deposited mainly with leading international financial institutions.

Our Company markets its products to players in the semiconductor industry, mainly located in the United States, Asia and Europe. At March 31, 2021, eight customers individually represented more than 5% of our Company's revenue and together accounted for 95% of revenue. At March 31, 2020, six customers individually represented more than 5% of our Company's revenue, and together accounted for 96% of revenue.

Our Company frequently assesses its customers' credit risk and financial position and allocates provisions for potential losses on receivables that cannot be recovered. The amount of these losses has remained non-material in recent years.

Equity risk

With the exception of its 4,351 treasury shares, our Company does not hold any non-consolidated investments or investments traded on a regulated market.

Liquidity risk

Our Company has access to financing from the capital markets in the form of:

- long-term borrowings: convertible bond issue (and capital increases in 2016);
- specific debt instruments (loan with Caisse des Dépôts);
- lease financing for capital spending purposes;
- committed credit lines.

Committed credit lines

At March 31, 2021, our Company had bank credit lines worth €75 million with seven banks. These credit lines are repayable at maturity no later than June 2025.

Long-term €200 million loan with Banque des Territoires

Our Company was granted a 12-year loan for a maximum amount of €200 million from Banque des Territoires (Caisse des Dépôts group) under the *Programme d'investissements d'avenir* (PIA), as part of the Nano 2022 program. Other than the obligation to maintain the financed assets in France, this 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, 2021, €94,559 thousand of this loan had been drawn down and was presented in financial debt. A further €105,441 thousand can be drawn under the loan subject to investments meeting eligibility criteria (technologies covered by the Nano 2022 program).

P. Revenue recognition

Revenue derives primarily from product sales and to a lesser extent from licensing arrangements. Revenue is recognized when it is probable that future economic benefits will flow to our Company and the revenue can be measured reliably.

The revenue recognition criteria vary depending on the nature of the services provided by our Company:

- sales of silicon wafers are recognized as revenue when the transfer of risks and benefits takes place pursuant to the terms and conditions of sale specified in customer contracts; our Company carries out an analysis of the criteria for the transfer of risks and benefits on sales relating to consignment stock transfer agreements. This analysis ensures that 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. When the license agreements provide, in addition to royalties, for payments of advances or interim invoices allowing for the financing of the developments implemented to respond to the specific needs of a customer, these are recorded as earnings over the foreseeable duration of the use by the customer of the transferred technology.

At March 31, 2021, deferred income consisted of royalties for €1.2 million, as well as sales of prototypes and research tax credits relating to capitalized development costs (for €5.3 million, €6.5 million and €3.1 million respectively).

Q. R&D costs

R&D costs are recorded either in income statement or in balance sheet as intangible assets. Capitalized development costs are discussed in under *Intangible assets*.

R&D costs recognized in income statement are essentially made up of the following:

- salaries and social security contributions;
- operating costs of clean room and R&D equipment;
- materials consumed in finalizing and manufacturing prototypes;
- subcontracting to public research centers and private laboratories, as well as under cooperation agreements; and
- costs related to maintaining and strengthening our Company's intellectual property rights.

This year, our Company recognized around €27.1 million in R&D costs.

Provided that such agreements are signed and the administrative authorizations are obtained, the amounts received under the subsidy contracts are recognized as operating grants.

Support for R&D activities may also take the form of repayable advances.

Our Company receives research tax credits ("CIR").

The amount of the research tax credit granted is reduced by the grants collected during a calendar year for the projects concerned.

Research tax credits recorded in the financial statements for the 2020 calendar year totaled €8.9 million (with an impact of €7,061 thousand on the income statement for the fiscal year).

R. Pension costs

Retirement indemnities and related benefits

French law provides for the payment of a lump-sum indemnity on retirement. This indemnity is calculated based on the employee's length of service and level of compensation upon retirement. Rights only vest for employees who are still with our Company upon retirement. 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, our Company operates a supplementary pension plan for certain employees. This defined benefit plan is managed by an outside agency.

Defined benefit plans (Article 83 of the French Tax Code [*Code général des impôts*]) are measured on an actuarial basis using the projected unit credit method, which factors in demographic (salary trends, age upon retirement, staff turnover, mortality rate) and financial (discount rate and inflation rate) assumptions.

For defined contribution plans (Article 39 of the French General Tax Code), payments are expensed as incurred, and do not give rise to a benefit obligation.

Pursuant to the publication on July 4, 2019 of the government Order on supplementary occupational pension plans, the rights related to this plan have been frozen as at December 31, 2019.

The different calculations required to measure pension commitments were performed using a discount rate of 0.75%, social security contributions of 51% for managers and technicians and 46% for operators.

Retirement age assumptions range from 62 to 65 years, depending on the socio-professional category.

Our Company's retirement benefit obligation at March 31, 2021 amounted to €15,780 thousand up from €13,556 thousand at March 31, 2020.

S. Provisions

A provision is recognized when our Company has a present (legal or constructive) obligation arising from a past event, the amount of which can be estimated reliably, and the settlement of which is expected to result in an outflow of resources embodying economic benefits for our Group. Provisions are discounted where the impact of discounting is material.

A provision for restructuring costs is only recognized when there is a constructive obligation towards a third party arising from a decision by management prior to the reporting date evidenced by a detailed, formal plan that has been announced to the parties concerned.

The other provisions correspond to specifically identified contingencies and expenses.

(in € thousands)	
Provisions for disputes: Employee disputes, social security, penalties and other	1,865
Provisions for foreign exchange losses	2,004
Provisions for losses on forward markets	1,370

T. Related-party disclosures

The members of the Board of Directors are:

- Éric Meurice;
- Paul Boudre, who leads our Company as Chief Executive Officer;
- Bpifrance Participations, represented by Sophie Paquin;
- CEA Investissement, represented by Guillemette Picard;
- Thierry Sommelet, on the proposal of Bpifrance Participations;
- Jeffrey Wang, on the proposal of NSIG;
- Kai Seikku, on the proposal of NSIG;
- Laurence Delpy;
- Christophe Gegout;
- Satoshi Onishi;
- Françoise Chombar;
- Shuo Zhang;
- Wissème Allali;
- Didier Landru.

Four of the 14 directors are independent (Éric Meurice, Laurence Delpy, Françoise Chombar and Shuo Zhang). They have no executive mandate within our Company, do not have a relationship of any nature whatsoever with our Company or our Executive Management that might compromise their freedom of opinion, and they do not have any specific ties with them.

On February 2, 2021, two employees, Wissème Allali and Didier Landru, joined the Board of Directors as representatives of, respectively, the CGT and CFE-CGE trade unions.

The semiconductor market is known for its limited number of participants, meaning that our Company maintains or is likely to maintain business relationships with Shin-Etsu Handotai, Shanghai Simgui Technology Co. Ltd. ("Simgui"), and the French Atomic Energy and Alternative Energy Commission (*Commissariat à l'énergie atomique et aux énergies alternatives* – CEA). Some of our directors hold or have held positions within these companies, as described in the individual profiles presented in Chapter 4 of this Universal Registration Document.

Shin-Etsu Handotai Co. Ltd.

In the year to March 31, 2021, purchases of raw materials from Shin-Etsu Handotai represented €119,199 thousand (€155,502 thousand in the year to March 31, 2020). Our Company invoiced €3,995 thousand to Shin-Etsu Handotai in respect of fiscal year 2020-2021 (€3,599 thousand in respect of fiscal year 2019-2020).

Other related parties

In fiscal year 2020-2021, our Company paid €3,733 thousand to CEA under the R&D agreement (€7,344 thousand in fiscal year 2019-2020), €121 thousand under the hosting agreement and €10,698 thousand in patent royalties (€4,960 thousand in fiscal year 2019-2020). In the year to March 31, 2021, our Group invoiced CEA €1,782 thousand, mainly in connection with the sale of 300 mm wafers (€1,405 thousand in the year to March 31, 2020).

During the fiscal year, our Company paid Simgui Technology Co., Ltd. US$51.8 million for the purchase of 200 mm SOI wafers (US$45.5 million in fiscal year 2019-2020).

Our Company invoiced US$23.2 million in silicon substrates (versus US$19.1 million in fiscal year 2019-2020).

During the fiscal year, our Company reimbursed €2 million in respect of programs subsidized by Bpifrance, and received €1 million from Bpifrance Financement under the Allegro program.

At March 31, 2021, our Executive Committee (ExCom) had 11 members, excluding corporate officers (12 at March 31, 2020), resulting in an average membership of 11 over the fiscal year. The total gross compensation paid to ExCom members, excluding corporate officers, and including direct and indirect benefits of executives, was €11,423 thousand for the year ended March 31, 2021.

(in € thousands)	March 31, 2021	March 31, 2020
Short-term benefits	4,764	3,796
Post-employment benefits	-	-
Share-based payment	6,659	3,829
TOTAL GROSS COMPENSATION PAID TO EXECUTIVES OF OUR COMPANY	**11,423**	**7,625**

Over the 2020-2021 fiscal year, executives excluding corporate officers were allocated:

- 18,672 preferred shares, on a conditional basis, subject to service and performance conditions, as part of the reopening of the "Topaz" plan;
- 7,294 free ordinary shares subject to service and performance conditions for fiscal year 2021-2022;
- 44,435 free ordinary shares subject to presence and performance conditions for fiscal year 2022-2023, as part of the "Onyx" and "Opale" plans;
- 42,062 preferred shares ("PS 2") were issued further to the vesting period of the initial tranche of shares under the "Topaz" plan.

The gross amount of compensation allocated to corporate officers and non-employee directors was as follows:

(in € thousands)	March 31, 2021	March 31, 2020
Short-term benefits	1,491	1,494
Post-employment benefits	-	-
Termination benefits	-	-
Accounting value of share-based payments	1,854	1,068
TOTAL COMPENSATION AWARDED TO CORPORATE OFFICERS	**3,345**	**2,562**
Directors' compensation paid	1,010	627
Reimbursement of travel expenses	8	65
TOTAL COMPENSATION AWARDED TO CORPORATE OFFICERS AND NON-EXECUTIVE DIRECTORS	**4,363**	**3,254**

The gross amount of compensation allocated to corporate officers and non-employee directors was as follows:

During fiscal year 2020-2021:

- 13,306 ordinary shares were allocated on a conditional basis to corporate officers under the "Onyx" plan, subject to presence and performance conditions;
- 12,792 preferred shares were issued to corporate officers further to the vesting period of the initial tranche of shares under the "Topaz" plan.

U. Statutory Auditors' fees

The total amount of Statutory Auditors' fees recorded in the income statement for the fiscal year was €433 thousand. These fees include the audit of the consolidated financial statements and of the individual financial statements for €396 thousand and other non-audit services for €37 thousand.

6.3.1.3 Balance sheet and income statement information

A. Non-current assets

ACQUISITIONS

		Increases	
(in € thousands)	Opening balance	Remeasurement	Acquisitions, contributions, transfers
Start-up and development costs	26,853	-	-
Other intangible assets	62,404	-	19,762
Land	2,185	-	224
Comprising	-	-	-
Buildings on own land	7,210	-	452
Buildings on land owned by third parties		-	-
Buildings, general installations, fixtures and fittings		-	-
Technical installations, equipment and industrial tooling	226,145	-	36,486
General installations, fixtures and fittings	54,223	-	2,786
Vehicles	101	-	5
Office, IT equipment and furniture	12,996	-	1,670
Reusable packaging and misc.		-	-
Property, plant and equipment in progress	27,064	-	54,283
Advances and prepayments		-	-
Intangible assets and property, plant and equipment	**419,181**	**-**	**115,668**
Equity-accounted investments		-	-
Other investments	261,941	-	97,067
Other long-term investments		-	1,050
Loans and other non-current financial assets	758	-	156
Non-current financial assets	**262,700**	**-**	**98,273**
TOTAL	**681,881**	**-**	**213,941**

DECREASES

	Decreases		
(in € thousands)	Transfer	Disposal	Closing balance
R&D costs	30		26,823
Other intangible assets	5,094	104	76,969
Land	-	-	2,409
Buildings on own land	-	-	7,663
Buildings on land owned by third parties	-	-	-
Buildings, general installations, fixtures and fittings	-	-	-
Technical installations, equipment and industrial tools	-	5,174	257,458
General installations, fixtures and fittings	-	720	56,289
Vehicles	-	-	106
Office, IT equipment and furniture	-	137	14,528
Reusable packaging and misc.	-	-	-
Property, plant and equipment in progress	38,462	11,484	31,400
Advances and prepayments	-	-	-
Intangible assets and property, plant and equipment	**43,586**	**17,619**	**473,645**
Equity-accounted investments	-	-	-
Other investments	-	51,009	307,999
Other long-term investments	-		1,050
Loans and other non-current financial assets	-	8	907
Non-current financial assets	**-**	**51,017**	**309,956**
TOTAL	**43,586**	**68,635**	**783,602**

B. Amortization

(in € thousands)	Opening balance	Expenses	Reversals	Closing balance
Start-up and development costs	1,003	3,352		4,355
Other intangible assets	48,739	4,028	91	52,676
Land	226	76		302
Buildings on own land	4,331	492		4,823
Buildings on land owned by third parties	-	-	-	
Buildings, general installations, fixtures and fittings	-	-	-	
Technical installations, equipment and industrial tools	183,040	12,533	2,994	192,579
General installations, fixtures and fittings	35,564	2,910	16	38,458
Vehicles	81	6		87
Office, IT equipment and furniture	11,331	894	114	12,112
Intangible assets and property, plant and equipment	**284,316**	**24,291**	**3,216**	**305,392**
TOTAL	**284,316**	**24,291**	**3,216**	**305,392**

BREAKDOWN OF MOVEMENTS AFFECTING PROVISIONS FOR ACCELERATED DEPRECIATION

	Expenses			Reversals			Movements
(in € thousands)	Difference in duration and other	Declining balance method	Non-recurring tax amortization	Difference in duration and other	Declining balance method	Non-recurring tax amortization	Depreciation – Closing balance
Other intangible assets	**-**	**-**	**-**	**-**	**-**	**129**	**(129)**
TOTAL	**-**	**-**	**-**	**-**	**-**		**(129)**

Costs to be amortized over several fiscal years *(in € thousands)*	Opening balance	Increases	Expenses	Closing balance
Debt issue costs to be amortized	1,577	3,942	879	4,639
Bond redemption premiums	-	-	-	-

C. Provisions recognized in the balance sheet

(in € thousands)	Opening balance	Expenses	Reversals	Closing balance
Accelerated depreciation	392	-	129	263
Tax-driven provisions	**392**	**-**	**129**	**263**
Provisions for disputes	1,816	462	490	1,787
Provisions for customer warranties	-	-	-	-
Provisions for losses on forward markets	-	1,370	-	1,370
Provisions for fines and penalties	-	-	-	-
Provisions for foreign exchange losses	690	2,004	690	2,004
Other provisions for contingencies and expenses	-	78	-	78
Provisions for contingencies and expenses	**2,506**	**3,913**	**1,180**	**5,238**
Impairment of intangible assets	237	-	-	237
Impairment of property, plant and equipment	5,267	-	1,419	3,848
Impairment of for equity investments	407	86		492
Impairment of other non-current financial assets	248	-	68	180
Allowances for inventory and work-in-progress	10,523	12,596	8,592	14,528
Allowances for trade receivables	74	-	63	11
Other provisions	-	-	-	-
Impairment	**16,757**	**12,682**	**10,142**	**19,296**
TOTAL	**19,654**	**16,595**	**11,451**	**24,797**
Additions and reversals to operating impairment	-	14,030	10,564	-
Additions and reversals to financial impairment	-	2,565	758	-
Non-recurring additions and reversals	-	-	129	-

D. Receivables and payables

Receivables *(in € thousands)*	Gross amount	Up to 1 year	More than 1 year
Advances to equity investments	112,837	112,837	
Loans	-	-	-
Other non-current financial assets	907	214	693
Doubtful and disputed trade receivables	11	11	-
Other trade receivables	106,550	106,550	-
Receivables on loaned securities	-	-	-
Employees and related accounts	10	10	-
Social security and other agencies	-	-	-
State and other local authorities: income tax	18,452	15,879	2,573
State and other local authorities: VAT	3,101	3,101	-
State and other local authorities: other duties, taxes and related payments	-	-	-
State and other local authorities: miscellaneous receivables	11,979	7,756	4,222
Group and related parties	-	-	-
Other debtors	2,006	2,006	-
Prepaid expenses	1,937	1,937	-
TOTAL	**257,790**	**250,302**	**7,488**

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	475,000	-	475,000	-
Other bonds	-	-	-	-
Borrowings and debt due within 1 year at inception	-	-	-	-
Borrowings and debt due beyond 1 year at inception	94,632	73	-	94,559
Borrowings and other financial debt	-	-	-	-
Trade payables	90,531	90,531	-	-
Employees and related accounts	18,773	18,773	-	-
Social security and other agencies	20,883	19,718	1,165	-
• State: income tax	-	-	-	-
• State: sales tax	1,185	1,185	-	-
• State: guaranteed bonds	-	-	-	-
• State: other duties, taxes and related payments	3,369	3,369	-	-
Amounts due on fixed assets	15,548	15,548	-	-
Group and related parties	844	844	-	-
Other liabilities	10,523	10,412	111	-
Debt on loaned securities	-	-	-	-
Deferred income	16,248	2,177	9,080	4,992
TOTAL	**747,537**	**161,219**	**485,356**	**99,551**
Loans subscribed during the fiscal year	419,632	-	-	-

E. Items relating to several balance sheet items

(in € thousands)	Related parties	Investments	Liabilities, receivables and credit notes
NON-CURRENT ASSETS			
Uncalled subscribed capital	-	-	-
Investments	183,232	11,437	-
Advances to equity investments	112,837	34,000	-
CURRENT ASSETS			
Trade receivables	63,774	3,348	-
Other receivables	21	-	-
LIABILITIES			
Trade payables	31,265	6,703	-
Amounts due on fixed assets	-	-	-
Other liabilities	844	-	-

F. Translation adjustments on receivables and payables in foreign currencies

Type of adjustments *(in € thousands)*	Assets Unrealized losses	Adjustments offset by coverage on currency	Provisions for losses on currency	Liabilities Unrealized gains
Non-financial assets	-	-	-	-
Non-current financial assets	1,107	-	1,107	53
Receivables	2	-	2	1,465
Financial debt	-	-	-	-
Operating payables	895	-	895	242
Due to suppliers of non-current assets	-	-	-	-
TOTAL	**2,004**	**-**	**2,004**	**1,760**

G. Share capital

Categories of shares *(in € thousands)*	Number of shares: at end of the period fiscal year	issued during fiscal year	redeemed during the fiscal year	Par value
Ordinary shares	33,180,921	-	-	2.00
Preference shares	184,302	86,322	-	2.00

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Closing balance *(in € thousands)*		Balance
EQUITY BEFORE DISTRIBUTION ON PREVIOUS EARNINGS	**-**	**431,602**
Dividends paid out on previous fiscal years	-	
EQUITY AFTER DISTRIBUTION ON PREVIOUS FISCAL YEARS	**-**	**431,602**
Changes during the fiscal year	Less	More
Changes in the share capital	-	173
Changes in share premiums	-	757
Changes in reserves	-	380
Change in investment subsidies	-	-
Changes in regulated provisions	129	-
Other changes	380	-
Net profit for the period	-	68,686
BALANCE	**-**	**69,487**
Closing balance		**Balance**
EQUITY BEFORE APPROPRIATION	**-**	**501,089**

H. Appropriation of earnings submitted for approval of the Shareholders' General Meeting

(in € thousands)	Amount
1 - Origin	
Net profit for the period	68,686
including current operating income after tax:	-
TOTAL	**68,686**
2 - Appropriations	
Legal reserve	17
Retained earnings	68,669
TOTAL	**68,686**

I. Provisions for contingencies and expenses

(in € thousands)	Position and changes: Opening balance	Additions for the fiscal year	Decreases: Amounts utilized during the fiscal year	Decreases: Surplus provisions not utilized	Closing balance
Labor disputes	525	358	-	-	883
Other litigation	1,291	104	-	490	905
Risk on futures market	-	1,370	-		1,370
Foreign exchange loss	690	2,004	-	690	2,004
Other provisions for risks and liabilities (cut-off)	-	78	-		78
TOTAL	**2,506**	**3,913**	**-**	**1,180**	**5,238**

AVERAGE HEADCOUNT

Headcount	Employees
Operators	386
Technicians and office workers	391
Engineers and executives	414
TOTAL	**1,191**

J. Breakdown of revenue

(in € thousands)	Revenue – France	Revenue – Other	Total March 31, 2021	Total March 31, 2020	% 2020/2021
By geographic market	60,009	490,035	550,043	577,355	-5%

DETAILS OF ACCRUED INCOME

Accrued income *(in € thousands)*	Amount
Interest on advances to equity investments	2
Client invoices to be issued	27,395
Credit notes	26
Return of consigned stock	67
TOTAL	**27,489**

Accrued income largely (€22.4 thousand) comprises transfers of consignment stocks.

CHARGES PAYABLE

Accrued income *(in € thousands)*	Amount
Interest on debt with credit institutions	73
Credit notes	797
Personnel – charges due	59
Provision for expenses	45
Debt provisioned for vacation pay	7,366
Other charges	11,239
Social-insurance charges on vacation pay	3,536
Other charges	13,711
State – Charges	3,023
Agefiph – Financial contribution	36
Royalties to be paid	1,010
Accrual at receipt – Inventory items	6,231
Accrual at receipt – Non-inventory items	6,940
Accrual at receipt – Miscellaneous	18,588
Accrual at receipt – Assets	5,513
TOTAL	**78,165**

DEFERRED INCOME

Deferred income *(in € thousands)*	Date/Period		
Leases	April 1, 2021	March 31, 2022	1,241
Capitalization (research tax credit, subsidies, prototypes)	April 1, 2021	March 31, 2029	14,894
Cut-off FY22 revenue	April 1, 2021	April 30, 2022	113
TOTAL			**16,248**

PREPAID EXPENSES

Prepaid expenses *(in € thousands)*	Date/Period		Operating
Prepaid expense – Miscellaneous maintenance	April 1, 2021	March 31, 2022	1,241
Prepaid expense – Leasing	April 1, 2021	March 31, 2022	696
TOTAL			**1,937**

K. Non-recurring income and expenses

Type of expense *(in € thousands)*	Amount
675000 Disposal of operating assets	12,068
675600 Non-recurring expenses on asset disposals	1,446
678000 Miscellaneous extraordinary costs	1,222
Non-recurring expense on corporate actions	**14,736**

Type of income *(in € thousands)*	Amount
772000 Non-recurring expenses in previous years	1
Non-recurring income on management transactions	**1**
775000 Income from disposal of assets	11,050
775600 Non-recurring income from the disposal of financial assets	3,043
Non-recurring income on corporate actions	**14,093**
787250 Reversal of provisions for accelerated depreciation	129
Reversals on provisions and transfer expenses	**129**
TOTAL	**14,223**

Income and expenses from the disposal of assets mainly correspond to sale of assets to subsidiary Soitec Lab and to leaseback transactions.

L. Deferred and unrealized tax position

(in € thousands)	Amount
TAX DUE ON:	
Foreign currency translation loss	569
Provisions for losses on forward markets	389
Total increases	**958**
PREPAID TAX ON:	
Temporary non-deductible costs (to be deducted the following fiscal year):	
Organic	64
Other	1,369
For later deduction	-
Other retirement costs*	4,106
TOTAL REDUCTIONS	**5,538**
Net deferred tax position	(4,580)
*Credit to be charged to loss carryforwards**	*160,720*
Net underlying tax position	160,720

* *For simplicity, a rate of 28.41% has been used for retirement costs and a rate of 25.83% for loss carryforwards.*

6.3.1.4 Financial commitments, other information

A. Leasing commitments

(in € thousands)	Land	Buildings	Equipment and tooling	Other non-current assets	Total
Initial value	-	-	**68,207**	-	**68,207**
DEPRECIATION					
Running for previous fiscal years	-	-	20,593	-	20,593
Current fiscal year	-	-	9,546	-	9,546
Total	-	-	**30,139**	-	**30,139**
NET VALUE			**38,068**	**-**	**38,068**
ROYALTIES PAID					
Running for previous fiscal years	-	-	22,856	-	22,856
Current fiscal year	-	-	9,779	-	9,779
Total	-	-	**32,636**	-	**32,636**
ROYALTIES TO BE PAID					
Within 1 year	-	-	9,818	-	9,818
More than 1 year and less than 5 years	-	-	26,530	-	26,530
More than 5 years	-	-	2,162	-	2,162
Total	-	-	**38,510**	-	**38,510**
RESIDUAL VALUE	**-**	**-**	**-**	**-**	**-**
Amount accounted for in the fiscal year	-	-	9,717	-	9,717

B. Off-balance sheet commitments

(in € thousands)	Off-balance sheet amount
Client trade bills	-
Guarantees and bonds (customs)	4
Pension plans obligations	15,780
Other commitments given	**161,430**
Long-term lease commitments	64
Guarantees given	80,491
Other commitments*	80,875
TOTAL	**177,214**

* *A reinforced purchase commitment was signed on March 31, 2020 with SK Siltron, taking effect only on April 1, 2020. A penalty (contractual compensation undertaking) has been agreed in the amount of US$110,000 thousand. A sum of €80.9 million representing the purchase commitment until the contract ends on March 31, 2024.*

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.

At March 31, 2021, guarantees, pledges and commitments given totaled €80.5 million, and mainly concern:

- The project company for the Touwsrivier solar power plant (CPV Power Plant no. 1), for €20.0 million.
- The acquirers of the Desert Green and Rians solar power plants, for €3 million.
- A letter of comfort given to its subsidiary Frec|n|sys to enable it to negotiate and meet its commitments, for €0.6 million.
- A letter of intent given by our Company to Soitec Asia Holding Pte Ltd. to enable it to continue to negotiate and meet its commitments next year, for €43 thousand.
- A letter of intent given to its subsidiary Dolphin Design, which had purchase orders with STMicroelectronics for €1.6 million as part of its framework agreement.
- A financial guarantee granted to Soitec Microelectronics Singapore Pte Ltd. for a €39.8 million loan from Société Générale, OCBC, HSBC and SMFL.
- A several guarantee issued by the parent company to secure payment by Soitec Belgium NV to ES Finance for two equipment leasing contracts amounting to €0.8 million.
- A joint and several guarantee given by our Company (corresponding to 80%) to its subsidiary Dolphin Design, in order to guarantee payment of all sums due (but still unpaid) in accordance with the lease for the new Dolphin Design headquarters building, for €0.5 million.
- A counter-guarantee issued by our Company to Société Générale as part of a bank guarantee to client RF360 for Soitec SA's obligation to repay RF360's initial investment in Soitec SA's additional capacities, for €14.2 million.

Principal commitments given to subsidiaries (guarantees and sureties)	Amount *(in € thousands)*
Soitec Solar US	3,027
Soitec Solar RSA	20,000
Frec|n|sys	600
Dolphin Design	2,047
Soitec Belgium	774
Soitec Microelectronics Singapore Pte Ltd.	39,789

Principal commitments given on behalf of Soitec S.A. (guarantees and sureties)	Amount *(in € thousands)*
Contractual commitment with SK Siltron	80,875
Counter guarantee to repay RF360 investment	14,211

C. Put options

Dolphin

The Dolphin Design SAS shareholder agreement includes a put option in favor of MBDA. This option permits MBDA to require our Group to purchase the 40% interest that MBDA owns in Dolphin Design SAS between November 1, 2022 and December 31, 2022, with an option to acquire an initial 20% tranche in November 2020.

In November 2020, our Company exercised the option to acquire 20% of Dolphin Design SAS at a pre-determined price of €2,000 thousand.

Soitec Belgium

At March 31, 2021, the co-founding directors of Soitec Belgium (formerly EpiGaN N.V) held 3.39% of the share capital. The shareholder agreement provides for a cross put/call option for these directors at a price that will be determined according to the level of achievement of performance criteria.

6.3.1.5 Subsidiaries and shareholdings

Company Registered Office	Share capital Equity	% interest Dividends received	Gross value of equity investments Net value of shares	Loans, advances Guarantees	Revenue Net profit/loss
SUBSIDIARIES (MORE THAN 50%-OWNED)	**LOCAL CURRENCY**		**EURO**	**EURO**	**EURO**
Soitec USA Holding Inc.	1,000	100%	16,796		-
11182 El Camino Real Suite 260 San Diego CA 92130 United States	307,430,000		16,796		(6,232,836)
Soitec Japan Inc.	300,500,000	100%	2,636,988		51,727,425
West Tower 20 F, Otemachi First Square 1-5-1 Otemachi, Chiyoda-Ku 100-0004 Tokyo Japan	1,250,120,608		2,636,988		1,433,271
Soitec Korea	500,000,000	100%	328,483		51,433
Kyunggi-do hwasung-si Bansong Dong 93-10, Shinyoung Gwell Korea	712,955,708		328,483		804
Soitec Corporate Services	1,000	100%	1,000		-
Chemin des Franques Parc Technologique des Fontaines 38190 Bernin	(20,000)		1,000		(4,000)
Soitec Trading Co. Ltd. (Dec. 31 year-end)	860,594	100%	102,138		807,991
3261 Dong Fang Road Shangai China	2,400,095		102,138		172,154
Frec|n|sys	499,500	100%	2,949,287		614,087
18 rue Alain Savary 25000 Besançon France	1,282,511		2,949,287		415,984
Concentrix Holding	498,969,000	100%	3,894,000		-
Parc Technologique des Fontaines 38190 Bernin	35,173,000		3,894,000		(542,000)
Dolphin Design SAS	5,500,000	80%	5,300,001	5,610,000	22,009,938
1BA, Chemin du Pré Carré 38240 Meylan	6,446,533		5,300,001		1,037,189
Soitec Asia Holding	1	100%	126,392,973	30,708	-
81 Pasir Ris Industrial Drive 1 Singapore 518220	142,061,000		126,392,973		(8,529)

Company Registered Office	Share capital Equity	% interest Dividends received	Gross value of equity investments Net value of shares	Loans, advances Guarantees	Revenue Net profit/loss
Soitec Lab	6,000,000	100%	7,166,195	7,925,874	4,261,667
Parc Technologique des Fontaines Chemin des Franques 38190 Bernin	7,166,195		7,166,195		-
NEWCO 2	1,000	100%	1,000		-
Parc Technologique des Fontaines Chemin des Franques 38190 Bernin	807		1,000		(193)
NEWCO 3	1,000	100%	1,000		-
Parc Technologique des Fontaines Chemin des Franques 38190 Bernin	807		1,000		(193)
NEWCO 4	1,000	100%	1,000		-
Parc Technologique des Fontaines Chemin des Franques 38190 Bernin	807		1,000		(193)
Soitec Belgium	9,742,000	96.7%	34,441,030	1,037,460	2,484,585
Kempische Steenweg 293 3500 Hasselt Belgium	8,520,472		34,441,030		(1,172,092)
INVESTMENTS (10 TO 50%-OWNED)					
Greenwaves Technologies	1,774,551	16.63%	3,298,873		160,039
Pépinière des entreprises Bergès Av des Papeteries 38190 Villard Bonnot	8,068,819		3,298,873		(2,110,625)
OTHER INVESTMENTS (LESS THAN 10% OWNED)					
Technocom 2	26,661,766	8.0%	2,350,000		-
23, rue Royale 75008 Paris	28,599,842		2,288,222		(236,813)
Technocom 3	9,949,884	8.0%	1,500,000		-
23, rue Royale 75008 Paris	8,691,693		1,409,394		(1,258,191)
Simgui	315,000,000	2.7%	4,440,962		82,944,055
200, Puhui Road, Jiading District Shanghai China	777,515,274		4,440,962		9,418,263
Cissoid	1,706,054	0.18%	339,903		1,234,208
Chemin du Cyclotron 6 1348 Louvain-la-Neuve Belgium	610,599		-		(595,424)

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. and Soitec USA Holding 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 pour Frec|n|sys SAS, Soitec Corporate Services SAS, Soitec Lab SAS, Soitec Newco 2 SAS, Soitec Newco 3 SAS, Soitec Newco 4 SAS, Concentrix Holding SAS, Dolphin Design SAS, Soitec Belgium, Technocom 2 and 3, Greenwaves Technologies SAS and Cissoid.

For investments below 10%, no loan, advance or deposit was granted during the fiscal year.

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, 2021

To the Annual General Meeting of Soitec S.A.,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of Soitec S.A. for the year ended March 31, 2021.

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, 2021 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, 2020 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

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

CAPITALIZATION AND VALUATION OF DEVELOPMENT EXPENSES IN THE BALANCE SHEET

Risk identified	Our response
At March 31, 2021, capitalized development expenses represented a net amount of €39m in the Company's balance sheet. As described in note "Intangible and Tangible assets" of the financial statements, the development expenses incurred by the Company in the context of its new projects are capitalized when the capitalization criteria are complied with, notably whether it is probable that the development projects will generate future economic benefits for the Company. The capitalized development expenses are tested annually for impairment. We have identified the capitalization and valuation of development expenses as a key audit matter due to the materiality of these intangible assets in the balance sheet and the judgment exercised by the management for their initial capitalization and their impairment testing.	We obtained an understanding of the procedures relating to the initial capitalization of development expenses, the identification of projects presenting an indication of impairment, and the development of the estimates used to perform the impairment testing of these assets. For the projects we selected, our work notably consisted in: • evaluating compliance with the capitalization criteria as defined in the notes to the financial statements, and the correct application thereof; • using sampling to test the consistency of the amounts recorded in assets at March 31, 2021 with the underlying supporting documentation; • evaluating the data and assumptions used by the Company for the impairment testing of capitalized development expenses through inquiries of management; • verifying the arithmetic accuracy of these tests.

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, L. 22-10-10 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 favor, 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 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 général*), complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of December 17, 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 S.A. by your Annual General Meeting held on July 25, 2016.

As at March 31, 2021, our firms were in the fifth 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 risk 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. 823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit and Risks Committee

We submit a report to the Audit and Risks Committee 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) No 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for Statutory Auditors. Where appropriate, we discuss with the Audit and Risks Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

The Statutory Auditors

Paris La Défense and Lyon, July 1, 2021

French original signed by

KPMG Audit Département de KPMG S.A.		Ernst & Young Audit
Jacques Pierre	Stéphane Devin	Nicolas Sabran
Partner	*Partner*	*Partner*

6.4 Other financial and accounting information

6.4.1 Five-year financial summary

FIVE-YEAR FINANCIAL SUMMARY

Fiscal year ended *(in € thousands)*	**March 31, 2017**	**March 31, 2018**	**March 31, 2019**	**March 31, 2020**	**March 31, 2021**
Duration of fiscal year (months)	**12**	**12**	**12**	**12**	**12**
I. SHARE CAPITAL AT END OF FISCAL YEAR					
Share capital	60,623	62,762	62,762	66,558	66,730
Number of shares	-	-	-	-	-
• ordinary shares	30,311,510	31,367,567	31,367,567	33,180,921	33,180,921
• preferred shares	-	269,365	269,365	97,980	184,302
Maximum number of shares to be issued	-	-	-	-	-
• by bond conversion	-	-	-	-	-
• by warrant	-	-	-	-	-
II. EARNINGS					
Revenue before tax	238,223	296,034	448,694	577,355	550,043
Earnings before tax, employee profit-sharing, depreciation, amortization and impairment	24,346	(477,674)	103,216	54,136	97,701
Income tax	(13,883)	(7,458)	3,421	495	(1,352)
Employee profit-sharing	-	-	2,522	1,107	52
Additions to depreciation, amortization and impairment	17,881	(517,764)	(11,186)	(47,194)	30,314
Net profit	20,348	47,548	108,460	99,727	68,686
Dividends paid	-	-	-	-	-
III. EARNINGS PER SHARE					
Earnings after tax, employee profit-sharing, but before depreciation, amortization and impairment	1.26	(14.99)	3.1	1.58	2.98
Earnings after tax, employee profit-sharing, depreciation, amortization and impairment	0.67	1.52	3.46	3.01	2.07
Dividend paid	-	-	-	-	-
IV. PERSONNEL					
Average workforce during the fiscal year	859	931	1,053	1,128	1,191
Payroll costs	47,573	51,804	55,896	63,738	64,453
Amounts paid in social charges (social security and other social agencies)	27,099	23,511	25,717	30,184	36,438

6.4.2 Inventory of marketable securities

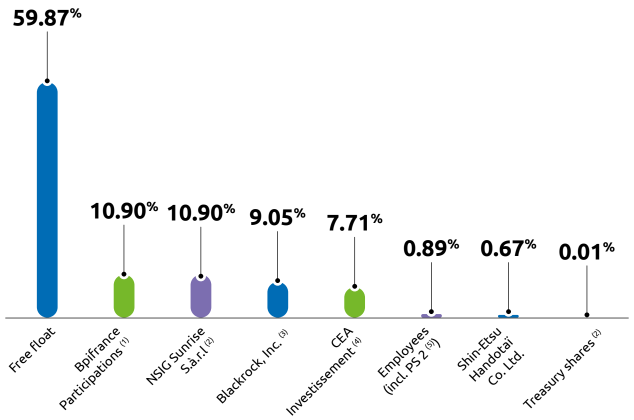
(in € thousands)	Book value March 31, 2021
A. EQUITY INVESTMENTS	
Soitec USA Holding Inc.	17
Soitec Japan Inc.	2,637
Soitec Korea LLC	328
Soitec Corporate Services SAS	1
Soitec Trading Shanghai Co. Ltd.	102
Frec|n|sys SAS	2,949
Concentrix Holding SAS	3,894
Dolphin Design SAS	5,300
Soitec Asia Holding Pte. Ltd.	126,393
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	34,441
Cissoid	340
Technocom	3,850
Shanghai Simgui Technology Co. Ltd.	4,441
Greenwaves Technologies SAS	3,299
B. ADVANCES TO EQUITY INVESTMENTS	
Soitec Microelectronics Singapore Pte Ltd.	98,232
Soitec Asia Holding Pte. Ltd.	31
Soitec Lab SAS	7,926
Frec|n|sys SAS	-
Soitec Belgium	1,037
Dolphin Design SAS	5,612
C. OTHER LONG-TERM INVESTMENTS	
OCA Greenwaves	1,050
D. MARKETABLE SECURITIES	
Marketable securities	140,116
E. TREASURY SHARES	
4,351 Treasury shares	369
TOTAL	**449,535**

7

Share capital and shareholding structure

7.1 Our shareholding structure

7.1.1 Our shareholders



(1) Declaration of indirect threshold crossing (through CDC Croissance and Bpifrance Participations SA) by Caisse des Dépôts et Consignations (CDC), made to the AMF on September 17, 2020.
(2) Threshold crossing declaration made by NSIG Sunrise S.à.r.l to the AMF on March 1, 2021.
(3) Information provided by BlackRock to the Company on March 5, 2021.
(4) Threshold crossing declaration made by CEA Investissement to the AMF on July 31, 2020.
(5) PS 2 with a par value of €2.00 each, not admitted to trading on a regulated market.
(6) Shares without voting rights.

Our Company conducts a number of shareholder identification studies every year. The most recent was completed in March 2021.

Around 24.61% of the stock is held by the general public and institutional investors

24.61%

Around 24.61% of shares in our Company are widely distributed among the public or held by institutional investors other than our 50 leading investors.

Stable employee shareholding, with potential to increase

0.89%

The number of employee shareholders is stable and still has limited impact at March 31, 2021, standing at 0.89%.

Employee share ownership may increase significantly over the coming months and years, due to the future unwinding of the free share allocation plans set up for our employees over the past three fiscal years.

Small portion of treasury shares

Our **4,351** treasury shares represent around 0.01% of the total number of shares.

Our three “strategic investors”

In May and June 2016, we completed two major capital increases, one of which was reserved for our three “strategic investors”.

Following these transactions, these companies each held 14.5% of our share capital, totaling 43.50%.

On June 28, 2017, the companies each sold an identical number of our shares to institutional investors. Following these transactions, their respective shareholdings represented around 12%.

On July 31, 2020, CEA Investissement sold 1,065,000 shares off-market through a placement to qualified investors via an accelerated book building process. Following this transaction, its shareholding represents around 7.71%.

29.5%

At the date hereof, our three “strategic investors” continue to represent a significant portion of our shareholding: NSIG Sunrise S.à.r.l and Bpifrance Participations hold 10.90% and CEA Investissement holds 7.71% of our shares, i.e., a total of 29.50%. Furthermore, NSIG Sunrise S.à.r.l and Bpifrance Participations are represented on our Board of Directors by two members and CEA Investissement is represented by one member.

Given that our three “strategic investors” do not act in concert, as stated in their Shareholders' Agreement dated March 7, 2016, as amended on April 29, 2016, our Company is not controlled.

Our long-standing shareholder

Shin-Etsu Handotai, our long-standing Japanese partner and silicon supplier, is still one of our shareholders.

0.67%

One of our first shareholders, Shin-Etsu Handotaï holds approximately 0.67% of our share capital at the date hereof, 22 years after our initial public offering.

Shin-Etsu Handotai is therefore our 4th largest registered shareholder.

Our Japanese partner is represented by one director on our Board of Directors.

Very strong growth of our top 50 institutional investors

In March 2018, our top 50 institutional investors represented 35% of our shareholders.

In May 2020, an analysis of the shareholding structure found that they held around 43.86% of our share capital.

45.88%

The latest analysis, completed in March 2021, revealed that our top 50 institutional investors now collectively hold 45.88% of our shares.

Primarily located in Europe, the United States and Asia, the majority have a long-only strategy.

For more details, please see section 7.1.2 *Change in our main shareholders over the past three fiscal years* of this Universal Registration Document.

7.

7.1.2 Change in our 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 our main shareholders, long-standing shareholders and employee shareholders at March 31, 2021.

The development over the past three years of their respective positions in terms of percentages of shares and exercisable voting rights is also included.

Our main shareholders are those who directly or indirectly hold more than 5% of our share capital. To the best of our knowledge, no other shareholder holds, directly or indirectly, alone or in concert, more than 5% of our share capital or voting rights at March 31, 2021.

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 *Our employee shareholding structure* of this Universal Registration Document.

	Situation at March 31, 2021						Situation at March 31, 2020		Situation at March 31, 2019	
Shareholders	**Number of shares**	**Percentage of shares**	**Number of theoretical voting rights** (1)	**Percentage of theoretical voting rights** (1)	**Number of exercisable voting rights** (2)	**Percentage of exercisable voting rights** (2)	**Percentage of shares**	**Percentage of exercisable voting rights** (2)	**Percentage of shares**	**Percentage of exercisable voting rights** (2)
Free float	19,977,042	59.87%	20,258,758	49.24%	20,258,758	50.62%	65.71%	65.22%	65.71%	65.22%
NSIG Sunrise S.à.r.l.	3,636,008	10.90%	7,272,016	17.68%	6,159,984	15.39%	10.93%	10.93%	10.93%	10.93%
Bpifrance Participations	3,636,007	10.90%	7,272,014	17.68%	7,272,014	18.17%	10.93%	10.93%	10.93%	10.93%
BlackRock, Inc.	3,020,740	9.05%	3,020,740	7.34%	3,020,740	7.55%	-	-	-	-
CEA Investissement	2,571,007	7.71%	2,571,007	6.25%	2,571,007	6.42%	10.93%	10.71%	10.93%	10.71%
Employees:	297,439	0.89%	297,439	0.72%	297,439	0.74%	0.83%	0.89%	0.83%	0.89%
• of which freely allocated PS 2 (3)	*63,069*	*0.19%*	*63,069*	*0.15%*	*63,069*	*0.16%*	*0.29%*	*0.29%*	*0.00%*	*0.00%*
Shin-Etsu Handotai	222,629	0.67%	445,258	1.08%	445,258	1.11%	0.67%	1.31%	0.67%	1.31%
Treasury shares (4)	4,351	0.01%	4,351	0.01%	0	0.00	0.01%	0.00%	0.01%	0.00%
TOTAL	**33,365,223**	**100.00%**	**41,141,583**	**100.00%**	**40,025,200**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

(1) The total number of theoretical voting rights (or "gross" voting rights) is used as the basis for calculating threshold crossings. In accordance with Article 223-11 of the General Regulation of the French financial markets authority (Autorité des marchés financiers – AMF), this number is calculated on the basis of all shares to which voting rights are attached as of the information cut-off date, including shares without voting rights and shares entitled to double voting rights.

(2) The total number of exercisable voting rights (or "net" voting rights) is calculated after taking into account, as of the information cut-off date, the number of shares entitled to double voting rights, and after the deduction of shares without voting rights.

(3) PS 2 with a par value of €2.00 each, not admitted to trading on a regulated market. The number of ordinary shares to which the PS 2 would entitle the holder upon conversion is detailed in section 7.2.3.2 Information on the potential dilution of the Company's capital of this Universal Registration Document.

(4) Shares without voting rights.

7.1.3 Our stock market data

7.1.3.1 Our profile

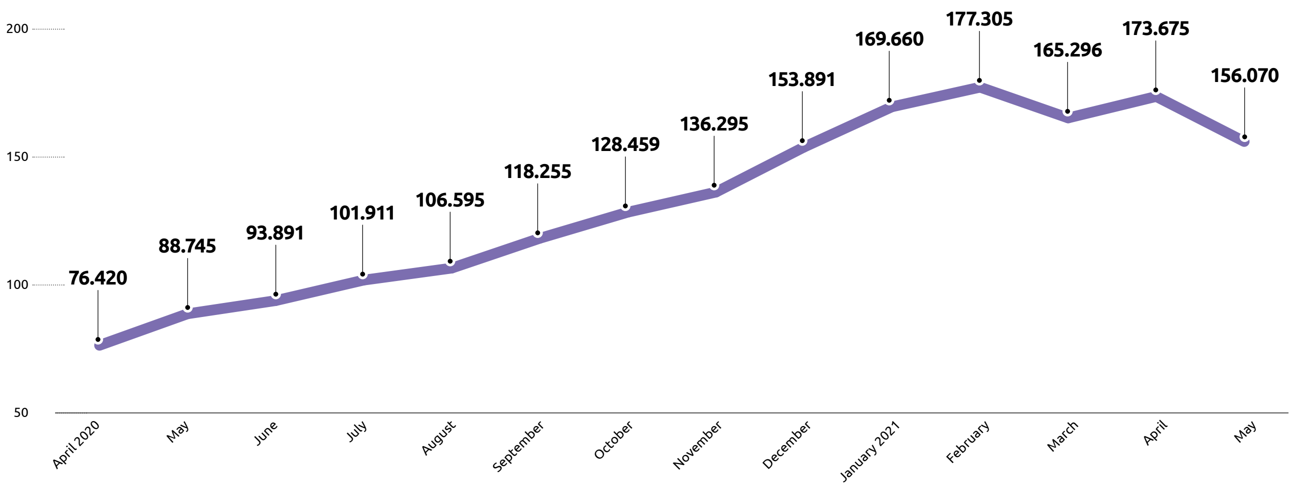
		Event
Stock market	EURONEXT	The Company has been listed on Euronext Paris since its initial public offering on February 9, 1999. Initially listed in Compartment B, it is now listed in Compartment A.
Indices	CAC Mid 60 SBF 120	Following the quarterly review of the Euronext Paris indices on March 9, 2017, the Index Committee (*Conseil scientifique des indices*) decided to readmit our Company to the panels comprising the CAC Mid 60 and SBF 120 indices. This decision took effect on March 17, 2017 after market close.
Ticker symbol	SOI	Since our initial public offering on February 9, 1999.
ISIN	FR0013227113	Since our reverse stock split effective February 8, 2017.

7.1.3.2 Summary table of our past two fiscal years

	2020-2021	2019-2020
Stock market capitalization at fiscal year-end *(in € billions)*	5.78	2.18
Number of listed shares	33,180,921	33,180,921
Highest price *(in €)*	191.300	117.200
Lowest price *(in €)*	63.600	48.860
Average closing price *(in €)*	125.89	89.766
Price at fiscal year-end *(in €)*	174.300	65.800

7.1.3.3 Changes in our 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)*
2020						
April	85.000	63.600	76.420	1,357,523	104.53	2,535.686
May	92.500	78.100	88.745	1,239,953	109.42	2,944.640
June	99.200	85.250	93.891	2,154,885	201.91	3,115.390
July	110.000	95.200	101.911	2,096,305	213.71	3,381.501
August	113.300	99.900	106.595	1,239,799	132.54	3,536.920
September	132.800	103.100	118.255	2,658,598	320.90	3,923.810
October	134.700	117.200	128.459	1,587,124	203.40	4,262.388
November	149.900	122.000	136.295	1,758,940	239.62	4,522.394
December	161.500	146.100	153.891	1,322,641	202.42	5,106.245
2021						
January	183.600	158.800	169.660	1,978,545	336.04	5,629.476
February	191.300	165.300	177.305	1,616,718	287.40	5,883.143
March	180.000	154.300	165.296	2,034,941	335.18	5,484.674
April	183.000	162.900	173.675	1,211,270	209.91	5,762.696
May	170.200	143.000	156.070	1,641,757	255.32	5,207.310



7.1.4 Dividend information

Our Company has not distributed any dividends in respect of the past three fiscal years.

We intend to reinvest our profits in order to finance our future growth, and we do not plan to pay out any dividends over the next three years.

7.1.5 Rights, preferences and restrictions attached to our shares

7.1.5.1 Two different share classes

Our share capital is made up of two different share classes:

- 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"; and
- preferred shares 2 ("**PS 2**") with a par value of €2.00 each, not admitted to trading on a regulated market.

In accordance with Article 9 of the by-laws, the PS 2 are subject to temporary transfer restrictions under the conditions defined in Articles 9 and 10 of the by-laws and described in section 9.1.2 *By-laws* of this Universal Registration Document.

7.1.5.2 Different voting rights

Simple voting rights

Voting rights are proportional to the capital represented by shares.

When Shareholders' General Meetings are held, each share carries one vote.

Double voting rights

Since the resolution adopted by our Combined Ordinary and Extraordinary Shareholders' General Meeting of November 30, 1998, Article 22 of our 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 our 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 our main shareholders

The exact number of voting rights held by our main and long-standing shareholders at March 31, 2021, as well as their respective proportions of exercisable voting rights, are described in section 7.1.2 *Change in our main shareholders over the past three fiscal years* above.

7.1.5.3 Amendments to shareholder rights under legal requirements

Decisions amending the by-laws of our Company in general are adopted by the Extraordinary Shareholders' General Meeting under the legal majority conditions required.

7.1.6 Our threshold crossings and our position of control

7.1.6.1 Threshold crossings over the past fiscal year

A. Legal threshold crossings

During the period from April 1, 2020 to March 31, 2021, the following threshold crossing declarations were made to our Company in accordance with Article L. 233-7 of the French Commercial Code:

BLACKROCK, INC.

Date of crossing	Crossing direction	Threshold(s) crossed	Number of shares held post-crossing	Percentage of capital declared	Number of voting rights held post-crossing	Percentage of voting rights declared
05/20/2020	↗	5% of our capital	1,664,870	**5.00%**	1,664,870	**4.91%**
06/01/2020	↗	5% of our voting rights	1,705,907	**5.13%**	1,705,907	**5.03%**
08/25/2020	↘	5% of our capital and voting rights	1,432,901	**4.31%**	1,432,901	**4.22%**
08/26/2020	↗	5% of our capital and voting rights	1,892,465	**5.69%**	1,892,465	**5.58%**

* *Since March 31, 2021, BlackRock, Inc. (acting on behalf of clients and funds that it manages) has indicated – by way of a corrective declaration made on May 31, 2021 – that its interest in the Company had decreased on August 27, 2020 to below the threshold of 5% of the voting rights and then increased on September 11, 2020 to above the 5% threshold. At May 27, 2021, BlackRock, Inc. declared that it held, on behalf of clients and funds that it manages, 3,131,663 shares representing 9.39% and 7.61% of the Company's share capital and voting rights, respectively.*

NSIG SUNRISE S.À.R.L. *

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
07/12/2020	↗	15% of our voting rights	3,636,008	**10.93%**	7,272,016	**17.71%**

CEA INVESTISSEMENT

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
07/31/2020	↘	10% of our capital and voting rights	2,571,007	**7.73%**	2,571,007	**7.58%**

* *Since March 31, 2021, CEA Investissement has declared that its interest in the Company has increased to above the threshold of 10% of the voting rights, following the allocation of double voting rights.*

CAISSE DES DÉPÔTS ET CONSIGNATIONS (CDC)*

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
07/05/2020	↗	15% and 20% of our voting rights	3,937,490	**11.83%**	7,573,497	**20.19%**
08/27/2020	↘	20% of our voting rights	3,937,490	**11.83%**	7,573,497	**18.44%**

* *These thresholds were crossed indirectly, through CDC Croissance and Bpifrance Participations SA.*

EPIC BPIFRANCE*

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
07/05/2020	↗	15% of our voting rights	3,636,007	**10.92%**	7,272,014	**19.39%**

* *This threshold was crossed indirectly, through Bpifrance Participations SA.*

B. Crossing of the thresholds set out in our by-laws

In accordance with Article 11 of our by-laws, any crossing of the threshold of 3% of the capital or voting rights must be disclosed to the Company.

We were not informed of any crossings of the 3% threshold set out in the by-laws during fiscal year 2020-2021.

7.1.6.2 Absence of control over our Company

Given that our three main shareholders are not acting in concert, as stated in their Shareholders' Agreement of March 7, 2016 as amended on April 29, 2016, our Company is not in a controlled position. To the best of the Company's knowledge, the term of the Shareholders' Agreement expires at the close of the Shareholders' General Meeting to be held on July 28, 2021.

To our knowledge, no shareholder directly or indirectly holds a portion of our share capital or voting rights granting it control over our Company.

7.1.6.3 Change of control over our Company

To our knowledge, there is no agreement in place that could give rise to a change of control over our Company in the future.

Apart from the double voting rights described in section 7.1.5.2 *Different voting rights* of this Universal Registration Document and the factors presented in section 7.1.8 *Factors likely to have an impact in the event of a public offer*, no provisions in our articles of incorporation or by-laws or any of our charters or regulations would have the effect of delaying, deferring or preventing a change of control over our Company

7.1.7 Our employee shareholding structure

Pursuant to Article L. 225-102 of the French Commercial Code, we hereby inform you that the proportion of the share capital held by our employees at March 31, 2021 is 0.89%, i.e., 234,370 ordinary shares and 63,069 free PS 2 shares. Employee shareholding is the result of the following two mechanisms:

- pursuant to the 31st resolution of the Combined Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2019 and a decision of the Board of Directors on July 26, 2019, our Company has set up a company savings plan for the employees of the French and Singaporean entities of our Group via a company mutual fund ("FCPE Jade");
- in addition, the shares held in registered form by our employees and included in the above calculation are the result of the free shares allocated under the plans described in section 7.2.3.1 *Type and characteristics of financial instruments issued* of this Universal Registration Document or of the Universal Registration Documents or Registration Documents for previous fiscal years. Share subscription offers against payment reserved for our 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 share capital of our Company	See sections 7.1.1 *Our shareholders at the date of the Universal Registration Document* and 7.1.2 *Change in our main shareholders over the past three fiscal years* 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 attention of our Company pursuant to Article L. 233-11 of the French Commercial Code	In accordance with Article 9 of the by-laws, the PS 2 are subject to temporary transfer restrictions under the conditions defined in Articles 9 and 10 of the by-laws and described in section 9.1.2 *By-laws* of this Universal Registration Document. In addition, 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. Article 11 of the by-laws is described in greater detail in section 9.1.2 *By-laws* of this Universal Registration Document.
Direct or indirect interests in the share capital of our Company 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 *Change in our main shareholders over the past three fiscal years* and 7.1.6 *Our threshold crossings and our position of control* 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 Jade FCPE exercises the voting rights attached to the Company's securities at its Shareholders' 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 our Company is aware and which may result in restrictions on the transfer of shares and the exercise of voting rights	The Shareholders' Agreement entered into on March 7, 2016 between our Company and its "strategic investors" (Bpifrance Participations, CEA Investissement and National Silicon Industry Group/NSIG Sunrise S.à.r.l.), which is due to expire at the close of the Shareholders' General Meeting of July 28, 2021, contains, in addition to governance clauses, a standstill clause, as well as a clause prohibiting the transfer of the Company's shares to any of its competitors, and requirements related to orderly sales or transfers of shares (see section 4.1.4.2, C., 3 *Restrictions related to the Shareholders' Agreement entered into between our Company and its "strategic investors"* of this Universal Registration Document.
Rules applicable to the appointment and replacement of members of the Board of Directors and to amendments of our by-laws	See sections 4.1.3.2 *Main principles governing the composition of our Board*, 7.1.5.3 *Amendments to shareholder rights under legal requirements* and 9.1.2 *By-laws* (Article 12) of this Universal Registration Document
Powers of the Board of Directors, in particular with respect to share issues and buybacks	In accordance with the resolution approved by the shareholders at the September 23, 2020 Shareholders' General Meeting, 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 Shareholders' General Meetings of July 26, 2019 and September 23, 2020, the Board of Directors may not decide to issue shares and securities with or without preferential 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 our Company's shares. At the July 28, 2021 Shareholders' General Meeting, the shareholders will be invited to renew these delegations, with the same restriction during public offers. The Board of Directors' powers to issue or buy back shares are described in more detail in sections 7.2.4.1 *Review of existing authorizations and their use* and 9.1.2 *By-laws* of this Universal Registration Document. In addition, Article 10 of the by-laws provides for the possibility of early conversion of PS 2 into ordinary shares in the event of a public takeover or exchange bid for the Company's shares.

Agreements entered into by our 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 agreements for the 2023 and 2025 OCEANE bonds (see section 7.2.3.1 *Type and characteristics of financial instruments issued* 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 of our Company.
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 4.2.3 G. *Commitments given by our Company to the Chief Executive Officer in relation to the take-up, termination or change of his executive corporate officer duties* 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 Our share capital information

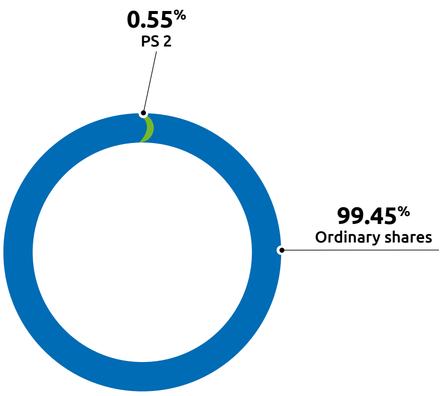
7.2.1 Changes in our share capital since April 1, 2020

7.2.1.1 Our share capital situation since April 1, 2020

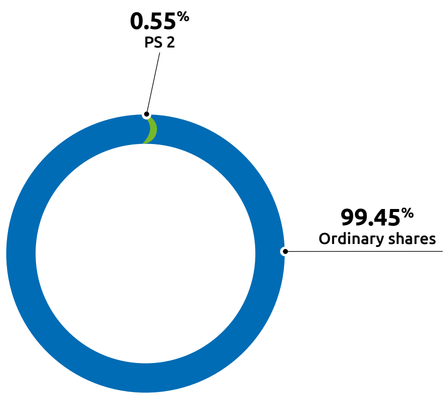
At June 9, 2021, our share capital, amounting to €66,730,446.00, comprises two categories of shares:

- 33,180,921 ordinary shares with a par value of €2.00 each; and
- 184,302 PS 2 with a par value of €2.00 each.

› AS A PERCENTAGE OF THE NUMBER OF SHARES



› AS A PERCENTAGE OF THE SHARE CAPITAL



7.2.1.2 Changes since our last fiscal year

Since April 1, 2020, our Company's share capital has changed twice on the dates and in the amounts indicated in the table in section 7.2.6 *Changes in the share capital during the last five years* of this Universal Registration Document.

7.

7.2.2 Treasury shares held by our Company

7.2.2.1 Number of treasury shares

At June 9, 2021, our Company held 4,351 ordinary treasury shares, representing 0.01% of the share capital.

Their par value is €2.00 each.

Please see note 3.13 to our consolidated financial statements at March 31, 2021 in section 6.2.1.2 *Notes to our consolidated financial statements at March 31, 2021* of this Universal Registration Document for an analysis of the accounting treatment and value of our treasury shares at March 31, 2021.

7.2.2.2 Number of shares held by our indirect subsidiaries

At June 9, 2021, none of our indirect subsidiaries held shares in our Company.

7.2.2.3 Share buyback program in force, adopted by the Combined Ordinary and Extraordinary Shareholders' General Meeting of September 23, 2020

The Combined Ordinary and Extraordinary Shareholders' General Meeting of September 23, 2020, in its 10th resolution, authorized our Board of Directors, with the power to sub-delegate, to acquire or to cause shares to be acquired in our Company, on one or more occasions, at such times as it shall determine, up to 5% of our share capital at the date of each buyback.

This authorization superseded the authorization granted to our Board of Directors by the Shareholders' General Meeting of July 26, 2019. This authorization will expire at the Shareholders' General Meeting of July 28, 2021.

It is hereby specified that this 5% limit applies to the adjusted share capital based on transactions affecting it after the Shareholders' General Meeting of September 23, 2020.

As regards the particular case of shares repurchased 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 resold during the period of the authorization.

Furthermore, the number of shares held by our Company at any time shall not exceed 10% of our share capital, this percentage applying to adjusted capital based on transactions affecting it after the Shareholders' General Meeting of September 23, 2020.

Acquisitions may be made with the purpose of:

- ensuring the liquidity of and making a market for our 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.* of the French Commercial Code (which have become Articles L. 225-197-1 *et seq.*, L. 22-10-59 and L. 22-10-60 of the French Commercial Code pursuant to Order no. 2020-1142 of September 16, 2020); 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
- 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
- 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
- subsequently canceling all or some of the shares bought back, under the conditions provided for in Article L. 225-209 of the French Commercial Code (which has become Article L. 22-10-62 of the French Commercial Code pursuant to Order no. 2020-1142 of September 16, 2020).

Shares may be purchased 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, our Company does not intend to use derivatives.

These transactions may be carried out at any time, pursuant to the legal provisions in force, except during a public offer for our Company's securities.

The maximum purchase price per share is set at €150 (excluding acquisition costs).

In the event of a share capital transaction, notably share splits or divisions or free share allocations, the aforementioned amount will be adjusted accordingly.

The overall maximum amount allocated to our share buyback program was set at €249,591,750 at the Shareholders' General Meeting of September 23, 2020. It was calculated on the basis of the share capital at that date, amounting to €66,557,802.00 and comprising 33,278,901 shares.

It is hereby recalled that, pursuant to Article 241-2 of the AMF's General Regulation, the description of the share buyback program approved by the Shareholders' General Meeting of September 23, 2020 was provided in our previous 2019-2020 Universal Registration Document filed with the AMF on September 2, 2020 under no. D.20-0782.

7.2.2.4 Use made up to June 9, 2021

Between April 1, 2020 and June 9, 2021, the current share buyback program in force was not used.

7.2.2.5 Description of the share buyback program that will be submitted for the approval of the Shareholders' General Meeting of July 28, 2021, under the 16th resolution

A. Legal framework

The purpose of this description of the Company's share buyback program is, pursuant to Article 241-2 of the AMF's General Regulation, to describe the objectives and terms of the share buyback program that will be submitted to a shareholder vote at the Combined Ordinary and Extraordinary Shareholders' General Meeting to be held on July 28, 2021, under the 16th resolution.

B. Number of shares and share capital held directly or indirectly by our Company and breakdown by objective

At June 9, 2021, our Company held 4,351 treasury shares with a par value of €2.00 each or approximately 0.01% of our Company's share capital.

C. Objectives of the share buyback program

Acquisitions may be made for the purpose of:

- ensuring the liquidity of and making a market for our 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; 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
- 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
- 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
- subject to the adoption of the 28th resolution, subsequently canceling all or some of the shares bought back, under the conditions provided for in Article L. 22-10-62 of the French Commercial Code.

The program is also designed to allow for the implementation of any market practices permitted or that may be permitted by the market authorities, and more generally, the completion of transactions for any other purpose permitted or that may be permitted by the applicable laws and regulations, subject to notifying our shareholders thereof in a press release.

D. Maximum percentage of capital, maximum amount allocated to the program and maximum number and characteristics of equity securities the Company plans to acquire and the maximum purchase price

The number of shares that may be acquired during the share buyback program may not exceed 5% of our share capital at each buyback date. This limit would apply to the share capital as adjusted for any share capital transactions occurring after the Shareholders' General Meeting of July 28, 2021.

This maximum number of shares would therefore stand at 1,668,261, as calculated based on the share capital at June 9, 2021 of €66,730,446.00 (and comprising 33,365,223 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 our Company at any time may not exceed 10% of our share capital. This percentage would apply to the share capital as adjusted for any share capital transactions occurring after the Shareholders' General Meeting of July 28, 2021.

The maximum purchase price would be set at €220 per share. In the event of a share capital transaction, this amount would be adjusted accordingly.

The Shareholders' General Meeting of July 28, 2021 will be asked to set the maximum number of shares that may be acquired under this share buyback program at 1,668,261, and the overall maximum amount that would be allocated to this program at €367,017,420. These limits were determined based on our share capital at June 9, 2021, amounting to €66,730,446.00.

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".

E. Duration of the buyback program

The buyback program would come into force at the close of the Shareholders' General Meeting of July 28, 2021, and would expire on the date of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2022, and at the latest within 18 months.

The buyback program would supersede the program approved by the Shareholders' General Meeting of September 23, 2020 in its 10th resolution.

F. Other terms of the buyback program

Under the buyback program, 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).

Our Company does not intend to use derivatives.

These transactions may be carried out at any time, pursuant to the legal provisions in force, except during a public offer for our Company's securities.

G. Report on the previous program

The Shareholders' General Meeting of September 23, 2020, in its 10th resolution, authorized our Board of Directors, with the power to sub-delegate, to acquire or to cause to be acquired shares in our Company, on one or more occasions, at such times as it shall determine, up to 5% of our share capital at any time whatsoever.

In accordance with Article 241-2 of the AMF's General Regulation, the description of the share buyback program approved by the Shareholders' General Meeting of September 23, 2020 was provided in our previous 2019-2020 Universal Registration Document filed with the AMF on September 2, 2020 under no. D.20-0782. It also appears in section 7.2.2.3 *Share buyback program in force, adopted by the Combined Ordinary and Extraordinary Shareholders' General Meeting of September 23, 2020* of this Universal Registration Document.

DECLARATION BY THE ISSUER OF THE TRANSACTIONS PERFORMED IN ITS OWN SHARES FROM SEPTEMBER 23, 2020, TO JUNE 9, 2021

Percentage of directly or indirectly owned share capital (1)	0.01%
Number of shares purchased	-
Number of shares sold	-
Number of shares transferred	-
Number of shares canceled	-
Number of shares held in the portfolio (1)	**4,351**
Gross book value of portfolio (1)	€369,454.05
Net book value of portfolio (1)	€369,454.05
Market value of portfolio (2)	€761,425.00

(1) At March 31, 2021.
(2) At June 9, 2021.

	Cumulative gross flows (1)		Positions open on the publication date of the program description (2)			
			Open buy positions		Open sell positions	
From September 23, 2020 to June 9, 2021	**Purchases**	**Sales/ transfers**	**Call options purchased**	**Forward purchases**	**Call options sold**	**Forward sales**
Number of shares	-	-	-	-	-	-
Average maximum maturity	-	-	-	-	-	-
Average price of transaction	-	-	-	-	-	-
Average exercise price	-	-	-	-	-	-
Amounts	-	-	-	-	-	-

(1) Cumulative gross flows include cash buy or sell transactions and options and futures exercised or expired.
(2) Open positions include unexpired forward purchases or sales as well as unexercised call options.

7.2.3 Securities giving access to the share capital

7.2.3.1 Type and characteristics of financial instruments issued

A. Issue of OCEANE 2023 convertible bonds for around €150 million

Legal framework of the bond issue

The OCEANE 2023 placement was carried out, pursuant to the former Article L. 411-2 II of the French Monetary and Financial Code (*Code monétaire et financier*), on the basis of the 14th resolution approved by the Extraordinary Shareholders' General Meeting held on July 26, 2017. A private placement was carried out with institutional investors in France and abroad, with the exception of the United States, Canada, Australia and Japan.

Amount and maturity of 2023 OCEANEs

On June 21, 2018, the Company carried out an issue of bonds convertible into and/or exchangeable for new and/or existing ordinary shares (OCEANEs) maturing on June 28, 2023 (the "2023 OCEANEs"), by way of a private placement with institutional investors, for a nominal amount of €149,999,906.46.

The par value per 2023 OCEANE was set at €104.47.

It gave rise to a premium of 37.5% 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 June 21, 2018 until the setting of definitive terms and conditions for 2023 OCEANEs on the same day.

The 2023 OCEANEs were issued at par on June 28, 2018, the settlement-delivery date, and will be redeemed at par five years later, i.e., on June 28, 2023.

They shall not bear interest during this period (zero-coupon).

The 2023 OCEANEs may be redeemed early at the Company's discretion, subject to certain conditions. In particular, they may be redeemed on June 28, 2021 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 2023 OCEANEs.

Right to allocation of ordinary shares

Holders of 2023 OCEANEs are entitled to the allocation of new and/or existing ordinary shares, which may be exercised at any time as of the issue date (i.e., June 28, 2018) until the seventh business day (inclusive) prior to the planned or early redemption date.

The 2023 OCEANE conversion or exchange ratio is one ordinary share per 2023 OCEANE, subject to subsequent changes.

In the event that they exercise their right to the allocation of shares, holders of 2023 OCEANEs shall receive, at the Company's discretion, new and/or existing ordinary shares which, in any event, may be used and enjoyed as of the delivery date.

B. Free ordinary share allocation plans ("PAT no. 3.1" and "PAT no. 3.2")

Legal framework

In accordance with the legal and regulatory provisions governing free allocations of shares (in particular the former Articles L. 225-197-1 to L. 225-197-6 of the French Commercial Code), the Combined Ordinary and Extraordinary Shareholders' General Meeting of March 23, 2018, under the terms of its 5th resolution, authorized our Board of Directors to carry out, on one or more occasions, free allocations of existing or future Company shares to beneficiaries or categories of beneficiaries that it shall determine from among the Group's employees and the Company's corporate officers, up to a limit of 5% of the share capital, as determined on the date of its allocation decision.

Under the 5th resolution and in accordance with the powers resulting from the former Articles L. 225-197-1 *et seq.* of the French Commercial Code, our Board of Directors decided to implement a third free ordinary share allocation plan, to be issued at the end of the applicable vesting period, for the benefit of all Group employees.

This third plan is also known as the Share Plan for All no. 3, or "PAT no. 3", referred to as the "Sustain growth" plan.

Purpose

PAT no. 3 aims to motivate all Group employees and enable them to share in the fruits of our growth.

It is divided into two sub-plans, in order to take into account the specificities of local regulations, depending on our employees' geographical location:

- the first sub-plan ("PAT no. 3.1") concerns all of the Group's French employees at July 26, 2018, i.e., all Company and Frec|n|sys employees;
- the second sub-plan ("PAT no. 3.2") concerns all employees at our foreign subsidiaries, based in the United-States, Singapore, Japan and South Korea.

Conditional free allocation of ordinary shares during fiscal year 2018-2019

Subject to three years' employment between July 26, 2018 and July 27, 2021, as well as the achievement of certain performance conditions related to revenue and EBITDA objectives during the vesting period, Group employees were allocated a certain number of free ordinary shares, as follows:

- under PAT no. 3.1, 307,373 free ordinary shares were allocated in favor of 991 French employees at July 26, 2018; representing around 0.98% of our share capital; and
- under PAT no. 3.2, 37,608 free ordinary shares were allocated in favor of 97 foreign employees at July 26, 2018; representing around 0.12% of our share capital.

SUMMARY TABLE OF ALLOCATIONS OF ORDINARY SHARES UNDER PAT NO.3

Date of Shareholders' General Meeting	**03/23/2018**	**03/23/2018**
Plan name	PAT no. 3.1 (France)	PAT no. 3.2 (Rest of the world)
Date of Board of Directors' meeting	07/26/2018	07/26/2018
Number of ordinary shares allocated by our Board of Directors	**307,373**	**37,608**
Of which number of shares for corporate officers of our Company	-	-
Of which number of shares for top ten employee beneficiaries of our Company	*20,555*	*8,886*
Number of initial beneficiaries	991	97
Vesting period	From 07/26/2018 to 07/27/2021	From 07/26/2018 to 07/27/2021
Holding period	N/A	N/A
Number of shares vested*	**406**	**0**
Number of canceled or lapsed shares*	**53,275**	**10,735**
Number of shares outstanding*	**253,692**	**26,873**

* *At March 31, 2021.*

7.

Future vesting of ordinary shares during fiscal year 2021-2022

Ordinary shares allocated under PAT no. 3.1 and PAT no.3.2 will vest to their beneficiaries subject to:

- their presence within the Group at the end of a three-year vesting period set to expire one business day after July 26, 2021; and
- the achievement of performance conditions, as set out precisely in the regulations of PAT no. 3.1 and 3.2.

C. Co-investment program with free allocation of PS 2 (Topaz plans no. 1 and no. 2) and reserved issue of PS 2

Legal framework

To enable the implementation of a co-investment program unanimously authorized by our Board of Directors on June 10, 2019, the Combined Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2019:

- authorized, in its 33rd resolution, the creation of a new class of preferred shares convertible into ordinary shares (the PS 2) based on the achievement of objectives relating to EBITDA, revenue and the Total Shareholder Return (TSR) of our Company's ordinary shares compared to the Euro Stoxx 600 Technology index. The capital increase resulting from the conversion of the PS 2 into ordinary shares at the end of the plan would be capped at a number of ordinary shares not exceeding 3.75% of the share capital of our Company at the date of the Combined Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2019, increased by the ordinary shares resulting from (i) the outstanding free share allocation plans as of this date, (ii) the conversion of the preferred shares resulting from the free preferred share allocation plan dated July 26, 2016 (the "PS 1") and (iii) the conversion of the PS 2;
- authorized, in its 34th resolution, our Board of Directors to allocate free PS 2 to employees and/or corporate officers of our Company and/or affiliated companies or groups. The shares would vest, subject to a presence condition and certain exceptions stipulated in the Topaz no. 1 and no. 2 plans, at the end of three vesting periods of respectively one year, two years and three years;
- granted our Board of Directors, in its 35th resolution, a delegation of authority to increase our share capital through the issue of PS 2, without preferential subscription rights for our shareholders and reserved for employees and/or corporate officers of our Company and/or affiliated companies or groups.

Rights attached to PS 2

The rights attached to the PS 2 are outlined in Article 10 of the by-laws in section 9.1.2 *By-laws* of this Universal Registration Document.

Reserved PS 2 issue

Under the 35th resolution of the Combined Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2019, on December 18, 2019, our Board of Directors decided to issue of 97,980 PS 2 with a par value of €2.00 each at the unit price of €84.17 per share (including a share issue premium of €82.17) to employees and corporate officers of our Group, in the proportions shown in the table below.

Date	Share capital before issue	Share capital after issue	New share capital breakdown
12/18/2019	€65,298,553	€65,494,513	32,775,196 shares divided into: • 32,647,806 ordinary shares of €2.00; • 29,410 PS 1 of €0.10; • 97,980 PS 2 of €2.00.

Free PS 2 preferred share allocation plan (Topaz plans no. 1 no. 2)

Pursuant to the 34th resolution of the Combined Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2019, and in accordance with the powers it holds in accordance with the former Article L. 225-197-1 of the French Commercial Code, on December 18, 2019, our Board of Directors decided to implement two free PS 2 allocation plans, namely:

- the free PS 2 Topaz no. 1 plan ("Topaz no. 1" plan) for employees, or certain categories of them, and for corporate officers, or certain categories of them, of the Company and/or affiliated companies within the meaning of Article L. 225-197-2 of the French Commercial Code; and
- the free PS 2 Topaz no. 2 plan ("Topaz no. 2" plan) for our Chief Executive Officer, Paul Boudre.

Purpose

Combined with presence conditions, the primary objective of the Topaz no. 1 and no. 2 plans is to establish a long-term incentive plan linked to Company profits for employees, or certain categories of them, and for corporate officers, or certain categories of them, of the Company and/or affiliated companies within the meaning of Article L. 225-197-2 of the French Commercial Code.

Conditional allocations of PS 2 during fiscal year 2019-2020

Subject to their presence as described above, our employees and corporate officers were allocated 195,960 free PS 2, as follows:

- under the Topaz no. 1 plan, 163,978 PS 2 for employees, or certain categories of them, and for corporate officers, or certain categories of them, of the Company and/or affiliated companies within the meaning of Article L. 225-197-2 of the French Commercial Code; and
- under the Topaz no. 2 plan, 31,982 PS2 for our Chief Executive Officer, Paul Boudre.

Vesting of PS 2 during fiscal year 2020-2021 and corresponding issues

During fiscal year 2020-2021, the above-mentioned conditional allocations gave rise, subject to a presence condition, to the vesting of 40% of the PS 2 allocated under the Topaz no. 1 and no. 2 plans. Accordingly, on December 18, 2020, our Chief Executive Officer, under the authorization granted by the Board of Directors on November 18, 2020, placed on record:

- under the Topaz no. 1 plan, the issue of 63,069 new PS 2 with a par value of €2.00 each; and
- under the Topaz no. 2 plan, the issue of 12,792 new PS 2 with a par value of €2.00 each.

Date	Share capital before issue	Share capital after issue	New share capital breakdown
12/18/2020	€66,578,724	€66,730,446	33,365,223 shares divided into: • 33,180,921 ordinary shares of €2.00; • 184,302 PS 2 of €2.00

Future vesting of PS 2 during fiscal years 2021-2022 and 2022-2023

Subject to compliance with a presence condition in respect of the corporate office or employment contract held by the beneficiaries and certain exceptions stipulated in the Topaz no. 1 and no. 2 plans or in the terms and conditions of the PS 2, the remaining PS 2 will vest at the end of two vesting periods as follows:

- 30% of the PS 2 allocated will vest on August 1, 2021 at the latest; and
- 30% of the PS 2 allocated will vest on August 1, 2022 at the latest.

SUMMARY TABLE OF PS 2 ALLOCATIONS UNDER THE TOPAZ NO. 1 AND NO. 2 PLANS

Date of Shareholders' General Meeting	**07/26/2019**	**07/26/2019**
Plan name	Free PS 2 Topaz no. 1	Free PS 2 Topaz no. 2
Date of Board of Directors' meeting	12/18/2019	12/18/2019
Number of shares (PS 2) allocated by our Board of Directors	**163,978**	**31,982**
Of which number of shares for corporate officers of our Company	-	*31,982*
Of which number of shares for top ten employee beneficiaries of our Company	*110,624*	*31,982*
Number of initial beneficiaries	372	1
Three vesting periods		
Vesting of 40% of the PS 2 allocated	*From 12/18/2019 to 12/18/2020*	*From 12/18/2019 to 12/18/2020*
Vesting of 30% of the PS 2 allocated	*From 12/18/2019 to 08/01/2021*	*From 12/18/2019 to 08/01/2021*
Vesting of 30% of the PS 2 allocated	*From 12/18/2019 to 08/01/2022*	*From 12/18/2019 to 08/01/2022*
Holding period	Until the earliest of the following three dates: (i) the Conversion Date (1), (ii) the Repurchase Date (2), or (iii) July 26, 2029	Until the earliest of the following three dates: (i) the Conversion Date (1), (ii) the Repurchase Date (2), or (iii) July 26, 2029
Number of shares vested*	**63,069**	**12,792**
Number of canceled or lapsed shares*	**6,190**	**0**
Number of shares outstanding*	**94,719**	**19,190**

* *At March 31, 2021.*

(1) *The conversion date of the PS 2 into new or existing ordinary Company shares (the "Conversion Date") shall be determined by the Board of Directors, and said Conversion Date shall, in any event, be no later than the 180th calendar day after the date of approval by the Shareholders' General Meeting of the Group's consolidated financial statements for the year ending March 31, 2022.*

(2) *In the event that the performance objectives are not achieved and the number of ordinary shares to which the PS 2 would entitle the holder upon conversion, by applying the Conversion Ratio, equals zero, the PS 2 may be repurchased by the Company at its initiative no later than the 180th calendar day after the publication date of the Group's consolidated financial statements for the fiscal year ending March 31, 2022 (the "Repurchase Date"), at their par value, in accordance with the provisions of Article L. 228-12 III of the French Commercial Code.*

Future conversion into ordinary shares during fiscal years 2021-2022 and 2022-2023

At August 1, 2022, the PS 2 will be convertible into a certain number of new or existing ordinary shares in our Company subject to compliance with a performance condition.

The conversion ratio will be determined by our Board of Directors based on the rate of achievement of three objectives relating to:

(i) the Group's consolidated EBITDA as shown in the Group's consolidated financial statements for the fiscal year ending March 31, 2022;

(ii) the Group's consolidated revenue as shown in the Group's consolidated financial statements for the fiscal year ending March 31, 2022; and

(iii) the respective performance of the Total Shareholder Return (TSR) of our Company's ordinary shares and of the Euro Stoxx 600 Technology index between July 26, 2019 and the reporting date of the Group's consolidated financial statements for the fiscal year ending March 31, 2022.

These objectives were determined by our Company's Combined Ordinary and Extraordinary Shareholders' General Meeting held on July 26, 2019.

Subject to achieving the minimum and sufficient rate of the performance objectives as set by the Shareholders' General Meeting, the PS 2 will be converted into ordinary shares on a date set by our Board of Directors between August 1, 2022, and no later than the 180th calendar day after the date of approval by the Shareholders' General Meeting of our Group's consolidated financial statements for the fiscal year ending March 31, 2022. As an exception, the PS 2 may be converted early in the event of a Complex Major External Growth Transaction or a Substantial Equity Investment (as defined in the Company's by-laws), in accordance with their terms and conditions.

In the event that the minimum rate is not achieved, the number of ordinary shares into which the PS 2 could be converted would be equal to zero, and the vested PS 2 may be repurchased by our Company at its initiative no later than the 180th calendar day after the publication date of the Group's consolidated financial statements for the fiscal year ending March 31, 2022, at their par value in anticipation of their cancellation.

D. Free ordinary share allocation plans approved in fiscal years 2019-2020 and 2020-2021

Legal framework

In accordance with the legal and regulatory provisions governing the allocation of free shares (in particular Articles L. 225-197-1 *et seq.*, now Articles L. 225-197-1 *et seq.* and Articles L. 22-10-59 and L. 22-10-60 of the French Commercial Code pursuant to Order no. 2020-1142 of September 16, 2020), the Combined Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2019, pursuant to its 32nd resolution, authorized our Board of Directors to allocate free ordinary shares in our Company with a par value of €2.00 each, on one or several occasions, to employees of our Group and corporate officers of our Company.

The total number of free ordinary shares that may be allocated pursuant to this authorization may not exceed 5% of the share capital on the day the Board of Directors decides on the allocation.

Pursuant to the 32nd resolution of the Combined Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2019, and in accordance with its powers resulting from Articles L. 225-197-1 *et seq.* of the French Commercial Code (now Articles L. 225-197-1 *et seq.* and Articles L. 22-10-59 and L. 22-10-60 of the French Commercial Code pursuant to Order no. 2020-1142 of September 16, 2020), at its meetings on December 18, 2019, March 25, 2020, November 18, 2020 and March 31, 2021, our Board of Directors approved eight free ordinary share allocation plans during fiscal year 2019-2020.

Purpose

The primary objective is to establish long-term incentive plans tied to Company profits for (i) employees of the Company or affiliated companies or groups in accordance with Article L. 225-197-2 of the French Commercial Code, and (ii) corporate officers of our Company or affiliated companies or groups that meet the conditions set out in Article L. 225-197-1, II of the French Commercial Code.

Conditional free allocation of ordinary shares during fiscal year 2019-2020

In accordance with the plan approved by our Board of Directors on December 18, 2019, subject to their presence over the period from December 18, 2019 to August 1, 2022, some of our employees and/or corporate officers were allocated 23,953 free ordinary shares in our Company. Our Chief Executive Officer, Paul Boudre, was not a beneficiary of this plan.

In accordance with the plan approved by our Board of Directors on March 25, 2020, subject to their presence over the period from March 25, 2020 to August 1, 2022, some of our employees and/or corporate officers were allocated 14,863 free ordinary shares in our Company. Our Chief Executive Officer, Paul Boudre, was not a beneficiary of this plan.

The number of ordinary shares that will vest at the end of each of the vesting periods (i.e., August 1, 2022 for the two above-mentioned plans) will be determined by our Board of Directors based on the rate of achievement of three objectives relating to (i) the Group's consolidated EBITDA, (ii) the Group's consolidated revenue, and (iii) the Total Shareholder Return (TSR) of our Company's ordinary shares compared to the Euro Stoxx 600 Technology index.

Conditional free allocation of ordinary shares during fiscal year 2020-2021

In accordance with the **US 2022** plan approved by our Board of Directors on November 18, 2020, subject to their presence over the period from November 18, 2020 to November 18, 2022, an employee of our Group was allocated 7,394 free ordinary shares in our Company.

In accordance with the **Opale France** plan approved by our Board of Directors on November 18, 2020, subject to their continued presence over the period from November 18, 2020 to August 1, 2023, all employees of Soitec SA, Frec|n|sys SAS and Soitec Lab SAS were allocated 123,711 free ordinary shares in our Company.

In accordance with the **Opale Foreign Entities** plan approved by our Board of Directors on November 18, 2020, subject to their continued presence over the period from November 18, 2020 to August 1, 2023, some employees and/or corporate officers of our subsidiaries based outside of France were allocated 19,411 free ordinary shares in our Company.

In accordance with the **Onyx 2023** plan approved by our Board of Directors on November 18, 2020, subject to their continued presence over the period from November 18, 2020 to August 1, 2023, some employees and/or corporate officers (including our Chief Executive Officer, Paul Boudre, it being specified that allocations to the Chief Executive Officer are described in section 4.2.1.1 C. 1 of this Universal Registration Document) were allocated 59,915 free ordinary shares in our Company (of which 13,306 to our Chief Executive Officer, Paul Boudre).

In accordance with the **Dolphin 2024** plan approved by our Board of Directors on November 18, 2020, subject to their presence over the period from November 18, 2020 to August 1, 2024, some employees and/or corporate officers of Dolphin Design SAS were allocated 9,500 free ordinary shares in our Company.

In accordance with the **Onyx 2023 *bis*** plan approved by our Board of Directors on March 31, 2021, subject to their presence over the period from March 31, 2021 to August 1, 2023, an employee was allocated 1,271 free ordinary performance shares in our Company.

With respect to the US 2022, Opale France, Opale Foreign Entities, Onyx 2023 and Onyx 2023 *bis* plans, the number of ordinary shares that will vest at the end of each of the vesting periods concerned will be determined by our Board of Directors based on the rate of achievement of three objectives relating to (i) the Group's consolidated EBITDA, (ii) the Group's consolidated revenue, and (iii) the Total Shareholder Return (TSR) of our Company's ordinary shares compared to the Euro Stoxx 600 Technology index.

With respect to the Dolphin 2024 plan, the number of ordinary shares that will vest at the end of the vesting period will be determined by our Board of Directors based on the rate of achievement of objectives specific to Dolphin Design SAS.

SUMMARY TABLE OF FREE ORDINARY SHARE ALLOCATIONS

Date of Shareholders' General Meeting	**07/26/2019**	**07/26/2019**	**07/26/2019**	**07/26/2019**	**07/26/2019**	**07/26/2019**	**07/26/2019**	**07/26/2019**
Plan name	-	-	US 2022	Opale France	Opale Foreign Entities	Onyx 2023	Dolphin 2024	Onyx 2023 *bis*
Date of Board of Directors' meeting	12/18/2019	03/25/2020	11/18/2020	11/18/2020	11/18/2020	11/18/2020	11/18/2020	03/31/2021
Number of ordinary shares allocated by our Board of Directors	**23,953**	**14,863**	**7,394**	**123,711**	**19,411**	**59,915**	**9,500**	**1,271**
Of which number of shares for corporate officers of our Company	-	-	-	-	-	13,306**	-	-
Of which number of shares for top ten employee beneficiaries of our Company	*20,423*	*12,047*	*7,394*	*8,919*	*3,484*	*34,474*	*9,500*	*1,271*
Number of initial beneficiaries	16	20	1	1,218	172	22	10	1
Performance conditions	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Vesting period	From 12/18/2019 to 08/01/2022	From 03/25/2020 to 08/01/2022	From 11/18/2020 to 11/18/2022	From 11/18/2020 to 08/01/2023	From 11/18/2020 to 08/01/2023	From 11/18/2020 to 08/01/2023	From 11/18/2020 to 08/01/2024	From 03/31/2021 to 08/01/2023
Holding period	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of shares vested*	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Number of canceled or lapsed shares*	**6,372**	**0**	**0**	**1,689**	**628**	**0**	**0**	**0**
Number of shares outstanding*	**17,581**	**14,863**	**7,394**	**122,022**	**18,783**	**59,915**	**9,500**	**1,271**

* *At March 31, 2021.*
** *Shares allocated to our Chief Executive Officer, Paul Boudre.*

Future vesting of ordinary shares during fiscal year 2022-2023

These freely allocated ordinary shares will vest to their beneficiaries, subject to compliance with a presence condition, performance conditions, and certain exceptions stipulated in the rules of each plan, at the end of a vesting period that will expire on the respective dates indicated for each plan in the summary table above.

E. Issue of OCEANE 2025 convertible bonds for around €325 million

Legal framework of the bond issue

In line with the 2023 OCEANE placement presented in section A above, the placement of new "2025 OCEANEs" was carried out, pursuant to Article L. 411-2 1° of the French Monetary and Financial Code, on the basis of the 14th resolution approved by the Extraordinary Shareholders' General Meeting of on September 23, 2020. A private placement was carried out with institutional investors in France and abroad, with the exception of the United States, Canada, Australia and Japan.

Amount and maturity of 2025 OCEANEs

On September 28, 2020, the Company carried out a successful issue of bonds convertible into and/or exchangeable for new and/or existing ordinary shares (OCEANEs) maturing on October 1, 2025 (the "2025 OCEANEs"), by way of a private placement with institutional investors, for a nominal amount of €324,999,920.82.

The par value per 2025 OCEANE was set at €174.34.

It gave rise to a premium of 45% on the reference share price, equal to the volume-weighted average share price recorded on the Euronext Paris regulated market from the start of trading on September 28, 2020 until the setting of definitive terms and conditions for 2025 OCEANEs on the same day.

The 2025 OCEANEs were issued at par on October 1, 2020, the settlement-delivery date, and will be redeemed at par five years later, i.e., on October 1, 2025.

They shall not bear interest during this period (zero-coupon).

The 2025 OCEANEs may be redeemed early at the Company's discretion, subject to certain conditions. In particular, they may be redeemed on October 2, 2023 if the arithmetic average of the daily product of the volume-weight average share price on the Euronext Paris regulated market and the share conversion/exchange ratio in force, over a period of 20 consecutive trading days out of 40 consecutive trading days, exceeds 130% of the nominal value of the 2025 OCEANEs.

Right to allocation of ordinary shares

Holders of 2025 OCEANEs are entitled to the allocation of new and/or existing ordinary shares, which may be exercised at any time as of 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 as of the delivery date.

F. Reopening of the co-investment program with free allocation of PS 2 (Topaz 2022 plan) and reserved issue of PS 2

Legal framework

In line with the co-investment program presented in section C above, the Combined Ordinary and Extraordinary Shareholders' General Meeting of September 23, 2020 granted our Board of Directors, in accordance with its 22nd resolution, a new delegation of authority to increase our share capital through the issue of PS 2, without preferential subscription rights for our shareholders and reserved for employees and/or corporate officers of our Company and/or affiliated companies or groups.

Furthermore, the Combined Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2019 authorized, in accordance with its 34th resolution, our Board of Directors to allocate free PS 2 to employees and/or corporate officers of our Company and/or affiliated companies or groups, subject to presence conditions.

Rights attached to PS 2

The rights attached to the PS 2 are outlined in Article 10 of the by-laws in section 9.1.2 of this Universal Registration Document.

Reserved PS 2 issue

Under the 22nd resolution of the Combined Ordinary and Extraordinary Shareholders' General Meeting of September 23, 2020, our Board of Directors decided on November 30, 2020 to issue 10,461 PS 2 with a par value of €2.00 each at the unit price of €88.90 per share (including a share issue premium of €86.90) to employees of our Company, in the proportions shown in the table below.

Date	Share capital before issue	Share capital after issue	New share capital breakdown
11/30/2020	€66,557,802.00	€66,578,724.00	33,289,362 shares divided into: • 33,180,921 ordinary shares of €2.00; • 108,441 PS 2 of €2.00

Free PS 2 allocation plan (Topaz 2022 plan)

Pursuant to the 34th resolution of the Combined Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2019, and in accordance with its powers under the former Article L. 225-197-1 of the French Commercial Code, our Board of Directors decided on November 30, 2020 to implement a plan for the free allocation of PS 2 ("Topaz 2022" plan) to employees, or certain categories of them, of the Company and/or affiliated companies within the meaning of Article L. 225-197-2 of the French Commercial Code.

Purpose

Combined with a presence condition, the primary objective of the Topaz 2022 plan is to establish a long-term incentive plan linked to Company profits for employees, or certain categories of them, and for corporate officers, or certain categories of them, of the Company and/or affiliated companies within the meaning of Article L. 225-197-2 of the French Commercial Code.

Conditional allocations of PS 2 during fiscal year 2020-2021

Some of our employees were allocated 20,922 free PS 2 shares under the Topaz 2022 plan, the vesting of which is subject to compliance with a presence and performance conditions.

Future vesting of PS 2 during fiscal years 2021-2022 and 2022-2023

Subject to compliance with a presence condition in respect of the corporate office or employment contract held by the beneficiaries and certain exceptions stipulated in the Topaz 2022 plan or in the terms and conditions of the PS 2, the PS 2 will vest at the end of two vesting periods as follows:

- 60% of the PS 2 allocated will vest on January 10, 2022 at the latest; and
- 40% of the PS 2 allocated will vest on November 30, 2022 at the latest.

SUMMARY TABLE OF PS 2 ALLOCATIONS UNDER THE TOPAZ 2022 PLAN

Date of Shareholders' General Meeting	**07/26/2019**
Plan name	Free PS 2 Topaz 2022
Date of Board of Directors' meeting	11/30/2020
Number of shares (PS 2) allocated by our Board of Directors	**20,922**
Of which number of shares for corporate officers of our Company	-
Of which number of shares for top ten employee beneficiaries of our Company	*20,922*
Number of initial beneficiaries	3
Two vesting periods:	
Vesting of 60% of the PS 2 allocated	*From 11/30/2020 to 01/10/2022*
Vesting of 40% of the PS 2 allocated	*From 11/30/2020 to 11/30/2022*
Holding period	Until the earliest of the following three dates: (i) the Conversion Date (1), (ii) the Repurchase Date (2), or (iii) July 26, 2029
Number of shares vested*	**0**
Number of canceled or lapsed shares*	**0**
Number of shares outstanding*	**20,922**

* *At March 31, 2021.*

(1) *The conversion date of the PS 2 into new or existing ordinary Company shares (the "Conversion Date") shall be determined by the Board of Directors, and said Conversion Date shall, in any event, be no later than the 180th calendar day after the date of approval by the Shareholders' General Meeting of the Group's consolidated financial statements for the year ending March 31, 2022.*

(2) *In the event that the performance objectives are not achieved and the number of ordinary shares to which the PS 2 would entitle the holder upon conversion, by applying the Conversion Ratio, equals zero, the PS 2 may be repurchased by the Company at its initiative no later than the 180th calendar day after the publication date of the Group's consolidated financial statements for the fiscal year ending March 31, 2022 (the "Repurchase Date"), at their par value, in accordance with the provisions of Article L. 228-12 III of the French Commercial Code.*

Future conversion into ordinary shares during fiscal years 2021-2022 and 2022-2023

Subject to the exceptions stipulated in the terms and conditions of the PS 2 in Article 10 of the by-laws presented in section 9.1.2 *By-laws* of this Universal Registration Document, the PS 2 will be convertible, as of August 1, 2022, into a certain number of new or existing ordinary shares in our Company subject to compliance with a performance condition.

The conversion ratio will be determined by our Board of Directors based on the rate of achievement of three objectives relating to:

(i) the Group's consolidated EBITDA as shown in the Group's consolidated financial statements for the fiscal year ending March 31, 2022;

(ii) the Group's consolidated revenue as shown in the Group's consolidated financial statements for the fiscal year ending March 31, 2022; and

(iii) the respective performance of the Total Shareholder Return (TSR) of our Company's ordinary shares and of the Euro Stoxx 600 Technology index between July 26, 2019 and the reporting date of the Group's consolidated financial statements for the fiscal year ending March 31, 2022.

These objectives were determined by our Company's Combined Ordinary and Extraordinary Shareholders' General Meeting held on July 26, 2019.

Subject to achieving the minimum and sufficient rate of the performance objectives as set by the Shareholders' General Meeting, the PS 2 will be converted into ordinary shares on a date set by our Board of Directors between August 1, 2022, and no later than the 180th calendar day after the date of approval by the Shareholders' General Meeting of our Group's consolidated financial statements for the fiscal year ending March 31, 2022. As an exception, the PS 2 may be converted early in the event of a Complex Major External Growth Transaction or a Substantial Equity Investment (as defined in the Company's by-laws), in accordance with their terms and conditions.

In the event that the minimum rate is not achieved, the number of ordinary shares into which the PS 2 could be converted would be equal to zero, and the vested PS 2 may be repurchased by our Company at its initiative no later than the 180th calendar day after the publication date of the Group's consolidated financial statements for the fiscal year ending March 31, 2022, at their par value in anticipation of their cancellation.

7.2.3.2 Information on the potential dilution of the Company's capital

At June 9, 2021, the Company's share capital comprised a total of 33,365,223 shares, as follows:

- 33,180,921 ordinary shares with a par value of €2.00 each; and
- 184,302 PS 2 with a par value of €2.00 each.

All of the Company's shares are subscribed and fully paid up.

Nature of the potentially dilutive instruments	Initial maximum number authorized/ allocated	Maximum current number (1)	Exercise price	Conversion ratio into ordinary shares	Number of ordinary shares to which such instruments give right	Maximum potential dilution that may arise from the existence of these instruments (5)
OCEANE 2023 (Issue of June 28, 2018)	1,435,818	1,435,818	-	1 (2)	1,435,818	4.30%
Free ordinary shares (PAT no. 3.1 of July 26, 2018)	307,373	253,692	-	-	253,692	0.76%
Free ordinary shares (PAT no. 3.2 of July 26, 2018)	37,608	26,873	-	-	26,873	0.08%
PS 2 (Reserved PS 2 issue of December 18, 2019)	97,980	97,980	-	2.15 (3)	210,909	0.63%
Free PS 2 (Topaz no. 1 of December 18, 2019)	163,978	157,788	-	2.15 (3)	339,650	1.02%
Free PS 2 (Topaz no. 2 of December 18, 2019)	31,982	31,982	-	2.15 (3)	68,843	0.21%
Free ordinary shares (December 18, 2019)	23,953	17,581	-	-	17,581	0.05%
Free ordinary shares (March 25, 2020)	14,863	14,863	-	-	14,863	0.04%
OCEANE 2025 (Issue of October 1, 2020)	1,864,173	1,864,173	-	1 (4)	1,864,173	5.59%
Free ordinary shares (US 2022 of November 18, 2020)	7,394	7,394	-	-	7,394	0.02%
Free ordinary shares (Opale France of November 18, 2020)	123,711	122,022	-	-	122,022	0.37%
Free ordinary shares (Opale Foreign Entities of November 18, 2020)	19,411	18,783	-	-	18,783	0.06%
Free ordinary shares (Onyx 2023 of November 18, 2020)	59,915	59,915	-	-	59,915	0.18%
Free ordinary shares (Dolphin 2024 of November 18, 2020)	9,500	9,500	-	-	9,500	0.03%
PS 2 (Reserved PS 2 issue of November 30, 2020)	10,461	10,461	-	2.15 (3)	21,784	0.07%
Free PS 2 (Topaz 2022)	20,922	20,922	-	2.15 (3)	43,569	0.13%
Free ordinary shares (Onyx 2023 *bis* of March 31, 2021)	1,271	1,271	-	-	1,271	0.004%
TOTAL MAXIMUM POTENTIAL DILUTION	**-**	**-**	**-**	**-**	**4,518,841**	**13.54%**

(1) At March 31, 2021.
(2) See section 7.2.3.1 A. Issue of OCEANE 2023 convertible bonds for around €150 million above with respect to the ratio for the conversion of the 2023 OCEANEs into ordinary shares.
(3) Based on PS 2 actually issued or currently vesting and a realization rate of 100%.
(4) See section 7.2.3.1 E. Issue of OCEANE 2025 convertible bonds for around €325 million above with respect to the ratio for the conversion of the 2025 OCEANEs into ordinary shares.
(5) Based on the number of shares at June 9, 2021.

7.2.4 Rights to purchase and obligations related to the subscribed, but not paid-up, capital

7.2.4.1 Review of existing authorizations and their use

A. Summary table of current authorizations

Transactions/shares concerned (date of Shareholders' General Meeting)	Maximum amount	Use (date)***	Duration of the authorization (expiry date)
Allocation of free ordinary shares to employees and corporate officers without PSR Shareholders' General Meeting of July 26, 2019 – 32nd resolution	5% of the share capital (1) The shares allocated to corporate officers may not exceed 20% of the total allocation	Eight conditional ordinary share (OS) allocation plans: • 23,953 OS allocated (Board meeting of December 18, 2019) • 14,863 OS allocated (Board meeting of March 25, 2020) • US 2022: 7,394 OS allocated (Board meeting of November 18, 2020) • Opale France: 123,711 OS allocated (Board meeting of November 18, 2020) • Opale Foreign Entities: 19,411 OS allocated (Board meeting of November 18, 2020) • Onyx 2023: 59,915 OS allocated (Board meeting of November 18, 2020) • Dolphin 2024: 9,500 OS allocated (Board meeting of November 18, 2020) • Onyx 2023 *bis*: 1,271 OS allocated	38 months (September 25, 2022)
Authorization to grant free PS 2 Shareholders' General Meeting of July 26, 2019 – 34th resolution	400,000 PS 2 The shares allocated to corporate officers may not exceed 54,000 PS 2	Three conditional PS 2 allocation plans: • Topaz no. 1: 163,978 PS 2 allocated (Board meeting of December 18, 2019) • Topaz no. 2: 31,982 PS 2 allocated (Board meeting of December 18, 2019) • Topaz 2022: 20,922 PS 2 allocated (Board meeting of November 30, 2020) A capital increases to issue the vested PS 2: • Topaz no. 1: 63,069 PS 2 issued (Board meeting of November 18, 2020) • Topaz no. 2: 12,792 PS 2 issued (Board meeting of November 18, 2020)	38 months (September 25, 2022)
Company's share buyback program Shareholders' General Meeting of September 23, 2020 – 10th resolution	5% of the share capital Maximum €150 per share	None	12 months (Shareholders' General Meeting called to approve the financial statements for the fiscal year ended March 31, 2021)
Capital increase, all securities included, with PSR Shareholders' General Meeting of September 23, 2020 – 12th resolution	In share capital* = €32.5 million (2) In debt securities** = €325 million (3)	None	26 months (November 23, 2022)
Capital increase, all securities included, without PSR – offers to the public Shareholders' General Meeting of September 23, 2020 – 13th resolution	In share capital* = €6.5 million (4) In debt securities** = €325 million (3)	None	26 months (November 23, 2022)
Capital increase, all securities included, without PSR – offers referred to in Article L. 411-2, II of the French Monetary and Financial Code (private placement) Shareholders' General Meeting of September 23, 2020 – 14th resolution	In share capital* = €6.5 million (4) In debt securities** = €325 million (3)	An issue of 1,864,173 2025 OCEANEs on October 1, 2020 for €325 million	26 months (November 23, 2022)
Increase in the number of shares to be issued without PSR – reserved for categories of persons meeting defined requirements Shareholders' General Meeting of September 23, 2020 – 15th resolution	In share capital* = €6.5 million (4) In debt securities** = €325 million (3)	None	18 months (March 23, 2022)

Transactions/shares concerned (date of Shareholders' General Meeting)	Maximum amount	Use (date)***	Duration of the authorization (expiry date)
Increase in the number of securities to be issued with or without PSR in case of excess demand (Greenshoe) Shareholders' General Meeting of September 23, 2020 – 16th resolution	Up to (i) 15% of the initial issue, and (ii) the ceilings defined in the resolution used for the initial issue	None	26 months (November 23, 2022)
Capital increase, all securities included, without PSR – derogation rules for setting the issue price (unrestricted price) Shareholders' General Meeting of September 23, 2020 – 17th resolution	Up to (i) 10% of the share capital in a 12-month period, and (ii) the ceilings defined in the resolution used for the initial issue	None	26 months (November 23, 2022)
Capital increase as consideration for contributions in kind consisting of shares or securities giving access to the capital Shareholders' General Meeting of September 23, 2020 – 18th resolution	In share capital* = 10% of the share capital up to €6.5 million (4) In debt securities** = €325 million (3)	None	26 months (November 23, 2022)
Capital increase by capitalizing premiums, reserves, profits, or any other funds that may be capitalized Shareholders' General Meeting of September 23, 2020 – 19th resolution	Up to the limit (i) of the total reserves, premiums, or profits, and (ii) of €32.5 million (2) (in carrying amount)	None	26 months (November 23, 2022)
Capital increase as consideration for contributions of shares as part of a public exchange offer initiated by our Company Shareholders' General Meeting of September 23, 2020 – 20th resolution	In share capital* = €6.5 million (4) In debt securities** = €325 million (3)	None	26 months (November 23, 2022)
Capital increase by issue of shares or securities giving access to the capital reserved for members of company savings plans, without of PSR Shareholders' General Meeting of September 23, 2020 – 21st resolution	In share capital* = €700,000 (5) and within the limit of 350,000 shares In debt securities** = €325 million (3)	None	26 months (November 23, 2022)
Capital increase by issue of PS 2, without PSR, reserved for persons meeting specific criteria Shareholders' General Meeting of September 23, 2020 – 22nd resolution	102,020 PS 2 i.e., €204,040	Issue of 10,461 PS 2 (Board meeting of November 30, 2020)	6 months (March 23, 2021) (6)
Cancellation of shares acquired pursuant to the authorizations to buy back Company shares Shareholders' General Meeting of September 23, 2020 – 23rd resolution	10% of the share capital per 24-month period	None	12 months (Shareholders' General Meeting called to approve the financial statements for the fiscal year ended March 31, 2021)

(1) Ceiling of 5% of share capital (as recorded on the date of the allocation decision by the Board of Directors) independent from the overall ceiling and sub-ceiling described in notes (2) and (4) below.
(2) Overall ceiling of €32.5 million in nominal value, applicable to all capital increase transactions that may result from the implementation of the 12th to 21st resolutions of the Shareholders' General Meeting of September 23, 2020. To this ceiling of €32.5 million is added the nominal amount of any capital increases that may be carried out via the issue of additional ordinary shares in order to preserve the rights of holders of securities giving access to our Company's share capital.
*(3) Overall ceiling of €325 million in nominal value, applicable to all capital increase transactions described in note ** below that may result from the implementation of the 12th to 21st resolutions of the Shareholders' General Meeting of September 23, 2020, except for the19th resolution. This limit shall be increased, if applicable, by any redemption premium in excess of the par value.*
(4) Overall sub-ceiling of €6.5 million in nominal value, applicable to all capital increase transactions without preferential subscription rights that may result from the implementation of the 13th to 20th resolutions of the Shareholders' General Meeting of September 23, 2020, except for the 19th resolution, which is not affected. To this sub-ceiling of €6.5 million is added the nominal amount of any capital increases that may be carried out via the issue of additional ordinary shares in order to preserve the rights of holders of securities giving access to our Company's share capital. This overall sub-ceiling of €6.5 million is deducted from the overall limit of €32.5 million described in note (1) above.
(5) Maximum amount of €700,000 charged against the overall ceiling of €32.5 million described in note (2) above.
(6) Authorization expired at the date of approval of this Universal Registration Document but carried forward and used during fiscal year 2020-2021.
** Shares.*
*** Debt securities or similar securities giving access, immediately or in the future, to the Company's capital.*

B. Description of existing authorizations

32nd RESOLUTION OF THE SHAREHOLDERS' GENERAL MEETING OF JULY 26, 2019 – Authorization given to our Board of Directors to carry out the free allocation of shares

The Combined Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2019, in its 32nd resolution, authorized our Board of Directors to allocate new or existing ordinary shares of our Company, free of charge, on one or more occasions, to beneficiaries or categories of beneficiaries that it will determine among (i) the employees of our Company, or affiliated companies or groups in accordance with Article L. 225-197-2 of the French Commercial Code, and (ii) the corporate officers of our Company or companies or groups that are affiliated with it and that meet the criteria listed in Article L. 225-197-1, II of said Code.

The total number of free ordinary shares that may be allocated pursuant to this authorization may not exceed 5% of the share capital as determined on the day of our Board of Directors' allocation decision, on the understanding that (i) this ceiling is set independently from the ceilings set in the 22nd to 31st resolutions of the Combined Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2019 and (ii) the allocation of free ordinary shares to corporate officers may not exceed 20% of the free shares allocated pursuant to this authorization.

The allocated ordinary shares of our Company will vest to their beneficiaries after the expiry of a vesting period whose term will be set by our 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.

The vesting of the shares allocated to our Company's corporate officers shall be linked to the achievement of performance conditions which our Board of Directors will determine.

Our Board of Directors has all powers, with the right to sub-delegate in accordance with the law, to implement the aforementioned authorization in such a form as it deems appropriate and in accordance with applicable law, particularly to:

- determine whether the free ordinary shares to be issued are existing or new ordinary shares;
- determine the number of ordinary shares granted to each beneficiary that it will have chosen;
- set the conditions and, as the case may be, the criteria to grant the ordinary shares, notably the minimum vesting period and, where appropriate, the duration of the holding period;
- increase, where appropriate, the capital through the capitalization of reserves, earnings, or issue premiums, to proceed with the issue of new ordinary shares allocated free of charge;
- grant ordinary shares to those persons 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 Article L. 225-197-6 of the French Commercial Code. For such ordinary shares, the Board of Directors (i) shall decide that the free ordinary shares granted 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 that shall 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 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; and
- 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.

34th RESOLUTION OF THE SHAREHOLDERS' GENERAL MEETING OF JULY 26, 2019 – Authorization to our Board of Directors to allocate, pursuant to Articles L. 225-197-1 *et seq.* of the French Commercial Code, free PS 2 to employees and/or corporate officers of the Company and/or companies or groups directly or indirectly affiliated with the Company, entailing the waiver by shareholders of their preferential subscription rights

The Combined Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2019, in its 34th resolution, authorized our Board of Directors, for a period of 38 months through September 25, 2022, inclusive, pursuant to Articles L. 225-197-1 *et seq.* of the French Commercial Code and in accordance with this 34th resolution, to allocate new or existing PS 2, on one or more occasions, free of charge, to beneficiaries that it will determine among the employees and corporate officers of our Company or Group.

The maximum number of free PS 2 that can be allocated under this resolution shall be equal to two-thirds of the maximum total number of PS 2 that could be issued and shall be set by our Board of Directors in accordance with the 33rd resolution and shall in no event be greater than 400,000, and, in view of the terms of the PS 2 set out in the 33rd resolution, notes that the number of ordinary shares resulting from the conversion of free PS 2 shall not exceed 2.5% of the share capital at the date of this Shareholders' General Meeting of July 26, 2019, plus the number of ordinary shares resulting from (i) the free share allocation plans outstanding as of the date of this Shareholders' General Meeting of July 26, 2019, (ii) the conversion of the PS 1 and (iii) the conversion of the PS 2, it being specified that these ceilings do not take the necessary legal, regulatory or contractual adjustments to maintain the rights of holders of PS 2 into account

The maximum total number of free PS 2 allocated to corporate officers of our Company under this resolution, which will be charged against the 400,000 PS 2 ceiling referred to in the paragraph above, may not represent more than 54,000 PS 2 allocated under this authorization.

The PS 2 will vest to their beneficiaries at the end of a vesting period, whose duration, set by our Board of Directors, may not be less than one year, and the minimum holding period, also set by the Board of Directors, may not be less than one year from the date the shares are vested. However, the holding period for allocated shares with a vesting period of more than two years may be reduced or waived such that the shares can be freely sold once vested.

As an exception and subject to the by-laws, in the event a beneficiary dies or is classified as having a category two or three disability under Article L. 341-4 of the French Social Security Code (*Code de la sécurité sociale*), the PS 2 will vest immediately at the formal request of the beneficiary (or their assignees, if applicable), no holding period will apply and the shares may be immediately sold.

This authorization automatically entails the waiver, in favor of beneficiaries of free PS 2, by shareholders of (i) their preferential subscription rights to newly issued free PS 2, (ii) the portion of reserves, earnings or premiums that will be incorporated into the share capital if free PS 2 are issued in the future, and (iii) all rights to existing free PS 2. Any corresponding capital increases will be definitively completed by the sole fact of the vesting of shares to their beneficiaries.

Our Company can buy back existing ordinary shares resulting from the conversion of PS 2 allocated under this resolution.

Our Board of Directors has all powers, with the right to sub-delegate in accordance with the law, to implement the aforementioned authorization in such a form as it deems appropriate and in accordance with applicable law, particularly to:

- approve all the terms, methods and conditions of the free PS 2 allocation plan(s);
- determine the beneficiaries and the number of PS 2 allocated to each beneficiary;
- set the conditions and determine the criteria, dates and terms for allocating PS 2, such as the minimum vesting period and, if applicable, the duration of the holding period for each beneficiary, and in general to take all necessary measures and to conclude any agreement to properly allocate the shares;
- change the number of PS 2 allocated in the event of any share capital or equity transactions occurring during the vesting period to preserve the rights of beneficiaries of free PS 2;
- decide that either the PS 2 and ordinary shares issued from their conversion and held by corporate officers may not be sold by the beneficiaries before their employment has ceased, or require corporate officers to hold a set number of PS 2 and ordinary shares in registered form until the end of their employment, pursuant to the last paragraph of Section II of Article L. 225-197-1 of the French Commercial Code;
- determine whether the ordinary shares resulting from the conversion of PS 2 will be existing or newly issued shares, and, in the case of newly issued shares, if applicable, deduct from reserves, earnings, premiums or other amounts that may incorporated into the share capital the sums needed to pay up said ordinary shares, note the capital increase(s) carried out under this authorization, amend the by-laws accordingly, and, in general, follow all necessary procedures;
- where applicable, note the existence of sufficient reserves and for each allocation, transfer to a non-distributable reserves account the sums needed to pay up the PS 2 to be allocated;
- where applicable, and when the time comes, increase the capital by incorporating reserves, earnings, premiums or other amounts that may be incorporated into the share capital as a result of the issue of freely allocated new vested PS 2;
- where necessary, buy back ordinary shares;
- where necessary, take all necessary measures to ensure beneficiaries comply with the holding period; and
- do whatever is necessary to implement this authorization within the framework of the law.

10th RESOLUTION OF THE SHAREHOLDERS' GENERAL MEETING OF SEPTEMBER 23, 2020 – Authorization granted to our Board of Directors to buy back shares in our Company

Section 7.2.2.3 *Share buyback program in force, adopted by the Combined Ordinary and Extraordinary General. Shareholders' Meeting of September 23, 2020* of this chapter provides further details on the authorization granted to our Board of Directors to buy back shares in our Company.

12th RESOLUTION OF THE SHAREHOLDERS' GENERAL MEETING OF SEPTEMBER 23, 2020 – Delegation of authority granted to our Board of Directors for the purpose of carrying out a capital increase by way of the issue of shares and/or securities giving access, immediately or in the future, to the Company's share capital, with preferential subscription rights

In its 12th resolution, the Combined Ordinary and Extraordinary Shareholders' General Meeting of September 23, 2020 granted our Board of Directors, for a period of 26 months up to and including November 23, 2022, a delegation of authority to carry out a capital increase with preferential subscription rights for our shareholders.

Under this mechanism, the Board of Directors is authorized to issue, on one or more occasions, in such amount and at such times as it deems appropriate, in euros, in foreign currencies, or any accounting unit established by reference to a basket of currencies, in France and/or abroad, for consideration or for free, ordinary shares and/or securities giving access by any means, immediately and/or in the future, at any time or on a determined date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to our Company's share capital (including equity securities giving the right to the allocation of debt securities)

These shares and/or securities may be subscribed in cash, or by offsetting against liquid and due receivables, or by capitalization of reserves, earnings or premiums.

The maximum nominal amount of capital increases that may be carried out based on this delegation may not exceed €32.5 million in nominal value.

To this ceiling will be added the nominal amount of capital increases that may be carried out via the issue of ordinary shares in order to preserve, where appropriate, the rights of holders of securities and other rights giving access to our Company's capital.

The overall ceiling of €32.5 million applies to this 12th resolution and to the 13th to 21st resolutions of the Shareholders' General Meeting of September 23, 2020.

The nominal amount of debt securities or similar securities giving access, immediately or in the future, to our Company's share capital that may be issued pursuant to this delegation may not exceed €325 million, on the understanding that this amount shall be increased, where appropriate, by any redemption premium over the par value.

The overall ceiling of €325 million applies to this 12th resolution and to the 13th, 14th, 15th, 16th, 17th, 18th, 20th and 21st resolutions of the Shareholders' General Meeting of September 23, 2020.

In the event that this delegation of authority is used by our Board of Directors, the issue(s) will be reserved in favor of Company shareholders who have the right to subscribe in direct proportion to the number of shares they hold.

Nevertheless, our Board of Directors has the power to grant our shareholders the right to subscribe to shares or securities in excess of the number of shares to which they are entitled as of right, proportionally to their subscription rights, and in any event, within the limit of their request

If the subscriptions as of right and, where appropriate, excess subscriptions, do not cover the entire amount of the issue of shares or securities as defined above, our Board of Directors may exercise, as provided by law, and in the order of its choosing, one and/or any of the following options:

- freely distributing all or part of the unsubscribed securities between the individuals of its choice;
- offering all or part of the unsubscribed securities to the public, on the French market and/or internationally;
- limiting the capital increase to the amount of subscriptions, subject to the condition, in the event of the issue of shares or securities whose main security is a share, of this reaching at least three-quarters of the agreed issue after use of the two options indicated above, where applicable.

Issues of warrants giving access to our Company's shares may be made through a subscription offer but also through free allocation to our Company's shareholders. In the case of a free allocation of warrants, the Board of Directors may decide that the rights forming fractional shares shall not be negotiable and that the corresponding securities shall be sold.

Our Board of Directors is granted all powers, with the right to sub-delegate, in accordance with applicable law, to carry out the abovementioned issues according to the terms it sets in accordance with the law, and in particular to:

- determine the dates and the terms of issue as well as the form and characteristics of the shares and/or securities to be issued;
- determine the number of shares and/or other securities to be issued, the issue price and conditions attached thereto, if applicable, the issue premium, the terms of their payment and their date of entitlement to dividends (where, appropriate retroactively);
- in the event of the issue of debt securities, decide whether or not they should be subordinated (and, where appropriate, their rank of subordination), set their interest rate, establish their duration (fixed or indeterminate), the possibility of reducing or increasing the nominal value of the securities and the other issue and amortization terms and conditions, amend, during the lifetime of the concerned securities, the terms and conditions indicated above, in accordance with applicable formalities;
- set, if applicable, the way in which rights are to be exercised (where appropriate, the rights to conversion, exchange, reimbursement, including by contribution of Company assets, such as treasury shares or securities already issued by our Company) attached to the shares or securities giving access to the share capital, and notably, set the date, even retroactively, from which the new shares shall carry dividend rights, as well as all other terms and conditions for completing the capital increase;
- suspend, where appropriate, the exercise of rights attached to the shares and/or securities to be issued under the conditions and limits provided by applicable legal and regulatory provisions;
- at its sole discretion, deduct the costs of capital increases from the amount of related premiums, and take from this amount the sums required to bring the legal reserve to one-tenth of the new share capital after each increase;
- determine and carry out all adjustments to take into account the impact of the transactions on our 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 operations on the capital or equity (including in the event of a public offer and/or change of control), and set all other terms and conditions to ensure, where appropriate, the preservation of the rights of holders of securities giving access to the share capital or other rights giving access to the share capital (including by way of cash adjustments);
- generally, take all appropriate measures, conclude all agreements, obtain all authorizations, carry out all formalities and do all that is necessary to ensure the successful completion of the issue or stay the implementation thereof, and notably record the completion of any capital increases resulting from any issue carried out under this delegation, amend the by-laws accordingly, and request the listing of any shares and/or securities issued as a result of this delegation.

Our Board of Directors may not, except with the prior authorization of the Shareholders' General Meeting, make use of this delegation as from the filing of a public offer for our Company's securities by a third party, until the end of the offer period.

13th RESOLUTION OF THE SHAREHOLDERS' GENERAL MEETING OF SEPTEMBER 23, 2020 – Delegation of authority granted to our Board of Directors for the purpose of carrying out a capital increase by way of the issue of shares and/or securities giving access, immediately or in the future, to the Company's share capital, without preferential subscription rights, through a public offer other than offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code

In its 13th resolution, the Combined Ordinary and Extraordinary Shareholders' General Meeting of September 23, 2020 granted our Board of Directors, for a period of 26 months up to and including November 23, 2022, an authority to increase share capital without preferential subscription rights for shareholders.

Under this mechanism, our Board of Directors is authorized to issue, on one or more occasions, in such amount and at such times as it deems appropriate, in euros, foreign currencies, or any accounting unit established by reference to a basket of currencies, in France and/or abroad, against payment or free of charge, through public offers other than offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code, ordinary shares and/or securities giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to our Company's share capital (including equity securities giving the right to the allocation of debt securities).

These shares and/or securities may be subscribed in cash, or by offsetting against liquid and due receivables, or by capitalization of reserves, earnings or premiums.

Our shareholders' preferential subscription rights to shares and/or securities giving rights to shares that the Company may issue will be canceled.

The total amount of capital increases that may be carried out pursuant to this authorization may not exceed €6.5 million in nominal value.

To this ceiling will be added the nominal amount of capital increases that may be carried out via the issue of ordinary shares in order to preserve, where appropriate, the rights of holders of securities and other rights giving access to our Company's capital.

The overall ceiling of €6.5 million applies to this 13th resolution and to the 14th, 15th, 16th, 17th, 18th and 20th of the Shareholders' General Meeting of September 23, 2020.

It is deducted from the overall ceiling of €32.5 million stipulated by the 12th resolution of the Shareholders' General Meeting of September 23, 2020.

The maximum nominal amount of the debt securities or related securities giving access, either immediately or in the future, to our Company's capital that may be issued pursuant to this delegation may not exceed €325 million. This limit will be increased, where appropriate, by any redemption premium in excess of the par value.

This ceiling of €325 million is deducted from the overall ceiling of €325 million stipulated by the 12th resolution of the Shareholders' General Meeting of September 23, 2020.

Issues under this authorization will be carried out by way of a public offer.

They may be carried out in conjunction with offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code carried out on the basis of the 14th resolution of the Shareholders' General Meeting of September 23, 2020.

The shareholders' preferential subscription rights to the shares and/or securities that may be issued under this delegation will be canceled.

Nevertheless, our Board of Directors may grant a priority subscription period to shareholders, that does not give rise to the creation of negotiable rights, of a duration that it shall set in accordance with the law and regulations, for all or part of the issue carried out on the basis of this 13th resolution and in proportion to the number of shares held by each shareholder, in application of the legal and regulatory provisions, and may also grant excess subscription rights, on the understanding that any securities that are not subscribed within the priority subscription period will be subject to a public offer in France or abroad,

If the subscriptions as of right and, where appropriate, excess subscriptions, do not cover the entire amount of the issue of shares or securities as defined above, the Board of Directors may exercise, as provided by law, and in the order of its choosing, one and/or any of the following options:

- limiting the capital increase to the subscriptions' amount upon the condition that this amount reaches at least three-quarters of the decided issue;

- freely distributing all or part of the unsubscribed securities between the individuals of its choice; and/or
- offering all or part of the unsubscribed securities to the public, on the French market and/or internationally.

The methods for setting the issue price are those provided for by the legal and regulatory provisions applicable on the date of issue. At the date hereof, it shall be at least equal to the weighted average of the listed prices of the share during the last three (3) stock market trading sessions preceding the beginning of the public offer, less a maximum discount of 10%.

Our Board of Directors has the same powers as those set out in the delegation of authority granted under the 12th resolution of the Shareholders' General Meeting of September 23, 2020 to decide on issues under this delegation and to carry them out.

The Board of Directors may not, except with the prior authorization of the Shareholders' General Meeting, make use of this delegation as from the filing of a public offer for our Company's securities by a third party, until the end of the offer period.

14th RESOLUTION OF THE SHAREHOLDERS' GENERAL MEETING OF SEPTEMBER 23, 2020 – Delegation of authority granted to our Board of Directors in order to issue, by way of an offer referred to in Article L. 411-2, 1° of the French Monetary and Financial Code, shares and/or securities giving access, immediately or in the future, to the Company's share capital, without shareholders' preferential subscription rights

In its 14th resolution, the Combined Ordinary and Extraordinary Shareholders' General Meeting of September 23, 2020 granted our Board of Directors, for a period of 26 months up to and including November 23, 2022, an authority to increase the share capital within the context of offers referred to Article L. 411-2, 1° of the French Monetary and Financial Code (also known as "private placements").

Under this mechanism, our Board of Directors is authorized to decide to issue, on one or more occasions, in such amount and at such times as it deems appropriate, in euros, foreign currencies, or any monetary unit established by reference to a basket of currencies, in France and/or abroad, against payment or free of charge, ordinary shares and/or securities giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities).

These ordinary shares and/or securities may be subscribed in cash, or by offsetting against liquid and due receivables, or by capitalization of reserves, earnings or premiums.

Our shareholders' preferential subscription rights to shares and/or securities giving rights to shares that the Company may issue will be canceled.

The maximum amount of capital increases that may be carried out under this resolution may not, within the limits provided for by the regulations applicable on the date of issue (at the date of the Shareholders' General Meeting of September 23, 2020, 20% of the share capital per year as assessed on the date of implementation of this delegation by our Board of Directors), exceed the ceiling of €6.5 million.

The overall ceiling of €6.5 million is applicable to this 14th resolution and to the 13th, 15th, 16th, 17th, 18th and 19th of the Shareholders' General Meeting of September 23, 2020.

It is deducted from the overall ceiling of €32.5 million stipulated in the 12th resolution of the Shareholders' General Meeting of September 23, 2020 for all capital increase transactions that may result from the implementation of the 12th to 21st resolutions of the Shareholders' General Meeting of September 23, 2020.

To these ceilings will be added the nominal amount of capital increases that may be carried out via the issue of ordinary shares in order to preserve, where appropriate, the rights of holders of securities and other rights giving access to our Company's capital.

The nominal value of debt securities or similar securities giving access, immediately or in the future to the Company's capital that may be issued pursuant to this delegation may not exceed €325 million. This limit will be increased, where appropriate, by any redemption premium in excess of the par value.

This ceiling of €325 million is deducted from the overall ceiling of €325 million stipulated by the 12th resolution of the Shareholders' General Meeting of September 23, 2020.

If the subscriptions do not absorb the total issue, our Board of Directors may use one and/or the other of the options provided for by the law, and in particular limit the transaction's amount to the amount of subscriptions received, provided (for issues of ordinary shares or securities having ordinary shares as their underlying) that they reach at least three-quarters of the agreed issue.

The methods for setting the issue price are those provided for by the legal and regulatory provisions applicable on the date of issue. At the date hereof, it shall be at least equal to the weighted average of the listed prices of the share during the last three (3) stock market trading sessions preceding the beginning of the public offer, less a maximum discount of 10%

Our Board of Directors has the same powers as those set out in the previous paragraph describing the delegation of authority granted under the 12th resolution of the Shareholders' General Meeting of September 23, 2020 to decide on issues under this delegation and to carry them out.

The Board of Directors may not, except with the prior authorization of the Shareholders' General Meeting, make use of this delegation as from the filing of a public offer for our Company's securities by a third party, until the end of the offer period.

15th RESOLUTION OF THE SHAREHOLDERS' GENERAL MEETING OF SEPTEMBER 23, 2020 – Delegation of authority granted to our Board of Directors for the purpose of issuing shares and/or securities giving access, immediately or in the future, to our Company's share capital, reserved for categories of persons meeting defined requirements, without shareholders' preferential subscription rights

In its 15th resolution, the Combined Ordinary and Extraordinary Shareholders' General Meeting of September 23, 2020 granted our the Board of Directors, for a period of 18 months up to and including March 23, 2022, a delegation of authority to increase our share capital in favor of 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.

Under this mechanism, our Board of Directors is authorized to issue, on one or more occasions, in such amount and at such times it deems appropriate, in euros, foreign currencies, or any accounting unit established by reference to a basket of currencies, against payment or free of charge, in France and/or abroad, ordinary shares and/or securities giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, redemption, presentation of a warrant, or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities).

These shares and/or securities may be subscribed in cash, or by offsetting against liquid and due receivables, or by capitalization of reserves, earnings or premiums.

Our shareholders' preferential subscription rights to shares and/or securities giving rights to shares that the Company may issue will be canceled.

The Board of Directors shall define the definitive list of beneficiaries of the cancellation of preferential subscription rights and the number of shares and/or securities that may be allocated to each of them.

The total amount of capital increases that may be carried out pursuant to this authorization may not exceed €6.5 million in nominal value.

This overall ceiling of €6.5 million is shared with this 15th resolution and the 13th, 14th, 16th, 17th, 18th and 20th of the Shareholders' General Meeting of September 23, 2020.

It is deducted from the overall ceiling of €32.5 million stipulated in the 12th resolution of the Shareholders' General Meeting of September 23, 2020 for all capital increase transactions that may result from the implementation of the 12th to 21st resolutions of the Shareholders' General Meeting of September 23, 2020.

To these ceilings will be added the nominal amount of capital increases that may be carried out via the issue of ordinary shares in order to preserve, where appropriate, the rights of holders of securities and other rights giving access to our Company's capital.

The nominal value of debt securities or similar securities giving access, immediately or in the future, to the Company's capital that may be issued pursuant to this delegation may not exceed €325 million. This limit will be increased, where appropriate, by any redemption premium in excess of the par value.

This ceiling of €325 million is deducted from the overall ceiling of €325 million stipulated by the 12th resolution of the Shareholders' General Meeting of September 23, 2020.

(i) 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 will be at least equal to (a) to the last closing price preceding the setting of the price with a maximum discount of 10%; or (b) the volume-weighted average share price on the market, on the trading day on which the issue price is set, with a maximum discount of 10%; and (ii) the issue price of the securities giving access to the capital will be such that the amount immediately received by our Company (increased, where appropriate, by any amount received subsequently) is, for each ordinary share issued as a result of the issue of these securities, at least equal to the price defined in section (i) of this paragraph.

The issue price of the securities giving access to our capital will 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 minimum price defined above.

Our Board of Directors has the same powers as those set out in the previous paragraph describing the delegation of authority granted under the 12th resolution of the Shareholders' General Meeting of September 23, 2020 to decide on issues under this delegation and to carry them out.

The Board of Directors may not, except with the prior authorization of the Shareholders' General Meeting, make use of this delegation as from the filing of a public offer for our Company's securities by a third party, until the end of the offer period.

16th RESOLUTION OF THE SHAREHOLDERS' GENERAL MEETING OF SEPTEMBER 23, 2020 – Delegation of authority granted to our Board of Directors for the purpose of increasing the issue amount, with or without preferential subscription rights, within the limit of 15% of the initial issue

In its 16th resolution, the Combined Ordinary and Extraordinary Shareholders' General Meeting of September 23, 2020 granted our Board of Directors, for a period of 26 months up to and including November 23, 2022, an authority to increase the number of shares to be issued in the event that subscriptions for an issue decided on the basis of the 12th, 13th, 14th or 15th resolutions were to exceed the amount offered.

This additional issue will take place within 30 days of the closing of the subscription period, within the limits:

(i) of the ceiling or ceilings applicable to the initial issue; and

(ii) of a maximum of 15% of its amount.

Furthermore, it must be made at the same price as the initial issue.

Our Board of Directors has all powers, with the right to sub-delegate, required to implement this delegation of authority in accordance with the conditions set by law and the Company's by-laws.

17th RESOLUTION OF THE SHAREHOLDERS' GENERAL MEETING OF SEPTEMBER 23, 2020 – Authorization granted to our Board of Directors in the event of the issue, without preferential subscription rights, of shares and/or securities giving access, immediately or in the future, to the Company's share capital, for the purpose of setting the issue price within the limit of 10% of our Company's share capital under the terms and conditions adopted by the Shareholders' General Meeting

In its 17th resolution, the Combined Ordinary and Extraordinary Shareholders' General Meeting of September 23, 2020 granted our Board of Directors, for a period of 26 months up to and including November 23, 2022, an authorization to approve the methods to be used on an exceptional basis for setting the issue price.

Under this mechanism, the Board of Directors is authorized, for each of the issues decided under the 13th and 14th resolutions of the Shareholders' General Meeting of September 23, 2020, to derogate from the pricing terms set forth in these resolutions.

Accordingly, it can set the issue price of the ordinary shares to be issued or which are likely to give right to securities to be issued in accordance with the following methods:

- the last closing price preceding the setting of the price with a maximum discount of 10%; or
- the volume-weighted average share price on the market, on the trading day on which the issue price is set, with a maximum discount of 10%.

It is specified that the issue price for the securities other than ordinary shares should be such that the amount received immediately by the Company (increased, where appropriate, by any amount received subsequently) is, for each ordinary share issued as a result of the issue of the securities, at least equal to the amount determined by the Board of Directors in the above two formulas.

This authorization is valid up to the limit of 10% of the share capital of the Company for a period of 12 months. It is specified that this percentage of 10% applies to the share capital as adjusted for any share capital transactions occurring after the Shareholders' General Meeting of September 23, 2020 and assessed on the date of implementation of this delegation by our Board of Directors.

If it uses this delegation, the Board of Directors shall draft an additional report, certified by the Statutory Auditors, describing the final terms of the transaction and providing the necessary information for assessing the actual impact on the situation of our shareholders.

Our Board of Directors has all powers, with the right to sub-delegate, required to implement this authorization in accordance with the conditions set by law and the Company's by-laws.

18th RESOLUTION OF THE SHAREHOLDERS' GENERAL MEETING OF SEPTEMBER 23, 2020 – Delegation of powers granted to our Board of Directors in order to issue shares and/or securities giving access, immediately or in the future, to the Company's share capital as consideration for contributions in kind consisting of shares or securities giving access to the Company's share capital

In its 18th resolution, the Combined Ordinary and Extraordinary Shareholders' General Meeting of September 23, 2020 granted our Board of Directors for a period of 26 months up to and including November 23, 2022, the power to issue shares and/or securities giving access, immediately or in the future, to our Company's share capital, as consideration for contributions in kind granted to our Company and consisting of equity shares or securities giving access to our Company's share capital.

Under this mechanism, the Board of Directors has the powers, based on the Statutory Auditors' report, to issue ordinary shares and/or any securities giving access by any means, immediately 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 share capital of the Company (including shares giving the right to the allocation of debt securities).

This delegation of authority is valid up to the limit of 10% of the Company's share capital.

This percentage of 10% applies to the capital as existing on the date of the Board's decision to implement the delegation.

The total amount of capital increases that may be carried out pursuant to this authorization may not exceed €6.5 million in nominal value.

This overall ceiling of €6.5 million is shared with this 18th resolution and the 13th, 14th, 15th, 16th, 17th and 20th of the Shareholders' General Meeting of September 23, 2020.

It is deducted from the overall ceiling of €32.5 million stipulated in the 12th resolution of the Shareholders' General Meeting of September 23, 2020 for all capital increase transactions that may result from the implementation of the 12th to 21st resolutions of the Shareholders' General Meeting of September 23, 2020.

To these ceilings will be added the nominal amount of capital increases that may be carried out via the issue of ordinary shares in order to preserve, where appropriate, the rights of holders of securities and other rights giving access to our Company's capital.

The nominal amount of debt securities or similar securities giving access, immediately or in the future, to our Company's share capital that may be issued pursuant to this delegation may not exceed €325 million, on the understanding that this amount shall be increased, where appropriate, by any redemption premium over the par value.

This ceiling of €325 million is deducted from the overall ceiling of €325 million stipulated by the 12th resolution of the Shareholders' General Meeting of September 23, 2020.

Our Board of Directors has the same powers as those set out in the previous paragraph describing the delegation of authority granted under the 12th resolution of the Shareholders' General Meeting of September 23, 2020 to decide on issues under this delegation and to carry them out.

The Board of Directors may not, except with the prior authorization of the Shareholders' General Meeting, make use of this delegation as from the filing of a public offer for our Company's securities by a third party, until the end of the offer period.

19th RESOLUTION, THE SHAREHOLDERS' GENERAL MEETING OF SEPTEMBER 23, 2020 – Delegation of authority granted to our Board of Directors for the purpose of increasing the share capital by capitalizing premiums, reserves, profits, or any other funds that may be capitalized

In its 19th resolution, the Combined Ordinary and Extraordinary Shareholders' General Meeting of September 23, 2020 granted our Board of Directors, for a period of 26 months up to and including November 23, 2022, an authority to increase the share capital by capitalizing premiums, reserves, profits, or any other funds that may be capitalized under applicable law and the by-laws.

These capital increases will be in the form of free share allocations or an increase in the par value of existing shares, or a combination of these two methods.

The total amount of the capital increases that may be carried out (increased, where applicable, by the amount necessary to preserve the rights of the holders of securities or other rights giving access to our share capital) may not exceed the total amount of the funds that may be incorporated or a ceiling of €32.5 million in nominal value.

This ceiling of €32.5 million is deducted from the overall ceiling of €32.5 million stipulated by the 12th resolution of the Shareholders' General Meeting of September 23, 2020.

Our Board of Directors has all powers, with the right to sub-delegate, required to carry out the aforementioned issues in accordance with the terms it will determine in compliance with the law, and in particular to:

- determine the dates, terms and conditions and features of the issue;
- decide, in the event of the allocation of free equity securities, that the resulting fractional shares will not be negotiable or assignable and that the corresponding equity securities will be sold in accordance with the modalities set by the Board of Directors;
- set any terms and conditions to guarantee, where appropriate, the preservation of the rights of holders of securities or other rights giving access to the share capital (including by means of cash adjustment);
- generally, take all appropriate measures, conclude all agreements, obtain all authorizations, carry out all formalities and do all that is necessary to ensure the successful completion of the issue or stay the implementation thereof, and notably record the completion of any capital increases resulting from any issue carried out under this delegation, amend the by-laws accordingly, and request the listing of any shares and/or securities issued as a result of this delegation.

20th RESOLUTION OF THE SHAREHOLDERS' GENERAL MEETING OF SEPTEMBER 23, 2020 – Delegation of authority granted to our Board of Directors for the purpose of increasing the share capital by the issuing shares or securities giving access, immediately or in the future, to Company's share capital, as consideration for shares contributed as part of a public exchange offer initiated by the Company

In its 20th resolution, the Combined Ordinary and Extraordinary Shareholders' General Meeting of September 23, 2020 granted our Board of Directors, for a period of 26 months up to and including November 23, 2022, a delegation of authority for the purpose of increasing our share capital as consideration for securities contributed as part of a public exchange offer (PEO) initiated by our Company.

Under this mechanism, our Board of Directors is authorized to decide on the issue, on one or more occasions, in such amount and at such times it deems appropriate, in euros, foreign currencies or in any other accounting unit established by reference to a basket of currencies, of ordinary shares and/or securities giving access, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, redemption, presentation of a warrant or in any other manner, to the share capital of our Company, against payment or free of charge, as consideration for any shares that could be contributed in the context of a PEO launched in France or abroad, in accordance with the local regulations, by our Company for its shares or the shares of any other company admitted to trading on one of the regulated markets described in Article L. 225-148 of the French Commercial Code (now Article L. 22-10-54 of the French Commercial Code pursuant to Order no. 2020-1142 of September 16, 2020).

This delegation is valid for any other transaction having the same effect as a PEO initiated by the Company for its own securities or the securities of another company whose shares are admitted for trading on a relevant regulated market governed by foreign law, or which may be assimilated therewith.

Our shareholders would not have preferential subscription rights to any shares and/or securities that may be issued under this delegation. These would in fact be intended solely to provide compensation for any securities contributed to a PEO initiated by our Company.

The total amount of capital increases that may be carried out pursuant to this authorization may not exceed €6.5 million in nominal value.

This overall ceiling of €6.5 million is shared with this 20th resolution and the 13th, 14th, 15th, 16th, 17th and 18th resolutions of the Shareholders' General Meeting of September 23, 2020.

It is deducted from the overall ceiling of €32.5 million stipulated in the 12th resolution of the Shareholders' General Meeting of September 23, 2020 for all capital increase transactions that may result from the implementation of the 12th to 21st resolutions of the Shareholders' General Meeting of September 23, 2020.

To these ceilings will be added the nominal amount of capital increases that may be carried out via the issue of ordinary shares in order to preserve, where appropriate, the rights of holders of securities and other rights giving access to our Company's capital.

The nominal amount of debt securities or similar securities giving access, immediately or in the future, to our Company's share capital that may be issued pursuant to this delegation may not exceed €325 million, on the understanding that this amount shall be increased, where appropriate, by any redemption premium over the par value.

This ceiling of €325 million is deducted from the overall ceiling of €325 million stipulated by the 12th resolution of the Shareholders' General Meeting of September 23, 2020.

The price of the shares and/or securities that would be issued pursuant to this resolution shall be set in accordance with the laws and regulations concerning PEOs.

Our Board of Directors has all powers, with the right to sub-delegate, required to carry out the aforementioned issues in accordance with the terms it will determine in compliance with the law, and in particular to:

- set the exchange parity as well as, where appropriate, the amount of cash portion to be paid;
- establish the list of securities that may be contributed in exchange;
- determine the dates, terms and conditions and features of the issue;
- determine and carry out all adjustments to take into account the impact of the transactions in 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 terms and conditions 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);
- at its sole discretion, deduct the costs of capital increases from the amount of related premiums, and take from this amount the sums required to bring the legal reserve to one-tenth of the new share capital after each increase;
- generally, take all appropriate measures, conclude all agreements, obtain all authorizations, carry out all formalities and do all that is necessary to ensure the successful completion of the issue or stay the implementation thereof, and notably record the completion of any capital increases resulting from any issue carried out under this delegation, amend the by-laws accordingly, and request the listing of any securities issued as a result of this delegation.

21st RESOLUTION OF THE SHAREHOLDERS' GENERAL MEETING OF SEPTEMBER 23, 2020 – Delegation of authority granted to our Board of Directors for the purpose of carrying out a share capital increase by way of issuing ordinary shares or securities giving access to our share capital reserved for members of a company savings plan, without preferential subscription rights

In its 21st resolution, the Combined Ordinary and Extraordinary Shareholders' General Meeting of September 23, 2020 granted our Board of Directors, for a period of 26 months up to and including November 23, 2022, an authority to increase the share capital for members of company savings plans.

Under this mechanism, our Board of Directors is authorized to decide on an increase in our share capital, on one or more occasions, in such amount and at such times it deems appropriate, in euros, foreign currencies or in any other accounting unit established based on a basket of currencies, by way of the issue, against payment or free of charge, in France and/or abroad, of shares and/or securities giving access, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, redemption, presentation of a warrant or in any other manner, to the share capital of our Company (including equity securities giving the right to the allocation of debt securities).

Our shareholders' preferential subscription rights to shares and/or securities giving rights to shares that the Company may issue will be canceled.

These issues will be reserved for members of one or more company savings plans that may be set up within the scope of consolidation of the Group.

In the event of a free allocation of shares or securities giving access to our share capital to the beneficiaries indicated above, the shareholders waive all rights to said shares or securities giving access to our 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 on the basis of this delegation.

With a total maximum nominal amount of €700,000, these issues will be deducted from the overall ceiling of €32.5 million stipulated by the 12th resolution of the Shareholders' General Meeting of September 23, 2020 for all capital increases carried out under the 12th to 21st resolutions of the Shareholders' General Meeting of September 23, 2020.

To this ceiling will be added the nominal amount of capital increases that may be carried out via the issue of ordinary shares in order to preserve, where appropriate, the rights of holders of securities and other rights giving access to our Company's capital.

The nominal amount of debt securities or similar securities giving access, immediately or in the future, to our Company's share capital that may be issued pursuant to this delegation may not exceed €325 million, on the understanding that this amount shall be increased, where appropriate, by any redemption premium over the par value.

This ceiling of €325 million is deducted from the overall ceiling of €325 million stipulated by the 12th resolution of the Shareholders' General Meeting of September 23, 2020.

The issue price of these new shares or securities giving access to the capital issued under this delegation (the "Reference Price") will be set with reference to the average share price on Euronext Paris during the last 20 trading days preceding the date that the Board of Directors decides to set the opening date of the subscription period for the capital increased reserved to members of a company savings plan.

A discount of 30% to 40% may be applied in accordance with legal requirements.

Our Board of Directors may, if it determines that it is appropriate, reduce or cancel the aforementioned discount, in particular to comply with the applicable local regulations in the countries in which the issue will be implemented.

Our Board of Directors may make free allocations of shares or securities giving access to the share capital as a substitute for all or part of the discount on the Reference Price and/or for the employer's contribution

The Board of Directors may transfer shares to members of company savings plans. Any such share transfers made with a discount to members of one or more company savings plans will be deducted, in direct proportion to the par value of the shares thereby assigned, from the ceiling set out below.

Our Board of Directors has all powers, with the right to sub-delegate, required 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 share capital allocated free of charge;
- decide 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 our 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 on 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 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 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 applicable, 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, to 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.

22nd RESOLUTION OF THE SHAREHOLDERS' GENERAL MEETING OF SEPTEMBER 23, 2020 – Delegation of authority granted to our Board of Directors to issue PS 2, without preferential subscription rights, to persons meeting defined criteria

The Combined Ordinary and Extraordinary Shareholders' General Meeting of September 23, 2020, in its 22nd resolution, authorized our Board of Directors, for a six-month period until March 23, 2021, inclusive, with the right to sub-delegate in accordance with the law, to issue PS 2 against payment.

This 22nd resolution waives the shareholders' preferential subscription rights to the PS 2 and reserves the right to subscribe these PS 2 for the category of beneficiaries who meet the following criteria: corporate officers or employees of the Company, or of companies or groups that are directly or indirectly affiliated with it in accordance with Article L. 233-4 of the French Commercial Code.

Our Board of Directors will have the authority to establish the precise list of beneficiaries of the waiver of preferential subscription rights and to set the number of PS 2 to be subscribed by each beneficiary under this delegation of authority.

This delegation automatically waives, in favor of the beneficiaries, the list of those who will have been approved by our Board of Directors, the preferential subscription rights to the new shares to which the PS 2 that may be issued under this resolution would give entitlement.

If the Board of Directors makes use of this delegation of authority, the maximum number of PS 2 that can be issued under this resolution shall be equal to 102,020.

Our Board of Directors shall determine, according to the applicable regulations, the subscription price that shall be set, after consulting an independent appraiser, based on factors that influence its value.

Our Board of Directors has all powers, with the right to sub-delegate, required to carry out the aforementioned issues in accordance with the terms it will determine in compliance with the law, and in particular to:

- set the terms of issue, and particularly the subscription price;
- determine whether the ordinary shares resulting from the conversion of the PS 2 will be existing or new shares and, in the event of the issue of new ordinary shares, to charge the amounts required to pay up said ordinary shares, as the case may be, against the premiums, reserves, profits, or any other funds that may be capitalized;
- amend the by-laws as necessary with regard to the amount of share capital and the number of shares comprising the shares;
- at its sole initiative, deduct the costs of capital increases from the amount of related premiums, and take from this amount the sums required to constitute the legal reserve;
- make whatever changes are needed to take into account transactions in the Company's share capital, conclude any agreement needed to properly carry out the planned issues, note the completion of capital increases, amend the by-laws accordingly, follow all necessary procedures, and in general do whatever is necessary.

23rd RESOLUTION OF THE SHAREHOLDERS' GENERAL MEETING OF SEPTEMBER 23, 2020 – Authorization for the Board of Directors to cancel, where applicable, treasury shares held by the Company, up to a maximum of 10%

In its 23rd resolution, the Combined Ordinary and Extraordinary Shareholders' General Meeting of September 23, 2020 authorized our Board of Directors to cancel shares of the Company acquired under authorizations granted by the Shareholders' General Meeting.

In accordance with Article L. 225-209 of the French Commercial Code (now Article L. 22-10-62 of the French Commercial Code pursuant to Order no. 2020-1142 of September 16, 2020), our Board of Directors is authorized to cancel treasury shares, on one or more occasions, up to a limit of 10% of our share capital over a 24-month period. Furthermore, it has the power to proceed with a corresponding decrease in share capital.

At the date of each cancellation, the total number of ordinary shares canceled by our 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 ordinary shares comprising the Company's 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 the Shareholders' General Meeting of September 23, 2020.

This authorization is valid until the day of the Shareholders' General Meeting called to approve the financial statements for the year ended March 31, 2021.

Our Board of Directors has all powers, with the right to sub-delegate, to undertake any act, formality, or declaration with a view to canceling the shares acquired and decreasing the share capital, and to amend the by-laws as necessary.

7.2.4.2 Special report on stock option transactions during fiscal year 2020-2021

Pursuant to Article L. 225-184 of the French Commercial Code, we hereby disclose the stock option transactions (allocation, exercise and cancellation) undertaken during fiscal year 2020-2021.

I. Allocation of stock options during fiscal year 2020-2021

During fiscal year 2020-2021, no stock options were allocated to employees or corporate officers, neither by our Company nor by the companies under its control within the meaning of Article L. 233-16 of the French Commercial Code, nor by any companies or groups affiliated with our Company under the conditions set forth by Article L. 225-180 of the French Commercial Code.

II. Exercise of stock options during fiscal year 2020-2021

1. Exercise of stock options under plans allocated in 2020-2021

Not applicable.

2. Exercise of stock options under plans previously allocated

Not applicable.

III. Cancellation of stock options during fiscal year 2020-2021

Not applicable.

7.2.4.3 Special report on free share transactions during fiscal year 2020-2021

Pursuant to Article L. 225-197-4 of the French Commercial Code, we hereby disclose the free share transactions (allocation, vesting and cancellation) undertaken during fiscal year 2020-2021.

I. Free share allocations during fiscal year 2020-2021

Under the authorization adopted by the Combined Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2019, our Board of Directors once again used the delegations of authority granted to it to allocate free ordinary shares (32nd resolution) and PS 2 (34th resolution).

To that end, at its meetings held on November 18, 2020 and March 31, 2021, our Board of Directors set up six free ordinary share allocation plans. The shares allocated under the plans will vest to their beneficiaries subject to presence and performance conditions (see section 7.2.3.1 *Nature and characteristics of the financial securities issued* of this Universal Registration Document).

On November 30, 2020, our Board of Directors also set up a plan for the free allocation of PS 2, whose vesting and conversion into ordinary shares are respectively subject to a presence condition and a performance condition. (see section 7.2.3.1 *Nature and characteristics of the financial securities issued* of this Universal Registration Document).

The table below summarizes the information relating to these seven free ordinary share allocation plans:

Date of Shareholders' General Meeting	07/26/2019	07/26/2019	07/26/2019	07/26/2019	07/26/2019	07/26/2019	07/26/2019
Plan name	OS US 2022	OS Opale France	OS Opale Foreign Entities	OS Onyx 2023	OS Dolphin 2024	PS 2 Topaz 2022	OS Onyx 2023 *bis*
Date of Board of Directors' meeting	11/18/2020	11/18/2020	11/18/2020	11/18/2020	11/18/2020	11/30/2020	03/31/2021
NUMBER OF SHARES ALLOCATED BY OUR BOARD OF DIRECTORS*	**7,394**	**123,711**	**19,411**	**59,915**	**9,500**	**20,922**	**1,271**
Of which number of shares for corporate officers of our Company	-	-	-	*13,306***	-	-	-
Of which number of shares for top ten employee beneficiaries of our Company	*7,394*	*8,919*	*3,484*	*34,474*	*9,500*	*20,922*	*1,271*
Number of initial beneficiaries	**1**	**1,218**	**172**	**22**	**10**	**3**	**1**
Vesting period	From 11/18/2020 to 11/18/2022	From 11/18/2020 to 08/01/2023	From 11/18/2020 to 08/01/2023	From 11/18/2020 to 08/01/2023	From 11/18/2020 to 08/01/2024	-	From 03/31/2021 to 08/01/2023
Vesting of 60% of the PS 2 allocated	-	-	-	-	-	*From 11/30/2020 to 01/10/2022*	-
Vesting of 40% of the PS 2 allocated	-	-	-	-	-	*From 11/30/2020 to 11/30/2022*	-
Holding period	-	-	-	-	-	Until the earliest of the following three dates: (i) the Conversion Date (1), (ii) the Repurchase Date (2), and (iii) July 26, 2029 From 11/30/2020 to 11/30/2022	-
Number of shares vested*	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Number of canceled or lapsed shares*	**-**	**-**	**1,689**	**628**	**-**	**-**	**-**
Number of shares outstanding*	**7,394**	**122,022**	**18,783**	**59,915**	**9,500**	**20,922**	**1,271**

* *At March 31, 2021.*
** *Shares allocated to our Chief Executive Officer, Paul Boudre.*
(1) *The conversion date of the PS 2 into new or existing ordinary Company shares (the "Conversion Date") shall be determined by the Board of Directors, and said Conversion Date shall, in any event, be no later than the 180th calendar day after the date of approval by the Shareholders' General Meeting of the Group's consolidated financial statements for the year ending March 31, 2022.*
(2) *In the event that the performance objectives are not achieved and the number of ordinary shares to which the PS 2 would entitle the holder upon conversion, by applying the Conversion Ratio, equals zero, the PS 2 may be repurchased by the Company at its initiative no later than the 180th calendar day after the publication date of the Group's consolidated financial statements for the fiscal year ending March 31, 2022 (the "Repurchase Date"), at their par value, in accordance with the provisions of Article L. 228-12 III of the French Commercial Code.*

II. Vesting during fiscal year 2020-2021 of shares allocated during previous fiscal years

During fiscal year 2020-2021, several waves of the free shares allocated during previous fiscal years vested.

Vesting of PS 2 allocated free of charge under the Topaz no. 1 and Topaz no. 2 plans

In accordance with a decision taken by our Chief Executive Officer on December 18, 2020 under the authorization granted by our Board of Directors on November 18, 2020, a total of 63,069 PS 2 allocated under the Topaz no. 1 plan and 12,792 PS 2 allocated under the Topaz no. 2 plan vested to their beneficiaries due to their compliance with the presence condition at the end of a one-year vesting period which expired on December 18, 2020.

7.2.5 Information about the share capital of Group companies which is under option or agreed conditionally or unconditionally to be put under option

To the Company's knowledge, at the date of this Universal Registration Document, there were no options on the capital of a Group company or a conditional or unconditional agreement providing for the capital of such companies to be put under option.

7.2.6 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.

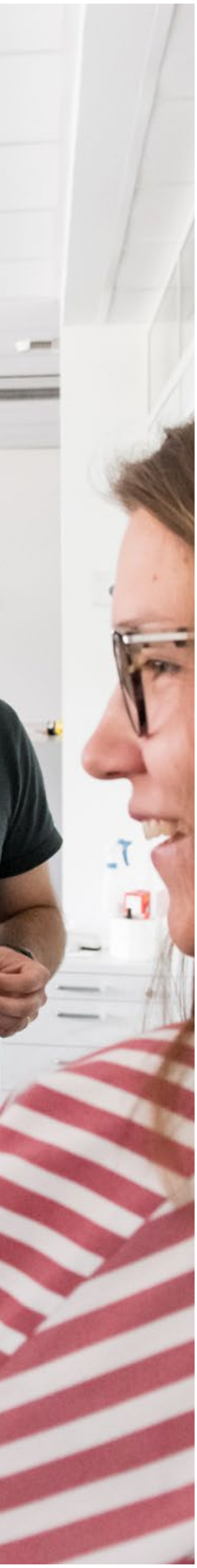
DATA BEFORE THE REVERSE-STOCK SPLIT EFFECTIVE FEBRUARY 8, 2017

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 share capital *(in €)*	Cumulative structure of share capital *(in shares)*
05/02/2016	**CASH CAPITAL INCREASES RESERVED FOR BPIFRANCE PARTICIPATIONS, CEA INVESTISSEMENT AND NSIG SUNRISE S.À.R.L.**	**13,903,405**	**62,565,323**	**139,034,051**	**0.10**	**37,035,824**	**370,358,235**
06/08/2016	**CAPITAL INCREASE WITH PREFERENTIAL SUBSCRIPTION RIGHTS**	**23,568,251**	**51,850,152**	**235,682,510**	**0.10**	**60,604,074**	**606,040,745**
06/14/2016	Capital increase by vesting of free shares	18,947	-	189,472	0.10	60,623,022	606,230,217
12/02/2016	Capital increases by conversion of OCEANE 2018 bonds	0.10	-	1	0.10	60,623,022	606,230,218
12/06/2016	Capital reduction (not caused by losses) by cancellation of treasury shares	(1.80)	-	(18)	0.10	60,623,020	606,230,200

7.

DATA AFTER THE REVERSE-STOCK SPLIT THAT EFFECTIVE FEBRUARY 8, 2017

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 share capital *(in €)*	Cumulative structure of share capital *(in shares)*
07/26/2017	Capital increase by vesting of free preferred shares	23,615.70	-	236,157	0.10	60,646,635.70	30,547,667
08/08/2017	**CAPITAL INCREASES BY CONVERSION OF OCEANE 2018 BONDS**	**2,112,114.00**	**-**	**1,056,057**	**2.00**	**62,758,749.70**	**31,603,724**
12/06/2017	Capital increase by vesting of free preferred shares	379.80	-	3,798	0.10	62,759,129.50	31,607,522
03/30/2018	Capital increase by vesting of free preferred shares	2,941.00	-	29,410	0.10	62,762,070.50	31,636,932
07/29/2019	**CAPITAL INCREASE RESULTING FROM THE CONVERSION OF PS 1 INTO ORDINARY SHARES (MIP)**	**2,472,422.30**	**-**	**1,011,862**	**2.00**	**65,234,492.80**	**32,648,794**
12/06/2019	**CAPITAL INCREASE RESULTING FROM THE CONVERSION OF PS 1 INTO ORDINARY SHARES (MIP)**	**64,060.20**	**-**	**28,422**	**2.00**	**65,298,553.00**	**32,677,216**
12/18/2019	**CAPITAL INCREASE THROUGH THE ISSUE OF RESERVED PS 2**	**195,960.00**	**8,051,016.60**	**97,980**	**2.00**	**65,494,513.00**	**32,775,196**
02/28/2020	**CASH CAPITAL INCREASE RESERVED FOR THE COMPANY MUTUAL FUND 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 RESULTING FROM THE VESTING OF ORDINARY SHARES (PAT NO. 1 AND PAT NO. 2)**	**340,494.00**	**-**	**170,247**	**2.00**	**66,247,021.00**	**33,151,450**
03/30/2020	**CAPITAL INCREASE RESULTING FROM THE CONVERSION OF PS 1 INTO ORDINARY SHARES (MIP)**	**310,781.00**	**-**	**127,451**	**2.00**	**66,557,802.00**	**33,278,901**
11/30/2020	Capital increase through the issue of reserved PS 2	20,922.00	909,060.90	10,461	2.00	66,578,724.00	33,289,362
12/18/2020	**CAPITAL INCREASE BY VESTING OF FREE PS 2 (TOPAZ NO. 1 AND NO. 2)**	**151,722.00**	**-**	**75,861**	**2.00**	**66,730,446.00**	**33,365,223**



8

Shareholders' General Meeting

8.1 Agenda

At its meeting on June 9, 2021, our Board of Directors decided to convene an Ordinary and Extraordinary Shareholders’ General Meeting on:

**Wednesday July 28, 2021 at 9:30 a.m., Paris time,
at Centre de Conférences Capital 8, 32 rue Monceau, 75008 Paris, France**

in order to submit the 35 draft resolutions relating to the agenda below for shareholders’ approval.

If the *quorum* is not reached, the Ordinary and Extraordinary Shareholders’ General Meeting will be convened for Wednesday September 8, 2021 at 9:30 a.m., Paris time, also at Centre de Conférences Capital 8, 32 rue Monceau, 75008 Paris, France.

RESOLUTIONS WITHIN THE COMPETENCE OF THE ORDINARY SHAREHOLDERS’ GENERAL MEETING

First resolution:	Approval of the statutory financial statements for the fiscal year ended March 31, 2021
Second resolution:	Approval of the consolidated financial statements for the fiscal year ended March 31, 2021
Third resolution:	Appropriation of net profit for the fiscal year ended March 31, 2021
Fourth resolution:	Statutory Auditors’ special report on related-party agreements referred to in Articles L. 225-38 *et seq.* of the French Commercial Code
Fifth resolution:	Appointment of Françoise Chombar as a director
Sixth resolution:	Appointment of Shuo Zhang as a director
Seventh resolution:	Reappointment of Éric Meurice as a director
Eighth resolution:	Reappointment of Satoshi Onishi as a director
Ninth resolution:	Ratification of the co-option of Guillemette Picard as a director
Tenth 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
Eleventh resolution:	Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or granted to Paul Boudre, Chief Executive Officer, for the fiscal year ended March 31, 2021
Twelfth resolution:	Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or granted to Éric Meurice, Chairman of the Board of Directors, for the fiscal year ended March 31, 2021
Thirteenth resolution:	Approval of the compensation policy for the Chairman of the Board of Directors
Fourteenth resolution:	Approval of the compensation policy for the Chief Executive Officer
Fifteenth resolution:	Approval of the compensation policy for the members of the Board of Directors
Sixteenth 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 SHAREHOLDERS' GENERAL MEETING

Seventeenth resolution:	Delegation of authority to be granted to the Board of Directors for the purpose of carrying out a capital increase by way of the issue of shares and/or securities giving access, immediately or in the future, to the Company's share capital, with preferential subscription rights
Eighteenth resolution:	Delegation of authority to be granted to the Board of Directors for the purpose of carrying out a capital increase by way of the issue of shares and/or securities giving access, immediately or in the future, to the Company's share capital, without preferential subscription rights, through a public offer other than offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code
Nineteenth resolution:	Delegation of authority to be granted to the Board of Directors in order to issue, by way of a public offer referred to in Article L. 411-2, 1° of the French Monetary and Financial Code, shares and/or securities giving access, immediately or in the future, to the Company's share capital, without shareholders' preferential subscription rights
Twentieth 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, without shareholders' preferential subscription rights
Twenty-first resolution:	Delegation of authority to be granted to the Board of Directors for the purpose of increasing the issue amount, with or without preferential subscription rights, within the limit of 15% of the initial issue
Twenty-second resolution:	Authorization to be granted to the Board of Directors in the event of the issue, without preferential subscription rights, of shares and/or securities giving access, immediately or in the future, to the Company's share capital, for the purpose of setting the issue price within the limit of 10% of the Company's share capital under the terms and conditions adopted by the Shareholders' General Meeting
Twenty-third resolution:	Delegation of powers to be granted to the Board of Directors in order to issue shares and/or securities giving access, immediately or in the future, to the Company's share capital as consideration for contributions in kind consisting of shares or securities giving access to the Company's share capital
Twenty-fourth resolution:	Delegation of authority to be granted to the Board of Directors for the purpose of increasing the share capital by capitalizing premiums, reserves, profits, or any other funds that may be capitalized
Twenty-fifth resolution:	Delegation of authority to be granted to the Board of Directors for the purpose of increasing the share capital by issuing shares or securities giving access, immediately or in the future, to the Company's share capital as consideration for securities contributed as part of a public exchange offer initiated by the Company
Twenty-sixth resolution:	Delegation of authority to be granted to the Board of Directors for the purpose of carrying out a share capital increase by way of issuing shares or securities giving access to the share capital reserved for members of a company savings plan, without preferential subscription rights
Twenty-seventh resolution:	Authorization to be granted to the Board of Directors to freely allocate, 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 companies or groups directly or indirectly affiliated with the Company, entailing the waiver by shareholders of their preferential subscription rights
Twenty-eighth resolution:	Authorization to be granted to the Board of Directors to cancel, where applicable, treasury shares held by the Company, up to a maximum of 10%
Twenty-ninth resolution:	Addition of a preliminary article before Article 1 of the Company's by-laws, in order to adopt a corporate mission for the Company
Thirtieth resolution:	Amendment of Article 7 of the Company's by-laws due to legislative and regulatory changes relating to the identification of shareholders
Thirty-first resolution:	Amendment of Article 16 of the Company's by-laws due to legislative and regulatory changes relating to the role of the Board of Directors
Thirty-second resolution:	Amendment of Articles 12.4 and 18 of the Company's by-laws due to legislative and regulatory changes relating to the compensation of the members of the Board of Directors
Thirty-third resolution:	Amendment of Article 19 of the Company's by-laws due to legislative and regulatory changes relating to the related-party agreements procedure
Thirty-fourth resolution:	Amendment of Articles 21.3, 23 and 24 of the Company's by-laws due to legislative and regulatory changes relating to the method for calculating the majority required for decisions to be adopted
Thirty-fifth resolution:	Powers for formalities

8.2 Report of the Board of Directors on the resolutions submitted to the Combined Ordinary and Extraordinary Shareholders' General Meeting of July 28, 2021

This report presents to the shareholders the resolutions that will be submitted to the Combined Ordinary and Extraordinary Shareholders' General Meeting to be held on July 28, 2021. It was approved by the Board of Directors at its meeting on June 9, 2021.

Prior to exercising their voting rights, the shareholders are invited to read this report carefully (including the text of the draft resolutions), together with the Statutory Auditors' comments and observations as presented in their reports.

Our Board of Directors unanimously recommends that the shareholders adopt all of the draft resolutions as presented in this report.

8.2.1 Information about the Company's business since the beginning of the current fiscal year

In accordance with the applicable regulations, information about the Company's business since the beginning of the year is presented in the 2020-2021 Universal Registration Document, particularly in Chapter 5.

8.2.2 Resolutions within the competence of the Ordinary Shareholders' General Meeting

RESOLUTIONS NO. 1 TO 3:
APPROVAL OF THE STATUTORY AND CONSOLIDATED FINANCIAL STATEMENTS AND APPROPRIATION OF NET PROFIT

Under the 1st to 3rd resolutions, we propose that you:

- approve the annual financial statements of our Company for the fiscal year ended March 31, 2021, which show revenue of €550,043,192.16 and profit of €68,685,965.92, and to approve the overall amount of non-deductible expenses and charges subject to corporate income tax standing at €107,836 for the fiscal year, as well as the related tax charge estimated at €34,529;
- approve the consolidated annual financial statements for the fiscal year ended March 31, 2021, which show revenue of €583,761 thousand and net profit (Group share) of €72,671 thousand;
- approve the transactions reflected in these financial statements or summarized in the Board of Directors' management report or in the Statutory Auditors' reports;
- note that the profit available for distribution in respect of the fiscal year ended March 31, 2021, comprising the profit for said fiscal year plus retained earnings of €252,472,049.19, amounts to €321,158,015.11, and appropriate the distributable profit as follows:
  - €17,264.40 to the legal reserve, to represent 10% of the share capital, which would be increased from €6,655,780.20 to €6,673,044.60; and
  - the balance of €68,668,701.52 to "Retained earnings", which would be increased from €252,472,049.19 to €321,140,750.71.

The annual financial statements were approved by our Board of Directors on June 9, 2021.

The financial statements, the Board of Directors' management report and the Statutory Auditors' reports are presented in the 2020-2021 Universal Registration Document.

You are also invited to note that no dividends were paid out in respect of the last three fiscal years.

First resolution –
Approval of the statutory financial statements for the fiscal year ended March 31, 2021

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Ordinary Shareholders' General Meetings, having considered the Board of Directors' report and the Statutory Auditors' reports, approves the statutory financial statements for the fiscal year ended March 31, 2021, 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 €550,043,192.16 and profit of €68,685,965.92.

The Shareholders' General Meeting also approves the overall amount of expenses and charges referred to in Article 39-4 of the French Tax Code (*Code général des impôts*) amounting to €107,836 in respect of the fiscal year ended March 31, 2021, which generated an estimated tax charge of €34,529.

Second resolution –
Approval of the consolidated financial statements for the fiscal year ended March 31, 2021

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Ordinary Shareholders' General Meetings, having considered the Board of Directors' report and the Statutory Auditors' reports, approves the consolidated financial statements for the fiscal year ended March 31, 2021, 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 €583,761 thousand and net profit (Group share) of €72,671 thousand.

Third resolution –
Appropriation of net profit for the fiscal year ended March 31, 2021

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Ordinary Shareholders' 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, 2021:

- **notes** that, as a result of the profit for the fiscal year of €68,685,965.92 and retained earnings at March 31, 2021 of €252,472,049.19, the profit available for distribution in respect of the fiscal year amounts to €321,158,015.11;
- **resolves** to appropriate the profit for the fiscal year ended March 31, 2021, amounting to €68,685,965.92, as follows:
  - €17,264.40 to the "Statutory reserve", taking it from €6,655,780.20 to €6,673,044.60 and therefore to an amount at least equal to 10% of the share capital of the Company; and
  - the balance, representing €68,668,701.52 to "Retained earnings", taking it from €252,472,049.19 to €321,140,750.71.

The Shareholders' General Meeting acknowledges that there has not been any payment of dividends over the past three fiscal years.

RESOLUTION NO. 4: RELATED-PARTY AGREEMENTS

During the fiscal year ended March 31, 2021, no new related-party agreements (as referred to in Article L. 225-38 of the French Commercial Code [*Code de commerce*]) were submitted to the Board of Directors for prior authorization.

Pursuant to the law, the Board of Directors completed the annual review of all related-party agreements authorized and entered into during previous fiscal years, the performance of which continued during the fiscal year ended March 31, 2021. These agreements are described in section 4.1.9 *Agreements with interested or related parties* of the 2020-2021 Universal Registration Document.

The Statutory Auditors' special report, which can be found in section 8.3 *Statutory Auditors' special report on related-party agreements* of the 2020-2021 Universal Registration Document, contains information on the related-party agreements that were previously entered into and approved and which remained in force during fiscal year 2020-2021, and states that no new related-party agreements were entered into during the said fiscal year.

Pursuant to the 4th resolution, we ask you to acknowledge the information provided in the Statutory Auditors' special report on related-party agreements.

Fourth resolution –
Statutory Auditors' special report on related-party agreements referred to in Articles L. 225-38 *et seq.* of the French Commercial Code

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Ordinary Shareholders' General Meetings, acknowledges that, in respect of the agreements referred to in Articles L. 225-38 *et seq.* of the French Commercial Code, the Statutory Auditors' special report required by the applicable legal and regulatory provisions was presented to it, stating that no new agreements of said type had been entered into during the fiscal year ended March 31, 2021.

RESOLUTIONS NO. 5 TO 9: COMPOSITION OF THE BOARD OF DIRECTORS – APPOINTMENT OF TWO DIRECTORS – REAPPOINTMENTS OF DIRECTORS – RATIFICATION OF A CO-OPTION

Appointment of two directors following the planned expiry of their terms of office

Given the significant number of terms of office expiring at the Shareholders' General Meeting to be called to approve the financial statements for the year ending March 31, 2022, and in order to ensure a smooth replacement of the members of our Board of Directors in accordance with the recommendations of the AFEP-MEDEF Code, Françoise Chombar and Shuo Zhang have resigned, effective from the close of the Shareholders' General Meeting to be held on July 28, 2021, from their directorships, which they have held since the Shareholders' General Meeting of July 26, 2019.

Further to their resignations, at its meeting on June 9, 2021, and based on the recommendation of the Nomination and Governance Committee, our Board of Directors decided that it would propose the renewal of the directorships of Françoise Chombar and Shuo Zhang under the 5th and 6th resolutions, respectively, for a period of three years (in accordance with Article 12.2 of our Company's by-laws), expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024. Our Board of Directors noted that both Françoise Chombar and Shuo Zhang have been independent members of the Board since July 26, 2019.

Biographical details concerning Françoise Chombar and Shuo Zhang are presented in section 4.1.3.1 B. *Summary individual profiles of the members of our Board of Directors currently in office* of the 2020-2021 Universal Registration Document.

Reappointment of Éric Meurice and Satoshi Onishi as directors

The directorships of Éric Meurice (Chairman and independent director of our Board of Directors) and Satoshi Onishi (non-independent director) are due to expire at the close of this Shareholders' General Meeting.

At its meeting on March 31, 2021, our Board of Directors decided, on the recommendation of the Nomination and Governance Committee, to propose the renewal of their directorships to the Shareholders' General Meeting. Éric Meurice and Satoshi Onishi, who are members of the Nomination and Governance Committee, were not involved in the discussions and decisions relating to the renewal of their directorships.

Accordingly, the shareholders are invited:

- under the 7th resolution, to reappoint Éric Meurice as a director for a term of three years (in accordance with Article 12.2 of our Company's by-laws), expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024. Éric Meurice, an independent director since July 26, 2018, who has been Chairman of the Board since March 27, 2019 and chairs the Strategic Committee and the Compensation Committee, has extensive knowledge of the industry in which our Group operates; and
- under the 8th resolution, to reappoint Satoshi Onishi as a director for a term of three years (in accordance with Article 12.2 of our Company's by-laws), expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024. Satoshi Onishi, a non-independent director since July 10, 2015, is part of the Shin-Etsu group, which is a key player in Soitec's supply chain, and has a good understanding of our Group's goals and challenges, especially in the Asian market.

Biographical details concerning Éric Meurice and Satoshi Onishi are presented in section 4.1.3.1 B. *Summary individual profiles of the members of our Board of Directors currently in office* of the 2020-2021 Universal Registration Document.

Ratification of the co-option of Guillemette Picard

At a meeting on September 24, 2020, acting on a recommendation of the Nomination and Governance Committee, and on the proposal of CEA Investissement, our Board of Directors co-opted Guillemette Picard as a director, in accordance with Article L. 225-24 of the French Commercial Code, replacing CEA Investissement, which had stepped down from the Board, for the remainder of its term of office, i.e., until the close of the Shareholders' General Meeting to be called to approve the financial statements for the year ending March 31, 2022. Guillemette Picard had been the permanent representative of CEA Investissement on the Board of Directors since May 2, 2016, until her co-option in her own name. Guillemette Picard is a non-independent member of our Board of Directors.

In accordance with the Shareholders' Agreement dated March 7, 2016, as amended on April 29, 2016 and set to expire at the end of this Shareholders' General Meeting, our Company has undertaken to present the necessary resolutions to the vote of our shareholders in order that our three strategic investors (Bpifrance Participations, CEA Investissement and NSIG Sunrise S.à.r.l.) are represented by one or two people on the Board of Directors (depending on the level of their ownership interest in the Company). As announced by Soitec on August 4, 2020, CEA Investissement, which only has one representative on the Board in accordance with the Shareholders' Agreement following the reduction in its interest to below 10% of Soitec's share capital, stepped down as a director.

Consequently, under the 9th resolution submitted for your approval, you are asked to ratify the co-option of Guillemette Picard as a member of our Board of Directors (replacing CEA Investissement), in accordance with the provisions of Article L. 225-24 of the French Commercial Code.

Biographical details concerning Guillemette Picard are presented in section 4.1.3.1 B. *Summary individual profiles of the members of our Board of Directors currently in office* of the 2020-2021 Universal Registration Document.

Composition of our Board of Directors at the close the Ordinary Shareholders' General Meeting of July 28, 2021, subject to the approval of the five proposed resolutions

If the above five resolutions are adopted by this Shareholders' General Meeting:

- our Board of Directors would still be composed of 14 members, including two members representing employees;
- with five members out of 12, the proportion of independent members would remain at approximately 41.67% (it being stipulated that members representing employees are not included when calculating the percentage of independent members, in accordance with the provisions of the AFEP-MEDEF Code);
- with six women, the percentage of women on the Board of Directors would be approximately 42.86% (and approximately 41.67% excluding the two members representing employees, in accordance with Article L. 225-27-1, II of the French Commercial Code).

The composition of our Board of Directors is described in greater detail in section 4.1.3.1 *Current members of our Board of Directors* of the 2020-2021 Universal Registration Document.

Fifth resolution – Appointment of Françoise Chombar as a director

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Ordinary Shareholders' General Meetings, having considered the Board of Directors' report, **resolves** to appoint Françoise Chombar as a director, for a term of three years, expiring at the close of the Ordinary Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024.

Sixth resolution – Appointment of Shuo Zhang as a director

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Ordinary Shareholders' General Meetings, having considered the Board of Directors' report, **resolves** to appoint Shuo Zhang as a director, for a term of three years, expiring at the close of the Ordinary Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024.

Seventh resolution – Reappointment of Éric Meurice as a director

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Ordinary Shareholders' General Meetings, having considered the Board of Directors' report, **resolves** to reappoint Éric Meurice as a director, for a term of three years, expiring at the close of the Ordinary Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024.

Eighth resolution –
Reappointment of Satoshi Onishi as a director

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Ordinary Shareholders' 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 Ordinary Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024.

Ninth resolution –
Ratification of the co-option of Guillemette Picard as a director

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Ordinary Shareholders' General Meetings, having considered the Board of Directors' report, **ratifies**, in accordance with the provisions of Article L. 225-24 of the French Commercial Code, the co-option by the Board of Directors on September 24, 2020 of Guillemette Picard as a director, replacing CEA Investissement (represented by Guillemette Picard) for the remainder of its term of office, i.e., until the close of the Ordinary Shareholders' General Meeting to be called to approve the financial statements of the fiscal year ending March 31, 2022.

RESOLUTIONS NO. 10 TO 12: COMPENSATION OF OUR CORPORATE OFFICERS FOR FISCAL YEAR 2020-2021

Approval of the information relating to the compensation of each of our Company's corporate officers required by Article L. 22-10-9, I of the French Commercial Code

Under the 10th resolution, in accordance with Article L. 22-10-34, I of the French Commercial Code, the shareholders are invited to approve the information referred to in Article L. 22-10-9, I of the said Code relating to the compensation of our Company's corporate officers for fiscal year 2020-2021, including information establishing a link between the Chief Executive Officer's and the Chairman's compensation, employees' compensation and the Company's performance.

This information is presented in section 4.2.1 *Compensation of our corporate officers for fiscal year 2020-2021* of the 2020-2021 Universal Registration Document.

Approval of the compensation paid or granted to corporate officers for the fiscal year ended March 31, 2021 (*ex-post* say-on-pay)

In application of Article L. 22-10-34, III of the French Commercial Code, the shareholders are asked to approve the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during or granted for the fiscal year ended March 31, 2021 to:

- Paul Boudre, Chief Executive Office, pursuant to the 11th resolution; and
- Éric Meurice, Chairman of the Board of Directors, pursuant to the 12th resolution.

These components are described in section 4.2.2 *Components of compensation paid during or granted for fiscal year 2020-2021 to the Chief Executive Officer and the Chairman of the Board of Directors to be submitted for shareholder approval at the July 28, 2021 Shareholders' General Meeting* of the 2020-2021 Universal Registration Document.

The components of the corporate officers' compensation were paid or granted in compliance with the compensation policy approved by our shareholders on September 23, 2020, pursuant to the 8th resolution. The payment of the Chief Executive Officer's annual variable compensation, as described in section 4.2.1.1 B. *Annual variable compensation* of the 2020-2021 Universal Registration Document, is subject to the approval of the 11th resolution.

Tenth 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 Shareholders' General Meeting, under the conditions of *quorum* and majority required for Ordinary Shareholders' 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 referred to in Article L. 22-10-9, I of the French Commercial Code, as presented to the Shareholders' General Meeting in section 4.2.1 *Compensation of our corporate officers for fiscal year 2020-2021* of the 2020-2021 Universal Registration Document.

Eleventh resolution –
Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or granted to Paul Boudre, Chief Executive Officer, for the fiscal year ended March 31, 2021

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Ordinary Shareholders' General Meetings, having considered the corporate governance report referred to in Article L. 225-37 of the French Commercial Code, approves, in accordance with Article L. 22-10-34, II of the French Commercial Code, the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or granted to Paul Boudre, Chief Executive Officer, for the fiscal year ended March 31, 2021, as presented in the first table in section 4.2.2 *Components of compensation paid during or granted for fiscal year 2020-2021 to the Chief Executive Officer and the Chairman of the Board of Directors to be submitted for shareholder approval at the July 28, 2021 Shareholders' General Meeting* of the 2020-2021 Universal Registration Document.

Twelfth resolution –
Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or granted to Éric Meurice, Chairman of the Board of Directors, for the fiscal year ended March 31, 2021

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Ordinary Shareholders' General Meetings, having considered the corporate governance report referred to in Article L. 225-37 of the French Commercial Code, approves, in accordance with Article L. 22-10-34, II of the French Commercial Code, the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or granted to Éric Meurice, for the fiscal year ended March 31, 2021, as presented in the second table in section 4.2.2 *Components of compensation paid during or granted for fiscal year 2020-2021 to the Chief Executive Officer and the Chairman of the Board of Directors to be submitted for shareholder approval at the July 28, 2021 Shareholders' General Meeting* of the 2020-2021 Universal Registration Document.

RESOLUTIONS NO. 13 TO 15:
APPROVAL OF THE COMPENSATION POLICY FOR THE CORPORATE OFFICERS (*EX-ANTE* SAY-ON-PAY)

In accordance with Article L. 22-10-8, II of the French Commercial Code, the shareholders are invited to approve the compensation policy for the corporate officers, approved by the Board of Directors at its meetings on June 9 and June 25, 2021, on the recommendation of the Compensation Committee.

The principles of the compensation policy for the Chairman of the Board of Directors, submitted in the 13th resolution, are identical to those approved by the Shareholders' General Meeting of September 23, 2020, which provided that the compensation paid to the Chairman would henceforth comprise an annual fixed portion only, which would no longer be included in the budget allocated for the compensation of the members of the Board of Directors. It is presented in section 4.2.3.3 *Compensation policy for the Chairman of the Board of Directors (non-executive corporate officer)* of the 2020-2021 Universal Registration Document.

The compensation policy for the Company's Chief Executive Officer, which is submitted in the 14th resolution, can be found in section 4.2.3.2 *Compensation policy for the Chief Executive Officer (executive corporate officer)* of this Universal Registration Document. The principles of the policy are comparable to the policy approved by the Shareholders' General Meeting of September 23, 2020.

The compensation policy for the members of the Board of Directors, submitted in the 15th resolution, defines the rules governing the allocation of the total budget of €780,000 set by the Shareholders' General Meeting of September 23, 2020 (it being stipulated that the compensation payable to the Chairman is not included in said total budget). It is presented in section 4.2.3.4 *Compensation policy for our directors (other than the Chairman and the Chief Executive Officer)* of the 2020-2021 Universal Registration Document. The principles of the policy are comparable to the policy approved by the Shareholders' General Meeting of September 23, 2020.

Thirteenth resolution –
Approval of the compensation policy for the Chairman of the Board of Directors

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Ordinary Shareholders' 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 Chairman of the Board of Directors, as presented in section 4.2.3.3 *Compensation policy for the Chairman of the Board of Directors (non-executive corporate officer)* of the 2020-2021 Universal Registration Document.

Fourteenth resolution –
Approval of the compensation policy for the Chief Executive Officer

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Ordinary Shareholders' 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 section 4.2.3.2 *Compensation policy for the Chief Executive Officer (executive corporate officer)* of the 2020-2021 Universal Registration Document.

Fifteenth resolution –
Approval of the compensation policy for the members of the Board of Directors for the fiscal year ending March 31, 2022

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Ordinary Shareholders' 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, as presented in section 4.2.3.4 *Compensation policy for our directors (other than the Chairman and the Chief Executive Officer)* of the 2020-2021 Universal Registration Document.

RESOLUTION NO. 16:
AUTHORIZATION TO CARRY OUT TRANSACTIONS ON TREASURY SHARES

In the 10th resolution of the Shareholders' General Meeting of September 23, 2020, our shareholders authorized our Board of Directors, with the right to sub-delegate, to acquire or to cause to be acquired shares in our Company, on one or more occasions, at such times as it deems appropriate, up to 5% of our share capital at the date of each buyback. This authorization expires on the date of this Shareholders' General Meeting.

Please see section 7.2.2.3 *Share buyback program in force, adopted by the Combined Ordinary and Extraordinary General Shareholders' Meeting of September 23, 2020* of the 2020-2021 Universal Registration Document, which describes the main terms and conditions of the share buyback program approved by the Shareholders' General Meeting of September 23, 2020.

Between April 1, 2020 and June 9, 2021, our Company did not carry out any transactions on its own shares.

In the 16th resolution of this Shareholders' General Meeting, you are asked to grant a new authorization to the Board of Directors, in accordance with Article L. 22-10-62 of the French Commercial Code, Articles 241-1 to 241-5 of the General Regulation of the AMF, the EU regulation on market abuse and the market practices permitted by the AMF, which would supersede the authorization granted by the Shareholders' General Meeting of September 23, 2020 for the same purpose.

In accordance with the previous program authorized by our shareholders at the Shareholders' General Meeting of September 23, 2020, the new share repurchase program could be used with the following objectives:

- ensuring the liquidity of and making a market for our Company's shares through an investment services provider, under a liquidity agreement that complies with the market practices permitted by the AMF (as amended where appropriate); or
- allocating or selling shares to employees as part of their involvement in the performance of the Company or pursuant to a company or Group employee savings plan (or similar plans) in accordance with the law, notably Articles L. 3332-1 *et seq.* of the French Labor Code (*Code du travail*); or
- allocating free shares under the provisions of Articles L. 225-197-1 *et seq.*, L. 22-10-59 and L. 22-10-60 of the French Commercial Code; or
- in general, meeting obligations related to share option programs or other share allocations to employees or corporate officers of the issuer or of a related company; or
- 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
- 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
- subject to the adoption of the 28th resolution, subsequently canceling all or some of the shares bought back, under the conditions provided for in Article L. 22-10-62 of the French Commercial Code.

The program would also be designed to allow for the implementation of any market practices permitted or that may be permitted by the market authorities, and more generally, the completion of transactions for any other purpose permitted or that may be permitted by the applicable laws and regulations, subject to notifying our shareholders thereof in a press release.

The number of shares that may be acquired during the share buyback program may not exceed 5% of our share capital at each buyback date. This ceiling would apply to the share capital as adjusted for any share capital transactions occurring after your Shareholders' General Meeting. Regarding shares bought back under a liquidity contract, the number of shares taken into account for the calculation of this 5% limit corresponds to the number of shares purchased, less the shares re-sold during the term of the authorization.

This maximum number of shares would therefore stand at 1,668,261, as calculated based on the share capital at June 9, 2021 of €66,730,446.00.

The number of shares held by our Company at any time may not exceed 10% of our share capital. This percentage would apply to the share capital as adjusted for any share capital transactions occurring after this Shareholders' General Meeting called to approve the financial statements for the fiscal year ended March 31, 2021.

The maximum purchase price per share would be set at €220 (excluding acquisition costs). In the event of a share capital transaction, this amount would be adjusted accordingly.

The overall amount of this share buyback program may not exceed €367,017,420.

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).

Our Company does not intend to use derivatives.

This authorization would not be valid during a public offer for our Company's securities.

It would be valid for a period expiring on the date of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2022 (and, at the latest, within 18 months), and would supersede the authorization granted on September 23, 2020.

At June 9, 2021, our Company held 4,351 treasury shares with a par value of €2.00 each or approximately 0.01% of our Company's share capital.

Sixteenth resolution –
Authorization to be granted to the Board of Directors to carry out transactions on the Company's shares

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Ordinary Shareholders' General Meetings, having considered the Board of Directors' report, and in accordance with the provisions of Articles L. 22-10-62 *et seq.* of the French Commercial Code, Articles 241-1 to 241-5 of the General Regulation of the French financial markets authority (*Autorité des marchés financiers* – AMF), the EU regulation on market abuse and the market practices permitted by the AMF, 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 or to cause Company shares to be acquired, particularly for the purpose of:

- ensuring the liquidity of and making a market for our 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
- 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
- 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
- subject to the adoption of the 28th resolution, subsequently canceling all or some of the shares bought back, under the conditions provided for in Article L. 22-10-62 of the French Commercial Code.

The program is also designed to allow for the implementation of any market practices permitted or that may be permitted by the market authorities, and more generally, the completion of transactions for any other purpose permitted or that may be permitted by the applicable laws and regulations, subject to notifying our 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, at the date of this Shareholders' General Meeting, a maximum of 1,668,261 shares) at the date of each buyback. This percentage applies to the share capital as adjusted for any share capital transactions occurring after this Shareholders' General Meeting, it being specified that for the particular case of shares bought back under a liquidity contract, the number of shares taken into account for the calculation of this 5% limit corresponds to the number of shares purchased, less the shares re-sold during the term of the authorization;
- the number of shares that the Company holds at any time may not exceed 10% of the Company's share capital, with this percentage applying to the share capital as adjusted for any share capital transactions occurring after this Shareholders' General 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 does not intend to 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 Shareholders' General Meeting resolves that the maximum purchase price per share is set at two hundred and twenty euros (€220) (excluding acquisition costs). In the event of share capital transactions, notably stock splits or reverse stock splits or free share allocations, 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 overall amount of this share buyback program may not exceed €367,017,420.

The Shareholders' General Meeting grants full powers to the Board of Directors, with the right to sub-delegate, to implement this authorization and, for the purpose of carrying out the share buyback program, to enter into any and all agreements and, if necessary, specify the related terms and conditions, and notably to place any and all market orders, enter into any and all agreements, allocate or reallocate the acquired shares to the objectives pursued under the applicable legal and regulatory conditions, set the terms and conditions under which, where applicable, the rights of holders of securities giving access to the share capital or other rights giving access to the share capital will be preserved, in accordance with the legal and regulatory provisions, and, where appropriate, with the contractual provisions providing for other adjustments, conduct any and all formalities with and make any and all declarations to all relevant organizations and, generally, do all that is necessary.

This authorization becomes effective at the close of this Shareholders' General Meeting and will expire on the date of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2022, and, at the latest, within 18 months, it being stipulated that this authorization supersedes all authorizations previously granted in a resolution with the same purpose.

8.2.3 Resolutions within the competence of the Extraordinary Shareholders' General Meeting

RESOLUTIONS NO. 17 TO 26: FINANCIAL RESOLUTIONS

General considerations

Given the issue by our Company on September 28, 2020 of bonds convertible into and/or exchangeable for new and/or existing ordinary shares (OCEANEs) for a nominal amount of approximately €325 million (see section 6.2.1.2 *Notes to our consolidated financial statements at March 31, 2021* and section 7.2.3.1 E. *Issue of OCEANE 2025 convertible bonds for around €325 million* of the 2020-2021 Universal Registration Document for more information on the issue) and in order to have the appropriate resources available for our Group's development, we are asking you to approve the renewal and adaptation of various resolutions whose purpose is to grant the Board of Directors the necessary delegations of authority or powers in order to be able to carry out various issues of shares or securities (17th to 26th resolutions).

The new delegations would supersede the unused portions of the delegations granted for the same purpose by the Shareholders' General Meeting of September 23, 2020.

The resolutions aim to provide our Board of Directors with sufficient flexibility to decide the type of issues to be carried out and to adapt, when appropriate, the type of financial instruments to be issued, based on potential financing and/or external growth opportunities.

The resolutions entailing an increase in our Company's share capital can be divided into two broad categories: those which would give rise to capital increases with preferential subscription rights and those which would give rise to capital increases without preferential subscription rights.

For some of the resolutions submitted for your approval, we are asking you to grant the Board of Directors the right to cancel your preferential subscription rights. According to market conditions, the type of investors concerned by the issue and the type of shares issued, it may be preferable, or even necessary, to cancel shareholders' preferential subscription rights. This would provide our Board of Directors with the option of carrying out placements of securities under optimal conditions, and of thereby obtaining a higher level of equity. Furthermore, the cancellation of shareholders' preferential subscription rights would increase the speed of the transactions, which is sometimes an essential condition for their success.

We are also submitting for your approval a resolution giving our Company the means to involve our **employees** and senior executives in its success, through a share capital increase reserved for employees who are **members** of a company savings plan (**26th** resolution).

The 17th to 26th resolutions aim to renew and adapt the delegations of authority and powers granted by you in 2020 in order to carry out share capital increases by issuing ordinary shares and/or any securities of any kind giving access by whatever means, immediately and/or in the future, at any time or on a fixed date, by subscription, conversion, exchange, redemption, presentation of a warrant, or in any other manner, to the share capital of our Company.

These authorizations and delegations would be limited in time and subject to ceilings.

Ceilings and limitations

The financial authorizations and delegations subject to your approval would be limited by ceilings which are determined in particular by taking into account the amount of our Company's share capital.

Pursuant to the **17th** resolution, the maximum nominal amount of the share capital increases that may be carried out on the basis of the **17th** to **26th** resolutions may not therefore exceed an overall ceiling of €32.5 million in nominal value, identical to last year. At **June 9, 2021**, this overall ceiling represents approximately **48.70%** of our share capital.

Within this overall ceiling of €32.5 million, you are requested to set a sub-ceiling of €6.5 million in nominal value (identical to last year) for transactions entailing a waiver of shareholders' preferential subscription rights (18th resolution), which would be deducted from the overall ceiling of €32.5 million. At **June 9, 2021**, this sub-ceiling represents approximately **9.74%** of our share capital. This sub-ceiling of €6.5 million would apply to the **18th** to **25th** resolutions, with the exception of the **24th** resolution.

To these ceilings of €32.5 million and €6.5 million would be added the nominal amount of any share capital increases that may be carried out via the issue of additional ordinary shares in order to take into account the impact of any transactions on our Company's share capital and preserve the rights of holders of securities and holder of other rights giving access to our Company's share capital.

The maximum nominal amount of the debt securities or related securities giving access to our Company's share capital that may be issued pursuant to the **17th** to **26th** resolutions (with the exception of the **24th** resolution) may not exceed an overall ceiling of €395 million (compared with €325 million last year). This amount would be increased, where appropriate, by any reimbursement premium over the par value.

This €395 million ceiling would be independent from the value of any debt securities that may be issued or authorized by our 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.

Our Board of Directors may not, except with the prior authorization of the shareholders, make use of these delegations as from the filing of a public offer for our Company's securities by a third party, until the end of the offer period (except for the 26th resolution).

These authorizations and delegations would be granted with the right to sub-delegate.

They would each be valid for a period of 26 months as from the date of your Shareholders' General Meeting, with the exception of the **20th** resolution, which would be valid for a period of 18 months. They would supersede the unused portion of any authorizations or delegations granted in the resolutions with the same purpose adopted on September 23, 2020.

Should our Board of Directors use the authorizations and/or delegations granted to it pursuant to the terms of the 17th to 26th resolutions, it must prepare the additional reports required by law and give an account on the use thereof to the next Shareholders' General Meeting, in accordance with the applicable laws and regulations.

You are invited to consult (i) the table summarizing the utilization of the delegations previously granted by the Shareholders' General Meeting in section 7.2.4.1 *Review of existing authorizations and their use* of the 2020-2021 Universal Registration Document and (ii) the table summarizing all the delegations requested at this Shareholders' General Meeting in section 8.2.4 *Summary table of delegations and authorizations requested at the Shareholders' General Meeting of July 28, 2021* of the 2020-2021 Universal Registration Document.

8.

RESOLUTION NO. 17: FINANCIAL RESOLUTIONS – DELEGATION OF AUTHORITY TO BE GRANTED TO THE BOARD OF DIRECTORS FOR THE PURPOSE OF CARRYING OUT A CAPITAL INCREASE BY WAY OF THE ISSUE OF SHARES AND/OR SECURITIES GIVING ACCESS, IMMEDIATELY OR IN THE FUTURE, TO THE COMPANY'S SHARE CAPITAL, WITH PREFERENTIAL SUBSCRIPTION RIGHTS

Grounds for the possible use of the resolution. In the 17th resolution, we are asking you to grant our Board of Directors a new delegation of authority to increase our share capital, with preferential subscription rights for shareholders to be exercised in direct proportion to their rights and within the limit of their requests.

Term. Granted for a period of 26 months as from the date of your Shareholders' General Meeting, this delegation would supersede the delegation granted in the 12th resolution adopted on September 23, 2020.

Detailed implementation conditions. Under this mechanism, our Board of Directors would be authorized to issue, on one or more occasions, in such amount and at such times as it deems appropriate, in euros, foreign currencies, or any accounting unit established by reference to a basket of currencies, in France and/or abroad, against payment or free of charge, ordinary shares and/or securities giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities).

These ordinary shares and/or securities may be paid-up in cash, or by offsetting against liquid and due receivables, or by capitalization of reserves, earnings or premiums.

The issue(s) would be reserved by preference for Company shareholders who would have the right to subscribe in direct proportion to the number of shares held. Nevertheless, you would grant our Board of Directors the power to grant shareholders the right to subscribe to shares or securities in excess of the number of shares to which they are entitled as of right, proportionally to their subscription rights, and in any event, within the limit of their request. In this context, if the subscriptions as of right and, where appropriate, excess subscriptions do not cover the entire amount of the issue of shares or securities as defined above, our Board of Directors may exercise, as provided by law, and in the order of its choosing, one and/or any of the following options:

- freely distributing all or part of the unsubscribed securities between the individuals of its choice;
- offering all or part of the unsubscribed securities to the public, on the French market and/or internationally, and/or
- limiting the capital increase to the amount of subscriptions, subject to the condition, in the event of the issue of shares or securities whose main security is a share, of this reaching at least three-quarters of the agreed issue after use of the two options indicated above, where applicable.

We also propose that you decide that issues of warrants giving access to the Company's ordinary shares may be carried out by subscription offer, but also by a free allocation to shareholders. In this context, our Board of Directors would have the option to decide that rights forming fractional shares would not be negotiable and that the corresponding securities would be sold in accordance with the applicable laws and regulations.

Our Board of Directors would have all powers, with the right to sub-delegate in accordance with the law, to decide on the aforementioned issues and to carry them out in accordance with the terms and conditions that it will determine in accordance with the law.

The final terms of the transactions carried out under this delegation will be subject to an additional report, pursuant to Article L. 225-129-5 of the French Commercial Code, drawn up by our Board of Directors when it decides to use this delegation of authority.

Should our Board of Directors decide to exercise its right to sub-delegate in accordance with the provisions of Article L. 22-10-49 of the French Commercial Code, our Chief Executive Officer would report thereto on the use made of the power to decide the capital increase(s) and draw up, upon using this sub-delegation, the additional report required by Article L. 225-129-5 of the French Commercial Code.

Our 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 our Company's securities by a third party, until the end of the offer period.

Ceiling. The maximum nominal value of the share capital increases that may be carried out pursuant to the 17th resolution may not exceed the nominal ceiling of €32.5 million.

To this ceiling would be added to 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 our Company's share capital.

This ceiling of €32.5 million would apply to all share capital increases that may be carried out on the basis of this 17th resolution and the 18th to 26th resolutions.

The maximum nominal amount of the debt securities or related securities giving access to our Company's share capital that may be issued pursuant to this 17th resolution may not exceed the ceiling of €395 million or the equivalent of this figure in any other currency. This ceiling would, where appropriate, be increased by any redemption premium in excess of the par value. Please note that this ceiling of €395 million would apply to all debt securities or related securities giving access to our Company's capital that may be issued on the basis of this 17th resolution and the 18th to 26th resolutions (with the exception of the 24th resolution). In addition, it would be independent from the amount of any debt securities issued or authorized by our 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.

Seventeenth resolution – Delegation of authority to be granted to the Board of Directors for the purpose of carrying out a capital increase by way of the issue of shares and/or securities giving access, immediately or in the future, to the Company's share capital, with preferential subscription rights

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Extraordinary Shareholders' General Meetings, having considered the Board of Directors' report and the Statutory Auditors' special report, and pursuant to the provisions of Articles L. 225-129 *et seq.* and notably Articles L. 225-129, L. 225-129-2, L. 225-132 to L. 225-134, L. 228-91 *et seq.* and L. 22-10-49 of the French Commercial Code:

1. **delegates** to the Board of Directors, with the right to sub-delegate in accordance with the conditions set by law, its authority to issue, on one or more occasions, in such amount and at such times as it deems appropriate, in euros, foreign currencies, or any accounting unit established by reference to a basket of currencies, in France and/or abroad, with preferential subscription rights, against payment or free of charge, ordinary shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, giving access by any means, immediately and/or in the future, at any time or on a determined 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. **sets** the period of validity of this delegation at twenty-six (26) months from the day of this Shareholders' General Meeting, it being specified that it has the effect of superseding all other delegations of authority granted previously by a resolution with the same purpose;
3. **decides** to set the following limits on the issue amounts authorized in the event that the Board of Directors decides to use this delegation of authority:
   a. the maximum nominal amount of capital increases that may be carried out, immediately or in the future, based on this delegation of authority, may not exceed the ceiling of €32.5 million in nominal value, or the equivalent of this amount in any other currency or any monetary unit established by reference to a basket of currencies, it being specified that:
      (i) the aggregate nominal amount of the capital increases that may be carried out via ordinary shares issued directly or indirectly on the basis of this resolution and the 18th, 19th, 20th, 21st, 22nd, 23rd, 24th, 25th and 26th resolutions, subject to their adoption by this Shareholders' General Meeting, and on the basis of any issues authorized in resolutions with the same purpose superseding the aforementioned resolutions during the validity period of this authorization, may not exceed the overall ceiling of €32.5 million in nominal value, or the equivalent of this amount in any other currency or any monetary unit established by reference to a basket of currencies; and
      (ii) to this ceiling will be added the nominal amount of capital increases that may be carried out via the issue of ordinary shares in order to preserve, in accordance with the law, and, where appropriate, contractual provisions providing for other adjustments, the rights of holders of securities and holders of other rights giving access to the Company's capital,
   b. the maximum nominal amount of debt securities or related securities giving access, immediately or in the future, to the Company's share capital that may be issued pursuant to this delegation of authority may not exceed the ceiling of €395 million, or the equivalent of this amount in any other currency or monetary unit established by reference to a basket of currencies, it being specified that this amount will be increased, where appropriate, by any redemption premium in excess of the par value and decreased by the nominal amount of any debt securities or related securities giving access to the Company's share capital that may be issued on the basis of this resolution and the 18th, 19th, 20th, 21st, 22nd, 23rd, 24th, 25th and 26th resolutions, subject to their adoption by this Shareholders' General Meeting, and on the basis of any issues authorized in resolutions with the same purpose superseding the aforementioned resolutions during the validity period of this authorization. This ceiling is independent from the amount of debt securities that may be issued or authorized by the Board of Directors in accordance with Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6 and L. 228-94 paragraph 3 of the French Commercial Code;
4. in the event that the present delegation of authority is used by the Board of Directors, it:
   - **decides** that the issue(s) will be reserved for Company shareholders who will have the right to subscribe in direct proportion to the number of shares they hold,
   - **grants**, nevertheless, the Board of Directors the power to grant shareholders the right to subscribe to ordinary shares or securities in excess of the minimum number to which they are entitled as of right, proportionally to their subscription rights, and in any event, within the limit of their request,
   - **decides** that if the subscriptions as of right and, where appropriate, excess subscriptions do not cover the entire amount of the issue of ordinary shares or securities as defined above, the Board of Directors may undertake, as provided by law, and in the order of its choosing, one and/or any of the following options:
     – freely distributing all or part of the unsubscribed securities between the individuals of its choice,
     – offering all or part of the unsubscribed securities to the public, on the French market and/or internationally, and/or
     – limiting the capital increase to the amount of subscriptions, subject to the condition, in the event of the issue of ordinary shares or securities whose main security is an ordinary share, of this reaching at least three-quarters of the agreed issue after use of the two options indicated above, where applicable;
5. **decides** that the warrants giving access to the Company's ordinary shares may be issued through a subscription offer, but also through free allocation to the Company's shareholders, it being specified that the Board of Directors may decide that the resulting fractional shares are not be negotiable and that the corresponding securities will be sold in compliance with applicable legal and regulatory provisions;
6. **grants all powers** to the Board of Directors, with the right to sub-delegate in accordance with the applicable 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 in particular to:
   - determine the dates and the terms of issue as well as the type and characteristics of the ordinary shares and/or securities to be issued,
   - determine the number of ordinary shares and/or other securities to be issued, the issue price and conditions attached thereto, if applicable, the issue premium, the terms of their payment and their date of entitlement to dividends (where appropriate, retroactively),
   - set the terms and conditions under which the Company would have, if applicable, the right to purchase or exchange the securities giving access to the share capital on the stock market, at any time or during set periods, for the purpose of canceling them or not, depending on the legal provisions,

- in the event of the issue of debt securities, decide whether or not they should be subordinated (and, where appropriate, their rank of subordination, according to the provisions of Article L. 228-97 of the French Commercial Code), set their interest rate, establish their duration (fixed or indeterminate), the possibility of reducing or increasing the nominal value of the securities and the other issue and amortization terms and conditions, and amend, during the lifetime of the concerned securities, the terms and conditions indicated above, in accordance with applicable formalities,
- set, if applicable, the way in which rights are to be exercised (where appropriate, the rights to conversion, exchange, reimbursement, including by contribution of Company assets, such as treasury shares or securities already issued by the Company) attached to the ordinary shares or securities giving access to the share capital, and notably, set the date, even retroactively, from which the new shares shall carry dividend rights, as well as all other terms and conditions for completing the capital increase,
- suspend, where appropriate, the exercise of rights attached to the shares and/or securities to be issued under the conditions and limits provided by applicable legal and regulatory provisions,
- at its sole discretion, deduct the costs of capital increases from the amount of related premiums and take from this amount the sums required to bring the legal reserve to one-tenth of the new share capital after each increase,
- determine and carry out all adjustments to take into account the impact of the transactions on the Company's capital or equity, notably in the event of modifications to the par value of ordinary shares, capital increases by capitalization of reserves, earnings or premiums, the allocation of free shares, stock splits or reverse stock splits, distribution of dividends, reserves or premiums or all other assets, capital amortization, or all other transactions in the capital or equity (including in the event of a public offer and/or change of control), and set all other terms and conditions to ensure, where appropriate, the preservation of the rights of holders of securities giving access to the share capital or other rights giving access to the share capital (including by way of cash adjustments),
- generally, take all appropriate measures, conclude all agreements, obtain all authorizations, carry out all formalities and do all that is necessary to ensure the successful completion of the issue or stay the implementation thereof, and notably record the completion of any capital increases resulting from any issue carried out under this delegation, amend the by-laws accordingly, and request the listing of any ordinary shares and/or securities issued as a result of this delegation.

The Board of Directors may not, except with the prior authorization of the Shareholders' 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. 18:
FINANCIAL RESOLUTIONS – DELEGATION OF AUTHORITY TO BE GRANTED TO THE BOARD OF DIRECTORS FOR THE PURPOSE OF CARRYING OUT A CAPITAL INCREASE BY WAY OF THE ISSUE OF SHARES AND/OR SECURITIES GIVING ACCESS, IMMEDIATELY OR IN THE FUTURE, TO THE COMPANY'S SHARE CAPITAL, WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS, THROUGH A PUBLIC OFFER OTHER THAN OFFERS REFERRED TO IN ARTICLE L. 411-2, 1° OF THE FRENCH MONETARY AND FINANCIAL CODE

Grounds for the possible use of the resolution

In the 18th resolution, we are asking you to grant our Board of Directors a new delegation of authority to increase our share capital with shareholders' preferential subscription rights canceled.

Term

Granted for a period of 26 months as from the date of your Shareholders' General Meeting, this delegation would supersede the delegation granted in the 13th resolution adopted on September 23, 2020.

Detailed implementation conditions

Under this mechanism, our Board of Directors would be authorized to issue, on one or more occasions, in such amount and at such times as it deems appropriate, in euros, foreign currencies, or any accounting unit established by reference to a basket of currencies, in France and/or abroad, through public offers, against payment or free of charge, ordinary shares and/or securities giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities). These ordinary shares and/or securities may be paid-up in cash, or by offsetting against liquid and due receivables, or by capitalization of reserves, earnings or premiums.

Issues would be carried out through a public offer other than offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code (*Code monétaire et financier*). Furthermore, they may be carried out in conjunction with offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code carried out on the basis of the 19th resolution.

Shareholders' preferential subscription rights to those shares and/or securities that may be issued on the basis of this delegation would be canceled.

In this context, our Board of Directors could grant a priority subscription period to shareholders, not leading to the creation of negotiable rights, for all or part of the issue carried out in the context of this resolution, and for a term to be set thereby in accordance with the law and with regulations. This subscription right would be exercised in direct proportion to the number of shares held by each shareholder and could potentially be supplemented by an excess subscription right. If the subscriptions do not absorb the total issue of shares or securities, our Board of Directors may exercise one and/or the other of the following options:

- limiting the capital increase to the subscriptions' amount upon the condition that this amount reaches at least three-quarters of the decided issue;
- freely distributing all or part of the unsubscribed securities between the individuals of its choice;
- offering all or part of the unsubscribed securities to the public, on the French market and/or internationally.

In addition, this delegation would, to the benefit of holders of any securities giving access to shares that may be issued pursuant to this resolution, automatically result in the cancellation of shareholders' preferential subscription rights to the new shares to which these securities would give right.

Our Board of Directors would have all powers, with the right to sub-delegate in accordance with 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 our Board of Directors and our Statutory Auditors respectively and presented to the next Shareholders' General Meeting.

Our 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 our Company's securities by a third party, until the end of the offer period.

Price

The issue price of the ordinary shares to be issued pursuant to this resolution or to which securities to be issued pursuant to this resolution may grant entitlement would be at least equal to the minimum price authorized by the applicable laws and regulations at the date of the issue. Please note that, in accordance with the provisions of Article R. 22-10-32 of the French Commercial Code, as of the date hereof, the minimum authorized price is the weighted average of the listed prices of the share during the last three stock market trading sessions preceding the beginning of the public offer, less a discount of 10%. Moreover, the issue price of the securities giving access to the capital and the number of shares to which each security may potentially grant entitlement would be such that the amount immediately received by our 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 minimum price defined above.

Ceilings

The maximum nominal amount of capital increases that may be carried out, immediately or in the future, based on this 18th resolution may not exceed the ceiling of €6.5 million in nominal value, or the equivalent of this amount in any other currency.

Please note that this ceiling of €6.5 million would apply to all share capital increases carried out, immediately or in the future, via shares issued on the basis of this 18th resolution and the 19th to 25th resolutions (with the exception of the 24th resolution). This nominal amount of €6.5 million would be deducted from the amount of overall ceiling of €32.5 million in nominal value referred to in "3.a. (i)" of the 17th resolution. To these ceilings would be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve the rights of holders of securities and holders of other rights giving access to our Company's share capital.

The maximum nominal amount of the debt securities or related securities giving access, either immediately or in the future, to our Company's share capital that may be issued pursuant to this 18th resolution may not exceed the ceiling of €395 million or the equivalent of this amount in any other currency. This ceiling would, where appropriate, be increased by any redemption premium in excess of the par value. Please note that this amount of €395 million would be deducted from the overall ceiling of €395 million referred to in "3. b." of the 17th resolution. In addition, it would be independent from the amount of any debt securities issued or authorized by our 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 carrying out a capital increase by way of the issue of shares and/or securities giving access, immediately or in the future, to the Company's share capital, without preferential subscription rights, through a public offer other than offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Extraordinary Shareholders' General Meetings, having considered the Board of Directors' report and the Statutory Auditors' special report, and pursuant to the provisions of Articles L. 225-129 *et seq.* of the French Commercial Code, notably Articles L. 225-129, L. 225-129-2, L. 225-135 to L. 225-136, L. 22-10-51, L. 22-10-52 and L. 228-91 *et seq.* of the French Commercial Code:

1. **delegates** to the Board of Directors, with the right to sub-delegate in accordance with the conditions set by law, the authority to issue, on one or more occasions, in such amount and at such times as it deems appropriate, in euros, foreign currencies, or any accounting unit established by reference to a basket of currencies, in France and/or abroad, without preferential subscription rights, against payment or free of charge, by way of a public offer other than offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code, ordinary shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, giving access by any means, immediately and/or in the future, at any time or on a determined 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. **sets** the period of validity of this delegation at twenty-six (26) months from the day of this Shareholders' General Meeting, it being specified that it has the effect of superseding all other delegations of authority granted previously by a resolution with the same purpose;
3. **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, based on this delegation of authority, may not exceed the ceiling of €6.5 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 19th, 20th, 21st, 22nd, 23rd and 25th resolutions,
      (ii) this amount shall be deducted from the overall ceiling of €32.5 million in nominal value referred to in "3. a. (i)" of the 17th resolution of this Shareholders' General Meeting or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation,
      (iii) to these ceilings will be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve, in accordance with the law, and, where appropriate, contractual provisions providing for other adjustments, the rights of holders of securities and holders of other rights giving access to the Company's capital,

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b. the maximum nominal amount of securities representing debt or related securities giving access, either 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 €395 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 €395 million referred to in "3. b." of the 17th resolution of this Shareholders' General Meeting 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;

4. **decides** that the issues resulting from this delegation will be made by way of a public offer other than offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code, it being specified that they may be carried out in conjunction with offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code carried out on the basis of the 19th resolution of this Shareholders' General Meeting;
5. **decides** to cancel shareholders' preferential subscription rights to the ordinary shares and/or securities that may be issued based on this delegation;
6. **decides** that the Board of Directors may grant a priority subscription period to shareholders, that does not give rise to the creation of negotiable rights, of a duration that it shall set in accordance with the law and regulations, for all or part of the issue carried out on the basis of this resolution and in proportion to the number of shares held by each shareholder, in application of the legal and regulatory provisions, and may also grant excess subscription rights, it being specified that any securities that are not subscribed within the priority subscription period will be subject to a public offer in France or abroad, other than offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code;
7. **decides** that if the subscriptions do not cover the entire amount of the issue of ordinary shares or securities as defined above, the Board of Directors may use, as provided by law, and in the order of its choosing, one and/or any of the following options:
   - limiting the capital increase to the subscriptions' amount upon the condition that this amount reaches at least three-quarters of the decided issue,
   - freely distributing all or part of the unsubscribed securities between the individuals of its choice,
   - offering all or part of the unsubscribed securities to the public, on the French market and/or internationally;
8. **acknowledges** and decides, where necessary, that this delegation shall, to the benefit of holders of any securities giving access to the Company's ordinary shares that may be issued pursuant to this delegation, automatically result in the waiver by the shareholders of their preferential subscription rights to the new ordinary shares to which these securities would give right;
9. **decides** that (i) the issue price for ordinary shares to be issued pursuant to this resolution or those to which the securities to be issued under this resolution may give right, shall be at least equal to the minimum price permitted by the legal and regulatory provisions applicable on the date of issue (to date, the weighted average of the listed prices of the share during the last three stock market trading sessions preceding the beginning of the public offer, less a discount of 10%), after, where appropriate, adjusting this average to take into account any difference between the maturity dates, and (ii) the issue price for the securities giving access to the share capital and the number of ordinary shares to which the conversion, reimbursement or more generally the transformation of each security giving access to the share capital may give right, shall be that of the sum immediately received by the Company, increased, where appropriate, by the sum likely to be collected subsequently by the Company, i.e., for each share issued as a consequence of the issue of these securities, at least equal to the minimum price defined in part (i) of this paragraph;
10. **grants all powers** to the Board of Directors, with the right to sub-delegate in accordance with the applicable 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 in particular to:
    - determine the dates and the terms of issue as well as the type and characteristics of the ordinary shares and/or securities to be issued,
    - determine the number of ordinary shares and/or other securities to be issued, the issue price and conditions attached thereto, if applicable, the issue premium, the terms of their payment and their date of entitlement to dividends (where appropriate, retroactively),
    - set the terms and conditions under which the Company would have, if applicable, the right to purchase or exchange the securities giving access to the share capital on the stock market, at any time or during set periods, for the purpose of canceling them or not, depending on the legal provisions,
    - in the event of the issue of debt securities, decide whether or not they should be subordinated (and, where appropriate, their rank of subordination, according to the provisions of Article L. 228-97 of the French Commercial Code), set their interest rate, establish their duration (fixed or indeterminate), the possibility of reducing or increasing the nominal value of the securities and the other issue and amortization terms and conditions, and amend, during the lifetime of the concerned securities, the terms and conditions indicated above, in accordance with applicable formalities,
    - set, if applicable, the way in which rights are to be exercised (where appropriate, the rights to conversion, exchange, reimbursement, including by contribution of Company assets, such as treasury shares or securities already issued by the Company) attached to the ordinary shares or securities giving access to the share capital, and notably, set the date, even retroactively, from which the new shares shall carry dividend rights, as well as all other terms and conditions for completing the capital increase,
    - suspend, where appropriate, the exercise of rights attached to the shares and/or securities to be issued under the conditions and limits provided by applicable legal and regulatory provisions,
    - at its sole discretion, deduct the costs of capital increases from the amount of related premiums and take from this amount the sums required to bring the legal reserve to one-tenth of the new share capital after each increase,
    - determine and carry out all adjustments to take into account the impact of the transactions on the Company's capital or equity, notably in the event of modifications to the par value of shares, capital increases by capitalization of reserves, earnings or premiums, the allocation of free shares, stock splits or reverse stock splits, distribution of dividends, reserves or premiums or all other assets, capital amortization, or all other transactions in the capital or equity (including in the event of a public offer and/or change of control), and set all other modalities to ensure, where appropriate, the preservation of the rights of holders of securities giving access to the share capital or other rights giving access to the share capital (including by way of cash adjustments),
    - generally, take all appropriate measures, conclude all agreements, obtain all authorizations, carry out all formalities and do all that is necessary to ensure the successful completion of the issue or stay the implementation thereof, and notably record the completion of any capital increases resulting from any issue carried out under this delegation, amend the by-laws accordingly, and request the listing of any shares and/or securities issued as a result of this delegation.

The Board of Directors may not, except with the prior authorization of the Shareholders' 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:
FINANCIAL RESOLUTIONS – DELEGATION OF AUTHORITY TO BE GRANTED TO THE BOARD OF DIRECTORS IN ORDER TO ISSUE, BY WAY OF A PUBLIC OFFER REFERRED TO IN ARTICLE L. 411-2, 1° OF THE FRENCH MONETARY AND FINANCIAL CODE, SHARES AND/OR SECURITIES GIVING ACCESS, IMMEDIATELY OR IN THE FUTURE, TO THE COMPANY'S SHARE CAPITAL, WITHOUT SHAREHOLDERS' PREFERENTIAL SUBSCRIPTION RIGHTS

Grounds for the possible use of the resolution

In the 19th resolution, we are asking you to grant our Board of Directors a new delegation of authority in order to increase our share capital, without shareholders' preferential subscription rights, in the context of the offers described in Article L. 411-2, 1° of the French Monetary and Financial Code, also formerly known as "private placements".

Term

Granted for a period of 26 months as from the date of your Shareholders' General Meeting, this delegation would supersede the delegation granted in the 14th resolution adopted on September 23, 2020.

Detailed implementation conditions

Under this mechanism, our Board of Directors would be authorized to issue, on one or more occasions, in such amount and at such times as it deems appropriate, in euros, foreign currencies, or any accounting unit established by reference to a basket of currencies, in France and/or abroad, through public offers referred to in Article L. 411-2, 1° of the French Monetary and Financial Code, against payment or free of charge, ordinary shares and/or securities giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities). These ordinary shares and/or securities may be paid-up in cash, or by offsetting against liquid and due receivables, or by capitalization of reserves, earnings or premiums. If the subscriptions do not absorb the total issue, our Board of Directors may limit the transaction's amount to the amount of subscriptions received, provided (for issues of shares or securities having shares as their underlying) that they reach at least three-quarters of the issued agreed.

Our Board of Directors would have all powers, with the right to sub-delegate in accordance with 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 our Board of Directors and our Statutory Auditors respectively and presented to the next Shareholders' General Meeting. Our 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 our Company's securities by a third party, until the end of the offer period.

Price

The issue price of the ordinary shares to be issued pursuant to this resolution or to which securities to be issued pursuant to this resolution may grant entitlement would be at least equal to the minimum price authorized by the applicable laws and regulations at the date of the issue. Please note that, in accordance with the provisions of Article R. 22-10-32 of the French Commercial Code, as of the date hereof, the minimum authorized price is the weighted average of the listed prices of the share during the last three stock market trading sessions preceding the beginning of the public offer, less a discount of 10%. Moreover, the issue price of the securities giving access to the capital and the number of shares to which each security may potentially grant entitlement would be such that the amount immediately received by our 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 minimum price defined above.

Ceilings

The maximum nominal amount of capital increases that may be carried out, immediately or in the future, based on this 19th resolution may not, within those limits imposed by the regulations applicable at the date of the issue, exceed the nominal ceiling of €6.5 million, or the equivalent of this amount in any other currency. As an illustration, as of the date hereof (in accordance with the provisions of Articles L. 225-136 and L. 22-10-52 of the French Commercial Code), the issue of equity securities via an offer referred to in Article L. 411-2, 1° of the French Monetary and Financial Code is capped at 20% of the share capital per year as determined at the date of the Board of Directors' decision to carry out the issue (if the issue is decided by the Board) or on the day that the Chief Executive Officer decides to carry out the issue pursuant to an authorization granted by the Board of Directors.

Please note that this ceiling of €6.5 million would be deducted:

- from the shared ceiling of €6.5 million in nominal value referred to in "3. a. (i)" of the 18th resolution; and
- from the overall ceiling of €32.5 million in nominal value referred to in "3. a. (i)" of the 17th resolution.

To these ceilings would be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve the rights of holders of securities and holders of other rights giving access to our Company's share capital.

The maximum nominal amount of the debt securities or related securities giving access, either immediately or in the future, to our Company's share capital that may be issued pursuant to this 19th resolution may not exceed the ceiling of €395 million or the equivalent of this amount in any other currency. This ceiling would, where appropriate, be increased by any redemption premium in excess of the par value. Please note that this amount of €395 million would be deducted from the overall ceiling of €395 million referred to in "3. b." of the 17th resolution. In addition, it would be independent from the amount of any debt securities issued or authorized by our 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.

Nineteenth resolution –
Delegation of authority to be granted to the Board of Directors in order to issue, by way of a public offer referred to in Article L. 411-2, 1° of the French Monetary and Financial Code, shares and/or securities giving access, immediately or in the future, to the Company's share capital, without shareholders' preferential subscription rights

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Extraordinary Shareholders' General Meetings, having considered the Board of Directors' report and the Statutory Auditors' special report, and pursuant to the provisions of Articles L. 225-129 *et seq.* and L. 228-91 *et seq.* of the French Commercial Code, notably Articles L. 225-129-2, L. 22-10-49, L. 225-135, L. 225-136, L. 22-10-51, L. 22-10-52 and L. 228-91 *et seq.* of the French Commercial Code and Article L. 411-2 of the French Monetary and Financial Code:

1. **delegates** to the Board of Directors, with the right to sub-delegate, in accordance with the conditions set by law, its authority to issue, on one or more occasions, in such amount and at such times as it deems appropriate, in France and/or abroad, as part of public offers indicated in Article L. 411-2, 1° of the French Monetary and Financial Code, in euros, foreign currencies, or any monetary unit established by reference to a basket of currencies, against payment or free of charge, ordinary shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, giving access by any means, immediately and/or in the future, at any time or on a determined 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. **decides** to cancel shareholders' preferential subscription rights to the securities that can be issued under this resolution;
3. **decides** that the maximum nominal amount of the capital increases that may be carried out, immediately or in the future, pursuant to this resolution may not, within the limits set out by the applicable regulations at the issue date (for information purposes, at the date of this Shareholders' General Meeting, the issue of equity securities through a public offer referred to in Article L. 411-2, 1° of the French Monetary and Financial Code is capped at 20% of the Company's share capital per year as determined at the date on which the Board of Directors implements this delegation, if the issue is decided by the Board, or on the day that the Chief Executive Officer decides to carry out the decision pursuant to an authorization granted by the Board of Directors), exceed the ceiling of €6.5 million, or the equivalent of this amount in any other currency or monetary unit established by reference to a basket of currencies, it being specified that this amount shall be deducted:
   (i) this ceiling applies to this resolution and to the 18th, 20th, 21st, 22nd, 23rd and 25th resolutions,
   (ii) from the shared ceiling of €6.5 million in nominal value referred to in "3. a. (i)" of the 18th resolution of this Shareholders' General Meeting, or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation, 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) from the nominal ceiling of €32.5 million referred to in "3. a. (i)" of the 17th resolution or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation.

   To these ceilings will be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve, in accordance with the law, and, where appropriate, contractual provisions providing for other adjustments, the rights of holders of securities and holders of other rights giving access to the Company's capital;
4. **decides** that the nominal amount of securities representing debt or similar securities giving access, either immediately or in the future, to the Company's share capital that may be issued pursuant to this delegation may not exceed €395 million, or the equivalent of this amount in any other currency or any monetary unit established by reference to a basket of currencies, it being specified that this amount, increased, where appropriate, by any reimbursement premium over the par value, will be deducted from the overall ceiling of €395 million referred to in "3. b." of the 17th resolution 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;
5. **acknowledges** that if the subscriptions do not absorb the total issue, the Board of Directors may use, under the conditions set by the law and in such order as it shall determine, one and/or any of the options provided by Article L. 225-134 of the French Commercial Code, or only some of these options, and in particular those to limit the amount of the transaction to the amount of subscriptions received, provided that, in the event of the issue of ordinary shares or securities whose main security is an ordinary share, that they reach at least three-quarters of the agreed issue;
6. **decides** that (i) the issue price for ordinary shares to be issued pursuant to this resolution or those to which the securities to be issued under this resolution may give right, shall be at least equal to the minimum price permitted by the legal and regulatory provisions applicable on the date of issue (to date, the weighted average of the listed prices of the share during the last three stock market trading sessions preceding the beginning of the public offer, less a discount of 10%), after, where appropriate, adjusting this average to take into account any difference between the maturity dates, and (ii) the issue price for the securities giving access to the share capital and the number of ordinary shares to which the conversion, reimbursement or more generally the transformation of each security giving access to the share capital may give the right, shall be that of the sum immediately received by the Company, increased, where appropriate, by the sum likely to be collected subsequently by the Company, i.e., for each share issued as a consequence of the issue of these securities, at least equal to the minimum price defined in part (i) of this paragraph;
7. **grants all powers** to the Board of Directors, with the right to sub-delegate in accordance with the applicable 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 in particular to:
   - determine the dates and the terms of issue as well as the type and characteristics of the ordinary shares and/or securities to be issued,
   - determine the number of ordinary shares and/or other securities to be issued, the issue price and conditions attached thereto, if applicable, the issue premium, the terms of their payment and their date of entitlement to dividends (where appropriate, retroactively),
   - set the terms and conditions under which the Company would have, if applicable, the right to purchase or exchange the securities giving access to the share capital on the stock market, at any time or during set periods, for the purpose of canceling them or not, depending on the legal provisions,

- in the event of the issue of debt securities, decide whether or not they should be subordinated (and, where appropriate, their rank of subordination, according to the provisions of Article L. 228-97 of the French Commercial Code), set their interest rate, establish their duration (fixed or indeterminate), the possibility of reducing or increasing the nominal value of the securities and the other issue and amortization terms and conditions, and amend, during the lifetime of the concerned securities, the terms and conditions indicated above, in accordance with applicable formalities,
- set, if applicable, the way in which rights are to be exercised (where appropriate, the rights to conversion, exchange, reimbursement, including by contribution of Company assets, such as treasury shares or securities already issued by the Company) attached to the ordinary shares or securities giving access to the share capital, and notably, set the date, even retroactively, from which the new shares shall carry dividend rights, as well as all other terms and conditions for completing the capital increase,
- suspend, where appropriate, the exercise of rights attached to the shares and/or securities to be issued under the conditions and limits provided by applicable legal and regulatory provisions,
- at its sole discretion, deduct the costs of capital increases from the amount of related premiums and take from this amount the sums required to bring the legal reserve to one-tenth of the new share capital after each increase,
- determine and carry out all adjustments to take into account the impact of the transactions on the Company's capital or equity, notably in the event of modifications to the par value of ordinary shares, capital increases by capitalization of reserves, earnings or premiums, the allocation of free shares, stock splits or reverse stock splits, distribution of dividends, reserves or premiums or all other assets, capital amortization, or all other transactions in the capital or equity (including in the event of a public offer and/or change of control), and set all other terms and conditions to ensure, where appropriate, the preservation of the rights of holders of securities giving access to the share capital or other rights giving access to the share capital (including by way of cash adjustments),
- generally, take all appropriate measures, conclude all agreements, obtain all authorizations, carry out all formalities and do all that is necessary to ensure the successful completion of the issue or stay the implementation thereof, and notably record the completion of any capital increases resulting from any issue carried out under this delegation, amend the by-laws accordingly, and request the listing of any shares and/or securities issued as a result of this delegation;

8. **sets** the period of validity of this delegation at twenty-six (26) months from the day of this Shareholders' General Meeting, it being specified that it has the effect of superseding all other delegations of authority granted previously by a resolution with the same purpose.

The Board of Directors may not, except with the prior authorization of the Shareholders' 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. 20: FINANCIAL RESOLUTIONS – 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, WITHOUT SHAREHOLDERS' PREFERENTIAL SUBSCRIPTION RIGHTS

In the 20th resolution, we are asking you to grant our Board of Directors a new delegation of authority to increase our share capital, without shareholders' preferential subscription rights, for the benefit of those meeting the following criteria: (i) financial institutions or French or foreign investment funds or any placement vehicles focused on providing support in the medium term to growth companies in the technology sector or investing on a regular basis or exercising a significant part of their activity in the technology sector, or (ii) French or foreign investment service providers, or any foreign institution with equivalent status, that can guarantee the completion of an issue intended to be placed with the persons referred to in the (i) above and, in this context, to subscribe to the securities issued.

Term

Unlike the others, this delegation of authority would be granted for a period of 18 months with effect from the date of your Shareholders' General Meeting. Like the others, it would supersede the delegation of authority granted in the 17th resolution adopted on September 23, 2020.

Detailed implementation conditions

Under this mechanism, our Board of Directors would be authorized to issue, on one or more occasions, in such amount and at such times it deems appropriate, in euros, foreign currencies, or any accounting unit established by reference to a basket of currencies, against payment or free of charge, in France and/or abroad, ordinary shares and/or securities giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, redemption, presentation of a warrant, or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities), reserved for (i) financial institutions or French or foreign investment funds or any placement vehicles focused on providing support in the medium term to growth companies in the technology sector or investing on a regular basis or exercising a significant part of their activity in the technology sector, or (ii) French or foreign investment service providers, or any foreign institution with equivalent status, that can guarantee the completion of an issue intended to be placed with the persons referred to in the (i) above and, in this context, to subscribe to the securities issued.

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.

Our Board of Directors would have authority to set the definitive list of beneficiaries of the cancellation of preferential subscription rights and the number of shares and/or securities to be allocated to each such beneficiary.

This delegation would automatically lead to the waiver by shareholders, in favor of said beneficiaries, of their preferential subscription rights to the new shares to which the securities that may be issued pursuant to this resolution would give right.

Our Board of Directors would have all powers, with the right to sub-delegate in accordance with 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 our Board of Directors and our Statutory Auditors respectively and presented to the next Shareholders' General Meeting.

Our 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 our 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 preceding the setting of the price with a maximum discount of 10%; or
- the volume-weighted average share price on the market, on the trading day on which the issue price is set, with a maximum discount of 10%.

Moreover, the issue price of the securities giving access to the capital and the number of shares to which each security may potentially grant entitlement would be such that the amount immediately received by our 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 determined by our Board of Directors from those defined above.

Ceilings

The maximum nominal amount of capital increases that may be carried out, immediately or in the future, based on this 20th resolution may not, within those limits imposed by the regulations applicable at the date of the issue, exceed the nominal ceiling of €6.5 million, or the equivalent of this amount in any other currency.

Please note that this ceiling of €6.5 million would be deducted:

- from the shared ceiling of €6.5 million in nominal value referred to in "3. a. (i)" of the 18th resolution; and
- from the overall ceiling of €32.5 million in nominal value referred to in "3. a. (i)" of the 17th resolution.

To these ceilings would be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve the rights of holders of securities and holders of other rights giving access to our Company's share capital.

Moreover, the maximum nominal amount of the debt securities or related securities giving access, either immediately or in the future, to our Company's share capital that may be issued pursuant to this 20th resolution may not exceed the ceiling of €395 million or the equivalent of this figure in any other currency.

This ceiling would, where appropriate, be increased by any redemption premium in excess of the par value.

Please note that this amount of €395 million would be deducted from the overall ceiling of €395 million referred to in "3. b." of the 17th resolution.

In addition, it would be independent from the amount of any debt securities issued or authorized by our Board of Directors in accordance with Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6, and L. 228-94 paragraph 3 of the French Commercial Code.

Twentieth resolution – Delegation of authority to be granted to the Board of Directors for the purpose of 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, without shareholders' preferential subscription rights

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Extraordinary Shareholders' 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, without preferential 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 determined 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. **decides** to cancel the preferential subscription rights of the shareholders to shares and/or securities giving access to Company equity to be issued and to reserve, as it pertains to this delegation, the right to subscribe these ordinary shares and/or securities to 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;
3. **delegates** to the Board of Directors the authority to set the definitive list of beneficiaries of the cancellation of preferential 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;
4. **acknowledges** and decides, 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 preferential subscription rights to the new ordinary shares to which the securities that may be issued pursuant to this resolution would give right;

5. **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, based on this delegation of authority, may not exceed the ceiling of €6.5 million in nominal value, or the equivalent of this amount in any other currency or any monetary unit established by reference to a basket of currencies, it being specified that this amount shall be deducted:
      (i) this ceiling applies to this resolution and to the 18th, 19th, 21st, 22nd, 23rd and 25th resolutions,
      (ii) from the shared ceiling of €6.5 million in nominal value referred to in "3. a. (i)" of the 18th resolution of this Shareholders' General Meeting, or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation, 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) from the overall ceiling of €32.5 million in nominal value referred to in "3. a. (i)" of the 17th resolution of this Shareholders' Meeting or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation.

      To these ceilings will be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve, in accordance with the law, and, where appropriate, contractual provisions providing for other adjustments, the rights of holders of securities and holders of other rights giving access to the Company's capital,
   b. the maximum nominal amount of securities representing debt or related securities giving access, either 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 €395 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 €395 million referred to in "3. b." of the 17th resolution of this Shareholders' General Meeting 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;
6. **decides** that (i) the issue price of the ordinary shares to be issued pursuant to this resolution or those to which the securities to be issued under this resolution may give right, shall be at least equal (x) to the latest closing price prior to the price setting with a maximum discount of 10% or (y) the average price of the share weighted by the trade volume during the trading day on which the issue price is set with a maximum discount of 10% and (ii) the issue price of securities giving access to the share capital shall be such that the sum immediately received by the Company, increased, where appropriate, by the sum likely to be collected subsequently by the Company, i.e., for each ordinary share issued as a consequence of the issue of these securities, at least equal to the price defined in (i) of this paragraph;
7. **grants all powers** to the Board of Directors, with the right to sub-delegate in accordance with the applicable 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 in particular to:
   - determine the list of beneficiaries in the indicated categories and the number of shares to be awarded to each of them,
   - determine the terms of issue as well as the type and characteristics of the ordinary shares and/or securities that would grant access to the Company's capital, the terms under which the ordinary shares or securities would be allocated as well as the dates on which the allocation rights may be exercised,
   - in the event of the issue of debt securities, decide whether or not they should be subordinated (and, where appropriate, their rank of subordination, according to the provisions of Article L. 228-97 of the French Commercial Code), set their interest rate, establish their duration (fixed or indeterminate), the possibility of reducing or increasing the nominal value of the securities and the other issue and amortization terms and conditions, and amend, during the lifetime of the concerned securities, the terms and conditions indicated above, in accordance with applicable formalities,
   - set, if applicable, the way in which rights are to be exercised (where appropriate, the rights to conversion, exchange, reimbursement, including by contribution of Company assets, such as treasury shares or securities already issued by the Company) attached to the ordinary shares or securities giving access to the share capital, and notably, set the date, even retroactively, from which the new shares shall carry dividend rights, as well as all other terms and conditions for completing the capital increase,
   - suspend, where appropriate, the exercise of rights attached to the shares and/or securities to be issued under the conditions and limits provided by applicable legal and regulatory provisions,
   - at its sole discretion, deduct the costs of capital increases from the amount of related premiums and take from this amount the sums required to constitute the legal reserve,
   - make whatever changes are required to take into account transactions on the Company's share capital, conclude any agreement needed to properly carry out the planned issues, note the completion of capital increases, amend the by-laws accordingly, follow all necessary procedures, and in general do whatever is necessary;
8. **sets** the period of validity of this delegation at eighteen (18) months from the day of this Shareholders' General Meeting, it being specified that it has the effect of superseding all other delegations of authority granted previously by a resolution with the same purpose.

The Board of Directors may not, except with the prior authorization of the Shareholders' 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.

8.

RESOLUTION NO. 21: FINANCIAL RESOLUTIONS – DELEGATION OF AUTHORITY TO BE GRANTED TO THE BOARD OF DIRECTORS FOR THE PURPOSE OF INCREASING THE ISSUE AMOUNT, WITH OR WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS, WITHIN THE LIMIT OF 15% OF THE INITIAL ISSUE

We are asking you to authorize the Board of Directors to increase, in accordance with the provisions of Article L. 225-135-1 of the French Commercial Code, the number of securities to be issued in the event that subscriptions for an issue decided on the basis of the 17th to 20th resolutions were to exceed the amount offered.

Also known as a Greenshoe, this over-allocation option would state that the additional issue would have to be completed within 30 days following the close of the subscription period.

Term

Granted for a period of 26 months as from the date of your Shareholders' General Meeting, this delegation would supersede the delegation granted in the 16th resolution adopted on September 23, 2020.

Detailed implementation conditions

Furthermore, it would be completed within the limit:

(i) of the ceiling or ceilings defined by the applicable resolutions; and

(ii) of a maximum of 15% of the initial issue, and at the same price as that applied to the initial issue.

Our Board of Directors would have all powers, with the right to sub-delegate, to implement this delegation of authority.

Should this delegation be used, the supplementary reports required by law would be drawn up by our Board of Directors and our Statutory Auditors respectively and presented to the next Shareholders' General Meeting.

Twenty-first resolution –
Delegation of authority to be granted to the Board of Directors for the purpose of increasing the issue amount, with or without preferential subscription rights, within the limit of 15% of the initial issue

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Extraordinary Shareholders' General Meetings, having considered the Board of Directors' report and the Statutory Auditors' special report, and pursuant to the provisions of Articles L. 225-135-1 of the French Commercial Code:

1. **delegates** to the Board of Directors, with the right to sub-delegate in accordance with the conditions set by law, the authority to decide to increase the number of ordinary shares to be issued, in the event of an issue of shares or securities giving access to the Company's share capital with or without preferential subscription rights decided on the basis of the 17th, 18th, 19th and 20th resolutions of this Shareholders' General Meeting, at the same price as the initial issue and with the same time periods and limits as those provided by the applicable legal and regulatory provisions at the issue date (to date, within 30 days of the subscription and limited to 15% of the initial issue), subject to the ceiling(s) under which the issue is decided, notably for the purpose of granting an over-subscription option in accordance with market practices;
2. **sets** the period of validity of this delegation at twenty-six (26) months from the day of this Shareholders' General Meeting, it being specified that it has the effect of superseding all other delegations of authority granted previously by a resolution with the same purpose;
3. **decides** that the Board of Directors shall have all powers, with the right to sub-delegate, required to implement this delegation of authority in accordance with the conditions set by law and the Company's by-laws.

RESOLUTION NO. 22: FINANCIAL RESOLUTIONS – AUTHORIZATION TO BE GRANTED TO THE BOARD OF DIRECTORS IN THE EVENT OF THE ISSUE, WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS, OF SHARES AND/OR SECURITIES GIVING ACCESS, IMMEDIATELY OR IN THE FUTURE, TO THE COMPANY'S SHARE CAPITAL, FOR THE PURPOSE OF SETTING THE ISSUE PRICE WITHIN THE LIMIT OF 10% OF THE COMPANY'S SHARE CAPITAL UNDER THE TERMS AND CONDITIONS ADOPTED BY THE SHAREHOLDERS' GENERAL MEETING

Grounds for the possible use of the resolution

Also known as "free price resolution", the 22nd resolution asks you to grant a new authorization to our Board of Directors to approve the methods to be used on an exceptional basis for setting the issue price.

Term

Granted for a period of 26 months as from the date of your Shareholders' General Meeting, this authorization would supersede the authorization granted in the 17th resolution adopted on September 23, 2020.

Detailed implementation conditions

Our Board of Directors would have all powers, with the right to sub-delegate, to implement this authorization.

In accordance with Articles L. 225-136 and L. 22-10-52 of the French Commercial Code, in the event of the use of this authorization, our Board of Directors would have to produce an additional report, certified by our Statutory Auditors, describing the final conditions applicable to the transaction and providing the necessary information for the assessment of the actual impact on the situation of our shareholders.

All other supplementary reports required by law would be produced by our Board of Directors and our Statutory Auditors, and presented to your next Shareholders' General Meeting.

Price

Under this mechanism, our Board of Directors would be authorized in the event of an issue, without preferential subscription rights, of ordinary shares and/or securities carried out by virtue of the **18th** resolution (share capital increases, without preferential subscription rights, via offers to the public of all securities) and the **19th** resolution (private placements), to derogate from the price conditions stipulated in these resolutions and to set the issue price in such a way as to correspond either:

- the last closing price preceding the setting of the price with a maximum discount of 10%; or
- the volume-weighted average share price on the market, on the trading day on which the issue price is set, with a maximum discount of 10%.

Moreover, the issue price of the securities giving access to the capital and the number of shares to which each security may potentially grant entitlement would be such that the amount immediately received by our 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 determined by our Board of Directors from those defined above.

Ceilings

This authorization would be valid up to the limit of 10% of our share capital per period of 12 months.

This 10% limit would apply to the share capital as adjusted for any share capital transactions occurring after this Shareholders' General Meeting and would be determined at the date of the implementation of the delegation by the Board of Directors.

On the date of each share capital increase, the total number of shares issued in application of this resolution over the 12-month period preceding said share capital increase, including any shares issued under said share capital increase, shall not exceed 10% of the shares comprising our share capital as of such date.

Twenty-second resolution – Authorization to be granted to the Board of Directors in the event of the issue, without preferential subscription rights, of shares and/or securities giving access, immediately or in the future, to the Company's share capital, for the purpose of setting the issue price within the limit of 10% of the Company's share capital under the terms and conditions adopted by the Shareholders' General Meeting

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Extraordinary Shareholders' General Meetings, having considered the Board of Directors' report and the Statutory Auditors' special report, and pursuant to the provisions of Articles L. 225-136, 1° and L. 22-10-52 of the French Commercial Code:

1. **authorizes** the Board of Directors, with the right to sub-delegate in accordance with the conditions set by law, in the event of an issue, without preferential subscription rights, of ordinary shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, pursuant to the 18th and 19th resolutions submitted for approval to this Shareholders' General Meeting, to cancel the price conditions set out in these resolutions and to set the issue price according to the following modalities:
   a. the issue price for ordinary shares to be issued pursuant to this issue shall, at the Board of Directors' discretion, be equal to the latest closing price prior to the price setting with a maximum discount of 10% or (ii) the average trading price of the ordinary share, weighted by the trade volume during the trading day on which the issue price was set with a maximum discount of 10%,
   b. the issue price for the securities other than ordinary shares shall be that of the sums received immediately by the Company, plus, where appropriate, the sum likely to be collected subsequently by the Company, i.e., for each ordinary share issued as a consequence of the issue of these securities, at least equal to the amount determined by the Board of Directors in "1. a." above;
2. **decides** that the maximum nominal amount of the increases in the Company's share capital carried out under the conditions provided by this resolution, immediately or in the future, pursuant to this resolution, may not exceed 10% of the share capital per twelve-month (12) period (this percentage applies to the share capital as adjusted for any share capital transactions occurring after this Shareholders' General Meeting and as determined on the date of implementation of this delegation by the Board of Directors), nor the ceilings set forth in the 18th and/or 19th resolutions on the basis of which the issues are carried out, it being specified that at the date of each capital increase, the total number of ordinary shares issued under this resolution during the twelve-month (12) period preceding said capital increase, including the shares issued under said capital increase, may not exceed 10% of the shares comprising the Company's share capital at that date;
3. **acknowledges** that the Board of Directors shall draft an additional report, certified by the Statutory Auditors, describing the final terms of the transaction and providing criteria for assessing the actual impact on the shareholder's position;
4. **sets** the period of validity of this delegation at twenty-six (26) months from the day of this Shareholders' General Meeting, it being specified that it has the effect of superseding all authorizations previously granted by a resolution with the same purpose;
5. **decides** that the Board of Directors shall have all powers, with the right to sub-delegate, to implement this authorization in accordance with the conditions set by law.

RESOLUTION NO. 23: FINANCIAL RESOLUTIONS – DELEGATION OF POWERS TO BE GRANTED TO THE BOARD OF DIRECTORS IN ORDER TO ISSUE SHARES AND/OR SECURITIES GIVING ACCESS, IMMEDIATELY OR IN THE FUTURE, TO THE COMPANY'S SHARE CAPITAL AS CONSIDERATION FOR CONTRIBUTIONS IN KIND CONSISTING OF SHARES OR SECURITIES GIVING ACCESS TO THE COMPANY'S SHARE CAPITAL

Grounds for the possible use of the resolution

In the 23rd resolution, we are asking you to grant our Board of Directors a new delegation of powers in view of the issue of shares or securities giving access to our share capital, up to a limit of 10% of the total, as consideration for contributions in kind consisting of equity securities or marketable securities granted to our Company.

Term

Granted for a period of 26 months as from the date of your Shareholders' General Meeting, this delegation would supersede the delegation granted in the 18th resolution adopted on September 23, 2020.

Detailed implementation conditions

Under this mechanism, our Board of Directors would be authorized to issue, on one or more occasions, in such amount and at such times it deems appropriate, in euros, foreign currencies or in any other accounting unit established by reference to a basket of currencies, against payment or free of charge, in France and/or abroad, through public offers, ordinary shares and/or securities giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, redemption, presentation of a warrant or in any other manner, to the share capital of our Company (including equity securities giving the right to the allocation of debt securities), as consideration for contributions in kind consisting of equity securities or securities granted to our Company, when the conditions of Article L. 22-10-54 of the French Commercial Code are not applicable.

Our Board of Directors would have all powers, with the right to sub-delegate in accordance with the law, to decide on the aforementioned issues and to carry them out in accordance with the terms and conditions that it will determine in accordance with the law.

In accordance with the provisions of Articles L. 225-147 and L. 22-10-53 of the said Code, the Board would vote on the report by the contribution auditor(s).

Should this delegation be used, the supplementary reports required by law would be drawn up by our Board of Directors and our Statutory Auditors respectively and presented to the next Shareholders' General Meeting.

Our 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 our Company's securities by a third party, until the end of the offer period.

Ceilings

The maximum nominal amount of capital increases that may be carried out, immediately or in the future, based on this resolution may not, within those limits imposed by the regulations applicable at the date of the issue, exceed the nominal ceiling of €6.5 million, or the equivalent of this amount in any other currency.

Please note that this ceiling of €6.5 million would be deducted:

- from the shared ceiling of €6.5 million in nominal value referred to in "3. a. (i)" of the 18th resolution; and
- from the overall ceiling of €32.5 million in nominal value referred to in "3. a. (i)" of the 17th resolution.

To these ceilings would be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve the rights of holders of securities and holders of other rights giving access to our Company's share capital.

In any event, the issues carried out pursuant to this delegation of authority may not exceed 10% of the share capital at the date of our Board of Directors' decision to implement this delegation.

Moreover, the maximum nominal amount of the debt securities or related securities giving access, either immediately or in the future, to our Company's share capital that may be issued pursuant to this resolution may not exceed the ceiling of €395 million or the equivalent of this figure in any other currency.

This ceiling would, where appropriate, be increased by any redemption premium in excess of the par value.

Please note that this amount of €395 million would be deducted from the overall ceiling of €395 million referred to in "3. b." of the 17th resolution.

In addition, it would be independent from the amount of any debt securities issued or authorized by our Board of Directors in accordance with Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6, and L. 228-94 paragraph 3 of the French Commercial Code.

Twenty-third resolution –
Delegation of powers to be granted to the Board of Directors in order to issue shares and/or securities giving access, immediately or in the future, to the Company's share capital as consideration for contributions in kind consisting of shares or securities giving access to the Company's share capital

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Extraordinary Shareholders' General Meetings, having considered the Board of Directors' report and the Statutory Auditors' special report, and in accordance with the provisions of the French Commercial Code and specifically Articles L. 225-129, L. 225-129-2, L. 225-147, L. 22-10-53 and L. 228-91 *et seq.*:

1. **delegates** to the Board of Directors, with the right to sub-delegate in accordance with the conditions set by law and the Company's by-laws, the powers required to proceed, upon the contribution auditors' report, with the increase in share capital, through the issue of ordinary shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities), as consideration for contributions in kind granted to the Company and consisting of equity securities or securities giving access to the share capital, when the provisions of Article L. 22-10-54 of the French Commercial Code are not applicable;
2. **decides** that the maximum nominal amount of capital increases that may be carried out, immediately or in the future, pursuant to this delegation of powers may not exceed a ceiling of €6.5 million, or the equivalent of this amount in any other currency or any monetary unit established by reference to a basket of currencies, it being specified that this amount shall be deducted:
   (i) this ceiling applies to this resolution and to the 18th, 19th, 20th, 21st, 22nd and 25th resolutions,
   (ii) from the shared ceiling of €6.5 million referred to in "3. a. (i)" of the 18th resolution of this Shareholders' General Meeting, or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation, it being specified that, in any event, issues of securities made in this framework are limited according to the legal provisions in force on the issue date; and
   (iii) from the ceiling of €32.5 million referred to in "3. a. (i)" of the 17th resolution or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation.

   To these ceilings will be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve, in accordance with the law and, where appropriate, contractual provisions providing for other adjustments, the rights of holders of securities and holders of other rights giving access to the Company's capital.

   In any event, the issue of ordinary shares and securities giving access to the share capital pursuant to this delegation of powers shall not exceed 10% of the share capital at the date of the Board of Directors' decision to implement the delegation;
3. **decides** that the maximum nominal amount of securities representing debt or related securities giving access, either 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 €395 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 €395 million referred to in "3. b." of the 17th resolution of this Shareholders' General Meeting 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;
4. **sets** the period of validity of this delegation at twenty-six (26) months from the day of this Shareholders' General Meeting, it being specified that it has the effect of superseding all other delegations of powers granted previously by a resolution with the same purpose;
5. **grants** to the Board of Directors, with the right to sub-delegate, all powers necessary to decide the aforementioned issues and to carry them out in accordance with the terms and conditions it will determine in accordance with the law, and in particular to:
   - decide the issue of ordinary shares and/or securities giving access, immediately or in the future to the Company's share capital, to remunerate contributions,
   - establish the list of equity securities and securities giving access to the share capital that are contributed, approve the valuation of the contribution, set the conditions for the issue of ordinary shares and/or securities as consideration for contribution, as well as, where appropriate, the amount of any cash portion to be paid, approve the grant of specific benefits, and reduce, if the contributors agree, the valuation of the contributions or the consideration for the specific benefits,
   - determine the number, modalities and features of the ordinary shares and/or securities to be issued as consideration for the contributions, as well as their terms and conditions, and if applicable, the amount of the premium, and make a decision on the valuation of the contribution and the granting of any specific benefits,
   - set the terms and conditions under which the Company would have, if applicable, the right to purchase or exchange the securities giving access to the share capital on the stock market, at any time or during set periods, for the purpose of canceling them or not, depending on the legal provisions,
   - suspend, where appropriate, the exercise of rights attached to these securities for a maximum time period of three months under the conditions and the limits provided by laws and regulations,
   - at its sole discretion, deduct the costs of capital increases from the amount of related premiums and take from this amount the sums required to bring the legal reserve to one-tenth of the new share capital after each increase,
   - determine and carry out all adjustments to take into account the impact of the transactions on the Company's capital or equity, notably in the event of modifications to the par value of ordinary shares, capital increases by capitalization of reserves, earnings or premiums, the allocation of free shares, stock splits or reverse stock splits, distribution of dividends, reserves or premiums or all other assets, capital amortization, or all other transactions in the capital or equity (including in the event of a public offer and/or change of control), and set all other terms and conditions to ensure, where appropriate, the preservation of the rights of holders of securities giving access to the share capital or other rights giving access to the share capital (including by way of cash adjustments),
   - generally, take all appropriate measures, conclude all agreements, obtain all authorizations, carry out all formalities and do all that is necessary to ensure the successful completion of the issue or stay the implementation thereof, and notably record the completion of any capital increases resulting from any issue carried out under this delegation, amend the by-laws accordingly, and request the listing of any securities issued as a result of this delegation.

The Board of Directors may not, except with the prior authorization of the Shareholders' General Meeting, make use of this delegation as from the filing of a public offer for the Company's securities by a third party, until the end of the offer period.

RESOLUTION NO. 24: FINANCIAL RESOLUTIONS – DELEGATION OF AUTHORITY TO BE GRANTED TO THE BOARD OF DIRECTORS FOR THE PURPOSE OF INCREASING THE SHARE CAPITAL BY CAPITALIZING PREMIUMS, RESERVES, PROFITS, OR ANY OTHER FUNDS THAT MAY BE CAPITALIZED

Grounds for the possible use of the resolution

In the 24th resolution, we are asking you to grant a new delegation of authority to our Board of Directors for the purpose of increasing our share capital by the successive or simultaneous incorporation of all premiums, reserves, profits, or any other funds that may be capitalized.

Term

Granted for a period of 26 months as from the date of your Shareholders' General Meeting, this delegation would supersede the delegation granted in the 19th resolution adopted on September 23, 2020.

Detailed implementation conditions

Under this mechanism, our Board of Directors would be authorized to carry out an increase of our share capital, on one or more occasions, in such amount and at such times it deems appropriate, by way of the successive or simultaneous incorporation of premiums, reserves, profits, or any other funds that may be capitalized.

Such capital increases would be in the form of the issue of free shares or by way of an increase in the par value of existing shares, or a combination of these two methods.

In the event of a capital increase by way of the allocation of free shares, any rights leading to the creation of fractional shares would not be negotiable. The corresponding securities would be sold, it being stipulated that all amounts generated by the sale would be allocated to holders of rights under the conditions defined by law.

Our Board of Directors would have all powers, with the right to sub-delegate in accordance with 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 our Board of Directors and our Statutory Auditors respectively and presented to the next Shareholders' General Meeting.

Our 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 our Company's securities by a third party, until the end of the offer period.

Ceilings

The maximum amount of capital increases that may be carried out, immediately or in the future, under this resolution may not exceed the total amount of funds that may be incorporated or a nominal €32.5 million ceiling, or the equivalent of this amount in any other currency.

This nominal amount of €32.5 million would be deducted from the amount of overall ceiling of €32.5 million in nominal value referred to in "3.a. (i)" of the 17th resolution.

To these ceilings would be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve the rights of holders of securities and holders of other rights giving access to our Company's share capital.

In the event of a capital increase by way of the allocation of free shares, any rights leading to the creation of fractional shares would not be negotiable. The corresponding securities would be sold, it being stipulated that all amounts generated by the sale would be allocated to holders of rights under the conditions defined by law.

Twenty-fourth resolution – Delegation of authority to be granted to the Board of Directors for the purpose of increasing the share capital by capitalizing premiums, reserves, profits, or any other funds that may be capitalized

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Extraordinary Shareholders' General Meetings, having considered the Board of Directors' report and the Statutory Auditors' special report, and pursuant to the provisions of Articles L. 225-129, L. 225-129-2, L. 225-130 and L. 22-10-50 of the French Commercial Code:

1. **delegates** to the Board of Directors, with the right to sub-delegate in accordance with the conditions set by law and the Company's by-laws, the authority to carry out a share capital increase, on one or more occasions, in such amount and at such times it deems appropriate, by the successive or simultaneous capitalization of premiums, reserves, earnings, or any other funds that may be capitalized, in the form of the issue of new ordinary shares or the increase in the nominal value of existing ordinary shares or the combination of the two methods;
2. **sets** the period of validity of this delegation at twenty-six (26) months from the day of this Shareholders' General Meeting, it being specified that it has the effect of superseding all other delegations of authority granted previously by a resolution with the same purpose;
3. **decides** that the maximum nominal amount of capital increases that may be carried out, immediately or in the future, pursuant to this delegation of authority may not exceed the total value of the amounts which can be capitalized or a ceiling of €32.5 million in nominal value, or the equivalent of this amount in any other currency or any monetary unit established by reference to a basket of currencies, it being specified that this amount shall be deducted from the overall ceiling of €32.5 million referred to in "3. a. (i)" of the 17th resolution of this Shareholders' Meeting or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation. To these ceilings will be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve, in accordance with legal and regulatory provisions, and, where appropriate, contractual provisions providing for other adjustments, the rights of holders of securities and holders of other rights giving access to the share capital;
4. **decides** that, in case of an increase in capital in the form of distribution of free shares and in accordance with Articles L. 225-130 and L. 22-10-50 of the French Commercial Code, the rights to fractional shares shall not be negotiable and the corresponding securities shall be sold, with the stipulation that the proceeds of the sale shall be allocated to the holders of these rights under legal conditions;

5. **grants** to the Board of Directors, with the right to sub-delegate, all powers necessary to decide on the aforementioned issues in accordance with the terms it will determine in compliance with the law, and in particular to:
   - determine the dates, terms and conditions and features of the issue and notably set the amount and nature of the sums to be capitalized, set the number of new equity securities to be issued and/or the amount by which the nominal value of the existing equity securities shall be increased, set the date, even retroactively, from which the new equity securities shall give rights to dividends, or from which the increase in the nominal value of the existing equity securities shall take effect,
   - decide, in the event of the allocation of free equity securities, that the resulting fractional shares shall not be negotiable or assignable and that the corresponding equity securities shall be sold in accordance with the modalities set by the Board of Directors, and that the shares that may be allocated pursuant to this delegation, on the basis of existing shares carrying double voting rights, will carry double voting rights from the time of their issue,
   - set any terms and conditions to guarantee, 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 means of cash adjustment),
   - generally, take all appropriate measures, conclude all agreements, obtain all authorizations, carry out all formalities and do all that is necessary to ensure the successful completion of the issue or stay the implementation thereof, and notably record the completion of any capital increases resulting from any issue carried out under this delegation, amend the by-laws accordingly, and request the listing of any securities issued as a result of this delegation.

The Board of Directors may not, except with the prior authorization of the Shareholders' General Meeting, make use of this delegation as from the filing of a public offer for the Company's securities by a third party, until the end of the offer period.

RESOLUTION NO. 25: FINANCIAL RESOLUTIONS – DELEGATION OF AUTHORITY TO BE GRANTED TO THE BOARD OF DIRECTORS FOR THE PURPOSE OF INCREASING THE SHARE CAPITAL BY ISSUING SHARES OR SECURITIES GIVING ACCESS, IMMEDIATELY OR IN THE FUTURE, TO THE COMPANY'S SHARE CAPITAL AS CONSIDERATION FOR SECURITIES CONTRIBUTED AS PART OF A PUBLIC EXCHANGE OFFER INITIATED BY THE COMPANY

Grounds for the possible use of the resolution

In the 25th resolution, we are asking you to grant our Board of Directors a new delegation of authority for the purpose of increasing our share capital as consideration for securities contributed as part of a public exchange offer (PEO) initiated by our Company.

Term

Granted for a period of 26 months as from the date of your Shareholders' General Meeting, this delegation would supersede the delegation granted in the 20th resolution adopted on September 23, 2020.

Detailed implementation conditions

Under this mechanism, our Board of Directors would be authorized to decide on the issue, on one or more occasions, in such amount and at such times it deems appropriate, in euros, foreign currencies or in any other accounting unit established by reference to a basket of currencies, of ordinary shares and/or securities giving access, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, redemption, presentation of a warrant or in any other manner, to the share capital of our Company, against payment or free of charge, as consideration for any shares that could be contributed in the context of a PEO launched in France or abroad, in accordance with the local regulations, by our Company for its shares or the shares of any other company admitted to trading on one of the regulated markets described in Article L. 22-10-54 of the French Commercial Code.

This delegation would be valid for any other transaction having the same effect as a public exchange offer initiated by the Company for its own securities or the securities of another company whose shares are admitted for trading on a regulated market governed by foreign law, or which may be assimilated therewith.

Our shareholders would not have preferential subscription rights to any shares and/or securities that may be issued under this delegation. These would in fact be intended solely to provide compensation for any securities contributed to a PEO initiated by our Company.

Our Board of Directors would have all powers, with the right to sub-delegate in accordance with 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 our Board of Directors and our Statutory Auditors respectively and presented to the next Shareholders' General Meeting.

Our 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 our Company's securities by a third party, until the end of the offer period.

Price

The price of the shares and/or securities potentially issued under this delegation would be set in accordance with the laws governing PEOs.

Ceilings

The maximum nominal amount of capital increases that may be carried out, immediately or in the future, based on this 25th resolution may not, within those limits imposed by the regulations applicable at the date of the issue, exceed the nominal ceiling of €6.5 million, or the equivalent of this amount in any other currency.

Please note that this ceiling of €6.5 million would be deducted:

- from the shared ceiling of €6.5 million in nominal value referred to in "3. a. (i)" of the 18th resolution; and
- from the overall ceiling of €32.5 million in nominal value referred to in "3. a. (i)" of the 17th resolution.

To these ceilings would be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve the rights of holders of securities and holders of other rights giving access to our Company's share capital.

Moreover, the maximum nominal amount of the debt securities or related securities giving access, either immediately or in the future, to our Company's share capital that may be issued pursuant to this resolution may not exceed the ceiling of €395 million or the equivalent of this figure in any other currency.

This ceiling would, where appropriate, be increased by any redemption premium in excess of the par value.

Please note that this amount of €395 million would be deducted from the overall ceiling of €395 million referred to in "3. b." of the 17th resolution.

In addition, it would be independent from the amount of any debt securities issued or authorized by our Board of Directors in accordance with Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6, and L. 228-94 paragraph 3 of the French Commercial Code.

Twenty-fifth resolution – Delegation of authority to be granted to the Board of Directors for the purpose of increasing the share capital by issuing shares or securities giving access, immediately or in the future, to the Company's share capital as consideration for securities contributed as part of a public exchange offer initiated by the Company

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Extraordinary Shareholders' General Meetings, having considered the Board of Directors' report and the Statutory Auditors' special report, in accordance with Articles L. 225-129, L. 22-10-54, and L. 228-91 of the French Commercial Code:

1. **delegates** to the Board of Directors, with the right to sub-delegate in accordance with the conditions set by law, its authority to decide, on one or more occasions, in such amount and at such times it deems appropriate, in euros, or a foreign currency, or any accounting unit established by reference to a basket of currencies, the issue of ordinary shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, giving access, immediately and/or in the future, at any time or at a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital, against payment or free of charge, as consideration for securities that may be contributed as part of a public exchange offer initiated in France or abroad, according to local regulations, by the Company on its securities or the securities of another company admitted to trading on one of the regulated markets indicated in Article L. 22-10-54 of the French Commercial Code (including all other transactions with the same impact as a public exchange offer initiated by the Company on its own securities or the securities of any other company admitted to trading on a regulated market under foreign law, or equivalent);
2. **sets** the period of validity of this delegation at twenty-six (26) months from the day of this Shareholders' General Meeting, it being specified that it has the effect of superseding all other delegations of authority granted previously by a resolution with the same purpose;
3. **decides** that the maximum nominal amount of capital increases that may be carried out, immediately or in the future, pursuant to this delegation of authority may not exceed a ceiling of €6.5 million, or the equivalent of this amount in any other currency or any monetary unit established by reference to a basket of currencies, it being specified that this amount shall be deducted:
   (i) this ceiling applies to this resolution and to the 18th, 19th, 20th, 21st, 22nd and 23rd resolutions,
   (ii) from the shared ceiling of €6.5 million referred to in "3. a. (i)" of the 18th resolution of this Shareholders' General Meeting 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, it being specified that these capital increases shall not be subject to the issue price rules set out in the 19th resolution, and
   (iii) from the overall ceiling of €32.5 million referred to in "3. a. (i)" of the 17th resolution of this Shareholders' Meeting or, where appropriate, from the amount of the ceiling provided by a resolution with the same purpose superseding this resolution during the validity period of this delegation.

   To these ceilings will be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve, in accordance with the law, and, where appropriate, contractual provisions providing for other adjustments, the rights of holders of securities and holders of other rights giving access to the Company's capital;
4. **decides** that the maximum nominal amount of securities representing debt or related securities giving access, either 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 €395 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 €395 million referred to in "3. b." of the 17th resolution of this Shareholders' General Meeting 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;
5. **acknowledges** that the shareholders of the Company will not be entitled to preferential subscription rights to subscribe to the ordinary shares and/or securities that would be issued under this delegation, the latter solely being issued as consideration for shares contributed within the framework of a public exchange offer initiated by the Company;

6. **acknowledges** that the price of the ordinary shares and/or securities that would be issued pursuant to this resolution shall be set in accordance with the laws and regulations concerning public exchange offers;
7. **grants** to the Board of Directors, with the right to sub-delegate, all powers necessary to carry out the aforementioned issues in accordance with the terms it will determine in compliance with the law, and in particular to:
   - set the exchange parity as well as, where appropriate, the amount of cash portion to be paid,
   - establish the list of securities that may be contributed to the exchange,
   - determine the dates, terms and conditions and features of the issue,
   - determine and carry out all adjustments to take into account the impact of the transactions on the Company's capital or equity, notably in the event of modifications to the par value of ordinary shares, capital increases by capitalization of reserves, earnings or premiums, the allocation of free shares, stock splits or reverse stock splits, distribution of dividends, reserves or premiums or all other assets, capital amortization, or all other transactions in the capital or equity (including in the event of a public offer and/or change of control), and set all other terms and conditions 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),
   - at its sole discretion, deduct the costs of capital increases from the amount of related premiums and take from this amount the sums required to bring the legal reserve to one-tenth of the new share capital after each increase,
   - generally, take all appropriate measures, conclude all agreements, obtain all authorizations, carry out all formalities and do all that is necessary to ensure the successful completion of the issue or stay the implementation thereof, and notably record the completion of any capital increases resulting from any issue carried out under this delegation, amend the by-laws accordingly, and request the listing of any securities issued as a result of this delegation.

The Board of Directors may not, except with the prior authorization of the Shareholders' 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. 26:
FINANCIAL RESOLUTIONS – DELEGATION OF AUTHORITY TO BE GRANTED TO THE BOARD OF DIRECTORS FOR THE PURPOSE OF CARRYING OUT A SHARE CAPITAL INCREASE BY WAY OF ISSUING SHARES OR SECURITIES GIVING ACCESS TO THE SHARE CAPITAL RESERVED FOR MEMBERS OF A COMPANY SAVINGS PLAN, WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS

Grounds for the possible use of the resolution

In the 26th resolution, we are asking you to grant our Board of Directors a **new delegation of authority to increase our share capital in favor of members of company savings plans (ESP).**

Term

Granted for a period of 26 months as from the date of your Shareholders' General Meeting, this delegation would supersede the delegation granted in the 21st resolution adopted on September 23, 2020.

Detailed implementation conditions

Under this mechanism, our Board of Directors would be authorized to decide on an increase in our share capital, on one or more occasions, in such amount and at such times it deems appropriate, in euros, foreign currencies or in any other accounting unit established based on a basket of currencies, by way of the issue, against payment or free of charge, in France and/or abroad, of shares and/or securities giving access, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, redemption, presentation of a warrant or in any other manner, to the share capital of our Company (including equity securities giving the right to the allocation of debt securities), reserved for members of any ESP that may be set up within our Group.

Our shareholders' preferential subscription rights would therefore be canceled.

In the event of the free allocation to ESP members of shares or securities giving access to our share capital, our shareholders would waive all rights to said shares or securities, including to any reserves, profits or premiums included in the share capital, in proportion to the number of free shares granted under this delegation.

Our Board of Directors may transfer shares to ESP members. Any such share transfers made to ESP members with a discount will be deducted, in direct proportion to the par value of the shares thereby assigned, from the ceiling set out below.

Our Board of Directors would have all powers, with the right to sub-delegate in accordance with applicable law, to carry out the aforementioned issues 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 our Board of Directors and our Statutory Auditors respectively and presented to the next Shareholders' General Meeting.

Price

The issue price of these new shares or securities giving access to the capital issued under this delegation (the "Reference Price") would be set with reference to the average share price on Euronext Paris during the last 20 trading days preceding the date that the Board of Directors decides to set the opening date of the subscription period for the capital increase reserved for members of an ESP.

A maximum discount of 40% may be applied to the Reference Price in accordance with legal requirements.

The Board of Directors may, if it determines that it is appropriate, reduce or cancel the aforementioned discount, in particular to comply with the applicable local regulations in the countries in which the issue would be implemented.

Our Board of Directors may allocate, free of charge, new or existing shares or securities giving access to the share capital to the members of an ESP, as a substitute for all or part of the discount on the Reference Price and/or for the employer's contribution. These free allocations would be made in addition to any shares or securities giving access to the share capital to be subscribed for in cash.

Ceilings

The maximum nominal amount of capital increases that may be carried out, immediately or in the future, based on this resolution may not exceed the nominal maximum amount of €700,000 in nominal, i.e., a maximum of 350,000 shares.

Please note that this ceiling of €700,000 would be deducted from the overall ceiling of €32.5 million in nominal value referred to in "3. a. (i)" of the 17th resolution.

To these ceilings would be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve the rights of holders of securities and holders of other rights giving access to our Company's share capital.

Moreover, the maximum nominal amount of the debt securities or related securities giving access, either immediately or in the future, to our Company's share capital that may be issued pursuant to this resolution may not exceed the ceiling of €395 million or the equivalent of this figure in any other currency.

This ceiling would, where appropriate, be increased by any redemption premium in excess of the par value.

Please note that this amount of €395 million would be deducted from the overall ceiling of €395 million referred to in "3. b." of the 17th resolution.

Twenty-sixth resolution – Delegation of authority to be granted to the Board of Directors for the purpose of carrying out a share capital increase by way of issuing shares or securities giving access to the share capital reserved for members of a company savings plan, without preferential subscription rights

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Extraordinary Shareholders' General Meetings, having considered the Board of Directors' report and the Statutory Auditors' special report, in accordance with the provisions of Articles L. 225-129, L. 225-129-2 to L. 225-129-6, L. 225-138, L. 225-138-1, L. 228-91, and L. 228-92 of the French Commercial Code, and Articles L. 3332-18 *et seq.* of the French Labor Code:

1. **delegates** to the Board of Directors, with the right to sub-delegate in accordance with the conditions set by law, its authority to decide on an increase of the share capital, on one or more occasions, in such amount and at such times as it deems appropriate, in euros, foreign currency or any accounting unit established by reference to a basket of currencies, on the issue, without preferential subscription rights, in France and/or abroad, against payment or free of charge, in a maximum nominal amount of €700,000, i.e., a maximum of 350,000 shares, through the issue of shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, reimbursement, presentation of a warrant or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities), reserved for members of one or several company savings plans (or any other plan for the members of which a share capital increase may be reserved under equivalent conditions pursuant to Article L. 3332-18 *et seq.* of the French Labor Code) that may be set up within the Group comprised of the Company and the French or foreign companies within the scope of consolidation of the Company's financial statements in application of Article L. 3344-1 of the French Labor Code; it being stipulated that (i) the maximum nominal amount of capital increases that may be carried out immediately or in the future based on this delegation shall be deducted from the overall ceiling of €32.5 million in nominal value referred to in "3. a. (i)" of the 17th resolution of this Shareholders' General Meeting or, where appropriate, from the amount of the ceiling provided for 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 similar 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 €395 million defined in "3. b." of the 17th resolution of this Shareholders' General Meeting 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;
2. **sets** the period of validity of this delegation at twenty-six (26) months from the day of this Shareholders' General Meeting, it being specified that it has the effect of superseding all other delegations of authority granted previously by a resolution with the same purpose;
3. **decides** 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 of the listed prices of the share on Euronext Paris 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 Shareholders' 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;
4. **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 substitution for the discount on the Reference Price and/or for 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;
5. **decides** to cancel, for the benefit of the aforementioned beneficiaries, shareholders' preferential 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 on the basis of this resolution;

6. **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 at a discount for the benefit of members of one or more employee savings plans indicated in this resolution shall be deducted from the amount of the ceilings indicated in paragraph 1 above;
7. **grants** to the Board of Directors, with the right to sub-delegate, all powers necessary 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,
   - decide 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.

RESOLUTION NO. 27: AUTHORIZATION TO BE GRANTED TO THE BOARD OF DIRECTORS TO ALLOCATE FREE SHARES

Grounds for the possible use of the resolution

In the 27th resolution, we are asking you to grant our Board of Directors a new authorization to grant free shares (existing or to be issued) to Group employees and corporate officers.

Term

Granted for a period of 38 months as from the date of your Shareholders' General Meeting, this authorization would supersede the authorization granted in the 32nd resolution adopted on July 26, 2019.

Detailed implementation conditions

Under this mechanism, our Board of Directors would be authorized to allocate new or existing shares free of charge, on one or more occasions, to beneficiaries or categories of beneficiaries that it will determine from among (i) the employees of our Company or of affiliated companies or groups within the meaning of Articles L. 225-197-2 and L. 22-10-60 of the French Commercial Code, and (ii) the corporate officers of our Company or companies or groups related to our Company and that meet the conditions set out in Articles L. 225-197-1, II and L. 22-10-59, III of said Code. The allocated shares would vest to their beneficiaries after the expiry of a vesting period whose term would be set by our Board of Directors, in accordance with the applicable legal provisions.

Our Board of Directors may decide that the shares will only vest if the beneficiary still forms part of the Group on the vesting date ("presence condition") and may also impose a holding period. The vesting of the shares allocated to the corporate officers would be linked to the achievement of performance conditions. 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 our 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.

In the case of the allocation of free new shares, this authorization would entail, as and when the said shares vest, capital increases by incorporation of reserves, earnings or premiums in favor of the beneficiaries of the said shares, as well as a corresponding waiver by our shareholders of their preferential subscription rights to the said shares.

Our Board of Directors would have all the necessary powers, with the possibility to sub-delegate in accordance with applicable law, to implement this authorization. Should this authorization be used, the supplementary reports required by law would be drawn up by our Board of Directors and our Statutory Auditors respectively and presented to the next Shareholders' General Meeting.

Ceilings

The total number of free shares that may be allocated pursuant to this authorization may not exceed 5% of our 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 17th to 26th resolutions.

Furthermore, the allocation of free shares to corporate officers may not exceed 20% of the free shares allocated pursuant to this authorization.

Twenty-seventh resolution – Authorization to be granted to the Board of Directors to allocate free shares

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Extraordinary Shareholders' 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, 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 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 the aforementioned Code, in accordance with the conditions set out below;
2. **decides** that the total number of ordinary shares that may be allocated free of charge 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 (i) this ceiling is set independently from the ceilings referred to in the 17th to 26th resolutions of this Shareholders' General Meeting, and (ii) 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 Company's ordinary shares will vest to their beneficiaries after the expiry of a vesting period whose duration will be set by the Board of Directors, it being specified that the minimum duration shall be that set by the legal provisions applicable on the date of the allocation decision;
4. **decides** that the Board of Directors may set a condition relating to the presence of the beneficiaries in the Group;
5. **decides** that the Board of Directors may also impose a holding period on the beneficiaries in respect of the ordinary shares allocated, for a duration no less than that required by the legal provisions applicable on the day of the allocation decision; however, the Board of Directors may waive the holding period for free ordinary shares whose vesting period has been set as a minimum of two years;
6. **decides** that the vesting of the shares allocated 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 (*Code de la sécurité sociale*), the free ordinary shares shall vest immediately, and that in the event the beneficiary dies, their heirs will be allowed to request immediate vesting within six months following their death;
8. **decides** that any existing ordinary shares allocated under this resolution shall 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, in the case of the allocation of free new ordinary shares, this authorization entails, as and when the said ordinary shares vest, capital increases by incorporation of reserves, earnings or premiums in favor of the beneficiaries of the said shares, as well as a corresponding waiver by the shareholders of their preferential subscription rights to the said ordinary shares;
10. **grants**, within the limits set out above, to the Board of Directors, with the right to sub-delegate in accordance with the law, all powers necessary to implement this authorization and notably in order to:
    - determine whether the free ordinary shares to be issued are existing or new ordinary shares,
    - determine the number of ordinary shares granted to each beneficiary that it will have chosen,
    - set the conditions and, where applicable, the criteria to grant the ordinary shares, notably the minimum vesting period and, where appropriate, the duration of the holding period,
    - increase, where appropriate, the capital through the capitalization of reserves, earnings, or issue premiums, to issue new ordinary shares allocated free of charge,
    - 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 the express decision of the Shareholders' General Meeting; and
11. **sets** the period of validity of this authorization at thirty-eight (38) months from the day of this Shareholders' General Meeting, it being specified that it has the effect of superseding all other authorizations previously granted by a resolution with the same purpose.

RESOLUTION NO. 28: CANCELLATION OF TREASURY SHARES (UP TO A MAXIMUM OF 10%)

Grounds for the possible use of the resolution

Pursuant to the **28**th resolution, to enable all of the objectives set for our Company's share buyback program to be continued, our shareholders are asked to renew the resolution allowing the Company to cancel its treasury shares up to 10% of the share capital, and to proceed with the corresponding reductions in the share capital.

Term

The authorization granted to our Board of Directors pursuant to the 23rd resolution adopted on September 23, 2020 will expire on the date of the Shareholders' General Meeting.

This new authorization would be valid until the date of the Shareholders' General Meeting called in 2022 to approve the financial statements for the fiscal year ending March 31, 2022.

Detailed implementation conditions

In order to allow our Company to reach the objectives of the share repurchase program, you are requested to authorize our Board of Directors to reduce our share capital, on one or more occasions, in such amount and at such times as it deems appropriate, by way of the cancellation of any number of treasury shares acquired under the authorizations granted by your Shareholders' General Meeting.

Our Board of Directors would have all powers, with the right to sub-delegate, to undertake any act, formality or declaration with a view to canceling the shares acquired and completing the share capital reductions, and to amend the by-laws as a result.

Should this authorization be used, the supplementary reports required by law would be drawn up by our Board of Directors and our Statutory Auditors respectively and presented to the next Shareholders' General Meeting.

Ceilings

At the date of each cancellation, the total number of shares canceled by our Company over the 24-month period prior to said cancellation (including those to be canceled in the aforementioned cancellation) may not exceed 10% of our share capital at that date.

This percentage would apply to the share capital as adjusted for any share capital transactions occurring after your Shareholders' General Meeting.

Twenty-eighth resolution –
Authorization to be granted to the Board of Directors to cancel, where applicable, treasury shares held by the Company, up to a maximum of 10%

The Shareholders' General Meeting, deliberating pursuant to the *quorum* and majority requirements 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 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 any number of ordinary shares acquired as treasury shares under authorizations granted by the Shareholders' General Meeting.

At the date of each cancellation, the total number of ordinary 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 Shareholders' General Meeting.

The Shareholders' General Meeting grants all powers to the Board of Directors, with the option to sub-delegate, to cancel treasury shares and reduce the share capital under this authorization, deduct from the available reserves and premiums of its choice the difference between the buyback value and par value of canceled ordinary shares held as treasury shares, allocate the fraction of the statutory reserve newly available as a result of the capital reduction, amend the by-laws accordingly, and follow all necessary procedures.

This authorization becomes effective at the close of this Shareholders' General Meeting and will expire on the date of the Shareholders' General Meeting to be called in 2022 to approve the financial statements for the fiscal year ending March 31, 2022, it being specified that this authorization supersedes all authorizations previously granted in a resolution with the same purpose.

This authorization is granted to the Board of Directors, with the right to sub-delegate, in order to carry out any act, formality, or declaration with a view to canceling the shares acquired and decreasing the Company's capital, as well as to amend the by-laws as necessary.

RESOLUTION NO. 29:
ADOPTION OF A CORPORATE MISSION FOR THE COMPANY

Under the 29th resolution, in accordance with the option offered by Article 1835 of the French Civil Code (*Code civil*), the shareholders are invited to add a corporate mission in the Company's by-laws, consisting of the principles to which the Company is committed and for which it intends to allocate resources in order to conduct its business.

In line with our strategic plan, which now includes sustainable development among the four major challenges facing the Company today, we have been working since early 2021 on defining a corporate mission that best illustrates our contribution in the value chain to our internal and external stakeholders from both environmental and social perspectives, whether through our products or our role as players in our value chain.

Assisted by consultants with experience in adopting corporate missions at the international level, we drew on contributions made by our stakeholders – customers, partners, shareholders, Board members, executives and employees – during qualitative interviews conducted by our consultants. We also relied on extensive work carried out to collect data about the Company, our business sector and inspiring approaches to corporate missions. If adopted, our aim is that our corporate mission will serve as a benchmark both internally to guide us in our work and to illustrate our actions and choices in light of our commitment.

Once the preparatory work was completed, a draft corporate mission was prepared following a co-construction day with the Executive Committee and a working session with the Compensation Committee, which is responsible for environmental and social issues. The final version was approved by the Board of Directors on June 9, 2021 for the purpose of submitting its inclusion in the Company's by-laws to the shareholders for approval at the Shareholders' General Meeting of July 28, 2021.

The shareholders are invited to adopt the following corporate mission, which would appear in a new preliminary article of the Company's by-laws:

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

The wording alludes to the substrates themselves, to the importance of our local roots, and to our unique position in the value chain, upstream and in terms of our capacity both to achieve technological breakthroughs for our customers and to ensure their energy efficiency. The corporate mission is also intended to be the driving force behind our future commitments in combating climate change and those undertaken in our social policies.

Twenty-ninth resolution –
Addition of a preliminary article before Article 1 of the Company's by-laws, in order to adopt a corporate mission for the Company

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Extraordinary Shareholders' General Meetings, having considered the Board of Directors' report, resolves to add a preliminary article before Article 1 of the Company's by-laws as follows, in order to adopt a corporate mission for the Company in accordance with the provisions of Article 1835 of the French Civil Code:

"Preliminary Article – Corporate mission

The corporate mission of the Company is: "We are the innovative soil from which smart and energy efficient electronics grow into amazing and sustainable life experiences".

RESOLUTIONS NO. 30 TO 34: AMENDMENTS OF THE BY-LAWS DUE TO LEGISLATIVE AND REGULATORY CHANGES

Under the 30th to 34th resolutions, the shareholders are invited to amend the following Articles of our Company's by-laws in order to ensure that the wording of these Articles is consistent with the wording of applicable legal provisions, some of which have undergone recent legislative or regulatory changes:

- Article 7 to reflect the new wording of Article L. 228-2 of the French Commercial Code relating to the identification of shareholders;
- Article 16 to reflect the new wording of Article L. 225-35 of the French Commercial Code relating to the role of the Board of Directors;
- Articles 12.4 and 18 to replace the term "directors' fees" with the new terminology used in Article L. 225-45 of the French Commercial Code and to ensure that the wording of these Articles is consistent with the wording of the legal provisions applicable to the compensation of the members of the Board of Directors;
- Article 19 to reflect the new wording of Article L. 225-40 of the French Commercial Code relating to the procedure governing the authorization and approval of related-party agreements; and
- Articles 21.3, 23 and 24 to reflect the new wording of Articles L. 225-96 and L. 225-98 of the French Commercial Code regarding the method for calculating the majority required for decisions to be adopted by the shareholders of a joint-stock corporation (*société anonyme*).

Thirtieth resolution –
Amendment of Article 7 of the Company's by-laws due to legislative and regulatory changes relating to the identification of shareholders

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Extraordinary Shareholders' General Meetings, having considered the Board of Directors' report, **resolves** to amend Article 7 of the Company's by-laws as follows, in order to be consistent with the new wording of Article L. 228-2 of the French Commercial Code relating to the identification of shareholders:

Previous wording	New wording
Article 7 – FORM OF THE SHARES *"[…] In accordance with Article L. 228-2 of the French Commercial Code, the Company has the right to request, at any time, with a view to identifying the holders of bearer bonds, and at its own charge, that the central custodian administering its securities provide it with the name or, in case of a legal entity, the trading name, nationality and address of the holders of securities conferring immediately or in the longer term the right to vote at its own shareholders' meetings, as well as the number of shares held by each one of them and, where applicable, restrictions that may affect the securities. The Company may implement the provisions of section II. of Article 228-2 of the French Commercial Code."*	**Article 7 – FORM OF THE SHARES** *"[…]* ***The Company or its representative may, at any time, take the necessary steps to identify the holders of shares or securities granting the right to vote, either immediately or at a future date, at its Shareholders' General Meetings, in accordance with the regulations."***

The other provisions of Article 7 remain unchanged.

Thirty-first resolution –
Amendment of Article 16 of the Company's by-laws due to legislative and regulatory changes relating to the role of the Board of Directors

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Extraordinary Shareholders' General Meetings, having considered the Board of Directors' report, **resolves** to amend Article 16 of the Company's by-laws as follows, in order to be consistent with the new wording of Articles L. 225-35 of the French Commercial Code concerning the role of the Board of Directors:

Previous wording	New wording
Article 16 – POWERS OF THE BOARD OF DIRECTORS *"1 – The Board of Directors shall determine the guidelines for the Company's activities and ensure their implementation. Subject to the powers expressly attributed to the Shareholders' 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. To this end, the Chairman represents the Board of Directors; in addition, he or she may grant delegations of powers to any officers of his or her choice. […]"*	**Article 16 – POWERS OF THE BOARD OF DIRECTORS** *"1 – The Board of Directors shall determine the guidelines for the Company's activities and ensure their implementation **in line with its corporate interest, while taking into account the social and environmental issues related to its activity**. Subject to the powers expressly attributed to the Shareholders' 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. To this end, the Chairman represents the Board of Directors; in addition, he or she may grant delegations of powers to any officers of his or her choice. […]"*

The other provisions of Article 16 remain unchanged.

Thirty-second resolution –

Amendment of Articles 12.4 and 18 of the Company's by-laws due to legislative and regulatory changes relating to the compensation of the members of the Board of Directors

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Extraordinary Shareholders' General Meetings, having considered the Board of Directors' report, **resolves** to amend Articles 12.4 and 18 of the Company's by-laws as follows, in order to replace the term "directors' fees" with the new terminology used in Article L. 225-45 of the French Commercial Code and to ensure that the wording of these articles is consistent with the wording of the legal provisions applicable to the compensation of the members of the Board of Directors:

Previous wording	New wording
Article 12 – BOARD OF DIRECTORS *"[…]* *4 – Non-voting Board member (censeur)* […] *He or she shall receive directors' fees under the same conditions as the directors if the Board of Directors so decides."*	**Article 12 – BOARD OF DIRECTORS** *"[…]* *4 – Non-voting Board member (censeur)* […] *He or she shall receive **compensation** under the same conditions as the directors if the Board of Directors so decides."*

The other provisions of Article 12 remain unchanged.

Previous wording	New wording
Article 18 – COMPENSATION ALLOCATED TO DIRECTORS, THE CHAIRMAN, THE CHIEF EXECUTIVE OFFICERS AND THE REPRESENTATIVES OF THE BOARD OF DIRECTORS *"1 – The Shareholders' General Meeting may grant directors and the non-voting Board member (censeur), as compensation for their duties, a fixed annual sum, as directors' fees. The Board of Directors shall decide whether or not to pay directors' fees to the non-voting Board member (censeur) and shall freely distribute said compensation among its members.* *If the composition of the Board of Directors is not compliant with the provisions of the first paragraph of Article L. 225-18-1 of the French Commercial Code, the payment of the abovementioned compensation is withheld. The payment is released if and when the composition of the Board of Directors becomes compliant, including the arrears due from the withholding date.* *2 – The compensation of the Chairman of the Board of Directors and the compensation of the Chief Executive Officer and, as the case may be, of the Deputy Chief Executive Officer(s), shall be determined by the Board of Directors in accordance with the provisions of Article L. 225-37-2 of the French Commercial Code. It may be fixed or variable, or both fixed and variable.* *3 – The Board of Directors may allocate extraordinary compensation for the missions or mandates entrusted to directors; in such case, the compensation, posted to operating expenses, shall be subject to the approval of the Ordinary Shareholders' General Meeting under the conditions stipulated in Article 23 of these by-laws.* *4 – Except as provided for in Articles L. 225-21-1, L. 225-22, L. 225-23, L. 225-27 and L. 225-27-1 of the French Commercial Code, no other compensation, permanent or not, may be paid by the Company to the directors other than the compensation as provided for in Article L. 225-45, L. 225-46, L. 225-47 and L. 225-53 of the French Commercial Code."*	**Article 18 – COMPENSATION ALLOCATED TO DIRECTORS, THE CHAIRMAN, THE CHIEF EXECUTIVE OFFICERS AND THE REPRESENTATIVES OF THE BOARD OF DIRECTORS** *1 – The Shareholders' General Meeting may grant directors and the non-voting Board member (censeur), as compensation for their duties, a fixed annual sum. The Board of Directors shall decide whether or not to pay **compensation** to the non-voting Board member (censeur) and shall freely distribute said compensation among its members.* *If the composition of the Board of Directors is not compliant with the provisions of the first paragraph of Article L. 225-18-1 of the French Commercial Code, the payment of the abovementioned compensation is withheld. The payment is released if and when the composition of the Board of Directors becomes compliant, including the arrears due from the withholding date.* *2 – The compensation of the Chairman of the Board of Directors and the compensation of the Chief Executive Officer and, as the case may be, of the Deputy Chief Executive Officer(s), shall be determined by the Board of Directors **in accordance with the applicable legal and regulatory provisions**.* ***3 – In accordance with the applicable laws and regulations,** the Board of Directors may allocate extraordinary compensation for the missions or mandates entrusted to directors; in such case, the compensation, posted to operating expenses, shall be subject to the approval of the Ordinary Shareholders' General Meeting under the conditions stipulated in Article 23 of these by-laws."*

Thirty-third resolution –

Amendment of Article 19 of the Company's by-laws due to legislative and regulatory changes relating to the related-party agreements procedure

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Extraordinary Shareholders' General Meetings, having considered the Board of Directors' report, **resolves** to amend Article 19 of the Company's by-laws as follows, in order to be consistent with the new wording of Article L. 225-40 of the French Commercial Code relating to the procedure governing the authorization and approval of related-party agreements:

Previous wording	New wording
Article 19 – AGREEMENTS BETWEEN THE COMPANY AND A DIRECTOR, THE CHIEF EXECUTIVE OFFICER, A DEPUTY CHIEF EXECUTIVE OFFICER OR A SHAREHOLDER HOLDING OVER 10% OF THE VOTING RIGHTS *"[…]* *In accordance with Article L. 225-40 of the French Commercial Code, the interested party must inform the Board of Directors immediately upon becoming aware of an agreement to which Article L. 225-38 of the French Commercial Code applies. He may not participate in the vote on the requested prior approval of the Board of Directors. The Chairman of the Board of Directors shall advise the Statutory Auditors of all agreements authorized and shall submit them to the Ordinary Shareholders' General Meeting for approval. The Statutory Auditors shall present a special report on the agreements to the Ordinary Shareholders' General Meeting, which shall decide on this report. The interested party may not participate in the vote and his or her shares shall not be taken into account for the calculation of the quorum and the majority."*	**Article 19 – RELATED-PARTY AGREEMENTS ~~BY AND BETWEEN THE COMPANY AND A DIRECTOR, THE CHIEF EXECUTIVE OFFICER, A DEPUTY CHIEF EXECUTIVE OFFICER, OR A SHAREHOLDER HOLDING MORE THAN 10% OF THE VOTING RIGHTS~~** *"[…]* *In accordance with Article L. 225-40 of the French Commercial Code, **the person directly or indirectly concerned** must inform the Board of Directors immediately upon becoming aware of any agreement to which Article L. 225-38 of the French Commercial Code applies. **This person** may participate in **neither the deliberations nor** the vote on the requested prior approval of the Board of Directors. The Chairman of the Board of Directors shall advise the Statutory Auditors of all agreements authorized and shall submit them to the Ordinary Shareholders' General Meeting for approval. The Statutory Auditors shall present a special report on the agreements to the Ordinary Shareholders' General Meeting, which shall decide on this report. **The person directly or indirectly concerned** may not participate in the vote, and his or her shares shall not be taken into account for the calculation of the majority."*

The other provisions of Article 19 remain unchanged.

Thirty-fourth resolution –
Amendment of Articles 21.3, 23 and 24 of the Company's by-laws due to legislative and regulatory changes relating to the method for calculating the majority required for decisions to be adopted

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Extraordinary Shareholders' General Meetings, having considered the Board of Directors' report, **resolves** to amend Articles 21.3, 23 and 24 of the Company's by-laws as follows, in order to take into account the new wording of Articles L. 225-96 and L. 225-98 of the French Commercial Code regarding the method for calculating the majority required for decisions to be adopted by the shareholders of a joint-stock corporation (*société anonyme*):

Previous wording	New wording
Article 21 – MEETINGS *"[…]* *3 – […]* *The Board of Directors may decide that the vote cast during the Shareholders' General Meeting may be cast by remote transmission or by videoconference under the conditions established by the applicable regulations. This possibility must be stated in the notice.* *[…]"*	**Article 21 – MEETINGS** *"[…]* *3 – […]* *The Board of Directors may decide that the votes cast during the Shareholders' General Meeting may be cast by remote transmission or via videoconferencing, under the conditions set by the regulations,* ***it being stipulated that the shareholders who participate in the Meeting by these means shall be deemed to be present for the calculation of the quorum and the majority****.* *This possibility must be stated in the notice.* *[…]"*

The other provisions of Article 21 remain unchanged.

Previous wording	New wording
Article 23 – ORDINARY GENERAL MEETING *"[…]* *It shall issue decisions by a majority of the votes held by the shareholders that are present or represented or who vote by post."*	**Article 23 – ORDINARY GENERAL MEETING** *"[…]* *It shall issue decisions by a majority of the votes* ***cast by*** *the shareholders that are present or represented.* ***The votes cast do not include those attached to the shares for which the shareholder did not vote, abstained from voting or returned a blank or invalid vote."***

The other provisions of Article 23 remain unchanged.

Previous wording	New wording
Article 24 – EXTRAORDINARY GENERAL MEETING *"[…]* *Decisions of the Extraordinary Shareholders' General Meeting shall be adopted by a majority of two thirds of the votes held by the shareholders who are present or represented, or voting by post, by remote transmission or videoconference, unless otherwise provided by law."*	**Article 24 – EXTRAORDINARY GENERAL MEETING** *"[…]* *Decisions of the Extraordinary Shareholders' General Meeting shall be adopted by a majority of two thirds of the votes* ***cast by*** *the shareholders that are present or represented.* ***The votes cast do not include those attached to the shares for which the shareholder did not vote, abstained from voting or returned a blank or invalid vote."***

The other provisions of Article 24 remain unchanged.

RESOLUTION NO. 35:
POWERS

The 35th resolution aims to grant all powers to bearers of an original, copy or extract of the minutes of the Shareholders' General Meeting so as to comply with all procedures required by the law and/or regulations in force.

Thirty-fifth resolution –
Powers for formalities

The Shareholders' General Meeting grants all powers to the bearer of an original, copy or excerpt of the minutes of this Shareholders' General Meeting for the purpose of carrying out any and all filing and other formalities as and when required.

8.2.4 Summary table of delegations and authorizations requested at the Shareholders' General Meeting of July 28, 2021

Reason for the resolution Resolution number	Ceilings	Percentage of the share capital Indicative stock market price****	Duration of the authorization (expiry date)
1. RESOLUTIONS WITHIN THE COMPETENCE OF THE ORDINARY SHAREHOLDERS' GENERAL MEETING			
Company's share buyback program *Resolution no. 16*	5% of the share capital Maximum €220 per share	5% of the share capital*** 1,668,261 shares** Overall maximum amount allocated to the program: €367,017,420	Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2022, and at the latest within 18 months
2. RESOLUTIONS WITHIN THE COMPETENCE OF THE EXTRAORDINARY SHAREHOLDERS' GENERAL MEETING			
2.1 Resolutions that may be deducted from the overall ceilings of €32.5 million in nominal share capital (1) and €395 million in nominal debt securities (2)			
Capital increase, all securities included, with PSR *Resolution no. 17*	In share capital* = €32.5 million In debt securities** = €395 million	~48.70% of the share capital** 16,248,863 shares** ~€2,843,550,000 of stock market value****	26 months (09/27/2023)
Capital increase by capitalizing premiums, reserves, profits, or any other funds that may be capitalized *Resolution no. 24*	Up to the limit (i) of the total reserves, premiums, or profits, and (ii) of €32.5 million (in carrying amount)	~48.70% of the share capital** 16,248,863 shares (to be issued at par without share issue premium)	26 months (09/27/2023)
Capital increase by issue of shares or securities giving access to the capital reserved for members of company savings plans, without PSR *Resolution no. 26*	In capital* = €700,000 and within the limit of 350,000 shares	~1.05% of the share capital** ~€61,310,000 of stock market value***	26 months (09/27/2023)
2.2 Resolutions that may be simultaneously deducted from the overall sub-ceiling of €6.5 million in nominal share capital (3), and the overall ceilings of €32.5 million in share capital (1) and €395 million in debt securities (2)			
Capital increase, all securities included, without PSR – offers to the public *Resolution no. 18*	In share capital* = €6.5 million In debt securities** = €395 million	~9.74% of the share capital** 3,249,772 shares** ~€568,710,000 of stock market value****	26 months (09/27/2023)
Capital increase, all securities included, without PSR – offers referred to in Article L. 411-2, I° of the French Monetary and Financial Code *Resolution no. 19*	In share capital* = €6.5 million In debt securities** = €395 million	~9.74% of the share capital** 3,249,772 shares** ~€568,710,000 of stock market value****	26 months (09/27/2023)
Capital increase, all securities included, without PSR – reserved for categories of persons meeting specific criteria *Resolution no. 20*	In share capital* = €6.5 million In debt securities** = €395 million	~9.74% of the share capital** 3,249,772 shares** ~€568,710,000 of stock market value****	18 months (01/27/2023)
Capital increase as consideration for contributions in kind consisting of shares or securities giving access to the capital *Resolution no. 23*	In share capital* = €6.5 million (and within the limit of 10% of the share capital) In debt securities** = €395 million	~9.74% of the share capital** 3,249,772 shares** ~€568,710,000 of stock market value****	26 months (09/27/2023)
Capital increase as consideration for contributions of shares as part of a public exchange offer initiated by our Company *Resolution no. 25*	In share capital* = €6.5 million In debt securities** = €395 million	~9.74% of the share capital** 3,249,772 shares** ~€568,710,000 of stock market value****	26 months (09/27/2023)

Reason for the resolution Resolution number	Ceilings	Percentage of the share capital Indicative stock market price****	Duration of the authorization (expiry date)
2.3 Resolutions covered by the ceilings determined by reference to those set by the resolutions used for the initial issues			
Increase in the number of securities to be issued with or without PSR in case of excess demand (Greenshoe) *Resolution no. 21*	Within the limit: (i) of 15% of the initial issue; and (ii) of the ceiling(s) specified in the resolution used for the initial issue	-	26 months (09/27/2023)
Capital increase, all securities included, without PSR – derogation rules for setting the issue price (unrestricted price) *Resolution no. 22*	Within the limit: (i) of 10% of the share capital per period of 12 months; and (ii) of the ceiling(s) specified in the resolution used for the initial issue	-	26 months (09/27/2023)
2.4 Resolutions subject to independent ceilings			
Allocation of free shares to employees and corporate officers without preferential subscription rights *Resolution no. 27*	5% of the share capital as determined on the date of the Board of Directors' allocation decision The shares allocated to corporate officers may not exceed 20% of the total allocation	1,668,261 shares** ~€291,945,000 of stock market value****	38 months (09/27/2024)
Cancellation of shares acquired pursuant to the authorizations to buy back the Company's treasury shares *Resolution no. 28*	10% of the share capital over a period of 24 months	N/A	12 months (Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2022)

(1) *Overall ceiling of €32.5 million in nominal value, applicable to all capital increase transactions that may result from the implementation of the 17th to 26th resolutions of the Shareholders' General Meeting of July 28, 2021. To this ceiling of €32.5 million is added the nominal amount of any capital increases that may be carried out via the issue of additional ordinary shares in order to preserve the rights of holders of securities giving access to our Company's share capital.*

(2) *Overall ceiling of €395 million in nominal value, applicable to all issues of shares described in note (**) below that may result from the implementation of the 17th to 26th resolutions of the Shareholders' General Meeting of July 28, 2021 (with the exception of the 24th resolution). This limit shall be increased, if applicable, by any redemption premium in excess of the par value.*

(3) *Overall sub-ceiling of €6.5 million in nominal value, applicable to all capital increase transactions without preferential subscription rights that may result from the implementation of the 18th to 25th resolutions of the Shareholders' General Meeting of July 28, 2021 (with the exception of the 24th resolution). To this sub-ceiling of €6.5 million is added the nominal amount of any capital increases that may be carried out via the issue of additional ordinary shares in order to preserve the rights of holders of securities giving access to our Company's share capital. This overall sub-ceiling of €6 million is charged against the overall ceiling of €32.5 million described in note (1) above.*

* *Shares.*

** *Debt securities or similar securities giving access, immediately or in the future, to the Company's capital.*

*** *Based on our share capital on June 10, 2021, amounting to €66,730,446.00.*

**** *Indicative stock market price excluding any discount applied to the share price, and based on the stock market closing price of our ordinary shares amounting to €175.00 at market close on June 9, 2021.*

8.3 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.

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 March 31, 2021, 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

We hereby inform you that we have not been notified of any agreements authorized and concluded during the year ended March 31, 2021 to be submitted to the Annual General Meeting for approval in accordance with Article L. 225-38 of the French Commercial Code (*Code de commerce*).

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 March 31, 2021.

With the *Commissariat à l'énergie atomique et aux énergies alternatives* (CEA – French Alternative Energies and Atomic Energy Commission), which controls one of your Company's shareholders possessing more than 10% of the voting rights (CEA Investissement)

a) Nature and purpose

On July 27, 2018, upon authorization by the Board of Directors dated December 14, 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 January 1, 2018 for a duration of five years, i.e., until December 31, 2022.

Conditions

In respect of the agreement, the CEA invoiced your Company for the amount of EUR 3,733,000 during the 2020-2021 financial year.

b) Nature and purpose

On July 27, 2018, upon authorization by the Board of Directors dated December 14, 2017, your Company signed an agreement with the CEA on patent licensing and the provision of know-how for the manufacture and sale of substrates. Its purpose is to set the conditions for the utilisation of patents and knowledge. It was entered into with retroactive effect as of January 1, 2017 and will expire no later than December 31, 2027 or on the date of expiry of the last patent or last element of knowledge that is the subject of this agreement.

Conditions

In respect of the agreement, the CEA invoiced your Company for the amount of EUR 10,697,662.03 during the 2020-2021 financial year.

With Shanghai Simgui CO. Ltd (Simgui)

Persons concerned

Mr Nabeel Gareeb and Mr Weidong (Leo) Ren, Board Members.

a) Nature and purpose

On December 27, 2018, upon authorization by the Board of Directors dated November 28, 2018, your Company signed an amended and restated license and technology transfer agreement with Simgui. Its purpose is to allow Simgui, in connection with an increase in production capacity for 200 mm SOI panels, to manufacture these products in China and sell them exclusively to your Company for the global market, using Soitec's Smart Cut™ technology. It was entered into with retroactive effect as of January 1, 2019 for a duration of six years, i.e., until December 26, 2024.

Conditions

Your Company was not invoiced by Simgui in respect of this agreement during the 2020-2021 financial year.

b) Nature and purpose

On December 27, 2018, upon authorization by the Board of Directors dated November 28, 2018, your company signed an amended and restated SOI supply agreement with Simgui. Its purpose is the supply of SOI panels manufactured by Simgui to Soitec in accordance with the terms and conditions of the license and technology transfer agreement referred to hereabove. It was concluded with retroactive effect as of January 1, 2019, for a duration of six years, i.e., until December 31, 2024.

Conditions

In respect of the agreement, Simgui invoiced your Company for the amount of USD 51,845,684 during the 2020-2021 financial year.

c) Nature and purpose

On December 27, 2018, upon authorization by the Board of Directors dated November 28, 2018, your Company signed an amended and restated bulk supply agreement with Simgui. Its purpose is the supply by your Company to Simgui of raw materials for the manufacture of SOI panels under the terms of the license and technology transfer agreement referred to hereabove. It was entered into with retroactive effect as of January 1, 2019 for a duration of six years, i.e., until December 31, 2024.

Conditions

In respect of the agreement, your Company invoiced Simgui for the amount of USD 23,174,751.50 during the 2020-2021 financial year.

With Bpifrance Participations, CEA Investissement and National Silicon Industry Group/NSIG Sunrise S.A.R.L, shareholders of your Company

The performance of the shareholders' agreement concluded on March 7, 2016 between Soitec and its three reference shareholders, namely Bpifrance Participations, CEA Investissement and National Silicon Industry Group/NSIG Sunrise S.à.r.l., previously authorized by the Board of Directors on March 3, 2016, continued throughout the entire financial year.

It should be noted that the renewal of this shareholders' agreement, which mainly concerns the governance of your Company, is justified insofar as each of the three reference shareholders retained its holding in the Company's share capital throughout the financial year ended March 31, 2021. It should also be noted that following the crossing down of the threshold of 10% of the share capital of our company by CEA Investissement, the latter only has one representative on the Board of Directors.

Paris-La Défense and Lyon, July 1, 2021

The Statutory Auditors
French original signed by

KPMG SA		Ernst & Young Audit
Jacques Pierre	Stéphane Devin	Nicolas Sabran

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8.4 Conditions for holding, convening and admission to our Shareholders' General Meetings

8.4.1 Procedures for shareholder participation in the Shareholders' General Meeting of July 28, 2021

On June 9, 2021, the Board of Directors decided to convene the shareholders of the Company to a Shareholders' General Meeting to be held on July 28, 2021 at Centre de Conférences Capital 8, 32 rue Monceau, 75008 Paris, France.

Shareholders are notified of these meeting procedures and the voting procedures through the convening notice that will be published in accordance with the regulatory deadlines.

8.4.2 Convening and holding of our Shareholders' General Meetings

Articles 21 to 25 of our Company's by-laws govern our Shareholders' General Meetings.

Shareholders' General Meetings are convened by the Board of Directors, in accordance with statutory procedures.

The meetings shall be held either at the registered office or at any other place specified in the notice.

Our Shareholders' General Meetings are presided over by the Chairman of the Board of Directors or, in his absence, by a member of our Board of Directors specially delegated for this purpose by the Board. Failing this, the Shareholders' General Meeting elects its chairperson.

The role of scrutineers is performed by the two members of the Shareholders' General Meeting who have the highest number of votes and who are present and agree to act in this capacity. The meeting officers appoint a secretary, who may be chosen from outside the body of shareholders.

An attendance sheet is held under the conditions provided by the law.

Copies or extracts of the minutes of the Shareholders' General Meeting are validly certified by the Chairman of the Board, by a director performing the duties of CEO or by the secretary of the Meeting.

Our agent in charge of holding our shares and organizing our Shareholders' General Meetings is: CACEIS CORPORATE TRUST (hereinafter "CACEIS").

8.4.3 Documents made available to our shareholders

In accordance with legal and regulatory provisions, all of the documents that must be provided in relation to our Shareholders' General Meetings are made available to our shareholders at the registered office.

Pursuant to Article R. 225-88 of the French Commercial Code, our shareholders may also obtain, on request and no later than five days prior to the date of the Shareholders' General Meeting, the documents referred to in Articles R. 225-81 and R. 225-83 of the French Commercial Code, as well as the postal or proxy voting document.

Requests may be made by mail, sent to our registered office and addressed to the Legal Department, by email to the address created especially for our Shareholders' General Meetings (shareholders-gm@soitec.com), or by mail sent to CACEIS.

The information and documents referred to in Article R. 22-10-23 of the French Commercial Code are made available to our shareholders on our website (www.soitec.com), under "Company – Investors – Shareholders' information – Annual General Meeting", within the legal timeframe of at least 21 days prior to the Meeting.

8.4.4 Written questions

In accordance with Article R. 225-84 of the French Commercial Code, every shareholder has the right to submit written questions until the fourth business day preceding the date of the Shareholders' General Meeting.

The questions must be sent by registered letter with acknowledgment of receipt, sent to our registered office and addressed to the Legal Department, or by email to the address created especially for our Shareholders' General Meetings (shareholders-gm@soitec.com).

To be considered, questions must be accompanied by a share registration certificate.

A general answer may be given to the questions if they cover the same content.

An answer to a written question shall be deemed to have been provided as soon as it is published on our website (www.soitec.com), under "Company – Investors – Shareholders' information – Annual General Meeting".

8.4.5 Prior formalities to be carried out in order to participate and vote in our Shareholders' General Meetings

Each shareholder, regardless of the number of shares held, has the right to participate in our Shareholders' General Meetings under the applicable legal and regulatory conditions:

- either by attending them personally;
- by appointing someone to represent them;
- by postal vote; or
- by granting proxy to the Chairman of the Shareholders' General Meeting.

In accordance with the provisions of Article R. 22-10-28 of the French Commercial Code, the automatic right to participate in Shareholders' General Meeting is evidenced by the registration of the shares in the name of the shareholder or intermediary registered on their behalf (pursuant to the seventh paragraph of Article L. 228-1 of the French Commercial Code), on the second business day preceding the meeting at midnight, Paris time, (i) either in the registered share accounts held by CACEIS, (ii) or in the bearer share accounts held by an intermediary referred to in Article L. 211-3 of the French Monetary and Financial Code.

- for registered shareholders: this registration, on the second business day prior to the meeting at midnight, Paris time, in the registered share accounts, suffices to enable them to take part in Shareholders' General Meetings;
- for bearer shareholders: pursuant to Article R. 22-10-28 of the French Commercial Code, the registration of shares in bearer share accounts held by authorized intermediaries is evidenced by a share ownership certificate issued by such intermediaries, which must be attached to: (i) the absentee voting form, or (ii) the voting proxy, or (iii) the admission card application; drawn up in the shareholder's name or on behalf of the shareholder represented by the registered intermediary. A certificate is also issued to bearer shareholders wishing to attend our Shareholders' General Meetings in person, but who have not yet received their admission card two business days prior to the Shareholders' General Meeting at midnight, Paris time.

8.4.6 Procedures for participation in our Shareholders' General Meetings

Shareholders wishing to attend Shareholders' General Meetings in person may request an admission card as follows:

- for registered shareholders: each registered shareholder automatically receives a voting form, attached to the notice of meeting, which must be completed by stating whether they wish to attend the Shareholders' General Meeting and obtain an admission card, and then returned signed, using the prepaid return envelope provided with the notice of meeting. Each registered shareholder may also decide to attend the Shareholders' General Meeting on the day of the meeting by heading directly to the desk set up specifically for this purpose, carrying an identity document;
- for bearer shareholders: each bearer shareholder must request that an admission card be sent to them by the authorized intermediary that manages their share account.

Shareholders not attending Shareholders' General Meetings in person may choose between one of the following three attendance methods:

- postal vote;
- grant proxy to the Chairman of the Shareholders' General Meeting;
- grant proxy to one of our other shareholders, to their spouse or civil partner, or any other individual or legal entity of their choosing, pursuant to Article L. 225-106 of the French Commercial Code.

To exercise one of these three methods, shareholders must complete the following steps:

- for registered shareholders: each registered shareholder must return the postal or proxy voting form, sent to them together with the notice of meeting, using the enclosed prepaid return envelope;
- for bearer shareholders: each bearer shareholder must request the postal or proxy voting form from the authorized intermediary who manages their share account, or from our Company (by mail sent to our registered office and addressed to the Legal Department, or by email to the address created especially for our Shareholders' General Meetings: shareholders-gm@soitec.com). In accordance with Article R. 225-75 of the French Commercial Code, this request must be received no later than six days prior to the date of the Shareholders' General Meeting. The postal or proxy voting form must be sent with a share ownership certificate issued by the financial intermediary. It must be duly completed and signed by the shareholder, then returned by the financial intermediary to CACEIS.

Under no circumstances may the shareholder return both the proxy form and postal voting form. However, if the case arises, the proxy form will be taken into consideration, subject to the votes cast in the postal voting form, in accordance with paragraph 8 of Article R. 225-81 of the French Commercial Code.

To be taken into account, CACEIS must receive the postal voting form no later than four business days prior to the date of the Shareholders' General Meeting.

CACEIS must receive all written appointments or revocations of proxies four calendar days prior to the date of the Shareholders' General Meeting.

The proxy granted for a Shareholders' General Meeting shall apply to any subsequent Shareholders' General Meetings convened with the same agenda, and may be revoked in the same manner as that required for the appointment of the proxy.

Pursuant to Article R. 225-79 of the French Commercial Code, the appointment and revocation of a proxy may also be notified by electronic means, in accordance with the following procedures:

- for pure registered shareholders: shareholders must send an email, including an electronic signature obtained from a third party certifier authorized under applicable legal and regulatory conditions, to the email address created especially for our Shareholders' General Meetings (shareholders-gm@soitec.com). This email must contain the following information: Soitec Shareholders' General Meeting, date of the meeting, first and last name, address and CACEIS details, as well as the first and last name and address of the appointed or revoked proxy. The shareholder must confirm their request in writing to CACEIS;
- for administered registered or bearer shareholders: shareholders must send an email, including an electronic signature obtained from a certifier authorized under applicable statutory and regulatory conditions, to the email address created specifically for our Shareholders' General Meetings (shareholders-gm@soitec.com). This email must contain the following information: Soitec Shareholders' General Meeting, date of the meeting, first and last name, address and bank details, as well as the first and last name and address of the appointed or revoked proxy. The shareholder must ask their financial intermediary who manages their share account to send written confirmation to CACEIS.

To ensure that proxy appointments or revocations issued via email are validly taken into account, CACEIS must receive confirmations no later than the day before the Shareholders' General Meeting at 3.00 p.m., Paris time.

8.4.7 Additional information

Shareholders may sell some or all of their shares at any time. However, if the sale takes place before the second business day preceding the Shareholders' General Meeting at midnight, Paris time, the Company shall invalidate or amend accordingly, as required, the postal vote, the proxy, the admission card or the share ownership certificate. To this end, the authorized account holder intermediary notifies us or CACEIS of the sale, and forwards the necessary information.

Pursuant to Article R. 22-10-28 of the French Commercial Code, no transfer of ownership carried out after the second business day preceding the Shareholders' General Meeting at midnight, Paris time, regardless of the method, will be notified by the authorized intermediary or taken into consideration, notwithstanding any agreement to the contrary.

Please note that for any proxy granted by one of our shareholders without stating the proxy holder, the Chairman of the Shareholders' General Meeting shall vote in favor of adopting the draft resolutions presented or approved by our Board of Directors, and vote against adopting any other draft resolutions. To cast any other vote, the shareholder must select a proxy who agrees to vote in the manner specified by the shareholder.

No electronic vote (by videoconference or any other means of telecommunication) and no remote transmission will be set up for this Shareholders' General Meeting. As a consequence, no website as mentioned in Article R. 225-61 of the French Commercial Code will be set up to this effect.

9

Additional information

9.1 Legal information

9.1.1 General information

Type of information	Soitec
Company name	Soitec
Trading name	Soitec
Grenoble Trade and Companies Register	SIREN: 384 711 909 SIRET: 384 711 909 00034 APE: 2611Z
Legal entity identifier	LEI: 969500ZR92SQCU9TST26
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.
Fiscal year	April 1 through March 31
Registered office	Parc Technologique des Fontaines, Chemin des Franques, 38190 Bernin, France Tel.: +33 (0)4 76 92 75 00
Legal form	Joint-stock corporation (*société anonyme*) with a Board of Directors
Governing law	French law – legal provisions applicable to joint-stock corporations
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.

9.1.2 By-laws

Title I – Legal form – Name – Purpose – Registered office – Term

Article 1 – Legal form – Name – Term – Fiscal year

The Company called Soitec is a French joint-stock corporation with a Board of Directors (French *société anonyme à conseil d'administration*) governed by the existing and future legal and regulatory provisions which apply to companies whose shares are admitted to trading on a regulated market, as well as these by-laws.

The term of the Company is set at 80 years, except in the event of early dissolution or if the term is extended. Its trade name is "SOITEC" or "Soitec".

The Company's fiscal year shall begin on April 1 and end on March 31.

Article 2 – Purpose

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.

Article 3 – Registered office

The registered office of the Company is located in France at Bernin (38190), Parc Technologique des Fontaines, Chemin des Franques.

It may be transferred to any location in the same French county (*département*) or a neighboring county (*département*), by simple decision of the Board of Directors, subject to ratification of this decision by the next Ordinary General Meeting of shareholders and anywhere else pursuant to a decision of the Extraordinary General Meeting of shareholders; subject to the legal provisions in force.

The Board of Directors is entitled to create agencies, factories or branch offices wherever it deems useful.

Title II – Capital – Shares

Article 4 – Share capital

The share capital is set at sixty-six million seven hundred thirty thousand and four hundred forty-six euros (€66,730,446.00). It is divided into:

(i) thirty-three million one hundred eighty thousand nine hundred twenty-one (33,180,921) ordinary shares with a nominal value of two euros (€2.00) each, fully subscribed and paid up,

(ii) one hundred eighty-four thousand three hundred and two (184,302) class 2 preferred shares with a nominal value of two euros (€2.00) each, fully subscribed and paid up.

Article 5 – Changes to the share capital

1 – Only the Extraordinary Shareholders' General Meeting shall be competent to decide or to authorize a capital increase based on the report of the Board of Directors.

If the capital increase is performed through the incorporation of reserves, profits or issue premiums, the Shareholders' General Meeting shall rule under the *quorum* and majority conditions established by the Ordinary Shareholders' General Meetings.

The capital must be fully paid prior to any issuance of new shares to be paid in cash, otherwise the transaction shall be invalid.

The value of the contributions in kind must be assessed by one or several contribution appraisers; at the request of the President of the French Commercial Court.

The Extraordinary Shareholders' General Meeting may delegate the necessary powers to the Board of Directors, which in turn may sub-delegate said powers to the Chairman, to perform the capital increase, in one or several installments, to determine the terms of the procedure, perform its implementation and amend the by-laws accordingly.

2 – The Extraordinary Shareholders' General Meeting may also decide on or authorize a capital decrease for any reason and in any manner whatsoever, in particular due to losses or through the redemption or partial buy-back of shares, the reduction of the number of shares or their nominal value, all within the limits and subject to the conditions provided by law, and the capital decrease may not adversely affect shareholder equality under any circumstances.

The Extraordinary Shareholders' General Meeting may delegate the necessary powers to the Board of Directors, which in turn may sub-delegate said powers to the Chairman, to perform the capital increase and amend the by-laws accordingly.

Article 6 – Payment of shares

At least a quarter of the nominal value of shares subscribed in cash must be paid up upon their subscription and, if applicable, the full issue premium.

The remainder must be paid in one or several installments by decision of the Board of Directors within a period of 5 years from the effective date of the capital increase.

Subscribers shall be informed of calls for funds by registered letter with acknowledgment of receipt sent at least 15 days prior to the date set for each payment. Payments are to be made at the registered office or at any other place indicated for this purpose.

Any delay in the payment of the amounts due for the unpaid amount of the shares shall automatically and without the need for any further formalities, give rise to the payment of interest at the legal rate, from the due date of the payment, without prejudice to any personal action that the Company may bring against the defaulting shareholder and the enforcement measures provided by law.

Article 7 – Form of the shares

Ordinary shares, fully paid up, can be registered or bearer shares, at the option of the shareholder, subject to applicable legal and regulatory provisions. They are recorded in a shareholder's account in accordance with applicable legal and regulatory terms and conditions. Preference shares are registered shares, recorded in an account opened by the Company in the name of the shareholder under the conditions set out by applicable laws and regulations.

In accordance with Article L. 228-2 of the French Commercial Code, the Company has the right to request, at any time, with a view to identifying the holders of bearer bonds, and at its own charge, that the central custodian administering its securities provide it with the name or, in case of a legal entity, the trading name, nationality and address of the holders of securities conferring immediately or in the longer term the right to vote at its own shareholders meetings, as well as the number of shares held by each one of them and, where applicable, restrictions that may affect the securities. The Company may implement the provisions of section II. of Article 228-2 of the French Commercial Code.

Article 8 – Indivisibility of shares

Shares are indivisible with respect to the Company. Joint owners of undivided shares are represented at the Shareholders' General Meetings by one of them or by a joint representative of their choice. If they do not reach an agreement regarding the appointment of a representative, said representative shall be appointed by order of the President of the French Commercial Court ruling in summary proceedings at the request of the most diligent joint owner.

The voting rights attached to the shares belong to the beneficial owner in the Ordinary Shareholders' General Meetings and to the bare owner in the Extraordinary Shareholders' General Meetings. However, the shareholders may agree on any other distribution for the exercise of voting rights at the Shareholders' General Meetings among themselves. In such case, they must bring their agreement to the Company's attention by registered letter addressed to the registered office, with the Company being required to respect said agreement for any Shareholders' General Meeting held following the expiry of a one-month period after the date on which the registered letter was sent, as evidenced by the postmark.

The right of the shareholder to receive corporate documents or to consult said documents may also be exercised by each of the joint owners of undivided shares, by the beneficial owner and by the bare owner of rights.

Article 9 – Sale of shares

Ordinary shares are transferred between accounts according to the terms and conditions as provided by applicable legal and regulatory provisions.

The PS 2 cannot be transferred before the earliest of the three following dates: (i) the Conversion Date, (ii) the Repurchase Date and (iii) July 26, 2029, unless converted early in the case of death or a Complex Major External Growth Transaction or a Substantial Equity Investment.

Article 10 – Rights and obligations attached to shares

10.1 – Provisions applicable to both ordinary and preference shares

Every shareholder has the right to be informed of the Company's business and to receive certain Company documents at certain times and under the conditions set out by law and these by-laws.

Shareholders are only liable for Company losses up to the limit of their contributions.

Subject to statutory provisions and these by-laws, a majority vote cannot compel them to increase their commitments. The rights and obligations attached to a share follow said share into whichever hands it falls.

Share possession implies, as of right, support for the decisions made by the General Meeting and these by-laws

The heirs, creditors, successors or other representatives of a shareholder cannot, under any pretext whatsoever, require Company's assets or documents to be sealed, request that these assets be divided or sold, or interfere with the running of the Company.

To exercise their rights, they must refer to corporate records and resolutions of the General Meeting.

Every time that a certain number of shares is required to exercise any right whatsoever, in case of an exchange, pooling or allotment of shares, or in case of an increase or reduction in share capital, a merger, or any other operation, those shareholders with less than the required number of shares can only exercise their rights if they personally ensure that they have the required number of shares.

10.2 – Rights attached to ordinary shares

Each ordinary share confers the right to the profits and ownership of the corporate assets in proportion to the amount of share capital represented by said share and confers the right to vote and to be represented at General Meetings, according to the conditions set forth by law and in these by-laws.

Assignment shall include all dividends that are due and/or paid and/or to become due, as well as any share in the reserve funds, unless the Company is informed otherwise.

10.3 – Rights attached to PS 2

10.3.1 – General provisions applicable to PS 2

The PS 2 and the rights of their holders are governed by the applicable provisions of the French Commercial Code, in particular, Articles L. 228-11 *et seq*.

The PS 2 grant the holder a voting right identical to that of an ordinary share at General Meetings.

PS 2 bear dividends and the same right to the liquidation payout as ordinary shares, and carry preferential subscription rights in the event of a capital increase or any transaction with preferential subscription rights to new ordinary shares in the Company;

Dividend and liquidation bonus rights attached to the PS 2 and identical to that of ordinary shares shall be extended to the earlier of the following two dates: (i) the Conversion Date or (ii) the Repurchase Date.

10.3.2 – Conversion of PS 2

All PS 2 issued or to be issued at the Conversion Date (as defined below) may be converted into a variable number of ordinary shares in the Company, depending on the achievement of targets based on the EBITDA, Revenue and Total Shareholder Return (**TSR**) criteria as detailed below; the total number of ordinary shares resulting from the PS 2 conversion, provided that the performance targets have been achieved, cannot under any circumstances be higher than a number of ordinary shares calculated as follows (the "**Max OS**"):

Max OS = 3.75% x OS Capital

where:

"**OS Capital**" means all of the ordinary shares that make up the share capital of the Company as of the date of the Shareholders' General Meeting of July 26, 2019, plus the ordinary shares created as a result of (i) free share allocation plans applicable as of the date of the Shareholders' General Meeting of July 26, 2019, (ii) the conversion of the PS 1, and (iii) the conversion of the PS 2, with it being stipulated that this ceiling has been set without taking into account any legal, regulatory, or contractual adjustments necessary for the protection of the rights of beneficiaries of PS 2.

The maximum number of PS 2 that can be issued shall be calculated by the Board of Directors and be equal to the total value of the PS 2 as calculated by an independent appraiser, divided by the unit price per PS 2 (the "**Max PS 2**") and cannot in any case be greater than 600,000, it being stipulated that this cap has been set without taking into account any legal, regulatory, or contractual adjustments necessary for the protection of the rights of beneficiaries of PS 2.

Subject to the early conversions provided for in this article, the date of the PS 2 conversion into new or existing ordinary shares in the Company (the "**Conversion Date**") shall be set by the Board of Directors; the Conversion Date must be no later than the one hundred and eightieth (180th) calendar day following the Shareholders' General Meeting's approval of the Group consolidated financial statements for the fiscal year ending on March 31, 2022.

The Board of Directors is authorized to temporarily suspend conversion rights.

The conversion ratio used to calculate the number of ordinary shares resulting from the conversion of existing PS 2 at the Conversion Date will be determined by the Board of Directors and based on three targets as follows:

i. *Rate of achievement of the EBITDA target*

The rate of achievement of the EBITDA target is determined based on the Group's consolidated EBITDA presented in the consolidated financial statements for the financial year ending March 31, 2022 ("**2022 EBITDA**") as follows,

a. the rate of achievement of the EBITDA target will be zero percent (0%) if 2022 EBITDA is strictly less than two hundred and five million euros (€205,000,000),
b. the rate of achievement of the EBITDA target will be fifty percent (50%) if 2022 EBITDA is strictly equal to two hundred and five million euros (€205,000,000),
c. the rate of achievement of the EBITDA target will be one hundred percent (100%) if 2022 EBITDA is strictly equal to or greater than three hundred and ten million euros (€310,000,000),

it being specified that (a) the rate of achievement of the EBITDA target shall be determined by linear interpolation if 2022 EBITDA falls between the levels indicated above, that (b) the achievement of the targets described in this section (i) shall be determined on the basis of a constant exchange rate set at one euro (€1.00) for one U.S. dollar and thirteen cents (US$1.13), and (c) that in the event of any change in IFRS having an impact (negative or positive) on the achievement of the targets set out in this section (i), the Board of Directors shall take all measures necessary in order to neutralize this impact.

ii. *Rate of achievement of the revenue target*

The rate of achievement of the revenue target is determined based on the Group's consolidated revenues presented in the consolidated financial statements for the year ending March 31, 2022 ("**2022 Revenue**"), it being specified that:

a. the rate of achievement of the revenue target will be zero percent (0%) if 2022 Revenue is strictly less than seven hundred and seventy-one million U.S. dollars (US$771,000,000),
b. the rate of achievement of the revenue target will be fifty percent (50%) if 2022 Revenue is strictly equal to seven hundred and seventy-one million U.S. dollars (US$771,000,000),
c. the rate of achievement of the revenue target will be one hundred percent (100%) if 2022 Revenue is strictly equal to or greater than one billion, one hundred and twenty-nine million U.S. dollars (US$1,129,000,000),

it being specified that (a) the rate of achievement of the revenue target shall be determined by linear interpolation if 2022 Revenue falls between the levels indicated above, that (b) the achievement of the targets described in this section (ii) shall be determined on the basis of a constant exchange rate set at one euro (€1.00) for one U.S. dollar and thirteen cents (US$1.13), and (c) that in the event of any change in IFRS having an impact (negative or positive) on the achievement of the targets set out in this section (ii), the Board of Directors shall take all measures necessary in order to neutralize this impact.

iii. *Rate of achievement of the Company's total shareholder return ("**TSR**") target*

The rate of achievement of the TSR target shall be determined based on the respective performance of the TSR of the Company's ordinary share and the Euro Stoxx 600 Technology index between July 26, 2019 and the publication date of the Group consolidated financial statements for the year ending on March 31, 2022 as follows:

a. the rate of achievement of the TSR target will be zero percent (0%) if the TSR of the Company's share is strictly less than eighty percent (80.00%) of the Euro Stoxx 600 Technology index performance,
b. the rate of achievement of the TSR target will be one hundred percent (100%) if the TSR of the Company's share is strictly greater than or equal to one hundred and twenty percent (120.00%) of the Euro Stoxx 600 Technology index performance,

it being specified that the rate of achievement of the TSR target will be determined via linear interpolation if the TSR of the Company share falls between the levels indicated above.

The TSR of the Company's shares will be determined as follows:

$$\frac{\text{Final Reference Price + Dividends – Initial Reference Price}}{\text{Initial Reference Price}}$$

where:

- the Initial Reference Price is the average of the last twenty (20) closing prices of the Company's ordinary share before the General Meeting of July 26, 2019;
- Dividends are equal to the dividends paid during the period in question,

- the Final Reference Price is the average of the last twenty (20) closing prices of the Company's ordinary share following the publication date of the Group's consolidated financial statements for the year ending March 31, 2022.

If the Euro Stoxx 600 Technology index no longer exists, the Board of Directors may decide or delegate the decision to replace it with any substitute index that, in the Board's opinion, would be suitable for assessing TSR performance;

The conversion ratio, stated as the total number of ordinary shares in the Company resulting from the conversion of all PS 2 issued or to be issued (the "**Conversion Ratio**") shall be calculated using the following formula:

Conversion Ratio = Max OS x Actual PS 2 / Max PS 2 x Achievement Rate

where:

- "**Max OS**" is as defined above,
- "**Max PS 2**" is as defined above,
- "**Actual PS 2**" means the maximum number of PS 2 issued and to be issued as of the Conversion Date;
- "**Rate of Achievement**" means the global rate of achievement of those targets described in (i), (ii) and (iii) above and calculated using the following formula:

Rate of Achievement = 1/3 x (EBITDA Rate + Revenue Rate + TSR Rate)

- "**EBITDA Rate**" is the rate of achievement of the EBITDA calculated in accordance with the detailed methods set out in (i) above, it being stipulated that (x) in the event of the achievement of a theoretical Revenue Rate of between 100% and 110% (calculated on a linear basis), and (y) in the event of the achievement of an EBITDA Rate of between 80% and 100%, the EBITDA Rate shall then be increased by that fraction of the theoretical Revenue Rate percentage falling between 100% and 110% without this resulting in an EBITDA Rate in excess of 100%,
- "**Revenue Rate**" is the rate of achievement of revenues calculated in accordance with the detailed methods set out in (ii) above, it being stipulated that (x) in the event of the achievement of a theoretical EBITDA Rate of between 100% and 110% (calculated on a linear basis), and (y) in the event of the achievement of a Revenue Rate of between 80% and 100%, the Revenue Rate shall then be increased by the fraction of the theoretical EBITDA Rate percentage falling between 100% and 110% without this resulting in a Revenue Rate in excess of 100%,
- **TSR Rate** is the rate of achievement of the TSR target, according to the terms set out in (iii) above.

The number of ordinary shares resulting from the conversion must be determined for each PS 2 holder by applying the Conversion Ratio to the number of PS 2 held by each holder on the Conversion Date over the number of Actual PS 2 on this date.

If the total number of ordinary shares to be received by a PS 2 holder by applying the Conversion Ratio to the number of PS 2 they hold is not a whole number, the holder will receive the immediately lower number of ordinary shares.

All ordinary shares resulting from the conversion of PS 2 will be the same as outstanding ordinary shares at the Conversion Date and will bear dividends with immediate effect.

As an exception in the event of the death of a holder of PS 2 prior to the Date of Conversion, the PS 2 held by the deceased may, at the request of the heir(s) or other beneficiaries of the deceased, and within a maximum of six (6) months following the death, be converted in advance (the "**Date of Early Conversion**") into a number of ordinary shares in the Company calculated by applying the Conversion Ratio set out above to the number of PS 2 held by the deceased on the Date of Early Conversion over the number of Actual PS 2 on the Date of Early Conversion, considering however that:

- the Rate of Achievement is equal to 1; and that
- the number of Actual PS 2 means the maximum number of PS 2 issued or to be issued on the Date of Early Conversion (considering in particular any potential condition regarding continued employment stipulated in the context of any free allocation of PS 2 as being met).

The Company's Board of Directors may, in the event of a Simple External Growth Transaction, a divestment or exceptional capital expenditure (CAPEX) lower or higher than that set out in the business plan, make adjustments to performance objectives as follows:

i. the revenue and EBITDA levels presented in the Group's consolidated financial statements for the fiscal year ending on March 31, 2022 will be restated to neutralize the impact of these operations, and
ii. TSR targets will remain unchanged,

with "**Simple External Growth Transaction**", which shall mean any acquisition transaction not classified as a Complex Major External Growth Transaction,

In the event of a Complex Major External Growth Transaction or Substantial Equity Investment:

a. the Conversion Ratio will be determined on the date of the Complex Major Acquisition or Substantial Investment, mutatis mutandis, it being specified that the Rate of Achievement shall have the meaning set out above, except that:
   - the Revenue Rate and the EBITDA Rate (i) shall be determined based on the last consolidated financial statements available at the date of the Complex Major External Growth Transaction or of the Substantial Equity Investment and (ii) shall be assessed based on the EBITDA and Revenue targets calculated on the date of such financial statements, *prorata temporis* and by linear interpolation between (i) the Group consolidated EBITDA or Revenue level (as the case may be) as presented in the Group's consolidated financial statements for the fiscal year ending on March 31, 2019 and (ii) firstly (x) the 2022 EBITDA and 2022 Revenue targets enabling an EBITDA Rate and Revenue Rate, as applicable, of 50% to be achieved, and secondly (y) the 2022 EBITDA and 2022 Revenue targets enabling an EBITDA Rate and Revenue Rate of 100%, as applicable, to be achieved,
   - the TSR Rate (i) will be assessed on the date of the Complex Major External Growth Transaction or of the Substantial Equity Investment, as the case may be, and (ii) by taking as the Final Reference Price, as applicable, either the exchange ratio approved for a Complex Major External Growth Transaction, or the price offered by the third party as part of a Substantial Equity Investment,
   - the number of Actual PS 2 means the maximum number of PS 2 issued or to be issued on the Conversion Date defined in paragraph b) below (considering any potential condition regarding continued employment stipulated in the context of any free allocation of PS 2 to be fulfilled).

   with:

   – "**Complex Major External Growth Transaction**" which means any acquisition completed via merger by absorption,

   – "**Substantial Equity Investments**" means any public takeover or exchange bid launched with regard to the Company's shares, further (i) to the transfer by one or several Strategic Investor(s) of their ordinary shares in the Company to the initiator of the bid or to whom this Strategic Investor(s) may have contributed their ordinary shares in the Company or (ii) to the acquisition of an equity interest resulting in the initiator of the bid crossing the threshold of 30% of the share capital or voting rights of the Company,

   – "**Strategic Investor**" refers to Bpifrance Participations, CEA Investissement and NSIG Sunrise S.à.r.l taken individually.

b. as an exception, the PS 2 may be converted as follows:
   - if the date of the Complex Major External Growth Transaction or of the Substantial Equity Investment falls prior to the date of the Shareholders' General Meeting called to approve the Group's consolidated financial statements for the fiscal year ending on March 31, 2021, then (i) seventy-five percent (75%) of the PS 2 issued or to be issued shall be converted into ordinary shares within six (6) months following the date of the Shareholders' General Meeting approving the Group's consolidated financial statements for the fiscal year ending on March 31, 2021, and (ii) the remaining twenty-five percent (25%) shall be converted on the Conversion Date,

- if the date of the Complex Major External Growth Transaction or of the Substantial Equity Investment falls between the date of the Shareholders' General Meeting called to approve the Group's consolidated financial statements for the fiscal year ending on March 31, 2021 and the date of the Shareholders' General Meeting approving the Group's consolidated financial statements for the fiscal year ending March 31, 2022, then (i) seventy-five percent (75%) of the PS 2 issued or to be issued shall be converted into ordinary shares within two (2) months following the date of completion of the Complex Major External Growth Transaction or of the Substantial Equity Investment, as applicable, and (ii) the remaining twenty-five percent (25%) shall be converted on the Conversion Date.

Where applicable, the Board of Directors may make adjustments to the ratio for converting the PS 2 into ordinary shares in order to protect the rights of beneficiaries, depending on potential transactions on the Company's share capital, specifically in the case of a change of the par value of ordinary shares, a capital increase by capitalization of reserves through an increase in the number of ordinary shares, the capitalization of reserves, earnings, premiums or other amounts allowed to be capitalized by increasing the par value of the ordinary shares, the granting of bonus (free) shares to all shareholders, the issuance of new shares or securities giving access to the Company's share capital with preferential subscription rights reserved for shareholders, a stock split or reverse stock split, the distribution of reserves, issue premiums or any other assets, share capital redemption, changes to the appropriation of earnings, share capital reduction due to losses via a reduction in the number of ordinary shares, or any other operation impacting shareholders' equity (including by way of a takeover bid and/or in the event of a change of control).

The PS 2 outstanding at the Conversion Date may be converted to new or existing ordinary shares held under the share repurchase program, and notes that the conversion of PS 2 to new ordinary shares entails the waiver by shareholders of their preferential subscription rights to new ordinary shares resulting from the conversion. In any event, the conversion of PS 2 into ordinary shares cannot take place between the mandatory publication in the so-called *Bulletin Officiel des Annonces Légales Obligatoires* (French official legal gazette) of prior notice of any general meeting, and the holding of this meeting. If this is the case, the Conversion Date would be postponed until after the Shareholders' General Meeting.

10.3.3 – PS 2 repurchase

In the event that the performance targets are not achieved and the number of ordinary shares to which the conversion of the PS 2 would give right, by applying the Conversion Ratio, equals zero, the PS 2 may be purchased by the Company at its initiative no later than the one hundred and eightieth (180th) calendar day following the publication date of the Group's consolidated financial statements for the fiscal year ending on March 31, 2022 (the "**Repurchase Date**"), at their par value, in accordance with the provisions of Article L. 228-12 III of the French Commercial Code.

The PS 2 thus repurchased would be canceled and the share capital would be proportionally reduced, pursuant to Articles L. 225-205 and 228-12-1 of the French Commercial Code, within sixty (60) calendar days as from the Repurchase Date.

The Board of Directors must take note, where applicable, of the number of PS 2 repurchased and canceled by the Company, and shall make the necessary changes to the bylaws relating to the share capital amount and the number of shares comprising the share capital.

Article 11 – Crossing of thresholds

Any Shareholder, acting alone or in concert, without prejudice to the thresholds referred to in Article L. 233-7, paragraph 1 of the French Commercial Code, holding directly or indirectly at least 3% of the capital or voting rights of the Company is required to inform the Company, by registered letter with acknowledgment of receipt addressed to the registered office, within a period of 15 days from the crossing of the ownership threshold.

Said declaration must also be made when the stake in the share capital falls below the abovementioned threshold.

Furthermore, it must also state the number of shares already issued or the voting rights that it may acquire or dispose of by virtue of an agreement or financial instrument as provided at point b) of the third paragraph of Article L. 233-7 of the French Commercial Code.

Non-compliance with the declarations of the crossing of thresholds, both legal and statutory, 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.

Title III – Management and control of the Company

Article 12 – Board of Directors

1 – Composition

The Company is administered by a Board of Directors having at least three members and no more than eighteen, subject to the statutory derogation provided for in the event of a merger.

The directors shall be appointed or renewed in their positions by the Ordinary Shareholders' General Meeting, which may revoke them at any time.

However, in the event of a merger or demerger, the directors may be appointed by the Extraordinary Shareholders' General Meeting.

The directors may be natural or legal persons. Directors who are natural persons are required to designate a permanent representative upon their appointment that is subject to the same conditions and obligations and who incurs the same civil and criminal liabilities as if he or she were a director acting on his or her own behalf, without prejudice to the joint and several liability of the person that he or she represents.

Whenever the natural person terminates the appointment of his or her representative, he or she must notify the Company of said termination, without delay, by registered letter, and must appoint a new permanent representative under the same conditions. The same applies in the event of the death or the resignation of the permanent representative.

An individual cannot simultaneously hold more than five mandates as director or member of a supervisory board of a joint-stock corporation with registered head offices in France, except subject to the reservations, limits and conditions set by laws and regulations.

Any director who is a natural person and acquires a new position in violation of the provisions previous paragraph must resign from one of his or her positions within three months following his or her appointment. Otherwise, he or she shall be considered to have resigned from his or her new position.

An employee of the Company may only be appointed director if his or her employment contract precedes his or her appointment and corresponds to actual employment. The number of directors bound to the Company by an employment contract may not exceed one-third of the directors in office.

2 – Age Limit – Term of office

No one may be appointed director if they are over the age of 70 and their appointment would increase the number of directors above this age to more than one-third of the members of the Board of Directors. The number of directors over the age of 70 may not exceed one-third of the members of the Board of Directors. If said limit is reached, the oldest director shall be automatically deemed to have resigned.

The term of office of directors shall be three years. The terms of office of the directors sitting on the Board on the date of the Shareholders' General Meeting of July 25, 2016 are reduced to three years.

The term of office of directors shall expire at the end of the Shareholders' General Meeting that is called to vote on the financial statements of the past fiscal year and held in the civil year during which their term of office expires. The directors may always be re-elected.

3 – Vacancies – Co-optation

The Board of Directors may make appointments on a provisional basis in the cases and under the conditions provided for by law.

4 – Non-voting Board member (*censeur*)

The Shareholders' General Meeting may appoint a non-voting member to the Board of Directors. This appointment as non-voting Board member is always renewable and shall last two (2) years. If the position as non-voting member becomes vacant during the time interval between two Shareholders' General Meetings, the Board of Directors may temporarily appoint a replacement. His or her appointment is subject to ratification by the next Ordinary Shareholders' General Meeting. The non-voting Board member appointed to replace the non-voting Board member whose appointment has not expired, shall only remain in office for the remaining period of the term of his or her predecessor. The age limit to perform the duties of non-voting Board member is established at 70 years old. Any non-voting Board member having reached this age limit shall be considered to have resigned at the next Ordinary Shareholders' General Meeting. The non-voting Board member is invited to attend the meetings of the Board of Directors and shall take part in the deliberations in an advisory capacity. He or she shall receive directors' fees under the same conditions as the directors if the Board of Directors so decides.

5 – Directors representing the employees

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 (2) directors representing the employees in addition to those directors whose number and method of appointment are determined in paragraph 1 of this article.

The number of such directors representing the employees may be reduced to one (1) if the number of directors elected by the Shareholders' General Meeting (excluding directors representing the employees) is equal to or fewer than eight (8). The directors representing the employees are not taken into consideration when determining the minimum and maximum number of directors pursuant to paragraph 1 of this article.

The directors representing the employees have voting rights. 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. However, having operational duties within our Group, they are not eligible for a specific remuneration as directors of the Board.

When a single director is to be appointed, the appointment is made by the Group's Economic and Social Committee or, failing that, the Company's Economic and Social Committee.

The Chairman of the relevant Economic and Social Committee shall agree with its Secretary to put on the agenda of a meeting occurring no later than six (6) months following the modification of the bylaws, or when the terms of office of the director representing the employees come to an end the appointment of the director representing the employees, fulfilling the conditions required by law and in particular those defined in the first paragraph of Article L. 225-28 and by Article L. 225-30 of the French Commercial Code.

When two 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.

Within six (6) months following the modification of the bylaws, or when the terms of office of the director(s) representing the employees come to an end, the relevant labor union organization(s) shall be invited by hand-delivered letter for which a receipt is given or via registered letter with acknowledgment of receipt to appoint a director representing the employees, fulfilling the conditions required by law and in particular those defined in the first paragraph of Article L. 225-28 and by Article L. 225-30 of the French Commercial Code.

Within a maximum of fifteen (15) days, the trade union organization must send the Chairman of the Board of Directors the name and job title of the director representing the employees thereby appointed, via registered letter with acknowledgment of receipt.

The term of their office is three (3) years. On the expiry of said office, the renewal of the term of office of the director(s) representing the employees shall be subject to the continued fulfillment of the conditions of application set out in Article L. 225-27-1 of the French Commercial Code.

The duties of the director appointed in application of Article L. 225-27-1 of the French Commercial Code are terminated at the end of the Shareholders' Ordinary General Meeting having approved the financial statements for the past fiscal year, and held during the year in which the term of office expires.

The termination of an employment contract terminates the term of office of the director appointed in application of Article L. 225-27-1 of the French Commercial Code.

The directors appointed in application of Article L. 225-27-1 of the French Commercial Code may be dismissed for breach in the performance of their duties, under the conditions described in Article L. 225-32 of the French Commercial Code.

If the position of director representing the employees filled in accordance with this article becomes vacant as a result of death, resignation, dismissal, termination of employment contract, or for any other reason whatsoever, an appointment is made under the same conditions. The term of appointment of the director thus appointed comes to an end on the expiry of the normal term of office of all other directors appointed in application of Article L. 225-27-1 of the French Commercial Code.

The potential annulment of the appointment of a director representing the employees does not trigger the annulment of any deliberations in which the director whose appointment was unlawful may have taken part.

Article 13 – Shares of directors

In accordance with Article L. 225-25 of the French Commercial Code, any natural or legal person may be appointed director of the Company, without needing to hold one or several Company shares.

Article 14 – Governing board of the Board of Directors

The Board of Directors shall elect a Chairman from among its individual members, and shall set the duration of his or her term of office, which may not exceed the duration of his or her term of office as a director.

The Chairman of the Board of Directors may not be over the age of 70. If he or she should exceed this age limit, he or she shall be automatically deemed to have resigned.

The Board of Directors may appoint a secretary at each meeting, who is not required to be a member.

If the Chairman is absent or unable to carry out his or her duties, at each meeting the Board of Directors shall appoint one of its members in attendance to chair the meeting.

Article 15 – Resolutions of the Board of Directors

1 – The Board of Directors will meet as often as the Company interests require it, called by the Chairman.

The Chief Executive Officer or at least one half of the members of the Board of Directors may also ask the Chairman 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 Chairman to call a meeting of the Board with an agenda determined by these directors.

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

The meeting will take place either at the registered head office or at any other place specified in the convening notice, including abroad. The procedure for calling a meeting of the Board of Directors is set out in the Internal Regulation of the Board of Directors.

An attendance register must be signed by each of the directors participating in the Board meeting.

At least half of the directors must be present for decisions taken to be valid. However, directors assisting by means of a videoconference or telecommunication shall be deemed to be present for the purposes of constituting *quorum* and majorities, under the terms and conditions set out by applicable laws and regulations.

A director may appoint another director to represent him or her, including by letter or by fax. Each director may hold no more than one such power of attorney over the course of each meeting.

2 – Board deliberations are valid only if at least one half of the members are present.

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

3 – The deliberations of the Board of Directors shall be recorded in minutes drawn up in accordance with the legal provisions in force, and signed by the chairman of the meeting and a director or, if the chairman of the meeting were unable to fulfill his or her duties, by two directors, and the omission of this formality shall not result in the nullity of the decisions made.

The minutes of the meeting shall specify the name of the directors who were present or deemed to be present pursuant to Article L. 225-37 of the French Commercial Code, excused or absent. It shall note the presence or the absence of the persons called to the meeting of the Board of Directors in accordance with a legal provision and the presence of any other person who attended all or part of the meeting. The minutes shall also state the occurrence of any technical problem concerning a videoconference or conference call when it has disrupted the meeting.

The copies or extracts of minutes of the deliberations shall be validly certified by the Chairman of the Board of Directors, the Chief Executive Officer, the director who has temporarily been authorized to perform the duties of Chairman or a proxy authorized for said purpose.

The directors, as well as any person called to attend the meetings of the Board of Directors, shall be bound to discretion with regard to information that is confidential in nature and identified as such by the Chairman of the meeting.

4 – Notwithstanding any provision to the contrary, the Board of Directors may make decisions via written consultation of the directors in accordance with the conditions prescribed by relevant regulations.

Article 16 – Powers of the Board of Directors

1 – The Board of Directors shall determine the guidelines for the Company's activities and ensure their implementation. Subject to the powers expressly attributed to the Shareholders' 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. To this end, the Chairman represents the Board of Directors; in addition, he or she may grant delegations of powers to any officers of his or her choice.

In its relations with third-parties, the Company is bound even by the actions of the Board of Directors that fall outside the scope of the corporate purpose, unless it proves that the third-party knew that the action was beyond said scope or that it could not have been unaware of it given the circumstances, and the mere disclosure of the by-laws shall not constitute proof thereof.

The Board of Directors shall perform the checks and verifications that it deems appropriate.

Article 17 – General management – Delegation of powers – Corporate signature

1 – The general management of the Company is the responsibility either of the Chairman of the Board of Directors or of any other individual, a director or not, appointed by the Board of Directors and given the title of Chief Executive Officer (*Directeur Général*).

In accordance with Article L. 225-55 of the French Commercial Code, the term of office of the Chief Executive Officer (*Directeur Général*) is set by the Board of Directors. The Chief Executive Officer (*Directeur Général*) may be dismissed at any time by the Board of Directors. If the decision to dismiss is taken without sufficient grounds, it may give rise to damages, except if the Chief Executive Officer (*Directeur Général*) also has the duties of Chairman of the Board of Directors.

The Board shall choose between the two abovementioned options of general management. It shall deliberate under the conditions set out in Article 15.2 of these by-laws. However, in the event of a tie, the Chairman shall not have the casting vote.

Notwithstanding the powers expressly conferred by law to shareholders and the powers specifically conferred on the Board of Directors and the Chairman of the Board of Directors, as well as the decisions subject to the prior authorization of the Board of Directors pursuant to the Internal Regulation of the Board of Directors, the Chief Executive Officer, within the limits of the Company's corporate purpose, holds the widest powers to act in all circumstances on behalf of the Company.

The Chief Executive Officer is subject to the provisions of Article 225-94-1 of the French Commercial Code with regards to simultaneously holding positions as chief executive officer, member of the executive board, sole chief executive officer, director or member of the supervisory board of *sociétés anonymes* (public companies) that have their head offices in French territory.

2 – On the proposal of the Chief Executive Officer, the Board of Directors may appoint one or several individuals, provided that it does not appoint more than five, to assist the Chief Executive Officer, with the title of Deputy Chief Executive Officer(s).

3 – The Deputy Chief Executive Officers are responsible for assisting the Chief Executive Officer, to whom they shall report their management activity and, to this end, they are granted powers of which the extent and the duration are determined by the Board of Directors in agreement with the Chief Executive Officer. With regard to third parties, they each have the same powers as the Chief Executive Officer.

In the event of death, resignation or dismissal of the Chief Executive Officer, the Deputy Chief Executive Officer(s) shall retain their duties and powers until a new Chief Executive Officer is appointed, unless the Board decides otherwise.

The Deputy Chief Executive Officers may be removed from office at any time by the Board of Directors, upon proposal by the Chief Executive Officer.

4 – The Chief Executive Officer or each of the Deputy Chief Executive Officers shall be authorized to grant sub-delegations or substitutions of powers for one or more transactions or categories of specific transactions.

Article 18 – Compensation allocated to directors, the Chairman, the Chief Executive Offices and the representatives of the Board of Directors

1 – The General Meeting may grant directors and the non-voting Board member (*censeur*), as compensation for their duties, a fixed annual sum, as directors' fees. The Board of Directors shall decide whether or not to pay directors' fees to the non-voting Board member (*censeur*) and shall freely distribute said compensation among its members.

If the composition of the Board of Directors is not compliant with the provisions of the first paragraph of Article L. 225-18-1 of the French Commercial Code, the payment of the abovementioned compensation is withheld. The payment is released if and when the composition of the Board of Directors becomes compliant, including the arrears due from the withholding date.

2 – The compensation of the Chairman of the Board of Directors and the compensation of the Chief Executive Officer and, as the case may be, of the Deputy Chief Executive Officer(s), shall be determined by the Board of Directors in accordance with the provisions of Article L. 225-37-2 of the French Commercial Code. It may be fixed or variable, or both fixed and variable.

3 – The Board of Directors may allocate extraordinary compensation for the missions or mandates entrusted to Directors; in such case, the compensation, posted to operating expenses, shall be subject to the approval of the Ordinary Shareholders' General Meeting under the conditions stipulated in Article 23 of these by-laws.

4 – Except as provided for in Articles L. 225-21-1, L. 225-22, L. 225-23, L. 225-27 and L. 225-27-1 of the French Commercial Code, no other compensation, permanent or not, may be paid by the Company to the directors other than the compensation as provided for in Article L. 225-45, L. 225-46, L. 225-47 and L. 225-53 of the French Commercial Code.

Article 19 – Agreements between the Company and a director, the Chief Executive Officer, a Deputy Chief Executive Officer or a Shareholder holding over 10% of the voting rights

Any agreement made directly or by persons interposed between the Company and its Chief Executive Officer, one of its Deputy Chief Executive Officers, one of its directors or one of its shareholders holding more than 10% of the voting rights or, if it concerns a shareholder company, the company that controls it within the meaning of Article L. 233-3 of the French Commercial Code, must be subject to the prior approval of the Board of Directors, then, upon a special report of the Statutory Auditors, to the approval of the Ordinary Shareholders' General Meeting.

The same shall apply for agreements in which one of the persons indicated above is indirectly interested.

These provisions shall also apply to agreements made between the Company and another company, if the Chief Executive Officer, one of the Deputy Chief Executive Officers or one of the directors of the Company is the owner, general partner, manager, director, member of the supervisory board, or, generally, an officer of the said company, subject to the exceptions set forth by law.

In accordance with Article L. 225-39 of the French Commercial Code, the above provisions shall not apply neither to agreements concerning routine transactions that are conducted under normal conditions, nor to agreements entered into between two companies when one of them is the direct or indirect owner of the entire share capital of the other (if need be after deduction of the minimum number of shares required to comply with article 1832 of the French Civil Code or Articles L. 225-1 and L. 226-1 of the French Commercial Code).

In accordance with Article L. 225-40 of the French Commercial Code, the interested party must inform the Board of Directors immediately upon becoming aware of an agreement to which Article L. 225-38 of the French Commercial Code applies. He may not participate in the vote on the requested prior approval of the Board of Directors. The Chairman of the Board of Directors shall advise the Statutory Auditors of all agreements authorized and shall submit them to the Ordinary Shareholders' General Meeting for approval. The Statutory Auditors shall present a special report on the agreements to the Ordinary Shareholders' General Meeting, which shall decide on this report. The interested party may not participate in the vote and his or her shares shall not be taken into account for the calculation of the *quorum* and the majority.

Article 20 – Statutory Auditors

One or several Statutory Auditors shall be appointed and perform their audit duties in accordance with the law.

Their permanent mission, excluding any interference with the management, is to review the assets and the books of the Company and verify the regularity and the accuracy of the corporate accounts.

Title IV – Meetings of Shareholders

Article 21 – Meetings

The collective decisions of shareholders are taken at General Meetings, which shall be categorized as ordinary, extraordinary or special depending on the nature of the decisions that they are called upon to make.

1 – The Shareholders' General Meetings are convened under the conditions laid down by the law.

The Shareholders' General Meetings shall be held either at the registered office or at any other place specified in the notice.

The notice shall be issued at least 15 days prior to the date of the Shareholders' General Meeting, either by means of a notice published in a newspaper authorized to carry legal notices of the department of the registered office, either by registered letter or by ordinary letter addressed to each shareholder.

When a Shareholders' General Meeting has not been able to deliberate due to the required *quorum* not being reached, the second Shareholders' General Meeting and, if applicable, the second extended Shareholders' General Meeting, are convened at least six days in advance, in the same manner as the first. The notice and the letters convening this second Shareholders' General Meeting state the date and the agenda of the first Shareholders' General Meeting.

2 – The agenda of the Shareholders' General Meeting shall be included in the notice and in the letter convening the meeting; said agenda shall be determined by the author of the notice.

The Shareholders' General Meeting can only deliberate on issues included on its agenda, which may not be amended on second notice; however, it may, under any circumstances, remove one or several directors and arrange for their replacement.

One or several shareholders representing at least the percentage of the share capital provided by law, and acting under the conditions and the legally prescribed periods, have the ability to request that draft resolutions be included on the agenda.

3 – Any shareholder, regardless of the number of shares he or she owns, has the right to attend the Shareholders' General Meetings and participate in the deliberations in person or by proxy or cast his or her vote by post pursuant to the legal and regulatory provisions.

Any Shareholder may be represented by any person of his or her choice, in accordance with Article L. 225-106 of the French Commercial Code. Whenever the Shareholder is represented by any person who is not his or her spouse or the partner with whom he or she has entered a French civil solidarity pact (*pacte civil de solidarité*, also known as PACS), he or she will be informed by his or her proxy of any facts allowing him or her to assess the risk of the latter pursuing interests other than his or her own.

Any Shareholder may vote by post under the conditions laid down by the law.

The Board of Directors may decide that the vote cast during the Shareholders' General Meeting may be cast by remote transmission or by videoconference under the conditions established by the applicable regulations. This possibility must be stated in the notice.

The shareholders may, under the conditions provided by the applicable law and regulations, address their proxy vote form and the form to vote by post regarding any Shareholders' General Meeting, either by means of a paper form returned to the Company, at the registered office, at least three days prior to the date of the meeting, or, following a decision by the Board of Directors mentioned in the notice, by remote transmission made at least three days prior to the date of the meeting.

The shareholder's presence at the Shareholders' General Meeting, whether it is physical or, if the possibility is offered, by remote transmission or videoconference, cancels any previously issued vote by post and/or any proxy previously given by said shareholder.

The legal representatives of legally incompetent shareholders and physical persons representing shareholders who are legal entities take part in the Shareholders' General Meetings, whether or not they are personally shareholders.

4 – An attendance sheet shall be kept at each meeting containing the information required by law.

This attendance sheet, duly signed by the shareholders and the proxies, and to which are attached the powers granted to each proxy and, if applicable, the forms to vote by post, is certified as accurate by the board of the Shareholders' General Meeting.

The Shareholders' General Meetings shall be chaired by the Chairman of the Board of Directors. In his or her absence, or if the Board has not authorized another member from among those present in order to chair the Shareholders' General Meeting, the meeting itself shall elect its Chairman.

The duties of tellers (*scrutateurs*) are fulfilled by both members of the Shareholders' General Meeting, who are present and accept said duties, who hold the largest number of votes either on their own behalf or as proxies.

The executive board appoints the secretary, who is not required to be a member.

The members of the executive board have the task of verifying, certifying and signing the attendance sheet, ensuring that debates are property held, resolving matters that may arise during the meeting, controlling the votes cast, ensuring continuity and ensuring that the minutes are properly drawn up.

The minutes are prepared and the copies or extracts of the deliberations are issued and certified in compliance with the law.

Article 22 – *Quorum* – Vote

Double voting rights are attached, in proportion to the portion of capital represented, from August 31, 2000 to all fully paid shares for which proof is provided of the registration in the name of a same shareholder for at least two years.

In addition, in the event of a capital increase through the incorporation of reserves, profits or issue premiums, the double voting rights are granted from their issuance to the nominative shares allocated free of charge to a shareholder in connection with previously existing shares for which he or she was entitled to said right.

Article 23 – Ordinary General Meeting

The Ordinary Shareholders' General Meeting shall make any decisions beyond the powers of the Board of Directors and which are not reserved for the Extraordinary Shareholders' General Meeting.

The Ordinary Shareholders' General Meeting shall meet at least once a year, within the six months following the closing of the fiscal year, to approve the accounts of said fiscal year, subject to the extension of said time limit by a court decision.

It shall only validly deliberate, on first notice, if the shareholders that are present or represented, or voting by post, by remote transmission or by videoconference, hold at least one-fifth of the shares granting voting rights.

No *quorum* is required on second notice.

It shall issue decisions by a majority of the votes held by the shareholders that are present or represented or who vote by post.

Article 24 – Extraordinary General Meeting

The Extraordinary Shareholders' General Meeting may amend all of the provisions of the by-laws and in particular decide on the transformation of the Company into another form, whether civil or commercial. However, it cannot increase shareholders' commitments, subject to transactions resulting from the grouping together of shares carried out on a regular basis.

The Extraordinary Shareholders' General Meeting may only validly deliberate if the shareholders who are present or represented, or who vote by post, by remote transmission or by videoconference, hold at least, on first notice, one quarter and, on second notice, one fifth of the shares granting voting rights. In the event of this latter *quorum* not being reached, the second Shareholders' General Meeting may be postponed to a date no later than two months after the date on which it had first been called.

Decisions of the Extraordinary Shareholders' General Meeting shall be adopted by a majority of two thirds of the votes held by the shareholders who are present or represented, or voting by post, by remote transmission or videoconference, unless otherwise provided by law.

Article 25 – Special meetings

Preference shareholders come together at a special meeting for any proposed amendments to the rights attached to said preference shares, it being stated that the decisions made by the Company's ordinary general meeting or the Company's extraordinary general meeting will not be submitted for the approval of such special meeting. For all intents and purposes, it is hereby stated that the following will not be submitted for the approval of the special meeting of preference shareholders, without purporting to be an exhaustive list:

- the conversion and PS 2 in application of Article 10.3.2 of these by-laws, and
- redemption and/or cancellation of shares falling within the scope of (i) the redemption of preference shares by the Company in application of Article 10.3.3 of these by-laws, (ii) implementation of redemption programs under the terms and conditions set out by Articles L. 225-209 *et seq.* of the French Commercial Code and (iii) a public tender offer for the ordinary shares or any other class of preference shares.

However, in accordance with the provisions of Article L. 228-17 of the French Commercial Code, any proposed company merger or demerger, in which preference shares cannot be exchanged for shares carrying equivalent special rights, will be submitted for approval to any relevant special meeting.

Decisions made at special meetings are valid only if, at first call, one third and, at the second call, one fifth of the holders of preference shares with voting rights are present or represented. Decisions are taken by a majority vote of two-thirds of the preference shareholders in any one class, present or represented.

In the event of capital share changes or redemption, the rights of preference shareholders will be adjusted, where applicable, in order to protect their rights pursuant to Article L. 228-99 of the French Commercial Code.

Title V – Fiscal year – Corporate accounts – Allocation and distribution of profits

Article 26 – Fiscal year

The fiscal year is defined in Article 1 of these by-laws.

Article 27 – Inventory – Annual accounts

Regular accounting of corporate transactions shall be kept in accordance with the law and usual business practice.

Upon the closing of each fiscal year, the Board of Directors shall draw up an inventory of the Company's assets and liabilities. It shall also prepare the annual accounts in accordance with the provisions of Title II of Book 1 of the French Commercial Code.

A statement on the sureties, securities and guarantees provided by the Company and a statement of the collateral it has granted shall be attached to the balance sheet.

A management report shall be prepared containing the information laid down by the law.

The management report shall include, if applicable, the report on the management of the group if the Company has to prepare and publish the consolidated accounts under the conditions established by the law.

If applicable, the Board of Directors shall prepare the forecast accounting documents under the conditions established by law.

All of these documents are made available to the Statutory Auditors under the applicable legal and regulatory conditions.

Article 28 – Allocation and distribution of profits

The amounts to be transferred to reserves pursuant to the law shall be deducted from the profits of each year minus, if applicable, prior losses. Therefore, 5% shall be deducted to constitute the legal reserve; said deduction shall no longer be mandatory when the funds reach one-tenth of the share capital; it shall resume whenever, for any reason whatsoever, the legal reserve falls below this amount.

The distributable profits are made up of the profits of the fiscal year minus the prior losses and the amounts transferred to reserves pursuant to the law or to the by-laws, and plus any retained earnings.

The Shareholders' General Meeting shall then deduct the sums it deems appropriate from said profits to transfer to the optional, ordinary or extraordinary reserve funds, or to carry them forward.

The balance, if any, shall be distributed between all of the shares in proportion to the amount paid up and outstanding.

However, except in the case of a capital reduction, no distribution may be made to shareholders when equity capital is or should become following said decrease lower than the amount of the capital increased by the reserves that the law or the by-laws do not allow to be distributed.

The Shareholders' General Meeting may decide on the distribution of the sums deducted from the option reserves either to provide or to complete a dividend, or to perform an exceptional distribution; in such case, the decision shall expressly state the reserve accounts from which the sums are to be deducted. However, the dividends are distributed in priority from the distributable profits of the fiscal year.

The losses, if any, following the approval of the accounts by the Shareholders' General Meeting, are registered in a special account to be charged to the profits of subsequent years until they are fully utilized.

Article 29 – Dividend payment

The Shareholders' General Meeting called to approve the accounts of the fiscal year may grant each shareholder for all or part of the distributed dividend or interim dividends, the choice between the payment of the dividend or the interim dividend in cash or in shares.

The methods for paying dividends in cash are determined by the Shareholders' General Meeting, or failing that, by the Board of Directors.

However; the payment of the dividends must be performed within a maximum period of nine months following the closing of the fiscal year, unless said deadline is extended by court order.

When a balance sheet drawn up during or at the end of the fiscal year and certified by a Statutory Auditor shows that the Company, since the closing of the previous fiscal year, after establishing the necessary depreciation and provisions, and deducting any applicable prior losses, as well as the sums to be transferred to reserves pursuant to the law or to the by-laws and after taking into account the retained earnings, has generated profit, interim dividends may be distributed prior to the approval of the accounts of the fiscal year. The amount of said interim dividends may not exceed the amount of the profits thus defined.

The Company may not demand any reimbursement of dividends from shareholders, unless the distribution has been performed in violation of the existing legal provisions and if the Company determined that the beneficiaries were aware of the irregular nature of said distribution at the time it was performed or could not have been unaware of it in view of the circumstances.

The reclaim of dividends shall be barred at the end of a period of three years following the payment of said dividends. Dividends not claimed within five years from the date of their payment may no longer be claimed.

Title VI – Major losses – Purchase by the Company – Transformation – Dissolution – Liquidation

Article 30 – Equity capital below half of the capital

If, due to losses recorded in the accounting documents, the equity capital of the Company falls below half of the share capital, the Board of Directors is required, within a period of four months following the approval of the accounts having revealed said losses, to convene the Extraordinary Shareholders' General Meeting in order to decide whether there is cause for the early dissolution of the Company.

If the dissolution is not decided, the capital must be, subject to the legal provisions relating to the minimum capital and within the time period required by law, reduced by an amount equal to the losses that could not be allocated to the reserves, if within this time period the equity capital has not been reconstituted up to a value that is at least equal to half of the share capital.

In any case, the decision of the Shareholders' General Meeting must be subject to the disclosure formalities required by the applicable regulatory provisions.

In the event that said requirements are not complied with, any party concerned may bring an action before the court for the dissolution of the Company. The same shall apply if the shareholders have been unable to validly deliberate.

However, the court may not decide on the dissolution if on the day of the ruling, the situation has been regularized.

Article 31 – Purchase by the Company of an asset belonging to a shareholder

Whenever the Company, within a period of two years following its registration, acquires an asset belonging to a shareholder and of which the value is at least equal to one-tenth of the share capital, an auditor, in charge of assessing, under his or her own responsibility, the value of said asset, shall be appointed by a court decision at the request of the Chairman of the Board of Directors.

The auditor's report shall be made available to the shareholders. The Ordinary Shareholders' General Meeting shall decide on the valuation of the asset, failing which the acquisition will be null and void.

The seller shall not take part in the voting on his or her own behalf nor as a representative.

These provisions shall not apply when an acquisition is performed on the stock market or under the control of a judicial authority or within the framework of current transactions of the Company, and carried out under normal conditions.

Article 32 – Transformation

The Company may be transformed into another form of Company if, at the time of the transformation, it has been in existence for at least two years and if it has drawn up the balance sheets of its first two fiscal years and had them approved by its shareholders.

The transformation decision is made based on the report of the Statutory Auditors, which must certify that the equity capital is at least equal to the share capital.

The transformation into a partnership requires the approval of all of the stakeholders; in said case, the conditions provided for above shall not be required.

The transformation into a limited partnership or a partnership limited by shares is decided under the conditions set out for the amendment of the by-laws and with the approval of all of the shareholders who shall become partners with unlimited liability.

The transformation into a private limited company is decided within the conditions provided for in the amendment of the by-laws of companies of said form.

Article 33 – Dissolution – Winding-up

Except for the cases of legal dissolution provided by law, and unless there is a continued extension, the dissolution of the Company takes place upon the expiry of the period established by the by-laws or following a decision by the Extraordinary Shareholders' General Meeting.

One of several liquidators shall then be appointed by said Extraordinary Shareholders' General Meeting under the rules of *quorum* and majority laid down for the Ordinary Shareholders' General Meetings.

The liquidator represents the Company. All of the assets shall be realized and the liabilities shall be settled by the liquidator who has been vested with the broadest powers. He or she shall then distribute the available balance.

The Shareholders' General Meeting may authorize him or her to pursue the ongoing affairs or to undertake further actions for the purposes of the winding-up.

The net assets remaining following the reimbursement of the shares at their nominal value shall be equally distributed among all of the shares.

If all of the shares are held by one person, the possible dissolution decision, whether it is voluntary or legal, shall entail, under the terms set out in the law, the transmission of the Company's assets to the sole shareholder, without there being grounds for winding-up.

Title VII – Disputes

Article 34 – Disputes

Any disputes that may arise during the existence of the Company or during its winding-up either between the shareholders, or between the shareholders and the Company, resulting from these by-laws will be judged in accordance with the law and shall be subject to the jurisdiction of the competent courts.

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), in the "Company – Investors" section (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" section
Financial reports, registration documents and universal registration documents for the past three fiscal years at least	Company website, in the "Company – Investors – Financial statements" section
Statements on the number of voting rights and shares	Company website, in the "Company – Investors – Regulated notices" section
Documents relating to Shareholders' General Meetings	Company website, in the "Company – Investors – Annual General Meetings" section
Financial press releases	Company website, in the "Company – Investors – Financial releases" section

A hard copy of the deed of incorporation of our Company may be made available to any interested party at the registered office located at Parc Technologique des Fontaines, Chemin des Franques, 38190 Bernin, France (tel.: + 33 (0)4 76 92 75 00).

To get the latest financial news about Soitec, please subscribe to our press releases at www.soitec.com/en/subscribe.

9.3 Persons responsible for the Universal Registration Document and for financial information

9.3.1 Person responsible for the Universal Registration Document

Paul Boudre, Chief Executive Officer.

9.3.2 Declaration by the person responsible for the Universal Registration Document

"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 384) 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."

July 5, 2021

Paul Boudre

Chief Executive Officer

9.4 Statutory Auditors

Principal Auditors

KPMG S.A., represented by Jacques Pierre and Stéphane Devin

Tour EQHO, 2, avenue Gambetta, 92066 Paris La Défense Cedex

- Date of first appointment: July 25, 2016
- Date of expiration of term of office: Shareholders' General Meeting called to approve the financial statements for the year ending March 31, 2022.

Ernst & Young Audit, represented by Nicolas Sabran

1-2, place des Saisons, 92037 Paris La Défense Cedex

- Date of first appointment: July 25, 2016
- Date of expiration of term of office: Shareholders' General Meeting called to approve the financial statements for the year ending March 31, 2022.

Alternate Auditors

Salustro Reydel (alternate for KPMG S.A.)

Tour EQHO, 2, avenue Gambetta, 92066 Paris La Défense Cedex

- Date of first appointment: July 25, 2016
- Date of expiration of term of office: Shareholders' General Meeting called to approve the financial statements for the year ending March 31, 2022.

Auditex (alternate for Ernst & Young Audit)

1-2, place des Saisons, 92037 Paris La Défense Cedex

- Date of first appointment: July 25, 2016
- Date of expiration of term of office: Shareholders' General Meeting called to approve the financial statements for the year ending March 31, 2022.

9.5 Statutory Auditors' fees

Fees paid to the Statutory Auditors and the members of their networks by our Company and its subsidiaries.

For the fiscal years ended March 31, 2020 and March 31, 2021, the fees break down as follows:

	2019-2020				2020-2021			
	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	219.69	56.22%	273	84%	176	57.57%	220	84.69%
• Fully consolidated subsidiaries	145.30	37.19%	12	3.70%	118.9	38.89%	13.6	5.23%
Other work and services directly related to the statutory audit engagement								
• Issuer	25.750	6.60%	40	12.30%	10.8	3.54%	26.2	10.08%
• Fully consolidated subsidiaries	-	0%	-	0%	-	0%	-	0%
Subtotal	**390.74**	**100%**	**325**	**100%**	**305.7**	**100%**	**259.8**	**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	**390.74**	**100%**	**325**	**100%**	**305.7**	**100%**	**259.8**	**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	9.3.1	380
1.2	Declaration by persons responsible	9.3.2	380
1.3	Statement or report attributed to a person as an expert	N/A	N/A
1.4	Information sourced from a third party	N/A	N/A
1.5	Competent authority approval (AMF)	See AMF insert	1
2.	**Statutory Auditors**		
2.1	Names and addresses of the Statutory Auditors	9.4	381
2.2	Information if the auditors have resigned, have been removed or have not been reappointed	9.4	381
3.	**Risks factors**	**2.1**	**48 - 62**
4.	**Information about the issuer**		
4.1	Legal and commercial name of the issuer	9.1.1	370
4.2	Place of registration of the issuer, its registration number and legal entity identifier (LEI)	9.1.1	370
4.3	Date of incorporation and length of life of the issuer	9.1.1	370
4.4	Domicile and legal form, applicable legislation, country of incorporation, address and telephone number of the registered office, website, disclaimer	9.1.1	370
5.	**Business overview**		
5.1	Principal activities		
5.1.1	*Nature of the issuer's operations and its principal activities*	1.4	36 - 38
5.1.2	*Significant new products and/or services that have been introduced*	1.4	36 - 38
5.2	Principal markets	1.2	32 - 34
5.3	Important events	6.2.1.2 (note 2.4)	
5.4	Strategy and objectives	1.3	35 - 36
5.5	Dependence on patents, licenses, industrial, commercial or financial contracts, or new manufacturing processes	1.5.2, 1.5.3, 1.5.4	38 - 39
5.6	Competitive position	1.9.2	42 - 43
5.7	Investments		
5.7.1	Material investments by the issuer during each fiscal year for the period covered by the historical financial information, up to the date of the registration document	5.1.2.1	203
5.7.2	*Information on the principal investments to be made by the issuer in the future and for which firm commitments have already been made by its management bodies*	5.1.2.2	203
5.7.3	*Information relating to joint ventures and undertakings*	1.3.4, 5.1.2.2	44
5.7.4	*Environmental issues that may affect the utilization of tangible fixed assets*	3.4.2, 3.4.3, 3.4.4	217 - 254
6.	**Organizational structure**		
6.1	Brief description of the Group	1.10	44
6.2	List of significant subsidiaries	1.10, 6.2.1.2 (A)	44, 217 - 254
7.	**Operating and financial review**		
7.1	Financial condition		
7.1.1	*Development and performance of the issuer's business*	5.1	196 - 205
7.1.2	*Likely future development and activities in the field of research and development*	5.3	205
7.2	Operating results		
7.2.1	*Significant factors materially affecting the issuer's income from operations*	5.1	196 - 205
7.2.2	*Narrative description of material changes in net sales or revenues*	5.1	196 - 205

No.	Headings of Annex 1 of European Regulation 2019/980	Section	Pages
8.	**Capital resources**		
8.1	Information concerning capital resources	5.1.3.1	204
8.2	Sources, amounts and narrative description of the issuer's cash flows	5.1.3.1	204
8.3	Borrowing requirements and funding structure	5.1.3.1	204
8.4	Restrictions on the use of capital resources	N/A	
8.5	Anticipated sources of funds	5.1.3.2	204 - 205
9.	**Regulatory environment**	N/A	N/A
10.	**Trend information**		
10.1	Most significant recent trends in production, sales and inventory, costs and selling prices and any significant change in the financial performance since the end of the last fiscal year	5.3	205
10.2	Known trends, uncertainties, demands, commitments or events that are likely to have a material effect on the issuer's prospects	5.3	205
11.	**Profit forecasts or estimates**		
11.1	Profit forecasts or estimates	5.3	205
11.2	Statement setting out the principal assumptions upon which the issuer has based its forecast or estimate	5.3	205
11.3	Statement attesting that the profit forecast or estimate has been compiled and prepared on a basis comparable with the historical financial information and consistent with the issuer's accounting policies	N/A	
12.	**Administrative, management and supervisory bodies and senior management**		
12.1	Information on the members of the administrative bodies and senior management	4.1.2, 4.1.3.1 (A and B)	125, 129, 132 - 147
12.2	Conflicts of interest within the administrative bodies and senior management	4.1.4.2 (B)	158
13.	**Compensation and benefits**		
13.1	Amount of compensation paid and benefits in kind	4.2	171 - 192
13.2	Total amounts set aside or accrued to provide for pension, retirement or similar benefits	4.2.5	192
14.	**Board practices**		
14.1	Expiration and start dates of current terms of office	4.1.3.1 (A and B)	132 - 147
14.2	Members of the administrative, management or supervisory bodies' service contracts with the issuer or any of its subsidiaries providing for benefits	4.1.9.4	170
14.3	Information about the Audit Committee and the Compensation Committee	4.1.5.3, 4.1.5.5	162 - 163, 164 - 165
14.4	Compliance with the corporate governance regime in force	4.1.8	167 - 168
14.5	Potential material impacts on the corporate governance, including future changes in the board and committees' composition	4.1.3.3, 4.1.3.4	150, 151
15.	**Employees**		
15.1	Number of employees	3.5.1	82 - 83
15.2	Shareholding and stock options	4.1.7.1	166
15.3	Arrangements for involving the employees in the capital of the issuer	3.5.2.2, 7.2.3.1 (B, C, D and F)	83 - 86, 299 - 303
16.	**Major shareholders**		
16.1	Shareholders with more than 5% of the share capital or voting rights	7.1.1	288 - 289
16.2	Existence of different types of voting rights	7.1.5.2	292
16.3	Control of the issuer	7.1.6.2	293
16.4	Arrangements which may result in a change of control	7.1.6.3	293
17.	**Related-party transactions**	**6.2.1.2 (note 5.3)**	**248**
18.	**Financial information concerning the issuer's assets and liabilities, financial position and profits and losses**		
18.1	Historical financial information		
18.1.1	*Audited historical financial information*	6.2, 6.3	212 - 257, 258 - 282
18.1.2	*Change of accounting reference date*	N/A	
18.1.3	*Accounting standards*	6.2.1.1 (note 2)	212 - 216
18.1.4	*Change of accounting framework*	N/A	
18.1.5	*Financial information audited according to national accounting standards*	6.2, 6.3	212 - 257, 258 - 282

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No.	Headings of Annex 1 of European Regulation 2019/980	Section	Pages
18.1.6	*Consolidated financial statements*	6.2	212 - 257
18.1.7	*Age of financial information*	March 31, 2021	
18.2	Interim and other financial information		
	Quarterly or half-year financial information published since the date of the last audited financial statements	N/A	
	Interim financial information from the first six months of the fiscal year after the end of the last audited fiscal year	N/A	
18.3	Auditing of historical annual financial information		
18.3.1	Audit report	6.2.2, 6.3.2	255 - 257, 280 - 282
18.3.2	*Other information in the Universal Registration Document that has been audited by the Statutory Auditors*	3.8, 8.3	100 - 114, 362 - 363
18.3.3	*Indication of the source of the financial information contained in the Universal Registration Document that is not extracted from the issuer's audited financial statements and statement that said information is not audited*	N/A	
18.4	Pro forma financial information	N/A	
18.5	Dividend policy	7.1.4	292
18.5.1	*Description of the policy on dividend distributions*	7.1.4	292
18.5.2	*Dividend amount*	7.1.4	292
18.6	Legal and arbitration proceedings	N/A	
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19.	**Additional information**		
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19.1.2	*Shares not representing capital*	7.2.1.1	295
19.1.3	*Shares held by or on behalf of the issuer itself or by subsidiaries of the issuer (number, book value and face value)*	7.2.2	296 - 298
19.1.4	*Amount of any convertible securities, exchangeable securities or securities with warrants, and an indication of the conditions governing and the procedures for conversion, exchange or subscription*	7.2.3	298 - 306
19.1.5	*Information about and terms of any acquisition rights and/or obligations over authorized but unissued capital or an undertaking to increase the capital*	7.2.4	307 - 318
19.1.6	*Information about any capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option*	7.2.5	319
19.1.7	*History of the share capital*	7.2.6	319 - 320
19.2	Articles of incorporation and by-laws		
19.2.1	*Brief description of the issuer's objects and purposes and where they can be found in the articles of incorporation and by-laws*	9.1.2	370 - 379
19.2.2	*Description of the rights, preferences and restrictions attached to each class of shares*	9.1.2	370 - 379
19.2.3	*A brief description of any provisions which could delay, defer or prevent a change in control of the issuer*	N/A	
20.	**Material contracts**	**N/A**	
21.	**Documents available**	**9.2**	**380**

No.	Headings of Annex 2 of European Regulation 2019/980	Section	Pages
1.	Disclosures requirements	Cross-reference table above	
2.	Filing with the competent authority	AMF insert page	AMF insert page

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	**6.2.1**	**212 - 254**
3. Annual financial statements	**6.3.1**	**258 - 279**
4. Statutory Auditors' reports on the consolidated and annual financial statements		
• on the consolidated financial statements	6.2.2	255 - 257
• on the annual financial statements	6.3.2	280 - 282
5. Statutory Auditors' fees	**9.5**	**381**
6. Statement by the persons responsible for the Annual Financial Report	**9.3**	**380**

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 Shareholders' General Meeting required under the provisions of the French Commercial Code (*Code de commerce*) applicable to joint-stock corporations (*sociétés anonymes*) with a Board of Directors and to companies whose securities are admitted to trading on a regulated market or on a multilateral trading facility.

The management report was approved by the Board of Directors of our Company on June 9, 2021 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	196
French Commercial Code	L. 225-100-1 I, 2°	Key financial performance indicators	5.1.1	196 - 202
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	3.3, 3.4, 3.5, 3.8	74 - 92
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	205
French Commercial Code	L. 233-13	Identity of main shareholders and holders of voting rights at Shareholders' General Meetings, and changes during the fiscal year	7.1.1	288
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	205
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	1.3.2, 1.5.2	35, 38 - 39
French Commercial Code	R. 225-102	Table showing the Company's financial results for each of the last five fiscal years	6.4.1	283
French Commercial Code	L. 441-14 D. 441-6	Information relating to supplier and customer payment terms	5.4.7	207 - 208
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

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Applicable provisions		Information	Section	Pages
French Commercial Code	L. 233-6, paragraph 2	Business and results of the Company as a whole, of its subsidiaries and of companies under its control by industry sector	5.1, 5.4	196 - 205, 206 - 208
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	48 - 56
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	3.2.3	71
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	56 - 61
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	61 - 62
Law No. 2016-1691 of December 9, 2016 ("Sapin II")		Anti-corruption system	3.6.1	92 - 93
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	288 - 289, 290, 292 - 293
French Commercial Code	L. 225-211	Acquisition and disposal by the Company of its own shares	7.2.2	296
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	288 - 289, 290
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	4.1.7.2	166
French Tax Code (*Code général des impôts*)	243 *bis*	Amount of dividends distributed for the last three fiscal years	7.1.4	292
IV. ADDITIONAL INFORMATION REQUIRED FOR THE PREPARATION OF THE MANAGEMENT REPORT				
French Tax Code	223 *quater* 223 *quinquies*	Additional tax information	5.4.6	207
French Commercial Code	L. 464-2	Injunctions or financial sanctions imposed for anti-competitive practices	N/A	N/A
V. STATEMENT OF NON-FINANCIAL PERFORMANCE AND DUTY OF CARE PLAN				
French Commercial Code	L. 225-102-1 L. 22-10-36 R. 225-105	Business model	3.1	66 - 67
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	3.2.3	71
French Commercial Code	L. 225-102-1 III L. 22-10-36 R. 225-104 R. 225-105 I, 2°	Information on how the Company takes into account the social and environmental consequences of its business and the impacts of its business regarding respect for human rights and the prevention of corruption and tax evasion (description of the policies implemented to prevent, identify and mitigate the main risks relating to the activity of the Company or of the Group)	3.4, 3.6.1	77 - 81
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	100 - 114
French Commercial Code	L. 225-102-1 L. 22-10-36 R. 225-105 II, A, 1°	Social information (employment, health and safety, employee relations, training, equal treatment)	3.5	81 - 92
French Commercial Code	L. 225-102-1 L. 22-10-36 R. 225-105 II, A, 2°	Environmental information (general environmental policy, pollution, circular economy, climate change)	3.4	77 - 81
French Commercial Code	L. 225-102-1 L. 22-10-36 R. 225-105 II, A, 3°	Societal information (societal commitments in favor of sustainable development, subcontracting, fair practices)	3.6	92 - 96

Applicable provisions		Information	Section	Pages
French Commercial Code	L. 225-102-1 L. 22-10-36 R. 225-105 II, B, 1°	Information on anti-corruption	3.6.1	92 - 93
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	3.6.1.1	92 - 93
French Commercial Code	L. 225-102-1 III L. 22-10-36 R. 225-105	Collective agreements entered into by the Company, its subsidiaries and its controlled companies, and their impact on the economic performance of the Company, its subsidiaries and its controlled companies, as well as working conditions for employees	3.5.4.2	88
French Commercial Code	L. 225-102-2	Specific information on SEVESO facilities	N/A	N/A
French Commercial Code	L. 225-102-1 V L. 22-10-36 R. 225-105-2	Report by the independent third party on the statement of non-financial performance	3.10	118 - 120
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	6.5.1	283

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 our Company on June 9 and June 25, 2021 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 2021-2022	4.2.3	188 - 191
French Commercial Code	L. 22-10-9 I, 1°	Total compensation and benefits of any kind paid during fiscal year 2020-2021 or granted in respect of their term of office for fiscal year 2020-2021 to each corporate officer of the Company	4.2.1	171 - 184
French Commercial Code	L. 22-10-9 I, 2°	Relative proportion of corporate officers' fixed and variable compensation	4.2.1.1 (A and B), 4.2.3.2 (A and B), 4.2.3.3 (A)	172, 188 - 189, 190
French Commercial Code	L. 22-10-9 I, 3°	Use of the option to request repayment of variable compensation from corporate officers	4.2.3.1	188
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	4.2.3.2 (G)	190
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	4.2.1.1	171 - 176
French Commercial Code	L. 22-10-9 I, 6°	Ratios between the compensation of each corporate officer (the Chairman of the Board of Directors, the Chief Executive Officer and each Deputy Chief Executive Office) and the average and median compensation of Company employees	4.2.1.3 (D)	179
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	4.2.1.3	178 - 181
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	4.2.3.1	188

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Applicable provisions		Information	Section	Pages
French Commercial Code	L. 22-10-9 I, 9°	Information on how the vote of the most recent Ordinary Shareholders' General Meeting required under Article L. 22-10-34 I of the French Commercial Code has been taken into account	4.2.1	171 - 184
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	N/A	N/A
French Commercial Code	L. 22-10-9 I, 11°	Enforcement of the provisions of the second paragraph of Article L. 225-45 of the French Commercial Code	N/A	N/A
French Commercial Code	L. 225-197-1 II L. 22-10-59	Allocation and holding of free shares to the Chairman of the Board of Directors and the Chief Executive Officer	4.1.4.2 (C, 2), 4.2.1.1 (C, 1), 4.2.3.2 (C)	158, 173 - 176, 189
French Commercial Code	L. 225-185	Allocation and retention of options by corporate officers	N/A	N/A
French Commercial Code	L. 225-37-4, 1° L. 22-10-10	List of all corporate offices and duties performed within any company by each corporate officer during fiscal year 2020-2021	4.1.3.1 (A and B)	132 - 147
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	4.1.9.3	170
French Commercial Code	L. 225-37-4, 3° L. 22-10-10	Summary table of financial authorizations currently in force granted by the Shareholders' General Meeting	7.2.4.1, 8.2.4	307 - 317, 360 - 361
French Commercial Code	L. 225-37-4, 4° L. 22-10-10	Executive Management procedures	4.1.2.1	125 - 127
French Commercial Code	L. 22-10-10, 1°	Composition, preparation and organization of the work of the Board	4.1.3, 4.1.4.1	130 - 153, 153 - 156
French Commercial Code	L. 22-10-10 R. 225-104	Application of the principle of gender balance within the Board of Directors	4.1.3.2 (G, 3)	149
French Commercial Code	L. 22-10-10, 3°	Limits potentially imposed by the Board of Directors on the powers of the Chief Executive Officer	4.1.2.1	125 - 127
French Commercial Code	L. 22-10-10, 4°	Reference to a corporate governance code and application of the principle of "comply or explain"	4.1.8	167 - 168
French Commercial Code	L. 22-10-10, 5°	Specific conditions for shareholder participation in the Shareholders' General Meeting	8.4.1	364
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	4.1.9.1	169
French Commercial Code	L. 22-10-11	Factors likely to have an impact in the event of a public offering	7.1.8	294 - 295
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 (pages 280 - 282)	

Documents for the Shareholders' General Meeting

The documents and information required by Article R. 225-88 of the French Commercial Code (other than those listed above), as well as any additional information required in preparation for the Shareholders' General Meeting of July 28, 2021, included in this Universal Registration Document, are listed below.

The other documents required by Article R. 225-88 of the French Commercial Code are included in the convening notice sent by mail or electronically to registered shareholders. These documents, as well as this Universal Registration Document, are available on our Company's website (www.soitec.com), in the "Company – Investors – Annual General Meeting – O&EGM July 28, 2021" section.

Information	Section	Pages
• Group management report	See details in the management report cross-reference table	
• Special report on stock option transactions for fiscal year 2020-2021	7.2.4.2	317
• Special report on free share transactions for fiscal year 2020-2021	7.2.4.3	317 - 318
• Volume of transactions and change in share price	7.1.3.3	291
• Volume of transactions and change in value of OCEANE convertible bonds	N/A	
• Proposal for appropriating net profit for fiscal year 2020-2021	5.4.5, 8.2.2 (1st resolution)	326
• Description of the Company's share buyback program that will be submitted to the vote of the Ordinary and Extraordinary Shareholders' General Meeting of July 28, 2021	7.2.2.5	296 - 298
• Text of the resolutions submitted to the Ordinary and Extraordinary Shareholders' General Meeting of July 28, 2021	8.2.2	326 - 332
• Board of Directors' report to the Ordinary and Extraordinary Shareholders' General Meeting of July 28, 2021	8.2	326 - 361
• Statutory Auditors' special report on related-party agreements and commitments	8.3	362 - 363

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Glossary

Key words in electronics

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.

Moore's law

Moore's law was published in 1965 in "Electronics Magazine" by Gordon Moore, a Fairchild Semiconductor engineer, and one of the three founders of Intel. Realizing that the complexity of the semiconductors offered at range entry-level had doubled every two years at a constant cost since 1959 (the year of their invention), he forecast the continuation of this trend (in 1965, the best-performing circuit contained 64 transistors). This exponential increase was quickly named Moore's law or, given the subsequent adjustment, Moore's first law.

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.).

More Moore

The challenge of continuing the trend of manufacturing ever-smaller devices for technological nodes below 28 nm.

Nanometer (nm)

One billionth of a meter.

More than Moore

The challenge of integrating more circuit functions and managing their growing complexity, without scaling to smaller nodes.

Compound products

Any semiconductor material composed of two or more elements is called a compound semiconductor material. Gallium arsenide (GaAs), gallium nitride (GaN), indium phosphide (InP), zinc selenide (ZnSe), and silicon carbide (SiC) are typical examples of a compound semiconductor.

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.

Components

Substrate

A physical base, support or stand that can receive any scriptural or other organic element to ensure its sustainability or development.

Silicon-on-Insulator (SOI)

Silicon-on-insulator (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.

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").

Application-specific integrated circuit (ASIC)

An integrated circuit that is specially built for a specific application and includes all the functions required for that application on the same chip.

Microelectromechanical systems (MEMS)

Ranging in size from a few microns to a few tens of nanometers, MEMS usually incorporate mechanical components coupled to electronic components, hence their name. They play on electromagnetic, thermal or fluidic phenomena.

Power management integrated circuit (PMIC)

A PMIC can mean any chip that has an individual power-related function, but generally refers to integrated circuits that incorporate more than one function such as power conversions and power controls (for example, voltage supervision and undervoltage protection).

Microcontroller unit (MCU)

An MCU is a small computer on a single metal-oxide-semiconductor (MOS) integrated circuit (IC) chip. A microcontroller unit contains one or more processor cores along with memory and a programmable input.

Digital signal processor (DSP)

A microprocessor designed to run digital signal processing applications (screening, signal extraction, etc.) as quickly as possible.

Industrial applications

Smart Cut™

A process allowing for the transfer of very fine layers of crystalline materials to a mechanical support. The application of this technological process is used mainly in Silicon-on-Insulator (SOI). The role of SOI is to electronically insulate a thin layer of monocrystalline silicon from the rest of the silicon plate. An ultra-thin silicon film is transferred to a mechanical support, which introduces an intermediary, insulator layer. Semiconductor manufacturers can then manufacture integrated circuits 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.

Direct bonding

The process of bonding silicon wafers without additional intermediary layers.

Fully-Depleted Silicon-on-Insulator (FD-SOI)

FD-SOI is a type of Soitec substrate.

Radio Frequency Silicon-on-Insulator (RF-SOI)

RF-SOI is a type of Soitec substrate.

Piezoelectric-on-Insulator (POI)

POI is a type of Soitec substrate.

Imager-SOI

Imager-SOI is a Soitec substrate.

Power-SOI

Power-SOI is a Soitec substrate.

Photonics-SOI

Phototonics-SOI is a Soitec substrate.

Gallium nitride (GaN)

GaN is a Soitec substrate.

Epitaxy

A process whereby a semiconductor material layer is grown on a substrate, with the layer having the same crystalline orientation as the substrate.

Integrated device manufacturer (IDM)

IDMs perform every step of the chip-making process themselves, from design to manufacture to sales.

Fabless

Fabless companies design and sell chips, but outsource their manufacture to foundries.

Foundries

Foundries manufacture wafers according to their clients' designs.

Fourth Generation Long-Term Evolution (4G LTE)

A standard for 4G.

Multisourcing

Practice of working with multiple suppliers.

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.

Compound annual growth rate (CAGR)

CAGR measures the annual percentage growth of an indicator. CAGR is calculated using the following formula:

((final value/initial value)^(1/number of years)) – 1 = CAGR

Corporate social responsibility

Social and economic committee (SEC)

The SEC is a single employee representative body comprising the employer and an elected employee delegation, the number of members of which is determined based on the size of the company. Its responsibilities concern economic and corporate matters and the management of social and cultural activities. *(source: French Ministry of Labor, Employment and Economic Inclusion)*

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).

Company-level agreement

A collective agreement between the management of the company (or the economic and social unit) and the employee representatives.

Leveraged offer

In a leveraged offer, the amount provided by an investor is topped up by a bank or another investor in order to improve the performance achieved by the initial investor.

Preferred shares

A category of shares carrying distinct rights and obligations from ordinary shares.

Carbon Disclosure Project (CDP)

The CDP is a non-profit organization that works to drive greenhouse gas emissions reductions for companies and governments.

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.

Carbon footprint

A carbon footprint measures the quantity of greenhouse gases emitted into (or captured by) the atmosphere over a year by the activities of an organization or country. The emissions of a given entity are ranked in predefined categories, enabling the areas where the carbon constraint is the greatest to be identified. (*source: Ademe*)

The greenhouse gas emissions of the organization or product in question are divided into three scopes:

- Scope 1 covers direct greenhouse gas emissions, i.e., emissions directly related to the manufacture of the product.
- Scope 2 covers greenhouse gas emissions linked to the energy consumption required for the manufacture of the product.
- Scope 3 covers all other greenhouse gas emissions not directly related to the manufacture of the product but linked to other stages in the product lifecycle (supply, transport, usage, end of life, etc.).

Materiality and risk analysis

In accordance with the French legislation on the statement of non-financial performance (Decree No. 2017-1265 of August 9, 2017 issued for the application of Order No. 2017-1180 of July 19, 2017 on the disclosure of non-financial information by certain large corporations and groups of corporations), all companies subject to said legislation must identify their non-financial risks. A materiality and risk analysis is one of the methods proposed by the Decree of August 9, 2017 for identifying the non-financial risks inherent to the business activity of a given company. The purpose of a materiality and risk analysis is to establish a relevant ranking of the challenges in a sustainable development strategy, taking into account the priorities of the business or organization as well as the expectations of its various stakeholders.

ISO 14001

ISO 14001 sets out the criteria for an environmental management system. It maps out a framework that a company or organization can follow to set up an effective environmental management system.

ISO 50001

ISO 50001 sets out the criteria for an energy management system. It maps out a framework that a company or organization can follow to set up an effective energy management system.

ISO 45001

ISO 45001 sets out the criteria for an occupational health and safety management system in order to improve employee safety, reduce risks in the workplace, and create better and safer work conditions.

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.

Financial

Goodwill

The concept of goodwill corresponds to a financial valuation of the reputation, know-how and performances of the 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.

Prospectus 3

Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market.

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.

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