

2021-2022 UNIVERSAL REGISTRATION DOCUMENT

Including the Integrated
Report & the Annual
Financial Report

IN OUR
SOIL GROWS
AN AMAZING
FUTURE



soitec

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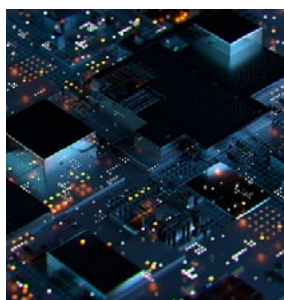
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Including the Integrated Report
& the Annual Financial Report



soitec

“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.”

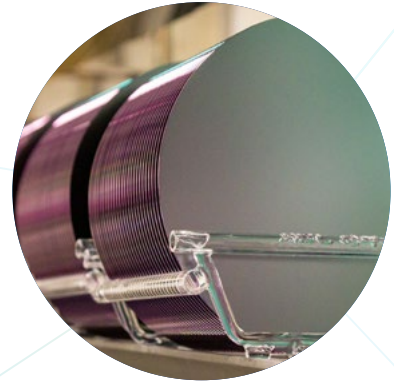
The Universal Registration Document in French was filed on June 20, 2022 with the French financial markets authority (*Autorité des marchés financiers* – AMF) as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of said Regulation. The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market, provided it is accompanied by a securities note and, if applicable, a summary and any amendments to the Universal Registration Document. All of these items are approved by the AMF in accordance with Regulation (EU) 2017/1129.

This document is a translation into English of the Universal Registration Document incorporating the 2021-2022 Annual Financial Report and Integrated Report of the Company issued in French. The French version was registered with the AMF in European Single Electronic Format (ESEF), and is available on the website of the AMF (www.amf-france.org) and on the website of the Company (www.soitec.com).

This version includes clerical corrections made after filing with the AMF, as noted where made.

A world leading company in the design 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 strategic end markets: mobile communications, automotive and industry, and smart devices. These markets are powered by three megatrends, namely 5G, energy efficiency and artificial intelligence.



11%
of revenue dedicated to R&D

6
production lines worldwide

>3,700
active patents

2
fab extensions announced in 2022



>280
new patents filed in fiscal year 2021-2022

90%
of revenue outside France

>2,000
employees worldwide

34%
of women in our workforce

Record financial performance in fiscal year 2021-2022

+50%
revenue growth in fiscal year 2021-2022

+20%
revenue growth expected in fiscal year 2022-2023

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

25%
EUROPE

61%
ASIA

14%
US

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
Singapore

CORPORATE PURPOSE

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

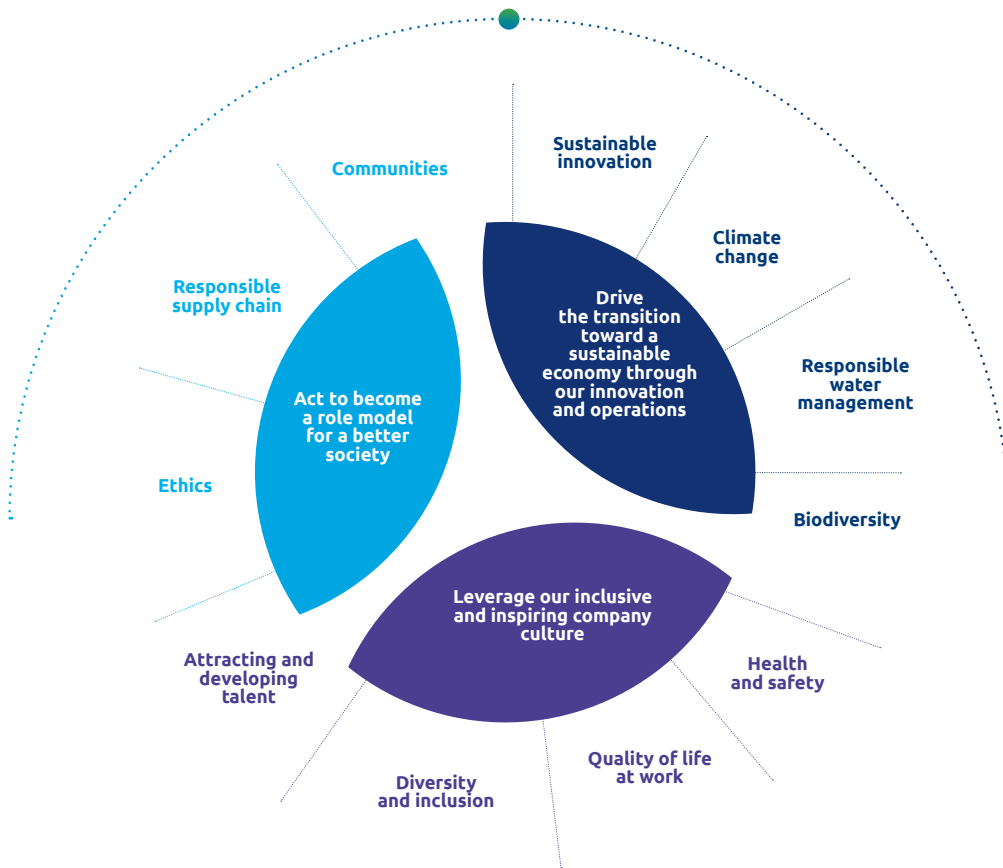


It's become common place to say that digital technologies are changing our daily lives in unprecedented ways. And that they are shaping a world in which our options and opportunities seem more and boundless, every day. **Now for the big question: how do we manage to combine high performance with reduced energy consumption?**

This is all our story, and it's at the core of our technologies and our value proposition. We are at the very start of the value chain and our substrates are constantly opening up new horizons for our customers and our end users.

When we consider that 80% of the world's population uses our Smart Cut™ technology and we calculate the energy consumption that our products help to avoid while advancing the causes of healthcare, education and low-carbon mobility, we are able to gain a sense of our role and the immense sustainability responsibility that lies on our shoulders.

Our corporate purpose reflects us and is a source of inspiration and commitment for our teams, partners and customers. It impacts the way we conduct our businesses with all our stakeholders.



2021-2026 OUR SUSTAINABILITY ROADMAP

In 2021, we launched our new Corporate Social Responsibility policy, with a roadmap running through to 2026. This policy makes sustainability the cornerstone of Soitec's strategy and is based on three pillars and 11 commitments, which draw on a materiality matrix that we conducted with all our stakeholders. These pillars are: driving the transition toward a sustainable economy through our innovation and operations, leveraging our inclusive and inspiring company culture, and acting to become a role model for a better society.

Message from Éric Meurice

Chair of the Board of Directors

“Soitec is playing a central role in the multiple technological revolutions driven by semiconductors.”



This year's very strong growth is only the first step towards achieving the ambitious goals that we have set for ourselves at Soitec. It demonstrates the relevance of the products developed by Soitec. As the innovative soil from which smart and energy efficient electronics grow into amazing and sustainable life experiences, Soitec is playing a central role in the multiple technological revolutions driven by semiconductors. Soitec has become a key player in the trends behind these revolutions, from the adoption of 5G to the multiplication of artificial intelligence applications, the development of electric, ultra-connected – and, soon, autonomous – vehicles, the proliferation of smart objects and the exponential growth in the volume of data transferred and stored. In 2021, the semiconductor market grew by more than 25% to US\$556 billion and is expected to reach over US\$1,000 billion by 2030. To meet demand, capacity investments are rapidly increasing worldwide.

The shortage of semiconductors and its impacts on various sectors, such as the automotive industry, have been real eye-openers. In a bid to secure a certain degree of technological independence, states are competing to attract new projects, because semiconductors are key to major economic issues that we are facing today. In what is an extremely promising but geopolitically complex environment, Soitec is increasingly recognized as a strategic player. And our Company has many strengths, starting with our footprint in both Europe and Asia, and our growing proximity to customers around the world.

SOITEC HAS A BRIGHT FUTURE

Our growth potential is closely linked to the economic, technological and environmental value of our innovative materials. Over the next four years, our revenue is set to more than double. Our strategic roadmap has been plotted, based in particular on growth in markets using our new products and further increases in production capacity. The Group continues to make prudent investments in line with growing customer demand, financed by our solid financial position.

Along with developments in our industrial plant, the whole Company is about to scale up. The Board of Directors has decided to place this challenge under the responsibility of a new Chief Executive Officer, who will lead the Company in this new phase over the long term, supported by the management team and leveraging the solid foundations that Soitec has established over the past few years under the leadership of Paul Boudre. There's no shortage of challenges ahead of us, from recruiting new talent to ensuring absolute compliance with our environmental commitments – a fundamental issue –, developing an innovation policy that is increasingly focused on anticipating customer needs, and managing operations across a bigger industrial footprint. The Board will continue to ensure the strategy is properly executed and has every confidence in Soitec's future.

We'd like to thank Paul Boudre for his significant contribution to this phase of Soitec's development and are confident that Pierre Barnabé will be able to build on this foundation to lead a new phase for the Company. ●

“Our products must be the cornerstone of a more sustainable, responsible future.”

Paul Boudre, Chief Executive Officer

Fiscal year 2021-2022 saw the adoption of your corporate purpose. What does this corporate purpose mean for Soitec?

Paul Boudre — The innovative materials that we develop make the adoption of major technological innovations possible. Some are even becoming industry-wide standards. For example, our products feature in almost all smartphones and are used by billions of people around the world. We have a responsibility that extends far beyond developing and producing substrates. Following work with all our stakeholders, we have defined this responsibility as enabling electronic devices to reconcile high performance and reduced energy consumption. Therefore, our products must be the cornerstone of a more sustainable, responsible future. This is the essence of our corporate purpose, which is now enshrined in our bylaws. It meets consumer expectations and reflects the values held by the men and women who are and make Soitec.



So your corporate purpose reflects your CSR policy?

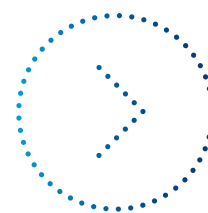
P.B. Absolutely. We're very proud that, over the course of a year, the greenhouse gas emissions avoided through the use of our products represent the equivalent of the domestic energy consumption of a city of one million people. But while we're helping to make the transition to a sustainable economy through the innovation facilitated by our products, we're also committed to reducing the environmental footprint of our own operations. Last year, the Science-Based Targets initiative (SBTi) Steering Committee approved our greenhouse gas emission reduction targets, making Soitec the fourth semiconductor company worldwide to have made this highest level of commitment. The validated targets underpin the absolute necessity to limit global warming to 1.5°C above pre-industrial levels. Our targets are all the more demanding given that our business is growing rapidly and that we've already reduced our energy consumption by around 30% over the past five years. Sustainable development is a vital part

of Soitec's strategy, with targeted actions to responsibly manage our water resources and preserve biodiversity. For our employees, we strive to foster a model based on cohesion, inclusion and value sharing, with quantifiable objectives for health and safety, quality of life at work and diversity. And on the societal front, we want to take action to become a model for a better society, led by strong ambitions in terms of a responsible supply chain, commitments to local communities and ethical practices.

Soitec achieved a record fiscal year 2021-2022, with 50% growth. What drove this performance?

P.B. Fiscal year 2021-2022 saw Soitec top the US\$1 billion revenue mark for the first time in our history, growing 50% over the previous fiscal year. The record level of activity illustrates our excellent industrial performance, as well as the dynamic momentum in our three end-markets: the continued deployment of 5G, which is bringing a steady rise in Soitec product content in smartphones; the confirmed

Interview with Paul Boudre Chief Executive Officer





“ Our addressable markets are expected to grow by approximately 20% a year over the next four years. ”

Paul Boudre
Chief Executive Officer



rebound of the automotive industry, driven by electrification and the increase in automation and safety; and the continued growth of the smart devices market.

Can you tell us a bit more about this year's financial performance?

P.B. Thanks to the talent and unwavering determination of our teams, we succeeded in combining very strong growth with an excellent industrial performance, bringing a 5-percentage point increase in our EBITDA margin to almost 36%. Operating cash flows totaled €255 million. While we significantly increased our investments to expand our production capacity, our financial position was further strengthened, as we ended the year with a positive net cash position.

How can Soitec retain its competitive edge in the ever-changing world of electronics?

P.B. Whether it's 5G, artificial intelligence or energy efficiency, our outlook is based on megatrends that are driving the transition towards an increasingly connected and intelligent world that is also less carbon intensive. We've developed a unique positioning in our value chain, rethinking our partnership model to secure our supplies and support the technological roadmaps of our customers, from foundries and fabless manufacturers to OEMs. Combined with our innovation model drawing on a mesh of alliances with research laboratories and universities, our partnership model enables us to develop substrates that meet the needs of our end markets very precisely. As a result, our substrates are perfectly in line with these trends. One such example is our new SmartSiC™ substrate, which we'll soon be producing on an industrial scale and which is set to make its mark in the field of electric vehicles. In addition, we've just implemented a new internal organization that will enable us to accelerate the time-to-market for our products and be even more agile in adapting our offer to our customers' roadmaps. This notion of timing is absolutely crucial to making our products the industry standards.

In this context, what are your ambitions for Soitec for fiscal year 2025-2026?

P.B. The megatrends driving our markets, as well as Soitec's strong fundamentals, give us confidence in our ability to pursue our ambitious roadmap in the current global context. The size of our addressable markets is expected to continue to grow by an average of approximately 20% a year

over the next four years. We're managing our business with the aim of growing our revenue by between 20% and 25% per year, to reach around US\$2.3 billion by fiscal year 2025-2026. On top of growth, our value creation strategy is also based on our ability to optimize our industrial organization to benefit from strong operational leverage. We're therefore targeting an EBITDA margin of around 40% in fiscal year 2025-2026, which represents a further 4-percentage point gain versus fiscal year 2021-2022. Of course, we'll continue to invest in our production capacities in order to generate this growth, with a new unit in Bernin and the extension of our fab in Singapore. We anticipate total capital expenditure of approximately €1.4 billion between fiscal years 2021-2022 and 2025-2026 (including buildings), in line with the objective communicated last year.

You're about to leave Soitec. How would you sum up your time with the Group?

P.B. This year, Soitec is celebrating its 30th anniversary. I'm very happy to have put my experience at the service of a company that has built its success on its ability to innovate to bring value to its customers and its capacity to deliver sustainable and profitable growth, shared with all its stakeholders. Since its positioning in the electronics segment, Soitec has continued its transformation from a technology company to a dynamic, international industrial group at the very heart of a strategic sector.

All of these developments are rooted in people. Over the years, I've built a very experienced and close-knit team. Together, we've grown Soitec by developing its organizational structure and formalizing its processes, while maintaining its pioneering and innovative spirit. We've also paved the way for long-term success by creating an attractive and inclusive company culture, designed to attract and grow our talent. At the beginning of 2022, we announced a new stage in our transformation, with a new organization that will best prepare Soitec for the growth challenges raised by its clear and ambitious roadmap that will double our revenue in four years. It's with great pride that I leave the reins of Soitec to Pierre Barnabé. ●

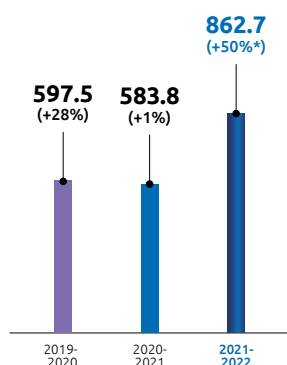


FINANCIAL PERFORMANCE

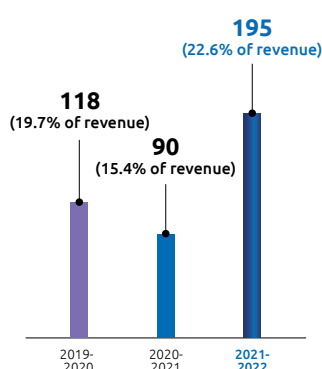
Léa Alzingre
Chief
Financial
Officer

“Fiscal year 2021-2022 was a record year for Soitec: our revenue grew 48% to a record €863 million, and our EBITDA margin reached almost 36%.”

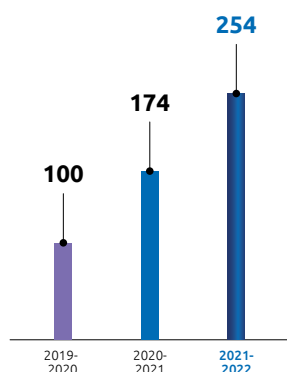
REVENUE (in € millions)



OPERATING INCOME (in € millions)



CASH FLOWS GENERATED BY OPERATING ACTIVITIES (in € millions)



Basic earnings per share

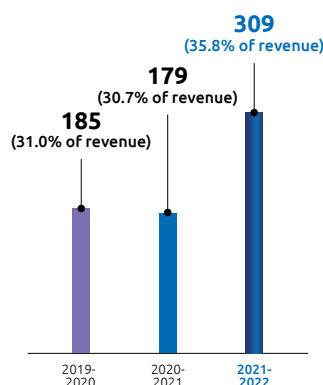
2021-2022

€5.98
per share

€2.19
per share

2020-2021

EBITDA (CONTINUING OPERATIONS) (in € millions)



In fiscal year 2021-2022, our revenue grew 48% to reach an all-time high of €863 million, thanks to a solid performance across all types of products in each of our end markets, excellent communication and coordination with our customers and suppliers, and the unfailing commitment of our employees. As a direct consequence of the record revenue, driven by the full loading of our Bernin 1 and Bernin 2 plants, a higher utilization rate at our Singapore plant, and our excellent operating performance, the EBITDA margin reached 35.8%, outperforming our initial forecasts. Cash flows generated by our operating activities were up on fiscal year 2020-2021, further strengthening our financial position and enabling us to continue to invest in our industrial facilities to support future growth.

Based on our record performance in fiscal year 2021-2022, and the increased visibility over the next few years, we are raising the guidance in our 2025-2026 financial model. We are now managing our businesses with the aim of achieving revenue of approximately US\$2.3 billion and an EBITDA margin of approximately 40% in fiscal year 2025-2026, based on an EUR/USD exchange rate of 1.20.

Confidence in our ability to achieve our ambitious objectives does not prevent us from monitoring international developments very closely. The future consequences of geopolitical conflicts, in particular the Ukraine/Russia situation, as well as rising inflation, may result in greater impacts than currently anticipated in these forward-looking statements.

(*) Annual growth calculated at constant exchange rates.

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 2,000 employees
- Almost 50 nationalities
- 34.2% women

INNOVATION

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

PRODUCTION

- 6 production lines, 1 fab under construction and planned extensions
- 64% of employees working in production

FINANCE AND ORGANIZATION

- Increase in equity: up €367 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 Chair of the Board of Directors
- A committed Board of Directors: average attendance rate of 96% in fiscal year 2021-2022
- A new organization

NATURAL RESOURCES

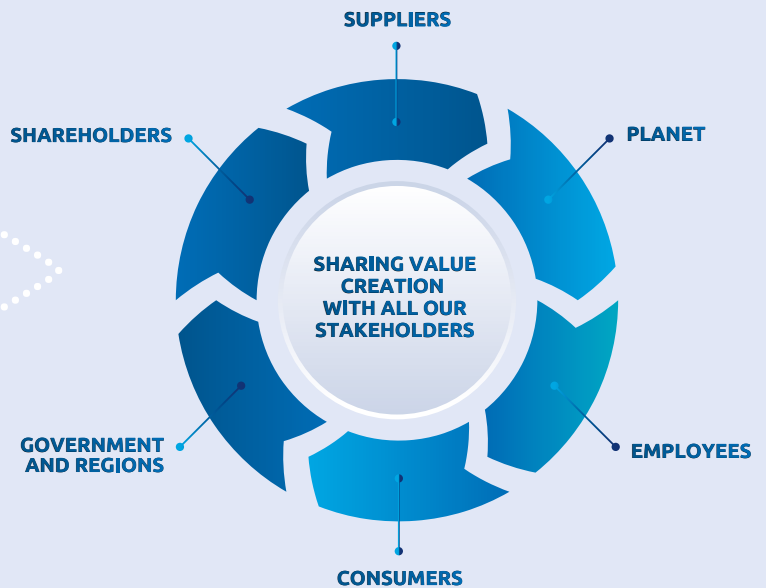
- Water consumption: 2,035 ML
- Energy consumption: 140,257 MWh

TRENDS AND OUR STRATEGY TO MEET THEM

TRENDS

- 3 megatrends: 5G, AI, energy efficiency
- Complex technological challenges
- An internationalized market, with increasingly major regional strategic issues
- A contribution to innovative clean technologies

THE SOITEC FLY WHEEL



3 PILLARS OF OUR CSR STRATEGY

- Drive the transition toward a sustainable economy through our innovation and operations
- Leverage our inclusive and inspiring company culture
- Act to become a role model for a better society

OUR CORPORATE PURPOSE

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



NEW STANDARDS

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

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



3 MARKETS

- Mobile communications
- Automotive and industry
- Smart devices



VALUE CREATED

CUSTOMERS

- 10.8% of revenue devoted to R&D
- Close collaboration on innovation with some 15 key customers
- A portfolio of over 3,700 patents
- One of the top 50 patent filers in France and no. 2 among the top 10 mid-sized companies
- ISO 9001: Bernin – Pasir Ris – Hasselt
- IATF: Bernin 1 & 2 – Pasir Ris
- AEO: Bernin

SUPPLIERS AND SUBCONTRACTORS

- 53% of revenue for suppliers and subcontractors
- 100% of strategic suppliers having signed our Supplier Quality Policy

EMPLOYEES

- 15.7% of revenue for employees
- Free share allocation and co-investment plans
- 281 new hires in fiscal year 2021-2022
- Resignation rate: 5.82%
- Frequency rate: 1.7
- ISO 45001: Bernin and Pasir Ris

GOVERNMENT AND REGIONS

- 0.7% 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

- Revenue: €863 million (up 50% at constant exchange rates)
- Increase in the EBITDA margin to 35.8%

PLANET

- 41% reduction in energy consumption per unit of production since fiscal year 2015-2016
- 25% reduction in water consumption per unit of production since fiscal year 2015-2016
- GHG emissions: 253,772 tCO₂eq.
- 1,144,000 tCO₂eq. of emissions avoided from products sold
- ISO 14001: Bernin and Pasir Ris
- ISO 50001: Bernin

IMPACTS AND CONTRIBUTIONS



Trends and opportunities



Three megatrends – digitalization, an aging population and environmental protection – are accelerating growth in Soitec's key markets.

Our environment is constantly digitalizing and data is the new gold. The adoption of e-commerce, together with remote working and education, are a further step in the digitalization of our society, turbo-charged by Covid-19. The trend will gain even more momentum in the future, with increasingly smarter and more autonomous objects powered by high artificial intelligence content. Such objects are increasingly key features of the applications that we use every day and which will be developed in the future, including self-driving cars and augmented and virtual reality glasses as well as technologies for industry and agriculture.

In the second half of the decade, our design tools (in the broadest sense) will reach a new milestone, with digital twin modeling and emulation technologies. Another very promising field is the newly arrived metaverse. Building on the principles of video games, the metaverse is the creation of virtual worlds in which humans can fully immerse their senses and access various business and entertainment applications.

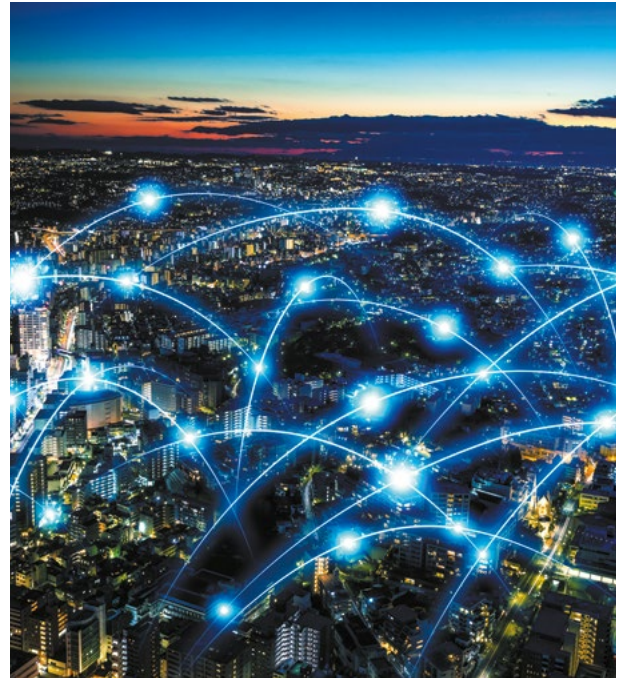




Through its strategic positioning, Soitec is fully aligned with these megatrends, delivering innovation and products in the following three markets: **mobile, automotive and smart objects.**

The population is aging, with the percentage of over 65s set to double by 2050 ⁽¹⁾. The wellness market is booming, enabling people to stay in shape while keeping an eye on their physical data. In the space of a few years, the smartwatch has become a key driver of consumer electronics and an essential item for fitness and well-being. Medical care will increasingly be provided at home and less so in hospital settings. Healthcare systems are moving toward patient-centric wearable devices, allowing telemedicine to remotely prevent and treat disease. In the not-too-distant future, the wellness and medical markets will blend into one another, as regulations change.

Today, protecting the environment means first of all combating 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 ⁽²⁾. Objectives have been set by the various COPs to limit global warming to 1.5°C by 2050. Soitec is committed to achieving this goal, and our commitments have been validated by the Science-Based Target Initiative (SBTi). Limiting global warming to 1.5°C by 2050 means reducing CO₂ emissions from electricity generation by half by 2030 ⁽³⁾. The use of increasingly energy-efficient technologies and the growing adoption of electric vehicles (driven by highly incentive policies in terms of CO₂ emissions regulations), whose market share of around 7% in 2021 could grow to 50% by 2030 ⁽⁴⁾, will play a critical role in achieving this major objective. ●



Thanks to these three megatrends, an increasingly connected world is taking shape, surrounded by increasingly smarter and energy-efficient objects. The challenges are numerous. The objective for 2030 is to connect five times more objects ⁽⁵⁾, which will generate five times more data by 2025 compared to 2018 ⁽⁶⁾, while reducing overall electricity consumption. According to some sources ⁽⁷⁾, the share of global electricity consumption of connected objects could double within three years, from 10% to 20%. To meet these challenges, technological improvements and disruptions are essential. The world is more aware than ever of the economic and strategic importance of semiconductors in meeting these challenges.

(1) United Nations, World Population Ageing 2019: <https://www.un.org/en/development/desa/population/publications/pdf/ageing/WorldPopulationAgeing2019-Highlights.pdf>. (2) Climate Change – Global Sea Level 2021: <https://www.climate.gov/news-features/understanding-climate/climate-change-global-sea-level>. (3) Net zero by 2050, IEA report 2021: <https://www.iea.org/reports/net-zero-by-2050>. (4) Global electric vehicle sales, Canalis 2021 and 2022: <https://www.canalis.com/newsroom/global-electric-vehicle-market-2021> <https://canalis.com/newsroom/canalis-global-electric-vehicle-sales-2020>. (5) Strategy Analytics, Global Connected and IoT Device Forecast Update: <https://www.strategyanalytics.com/access-services/devices/connected-home/consumer-electronics/reports/report-detail/global-connected-and-iot-device-forecast-update>. (6) IDC: Expect 175 zettabytes of data worldwide by 2025, IDC 2018: <https://www.networkworld.com/article/3325397/idc-expect-175-zettabytes-of-data-worldwide-by-2025.html>. (7) "Tsunami of data" could consume one fifth of global electricity by 2025, Climate Home News 2017: <https://www.climatechangenews.com/2017/12/11/tsunami-data-consume-one-fifth-global-electricity-2025/>



Our markets

Global semiconductor industry sales totaled US\$555.9 billion in 2021, a record high and a 26.2% increase compared to 2020, according to the annual WSTS review.

The record sales growth was driven by a combination of strong demand linked to the rebound of the global economy in 2021, stockbuilding in response to a shortage across the semiconductor supply chain (particularly in the automotive industry), and price increases related to logistics costs and raw material prices.

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

To strengthen the resilience of their semiconductor supplies, companies have increased their inventories, moving from a “just-in-time” policy to a “just-in-case” strategy.

The outlook for 2022 remains good, with growth estimated at around 10%.

The growth figure does not exclude shortages of particular components until the end of 2022 or early 2023 in certain targeted sectors such as the automotive industry.

Geopolitical and economic developments related to the consequences of the war in Ukraine represent an indirect risk to the market in the medium term.

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

In terms of the long-term outlook for 2030, the semiconductor market is estimated to top US\$1,000 billion.



MOBILE COMMUNICATIONS

From 200 million 5G phones sold in 2020 to around 730 million in 2022, a **3.65-fold increase in 2 years.**

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

Demand for mobile data, driven mainly by video, is growing 30% every year and shows no signs of slowing down. Mobile communication – particularly smartphone-based – is expanding and will continue to expand beyond what is possible today, offering new – and ever more secure – services from health to self-driving vehicles and smart homes. Beyond performance alone, the challenge is to make mobile communication more environmentally friendly and inclusive, as well as to connect the unconnected.

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



advance of 5G smartphones is the key driver.

From 200 million units in 2020 to around 730 million units in 2022 ⁽¹⁾, the fast pace of adoption of 5G phones keeps growing, driven by strong end-user experience and aggressive adoption plans from both operators and handset makers.

The gradual adoption of new 5G standards is giving rise to a sharp increase in semiconductor content in smartphones ⁽²⁾, which is directly reflected in higher demand for Soitec products. One of Soitec's flagship products, RF-SOI, dedicated to radiofrequency (RF) chips, has become an industry standard in 4G (present in all 4G smartphones). A first-generation 5G phone requires approximately twice the amount of RF-SOI content in comparison to a 4G phone ⁽³⁾. Several other Soitec products have been developed to serve specific 5G requirements. The gradual development of 5G mmWave technology, which will have an even greater share of Soitec products, should be a new growth driver in the medium term. Worldwide adoption is still

moderate, but the efforts of players in the value chain and the allocation of mmWave spectra around the world are evidence of an ecosystem that is finding its place. 5G infrastructure also requires a totally new setup and solutions. While the number of base station units is lower than smartphone units, the content of semiconductors is much higher and more complex, which is creating opportunities for companies like Soitec to actively participate in serving this market.

AUTOMOTIVE AND INDUSTRY

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

The automotive electronics segment is currently being driven by a once-in-a-century

content will at least double, depending on the level of electrification and driving automation ⁽⁵⁾.

Electrification and autonomous driving are the two main growth drivers ⁽⁶⁾.

In 2030, around half of cars sold will be either fully electric or hybrid ⁽⁷⁾. Although there are several technological and legal barriers to be removed in order to reach fully autonomous cars, the car industry is already deploying a range of advanced driving

assistance features and functions. Overall, the automotive semiconductor segment is forecasted to grow at a compound annual rate of more than 10% between 2020 and 2030 ⁽⁸⁾.

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

Soitec's current positioning is in the fields of energy, connectivity and the smart industry.

In 2030,
around half of cars sold will be either fully electric or hybrid.

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 ⁽⁴⁾. Whereas car sales look to remain within single-digit growth, the automotive semiconductor

SMART DEVICES

The driving force behind the smart object industry is the need to tailor the object to its user, its function and its suitability for its environment. That explains the evolution of smart objects, initially equipped with simple sensors and connectivity functionalities, toward – now and in the future – extremely complex, hyper-connected systems with embedded intelligence, such as robots. According to consumer electronics consultants Strategy Analytics, 38.6 billion smart devices will be connected by 2025 and 50 billion by 2030 ⁽⁹⁾.

The performance level required is powered by artificial intelligence and the associated electronics. Thanks to electronic sensors, the object reproduces the human senses, with vision and audio being the most advanced fields. Beyond the human senses, sensors are developing in fields as varied as health, non-visible imaging, microscopic vision, and more. Once the data has been collected by the sensors, the object makes its own decisions based on digital processing. As we move toward the digital transformation, processing data as close to the object as

possible, or even within the object itself, is becoming a fundamental objective. It is key in maintaining privacy, achieving ultra-fast calculation and decision-making, and reducing the energy consumption of the smart objects. With the trend comes new semiconductor opportunities in ever more powerful and efficient edge artificial intelligence chips.

According to ABI Research, the edge artificial intelligence chipset market will swell to US\$12 billion, overtaking the cloud artificial intelligence chipset market, which is expected to expand to US\$11.9 billion by 2025 ⁽¹⁰⁾.

With an explosion in smart device data, together with 5G, cloud infrastructure will continue to expand. The number of hyperscale datacenters will double in the next five years ⁽¹¹⁾. 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 ⁽¹²⁾.



The edge artificial intelligence chipset market will swell to US\$12 billion by 2025.

(1) Soitec consensus. (2) Yole, 5G impact on RF front-end module content, 2020: https://fr.slideshare.net/Yole_Developpement/5gs-impact-on-rf-frontend-module-and-connectivity-for-cell-phones-2019-by-yole-developpement (3) Soitec's engineered substrates for 5G, 2020: https://www.soitec.com/media/files/soitec_5g_march_2020.pdf (4) Deloitte, Semiconductor – The Next Wave: <https://www2.deloitte.com/content/dam/Deloitte/cn/Documents/technology-media-telecommunications/deloitte-cn-tmt-semiconductors-the-next-wave-en-190422.pdf> (5) Infineon, ATV Roadshow and Call: <https://www.infineon.com/dgdl?field=5546d46174dd743b0174f89228fe001d> (6) Bain, Electric and Autonomous Vehicles – The Future Is Now: <https://www.bain.com/insights/electric-and-autonomous-vehicles-the-future-is-now/> (7) Jabil, Electrified Vehicles – The Race to Mass Adoption: <https://www.jabil.com/blog/electric-vehicle-adoption.html> (8) Source: UBS Analyst Report. (9) 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> (10) 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> (11) 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> (12) Yole, Optical Transceiver Markets: http://www.yole.fr/Optical_Transceivers_IndustryOverview.aspx

Strategy

Our vision is “to be recognized as a leader in innovative and sustainable semiconductor standards for products shaping the future”. For 30 years, we have been innovating and working to define industry standards with a view to accelerating mass adoption of technological breakthroughs.

1.

UNIQUE TECHNOLOGIES

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

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.

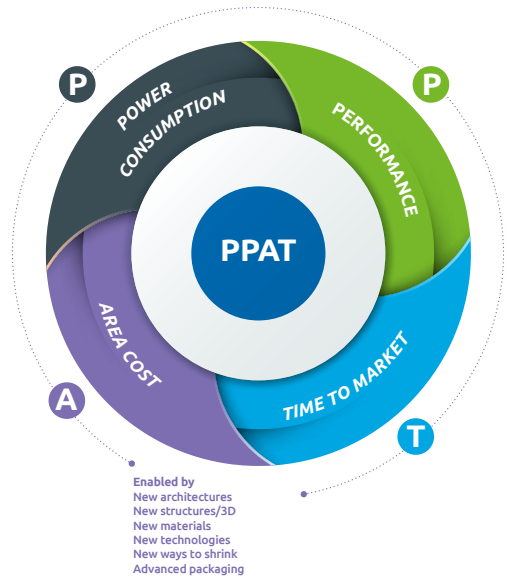
Some examples of Soitec products that provide unique and best “PPAT” value to the market, and

which in turn have become industry standards, include:

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

Other Soitec products include:

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



● **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 turn leads to very tight timescales for developing and qualifying new semiconductor solutions.

OUR VISION

2.

“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.
- Talent within our organization: a committed, highly-skilled international team.
- Our commitment to sustainable development, an integral part of our core business, with energy-efficient products spearheading our innovation.

4.

OUR PRIORITIES

GROWTH

Expand and develop the core business

PROFITABILITY

Project into adjacent markets

PEOPLE

Attract and develop our talent

SUSTAINABILITY

Support our value creation strategy

Innovation

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.



Device layer:
silicon, strained silicon, SiC, germanium, InP, GaAs, GaN, InGaN, LiTaO₃, LiNbO₃, etc.

Buried insulator:
SiO₂, ONO, etc.

Handle substrate: silicon CZ, high-resistivity silicon, sapphire, glass, GaAs, Ge, SiC, etc.

A worldwide patent portfolio to maintain our competitive advantage through differentiation

With a portfolio of over 3,700 active patents worldwide, our innovation strategy is based on disruptive solutions to address our customers' needs for high performance, energy efficiency and cost competitiveness.

It is based on:

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

The average age of our patents is less than five years. We file over 280 patent applications each year and have been one of France's top 50 patent filers since 2017, alongside very large industrial groups.

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

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 for our licenses.

ACTIVE PATENTS

3,700



280 patents filed every year

Still among the Top 50 French patent filers in France (no. 2 mid-sized company)

More than 200 inventors

283 patents filed in fiscal-year 2021-2022

R&D costs 11% of revenue

20% of employees in innovation



Our partners

We have established a unique position in the semiconductor industry by developing partnerships throughout the value chain with suppliers, innovators, producers and customers.

Our partnerships with our suppliers notably enable us to secure our raw material supplies. Shin-Etsu Handotai, our long-standing Japanese partner and silicon supplier, is still one of our shareholders and has one seat on our Board of Directors.

We also pool our expertise with our partners to generate very advanced substrates, as demonstrated by the recent strategic technical partnership with Mersen to develop a new family of polycrystalline silicon carbide (polySiC) substrates for the electric vehicle market.

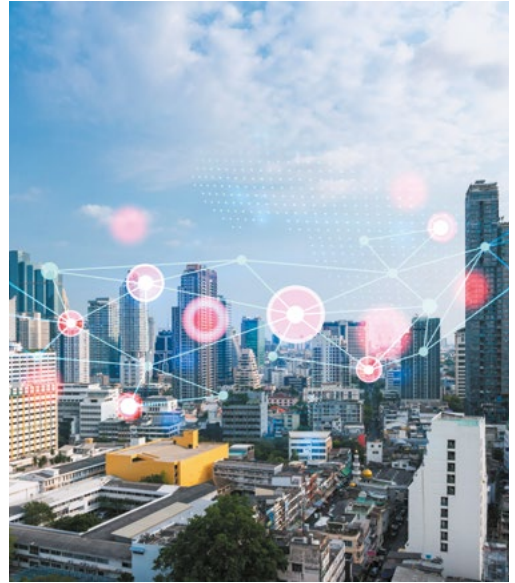
In 2015, Soitec entered into a partnership with Shanghai Simgui Technology Co. Ltd. (Simgui), a Chinese company, for 200 mm wafer production. The installed capacity is now 450,000 wafers per year, with a manufacturing level comparable to the Bernin 1 plant. In 2021, Soitec and Simgui agreed to increase production capacity for 200 mm SOI wafers and extend the term of the Agreements for three years to December 31, 2027. Simgui's production can only be sold to Soitec, for its sales worldwide.



Lastly, we work in close collaboration with our customers and their principals to determine properties, performance and roadmaps for products that meet their needs trajectories and market release schedules. We strive to position ourselves as a key strategic partner to our customers, through firm commitments on innovation, value creation and rigor.

SmartSiC™ is an excellent example of how we add value through partnerships with our customers. The progress made on our SmartSiC™ technological roadmap, as well as the positive feedback received from our partners during the testing and prototyping phase, enabled us to announce new production capacity in Bernin during the year, in order to produce SmartSiC™ substrates and increase our SOI capabilities.

We have established a strategic **partnership** with Mersen to develop new silicon carbide (SiC) substrates for the electric vehicle market.



The Substrate Innovation Center

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

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 R&D center aims to promote early-stage collaboration and knowledge-sharing within the semiconductor value chain, from substrates – whether SOI or other materials – to systems. 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.



Our people

Leveraging our company culture to encourage inclusive and inspiring relationships is one of the three pillars underpinning our sustainable development strategy.

At Soitec, we firmly believe that sharing a common culture is crucial to the success of a company and to the well-being of its employees. Our success would not be possible without the outstanding commitment of all those who have joined our Group over the years. Today, Soitec is growing very rapidly. And our workforce is increasing sharply too. We need to remain recognized as an attractive and unique employer, in France and in Singapore alike, if we are to continue growing at the expected pace.



PROMOTE DIVERSITY AND INCLUSION

- **Promote the role of women in the semiconductor industry:** women employee rate of 34.2% across the Group (semiconductor industry average of between 20% and 25%) **Gender equality index for Soitec SA of 94/100**
- **Soitec is committed to fighting discriminatory behavior:** 12 videos produced and broadcast internally to combat sexist and heterosexist behavior **Pioneering gender equality collective agreement extended to include LGBTQIA+ issues (signed in 2020-2021)**



ENSURE THE HEALTH AND SAFETY OF OUR EMPLOYEES

- **Promote a safety culture among our employees through prevention and mutual support:** frequency rate of workplace accidents with lost time of 1.7 (down 1.4 points)
- **8,509 hours of health, safety and environmental training**
- **780 safety tours** (i.e., observations made by managers and shared with their teams) (up 17)
- **297 training sessions** on professional techniques

Invest in the health and safety of our employees: our measures have evolved constantly, to take into consideration the rules imposed by the governments of our host countries as swiftly as possible



CREATE A FULFILLING AND REWARDING WORK ENVIRONMENT AND PROMOTE EMPLOYEE WELL-BEING

- **Improve the quality of life at work:** quality of life at work score of 72/100 (up 2 points)
- **Share the fruits of growth with our employees:** our free ordinary share plans have received awards from the French Federation of Employee and Former Employee Shareholder Associations and the Observatory of Compensation and Benefits



LEVERAGING OUR COMPANY CULTURE INVOLVES FOUR LEVERS



ATTRACT AND DEVELOP OUR TALENT

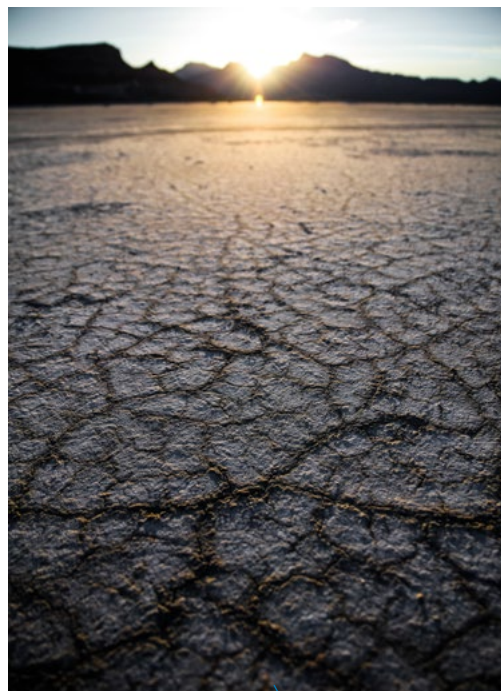
- **Attracting talent:** 281 new employees
- **17.24 hours** of training per employee per year (up 2.56 hours)
- **Develop careers:** internal promotion rate of 17.1% (up 2.3 points)



Environment

The mounting threats facing our planet impose respect for the environment as the cornerstone of a more responsible future and growth for our business.

Recognizing this challenge, in January 2021 Soitec joined the Science-Based Targets initiative (SBTi) – led by CDP Worldwide, the World Wildlife Fund (WWF), the World Resources Institute (WRI) and the United Nations Global Compact – and adopted the trajectory of limiting global warming to 1.5°C above pre-industrial temperatures. Soitec is the fourth semiconductor company worldwide to have a plan of this scale validated by the SBTi.



-25.2%

Our CO₂ emission
(Scopes 1 & 2) reduction
target for 2026.

At Soitec, our ambition is to drive the transition toward a sustainable economy through our innovation and operations, with strong, concrete and measurable commitments.



Innovate every day so that we can continue to make our products the cornerstone of a responsible future

- Innovate by creating new and increasingly efficient materials and reduce the energy consumption of everyday electronic devices: 1,144 ktCO₂eq. in emissions avoided thanks to the energy savings generated by our products in their end-use applications.
- Intensify our eco-design approach in R&D: our new product SmartSiC™ reduces greenhouse gas emissions by 20,000 tCO₂eq. per 500,000 wafers produced.
- Forge alliances and partnerships to build a semiconductor ecosystem.



Be a pioneer in limiting global warming to 1.5°C

- An organization and teams focused on ambitious objectives:
 - 25.2% reduction in Scopes 1 & 2 greenhouse gas emissions in absolute terms by 2026;
 - 35.3% reduction in Scope 3 greenhouse gas emissions per million euros of added value.
- Reducing our greenhouse gas emissions while supporting our growth: 41% reduction in electricity consumption per unit of production since 2015.
- Implement our Climate Plan in our operations: 100% renewable power at our Bernin facilities.



Manage and reduce our water consumption

- Reduce our water consumption: 40% reduction in water consumption per unit of production since 2015.
- Control the origin of our water resources: at our Bernin facilities, all of the water consumed comes from a local river.



Preserve biodiversity to maintain a healthy and balanced local ecosystem

A 1,700 sq.m. area dedicated entirely to fauna and flora has been created at the entrance to the Bernin site, in partnership with the League for the Protection of Birds (*Ligue pour la Protection des Oiseaux – LPO*).



Reduce pollution and waste

- Limit air and water pollution: 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 and Hasselt sites. In Bernin, nine breaches were measured and deemed benign.
- Reduce waste: 66% of our hazardous waste is recycled or recovered (for energy or regeneration).



A relationship shaped by close proximity

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

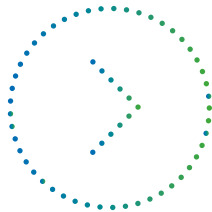


They use the engineered substrates that we develop and make to manufacture electronic chips for mobile telecommunications, automotive and industry systems and smart objects.

Soitec has a unique position. Our Group works closely with our customers to supply the products they need for their development, which 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.

Every three years, our Group conducts a customer satisfaction survey among a very comprehensive panel of customers including foundries, fabless manufacturers and IDMs. Calendar year 2015 is used as the baseline, with a score of 100.

Change in the customer relationship score in the customer satisfaction survey



The significant improvement between 2015 and 2020 reflects:

1. efforts to strengthen field application engineers (FAE) teams;
2. the deployment of a CRM at Group level;
3. the creation of key account teams (KATs) comprising members of cross-functional teams.

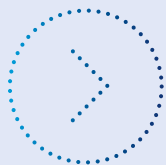
All of these changes since 2019 have enabled us to focus more closely on our customers' challenges and better serve them. Our customers commended these improvements in our interactions in the 2020 survey.

In keeping with the changes made, our ambition requires our organizations to evolve in order to make the right

choices at all strategic stages and to serve our customers without fail. In order to strengthen our proximity to our customers, we announced a new organization in January 2022.

One of the objectives of the new organization is to constantly improve our relationship with our customers and our understanding of their markets. The Global Business function is now organized around three market divisions (Mobile Communications, Smart Objects and Automotive and Industry) and cooperates with the Customer Group function, under the supervision of the Chief Operating Officer.

* Integrated device manufacturer (IDM).



New organization

Last year, we announced a very ambitious growth outlook for the coming years, which is to triple our revenue by fiscal year 2025-2026 versus fiscal year 2020-2021, by strengthening our position in mobile connectivity and smart connected objects and by winning new markets in automotive and industry. In January 2022, we fine-tuned our organization, culture and key processes to meet these challenges.

We decided to change the scope and responsibilities of certain members of the Executive Committee:

To strengthen operations, the Chief Operating Officer – Bernard Aspar since 2020 – now oversees all operating activities, namely:

- Customer Group;
- Global Business;
- Global Supply.

The new setup streamlines interactions, facilitates decision-making about issues and enables relevant monitoring of the main performance levers.

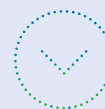
We have also implemented a new level of consolidation centered around three divisions to better serve the three markets targeted by our Group:

- Mobile Communications;
- Automotive and Industry;
- Smart Objects.

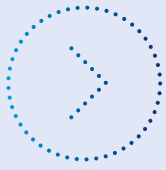
The divisions have been operational since April 1, 2022 to enable us to start fiscal year 2021-2022 with the new organization effectively in place and to structure our reporting and financial communication accordingly. The various business units are therefore part of the divisions.

The new Global Supply organization now includes Quality, Procurement, Operations, Central Planning and IT.

As we diversify our product portfolio, increase our production capacity and expand our partnerships, the new organization will enable us to ensure that our operational efficiency and robust supply chain are maintained and that our quality level meets our customers' requirements.



The changes adapt our organization, processes and culture to our growth challenges.



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 Technology 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. Since 2022, he has led the "Global Business" organization. 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 CEA laboratories, before creating his own company, Tracit (a spin-off of his work at 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, and has led the "Global Supply" organization since 2022. 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, and has held responsibility for strategy, corporate development, ventures and investor relations since 2022. He is a materials sciences engineer and holds a master's degree from a business school.

I. REINER BREU

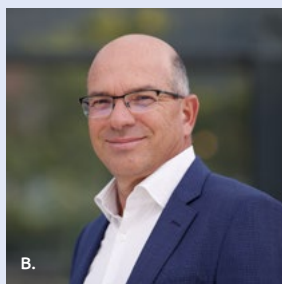
Reiner Breu joined Soitec in 2019 as head of quality, after a strong track record in European electronics and semiconductor groups in Germany, the UK and France. In addition to an engineering degree, he holds an MBA.

L. JOSÉPHINE DEEGE-MANSOUR

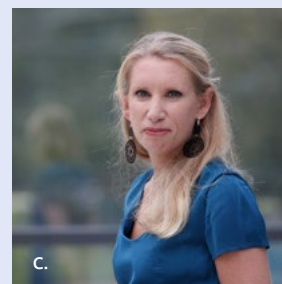
After completing law degrees in France and New York, **Joséphine Deege-Mansour** worked as a lawyer in leading international law firms and then served as General Counsel for several large global divisions of a major American industrial group. She joined Soitec in 2018 to head up the legal function.



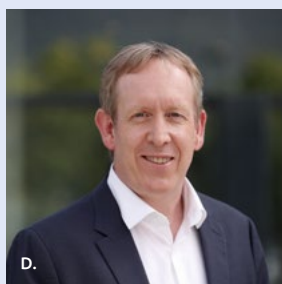
A. **Paul Boudre**
Chief Executive Officer



B. **Bernard Aspar**
Chief Operating Officer



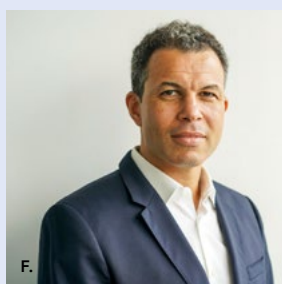
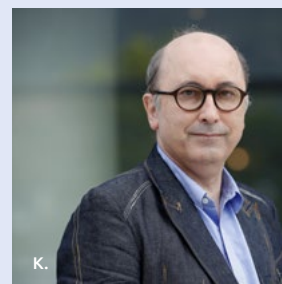
C. **Léa Alzingre**
Chief Financial Officer



D. **Christophe Maleville**
Chief Technology Officer



E. **Cyril Menon**
Global Supply



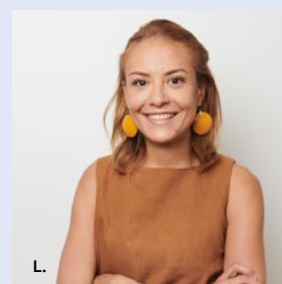
F. **Steve Babureck**
Strategy
& Investor Relations



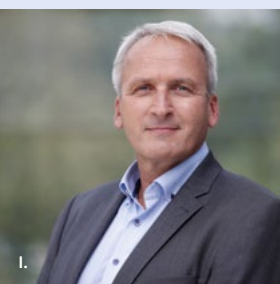
G. **Thomas Piliszcuk**
Global Business



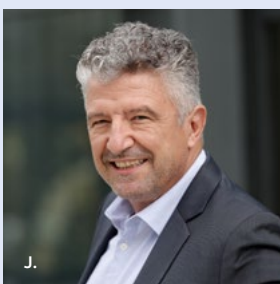
H. **Yvon Pastol**
Customer Group



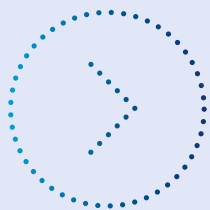
I. **Reiner Breu**
Quality



K. **Pascal Lobry**
People & Sustainability



L. **Joséphine Deege-Mansour**
Legal



A governance structure designed to support our strategy

Our Group's strategy is based on a corporate governance structure in line with best practices. **Éric Meurice**, our Chair appointed in March 2019, is independent. Our governance is based on the Board of Directors, its four specialist Committees and the Executive Committee led by **Paul Boudre**, our Chief Executive Officer.

1. **Éric Meurice**
Independent director and Chair of the Board of Directors, of the Compensation Committee, and of 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 Gégout**
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% of women*
41.67% of independent directors*
2 employee directors
3-year term of office
11 meetings
94.58% attendance rate

New and improved structure

As of July 26, 2022, we propose to reinforce the independence of our Board of Directors and its four specialist Committees. The Executive Committee will be led by **Pierre Barnabé**, the new Chief Executive Officer.

1. **Éric Meurice**
Independent director and Chair of the Board of Directors
2. **Pierre Barnabé**
Chief Executive Officer and director
3. **Wissème Allali**
Employee director
4. **Françoise Chombar**
Independent director
5. **Laurence Delpy**
(Permanent representative of Fonds Stratégique de Participations, independent director)
6. **Christophe Gégout**
Independent director
7. **Didier Landru**
Employee director
8. **Maude Portigliatti**
Independent director
9. **Samuel Dalens**
(Permanent representative of Bpifrance Participations, director)
10. **François Jacq**
(Permanent representative of CEA Investissement, director)



1



3



4



7



8



11



12

11. **Kai Seikku**
Director

12. **Delphine Segura**
Independent director

13. **Satoshi Onishi**
Director

14. **Shuo Zhang**
Independent director

14
directors

5
nationalities

2
employee
directors

* Excluding the employee directors.

Our 4 committees

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

-  Members
-  Meetings
-  Attendance rate
-  Independence ratio



2

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.



The proposed new governance structure:



Audit and Risks Committee

Chair
Christophe Gégout

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.



The proposed new governance structure:



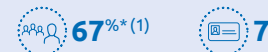
Nomination and Governance Committee

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 Chair 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.



The proposed new governance structure:



5

6



9

10



13

14

41.67%
of women*

58.34%
of independent directors

Staggered terms
of office

(1) Corrections made after AMF filing.

Managing risk to improve our business 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;
- tools to help monitor and ensure that risks are controlled;
- key players who help coordinate and curb identified risks.

Our organization

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 and the Finance Department and its internal control and risk management unit.

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

Our key players

- **Our Audit and Risks Committee**, which reports to our Board of Directors, 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 the 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. It defines rules and procedures. It organizes and monitors the action plan for continuous improvement of the internal control mechanism, taking into account the recommendations made by our external auditors. It ensures that certain processes comply with the applicable laws in cooperation with the departments concerned. Lastly, it organizes and leads the risk review process underpinning the preparation of the general risk map.
- **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, 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 and risk management 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.



OUR THREE LEVELS OF CONTROL

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

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

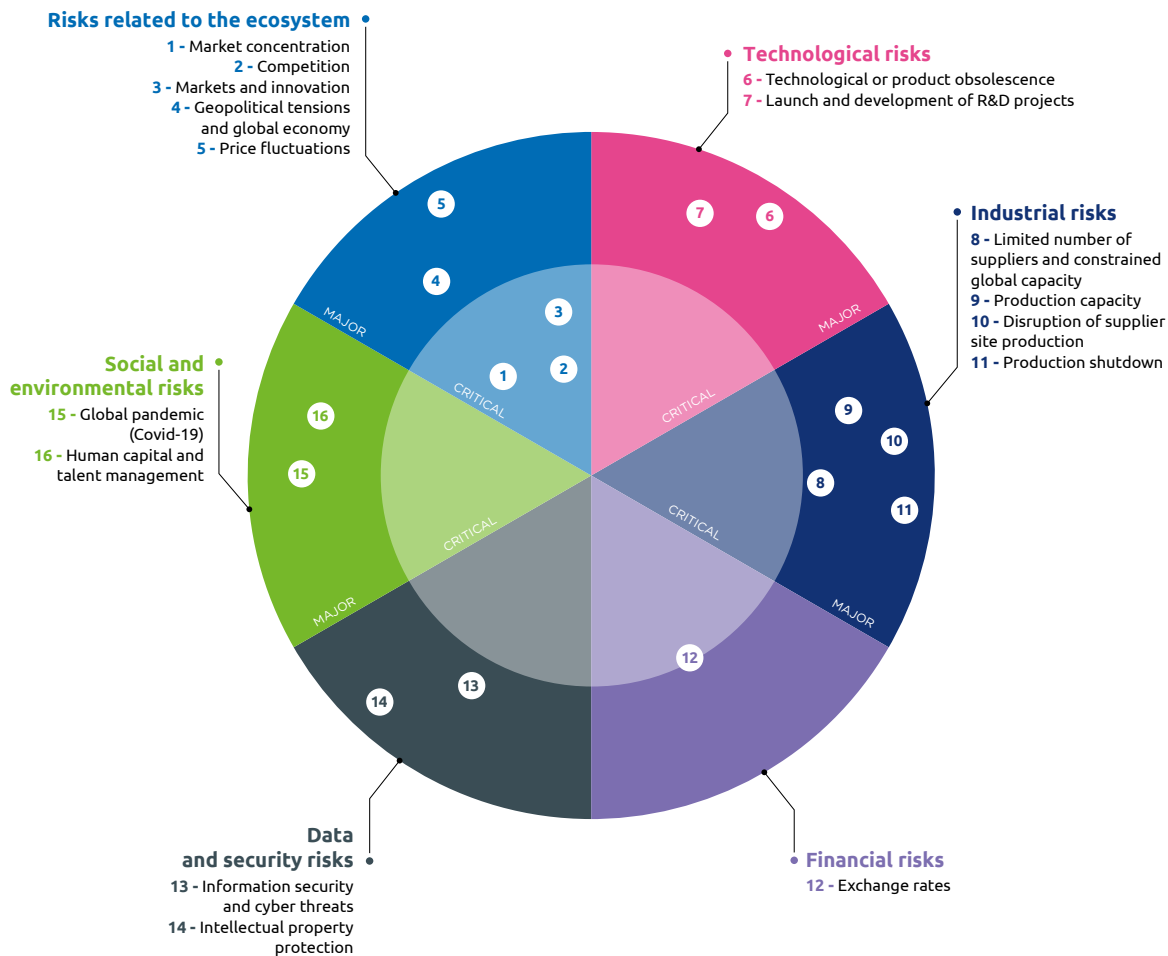
• **Level 2:**
continuous controls, which assess the effectiveness of the mechanism through our internal control and risk management unit.

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

Presentation of our specific risk factors by category

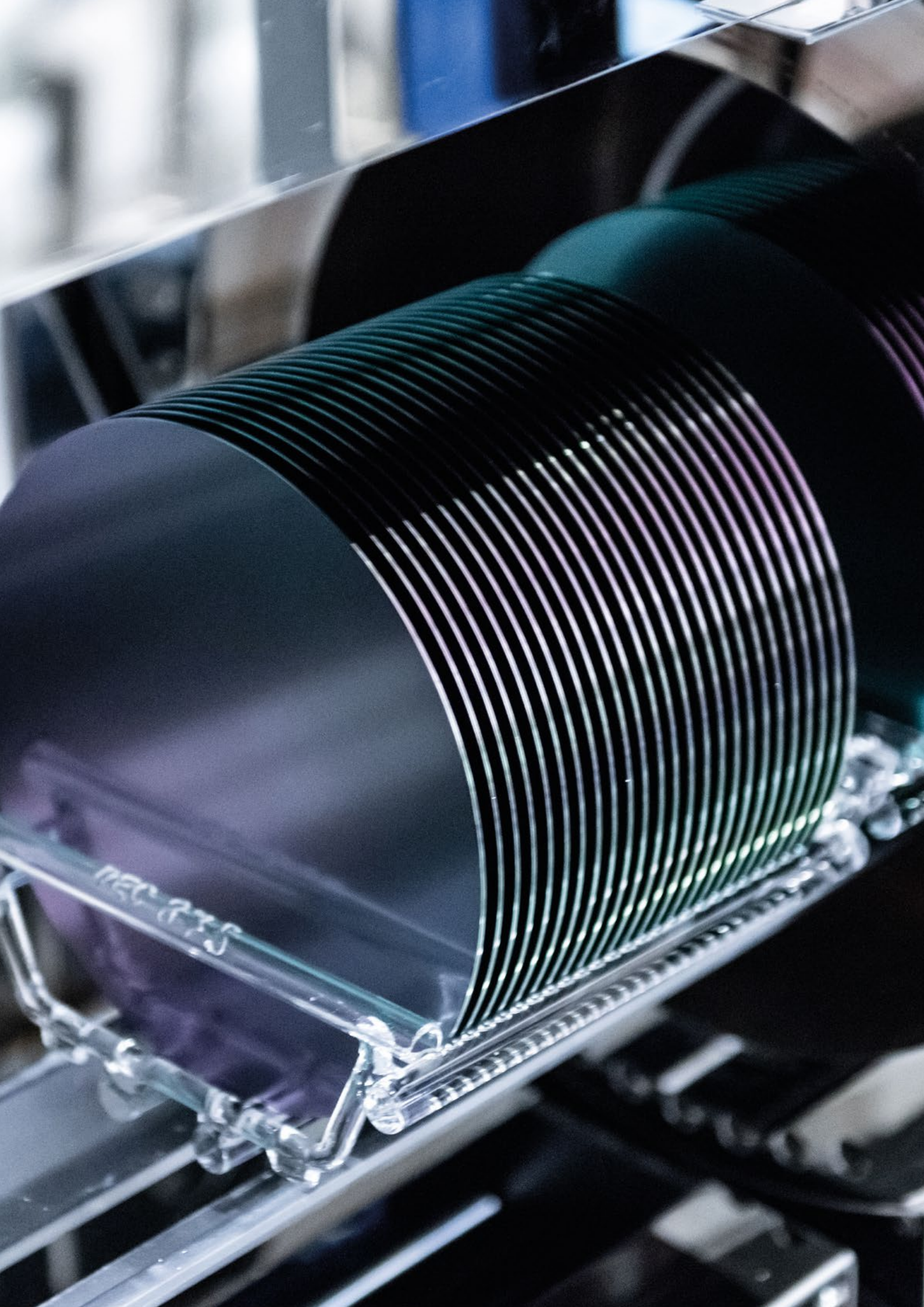
In accordance with the provisions of Article 16 of EU Regulation 2017/1129, the risk factors identified in our six risk categories are ranked in order of materiality, from the highest to the lowest risk, with the most material

risks listed first, according to our Group's assessment at the date of this document. Only specific, material and corroborated risks are shown in the diagram below, and are presented in detail in Chapter 2 of this document.



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.



1

OVERVIEW OF SOITEC AND OUR BUSINESSES

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1.1 About Soitec

Soitec was founded 30 years ago in the high-tech innovation ecosystem of Grenoble (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 most 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 (IDMs⁽³⁾) 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.

We have now expanded across the globe and are the largest producer of Silicon-on-Insulator (SOI) wafers⁽⁴⁾. Our product portfolio also includes Piezoelectric-on-Insulator (POI) substrates and gallium nitride (GaN), as well as silicon carbide (SiC) substrates on which we apply our Smart Cut™ technology to improve their performance and make their production more efficient.

At Soitec, we are convinced that our innovation and products must be backed by a total commitment toward a fairer and more sustainable world. Consequently, our corporate social responsibility (CSR) strategy is tightly interwoven across the full breadth of our operations, based on three pillars: drive the transition toward a sustainable economy through our innovation and operations, leverage our inclusive and inspiring company culture, and act to become a role model for a better society.

1.2 Markets

1.2.1 Three megatrends – digitalization, environmental protection and an aging population – accelerating growth in Soitec's key markets

Our environment is constantly digitalizing and data is the new gold. The adoption of e-commerce, together with remote working and education, are a further step in the digitalization of our society, turbo-charged by Covid-19.

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

In the second half of the decade, our design tools (in the broadest sense) will reach a new milestone, with digital twin modeling and emulation technologies. Another very promising field is the newly arrived metaverse. Building on the principles of video games, the metaverse is the creation of virtual worlds in which humans can fully immerse their senses and access various business and entertainment applications.

The population is aging, with the percentage of over 65s set to double by 2050⁽⁵⁾. The wellness market is booming, enabling people to participate in physical activity while keeping an eye on their metabolism. In the space of a few years, the smartwatch has become a key driver of consumer electronics and an essential item for fitness and well-being. Medical care will increasingly be provided at home and less so in hospital settings. Healthcare systems are moving toward patient-centric wearable devices, allowing telemedicine to remotely prevent and treat disease. In the not-too-distant future, the wellness and medical markets will blend into one another, as regulations change.

Today, protecting the environment is synonymous with fighting global warming. In extreme cases, sea levels could rise by 2.5 meters by 2100, compared to a 22 centimeter rise over the last century⁽⁶⁾. Objectives have been set by the various COPs to limit global warming to 1.5°C by 2050. Soitec is committed to achieving this goal, and our commitments have

(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) Integrated device manufacturer (IDM).

(4) Silicon-on-Insulator (SOI) market – Global forecast to 2025 – figure 49, page 129. Report code SE2737 – June 2020.

(5) United Nations, World Population Ageing 2019: <https://www.un.org/en/development/desa/population/publications/pdf/ageing/WorldPopulationAgeing2019-Highlights.pdf>

(6) Climate Change – Global Sea Level 2021: <https://www.climate.gov/news-features/understanding-climate/climate-change-global-sea-level>

been validated by the Science Based Target Initiative (SBTi). Limiting global warming to 1.5°C by 2050 means reducing CO₂ emissions from electricity generation by half by 2030⁽¹⁾. The use of increasingly energy-efficient technologies and the growing adoption of electric vehicles (driven by highly incentive policies in terms of CO₂ emissions regulations), whose market share of around 7% in 2021 could grow to 50% by 2030⁽²⁾, will play a critical role in achieving this major objective.

Thanks to these three megatrends, an increasingly connected world is taking shape, surrounded by increasingly smarter and energy-efficient objects. The challenges are numerous. The objective for 2030 is to connect

five times more objects⁽³⁾, which will generate five times more data by 2025 compared to 2018⁽⁴⁾, while reducing overall electricity consumption. According to some sources⁽⁵⁾, the share of global electricity consumption of connected objects could double within three years, from 10% to 20%. To achieve these objectives, technological improvements and disruptions are essential. The world is more aware than ever of the economic and strategic importance of semi-conductors in meeting these challenges.

Through its strategic positioning, Soitec can benefit from these megatrends, delivering innovation and products in the following three markets: mobile, automotive and smart objects.

1.2.2 Global semiconductor market

Global semiconductor industry sales totaled US\$555.9 billion in 2021, a record high and a 26.2% increase compared to 2020, according to the annual WSTS⁽⁶⁾ review.

The record sales growth was driven by a combination of strong demand linked to the rebound of the global economy in 2021, stockbuilding in response to a shortage across the semiconductor supply chain (particularly in the automotive industry), and price increases related to logistics costs and raw material prices.

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

To strengthen the resilience of their semiconductor supplies, companies have increased their inventories, moving from a "just-in-time" policy to a "just-in-case" strategy. Demand has been buoyed, but the effect could fade as inventories are built up.

The outlook for 2022 remains good, with growth estimated at around 10%⁽⁶⁾⁽⁷⁾.

The growth figure does not exclude shortages of particular components until the end of 2022 or early 2023 in certain targeted sectors such as the automotive industry.

Geopolitical and economic developments related to the consequences of the war in Ukraine represent an indirect risk to the market in the medium term.

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

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

1.2.3 Mobile communications

For more than two decades now, mobile communication has made it possible to connect just about anyone at any time, from anywhere. Demand for mobile data, driven mainly by video, is growing 30% every year and shows no signs of slowing down⁽¹¹⁾. Mobile communication – particularly smartphone-based – is expanding and will continue to expand beyond what is possible today, offering new – and ever more secure – services from health to self-driving vehicles and smart homes. Beyond performance alone, the challenge is to make mobile communication more environmentally friendly and inclusive, as well as to connect the unconnected.

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

From 200 million units in 2020 to around 730 million units in 2022⁽¹²⁾, the fast pace of adoption of 5G phones keeps growing, driven by strong end-user experience and aggressive adoption plans from both operators and handset makers.

The gradual adoption of new 5G standards is giving rise to a sharp increase in semiconductor content in smartphones⁽¹³⁾, which is directly reflected in higher demand for Soitec products.

One of Soitec's flagship products, RF-SOI, dedicated to radiofrequency (RF) chips, has become an industry standard in 4G (present in all 4G smartphones). A first-generation 5G phone requires approximately twice the amount of RF-SOI content in comparison to a 4G phone⁽¹⁴⁾. Several other Soitec products have been developed to serve specific 5G requirements.

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

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

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

(2) Global electric vehicle sales, Canalis 2021 and 2022: <https://www.canalis.com/newsroom/global-electric-vehicle-market-2021> <https://canalis.com/newsroom/canalis-global-electric-vehicle-sales-2020>

(3) 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>

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

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

(6) <https://www.wsts.org/76/Recent-News-Release>

(7) <https://www.digitimes.com/news/a20220214VL207/passive-pcb-other-ic-components-sensor.html>

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

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

(10) VLSI: <https://www.vlsiresearch.com/semiconductor-sales-are-expected-to-surpass-point-six-trillion-dollars-in-2022>

(11) Ericsson Mobility Report, November 2021: <https://www.ericsson.com/en/reports-and-papers/mobility-report/reports/november-2021>

(12) Soitec consensus, based on industry data and sell-side analyst reports.

(13) 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

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

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

The automotive electronics segment is part of the fastest growing markets in the semiconductor industry ⁽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, around half 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 more than 10% between 2020 and 2030 ⁽⁵⁾.

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

Soitec's current positioning is in the fields of energy, connectivity and the smart industry.

1.2.5 Smart devices

The driving force behind the smart object industry is the need to tailor the object to its user, its function and its suitability for its environment. That explains the evolution of smart objects, initially equipped with simple sensors and connectivity functionalities, toward – now and in the future – extremely complex, hyper-connected systems with embedded intelligence, such as robots. According to consumer electronics consultants Strategy Analytics, 38.6 billion smart devices will be connected by 2025 and 50 billion by 2030 ⁽⁶⁾.

The performance level required is powered by artificial intelligence and the associated electronics. Thanks to electronic sensors, the object reproduces the human senses, with vision and audio being the most advanced fields. Beyond the human senses, sensors are developing in fields as varied as health, non-visible imaging, microscopic vision, and more. Once the data has been collected by the sensors, the object makes its own decisions based on digital processing. As we move toward the digital transformation,

processing data as close to the object as possible, or even within the object itself, is becoming a fundamental objective. It is key in maintaining privacy, achieving ultra-fast calculation and decision-making, and reducing the energy consumption of the smart objects. With the trend comes new semiconductor opportunities in ever more powerful and efficient edge artificial intelligence chips. According to ABI Research, the edge artificial intelligence chipset market will swell to US\$12 billion, 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. The number of 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⁾.

1.3 Strategy

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

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

(1) Deloitte, Semiconductor – The Next Wave: <https://www2.deloitte.com/content/dam/Deloitte/tw/Documents/technology-media-telecommunications/tw-semiconductor-report-EN.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) Source: UBS Analyst Report.

(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\$12 billion 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

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.

1.3.1 Developing our core business

Our core business covers engineered substrates developed from Smart Cut™, Smart Stacking™ and epitaxy technologies. Each year, we invest more than 10% of our revenue in enhancing product performance and energy efficiency.

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

On the innovation front, we have set up the production capacities needed to ensure a consistently timely response to customer demand. The progress made on our SmartSiC™ technological roadmap, as well as the positive feedback received from our partners during the testing and prototyping phase, enabled us to announce new production capacity in

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.

Bernin during the year, in order to produce SmartSiC™ substrates and increase our SOI capabilities.

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 September 2021, Soitec received the *Vitrine Industrie du Futur* ("Industry of the Future Showcase") award, in recognition of the work undertaken by our teams to optimize semiconductor wafer yields by combining inspection equipment with advanced data tools.

1.3.2 Extending our core business

In addition to expanding our product portfolio to support our customers' technological roadmaps and enabling 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 N.V are used primarily in RF 5G and power electronics applications.

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

1.3.3 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 Frecn|sys in October 2017 and Dolphin Design (formerly Dolphin Integration) in August 2018.

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

Headquartered in France, Frecn|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 Frecn|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, Soitec and MBDA announced the joint acquisition of Dolphin Integration, an industry-recognized provider of silicon integrated circuits (IC) and System-on-Chip (SoC) solutions for low-power applications, founded in 1985, with headquarters in Grenoble.

The resulting joint venture, Dolphin Design, is 80% owned by Soitec and 20% by MBDA. Dolphin Design took over some of Dolphin Integration's assets and liabilities and all employees.

After a year spent redesigning 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.

Dolphin Design's vision is to enable the largest possible AIoT/EDGE IoT semiconductor community to deliver products with ultimate energy efficiency and performance in line with its motto "Consume less energy while increasing performance".

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.

In January 2022, Dolphin Design announced that it would open a new unit dedicated to edge computing and artificial intelligence within our Pasir Ris plant (Singapore).

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

1.3.4 Sustainability, the cornerstone of Soitec's strategy

With our privileged position at the apex of the microelectronics value chain, the industry standards that we are relentlessly creating worldwide in major applications for communications, connectivity, mobility and embedded intelligence, and our rapid growth over recent years, Soitec has a special mission and responsibility that extends beyond developing and producing substrates.

Soitec's commitment to sustainable development took on a new dimension in fiscal year 2021-2022, with the definition of a corporate purpose for our Group, which is enshrined in our by-laws:

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

Our corporate purpose binds us to a vision.

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

This has naturally inspired and structured the way that we conduct our business and our behavior with our stakeholders and our planet.

Sustainable development is therefore an integral part of Soitec's core business, with energy-efficient products spearheading our innovation.

Our sustainability strategy is based on three pillars:

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

The pillars break down into 12 operational commitments governed by indicators and deployed through action plans (see Chapter 3).

1.4 Products

1.4.1 A wide range of engineered substrates

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.

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

A. FD-SOI

Because of its remarkable capabilities in terms of low consumption, performance, and surface optimization and cost, FD-SOI semiconductor technology covers a wide range of digital applications with analog and RF integration from a single technology platform. Its unique advantages

include strong compensation for manufacturing processes, temperature variation and aging, near-threshold operation and high radiation tolerance. Its performance is down to the unique design of the Soitec FD-SOI substrate, with its extremely thin and uniform upper silicon and lower oxide layers.

Today, several foundries and integrated device manufacturers (IDMs) accommodate FD-SOI technology, already fielding comprehensive technology offerings for 65 nm, 55 nm, 28 nm and 22 nm nodes and with 18 nm and 12 nm nodes in the pipeline.

In October 2021, the adoption of FD-SOI for mmWave modules reached a key milestone, with the introduction of the latest Google Pixel™ 6 Pro 5G smartphone. This smartphone comes with a 5G mmWave front-end module utilizing FD-SOI substrate.

FD-SOI technology will continue to evolve across this global ecosystem, with the development of disruptive applications in the artificial intelligence, automotive and 5G segments. To meet demand, Soitec now has two qualified production lines, in Bernin and Singapore.

B. 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 mmWave 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. We are currently working on the next generations with the Imager ecosystem.

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 100/400 GbE (Gigabit Ethernet), 800 GbE and beyond. Major companies in the digital sector are showing increasing interest in silicon photonics very high speed integrations (co-packaged optics).

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

In fiscal year 2021-2022, Soitec supplied several international foundries in 200 mm and 300 mm wafers. The resulting products are highly uniform with very low surface roughness. We put special emphasis on the replicability and quality of our manufacturing process, to keep abreast of market shifts toward interconnection between electronic circuits, set to become a must-have feature of top-end systems in the years to come.

We have also extended our contacts to widen the reach of our substrates to innovative applications in emerging Photonics-SOI markets, in addition to datacenters. Advanced contacts confirm the interest in new applications for products that will hit the market from 2023.

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

E. POI

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

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

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

In July 2020, we announced a sales agreement with Qualcomm Technologies to supply POI substrates for new-generation RF filters to feature in smartphone front-end modules ⁽¹⁾. During fiscal year 2020-2021, 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 automotive, industrial and medical markets. These substrates are ideal for in-vehicle network (IVN) ICs, smart power management integrated circuits (PMIC), system basis chip (SBC), battery management IC (BMIC), smart gate driver IC, smart motor controllers for the vehicle's various motors, power over ethernet (PoE), LED controller ICs, class D audio amplifiers, ultrasound probes, and gas and pressure sensors.

Our Power-SOI products provide excellent electrical isolation. They 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.

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 increasing the linearity of RF circuits, our RF-SOI substrates help improve data transmission speed and 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 new Wi-Fi 6/6E and upcoming Wi-Fi 7 standards also benefit from RF-SOI technologies for front-end modules with increasing penetration of RF-SOI technology.

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.

(1) <https://www.soitec.com/en/press-releases/soitec-announces-poi-substrates-business-agreement-with-qualcomm-technologies-for-5g-rf-filters?>

(2) Page 74: https://2020.ieee-ius.org/sites/ius20/files/2020-09/IUS%202020%20Final%20Program1_0.pdf

(3) Section 34.6: <https://iee-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.

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

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

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

H. 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 competitive advantages for energy conversion over diodes and insulated gate bipolar transistors (IGBT) in silicon (Si).

In power and energy conversion applications, SiC devices bring benefits including lower energy losses, higher switching frequencies, higher operating temperature, robustness in challenging environments, and high breakdown voltages. From the end user's point of view, this means

systems that consume less energy, are more compact and lightweight, and are less costly both to make and to use.

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

Conventional SiC substrates are difficult to produce, and high-quality substrates, capable of giving high production performance, are in short supply and very expensive.

Using its exclusive Smart Cut™ technology, Soitec has developed a new range of substrates called SmartSiC™, which address the current supply-chain challenges and bring unprecedented production efficiency and performance.

In December 2021, Soitec strengthened its wafer expertise through the acquisition of NOVASIC, and established a strategic partnership with Mersen for the development of new silicon carbide substrates.

The progress made on our SmartSiC™ technological roadmap, as well as the positive feedback received from our partners during the testing and prototyping phase, enabled us to announce new production capacity in Bernin during the year, notably in order to produce SmartSiC™ substrates.

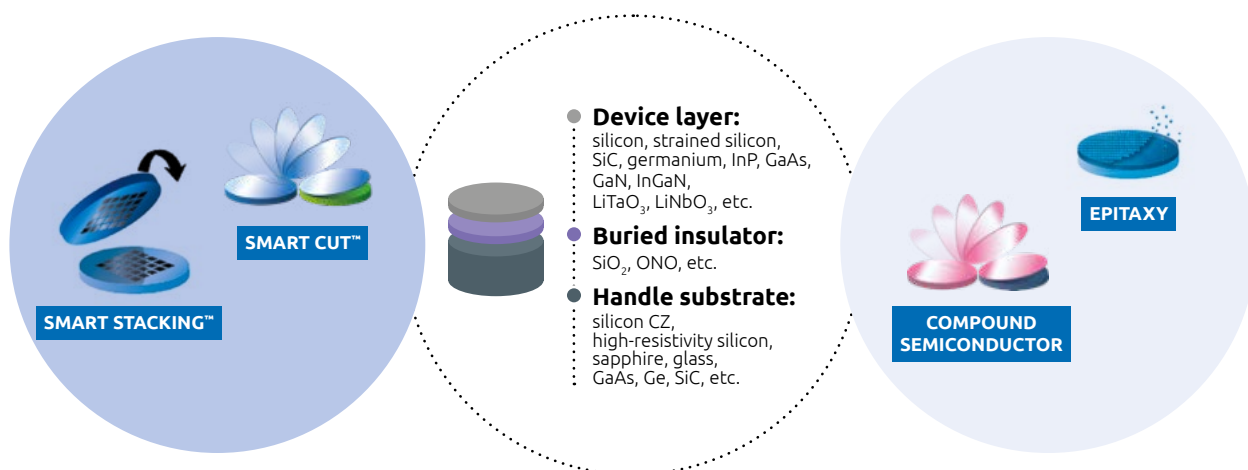
1.5 Innovation

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 3,700 active patents worldwide, our innovation strategy is based on disruptive solutions to address our customers' needs for high performance, energy efficiency and cost competitiveness.

It is based on:

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

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

The average age of our patents is less than five years. We file over 280 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 for 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, A*STAR-IME, CNRS, CEMES, etc.), universities (including Stanford, University of California – Berkeley, NUS, NTU, UCL, Grenoble INP-Phelma, UGA, etc.), international equipment manufacturers and industrial innovation platforms.

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 Center 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

- 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.

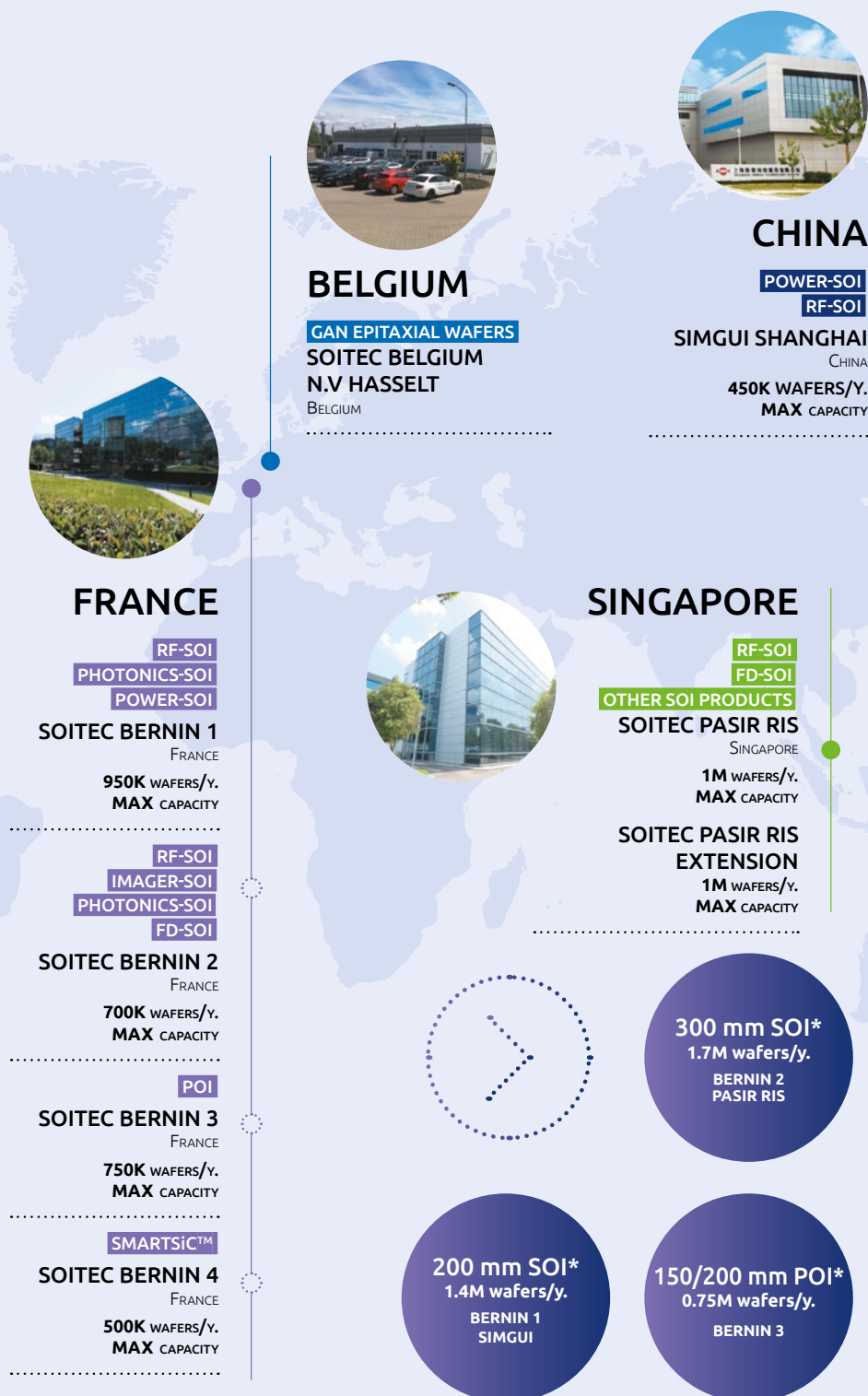
- Materials for handling qubits (quantum bits) in quantum computers. Qubits are the basic units for processing data in a quantum computer.

⁽¹⁾ <https://www.inpi.fr/le-palmares-des-deposants-de-brevets-2020> [French only]

⁽²⁾ <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



* 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.

1.6.1 France

Our Bernin 1 (200 mm wafer production) and Bernin 2 (300 mm wafer production) plants are operating at full capacity, with annual production of 700,000 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.

Through redesigned clean rooms, industrial infrastructure and manufacturing processes, we have significantly expanded the manufacturing potential of our POI substrates line at Bernin 3, ultimately targeting a capacity of 750,000 wafers per year. The next capacity increases will be installed in successive stages in order to meet the needs of our customers.

1.6.2 Singapore

Since the launch of our pilot line in September 2017, a production capacity of 400,000 wafers per year has been installed and qualified for both RF-SOI and FD-SOI products. New investments are planned for the coming year at the Pasir Ris site to address the ramp-up for SOI products, with the ultimate

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.

In March 2022, we announced the expansion of our manufacturing footprint in Bernin in order to increase our SOI capabilities (with an additional 300,000 units per year of 300 mm donor wafer reuse capacity, thereby doubling the existing capacity at Bernin 2) and prepare for the production of innovative silicon carbide (SiC) semiconductor wafers. The qualification of the new production unit and the first production of SmartSiC™ substrates are expected for the second half of fiscal year 2023-2024. By fiscal year 2025-2026, we anticipate a production capacity of 500,000 units per year.

1.6.3 Belgium

Our Belgian site supplies Gallium Nitride-on-Silicon (GaN-on-S) and Gallium Nitride-on-Silicon Carbide (GaN-on-SiC) epitaxial wafers. Its total production capacity will increase gradually, and a major step was completed in fiscal year 2019-2020 with the installation and certification of a new,

latest-generation metalorganic vapor-phase epitaxy (MOCVD) industrial reactor to handle large volumes. These products are sold to integrated component or device manufacturers who build high-performance power and RF devices.

1.6.4 Production partnership in China

In 2015, Soitec entered into a partnership with Shanghai Simgui Technology Co. Ltd. (Simgui), a Chinese company, for 200 mm wafer production. The installed capacity is now 450,000 wafers per year, with a manufacturing level comparable to the Bernin 1 plant. In 2021, Soitec and Simgui agreed

to increase production capacity for 200 mm SOI wafers and extend the term of the Agreements for three years to December 31, 2027. Simgui's production can only be sold to Soitec, for its sales worldwide.

1.7 Customers: 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.

The global Covid-19 pandemic was a particularly challenging period, during which Soitec demonstrated flexibility and resilience in supporting its customers. We immediately took decisive measures to ensure the safety of all our employees while keeping our facilities running. Since then, we have stepped up production to meet the increasing demand triggered by new behaviors such as the shift toward home working together with megatrends including the growing adoption of 5G, vehicle electrification and the development of artificial intelligence. This buoyant trend is set to continue through fiscal year 2022-2023.

In keeping with the changes made in recent years, our ambition requires our organizations to evolve in order to make the right choices at all strategic stages and to serve our customers without fail. In order to strengthen our proximity to our customers, we announced a new organization in January 2022.

One of the objectives of the new organization is to constantly improve our relationship with our customers and our understanding of their markets. The Global Business Function is now organized around three market divisions (Mobile Communications, Smart Objects and Automotive & Industry) and cooperates with the Customer Group function, under the supervision of the Chief Operating Officer.

1.8 Intensifying quality commitment

Soitec's strategic development focuses include customer recognition for product and service quality. During the fiscal year, Soitec pressed on with the momentum initiated in 2020 and stepped up its programs on operational and organizational excellence. Quality-oriented initiatives in fiscal year 2021-2022 included:

- continuing the Quality Culture program on direct workforce-wide involvement in customer-perceived quality, with a 2021 Quality Awards event that showcased the greatest achievements in the field and presented them to the Executive Committee;
- continuing and enhancing the Zero Defect Program on continuous improvement in quality control systems and related processes. The Zero Defect Program was launched at the Bernin site in 2017 prior to its 2019 rollout across all our production sites and those of our Chinese production partner, and also covers our silicon material suppliers.

Under the program, a major upgrade of our CMMS software was rolled out at all our sites during the year, enabling equipment management to be integrated into our MES and connected to our document and personnel management tools. We also strengthened our SPC system across our entire production line (from the raw material to the products delivered to our customers) with the aim of improving the stability of our delivered products;

- ensuring quality from all actors in our supply chain, from our suppliers and partners, through our manufacturing processes and logistics operations, to our customers, which is vital for continuous improvement.

The focus on 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 Competitive landscape

Competition varies depending on the product. Soitec offers a diverse product portfolio in the mobile communications sector, including RF-SOI, FD-SOI, POI and GaN RF, which compete respectively with companies such as GlobalWafers, Shin-Etsu Holding (SEH), NGK, and several other EpiGaN competitors including IQE.

In the automotive and industry sector, Soitec's Power-SOI, FD-SOI and GaN Power products face competition from companies such as GlobalWafers, SEH, and other EpiGaN competitors including IQE.

In smart devices, FD-SOI, Photonics-SOI and Imager SOI products compete respectively with companies such as SEH and GlobalWafers.

Soitec has licensed SmartCut™ SOI technology to Shin-Etsu Holding and GlobalWafers.

The Japanese company Shin-Etsu Handotai (SEH) is a major player in our ecosystem: it is both a strategic supplier for 200 mm and 300 mm bulk wafers and a competitor, as well as a minority shareholder. These three activities are clearly segregated and independent:

- supplier discussions occur through procurement and innovation groups following standard processes;

- SEH obtained 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.

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 Soitec is an important player who contributes to reshaping the market and setting new standards.

On the RF filters market, our ambition is to make Piezoelectric-on-Insulator (POI) a new standard in its market, just as we did with the RF-SOI.

(1) <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 objectives

Soitec is well positioned to continue to grow much faster than the global semiconductor market. For fiscal year 2022-2023, Soitec expects to grow its revenue by around 20% (at constant exchange rates and scope of consolidation), compared to growth of around 10% expected for the global semiconductor market in calendar year 2022 ⁽¹⁾.

Supportive secular megatrends (5G, artificial intelligence and energy efficiency) are driving constant 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. The announcement in March 2022 of the construction of a new production facility in Bernin, to prepare for the production of innovative silicon carbide (SiC) semiconductor substrates and increase our SOI capabilities, strengthens our industrial footprint and is aligned with our growth objectives.

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

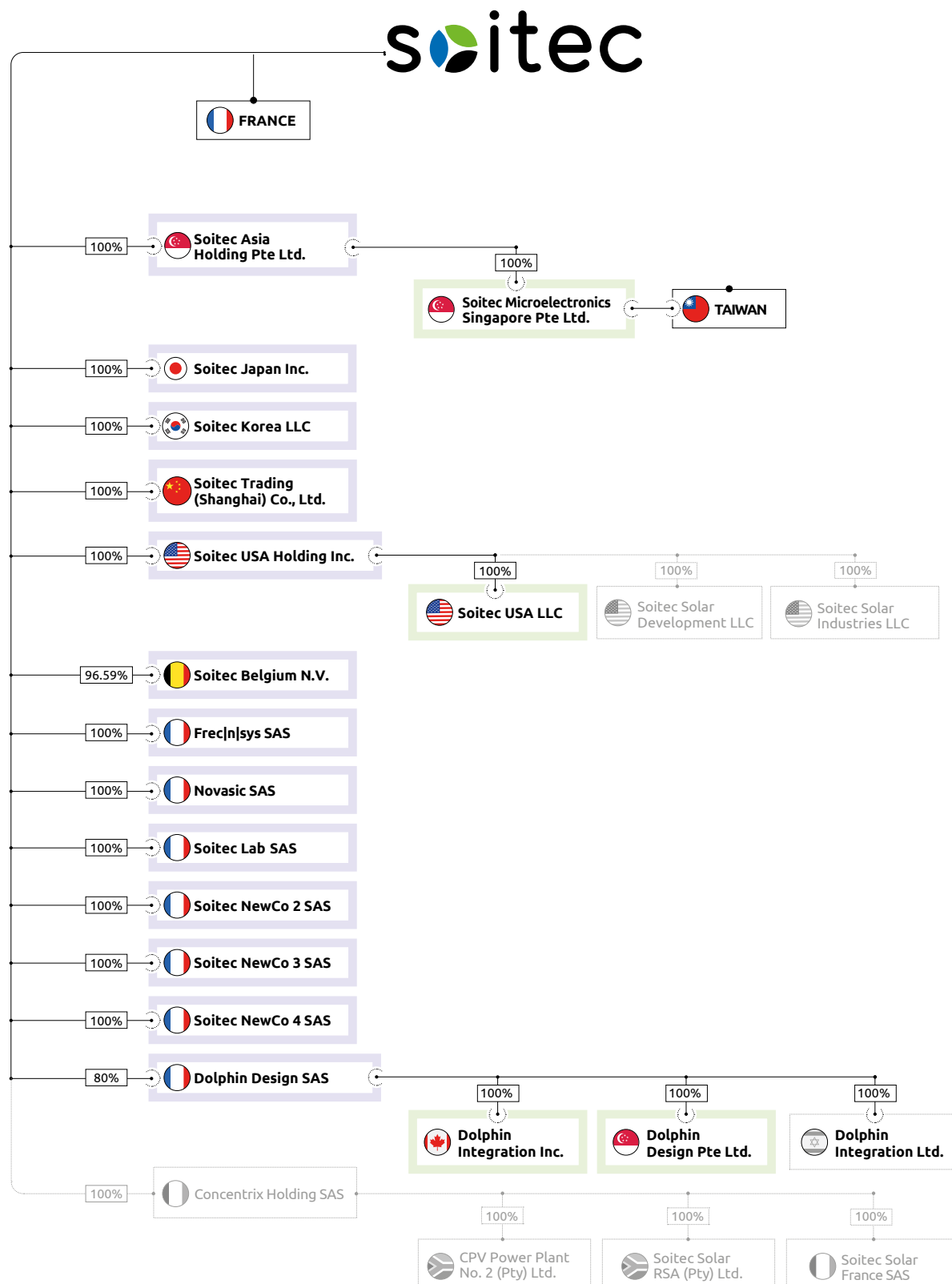
Our corporate purpose is as follows: "We are the innovative soil from which smart and energy efficient electronics grow into amazing and sustainable life experiences."

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

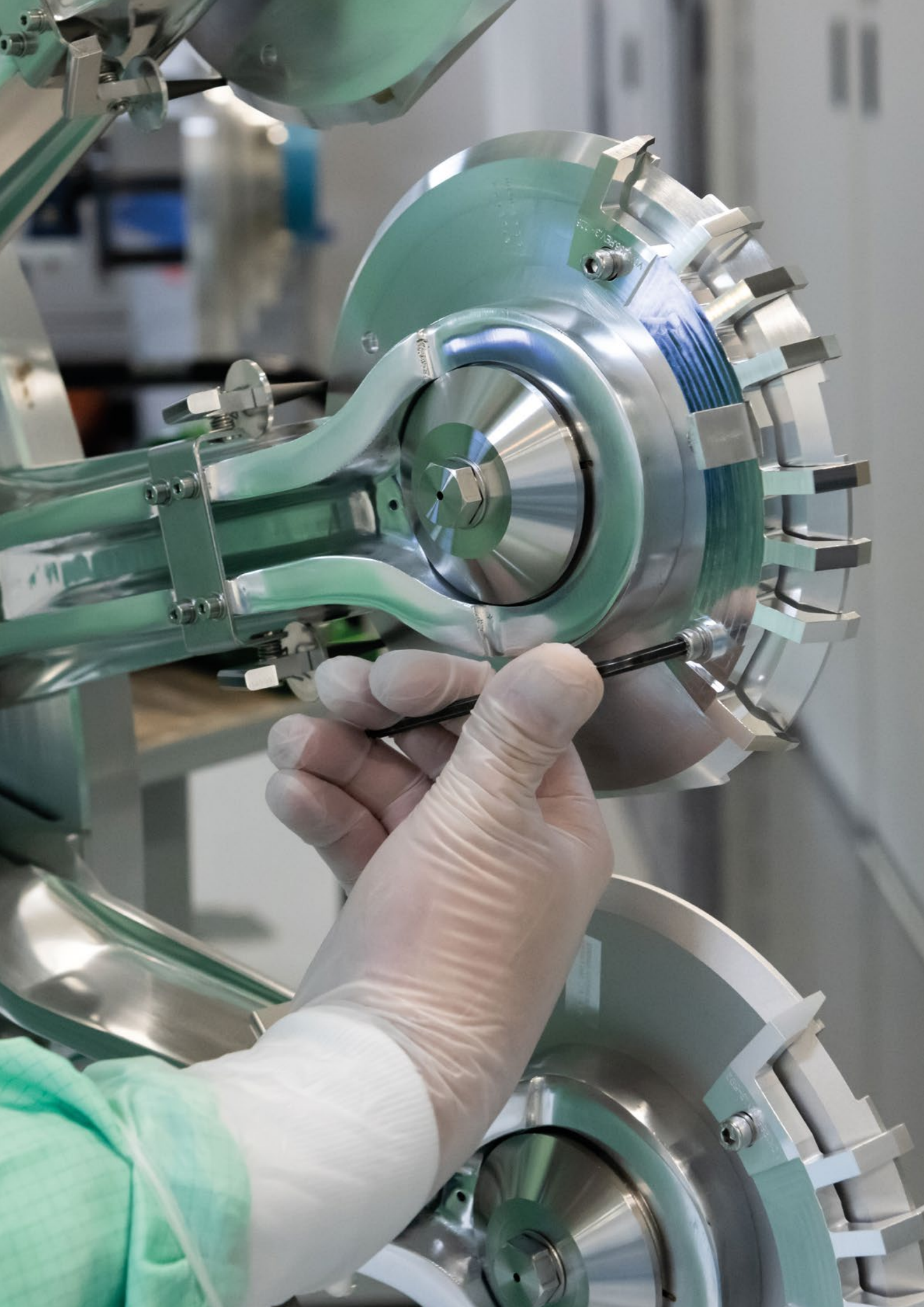
(1) Source: World Semiconductor Trade Statistics (WSTS), March 2022: <https://www.wsts.org/76/103/WSTS-has-published-the-Q4-2021-market-figures-and-recalculated-the-Fall-2021-Forecast&sa=D&source=docs&ust=1649918678011523&usq=AOvVaw1NsM4Xsq3MELHRJgRY23r>

1.11 Group organization chart

The organization chart below shows our Group at the date this Universal Registration Document was finalized ⁽¹⁾.



(1) Corrections made after AMF filing.



2

RISK FACTORS AND CONTROL ENVIRONMENT

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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 significant 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 Russia-Ukraine conflict and impact on our businesses

Since February 24, 2022, when the conflict between Russia and Ukraine began, the many international sanctions and other measures against Russia have had significant economic consequences. These consequences may affect some of our operations, in particular by creating barriers to the supply of certain raw materials or due to the closure of air corridors, leading to changes in freight routes and higher freight and energy costs.

The analysis of the various effects of the new geopolitical and regulatory environment on our business as of the publication date of this Universal Registration Document has not revealed any significant impact not taken into account in our risk map (see section 2.1.6 *Summary of our Group's specific risks by category and criticality*).

We do not have any sales activities in Russia or Ukraine and no impact on revenue had been identified as of March 31, 2022. However, depending on its duration, the conflict may cause disruption to our customers' supply chains, which could in turn affect our business indirectly by leading to a decline in demand over the long term.

Our raw materials and gas purchases from these two countries are limited and do not expose us to any short-term risk. Nonetheless, our Purchasing Department is already seeking out alternative sources of supply in anticipation of a possible change in the situation in the medium term. Two main gases, procured from this area, have been identified, which may expose us to supply difficulties in the medium term, especially as they are only produced at a handful of sites worldwide.

A dedicated team of experts keeps a close watch on regulatory developments, in order to identify without delay any international sanctions that may affect our business, either directly or indirectly. In such cases, the team defines an action plan to guarantee compliance with the new regulations and guarantee business continuity (e.g., by changing freight routes following the closure of certain air corridors).

Alongside this team of experts, as part of the business continuity plan (BCP), a separate team is tasked with the daily monitoring of operations that may be disrupted or interrupted with a direct impact on our business. This team also analyses the risks that may come from our partners, suppliers and customers and affect us indirectly.

2.1.2 Climate risks

Our Group's exposure to climate risks is assessed each year during the comprehensive review of risk factors.

The assessment takes into account both exogenous and endogenous risks. As of the publication date of this Universal Registration Document, the only identified risk that could have a specific material impact concerned

the possible disruption of raw materials production at our suppliers' sites, especially the two main suppliers that are based in Japan. This risk is described in section 2.1.6.3 *Industrial risks*.

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

2.1.3 Managing and monitoring the Covid-19 public health crisis

Over the past two fiscal years, the Group has been operating in an uncertain environment due to the Covid-19 pandemic. In response to this public health crisis, many countries throughout the world imposed – and continue to impose – travel restrictions, lockdowns and other protective health measures.

In these circumstances, our Group's top priority has been and remains the safety of its employees and partners. Depending on the evolution of the pandemic, characterized by successive waves, the severity of which varied depending on the country, the necessary protective measures were deployed at all affected facilities. The measures aimed to ensure seamless business continuity in full compliance with local health restrictions in all of our Group's host countries. To date, these measures have kept all production sites running and protected global supply and delivery chains for fiscal year 2021-2022.

Our Group is dealing with the public health crisis through various action plans deployed by the following crisis management units: health measures,

supply chain protection, employee support and information and external communications with partners, suppliers and customers.

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.

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 at the local level as the health crisis evolves.

All of the risks identified in Chapter 2 of this Universal Registration Document should be considered in the light of the consequences of the Covid-19 pandemic and, in particular, with regard to the "Global pandemic" risk factor described below (see section 2.1.6 *Summary of our Group's specific risks by category and criticality*).

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.

2.1.4 Risk mapping specific to our Group and its industry

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

Risks are mapped during the risk review process, with reference to the risk management and control environment (see sections 2.2.1 and 2.2.2).

2.1.4.1 Methodology

Each risk is identified, analyzed and assessed during the risk review process and then recorded in a general matrix (see section 2.2.4.2 *Our approach*).

This general matrix is then used to map risks by category (ecosystem, compliance, operations, technology and innovation, finance, etc.) and by level of criticality.

The criticality levels used to rank our risks are as follows:

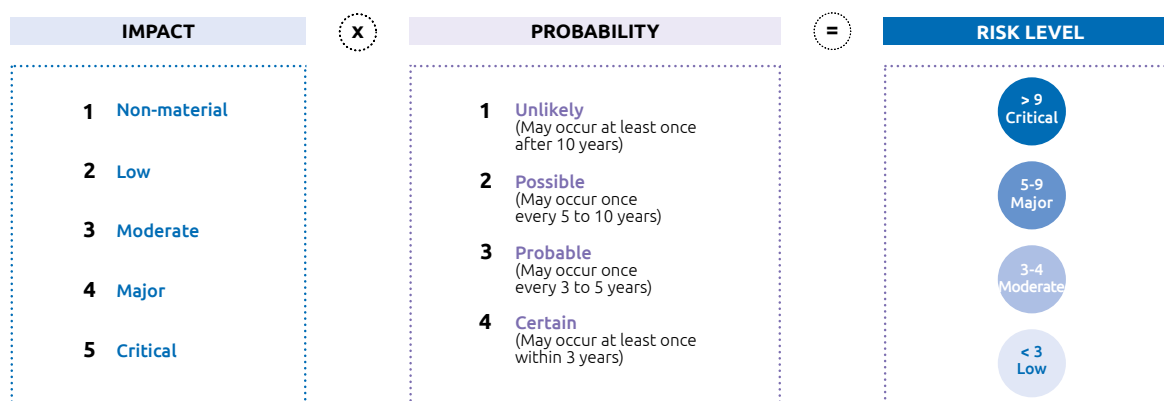
- critical;
- major;
- moderate; and
- low.

2.1.4.2 Risk assessment criteria

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

- financial impact, in terms of EBITDA or cash flow or share price, on a scale from 1 (non-material) to 5 (critical);
- estimated probability of occurrence, on a scale from 1 (unlikely) to 4 (certain).

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



2.1.4.3 Our specific risks map

The Group risk map prepared by the Finance Department and validated by the Audit and Risks Committee, identified a total of 90 risks in fiscal year 2021-2022.

These risks have been categorized under the four levels of criticality: low, moderate, major and critical (see section 2.1.4.1 *Methodology*).

Of these 90 risks, only four risks have been assessed as critical and 17 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 21 critical and major risks, we have identified 16 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.

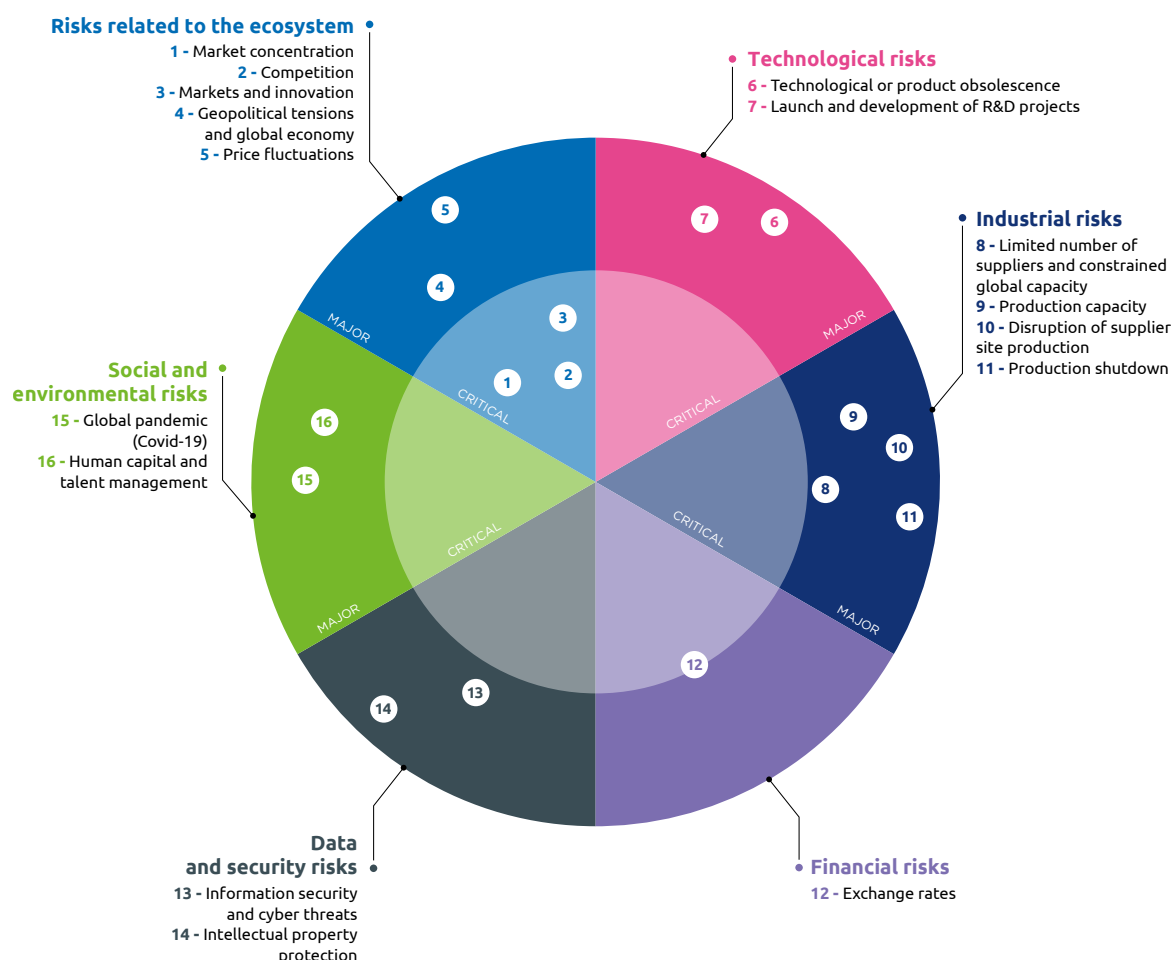
We remind you that at the date of submission of this Universal Registration Document, other risks may exist that have not yet been identified, or whose occurrence is not considered likely to have a significant adverse impact on our Group. The information below contains assumptions and estimates that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

2.1.5 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.



2.1.6 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 2.1.4.1 *Methodology*.

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



Critical risk



Major risk



Moderate risk



Low risk

2.1.6.1 Risks related to the ecosystem

Description of the risk	Potential impacts	Main control mechanisms
<div> <div> <div>> 9</div> <div>Critical</div> </div> <div> MARKET CONCENTRATION </div> </div> <p>The market is highly concentrated, due to a combination of several different factors:</p> <ul style="list-style-type: none"> • few players (foundries and “fabless” companies) on the semiconductor market, thereby limiting diversification of the customer portfolio (see section 5.1.1.3 <i>Breakdown of revenue by customer</i> of this Universal Registration Document); • over 70% of Group revenue is generated in the Mobile communications & Infrastructure market segments; • exposure is influenced by the technological choices of the target market and of end-customers. 	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Continued policy of diversifying products and capturing different market segments – mobile communications, intelligent objects and automotive – in order to expand our offer and positioning, enabling our solutions to target all key players in the industry. • Continued implementation of our strategy to make our innovative substrates the industry standards, with a similar objective to that achieved for our RF-SOI products which are a benchmark for our customers and are widely used in 4G and 5G smartphone components (see section 1.4 <i>Products</i> of this Universal Registration Document). • Diversification of the offer in terms of product/application combinations to address a broader market and development of new substrates (POI, GaN, SiC, etc.). • The “Customer Intimacy” program, which seeks to constantly align our technology/product roadmaps with customer demand and thereby anticipate future needs. • A global growth strategy based on a regional breakdown that allows us to expand our footprint with key customers and partners, in order to lock in market share and strengthen our position.

Description of the risk	Potential impacts	Main control mechanisms
<div> <div>> 9 Critical</div> COMPETITION </div> <ul style="list-style-type: none"> • The semiconductor market is very competitive due to the high concentration of market players (see section 1.9 <i>Competitive landscape</i> of this Universal Registration Document). • This situation is exacerbated by the strategy of some market players to undertake mergers and acquisitions or form partnerships to diversify their technological range or increase their production capacity. • There is a risk of substrate producers developing integrated models enabling them to make SOI, POI, GaN, SiC, etc., or alternatives to Soitec products. • Our positioning in new market segments increases the risk of new competitors emerging. 	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Regular monitoring of competitors as regards SOI, POI, GaN, etc., analysis of where our technology stands compared to market demand and identification of potential new competitors. • Sustained investment in R&D in order to be at the cutting edge of technology and bring innovative, high-performance solutions to market (in fiscal year 2021-2022, R&D spending represented the equivalent of 10.8% of consolidated revenue). • An organization aligned with the strategy of diversifying into several market segments, with the creation of three divisions serving the three main target markets: <ul style="list-style-type: none"> • mobile communications; • smart devices; • automotive and industry. <p>With the deployment of Business Units by product line and the support of the Customer Group department, these divisions will promote a diversified portfolio of products addressing several end-user applications.</p> • We 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.
<div> <div>> 9 Critical</div> MARKETS AND INNOVATION </div> <ul style="list-style-type: none"> • Being at the forefront of innovation is a critical success factor in the semiconductor market, allowing companies to retain the technological advance that is an important differentiating factor between market players. • Since the adoption of a new technology or product occurs at a faster pace in certain market segments (smartphone, IoT, etc.), our Group has to constantly anticipate the changing needs of its end customers. 	<ul style="list-style-type: none"> • Possible fall in revenue or delayed revenue generation if certain product lines no longer meet customer expectations. • Loss of market share if a technology or product is not adopted, or if there is a delay in a product release onto the market. 	<ul style="list-style-type: none"> • R&D spending represents the equivalent of almost 10.8% of our Group's annual revenue (for gross R&D spending for fiscal year 2021-2022, see section 5.1.1.5 <i>Sharp increase in R&D costs</i> of this Universal Registration Document). • European support and funding provided under the Important Projects of Common European interest (IPCEI) program and the Nano 2022 plan which support innovation in the microelectronics and nanotechnology industries. • Partnership policy with key players such as research centers, universities and major customers in the target market segments (mobile communications, smart devices, automotive and industry). • Research platforms developed in Europe, Asia and the United States, notably with the French Alternative Energies and Atomic Energy Commission (CEA) and the Interuniversity Microelectronics Center (IMEC) (see section 1.5.3 <i>Strategic collaborations across the semiconductor value chain</i> of this Universal Registration Document). • Internal organization built around the Customer Group, Innovation and Strategic Office Departments, the Divisions and their Business Units to identify market trends and opportunities and anticipate customers' future needs. • Development of new generations of products in order to be at the cutting edge of technology, remain competitive and integrate future disruptive technologies.

Description of the risk	Potential impacts	Main control mechanisms
<p>5-9 Major</p> <p>GEOPOLITICAL TENSIONS AND THE GLOBAL ECONOMY</p> <ul style="list-style-type: none"> Geopolitical tensions are intensifying, particularly since the start of the Russia-Ukraine conflict, bringing new constraints with the sanctions and other measures imposed by various countries (see section 2.1.1 <i>Russia-Ukraine conflict and impact on our businesses</i>). The situation has indirectly exacerbated existing Sino-American tensions and may further affect the current economic landscape, as well as the configuration of global trade. Our business may be directly or indirectly affected by protectionist policies adopted by the world's biggest economies, especially China, the United States and Europe, or by international sanctions (see the breakdown of revenue by geographic area in section 5.1.1.3 <i>Revenue</i> of this Universal Registration Document). 	<ul style="list-style-type: none"> A significant increase in certain costs (customs duties, freight, energy, etc.) leading to a decline in our Group's margins, particularly on products exported to the countries concerned or due to the need to set up specific logistics routes. Non-compliance with international sanctions or other measures, potentially resulting in entry to a given market (notably China and the United States) being blocked or prohibited, with an adverse effect on the Group's business. 	<ul style="list-style-type: none"> Economic and regulatory watch to understand the constraints linked to the measures taken by the major global players (United States, China, etc.) and to take into account the new economic pressures linked to the Russia-Ukraine conflict. For this purpose, a team of experts has been set up to help: <ul style="list-style-type: none"> identify changes in regulations and restrictions that affect our businesses in the countries concerned; identify and analyze the direct and indirect risks related to the Russia-Ukraine conflict, define the action to be taken and the information to be monitored; analyze the content of our products and the origin of the components, equipment or IP used in their manufacture. Permanent interaction with our customers and suppliers to identify direct and indirect risks, changes in these risks and any necessary action plans. Develop multi-site production capacity in Europe and Asia in order to be able to reroute distribution.
<p>5-9 Major</p> <p>PRICE FLUCTUATIONS</p> <ul style="list-style-type: none"> Competition between our innovative substrates and alternative products in the semiconductor market could heighten selling price pressure. Our entry into new market segments with new competition may influence our selling prices. The prevalence of Soitec technology depends on the price-performance ratio compared with other solutions available in the market. Higher silicon costs may lead to increases in selling prices. 	<ul style="list-style-type: none"> 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. Margins may have to be revised downwards if other market participants' selling prices are more competitive. Profitability could diminish in the event of a significant increase in raw material prices that is not passed on in our selling prices. 	<ul style="list-style-type: none"> Definition of a minimum selling 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 measure and continually raise our products' value proposition (price, performance) and set them apart from competing products in our target market segments. Negotiation of multi-annual agreements with the main customers to determine selling prices based on quantities ordered. Implementation of a cost control program using an internally developed process dedicated to optimizing the use of raw materials. Long-term partnership and multi-annual, volume and price contracts with suppliers, in order to manage fluctuations in raw material costs.

2.1.6.2 Technological risks

Description of the risk	Potential impacts	Main control mechanisms
<p>5-9 Major</p> <p>TECHNOLOGICAL OR PRODUCT OBSOLESCENCE</p> <ul style="list-style-type: none"> Our Group's technology or products may become obsolete due to changing market needs or to the entry in the market of new competing products and/or technologies that offer a better price-performance ratio. 	<ul style="list-style-type: none"> If the RF-SOI, FD-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. 	<ul style="list-style-type: none"> Creation of a strategic unit tasked with identifying old-generation products' end of life and determining the best time to withdraw them from the market segments concerned. Focus on developing new technologies, new products or next-generation RF-SOI, POI, FD-SOI, Imager-SOI, Photonics-SOI, etc. products (see section 1.4 <i>Products</i> of this Universal Registration Document). Faster development of new generations of products within each product family to address the various market segments. Annual review of the assumptions underlying our forecasts, notably concerning inventory obsolescence, capitalized research and development costs and long-term impairment of non-current assets. Continued market watch and analyses to identify proposed new applications as well as customer strategies in order to anticipate technological changes.
<p>5-9 Major</p> <p>LAUNCH AND DEVELOPMENT OF R&D PROJECTS</p> <ul style="list-style-type: none"> 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 obsolete. Gross R&D spending represented the equivalent of almost 10.8% of revenue for fiscal year 2021-2022 (see section 5.1.1.5 <i>Sharp increase in R&D costs</i> of this Universal Registration Document). 	<ul style="list-style-type: none"> Some R&D spending may not yield the expected return on investment. Possible delay in bringing new products to market, leading to a fall in revenue or delayed revenue generation. 	<ul style="list-style-type: none"> Market research strengthened and positioning on new technologies anticipated through more detailed technological watch designed to identify opportunities and trends in the semiconductor market. R&D project initiation and monitoring process to ensure project consistency with clearly defined strategic objectives, business opportunities and the expected return on investment. Partnerships with research centers and creation of innovation platforms in Europe, Asia and the United States to unlock synergies and reduce costs (see section 1.5.3 <i>Strategic collaborations across the semiconductor value chain</i> of this Universal Registration Document).

2.1.6.3 Industrial risks

Description of the risk	Potential impacts	Main control mechanisms
<p>5-9 Major</p> <p>LIMITED NUMBER OF SUPPLIERS AND CONSTRAINED GLOBAL CAPACITY</p> <ul style="list-style-type: none"> The number of companies that can supply certain raw materials (silicon, Float Zone-silicon, etc.) on the global market is limited and could lead to dependency on major suppliers. Global available capacity is restricted due to a combination of three factors: <ul style="list-style-type: none"> limited number of qualified suppliers for certain materials; increase in global demand; saturated production capacity of some suppliers. 	<ul style="list-style-type: none"> Inability of our Group to procure enough materials to meet customer demand, which could lead to slowing production output and a decline in revenue and market share. Increase in raw material prices in response to the new market configuration with demand outstripping supply. 	<ul style="list-style-type: none"> High consumption parts and materials identified to ensure a seamless supply chain and continue the multi-sourcing policy for critical or strategic components. Strengthening of our internal "alternative sourcing" policy to mitigate risk and create leverage over suppliers. Implementation of (i) a business continuity plan (BCP) extending to tier 2 or tier 3 suppliers to ensure diversification of our suppliers' sources, (ii) multi-sourcing for large volumes, (iii) supplier managed inventory (SMI) methods to create buffer inventories, and (iv) long-term agreements with suppliers, revised each year, to lock in sources of supply. Further new supplier qualifications, to create additional sources of supply.
<p>5-9 Major</p> <p>PRODUCTION CAPACITY</p> <ul style="list-style-type: none"> Our Group's production capacity could fail to keep up with a sharp, short-term increase in customer demand (see section 1.6 <i>Production</i> 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. 	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Capacity requirements anticipated via a reliable short, medium and long-term planning process. Ongoing increase in production capacity at the Bernin and Singapore sites, including the launch of a new production unit in France (Bernin 4 project started in March 2022) (see section 1.6 <i>Production</i> of this Universal Registration Document). Optimization of production unit capacity and flexibility in our fabrication units (resources and layout). Increase in 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 <i>Production partnership in China</i> of this Universal Registration Document).

Description of the risk	Potential impacts	Main control mechanisms
<p>5-9 Major</p> <p>DISRUPTION OF SUPPLIER SITE PRODUCTION</p> <ul style="list-style-type: none"> Our production output is dependent on certain suppliers of raw materials and temporary or permanent disruption of production at one of their plants could have a direct impact on our operations. Disruption can be due to various factors, such as the geographical location of the plant exposing it to environmental risks (such as earthquakes in Japan), or the Russia-Ukraine conflict forcing changes in supply routes. 	<ul style="list-style-type: none"> Possible delays in receiving supplies that may lead to a slowdown in production output and delay the generation of revenue. Increase in raw materials and energy prices and indirect costs (customs duties, freight, etc.). 	<ul style="list-style-type: none"> Identification of critical inventories and re-assessment of minimum inventory levels to take account of the new restocking conditions. Suppliers whose production operations are identified as at risk of disruption are asked to prepare a business continuity plan (BCP) and an audit program may be put in place. In the recent context of the Russia-Ukraine conflict, a pre-business continuity plan (BCP) has been activated to identify the risk exposure and lock in deliveries from the suppliers concerned (see section 2.1.1 <i>Russia-Ukraine conflict and impact on our businesses</i>). Our BCP evaluates the impact of each measure taken by the countries concerned (embargoes, closure of certain air corridors, etc.) and identifies the risks of delivery delays, shortages or additional costs affecting our supplies of raw materials, energy or critical equipment. We have signed up to a platform that warns us of environmental and geopolitical risks in the geographical areas where our critical suppliers are located, allowing us to monitor events that may affect our business in real time. If a warning is received, an action plan can be implemented in conjunction with the BCP.
<p>5-9 Major</p> <p>PRODUCTION SHUTDOWN</p> <ul style="list-style-type: none"> Our Group has a limited number of production facilities of varying capacity: <ul style="list-style-type: none"> 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 <i>Production</i> of this Universal Registration Document). 	<ul style="list-style-type: none"> Difficulties in meeting customer demand in the event of prolonged downtime at one of the production sites. Significant costs may be incurred to restart production after a prolonged shutdown and our Group's results may be affected if the shutdown leads to a loss of revenue or delayed revenue generation. Impact on employees and damage to our Group's image. 	<ul style="list-style-type: none"> A business continuity plan (BCP) has been put in place with different crisis scenarios: <ul style="list-style-type: none"> 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. Prevention and protection measures are implemented at production facilities (organization of safety and security teams, periodic audits of safety equipment, etc.). Qualification of the production lines of two separate facilities for lower impact and greater flexibility in delivery. Business interruption insurance cover has been increased to provide improved coverage of production shutdown risks.

2.1.6.4 Financial risks

Description of the risk	Potential impacts	Main control mechanisms
<p>>9 Critical</p> <p>EXCHANGE RATES</p> <ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Mitigation of exposure to other foreign currency fluctuations by balancing costs (higher costs in USD) and revenues (higher revenues in EUR). Regular monitoring of net foreign exchange exposure, to decide whether or not to use forward contracts or options to manage EUR/USD foreign exchange risk exposure (see note 8.4 "Financial risk management" of section 6.2.1.2 <i>Notes to the consolidated financial statements at March 31, 2022</i> of this Universal Registration Document).

2.1.6.5 Data and security risks

Description of the risk	Potential impacts	Main control mechanisms
<p>5-9 Major</p> <p>INFORMATION SECURITY AND CYBER THREATS</p> <ul style="list-style-type: none"> Our Group operates on a global stage that has seen a rise in cyber threats, and increasingly sophisticated cyber attacks. Our digital environment exposes us to these risks. A cyber attack could paralyze our business by interrupting mission-critical applications, or result in data leaks or the theft of sensitive data. The introduction of home working, which has become widespread in the wake of the global pandemic, may accentuate cyber risk and create new vulnerabilities. 	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Group-wide information security policy defining all information protection measures, both technical (passwords, data and service encryption, antivirus, firewall) and behavioral (classification, awareness). Close cooperation with all government departments responsible for IT and data security (DGSI, ANSSI, etc.) and implementation of their recommendations to protect against cyber risk (for example, risks of cyberwar with Russia-Ukraine). Implementation of a cyber defense unit (IT and security) responsible for regularly monitoring and assessing risks, and preparation of action plans to eliminate or contain any vulnerabilities detected. Incident detection and management system, including a business continuity plan (BCP), to deal with any disruption of our information systems and computer networks, backed up by a Disaster Recovery Plan. Information provided to "at-risk" employees (good practices in terms of business trips and focus on at-risk countries). Development of appropriate rules and security tools for equipment used by the growing number of employees working from home since the global pandemic. "Cyber attack" insurance to partly cover this risk.

Description of the risk	Potential impacts	Main control mechanisms
<div>5-9 Major</div> INTELLECTUAL PROPERTY PROTECTION		
<ul style="list-style-type: none"> 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. Another 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 <i>A worldwide patent portfolio to maintain our competitive advantage through differentiation</i> of this Universal Registration Document). 	<ul style="list-style-type: none"> Possible erosion of our Group's competitive advantage or loss of new product development opportunities. Loss of market share and adverse effect on our financial position. 	<ul style="list-style-type: none"> Policy to safeguard our Group's intellectual property rights: <ul style="list-style-type: none"> protect our Group's main technological innovations by filing patents (see section 1.5.2 <i>A worldwide patent portfolio to maintain our competitive advantage through differentiation</i> 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.

2.1.6.6 Social and environmental risks

Description of the risk	Potential impacts	Main control mechanisms
<div>5-9 Major</div> GLOBAL PANDEMIC (COVID-19) CSR		
<ul style="list-style-type: none"> The persistent health risks posed by the global pandemic in the past two years, including the emergence of successive new variants and the disparities in vaccination rates between countries, are maintaining a climate of uncertainty as to how the crisis is likely to evolve and its global impact. This situation may directly or indirectly lead to a slowdown or reorganization of our Group's activities at its production or distribution sites located in Asia, the United States and Europe. Covid-19 restrictions adopted by the countries concerned may temporarily limit business travel, alter our usual logistics routes or impose lockdowns on our employees, partners or subcontractors. 	<ul style="list-style-type: none"> Reduced activity levels at the production and/or distribution sites affected by high Covid-19 infection rates and lockdown measures. General slowdown in the global economy and possible impact on our customer orders. Potential bankruptcy of partners or third parties. Increased costs associated with crisis management (personnel, health, safety, supplies, transportation, etc.). Loss of income and reputational damage. Increased risk of cyberattacks (see section 2.1.6.5 <i>Data and security risks</i>). 	<ul style="list-style-type: none"> Updated business continuity plan (BCP) containing appropriate responses depending on crisis levels by country and the scenarios to be adopted to (i) protect the health and safety of employees, (ii) maintain and/or resume trading in the best possible conditions, (iii) organize home working and (iv) strengthen the resilience of our Group, its subsidiaries and its production and distribution facilities. Communication plans with employees (see section 3.5.4 <i>Ensure the health and safety of our employees and protect them during pandemics</i> of this Universal Registration Document) and with customers, suppliers and subcontractors to ensure flexibility and responsiveness. Regulatory watch covering the different countries' health measures and application of protocols in our internal procedures. Security and awareness-raising initiatives concerning the risks of cyber attacks, viruses, fraud, etc. (see section 2.1.6.5 <i>Data and security risks</i>). Regular market analyses 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 and our business (smartphone, IoT, infrastructure, etc.). (see section 5.3 <i>Trends and objectives</i> of this Universal Registration Document).

Description of the risk

Potential impacts

Main control mechanisms

5-9
Major

HUMAN CAPITAL AND TALENT MANAGEMENT CSR

- | | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> • To support our Group's strategic focus on growth and the development of new markets, we are strengthening our organization and have launched an ambitious recruitment plan in sectors where the job market is very tight. • To fulfill our ambitions, we need to be able to attract and retain skills, in some cases by fighting off stiff competition for talent with specific expertise in fast-growing industries. • Organizational changes involving key positions that are vectors for our growth strategy may be destabilizing in the short term or lead to resignations or a loss of motivation among employees holding other important positions. | <ul style="list-style-type: none"> • Possible delays in implementing the recruitment plan needed to support business growth. • Risk of talent and expertise being lost in specialized areas that are of interest to employers in the microelectronics sector. • Adverse effect on the Group's image. | <ul style="list-style-type: none"> • A targeted communication program has been launched by our Group in order to disseminate an attractive image of our businesses and their outlook, and be visible on the job market in various countries. • We employ dynamic recruitment methods, such as maintaining an active presence on social networks, organizing job-dating events in various regions and establishing closer partnerships with schools, universities, etc. • The tools used to support our Group's employer brand include salary benchmarking in the microelectronics sector, various types of additional compensation (profit-sharing, retention, free shares), training initiatives, etc. • Our annual People Reviews enable us to identify key positions and talents that may require the implementation of specific skills retention and development measures. The reviews also support the organization of succession plans for key positions (emergency replacement, resignation, retirement, etc.). • To support the replacement of an employee in a key position, our People & Sustainability Department organizes a program to ensure the transfer of skills and expertise to the position. • Various tools are used to attract and retain jobs and key positions: the Share Plan for All (PAT) and the Manager Incentive Plan. <p>(see section 3.5.1 <i>Attract and develop our talent</i> of this Universal Registration Document).</p> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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

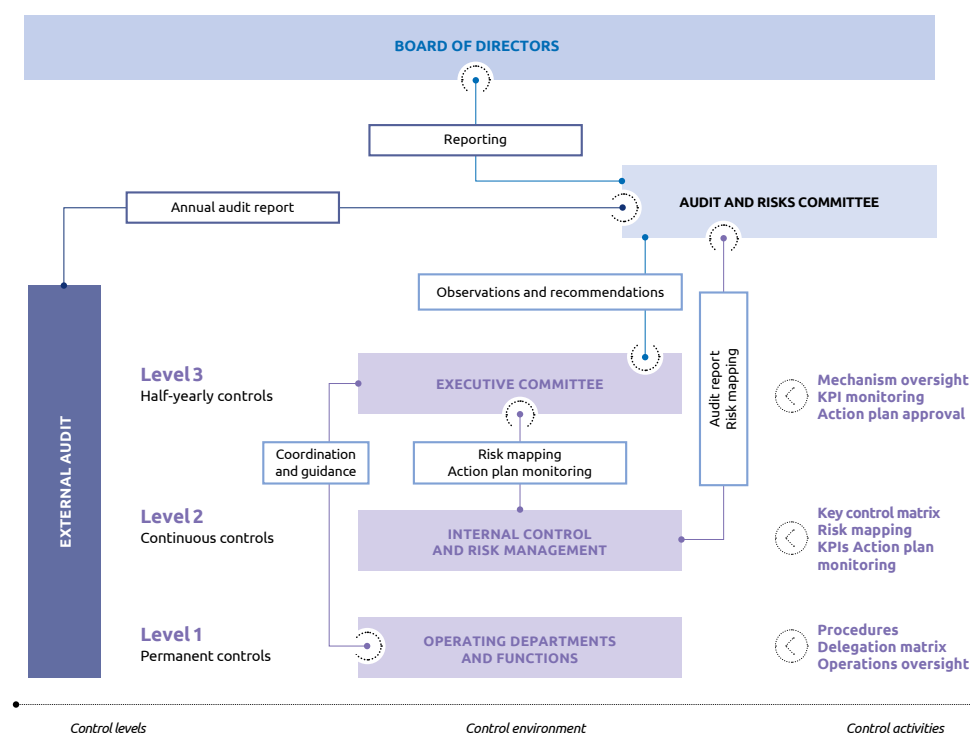
The internal control and risk management mechanism has three components:

- 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 managed by different structures and broken down into three levels:

- level 1: permanent controls, which are performed by our departments and operating teams;
- level 2: continuous controls, which assess the effectiveness of the mechanism through 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 our Finance Department.



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 and the Finance Department.

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 who reports directly to the Chief Executive Officer.

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

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

This unit defines rules and procedures; it organizes and monitors the action plan for continuous improvement of the internal control system, taking into

account the recommendations made by our external auditors; it ensures that certain processes comply with the applicable laws in cooperation with the departments concerned (Sapin II law, GDPR, reliable audit trail, etc.); it applies directives issued by our Audit and Risks Committee, and it organizes and leads the risk review process underpinning the preparation of the general risk map.

Our internal control and risk management 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.

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.

2.2.2.5 Our People & Sustainability Department

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

As such, our People & Sustainability Department ensures compliance with the rules and regulations applicable at all its locations – notably labor law, French social security law, and environmental law. It also oversees collective agreements struck with employee representatives as well as unilateral undertakings by 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 People & Sustainability Department formulates and implements policies to attract and retain employees to meet technological and business growth challenges by offering dynamic career paths, facilitating continuous learning and skills development, and offering a wide array of competitive pay packages. Compensation schemes combine collective and individual incentives, such as unique employee shareholding plans generally open to most employees, with a view to uniting all parties around common goals to achieve profitable growth over the short and medium term.

Our People & Sustainability Department also ensures proper social dialogue, 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.

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

2.2.3 Our internal control mechanism

2.2.3.1 Reference framework

Our internal control mechanism is based on the reference framework published by the AMF in 2007 and updated in 2010. 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 Group entities that are aimed at safeguarding our assets and guaranteeing the reliability of our financial information;
- IT system access rules tailored to the roles and responsibilities of our operations staff and to the principle of segregation of duties, to guarantee operational reliability;
- rules for supervising accounting and financial operations that are identified as critical.

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

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

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

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

2.2.2.6 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.

2.2.3.2 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 and risk management unit, and takes the form of a plan to monitor the actions carried out during the fiscal year. It involves identifying areas for improvement and setting objectives for the following year.

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

These action plans are coordinated by our internal control and risk management unit, and are regularly reviewed with the Departments concerned.

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 updates its risk map each year as part of the risk review process described below.

2.2.4.2 Our approach

The annual risk review process conducted in several phases leads to the preparation of a formal general risk map. The most significant risks identified in the map are then reported to our governance bodies at the end of the fiscal year.

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

The review is conducted in four main phases:

- identification and analysis of operational risks, based on input from the process owners;
- identification and analysis of strategic risks as part of the "strategic issues" planning process;
- assessment of impacts in line with our business plan and prioritization of risks by level of criticality (see section 2.1.4.2 *Criteria for assessing our risks*);
- review and validation of the map presenting the most significant risks with our governance bodies.

2.2.4.3 Review and regular reporting

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

The review process described in the previous section is led by our internal control and risk management unit with the support of any other departments involved in the process.

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

Regular risk reports are provided to 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 our governance bodies regarding such information;
- the reliability of the information published and used internally for coordination or verification purposes, where it contributes to the preparation of published accounting and financial information;
- the reliability of the published financial statements and of other financial information disclosed to the market;
- the preservation of its assets and holdings;
- to the extent possible, the prevention and detection of accounting and financial fraud and unlawful acts.

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 and Internal Control 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 international financial reporting standards (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 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 held to approve 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. 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 "Investors/Financial reports" section (www.soitec.com/en/investors).

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

B. Consolidation process

The consolidation process is centralized within 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 organize the processing of the information provided in a timely and reliable manner;
- to apply international accounting standards (IFRS).

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

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

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 included in the scope of consolidation.

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

review of the relevant indicators of the financial statements submitted by our subsidiaries.

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.

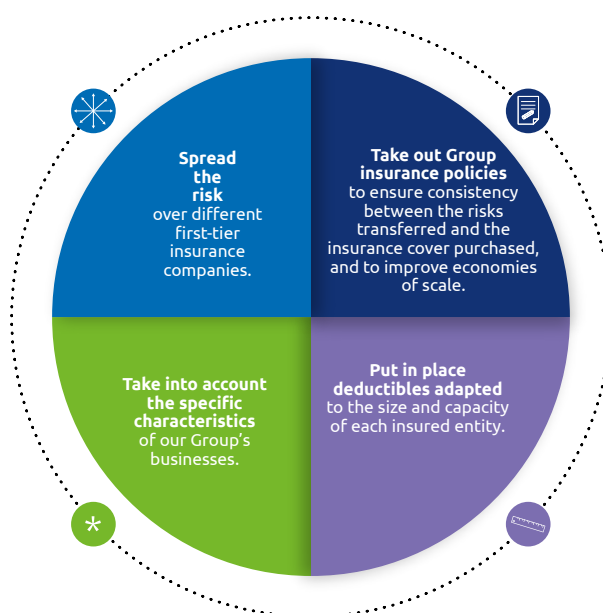
Our Audit and Risks Committee and our Board of Directors examine and approve these releases for publication.

2.3 Insurance and risk hedging

2.3.1 Overview of our insurance policy

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

- reduce risk exposures by implementing the recommendations made by the insurance companies and the experts in their field;
- spread insured risks between several leading insurance companies;
- take out Group insurance policies to ensure consistency between the risks transferred and the insurance cover purchased, and to improve economies of scale;
- take into account the specific characteristics of 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

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

Our Group purchased its insurance policies with the assistance and advice of specialized brokers and believes that its coverage is in line with market

Our main insurance programs are the following:

practices and available offers. As the insurance market becomes tougher, the levels of cover are or may be reduced when policies are renewed. There can be no assurance that, if an insured event occurs, the loss will be fully covered by insurance.

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

2.4 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

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3.1 Business model

3.1.1 Our corporate purpose

As a key player in the global electronics industry upstream in the value chain, and a provider of social and environmental added value, Soitec has made sustainability a pillar of its medium-term strategic vision. The Group has accordingly adopted a corporate purpose in its image, and which serves as a source of inspiration and commitment for our teams, partners and customers:

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

3.1.2 Soitec's businesses

Soitec, a world leader in the production of innovative semiconductor materials

Soitec is a major global player in the design and manufacture of innovative 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 communications, automotive and industry, and smart devices.

Its products are today used around the world to make the chips that are shaping the future, and our technologies and products play a major role in the use of electronic devices, including smartphones, 5G, computers, servers, industrial and medical equipment, electric and autonomous

vehicles, connected cities and objects, and personal assistants. These technologies help to make the world more connected, more intelligent and more energy efficient.

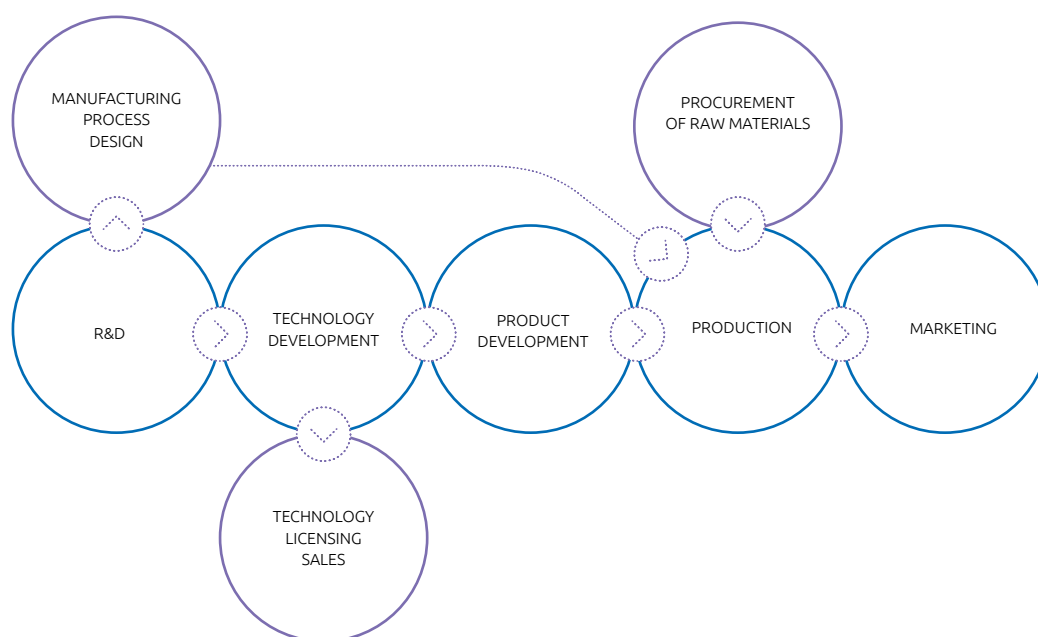
Substantial investment in innovation is central to our strategy for maintaining our lead: nearly 11% of our revenue is dedicated to innovation, almost 20% of our employees work on innovation, and we have developed a rich ecosystem and close partnerships to identify tomorrow's technological trends and 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.

Our Group gives access to its technologies to other players in the sector through a licensing system.

Business model diagram

Our businesses can be characterized as follows:



Our business model for value creation

OUR CORPORATE PURPOSE

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

RESOURCES

ECOSYSTEM BASED ON RELATIONSHIPS

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

HUMAN RESOURCES

- More than 2,000 employees
- Almost 50 nationalities
- 34.2% women

INNOVATION

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

PRODUCTION

- 6 production lines, 1 fab under construction and planned extensions
- 64% of employees working in production

FINANCE AND ORGANIZATION

- Increase in equity: up €367 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 Chair of the Board of Directors
- A committed Board of Directors: average attendance rate of 96% in fiscal year 2021-2022
- A new organization

NATURAL RESOURCES

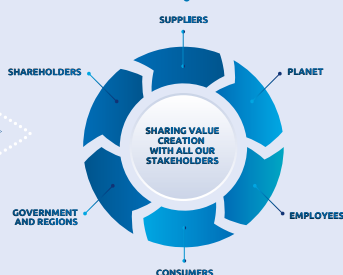
- Water consumption: 2,035 ML
- Energy consumption: 140,257 MWh

TRENDS AND OUR STRATEGY TO MEET THEM

TRENDS

- 3 megatrends: SG, AI, energy efficiency
- Complex technological challenges
- An internationalized market, with increasingly major regional strategic issues
- A contribution to innovative clean technologies

THE SOITEC WHEEL



3 PILLARS OF OUR CSR STRATEGY

- Drive the transition toward a sustainable economy through our innovation and operations
- Leverage our inclusive and inspiring company culture
- Act to become a role model for a better society



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
- Automotive and industry
- Smart devices



VALUE CREATED

CUSTOMERS

- 10.8% of revenue devoted to R&D
- Close collaboration on innovation with some 15 key customers
- A portfolio of over 3,700 patents
- One of the top 50 patent filers in France and no. 2 among the top 10 mid-sized companies
- ISO 9001: Bernin – Pasir Ris – Hasselt
- IATF: Bernin 1 & 2 – Pasir Ris
- AEO: Bernin

SUPPLIERS AND SUBCONTRACTORS

- 53% of revenue for suppliers and subcontractors
- 100% of strategic suppliers having signed our Supplier Quality Policy

EMPLOYEES

- 15.7% of revenue for employees
- Free share allocation and co-investment plans
- 281 new hires in fiscal year 2021-2022
- Resignation rate: 5.82%
- Frequency rate: 1.7
- ISO 45001: Bernin and Pasir Ris

GOVERNMENT AND REGIONS

- 0.7% 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

- Revenue: €863 million (up 50% at constant exchange rates)
- Increase in the EBITDA margin to 35.8%

PLANET

- 41% reduction in energy consumption per unit of production since fiscal year 2015-2016
- 25% reduction in water consumption per unit of production since fiscal year 2015-2016
- GHG emissions: 253,772 tCO₂ eq.
- 1,144,000 tCO₂ eq. of emissions avoided from products sold
- ISO 14001: Bernin and Pasir Ris
- ISO 50001: Bernin

IMPACTS AND CONTRIBUTIONS



3.1.3 Today's major trends

3.1.3.1 Climate change

The prevention of climate change and the mitigation of its impacts (biodiversity loss, extreme weather events, water availability, etc.) are major challenges for societies and populations. The latest report from the Intergovernmental Panel on Climate Change (IPCC) states that our greenhouse gas (GHG) emissions will have to start falling by 2025 at the

latest, and that global emissions will need to be brought down by at least 43% by 2030 compared with 2019, to cap the average temperature increase at 1.5°C. Governments, companies and populations throughout the world must therefore reduce their emissions simultaneously.

3.1.3.2 Sustainable use of resources

The production of semiconductor materials is resource-intensive, using large quantities of energy, water and other components. To avoid compromising either sustainability or good economic sense, production operations must be geared towards optimal efficiency in the use of these

resources. Water consumption needs to be seen against the backdrop of increasing water stress in some parts of the world, and certain materials, including lithium tantalate, are subject to regulations to prevent conflicts in various parts of the world.

3.1.3.3 Sustainable development and ESG expectations

Our stakeholders (customers, employees, suppliers, investors, etc.) are becoming increasingly demanding in terms of transparency and performance with regard to environmental, social and governance (ESG) issues. European reporting regulations and those governing the transparency

of our activities are also changing. We are now required to provide more extensive reporting, including disclosure of the share of our businesses contributing substantially to climate change mitigation and the circular economy, among other issues.

3.1.3.4 Clean technology

The quest for innovation in Soitec's markets (communication, automotive and smart devices) requires the constant development of new and increasingly efficient solutions and technologies in terms of their energy and material

consumption. Our components contribute to the clean technologies of today and tomorrow, help reduce the environmental impact of the products in which they are fitted, and contribute to their overall efficiency.

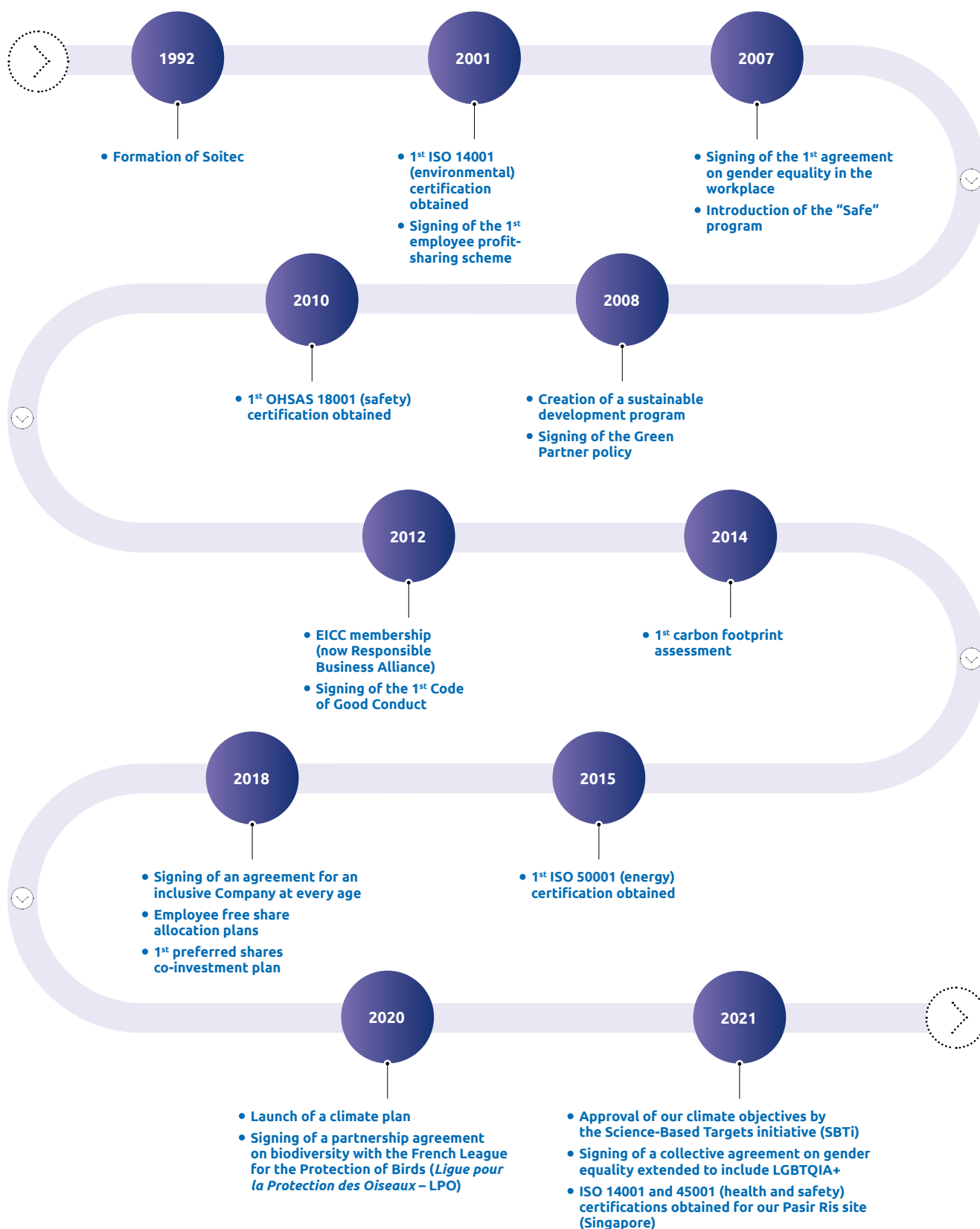
3.1.3.5 Circular economy

The availability and renewability of resources and materials, both raw and processed, are a major concern for industrial companies. To lessen their dependence on a linear economy ("take, make, dispose"), reduce their environmental footprint, and meet stakeholder expectations (customers, regulations, etc.), our industry is now being challenged to innovate its

production processes and seek new ways of reusing material and waste. The overall goal of the sector is therefore to reduce the quantity of raw materials extracted and maximize their reuse, in order to minimize the potential environmental impact.

3.2 Our CSR commitments

3.2.1 Commitments going back 30 years



Soitec has a long-standing commitment to sustainability. Our maturity in this area grows year after year, and 2021 saw the rollout of a new CSR strategy. Our new roadmap, which runs until 2026 and makes sustainability

the cornerstone of Soitec's strategy, is based on three pillars and eleven commitments, defined following the preparation of a materiality matrix after consulting all our stakeholders (see below).

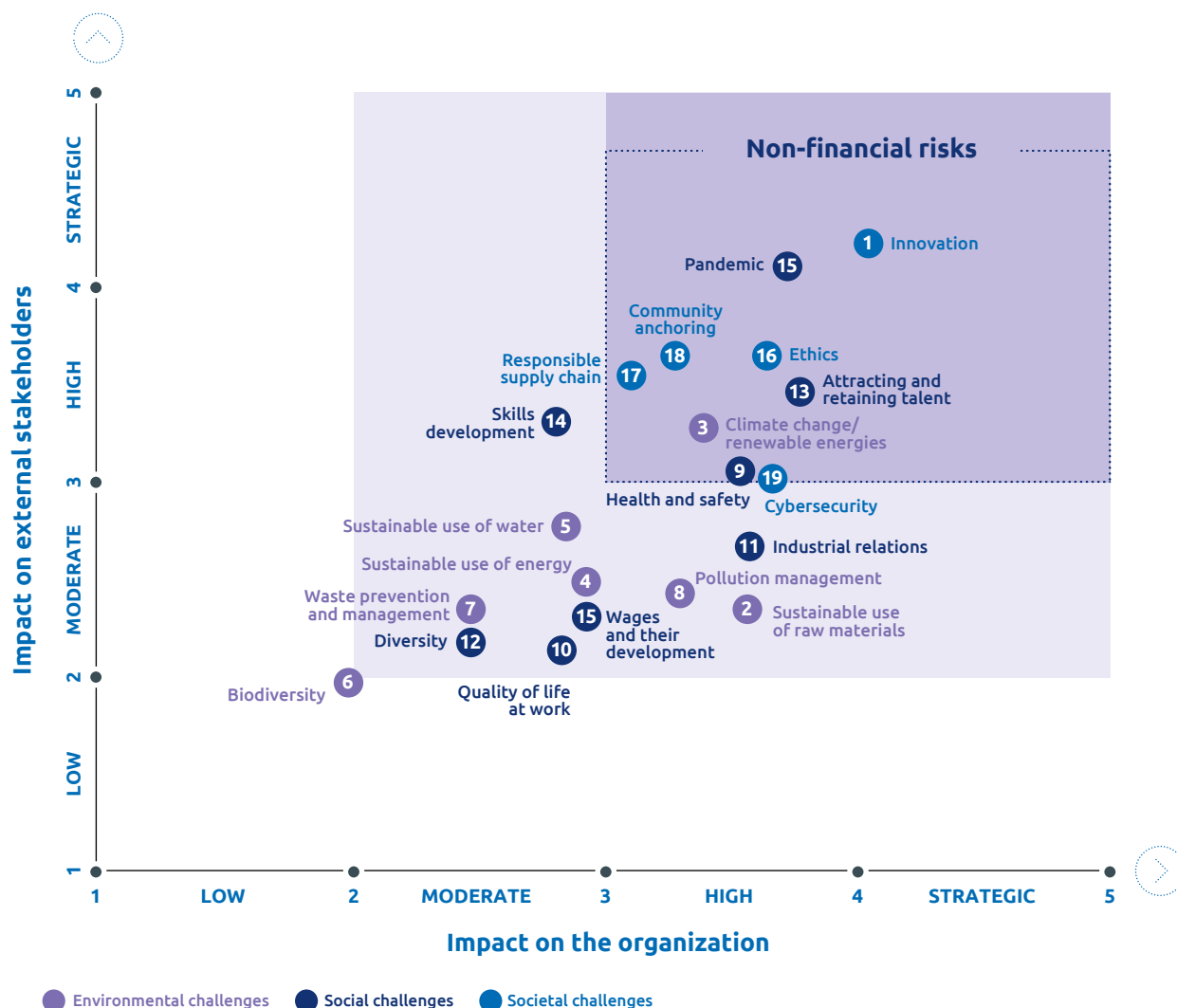
3.2.2 Our materiality analysis

The Group's materiality analysis was carried out in early 2021. This analysis is the substance of the commitments underpinning the CSR strategy and the main risks discussed in this chapter, and was performed by an external firm based on the concept of double materiality (impacts of the challenges on the organization and on external stakeholders).

Although the risk associated with customer relationships is material for the company, it has been removed from the SNFP because it represents a commercial rather than a sustainable development risk, and, as such, has not been included in the CSR strategy. The risk associated with the pandemic has also been removed, in light of the developments in the pandemic and the vaccination and protection measures available to

employees. However, the issue is still covered in the *Invest in the health and safety of our employees* section.

Although certain topics did not emerge as material for the SNFP following consultation with our stakeholders, they do remain of interest to Soitec and some of its stakeholders. Such is the case for the following risks: skills development, industrial relations, diversity, wages and their development, quality of life at work, pollution management, sustainable use of raw materials, water and energy resources, waste prevention and management, and biodiversity. Accordingly, they are mentioned in the SNFP as part of our efforts to make a contribution through our commitments in our CSR strategy.



3.2.3 Soitec's CSR strategy

Soitec developed a new CSR strategy in 2021. It is built on three central pillars broken down into 11 commitments reflecting the risks identified in the materiality analysis (see previous paragraph).

• 3 PILLARS AND 11 COMMITMENTS, CORRESPONDING TO THE SNFP SECTIONS COVERING OUR 19 RISKS

Pillars	Commitments	Risk (as identified in the materiality matrix)
Drive the transition toward a sustainable economy through our innovation and operations	Innovate every day so that we can continue to make our products the cornerstone of a responsible future	1. Innovation ⁽¹⁾ 2. Sustainable use of raw materials
	Be a pioneer in limiting global warming to 1.5°C	3. Climate change 4. Sustainable use of energy
	Manage and reduce our water consumption	5. Sustainable use of water
	Preserve biodiversity to maintain a healthy and balanced local ecosystem	6. Biodiversity 7. Waste prevention and management 8. Pollution management
Leverage our inclusive and inspiring company culture	Ensure the health and safety of our employees and protect them during pandemics	9. Health and safety ⁽¹⁾
	Create a fulfilling and rewarding work environment and promote employee well-being	10. Quality of life at work 11. Industrial relations
	Promote diversity and inclusion	12. Diversity
	Attract and develop our talent	13. Attracting and retaining talent ⁽¹⁾ 14. Skills development 15. Wages and their development
Act to become a role model for a better society	Manage our business ethically and responsibly	16. Ethics ⁽¹⁾
	Build a responsible, sustainable supply chain	17. Responsible supply chain ⁽¹⁾
	Commit to local communities and young people	18. Community anchoring ⁽¹⁾
		19. Cybersecurity ⁽²⁾

(1) Key risks for Soitec, in bold.

(2) Note that while cybersecurity is one of the non-financial risks identified, it has not been integrated into the CSR strategy for governance reasons, as it is already managed by other departments. It is however addressed in the SNFP in the Ensure the cybersecurity of our activities section and has been integrated into the "Act to become a role model for a better society" pillar.

3.2.4 Table of indicators

Commitments	Policies	Key performance indicators	Outcomes		2021-2026 objectives
			2021-2022	2020-2021	
Sustainable innovation	Investment and R&D policy	Percentage of revenue dedicated to R&D	10.8%	12.7%	<ul style="list-style-type: none"> Maintain and extend our technological edge through R&D, patenting and synergies with our partners Regularly measure the GHG emissions avoided thanks to the energy savings generated by our products in their end-use applications
		Number of patents filed during the year	283	285	
		GHG emissions avoided through energy savings generated by our products in their end-use applications	1,144 ktCO ₂ eq.	564 ktCO ₂ eq.	
Climate change	Rollout of the Climate Plan, whose objectives have been validated by the Science-Based Targets initiative	Direct GHG emissions (Scope 1) – Bernin and Singapore	4,877 tCO ₂ eq.	5,786 tCO ₂ eq.	<ul style="list-style-type: none"> 25.2% reduction in Scopes 1 & 2 GHG emissions in absolute terms by 2026 compared with 2020 100% renewable power at our Bernin plant in 2022 and 50% at our Pasir Ris plant by 2024 35.3% reduction in Scope 3 GHG emissions per million euros of added value by 2026 compared with 2020 90% of substrates sent from our Bernin plant to our Pasir Ris plant by sea freight by 2023 38% of substrates sent from our Bernin plant to our Pasir Ris plant by sea freight by 2023
		Indirect GHG emissions linked to electricity use (Scope 2) – Bernin and Singapore	20,972 tCO ₂ eq.	18,506 tCO ₂ eq.	
		Change in Scopes 1 & 2 versus the prior fiscal year – Bernin and Singapore	+6.4%		
		Other indirect GHG emissions (Scope 3)	223,298 tCO ₂ eq.	146,663 tCO ₂ eq.	
		Other indirect GHG emissions (Scope 3) in relative value (per € millions of added value)	827 tCO ₂ eq./€ millions of added value	868 tCO ₂ eq./€ millions of added value	
		Change in Scope 3 in relative value versus the prior fiscal year	-5%		
		Hasselt Overall GHG emissions from the Hasselt site (Scopes 1/2/3)	4,625 tCO ₂ eq. (1.8% of the Group's GHG footprint)	25%	
		Percentage of renewable electricity consumed	100% (Bernin)	24%	
		Percentage of substrates transported by sea between our Bernin plant and Pasir Ris plant rather than by air freight	65%	-	
		Percentage of substrates transported by sea from our Pasir Ris site to Bernin rather than by air freight	19%	-2%	
Responsible water management	CDP assessment Increase water reuse in processes	Reduction in water consumption per unit of production since fiscal year 2020-2021	-12.7%	-	<ul style="list-style-type: none"> 22% reduction by fiscal year 2023-2024 versus fiscal year 2020-2021 and 24% reduction by fiscal year 2024-2025 50% increase in the volume of water reused at the Bernin plant between fiscal year 2020-2021 and fiscal year 2022-2023
		Total percentage of water recycled and reused (Group value)	16.35%	16.08%	
Biodiversity	Five-year biodiversity action plan	Facilities that have implemented initiatives to promote biodiversity	1	1	<ul style="list-style-type: none"> Develop the five-year biodiversity action plan with the LPO on the Bernin site
		Facilities with no phytosanitary products	2	2	

Commitments	Policies	Key performance indicators	Outcomes		2021-2026 objectives
			2021-2022	2020-2021	
Health-Safety and Pandemic	QHSE policy Safe program	Frequency rate of workplace accidents with lost time	1.7	3.1	<ul style="list-style-type: none"> Maintain a frequency rate of workplace accidents with lost time of below 2.9
Quality of life at work	Measure the level of QLW	Response rate to the QLW questionnaire	81%	91%	<ul style="list-style-type: none"> Maintain a QLW score greater than or equal to 70/100
		QLW score	72/100	70/100	
Diversity and inclusion	Non-binary professional equality agreement covering all gender issues	Gender equality index for ESU Soitec	94/100	94/100	<ul style="list-style-type: none"> Increase the proportion of women in the workforce to 40% by 2025 25% of Executive Committee seats to be held by women by 2025 20% of senior executive positions to be held by women by 2025
		Percentage of women in the Group workforce	34.2%	33.6%	
		Percentage of women on the Executive Committee	18.2%	18.2%	
		Percentage of women among senior executives	19%	17%	
Attracting and developing talent	Recruitment programs	Workforce at March 31	2,033	1,752	<ul style="list-style-type: none"> Maintain an average promotion rate of 13% per year until 2026
		Breakdown by age group			
		• Under 25	8%	9%	
		• 26-35	30%	25%	
	Employer brand	• 36-45	32%	35%	
		• 46-55	23%	25%	
		• Over 55	7%	6%	
		Internal promotion rate	17.1%	14.8%	
	Shareholding policy	Training hours per employee per year	17.24	14.68	
		Resignation rate	5.82%	3.86%	
		Average seniority	7.3	7.7	
Ethics	Code of Good Conduct	Percentage of employees having completed the e-learning module on the Code of Good Conduct	70%	65%	<ul style="list-style-type: none"> 100% by 2026
		Number of incidents reported through the whistleblowing system (Sapin 2 law)	0	0	
Responsible supply chain	Supplier Quality Policy Member of the Responsible Business Alliance	Percentage of strategic suppliers that have signed the Supplier Quality Policy	100%	86%	<ul style="list-style-type: none"> 100% of our critical suppliers to be audited for compliance with the RBA Code of Conduct by 2026
Communities	Local economic pact	Number of young people under 26 hired within the Group during the year	195	100	<ul style="list-style-type: none"> Expand our network of partner schools and universities Strengthen our local roots in the Grenoble area and in Singapore
	Télémaque partnership				
Cybersecurity	Information systems security policy	Percentage of new employees made aware of cybersecurity	98%	100%	<ul style="list-style-type: none"> Maintain a rate of 100% of new employees made aware of cybersecurity

3.2.5 CSR governance

Soitec's corporate social responsibility is overseen within the Executive Committee by the Executive Vice President, People and Sustainability. A CSR and Communications Manager reports to him and ensures the strategy's consistency with Soitec's objectives and action plan. She coordinates the actions of the various departments in their work on the relevant CSR themes (HR, purchasing, energy efficiency, etc.).

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

CSR topics are also regularly included on the agenda of the Board of Directors' Compensation and Sustainable Development Committee meetings. The

role of this committee is to propose the guidelines and objectives to be followed, which are then discussed by the Board of Directors.

Lastly, part of the variable compensation of the Group's Chief Executive Officer is based on CSR criteria. For fiscal year 2021-2022, the Board of Directors has approved a system backed by objectives relating to quality of life at work, the gender equality index, the percentage of women in management bodies (section 4.2) and the achievement of objectives relating to the climate plan adopted in 2021. As part of the compensation policy for executive corporate officers submitted to the Shareholders' General Meeting for an *ex-ante* vote, the Board of Directors is proposing to include ESG performance criteria in the senior executive free performance share plan, for the following commitments: greenhouse gas emissions, water and diversity.

3.3 A recognized contribution to sustainability

Our CSR strategy has been developed in line with internationally recognized models and standards, which provide a framework for our sustainability strategy.

3.3.1 Our contribution to the United Nations Sustainable Development Goals

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. The relevant SDGs are as follows:

	SDG 3: Good health and well-being		SDG 11: Sustainable cities and communities
	SDG 5: Gender equality		SDG 12: Responsible consumption and production
	SDG 6: Clean water and sanitation		SDG 13: Climate action
	SDG 8: Decent work and economic growth		SDG 15: Life on land
	SDG 9: Industry, innovation and infrastructure		SDG 16: Peace, justice and strong institutions
	SDG 10: Reduced inequalities		SDG 17: Partnerships for the goals

To deepen its CSR approach and earlier work on the SDGs, Soitec plans to precisely identify the targets to which the Group contributes through its activities. This work will allow us to determine whether Soitec has a positive or negative influence on a given target, as well as the degree of its impact and the commitment to which the target relates.

3.3.2 External references and acknowledgment

Soitec's CSR policy is fully aligned with internationally recognized guidelines and standards. Together, these texts provide a framework for all companies and organizations to implement sustainable development principles:

- ISO 14001, environmental management system standard;
- ISO 45001, occupational health and safety system standard;
- ISO 50001, energy management system standard;
- ISO 27000, information security management system standard;
- IATF 16949, quality management system standard in the automotive industry;
- authorization as an approved economic operator (AEO);
- ISO 26000, establishing guidelines related to corporate social responsibility;
- the eight fundamental conventions of the International Labour Organization (ILO);
- the Universal Declaration of Human Rights;
- the United Nations Convention against Corruption;
- the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, adopted on May 25, 2011;
- the climate reporting framework published by the Task Force on Climate-related Financial Disclosures (TCFD);
- the Code of Conduct of the Responsible Business Alliance (RBA).

Soitec's CSR approach is also assessed by several external rating bodies such as MSCI, CDP Water, CDP Climate Change, Sustainalytics, and the SBTi.

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

3.4.1 Innovate every day so that we can continue to make our products the cornerstone of a responsible future



Soitec sees innovation as the cornerstone of a more responsible future. Designed to meet the ever-growing functionalities and performance requirements of the technologies that we use every day, our products are an integral part of the daily lives of billions of people. Today, they are essential for the adoption of innovative technologies such as 5G, autonomous cars and artificial intelligence embedded in connected objects.

But while these technologies are essential for our societies and lifestyles to evolve, they also consume significant amounts of energy. To remain at the forefront of the market and in tune with our customers' expectations, and thereby ensure our sustainability, our innovations are designed to enable electronic devices to reconcile performance and energy efficiency.

Key measures	Key indicators	2021-2022	2020-2021	Main objectives
<ul style="list-style-type: none"> Improve the energy efficiency of electronic devices Innovate to develop new energy-efficient materials 	Percentage of revenue dedicated to R&D	10.8%	12.7%	<ul style="list-style-type: none"> Maintain and extend our technological edge through R&D, patenting and synergies with our partners Regularly measure the GHG emissions avoided thanks to the energy savings generated by our products in their end-use applications
	Number of patents filed during the year	283	285	
	GHG emissions avoided through energy savings generated by our products in their end-use applications	1,144 ktCO ₂ eq.	564 ktCO ₂ eq.	

Innovation is managed by the Innovation Department, whose 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. Our workforce increased from 142

people to 185 worldwide in fiscal year 2021-2022. In the coming fiscal year, approximately 50 people will join us to meet the needs of new products expected to reach the market in the coming years.

3.4.1.1 Innovate by creating new and increasingly efficient materials and reduce the energy consumption of everyday electronic devices

Innovation is central to Soitec's business model. During fiscal year 2021-2022, 10.8% of our revenue was dedicated to R&D. Our investment in innovation is also reflected in our capacity to file patents, with 283 patents during the fiscal year.

The use of our various products allows the development of electronic devices whose energy consumption is below that of previous generations of these products and those of our competitors. We think and act in the firm belief that we can reduce the amount of energy used, thereby reducing our greenhouse gas emissions.

A second impact study conducted in 2021 found that avoided greenhouse gas emissions are substantial for three of our product families that have become market standards. 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 2021-2022, 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.

The FD-SOI substrate, used chiefly in automotive and mobile communication technologies, has saved 895 GWh or approximately 591,000 tCO₂eq.

For the RF-SOI substrate used for most of the components of the antenna module of smartphones, the analysis focused on the gains in power consumption on the front-end module. Savings totaled 466 GWh for RF-SOI, i.e., 262,000 tCO₂eq. avoided.

For the Photonics-SOI substrate, which is central to the connectors used in data centers, energy savings amounted to 587 GWh or 291,000 tCO₂eq.

In total, the use of our three products avoided 1,144 ktCO₂eq. (kilo tons of CO₂ equivalent) in 2021, with an energy saving of 1,948 GWh – equivalent to the annual domestic energy consumption of a city of 1.2 million inhabitants.

Since 2020, Soitec has been diversifying into silicon carbide (SiC) substrates for the manufacture of semiconductors for the electric vehicle and industry markets, thanks to the industrial cluster based in the Grenoble area. Use of this substrate, known as SmartSiC™, enhances the benefits of silicon carbide by boosting electrical performance by 20% and reducing CO₂ emissions by approximately 75% during its production compared with the traditional solid single crystal silicon carbide substrate. For example, the use of silicon carbide-based components can extend the range of electric vehicles by 10% to 15% and allows the battery to be recharged more quickly.

By 2030, more than 40% of new cars will be electric. We accordingly plan to invest €1.1 billion over the coming five years to increase our production capacity in France, Belgium and Singapore. Construction of our future Bernin 4 fab dedicated to silicon carbide substrates began on March 31, 2022. Our new fab will boast a 2,500 sq.m. clean room. SmartSiC™ wafer production will account for 80% of its output, and 300 mm SOI wafers will account for the remaining 20%. The fab is scheduled to start operating in April 2023.

3.4.1.2 Intensify our eco-design approach in R&D

Soitec is committed to sustainable innovation that incorporates the principles of life-cycle assessment into its products. This approach was implemented notably in the development of our new product, SmartSiC™. Developed in the Substrate Innovation Center located at CEA-Leti in Grenoble, using Soitec's patented SmartCut™ technology, the results of initial studies

demonstrate considerable added value in terms of both production savings and reductions in greenhouse gas emissions. Compared with the standard SiC wafer production process, our technologies allow us to produce a larger quantity of SiC wafers and to reduce the greenhouse gas emissions generated by the production of 100,000 wafers by 4,000 tCO₂eq.

3.4.1.3 Forge alliances and partnerships to build a semiconductor ecosystem

As a major player in microelectronics and semiconductors, we are expanding our network of partners to work with other players in the electronic components industry.

We are developing close links with CEA-Leti in Grenoble, with which we founded the Substrate Innovation Center in 2018, and which since 2020 has been home to a production line devoted to our new technology derived from silicon carbide. We also work closely with pioneering research centers and universities such as Imec, SITRI, CNRT, CEMES, A*STAR-IME, Stanford, Berkeley, NUS, NTU and UCL.

Replicating the Bernin model, an innovation cluster known as Singapore Technology Development is to be deployed at Pasir Ris to support the growth of our Singapore site. A team of ten to twelve people dedicated to innovation will be formed and will draw on the expertise of the engineers and technicians of our local partners.

Lastly, at the end of 2021, Soitec acquired NOVASiC, an expert in the production, polishing and regeneration of silicon carbide wafers to prepare for the ramp-up of our SmartSiC™ substrate technology to industrial scale.

3.4.2 Be a pioneer in limiting global warming to 1.5°C



The mounting threats facing our planet impose respect for the environment as the cornerstone of a more responsible future and growth for our business. Recognizing this challenge, in January 2021 Soitec joined the Science-Based Targets initiative (SBTi) – led by CDP Worldwide, the World Wildlife Fund (WWF), the World Resources Institute (WRI) and the United

Nations Global Compact – and adopted the trajectory of limiting global warming to 1.5°C above pre-industrial temperatures. We are the fourth semiconductor company worldwide to have a plan of this scale validated by the SBTi.

Key measures	Key indicators	2021	2020	Main objectives
Implement our Climate Plan, whose targets have been validated by the Science-Based Targets initiative	Bernin and Singapore			
	Direct GHG emissions (Scope 1)	4,877 tCO ₂ eq.	5,786 tCO ₂ eq.	
	Indirect GHG emissions linked to electricity use (Scope 2)	20,972 tCO ₂ eq.	18,506 tCO ₂ eq.	
	Change in Scopes 1 & 2 versus the prior fiscal year	+6.4%		• 25.2% reduction in Scopes 1 & 2 GHG emissions in absolute terms by 2026 compared with 2020
	Other indirect GHG emissions (Scope 3)	223,298 tCO ₂ eq.	146,663 tCO ₂ eq.	
	Other indirect GHG emissions (Scope 3) in relative value (per € millions of added value)	827 tCO ₂ eq./€ millions of added value	868 tCO ₂ eq./€ millions of added value	• 100% renewable power at our Bernin plant in 2022 and 50% at our Pasir Ris plant by 2024
	Change in Scope 3 in relative value versus the prior fiscal year	-5%		• 35.3% reduction in Scope 3 GHG emissions per million euros of added value by 2026 compared with 2020
	Hasselt			
	Overall GHG emissions from the Hasselt site (Scopes 1/2/3)	4,625 tCO ₂ eq. (1.8% of the Group's GHG footprint)	-	• 90% of substrates sent from our Bernin plant to our Pasir Ris plant by sea freight by 2023
	Percentage of renewable electricity consumed	100% (Bernin)	25%	• 38% of substrates sent from our Bernin plant to our Pasir Ris plant by sea freight by 2023
	Percentage of substrates transported by sea between our Bernin plant and Pasir Ris plant rather than by air freight	65%	24%	
	Percentage of substrates transported by sea from our Pasir Ris site to Bernin rather than by air freight	19%	-	
	Change in energy consumption per unit of production versus the prior fiscal year	-16.5%	-2%	

3.4.2.1 An organization and teams focused on ambitious objectives

The HSE Department, which reports to the People and Sustainability Department, is responsible for coordinating major environmental topics at corporate level. It sets objectives and lays down action plans for all subsidiaries and operational sites. The entire operational management team is involved across the Soitec Group as a whole.

Teams based in Bernin and Pasir Ris are tasked with implementing the action plans.

A quarterly review of ongoing environmental projects is carried out by our People and Sustainability Department, which reports on its work to the Executive Committee. It also responds to requests from the Board of Directors, particularly on the achievement of the roadmap objectives.

3.4.2.2 Reducing our greenhouse gas emissions while supporting our growth

Compared with our most recent carbon footprint, measured in 2020, our goal is to reduce our Scopes 1 & 2 greenhouse gas emissions by 25.2% in absolute terms by 2026, and our Scope 3 greenhouse gas emissions by 35.3% per million euros of added value.

Early in 2022, we updated our greenhouse gas emissions assessment for 2021. The results should be viewed in the light of Soitec's strong growth in terms of revenue (up 50%) and workforce (up 16%). In addition, we have extended the scope of our carbon footprint by including, for the first time this year, the Hasselt site in Belgium, which represents 1.8% of the Group's GHG footprint.

For the Bernin and Singapore sites, our total Scopes 1 & 2 emissions were up 6% in absolute terms compared with 2020, and are still 11% above the linear trajectory for the 2026 objective set with the SBTi. For Bernin, the change is attributable to a 6% rise in electricity consumption stemming from the increase in production and the commissioning of new buildings, although this is covered by the purchase of Guarantee of Origin (GO) certificates. The electrical and gas intensity of the manufacturing process were down 20% and 13%, respectively. In Singapore, on-site energy consumption was up 41%, again in connection with our production growth (up 308% for Pasir Ris).

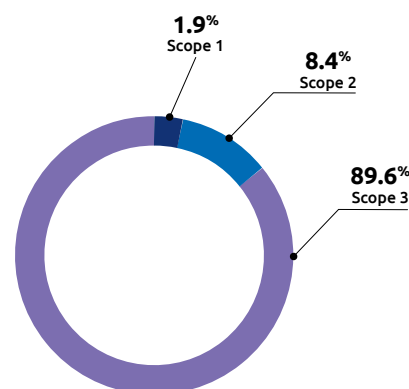
Scope 3 emissions per million euros of added value for the Bernin and Singapore sites totaled 827 tCO₂eq. in 2021, a 5% decrease versus 2020, and remain very close to the linear trajectory for the 2026 objective set with the SBTi. In absolute terms, there has been an increase in emissions related to the bulk inputs required for our production (up 55% and up 10,000 tCO₂eq.). The share of emissions linked to the increase in our net assets subject to depreciation following the construction of our new

buildings also increased our emissions in absolute terms (Bernin: up 58%; and Singapore: up 93%).

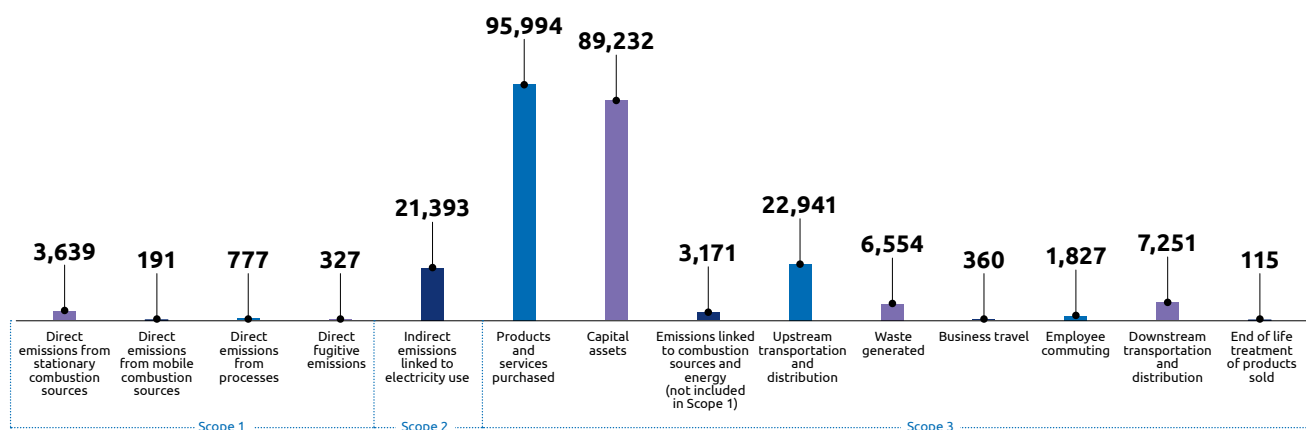
If the Hasselt site is taken into account, total Scopes 1 & 2 emissions increased by 8%, and Scope 3 emissions decreased by 3% in relative terms (per million euros of added value) and increased 55% in absolute terms.

In absolute terms, our emissions have increased due to Soitec's growth. However, the increase has been limited thanks to the purchase of renewable energy, particularly at Bernin where all electricity consumed is now renewable, avoiding about 3,300 tCO₂eq.

GREENHOUSE GAS EMISSIONS BY SCOPE IN TCO₂EQ. IN 2021 (BERNIN AND SINGAPORE)



GREENHOUSE GAS EMISSIONS BY MOST REPRESENTATIVE ITEMS IN TCO₂EQ. IN 2021 (BERNIN AND SINGAPORE)



3.4.2.3 Implement our Climate Plan in our operations

Our Climate Plan and targets were validated by the Science-Based Targets initiative in 2021. The plan is built on five major pillars.

- First, we are working to increase the energy performance of our industrial sites by investing in energy-efficient equipment and optimizing our industrial processes to reduce energy consumption. Our future headquarters in Bernin – currently under construction – were designed in accordance with the most demanding eco-construction and eco-management standards under the HQE® approach, which aims to improve the environmental quality of buildings over their entire life cycle. We are aiming to obtain the HQE® label at "Excellent" level. An energy intelligence approach

initiated nearly eight years ago at the Bernin plant, laid down in the plan for ISO 50001 certification in 2015, has resulted in a 47% reduction in energy consumption per unit of production since 2016. This strategic indicator reflects Soitec's commitment to reducing the greenhouse gas emissions linked to our production tools. Amid the current challenges related to global warming, we measure our impact to ensure compliance with the Paris Agreement, taking our energy consumption into consideration at every stage of our growth. In addition, our Pasir Ris site, which is a candidate for ISO 50001 certification, is scheduled to be audited by the end of 2022.

- Second, we have opted to prioritize the use of low-carbon energy. We achieved this objective during the year, as all the energy we consume at our Bernin plant is now covered by renewable Guarantees of Origin (GO). It comes from hydroelectric plants located in the Rhône-Alpes region and contributes to reducing our Scope 2 greenhouse gas emissions. For our Pasir Ris site, the aim is for 50% of energy used to be decarbonized by 2024. To achieve this goal, we are currently investing in the installation of approximately 1,000 solar panels to cover the roofs of the administrative buildings and parking lots. They will be commissioned in 2022. In addition, the use of Guarantee of Origin certificates or Power Purchase Agreements is envisaged to achieve this target.
- Third, we favor low-carbon freight, by opting first and foremost for sea freight, especially for shipments between our Bernin (France) and Pasir Ris (Singapore) plants. Between 2021 and 2022, the proportion of substrates shipped to Pasir Ris from Bernin by sea freight increased from 24% to 65%. We are aiming to reach 90% by 2024. Since 2021, the Bernin site has been equipped with an additional logistics warehouse that allows us to avoid subcontracting logistics, thereby contributing to reducing the volume of transport from our site to distant warehouses.

In addition, in March 2022, the Group decided to start building the Bernin 4 fab in France. One of the objectives of this project is to greatly increase the reprocessing capacity of our 300 mm wafers (Refresh). This strategic decision will allow us to significantly reduce the freight required for these wafers, currently processed in Singapore, and perfectly illustrates the application of short circuits allowing us to reduce the CO₂ emissions of our operations.

- Fourth, we engage our suppliers in our low-carbon approach, especially our material and equipment suppliers, with a view to reducing their products' carbon footprint.
- Lastly, we promote soft mobility among our employees. Our fiscal year 2022-2023 investment plan includes an increase in the number of electric vehicle charging stations and the renewal of the fleet of electric bikes available to borrow for commuting to and from work. An inter-company travel plan is currently being prepared in consultation with local authorities and the region's mobility organizers.

3.4.3 Manage and reduce our water consumption



We have been working to reduce our water consumption over the past several years by optimizing our industrial processes. We are also mindful of avoiding any impacts that are detrimental to the needs of the local communities that host Soitec's operations, as they could harm our image

locally. To that end, our water management strategy is reviewed quarterly (objectives and performance) and a report on the actions taken is given to Soitec's Executive Committee.

Key measures	Key indicators	2021-2022	2020-2021	Main objectives
• Reduce our water consumption	Reduction in water consumption per unit of production versus fiscal year 2020-2021	-12.7%		• 22% reduction by fiscal year 2023-2024 and 24% reduction by fiscal year 2024-2025 versus fiscal year 2020-2021
• Qualify our impact on the water stress of the areas surrounding our sites	Total percentage of water recycled and reused (Group value)	16.35%	-16.08%	• 50% increase in the volume of water reused at the Bernin plant between fiscal year 2020-2021 and fiscal year 2022-2023

3.4.3.1 Reduce our water consumption

We consume water to meet two main needs: domestic and industrial water consumption. We have set ambitious targets for reducing our water consumption per unit of production, and also for increasing the proportion of water reused at our Bernin and Singapore sites. For fiscal year 2021-2022, the rate of recycled and reused water fell 0.22 points to 15.86% at Group level, due to the growing difference in our production from one year to the next. At the Bernin site, the rate was 15.36%, up 1.91 points on the prior fiscal year. At the Singapore site, the rate of recycled and reused water represents 17.63%. The Hasselt site does not currently have a water recycling system, but its consumption represents only 0.2% of the Group's consumption. Significant investments are planned for our Bernin site to increase this volume by 50% from fiscal year 2022-2023, versus fiscal year 2020-2021.

To meet this objective, Soitec brought together the facilities, process and maintenance departments to identify means of improving our processes and equipment. After a test phase, these working groups succeeded in qualifying the reuse of water from the discharges of certain production equipment located in Bernin. The process will be validated in fiscal year 2022-2023 in order to demonstrate the absence of adverse impacts on the quality of the water reused in the production processes.

In addition, a new ultra-pure water treatment station built to the highest standards in terms of physical water reuse efficiency is slated to come into service on the Bernin 3 site from October 2022. It will allow this resource to be injected back into our production processes.

Significant efforts have been mobilized at the Pasir Ris site aimed at improving the use of production tools. The management system is currently being rolled out, and a system identical to Bernin is to be phased in over the coming years.

3.4.3.2 Control the origin of our water resources

The Water Risk Atlas, derived from the work of the World Resources Institute (a global research organization focused on environmental issues), presents the risks in terms of water stress worldwide, over medium- and long-term timeframes. For the Singapore region, projections for 2030 put the level of water stress at over 80%. While this is only a projection, we are already promoting the use of recycled water and working to improve the efficiency of our production facilities. For example, recycled water from wastewater currently covers 99% of consumption at our Pasir Ris

site. And several water reuse processes are currently in operation, notably with a view to supplying cooling towers. At our Bernin plant, all of the water consumed comes from a local river, and is therefore surface water.

Lastly, Soitec participated in the CDP's Disclosure Insight Action assessment in 2021, distinguishing itself by obtaining encouraging grades of B in "water security" and C in "climate change" for its first year. The process enables Soitec to measure and manage its risks and opportunities in respect of the Group's strategic issues, namely climate change and water management.

3.4.4 Preserve biodiversity to maintain a healthy and balanced local ecosystem



We have been working to preserve biodiversity for many years at our Bernin site. As an industrial player, we are committed to preserving and enhancing natural heritage. Our Bernin site, located in nature in the heart of the Grésivaudan valley and surrounded by alpine massifs, inspires us to work with experts to participate in the preservation of this ecosystem.

Key measures	Key indicators	2021-2022	2020-2021	Main objectives
<ul style="list-style-type: none"> Development of green spaces on our sites Two beehives installed at our Bernin site Awareness raising of biodiversity and forest preservation among young people 	Industrial facilities that have implemented initiatives to promote biodiversity	1	1	Five-year biodiversity action plan, with the LPO
<ul style="list-style-type: none"> Partnership with the League for the Protection of Birds (<i>Ligue pour la Protection des Oiseaux</i> – LPO) 	Industrial facilities with no phytosanitary products	2	2	

Our land use is one of the main ways that we impact biodiversity.

The total surface area of our sites is 135,386 sq.m., the equivalent of 17 soccer fields. Although 73% of our surfaces are sealed (notably the Pasir Ris site and almost the entire Hasselt site), the Bernin site has over three hectares of unsealed land, and steps are therefore being taken to protect local biodiversity on this area.

In fiscal year 2021-2022, we implemented actions to enhance biodiversity. For example, as part of our partnership with the LPO, and with the help of a landscape architect, we have created a 1,700 sq.m. area dedicated entirely to fauna and flora at the entrance to the site. We opted to prioritize the planting of local species of trees conducive to the installation of nesting boxes for birds. In addition, our green spaces are managed without any use of phytosanitary products.

Our Bernin site also hosts two beehives tended by trained employees. They contribute to local pollination and the growth of nearby trees. The new space will accommodate two additional hives by the end of the year.

Our visitors' car park was also specifically designed in consultation with the LPO and the Saint Ismier horticultural school. It features local shrubs and trees.

Lastly, testifying to our deep roots in the Grésivaudan region, we have partnered with local non-profit Sylv'ACCTES to help fund forestry developments in two nearby mountain ranges (Chartreuse and Belledonne) and encourage the exploitation of forests in keeping with climate change. This partnership involves initiatives geared towards raising awareness among local young people about biodiversity and the preservation of forests, notably through an educational booklet handed out during the school year.

3.4.5 Reduce pollution and waste

3.4.5.1 Limit air and water pollution

The use of chemicals in our manufacturing processes means that our Group generates 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. At Bernin, an initial measurement identified a breach

of the ammonia (NH₃) flow threshold (6,840 g/h versus a threshold of 500 g/h), but given the site's track record and the measures implemented over several years to treat discharges, a countermeasure was carried out which invalidated the first as the result was under the threshold.

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.

As for boilers, they are equipped with "low low NOx" burner technology that burns nitrogen oxides more efficiently.

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 and, after filtration, is also directed to storm basins. Rainwater collection systems are monitored annually for hydrocarbon concentration, water temperature and pH.

Effluents from industrial water are neutralized on site before discharge. The content of pollutants is checked at a unique discharge point to ensure

compliance with the regulatory thresholds authorized by prefectural decree. No breaches were observed at the Pasir Ris and Hasselt sites. In Bernin, nine benign breaches were measured:

- fluorides: five breaches of the maximum daily and monthly average concentration, with no negative consequences. Corrective actions on the operation of the vacuum evaporator were carried out;
- suspended solids (SS): four breaches of the monthly average concentration and the average flow, with no negative consequences. A study is currently underway to determine the cause of the breaches.

3.4.5.2 Reduce waste

The Group produced 7,790 metric tons of waste during the year, 90% of which was hazardous production waste (HW), chiefly liquids (hydrofluoric acid, ammonia and isopropyl alcohol). 66% of this HW was recycled or recovered (for energy or regeneration). The remainder was non-hazardous

waste (NHW), such as glass, cardboard, wood and plastic. Treatment channels for waste are recovery as energy and recycling, as well as material regeneration for hazardous waste. 65% of hazardous waste and 60% of non-hazardous waste is recovered, i.e., 65% of the total waste generated.

3.4.6 Taxonomic note

Background

Pursuant to the obligations under Regulation (EU) 2020/852 of June 18, 2020, the Soitec Group must disclose the percentage of revenue, capital expenditure (CAPEX) and certain operating expenses (OPEX) eligible for climate change mitigation and adaptation objectives according to the EU taxonomy for fiscal year 2021-2022.

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

- climate change mitigation;

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

Analysis at March 31, 2022

The Soitec Group has conducted a detailed analysis of its economic activities throughout its geographic scope in order to identify the economic activities that correspond to the activities described in the delegated acts to Regulation (EU) 2020/852.

The following activities have been identified as eligible under the climate change mitigation objective:

- 3.5 – Manufacture of energy efficiency equipment for buildings;
- 3.6 – Manufacture of other low carbon technologies;
- 4.15 – District heating/cooling distribution;
- 5.1 – Construction, extension and operation of water collection, treatment and supply systems;

- 5.3 – Construction, extension and operation of waste water collection and treatment;
- 6.5 – Transport by motorbikes, passenger cars and light commercial vehicles;
- 7.3 – Installation, maintenance and repair of energy efficiency equipment;
- 7.5 – Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings;
- 7.7 – Acquisition and ownership of buildings;
- 8.1 – Data processing, hosting and related activities.

The percentage of eligible revenue, capital expenditure (CAPEX) and operating expenses (OPEX) at March 31, 2022 is set out below:

Percentage of eligible revenue	Percentage of eligible capital expenditure (CAPEX)	Percentage of eligible operating expenses (OPEX)
68%	49%	40%

The percentage of eligible revenue, capital expenditure (CAPEX) and operating expenses (OPEX) at March 31, 2022 is not indicative of the percentage that will be aligned with the climate change mitigation and adaptation objectives at March 31, 2023.

To be considered aligned, an activity must contribute substantially to one of the environmental objectives by meeting certain technical criteria set out in the delegated acts to Regulation (EU) 2020/852, cause no significant harm to the other environmental objectives, and comply with the OECD and United Nations guiding principles on business and notably fundamental labor rights and human rights.

Revenue

At March 31, 2022, eligible revenue amounted to €586 million and corresponded to revenue generated by Soitec's products aimed at achieving substantial reductions in greenhouse gas emissions in the Internet of Things, mobile phone, automotive and information technology sectors, as well as by Soitec's energy efficiency products for buildings.

In particular, Soitec has identified its FD-SOI, RF-SOI and Photonics-SOI products as aiming to reduce greenhouse gas emissions by reducing energy consumption.

Eligible revenue is based on the Group's total revenue for the fiscal year ended March 31, 2022 of €863 million.

Capital expenditure (CAPEX)

At March 31, 2022, eligible capital expenditure (CAPEX) amounted to €121 million and corresponded mainly to investments in equipment for the production of eligible products.

The total amount of eligible capital expenditure (CAPEX) is based on the total increase in property, plant and equipment and intangible assets, including the increase in rights-of-use under IFRS 16, which amounts to €247 million at March 31, 2022.

The amount of capital expenditure (CAPEX) in equipment for the production of eligible products was calculated based on revenue per product.

Operating expenses (OPEX)

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

For Soitec, the expenses to be taken into account for the calculation of the EU taxonomy percentage correspond to research and development and maintenance and repair expenses.

At March 31, 2022, eligible operating expenses (OPEX) amounted to €44 million and corresponded mainly to research and development costs associated with eligible products and to the cost of maintaining and repairing production equipment related to eligible products.

The total amount of eligible operating expenses (OPEX) is based on the total amount of research and development and maintenance and repair expenses, which amount to €111 million.

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

3.5 Leverage our inclusive and inspiring company culture

At Soitec, we firmly believe that sharing a common culture is crucial to the success of a company and to the well-being of its employees. Our success and our sustained pace of growth would not be possible without the outstanding commitment of all those who have joined our Group over the years.

Our company culture has been forged by a common and inspiring vision that has been honed in the face of difficulties and by the determination

of each and every one of us to drive sustained growth in our company and to uphold our commitments to all our stakeholders.

This company culture is a pillar that unites us, inspires us and is based on our fundamental core values: ensuring the health and well-being of all, and enriching and developing our knowledge and our community every day through greater diversity and sharing in a model based on cohesion and inclusion.

3.5.1 Attract and develop our talent



Today, Soitec is growing very rapidly. And our workforce is increasing sharply too. We need to remain recognized as an attractive and unique employer, in France and in Singapore alike, if we are to continue growing

at the expected pace. A lack of suitable profiles in one or more positions could hamper our ability to innovate or manufacture our products.

Key measures	Key indicators	2021-2022	2020-2021
<ul style="list-style-type: none"> • Development of the employer brand • Continuation of our training policy • Pursuit of our internal promotion and career management objectives • Relentless commitment to our diversity objectives, primarily in terms of gender 	Workforce at March 31	2,033	1,752
	Breakdown by age group		
	• Under 25	8%	9%
	• 26-35	30%	25%
	• 36-45	32%	35%
	• 46-55	23%	25%
	• Over 55	7%	6%
	Internal promotion rate	17.1%	14.8%
	Training hours per employee per year	17.24	14.68
	Resignation rate	5.82%	3.86%
	Average seniority	7.3	7.7

3.5.1.1 Attracting talent

Soitec continued to develop its employer brand in 2021 to ensure that the company is known and recognized as an attractive employer. The challenge of our approach, which is aimed particularly at graduates, is to attract and recruit qualified employees or those with the potential to match our needs and our growth objectives.

To that end, the Group has continued to develop its employer brand through its media presence (television and social networks) and direct contact with potential applicants (participation in university courses and student or job fairs, etc.). Our recruitment campaign continued, notably with Job Dating events organized in fiscal year 2021-2022 and that allowed recruitment teams to meet approximately 350 applicants – around 30 of whom were hired. Our aim is to recruit 270 people in the coming year.

Soitec sees such events as a means of promoting our dynamic career management and social policy embodied in the sharing of added value, a good social climate and career development. Our goal is to show that we are an attractive employer, rather than just to say we are. Applicants

see them as valuable opportunities to talk with Soitec employees, to get a better picture of jobs and expectations, and to receive support for their career plans or resumes.

While these initiatives began in France, they are also being rolled out in Singapore, where competition between employers is more intense due to the presence of industry giants and Soitec's shorter track record in the region. For our other subsidiaries, the smaller size of the teams precludes this type of approach, and recruitment is focused more systematically on experienced profiles identified and approached directly.

We are also highly attentive to the diversity of the profiles we attract, as the semiconductor industry is traditionally male-dominated. While Soitec does not discriminate in the selection of applicants and consistently aims to choose the best person for the job, we are working on ways of increasing the number of women in the industry (see section on diversity) and ensuring that our selection process comes up with a good mix among finalists.

3.5.1.2 Train our employees

The development of our employees' technical and managerial skills is a key factor in supporting Soitec's growth, alongside the recruitment of new employees. We therefore attach great importance to our employees' development, as we do to the identification of future needs so as to anticipate the necessary skills today.

To that end, the skills of our employees are defined by our HR process and are assessed during annual people reviews. Training requests from employees are reviewed individually by each department and at the Soitec

corporate level by the Executive Committee so as to ensure informed decisions on Soitec's future strategic skills. As a result of this commitment, the number of training hours per employee increased to 17.1 in fiscal year 2021-2022, from 14.8 previously. The increase mainly reflects a major leadership development campaign that began in fiscal year 2020-2021 and continued in fiscal year 2021-2022. More generally, 98% of employees took training Group-wide, compared with 91% in the prior fiscal year.

3.5.1.3 Develop careers at Soitec

The owner of proprietary technologies and know-how, Soitec also wishes to boost the career paths of its employees, and so encourages internal promotion. Each person's career path is reviewed during people reviews, along with their succession plan where applicable, and candidates for promotion are put forward. This work is based on discussions stemming from annual appraisals and career interviews. In an environment characterized by strong growth in Soitec's workforce, internal promotions are part of our HR policy to encourage the development of skills and careers within the Group. We have set a target of 13% of employees promoted on average per year. The rate was 17.1% in fiscal year 2021-2022. In keeping with its diversity policy, Soitec is careful to ensure that the promotion rate is equivalent for men and women to guarantee equal access to career development. Average seniority remained relatively stable in fiscal year

2021-2022 at 7.3, versus 7.7 in the prior fiscal year. The slight decrease reflects an increase in the workforce versus fiscal year 2020-2021 (up 281) and therefore the arrival of new recruits.

Under our partnership with the Université Grenoble Alpes, we are working to develop upskilling courses for our technicians to boost their expertise, and for our production operators with the aim of helping them to progress to technician positions. On a broader scale, we are working to develop the microelectronics industry within the Grenoble area. We are also actively involved in creating training courses for students, so that their educational opportunities are aligned with local companies' needs. Ensuring the representation of women in these courses is one of the challenges targeted within the partnership.

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



Creating a fulfilling work environment that fosters our employees' well-being is a key driver for attracting and retaining our talent. More than ever, the exceptional growth that we are enjoying is encouraging us to

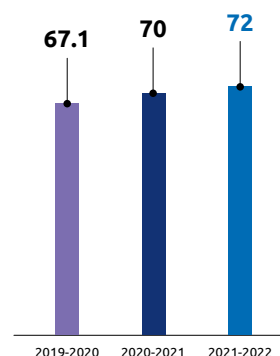
pay renewed attention to the organization of work, respect for work-life balance, recognition of our employees and quality relationships.

Key measures	Key indicators	2021-2022	2020-2021	Main objectives
• Conduct an annual job satisfaction survey	Response rate to the QLW questionnaire	81%	91%	Maintain a QLW score greater than or equal to 70/100
• Implement an employee share ownership scheme	QLW score	72/100	70/100	

3.5.2.1 Improve the quality of life at work

Our employees' perception of the quality of life at work (QLW) is measured at all Soitec and subsidiary sites. The process involves an anonymous questionnaire developed with our unions that is reviewed and enriched regularly, which serves to monitor job satisfaction during the year. For contextual reasons, the questionnaire was launched only once during the year, in September 2021. Although the participation rate was down 10 points from the prior fiscal year at 81%, overall satisfaction was up 2 points at 72%. Soitec would like to repeat the exercise in the future in a revisited format, so that the questionnaire and ensuing feedback sessions remain moments of exchange and shared work between teams and management to improve the quality of life at work. In parallel to the questionnaire, we are monitoring actions to improve QLW.

› CHANGE IN THE SATISFACTION RATE



Quality of life at work also involves other levers and tools. They include working from home, which has been adopted across the entire Group and is now routine for employees whose jobs permit it. In the scope with union representation, the promotion of work-from-home arrangements was enshrined in a collective agreement in 2018, and reaffirmed in the 2022 annual agreement. The development of effective IT tools that meet employee needs, as well as the construction of new buildings, also actively help to maintain a high quality of life at Soitec.

In 2019, we also introduced a training course entitled Better Collaboration for Better Working Relationships, whose goal is to foster a culture of mutual aid and respect for differences among our teams and promote a caring attitude, team spirit and constructive feedback (both positive and negative).

Lastly, all employees within the Group enjoy entitlements including annual leave (a minimum of five weeks in France), health insurance of their choice (in France, this cover comes in the form of offers by the mutual insurance company to our employees), and maternity and paternity leave.

3.5.2.2 Share the fruits of growth with our employees

Soitec has opted to pursue a robust policy of sharing value with all its employees. Making our employees shareholders in the Group and thereby sharing the fruits of the company's performance with them is a major commitment in terms of human resources. It is recognition of their contribution and offers a lever for attractiveness and performance. Several schemes have been set up since 2018, including free share and performance share plans for all employees, an offer reserved for employees via a fund with a discount and using leverage, guaranteed capital and minimum return, and a program of co-investment in preferred shares backed by performance criteria. In July 2021, the shares granted under the third free share plan to employees in the company since 2018

vested. The minimum value of the shares received per employee on the vesting day (and subject to presence conditions) was more than €30,000, bearing in mind that the performance criteria of this plan – which related to revenue and EBITDA – were fully met in each of the plan's three years. Our innovative policy has received awards from the French Federation of Employee and Former Employee Shareholder Associations and the Observatory of Compensation and Benefits.

Consideration is currently being given and talks with the unions are underway regarding the introduction of a new system, which would be recurring, as part of an overall Group-wide compensation policy for fiscal year 2022-2023.

3.5.3 Promote diversity and inclusion



Soitec firmly believes that the diversity of opinions, states of mind, and elements of identity and experience of each of its employees are sources of collective intelligence. Although this challenge has not been identified as a risk in our materiality analysis, diversity and inclusion are

seen as sources of wealth, creativity and performance for companies in general, and as a means to boost attractiveness for Soitec. That is why the Group strives tirelessly to promote them, and eschews all forms of discriminatory behavior.

Key measures	Key indicators	2021-2022	2020-2021	Main objectives
• Awareness-raising on gender-based violence	Gender equality index for Soitec SA	94/100	94/100	• Increase the proportion of women in the workforce to 40% by 2025
	Gender equality index for Dolphin Design	91/100	88/100	
• Signature of the LGBTQIA+ collective agreement	Gender equality index for Dolphin Design	91/100	88/100	• 25% of Executive Committee seats to be held by women by 2025
	Percentage of women in the Group workforce	34.2%	33.6%	
• Compliance with the UN Code of Conduct	Percentage of women on the Executive Committee	18.2%	18.2%	• 20% of senior executive positions to be held by women by 2025
	Percentage of women among senior executives	19%	17%	

3.5.3.1 Promote the role of women in the semiconductor industry

In an industry where women account for an average of between 20% and 25% of the workforce and which is facing a shortage of women workers, Soitec has a Group-wide woman employee rate of 34.2%. Our goal is to bring that to 40% by 2025 and to be a leader in the sector in terms of the number of women employees. To achieve our goal, Soitec must be an attractive company for woman applicants, a place where they can grow both professionally and personally.

To that end, Soitec is also participating in a European working group in the semiconductor sector to address the issue of diversity, particularly in access to technical training and the incorporation of inclusion issues in programs.

Internally, Soitec has for several years been working on a women's empowerment training program, an issue it addresses through a range of leadership and management training initiatives. In fiscal year 2021-2022, one-third of people on international mobility assignments were women, signaling both the importance given to women in the company and our

determination to develop their careers, international exposure being an important lever for promotion. The Group also aims for women to account for 25% of its Executive Committee members by 2025 and 20% of senior executive positions (above senior managers, i.e., a job level equal to or above 150). In fiscal year 2021-2022 alone, this ratio increased significantly from 17% to 19%.

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 Soitec is committed to fighting discriminatory behavior

The fight against discrimination and stereotypes is a cornerstone of our values, alongside our work to empower women within Soitec. In fiscal year 2021-2022, an internal communication campaign was conducted to raise awareness of situations of sexist and heterosexist behavior among employees. Several employees volunteered to participate. Twelve videos were produced and broadcast on internal and external communication channels to demonstrate this type of behavior, which is all too often tolerated despite the embarrassment it causes, and to remind people of the incontrovertible need to banish it from the Group. Procedures for reporting sexist behavior were also reviewed and circulated more widely; four liaison officers have been trained in managing reported cases, thereby removing some of the obstacles that may previously have discouraged the reporting of such behavior.

In addition to gender equality, Soitec has also elected to adopt a broader and holistic approach to gender and to fight against discrimination of LGBTQIA+ people, as the drivers of their possible assignment to stereotyped roles are similar to discrimination against women in general. In that aim, a pioneering agreement was signed during fiscal year 2020-2021 with our unions, with the stated aim of combating stereotypes, promoting inclusion comprehensively, regardless of gender and orientation issues, and refusing the exclusion of categories of staff through their lack of visibility, which prevents them from asserting their rights. 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 helps the employees concerned identify themselves in order to claim the rights to which they are entitled.

Disability

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.

Soitec recorded a decline in the rate of employees with disabilities to 4.48% in fiscal year 2021-2022, from 5.26% in the prior fiscal year. A study will be carried out to understand the reasons for the decline and identify possible ways of fostering the integration of these workers within the company.

As part of our commitment to facilitating access to employment for people with disabilities, Soitec actively participates in the organization of Linkday, an event reserved exclusively for people with disabilities which brings together companies in the Grenoble area. Soitec is also part of the Talent H+ network, which organizes recruitment forums.

3.5.4 Ensure the health and safety of our employees and protect them during pandemics



Identifying risks and implementing appropriate preventive actions are essential to ensuring the health and safety of our employees and guarding against events that could hamper our operations. Although our frequency

rate of workplace accidents with lost time is below the industry average, we aim for excellence and are striving for zero accidents.

Key measures	Key indicators	2021-2022	2020-2021	Main objectives
• Reinforce the safety and prevention culture	Frequency rate of workplace accidents with lost time	1.7	3.1	• Maintain a frequency rate of workplace accidents with lost time of below 2.9
• Optimize workstation ergonomics	Severity rate of workplace accidents	0.09	0.03	• Strive for zero accidents
• Ensure health in times of health crisis	Number of safety tours during the year	780	763	• Finalize the deployment of the "Safe Culture" program

3.5.4.1 Promote a safety culture among our employees through prevention and mutual support

There are obviously occupational risks in an industrial activity such as Soitec's. Employees need to be extremely vigilant about working methods and anticipate risks. To cement this culture of anticipation, Soitec initiated the rollout of a new Safe Culture program in 2021, to round out its Safe program, established in 2007. Its objective is to make each employee an actor in his or her own safety and that of his or her colleagues by adopting good work practices. The plan includes a range of measures designed to make employees aware of safety risks by developing their ability to observe and as such reduce the number of situations liable to cause an accident or near miss. Accordingly, Soitec is working actively to keep the frequency rate of workplace accidents with lost time consistently below 2.9. In fiscal year 2021-2022, the rate was 1.7, down 1.4 points on the prior fiscal year.

We are also working to limit the number of serious accidents, with our rate remaining at a low level of 0.09 versus 0.03 in the prior fiscal year.

The program comes with three e-learning modules that will be made mandatory for all new employees onboarded. The course presents the people in charge of safety at Soitec's sites and the main means for reporting accidents and near misses in the field. It also provides information on the principles of risk analysis.

During the year, health, safety and environmental training accounted for 26.2% of training hours, or 8,509 hours. Safe training sessions continued to be provided for new managers, with a view to equipping them to conduct safety tours in their departments, during which they discuss their observations with their colleagues. A total of 780 safety tours took place during the year.

The first two modules are also soon to be rolled out at the Pasir Ris site. The final module covering the presentation of actors and tools is currently being finalized following the incremental formation of the team and the implementation of the various tools.

In March 2022, a brand new communication campaign on the 12 golden safety rules was launched at the Bernin site. It uses short questions and answers to raise awareness based on commitments selected with employees. Its aim is to reinforce safety principles by means of a different message each month, relayed by a poster distributed via monthly newsletters. Managers then organize presentations with their teams during minute

briefs. More than 100 managers were trained in how to organize such events for the campaign's launch.

Lastly, Soitec has sought to make feedback from employees more integrated and reliable, equipping itself with new dedicated software for that purpose. It allows all employees to report incidents, near misses, or major safety or environmental risks, or to suggest improvements in respect of health and safety, environmental protection or the reduction of energy consumption. The new tool now covers between 70% and 80% of the Bernin workforce and will be extended to the Pasir Ris site in fiscal year 2022-2023.

3.5.4.2 Improve workstation ergonomics

To protect our employees from occupational diseases such as musculoskeletal disorders, Soitec regularly re-evaluates workstations to increase positive outcomes in terms of both safety and productivity.

As such, certain workstations in the clean room impose ergonomic constraints on the organization of work so as not to exceed a certain volume of movements each day in the Bernin buildings. To the same end, a new unloading line has been installed at the Bernin site warehouse to reduce the repetitive movements involved in the handling of boxes.

In addition, 297 training sessions on professional techniques have been provided since April 2021, notably in the form of explanatory videos.

Lastly, Soitec carried out a plan during the year aimed at reorganizing workstations to improve the management of chemical risks. The goal was to optimize the handling of toxic products and as a result to reduce the risk of exposure for our employees. The process, co-constructed with our employees, allowed us to adjust the sequence of tasks without neglecting the constraints related to the equipment (e.g., protective gowns). The study resulted in the design of a new fume cupboard for the characterization laboratory.

At the Pasir Ris site, an ergonomics program also began in fiscal year 2021-2022. The first step was to train assessment method champions ahead of the rollout of ergonomic risk analysis in fiscal year 2022-2023.

3.5.4.3 Invest in the health and safety of our employees

Soitec made several investments in fiscal year 2021-2022 to ensure the continuous improvement of safety at the Bernin and Singapore sites.

At Bernin, truck loading at docks has been improved thanks to a new control system that locks the truck's wheels to signal to the forklift operator and truck driver that the area is secure. This significantly reduces the risk of accidents.

Some sensitive areas of the buildings have been secured, notably by redefining access rights and authorizations following the closure of some of our activities.

One of our major industrial risks, which stemmed from the use of an ammonia sphere, was neutralized by a decision to outsource the activity to a specialized provider from 2021.

Lastly, an impact study was carried out to improve the smoke extraction system on the Bernin 3 site. The main areas for improvement have been approved and work will be completed in fiscal year 2021-2022.

For our Singapore site, ISO 45001 management system certification was obtained in the summer of 2021. In addition, specific certification for

chemical sites was obtained in compliance with local regulations (SS 651) in January 2022.

For fiscal year 2022-2023, several projects are in the process of being validated and will be rolled out later. They include a system for packing and unpacking crates by suction, which will be rolled out with the aim of automating an arduous task.

In addition, pedestrian zones will be made safer by creating a pedestrian pathway between two sites, and the number of signs will be increased to ensure heightened vigilance among machine operators on the Group's sites.

Lastly, Soitec is a driving force in improving soft mobility on our sites, notably by creating bicycle parking facilities and installing lockers for bike riders. The ultimate goal is to apply for the "Pro-Bike Employer" (*Employeur Pro-Vélo*) label by 2023. This recognition rewards employer sites that implement ambitious measures to facilitate cycling for employees in accordance with the specifications drawn up by the French Federation of Bicycle Users (*Fédération Française des Usagers de la Bicyclette* – FUB).

3.5.4.4 Ensure the health and safety of our employees during the health crisis

In the face of the pandemic, which continued throughout the year, we were able to maintain the systems in place at each of our sites to ensure our employees' health and safety. Our measures have evolved constantly, to take into consideration the rules imposed by the governments of our host countries as swiftly as possible. We maintained work-from-home

arrangements whenever possible, including for operational positions. Lastly, we continued to sort anti-Covid-19 masks to allow them to be processed and recycled through a specialized channel.

3.5.4.5 Promote physical activity and sport

Although science had already proven the benefits of physical activity, the health crisis has reminded us of the positive effects on quality of life, well-being and health.

At Soitec, we recognize these benefits and have been implementing various initiatives for employees for several years.

For example, our SEC offers many sports activities for employees during their lunch break. Rooms are available on site for various activities, including yoga, fitness, tennis and golf.

In Singapore, the site has its own gym, complete with weight machines, ping pong tables and other equipment. The Soitec Recreation Committee organizes a number of events, including yoga sessions, participation in marathons and departmental sports championships.

In addition, in accordance with the protocol followed by nurses and the occupational physician, physical activity and its frequency are discussed with employees during every medical visit.

Lastly, we provide "Sleep and Nutrition" training, particularly for teams working shifts, which focuses on diet, sleep and healthy living, including physical activity.

3.6 Act to become a role model for a better society

3.6.1 Manage our activities ethically and responsibly



We are committed to meeting the highest ethics and compliance standards, and adhering strictly to all applicable regulations. Executive Management applies a zero tolerance policy with respect to breaches, and in recent years has rolled out a system for preventing, reporting and addressing issues relating to ethical compliance, which is being strengthened with the adoption of new measures and initiatives in a continuous improvement process.

As the Code of Good Conduct has been annexed to the ESU internal regulation and is therefore subject to consultation with employee representatives and submitted to the labor authorities upon each revision, it is binding for all employees concerned.

Key measures	Key indicators	2021-2022	2020-2021	Main objectives
<ul style="list-style-type: none"> Mapping of the Group's ethical risks Commitment from Executive Management Continuous updating of business ethics procedures Rollout of an annual compliance action plan Work closely with French Customs 	Percentage of employees having completed the e-learning module on the Code of Good Conduct	70%	65%	<ul style="list-style-type: none"> Ensure that each employee is committed to ethical rules and procedures 100% of employees to have completed the e-learning module on the Code of Good Conduct by 2026 Monitoring and prevention of the ethical risks to which the Group is exposed in the course of its business Train and inform employees exposed to ethical risks: 100% of employees to have completed the mandatory training assigned to them

3.6.1.1 Mapping of Soitec's compliance risks

The business ethics risk mapping was updated in fiscal year 2021-2022. The process confirmed that the main risks faced by Soitec in the course of its business are compliance with export control regulations, competition

law, anti-corruption law and personal data management regulations, with varying degrees of exposure.

3.6.1.2 Commitment from Executive Management

Executive Management's commitment is illustrated through the dedicated ethics procedures in place, which stress the Group's zero tolerance policy and the penalties applicable in the event of non-compliance. As such, to ensure the continuous improvement of its system, the following procedures are being revised and/or created, notably on the basis of the updated risk mapping:

- the Code of Conduct, with the main objective of integrating the rules and/or a reference to the new procedures created or updated, to bring the whistleblowing system up to date with the new regulations on whistleblower protection;

- the export control compliance procedure laying down the process to be followed to ensure compliance with the rules, and the evaluation and monitoring of products and/or technologies subject to regulations;
- the anti-corruption procedure and the third-party evaluation system, together with a reminder of the strict rules laid down in respect of gifts and hospitality, either prohibiting them or imposing maximum financial amounts for those that are allowed;
- the risk prevention procedure in respect of competition law;
- the personal data management procedure.

These procedures must all be adopted by all of the Group's legal entities and circulated among employees.

In September 2021, Executive Management also created a dedicated Compliance and Ethics Department consisting of two employees and reporting to the Group's Legal Department, headed by a member of the Executive Committee.

Executive Management is involved not only in the system's rollout but also in the monitoring of related actions, and will be given a report on the audit of the actions taken in the coming year.

3.6.1.3 Employee awareness and engagement

Several awareness-raising measures are in place within the organization in addition to the circulation of the aforementioned procedures. They include:

- **Mandatory training:** Soitec employees (including part-time employees) are required to take an e-learning course on the Code of Conduct when they are onboarded. In fiscal year 2021-2022, 70% of our employees completed the e-learning module on the Code of Conduct. Soitec is aiming for 100% of its employees to have completed the training by 2026.

- In addition to the Code of Conduct, an e-learning program on anti-corruption is also mandatory for people exposed to corruption in their jobs. 100% of the target populations have completed this program.
- An action plan dedicated to compliance will be rolled out in the coming year. Among other features, it will include the circulation of procedures and rules throughout the Group, mandatory training on the main ethical risks to which employees are exposed, other than those mentioned above, and periodic audits to ensure that all of these actions and the rules in place are being complied with. The objective for the following year is for 100% of the actions in the annual plan to be deployed Group-wide.

3.6.1.4 Third-party assessment and handling of reports

Third-party assessment is an integral part of Soitec's export control and anti-corruption systems. The assessment criteria were fine-tuned even further following mapping carried out to align them as closely as possible

with the risks identified. These criteria are mainly linked to the contract amounts or the country risk.

Lastly, the existing whistleblowing procedure has been reviewed and is to be extended to all Group entities.

3.6.1.5 Work closely with French Customs

Soitec has been cooperating with French Customs since 2008. Soitec's growth involves a significant volume of international trade, which in turn requires it to obtain the guarantees necessary for compliance with the regulations in force. This commitment is embodied in the Authorized

Economic Operator (AEO) status, obtained in 2016, which reflects the measures taken by Soitec to secure its activity throughout its international supply chain. AEO status allows us to benefit from accelerated customs clearance procedures and reduced controls.

3.6.1.6 Fight 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.

3.6.2 Build a responsible, sustainable supply chain



In order to build a supply chain that respects the environment and human rights, and to prevent existing CSR risks in our supply chain (which could

impact our production chain or our reputation), we have engaged all of our stakeholders in our sustainable development approach.

Key measures	Key indicators	2021-2022	2020-2021	Main objectives
<ul style="list-style-type: none"> Make our suppliers adhere to our supplier quality policy Evaluate our suppliers' practices with respect to CSR criteria Enforce the regulatory framework surrounding supplier relationships 	Percentage of strategic suppliers that have signed the Supplier Quality Policy	100%	86%	<ul style="list-style-type: none"> 100% of our critical suppliers to be audited for compliance with the RBA Code of Conduct by 2026 Obtain ISO 20400 certification by 2026

3.6.2.1 Monitor and evaluate our suppliers' practices

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.

To prevent, avoid and reduce these risks, we have implemented a Supplier Quality Policy that sets out our requirements for our suppliers with respect to quality, ethics (especially the fight against corruption) and corporate, environmental and social practices. All of our suppliers – regardless of where they are located in the world – must adhere to the policy. To date, 100% of our strategic suppliers (including all raw material suppliers) have signed our Supplier Quality Policy.

We also ask our raw material suppliers to conduct a biannual self-assessment on social, environmental and societal criteria in addition to an assessment of their quality, sourcing, technology and purchasing policies.

These supplier performance reviews give rise to scorecards and allow Soitec's purchasers to organize regular updates with their suppliers within the assessment process. Exchanges of this nature are an opportunity to build action plans to improve and advance the practices of each of our suppliers. In 2021, in view of the global economic climate and the strategic challenge of sourcing raw materials, we reviewed and adapted our raw material supplier scorecards. An initial assessment was undertaken in the first half of fiscal year 2021-2022. Topics related to the use of resources in connection with climate change are addressed during the meetings, including tools for measuring greenhouse gas emissions, reducing the use of chemicals, and encouraging waste management and respect for human rights. Ten to fifteen audits are planned for fiscal year 2022-2023. The aim is to raise suppliers' awareness and to assess the integration of environmental and societal challenges into their strategy.

Under our Supplier Quality Policy, our suppliers must also comply with the Code of Conduct of the Responsible Business Alliance (RBA), the largest non-profit organization bringing together several major electronics companies committed to improving their corporate social responsibility in their supply chain management. By 2026, we will conduct self-assessments and audits of our suppliers' compliance with the RBA Code of Conduct. Our goal is to assess 100% of our strategic suppliers by 2026.

3.6.2.2 Manage our mineral supplies responsibly

As part of our operations, we use lithium tantalate, a derivate of tantalum that is regulated by the EU Conflict Minerals Regulation (2017/821) and the Dodd-Frank 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. At Soitec, we enforce these regulations strictly, and refuse to work with suppliers that cannot guarantee compliance.

To that end, a process of compliance with EU Regulation 2017/821 has been implemented as part of the chemical products management system. Suppliers are therefore included in the Green Partner approach and undertake to issue a report facilitating the circulation of information throughout the supply chain as regards the country of origin of minerals, and the smelters and refineries used.

3.6.2.3 Build a responsible purchasing policy

Soitec has set itself the goal of building a new responsible supply chain and as such adopting best practices. To that end, the Purchasing Department is working to build a robust responsible purchasing policy. In the first quarter of calendar year 2022, we signed the Charter for Responsible Supplier Relations and Purchasing (RFAR), which aims to encourage companies, and public and private organizations to adopt a balanced and sustainable relationship with their suppliers. We also aim to obtain ISO 20400 (Responsible Purchasing) certification by 2026. This approach represents an opportunity for Soitec to add value to the organization by improving our productivity, assessing our value and performance, facilitating communication between buyers, suppliers and all stakeholders, all while encouraging innovation.

In fiscal year 2022-2023, the Purchasing Department aims to establish quarterly follow-up of internal purchasers correlated with a follow-up of suppliers on CSR topics during the Purchasing steering committees. Our main suppliers will have to complete a questionnaire on their corporate

social responsibility (CSR) policy. These criteria will be included in our supplier selection matrix. For Soitec, our employees will be assigned CSR objectives to increase the proportion of responsible purchases.

Soitec's CSR strategy commits the company to reducing its carbon footprint, notably by optimizing raw material use in production. To limit waste and promote the reuse of raw materials, Soitec is working with suppliers capable of repairing, reconditioning or recycling spare parts and packaging. In parallel, we are looking at how to reduce Scope 3 carbon emissions by working with our suppliers to implement steps to reduce their carbon footprint.

We are also considering the qualification of a multi-sourcing strategy that will allow us to reduce our dependence on a single supplier and choose the most efficient in terms of CSR.

Lastly, Soitec wishes to join forces with suppliers on the eco-design of products to reduce energy and water consumption.

3.6.3 Commit to local communities and young people



Our Group's main location in Bernin, nestled among the Alps in the Grésivaudan valley, reflects the history of Soitec's creation as a spin-off of Grenoble-based CEA-Leti. Thanks to our significant development since our creation 30 years ago, our Group enjoys a major place in Bernin, the community of municipalities of Grésivaudan and more generally in the

Grenoble tech valley, as well as in all the other areas of the world where we operate. Whether in France, or Singapore especially, Soitec is a major local employer, with close partnerships with research institutes, universities and local authorities.

Key measures	Key indicators	2021-2022	2020-2021	Main objectives
<ul style="list-style-type: none"> Be part of the Local Economic Pact, which aims to promote the attractiveness of the Grenoble Alpes region. Obtain the "one young person, one solution" label 	Number of young people under 26 hired within the Group during the year	195	100	<ul style="list-style-type: none"> Expand our network of partner schools and universities Strengthen our local roots in the Grenoble area and in Singapore

3.6.3.1 Promote the attractiveness of our regions and support the local economy

Putting down local roots is a major concern for Soitec, and interacting with our local stakeholders is a priority. As a major player in the region, we have a societal responsibility towards local communities and businesses. Our commitment is characterized in two ways.

The first is that, in February 2021, we joined the Local Economic Pact concluded with the three major communities of the Grenoble area, namely Grenoble-Alpes Métropole, the Grésivaudan and the Pays Voironnais, together with a further 20 public and private partners. Through eight major projects, Soitec is contributing to ecological, energy, digital and local transitions. The various actors are combining their efforts to increase the resilience of the region and the socioeconomic fabric.

With the help of the community of municipalities, Soitec regularly takes part in debates and projects concerning the development of soft mobility, such as the rail network and safe routes for cycling. Commuting is a challenge,

both for the safety of our employees and for our environmental footprint. With that in mind, Soitec has already installed electric charging stations to encourage the use of electric vehicles and bicycles.

Since 2015, we have been actively supporting responsible agriculture by subsidizing the purchase of fruit and vegetables from sustainable and organic production in short circuits by employees.

In Singapore, our employees took part in several charity events with local non-profits and carried out a donation campaign for the most disadvantaged groups.

The second is Soitec's participation in the creation of a resilient semiconductor ecosystem at the national and European levels. Through partnerships with players in the European microelectronics value chain, we are working to ensure that the European Union produces 20% of the world's semiconductors by 2030.

3.6.3.2 Support the integration of young people into the microelectronics industry

We pay special attention to support for young people within our region. The microelectronics sector suffers from a lack of visibility and faces a shortage of talent. We are working with all local partners to make our industry's professions attractive. We aim to create the skills we need by inspiring young people to choose technical and scientific careers. To that end, we are participating in the creation of training programs dedicated to our industry in partnership with engineering schools and universities including the Université Grenoble Alpes, INP Grenoble-Phelma, the National University of Singapore (NUS), the Nanyang University of Technology (NTU) and the Catholic University of Louvain (UCL). We also regularly welcome several student interns, as well as doctoral students.

Providing support for young people as they get started on their careers is one of our priorities. At Group level, we recruited 195 young people under 26 between April 1, 2021 and March 31, 2022. In recognition of our commitment, we have been awarded the "one young person, one solution" (*1 jeune 1 solution*) label as part of the *France Relance* government program.

We have also established a partnership with Télémaque, a non-profit that helps us promote equal opportunities and social mobility. As part of the partnership, six Soitec employees are currently mentoring six young people, through a dual "school-company" mentorship program.

3.6.4 Ensure the cybersecurity of our activities



Soitec's environment is exposed to three main macro-risks, namely cyberattacks, data theft (particularly on innovative products) and security, which could hamper the Group's ability to manufacture its products.

Key measures	Key indicators	2021-2022	2020-2021	Main objectives
<ul style="list-style-type: none"> Raise awareness and provide training in cybersecurity Harmonize practices 	Percentage of new employees made aware of cybersecurity	100%	98%	<ul style="list-style-type: none"> 100% of employees made aware of cybersecurity Obtain ISO 27001 certification by 2026

Our information systems security policy has been in place for over ten years. It is revised annually and proposed by the Data Security and Protection Officer, under the supervision of the Executive Vice President, People and Sustainability within the Executive Committee. Our policy follows the requirements of ISO 27001, for which we have started a certification process. The standard sets out how to manage the security of sensitive assets such as financial data, intellectual property documents, personnel data and third-party information.

Our management system follows the recommendations issued by the National Agency for the Security of Information Systems (*Agence nationale de la sécurité des systèmes d'information* – ANSSI), a French government agency, which allows us to raise our level of vigilance with regard to the risks linked to computer security depending on the socioeconomic context.

One of the major pillars of information security and safety is the behavior of employees. To ensure ongoing prevention, an Information Security Charter created in 2019 was reviewed and strengthened in 2021. In addition,

awareness-raising initiatives have been organized with the participation of the French domestic intelligence agency (*Direction générale de la sécurité intérieure* – DGSi). These workshops, which were open to all employees at the Bernin site, raised the awareness of more than 130 people on best practices and behaviors to adopt in order to limit the risks associated with information security.

In addition to the workshops, face-to-face training is provided on safety, security, information protection and the General Data Protection Regulation (GDPR). By fiscal year 2021-2022, 100% of new employees had been made aware of cybersecurity, versus 98% in the prior fiscal year. In the coming fiscal year, the main measure will be to roll this e-learning out more widely and to mandate it, with the adoption of an attendance validation process.

Lastly, a number of initiatives have reinforced the GDPR system within Soitec. Liaisons have been identified within each department. Their role will be to circulate the personal data processing policy and enforce good practices.

3.7 GRI and SDG cross-reference tables

CSR risks	Section	Indicators	2021-2022	GRI
ENVIRONMENTAL INFORMATION				
Innovation	3.4.1	• % of revenue dedicated to R&D	10.8%	
		• Number of patents filed	3,739	
		• % of employees working on innovation issues	19%	
		• GWh of energy saved on final products	1,948	
		• <i>ktCO₂eq. avoided on final products</i>	1,144	
		• <i>Taxonomy: percentage of eligible revenue</i>	68%	
		• <i>Taxonomy: percentage of eligible CAPEX</i>	49%	
		• <i>Taxonomy: percentage of eligible OPEX</i>	40%	
Climate change	3.4.2	• Scope 1: direct GHG emissions (<i>tCO₂eq.</i>)	4,936 t	305-1
		• Scope 2: indirect emissions linked to electricity use (<i>tCO₂eq</i>)	21,394 t	305-2
		• Scope 3: other indirect GHG emissions (<i>tCO₂eq.</i>)	224,490 t	305-3
Sustainable use of energy	3.4.2	• Energy consumption per unit of production	59 kWh	302-3
		• Total energy consumption		
Sustainable use of water	3.4.3	• Total volume of water used	2,418 ml	
		• Volume of water recycled/reused	384 ml	
		• Total water withdrawal	2,035 ml	
		... of which % taken in areas of low water stress	44.3%	303-1
		... of which % taken in areas of moderate water stress	55.5%	303-3
		... of which % taken in areas of high water stress	0.2%	303-5
		... of which % from surface water	55.5%	
		... of which % from municipal water	44.5%	
		• % of water recycled/reused	15.9%	
Biodiversity	3.4.4	• Total surface covered by Soitec	135,386 sq.m.	
		• Total waterproof surface	98,269 sq.m.	304-2
		• % of total sealed area	72.6%	304-3
		• % of sites (by surface area) having implemented initiatives to promote biodiversity	79.5%	
Waste prevention and management	3.4.5	• Total tonnage of waste produced	7,790.2 t	
		• Total non-hazardous waste (NHW)	740.4 t	
		• Total hazardous waste (HW)	7,049.8	
		• % NHW recycled	36%	306-3
		• % NHW recovered	60%	306-4
		• % HW recovered + recycled	65%	306-5
		• % HW recovered for use as energy	49%	
Pollution management	3.4.5	• Breaches of air emission limits	0	
		• Breaches of aqueous discharge limits	9	307-1
		• Volume of water discharge	2,193 cu.m.	303-4
EMPLOYEE DATA				
Health and safety	3.5.4	• Frequency rate of workplace accidents with lost time	1.7	
		• Severity rate of workplace accidents	0.09	
		• Number of occupational diseases reported	1	
		• Number of occupational diseases acknowledged	1	403-2
		• Absenteeism rate	4.17%	403-3
		• % of employees working in production	64%	
		• % of training hours devoted to health, safety and the environment	26.3%	
		• Number of safety tours	780	

CSR risks	Section	Indicators	2021-2022	GRI
Industrial relations	3.8	• Number of collective agreements in force	33	407-1 403-4
		• Number of collective agreements signed during the fiscal year	5	
		• Proportion of employees covered by collective agreements	83%	
Diversity	3.5.3	• Percentage of women in the Group workforce	34.2%	102-8 405-1 405-2
		• Gender equality index:		
		• ESU scope	94/100 91/100	
		• Dolphin scope		
		• Percentage of women managers	30%	
		• Percentage of women in senior management positions (including Executive Committee)	19%	
		• Percentage of employees with disabilities (scope: Bernin)	4.5%	
Attracting and retaining talent	3.5.1	• Workforce at March 31, 2022	2,033	412-2 102-8 405-1 401-1
		• Number of employees on permanent contracts	1,870	
		• Breakdown by age (<i>as a %</i>)	See table at the end of the chapter	
		• Employee breakdown by geographic area	See table at the end of the chapter	
		• Average seniority	7.3 years	
		• Breakdown by category (<i>as a %</i>)	See table at the end of the chapter	
		• Number of permanent hires	345	
		• Turnover rate	7.45	
		• Resignation rate	5.82	
		• Internal promotion rate	17.1%	
		• Number of work-study students hired during the year	38	
		• Number of young people under 26 hired during the year	195	
		Skills development	3.5.1	
• % of employees who received training during the fiscal year	98%			
• % of total payroll spent on training	3%			
• % of managers trained	83%			
Wages and their development	3.5.1	• Average % increase for employees (<i>year on year</i>)	3.2%	405-2
		• Average compensation gap	(16.8%)	
SOCIAL DATA				
Ethics	3.6.1	• Percentage of employees having completed the e-learning module on the Code of Good Conduct	69.7%	412-2
Customer relationships	3.8	• Customer relationship score from the satisfaction survey (every other year)	Scheduled for fiscal year 2022-2023	-
Responsible supply chain	3.6.2	• Percentage of strategic suppliers that have signed the Supplier Quality Policy	100%	414-1 308-1
Cybersecurity	3.8	• Percentage of new employees made aware of cybersecurity	100%	418-1
		• Number of incidents handled/ occurred	0	

Pillars

Our commitments

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

Innovate every day so that we can continue to make our products the cornerstone of a responsible future



Be a pioneer in limiting global warming to 1.5°C



Manage and reduce our water consumption



Preserve biodiversity to maintain a healthy and balanced local ecosystem



Leverage our inclusive and inspiring company culture

Ensure the health and safety of our employees and protect them during pandemics



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



Promote diversity and inclusion



Attract and develop our talent



Act to become a role model for a better society

Manage our business ethically and responsibly



Build a responsible, sustainable supply chain



Commit to local communities and young people



3.8 CSR performance

Social

			2021-2022						
			GROUP	FRANCE & EMEA (France – Bernin, Besançon, Soitec Lab NOVASiC ⁽¹⁾ – Belgium)	FRANCE (Bernin, Soitec Lab, NOVASiC ⁽¹⁾ , Besançon, Meylan)	BERNIN + Soitec Lab (ESU Soitec)	ASIA (Singapore, Japan, South Korea, Taiwan, China)		AMERICAS (United States, Canada)
Unit	GRI								
Workforce at March 31, 2021	Number		2,033	1,688	1,671	1,476	317	28	
Men	Number		1,337	1,118	1,103	952	200	19	
Women	Number		696	570	568	524	117	9	
Workforce by type of contract at March 31, 2021		102-8							
Permanent contracts	Number		1,870	1,540	1,523	1,339	302	28	
• o/w women	%		34%	33%	34%	35%	37%	32%	
• o/w men	%		66%	67%	66%	65%	63%	68%	
Fixed-term contracts	Number		163	148	148	137	15	0	
• o/w women	%		37%	38%	38%	39%	73%	0%	
• o/w men	%		63%	62%	62%	61%	27%	0%	
Breakdown by age (as a %)									
Under 25	%		8%	9%	9%	9%	5%	0%	
25-35	%		30%	28%	28%	28%	41%	14%	
36-45	%		32%	32%	32%	32%	32%	25%	
46-55	%		23%	23%	23%	23%	20%	29%	
Over 55	%		7%	7%	7%	7%	3%	32%	
Average age	Number		39.3	39.4	39.4	39.3	37.6	49.2	
Average seniority	Number		7.3	8.3	8.4	8.4	2.1	6.3	
Breakdown by category (as a %)									
Operators	%		27%	28%	28%	31%	27%	0%	
Technicians and office workers	%		29%	30%	30%	32%	25%	4%	
Engineers and executives	%		44%	43%	42%	37%	48%	96%	
Breakdown by category		405-1							
Operators	Number		552	468	468	463	84	0	
• o/w women	%		45%	42%	42%	42%	67%	0%	
• o/w men	%		55%	58%	58%	58%	33%	0%	
Technicians and office workers	Number		583	502	497	468	80	1	
• o/w women	%		31%	29%	30%	31%	36%	100%	
• o/w men	%		69%	71%	70%	69%	64%	0%	
Engineers and executives	Number		898	718	706	545	153	27	
• o/w women	%		30%	32%	32%	35%	21%	30%	
• o/w men	%		70%	68%	68%	66%	79%	70%	
Composition of the Executive Committee			11						
• o/w women	%		18.2%						
• o/w men	%		81.8%						
Senior management	Number		154	115	111	96	30	9	
• o/w women	%		19%	18%	18%	19%	17%	33%	
• o/w men	%		81%	82%	82%	81%	83%	67%	

2020-2021						2019-2020						
GROUP	FRANCE & EMEA (France – Bernin, Besançon, Meylan, Soitec Lab – Belgium)	FRANCE (Bernin, Soitec Lab ⁽¹⁾ , Besançon, Meylan)	BERNIN + Soitec Lab ⁽¹⁾ (ESU Soitec)	ASIA (Singapore, Japan, South Korea, Taiwan, China)	AMERICAS (United States, Canada)	GROUP	FRANCE & EMEA (France – Bernin, Besançon, Meylan – Israel, Belgium)	FRANCE (Bernin, Besançon, Meylan)	BERNIN	ASIA (Singapore, Japan, South Korea, Taiwan, China)	AMERICAS (United States, Canada)	DISCONTINUED OPERATIONS
1,752	1,515	1,498	1,330	205	32	1,566	1,381	1,364	1,207	160	25	0
1,164	1,006	991	860	135	23	1,038	917	902	778	104	17	0
588	509	507	470	70	9	528	464	462	429	56	8	0
1,582	1,354	1,337	1,180	196	32	1,396	1,221	1,204	1,056	151	24	0
33%	33%	33%	34%	35%	28%	33%	33%	33%	35%	36%	33%	0%
67%	67%	67%	66%	65%	72%	67%	67%	67%	65%	64%	67%	0%
170	161	161	150	9	0	170	160	160	151	9	1	0
40%	41%	41%	43%	22%	0%	39%	40%	40%	42%	22%	0%	0%
60%	59%	59%	57%	78%	0%	61%	60%	60%	58%	78%	100%	0%
9%	9%	9%	9%	5%	3%	7%	7%	7%	8%	6%	0%	0%
25%	24%	24%	24%	38%	13%	25%	24%	24%	23%	30%	20%	0%
35%	35%	35%	35%	34%	28%	37%	37%	37%	37%	41%	20%	0%
25%	26%	26%	26%	20%	28%	25%	26%	26%	26%	17%	40%	0%
6%	6%	6%	6%	3%	28%	6%	6%	6%	6%	6%	20%	0%
39.5	39.5	39.5	39.6	38.1	47.4	39.3	39.3	39.2	39.4	38.2	47.7	0
7.7	9	9	9	2	6	8.2	8.8	8.8	8.9	3.3	6.7	0
27%	29%	29%	32%	24%	0%	27%	29%	29%	33%	16%	0%	0%
29%	30%	30%	33%	24%	6%	29%	29%	30%	32%	26%	8%	0%
44%	41%	41%	35%	52%	94%	44%	42%	41%	35%	58%	92%	0%
479	429	429	428	50	0	427	401	400	400	26	0	0
45%	42%	42%	42%	66%	0%	44%	42%	43%	43%	73%	0%	0%
55%	58%	58%	58%	34%	0%	56%	58%	57%	57%	27%	0%	0%
509	459	455	434	48	2	451	407	406	389	42	2	0
29%	29%	29%	30%	29%	50%	30%	29%	30%	31%	38%	50%	0%
71%	71%	71%	70%	71%	50%	70%	71%	70%	69%	62%	50%	0%
764	627	614	468	107	30	688	573	558	418	92	23	0
30%	31%	31%	34%	21%	27%	29%	30%	31%	33%	23%	30%	0%
70%	69%	69%	66%	79%	73%	71%	70%	69%	67%	77%	70%	0%

			2021-2022				
			FRANCE & EMEA (France – Bernin, Besançon, Meylan, Soitec Lab NOVASiC ⁽¹⁾ – Belgium)	FRANCE (Bernin, Soitec Lab, NOVASiC ⁽¹⁾ , Besançon, Meylan)	BERNIN + Soitec Lab (ESU Soitec)	ASIA (Singapore, Japan, South Korea, Taiwan, China)	AMERICAS (United States, Canada)
Unit	GRI	GROUP					
Change in workforce in fiscal year 2020-2021	Number	281	173	173	146	112	(4)
o/w operators	Number	73	39	39	35	34	0
• o/w women	%	48%	38%	38%	37%	68%	0%
• o/w men	%	52%	62%	62%	60%	32%	0%
o/w technicians and office workers	Number	74	43	42	34	32	(1)
• o/w women	%	41%	35%	36%	38%	47%	0%
• o/w men	%	59%	65%	64%	62%	53%	100%
o/w engineers and executives	Number	134	91	92	77	46	(3)
• o/w women	%	28%	36%	39%	38%	22%	0%
• o/w men	%	72%	64%	61%	62%	78%	100%
Part-time	%	5.21%	6%	6%	7%	0%	4%
• o/w women	%	70%	69%	69%	64%	0%	1%
• o/w men	%	34%	34%	34%	35%	0%	0%
o/w voluntary part-time	%	5.21%	6%	6%	7%	0%	0%
• o/w women	%	70%	69%	69%	64%	0%	1%
• o/w men	%	34%	34%	34%	35%	0%	0%
Employees with nationalities other than French	%	21%	6%	5%	4%	97%	89%
Number of nationalities		49					
Expatriates	Number	7	0	0	0	7 (6 in Singapore) (1 in Japan)	0
New hires	Number	582	402	400	367	175	5
o/w permanent contracts	Number	345	174	172	146	166	5
• o/w women	%	34%	30%	31%	34%	39%	20%
• o/w men	%	66%	70%	69%	66%	61%	80%
o/w fixed-term contracts	Number	237	228	228	221	9	0
• o/w women	%	42%	43%	43%	43%	33%	0%
• o/w men	%	58%	57%	57%	57%	67%	0%
New hires under 26	Number	195	177	177	167	18	0
Turnover rate	%	7.45%	4.35%	4.26%	3.71%	23.38%	30.51%
Resignation rate	%	5.82%	2.69%	2.65%	1.98%	21.71%	30.51%
Departures (on all grounds)	Number	320	248	246	221	63	9
Breakdown by activity (as a %)							
o/w administrative personnel	%	15%	14%	14%	14%	18%	14%
o/w sales and marketing	%	3%	2%	2%	1%	5%	29%
o/w R&D	%	19%	22%	21%	14%	2%	57%
o/w production	%	64%	63%	63%	70%	74%	0%
Overall absenteeism rate	%	4.17%	4.1%	4.9%	5.05%	0.57%	0.1%
% average salary increase of employees (year on year)	%	3.2%	3.4%	3.38%	3.85%	1.05%	4.93%
Average compensation gap	%	(16.76%)	(13.74%)	(13.38%)	(11.64%)	(46.36%)	8.22%
Operators	%	(6.43%)	(0.42%)	(0.42%)	(0.42%)	3.84%	-
Technicians and office workers	%	(0.5%)	(1.2%)	(1.06%)	(2.56%)	3.25%	-
Engineers and executives	%	(13.44%)	(14.35%)	(14.3%)	(13.5%)	(20.67%)	13.46%

2020-2021						2019-2020						
GROUP	FRANCE & EMEA (France – Bernin, Besançon, Meylan, Soitec Lab – Belgium)	FRANCE (Bernin, Soitec Lab ⁽¹⁾ , Besançon, Meylan)	BERNIN + Soitec Lab ⁽¹⁾ (ESU Soitec)	ASIA (Singapore, Japan, South Korea, Taiwan, China)	AMERICAS (United States, Canada)	GROUP	FRANCE & EMEA (France – Bernin, Besançon, Meylan – Israel, Belgium)	FRANCE (Bernin, Besançon, Meylan)	BERNIN	ASIA (Singapore, Japan, South Korea, Taiwan, China)	AMERICAS (United States, Canada)	DISCONTINUED OPERATIONS
186	134	134	123	45	7	136	114	103	92	27	(3)	(2)
58	33	33	33	25	0	34	32	31	31	2	0	0
47%	36%	36%	36%	60%	0%	59%	50%	52%	52%	0%	0%	0%
53%	64%	64%	64%	40%	0%	41%	50%	48%	48%	0%	0%	0%
58	53	51	45	5	0	33	29	28	24	6	0	(2)
17%	25%	25%	29%	(60%)	0%	30%	24%	25%	29%	50%	0%	0%
83%	75%	75%	71%	160%	0%	70%	76%	75%	71%	50%	0%	100%
70	48	50	45	15	7	69	53	44	37	19	(3)	0
36%	44%	42%	36%	13%	29%	38%	43%	48%	51%	21%	33%	0%
64%	56%	58%	64%	87%	71%	62%	57%	52%	49%	79%	77%	0%
5.65%	7%	6%	7%	0%	0%	7%	8%	8%	8%	0%	0%	0%
64%	64%	64%	64%	0%	0%	67%	67%	66%	66%	0%	0%	0%
36%	36%	36%	36%	0%	0%	33%	33%	34%	34%	0%	0%	0%
5.65%	7%	6%	7%	0%	0%	7%	8%	8%	8%	0%	0%	0%
64%	64%	64%	64%	0%	0%	67%	67%	66%	66%	0%	0%	0%
36%	36%	36%	36%	0%	0%	33%	33%	34%	34%	0%	0%	0%
18%	6%	5%	4%	97%	87%	17%	6%	5%	4%	96%	92%	0%
42												
				4 (Singapore)		5				5 (Singapore)		
444	362	356	319	73	9	351	294	280	248	54	3	0
249	172	166	136	70	7	177	123	109	85	51	3	0
33%	32%	33%	36%	37%	22%	36%	34%	35%	36%	43%	0%	0%
67%	68%	67%	64%	63%	78%	64%	66%	65%	64%	57%	100%	0%
195	190	190	183	3	2	174	171	171	163	3	0	0
41%	41%	41%	43%	0%	50%	37%	37%	37%	39%	33%	0%	0%
59%	59%	59%	57%	100%	50%	63%	63%	63%	61%	67%	0%	0%
6.89%	5.87%	5.47%	4.32%	15.15%	3.68%	6.9%	5.3%	5.1%	4%	17%	19.3%	300%
3.86%	2.78%	2.74%	2.02%	12.73%	0%	4.9%	3.1%	2.9%	2%	15%	19.3%	300%
258	228	222	196	28	2	215	180	177	156	27	6	2
14%	13%	12%	13%	23%	16%	13%	12%	12%	14%	24%	16%	0%
3%	2%	2%	1%	6%	25%	2%	1%	1%	1%	7%	20%	0%
20%	22%	21%	14%	0%	59%	23%	25%	24%	14%	1%	64%	0%
63%	63%	65%	72%	71%	0%	62%	62%	63%	71%	68%	0%	0%
4.29%	4.83%	4.81%	5.14%	1.15%	0%	1.40%	3.86%	3.04%	4.34%	0.30%	0.10%	0.00%
1.83%	2.37%	1.86%	1.52%	(1.20%)	(2.77%)	7.00%	5.83%	5.75%	5.68%	20.94%	5.13%	
(15.82%)	(13.15%)	(12.88%)	(10.60%)	(41.61%)	13.12%	(16.69%)	(14.62%)	(13.84%)	(11.61%)	(44.14%)		
(5.29%)	(1.36%)	(1.36%)	(1.36%)	4.99%	-	(3.3%)	(0.77%)	(0.77%)	(0.77%)	11.6%	-	
(0.07%)	0.02%	0.38%	(0.64%)	(2.26%)	⁽¹⁾	(0.5%)	(0.75%)	(0.75%)	(1.11%)	(0.76%)		
(13.47%)	(13.40%)	(13.58%)	(11.98%)	(23.08%)	12.61%	(11.82%)	(11.84%)	(10.94%)	(10.87%)	(25.46%)	12%	

	Unit	GRI	2021-2022					
			GROUP	FRANCE & EMEA (France – Bernin, Besançon, Meylan, Soitec Lab NOVASiC ⁽¹⁾ – Belgium)	FRANCE (Bernin, Soitec Lab, NOVASiC ⁽¹⁾ , Besançon, Meylan)	BERNIN + Soitec Lab (ESU Soitec)	ASIA (Singapore, Japan, South Korea, Taiwan, China)	AMERICAS (United States, Canada)
Change in average compensation gap versus the prior fiscal year	Percentage point		0.94	0.59	0.50	1.04	4.75	4.90
Operators	Percentage point		1.14	(0.94)	(0.94)	(0.94)	1.15	-
Technicians and office workers	Percentage point		0.43	1.22	1.44	1.92	(5.51)	-
Engineers and executives	Percentage point		(0.03)	0.95	0.72	1.52	(2.41)	(0.85)
Pay equality index				94 (ESU) 91 (Dolphin)		94		
Bonuses	In € thousands		0	0	0	0	0	0
Profit-sharing paid	In € thousands		0	0	0	0	0	0
Incentives paid	In € thousands		4,909	4,909	4,909	4,837	0	0
Payroll	In € thousands		155,722	133,628	131,888	117,670	17,276	4,818
o/w employer contributions	In € thousands		46,399	44,318	44,210	40,008	1,572	510
Number of workplace accidents	Number		5	5	5	5	0	0
Frequency rate of workplace accidents with lost time			1.7	2.1	2.1	2.5	0	0
Frequency rate of workplace accidents (excluding temporary workers)			1.7	2.1	2.1	2.5	0	0
Severity rate of workplace accidents			0.09	0.11	0.11	0.12	0	0
Severity rate of workplace accidents (excluding temporary workers)	Number		0.09	0.11	0.11	0.12	0	0
Number of occupational diseases reported	Number		1	1	1	1	0	0
Number of occupational diseases acknowledged	Number		1	1	1	1	0	0
Number of safety tours	Number		780	780	780	780	0	0
Share of workers with disabilities	%		-	-	-	4.48%	-	-
Number of employees with disabilities	Number				63	61		
Training hours per employee per year	Hours		17.24	19.03	19.16	20.02	7.84	0.37
% of employees who received training during the fiscal year	%		98%	99%	99%	101%	104%	20%
Breakdown between men and women of employees who received training during the fiscal year	%/%		65.2%/34.8%	65.5%/34.5%	65.3%/34.7%	65.2%/34.8%	63.6%/36.4%	50%/50%
% of women who received training during the fiscal year	%		86%	88%	88%	95%	81%	33%
% of men who received training during the fiscal year	%		84%	85%	85%	97%	83%	16%

2020-2021						2019-2020						
GROUP	FRANCE & EMEA (France – Bernin, Besançon, Meylan, Soitec Lab – Belgium)	FRANCE (Bernin, Soitec Lab ⁽¹⁾ , Besançon, Meylan)	BERNIN + Soitec Lab ⁽¹⁾ (ESU Soitec)	ASIA (Singapore, Japan, South Korea, Taiwan, China)	AMERICAS (United States, Canada)	GROUP	FRANCE & EMEA (France – Bernin, Besançon, Meylan – Israel, Belgium)	FRANCE (Bernin, Besançon, Meylan)	BERNIN	ASIA (Singapore, Japan, South Korea, Taiwan, China)	AMERICAS (United States, Canada)	DISCONTINUED OPERATIONS
(0.87)	(1.47)	(0.96)	(1.01)	(2.53)		0.31	0.89	0.84	0.62	(0.13)		
1.99	0.59	0.59	0.59	6.61	-	(0.52)	(0.02)	(0.02)	(0.02)	(0.3)	-	
(0.43)	(0.77)	(1.13)	(0.47)	1.5	⁽¹⁾	(0.77)	(0.55)	(0.55)	(0.6)	6.26	⁽¹⁾	
1.65	1.56	2.64	1.11	(2.38)	(0.61)	(0.24)	0.74	0.55	(0.16)	(3.18)	(14.11)	
-	-	94 (ESU Soitec) 88 (Meylan)	94 (ESU SOITEC)	-	-	-	-	79 (Meylan)	89 (Bernin)	-	-	-
204	204	204	204	0	0	530	530	530	530	0	0	0
1,227	1,227	1,227	1,227	0	0	2,469	2,469	2,469	2,469	0	0	0
4,351	4,351	4,351	4,247	0	0	4,200	4,200	4,200	4,200	0	0	0
125,472	109,598	109,065	95,702	11,759	4,115	117,802	102,888	100,102	88,051	11,125	3,679	110
41,162	39,714	39,603	35,517	1,005	442	32,988	31,655	31,464	27,917	956	371	6
8	7	7	7	1	0	7	6	6	6	1	0	0
3.1	4.0	4	4	2.8	0	3	3.6	3.6	3.6	3.6	0	0
3.1	4	4	4	2.8	0	3	3.6	3.6	3.6	3.6	0	0
0.03	0.05	0.05	0.05	0.01	0	0.05	0.07	0.07	0.07	0.004	0	0
0.03	0.05	0.05	0.05	0.01	0	0.05	0.07	0.07	0.07	0.004	0	0
2	2	2	2	0	0	1	1	1	1	0	0	0
1	1	1	1	0	0	0	0	0	0	0	0	0
-	-	-	5.26%	-	-	-	-	-	6.19%	-	-	-
62	62	2 (Meylan) 60 (ESU)	60	0	0	57	2 (Meylan) 55 (Bernin)	2 (Meylan)	55	0	0	0
14.68	15.08	15.07	13.75	12.57	7.99	24.50	27.01	27.10	29.39	3.03	-	-
91%	96%	96%	98%	48%	83%	86.11%	88.65%	88.95%	96.27%	64.38%	-	-
66%/34%	65.5%/34.5%	65.2%/34.8%	63.9%/36.1%	75%/25%	45%/55%							
89%	97%	97%	99%	27%	100.00%							
89%	85%	95%	96%	46%	65.22%							

			2021-2022					
			FRANCE & EMEA (France – Bernin, Besançon, Meylan, Soitec Lab NOVASiC ⁽¹⁾ – Belgium)	FRANCE (Bernin, Soitec Lab, NOVASiC ⁽¹⁾ , Besançon, Meylan)	BERNIN + Soitec Lab (ESU Soitec)	ASIA (Singapore, Japan, South Korea, Taiwan, China)	AMERICAS (United States, Canada)	
Unit	GRI	GROUP						
Average training hours per socio-professional category per fiscal year								
Operators	%		22%	22%	22%	24%	21%	0%
Technicians and office workers	%		33%	34%	35%	36%	16%	0%
Engineers and executives	%		45%	43%	43%	40%	64%	100%
Average training hours per topic								
Technical profession	Hours		10,034.5	9,825.1	9,811.1	8,498.4	201.1	8.3
Management/Projects	Hours		5,251.4	4,584.7	4,559.9	4,068.2	666.8	0
Languages/Office technology	Hours		2,926	2,875.6	2,875.6	2,759.1	50.3	0
Personal development/ Professional efficacy	Hours		3,075.5	3,066	3,066	3,030	9.5	0
Quality	Hours		2,621.7	2,408.8	2,372.9	2,337.5	210.3	2.7
Safety, health and environment	Hours		8,509	7,677.8	7,646	7,419.5	831.3	0
Promotion rate	%		17.1%	16.4%	16.6%	18.3%	22.9%	13%
Breakdown between men and women of employees promoted during the fiscal year	%/%		37.2%/62.8%	35.6%/64.4%	35.6%/64.4%	35.5%/64.5%	44.7%/55.3%	66.7%/33.3%
% of women promoted during the fiscal year	%		19.1%	17.7%	17.7%	18.7%	29.3%	25%
% of men promoted during the fiscal year	%		16.1%	15.8%	16.1%	18%	19.4%	7.1%
Industrial relations								
Number of collective agreements signed during the fiscal year	Number		5	5	5	4		
Number of collective agreements in force	Number		33	33	33	32	-	-
Number of countries/sites/entities with employee representative bodies	Number		3 (Bernin, Meylan and Frec n sys)					
Number of employee representative meetings for the sites concerned	Number		97	97	97	79	-	-
Rate of employees covered by collective agreements	%		83%					
Compensation								
Employees whose salary is higher than the legal minimum in force, when there is one in the country concerned	%		100%	100%	100%	100%	100%	100%
QWL								
Questionnaires	Number		1					
Participation rate	%		81%					
Satisfaction rate	%		72%					
Team shifts								
Night shift employees	%		20%	16%	16%	18%	44%	0%
Team employees	%		46%	47%	47%	53%	44%	0%
Number of employees in hardship	Number		214	214	214	214	-	-

(1) NOVASiC was acquired by Soitec in November 2021.

2020-2021						2019-2020						
GROUP	FRANCE & EMEA (France – Bernin, Besançon, Meylan, Soitec Lab – Belgium)	FRANCE (Bernin, Soitec Lab ⁽¹⁾ , Besançon, Meylan)	BERNIN + Soitec Lab ⁽¹⁾ (ESU Soitec)	ASIA (Singapore, Japan, South Korea, Taiwan, China)	AMERICAS (United States, Canada)	GROUP	FRANCE & EMEA (France – Bernin, Besançon, Meylan – Israel, Belgium)	FRANCE (Bernin, Besançon, Meylan)	BERNIN	ASIA (Singapore, Japan, South Korea, Taiwan, China)	AMERICAS (United States, Canada)	DISCONTINUED OPERATIONS
15%	17%	17%	21%	0.00%	0.00%							
25%	27%	28%	32%	4.19%	9.96%							
62%	58%	57%	47%	95.81%	90.04%							
10,017.5	8,916.5	8,768	5,654	960	141							
3,427	2,522	2,438	1,393	843	62							
2,633	2,577	2,576	2,216	56	0							
1,582	1,518	1,518	1,475	64	0							
1,831	1,639	1,622	1,601	192	0							
4,977	4,879	4,877	4,612	80	18							
14.8%	14.8%	15%	16.9%	16.8%	3.7%	10.4%	10.9%	11.1%	12.1%	7.8%	0%	0%
37.1%/62.9%	35.2%/64.8%	35.2%/64.8%	35.9%/64.1%	52%/48%	0%/100%	38.2%/61.74%	38.4%/61.6%	38.4%/61.6%	39.4%/60.6%	36.4%/63.7%	0%	0%
16.8%	16%	16.1%	17.5%	25.5%	0%	12%	12.7%	12.7%	13.6%	8%	0%	0%
13.9%	14.2%	14.5%	16.5%	12.2%	5.6%	9.7%	10.1%	10.3%	11.4%	7.7%	0%	0%
6	6	1 (Meylan)	5	-	-	9	9	³ (Meylan)	6	-	-	-
35	35	2 (Meylan)	33	-	-	35	35	³ (Meylan)	32	-	-	-
3 (Bernin, Meylan and Frec(n)sys)						2 (Bernin and Meylan)						
99	99	¹³ (Meylan)	86	-	-	100	100	¹¹ (Meylan)	89	-	-	-
86%												
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2.00												
91%												
70%												
19%	16%	16%	19%	40%	0%	18%	16%	16%	18%	38%	0%	0%
46%	48%	48%	54%	40%	0%	45%	47%	48%	54%	38%	0%	0%
188	188	188	188	-	-	176	176	176	176	-	-	-

Environment

			2021-2022				
			GROUP (3 industrial sites)		BERNIN	PASIR RIS	
	Unit	GRI					
Energy		302-1					
Total energy consumption	MWh		140,325	91,203	46,689	2,433	
Share of renewable energy	%		50.40%	77.23%	0.00%	11.94%	
Change in energy consumption per unit of production versus the prior fiscal year		302-3	-16.5%				
Do the electricity contracts have a portion of green electricity that is preponderant in the energy mix?	Yes/No		Yes	Yes	No	No	
Energy consumption by source		302-1					
Electricity	kWh		118,293,255	70,459,777	45,626,639	2,206,839	
Natural Gas	kWh		20,900,818	20,728,589	0	172,229	
Liquefied petroleum gas (LPG)	kWh		1,062,727	0	1,062,727	0	
Renewable energies							
Green electricity bought	MWh		70,727	70,437	0	291	
Water							
Total water withdrawal	ML = 1,000 cu.m.		2,035	1,130	901	4.39594	
Change in water consumption per unit of production compared with fiscal year 2020-2021			-12.70%				
Water withdrawal by source		303-3					
Surface water	Megaliters = ML = 1,000 sq.m.		1,130	1,130	0	0.000	
Ground water	ML = 1,000 cu.m.		0		0	0.000	
Sea water	ML = 1,000 cu.m.		0		0	0.000	
Municipal water supplies	ML = 1,000 cu.m.		905		901	4.396	
Water recycling and reuse		303-5					
Total volume of water used	ML = 1,000 cu.m.		2,433	1,335	1,093	4.396	
Total volume of water recycled and reused	ML = 1,000 cu.m.		398	205	193	0.000	
% of water recycled and reused	%		16.35%	15.36%	17.63%	0.00%	
Carbon footprint			Bernin + Singapore	Bernin + Singapore + Hasselt			
1-1 Direct emissions from stationary combustion sources	tCO ₂		3,597	3,640	3,349	248	43
1-2 Direct emissions from mobile combustion sources	tCO ₂		175	191	175	0	16
1-3 Direct emissions from processes	tCO ₂		778	778	774	4	0
1-4 Direct fugitive emissions	tCO ₂		327	327	91	236	0
2-1 Indirect emissions linked to electricity use	tCO ₂		20,972	21,394	0	20,972	422
3-1 Products and services purchased	tCO ₂		95,035	95,994	84,248	10,787	959
3-2 Capital assets	tCO ₂		86,132	89,231	40,020	46,112	3,099
3-3 Emissions linked to combustion sources and energy (not included in Scope 1 or Scope 2)	tCO ₂		3,107	3,171	1,176	1,931	64
3-4 Upstream transportation and distribution	tCO ₂		22,937	22,941	15,816	7,121	4
3-5 Waste generated	tCO ₂		6,550	6,555	4,885	1,665	5
3-6 Business travel	tCO ₂		358	360	239	119	2
3-7 Employee commuting	tCO ₂		1,815	1,826	1,775	40	11
3-9 Downstream transportation and distribution	tCO ₂		7,250	7,251	6,867	383	1
3-12 End of life treatment of products sold	tCO ₂		114	114	108	6	0

2020-2021				2019-2020			
GROUP (3 industrial sites)	BERNIN	PASIR RIS	HASSELT	GROUP (3 industrial sites)	BERNIN	PASIR RIS	HASSELT
118,150	83,251	33,158	1,742	114,053	83,238	29,337	1,477
0.22%	0.00%	0.00%	14.93%	0.21%	0.00%	0.00%	16.31%
-2%				-10.80%			
No	No	No	No	-	Yes	No	No
100,245,330	65,653,000	32,877,249	1,715,081	97,155,632	66,602,000	29,076,245	1,477,387
17,624,592	17,598,000	0	26,592	16,636,000	16,636,000	0	Not recorded
276,505	0	276,505	0	257,488	0	257,488	0
16,286	16,286	0	0	0	0	0	0
1,639	1,016	617	1	1,496	1,049	447	1
1,016	1,016	0	0	1,049	1,049	0	0
0		0	0	0	0	0	0
0		0	0	0	0	0	0
619		617	2	447	0	447	1
1,948	1,174	773	1	1,660	1,212	447	1
313	158	155		164	164		
16.08%	13.45%	20.10%	0.00%	9.87%	13.51%	0.00%	0.00%
24,292							
2,992	2,879	113		3,275	3,046	229	
85	57	28		201	68	133	
1,689	1,687	2		1,331	1,327	4	
1,020	438	582		80	16	64	
18,506	2,670	15,836		16,548	2,774	13,774	
69,733	61,787	7,946		81,295	76,622	4,673	
49,292	25,389	23,903		68,279	39,149	29,130	
3,335	1,881	1,454		3,217	1,915	1,302	
13,262	9,145	4,117		23,602	21,409	2,193	
4,441	3,422	1,019		3,989	3,215	774	
441	223	218		2,053	1,836	217	
1,479	1,395	84		1,760	1,643	117	
4,584	4,312	272		6,091	6,064	27	
96	94	2		82	82	0	

			2021-2022				
	Unit	GRI	GROUP (3 industrial sites)	BERNIN	PASIR RIS	HASSELT	
Air pollutants							
Breaches	Number		1	1	0	0	
			NH3: 0 flow threshold breaches. An initial measurement identified a flow threshold breach, but a subsequent countermeasure confirmed that the breach was invalid.				
Pending disputes on pollution			0	0	0	0	
Water discharges							
Breaches	Number		9	9	0	0	
			Fluorides: Five breaches of the maximum daily and average monthly concentration: No associated risks/ No consequences/ Corrective actions on the operation of the vacuum evaporator. Suspended solids (SS): Four breaches of the monthly average concentration and the average flow: No associated risks/ No consequences/A study is underway to find the cause of these breaches.				
Volume of water discharge	cu.m.		1,624,735	847,722	777,013	0	
Volume of water discharge after treatment	cu.m.		1,624,735	847,722	777,013	0	

2020-2021				2019-2020			
GROUP (3 industrial sites)	BERNIN	PASIR RIS	HASSELT	GROUP (3 industrial sites)	BERNIN	PASIR RIS	HASSELT
5	5	0	0	1	1	0	0
- NH3: One breach of the flow threshold: No associated risks/ No consequences/Major work in October to connect the basic effluents of certain equipment with basic scrubbers. HF: One breach of the flow threshold and one breach of the concentration threshold: No associated risks/No consequences/Study underway on the steps to be taken.		0	0	- Fluorides: One breach of the flow threshold: No cause identified/No consequences.		0	0
0	0	0	0	0	0	0	0
21	19	0	2	6	0	1	
- HF: One breach of the monthly average, five breaches of the daily maximum, one breach of the daily maximum flow/No associated risks/ No consequences/Corrective actions on the operation of the vacuum evaporator and a study on the operation of the gas scrubbers is underway. NNH4: Three breaches of the monthly average, nine breaches of the daily maximum and one breach of the daily maximum flow/ No associated risks/No consequences/ Several containment measures implemented.		0	Ntotal=690 mg/ liter, Ntotal=1,110 mg/ liter, Corrective actions: GA2 check refreshment of water GA2 replacement fresh water nozzle	- Fluorides: Three breaches of the daily maximum concentration and two breaches of the monthly average concentration/ Vacuum evaporator malfunction/No consequences. N-NH4: One breach of the maximum daily concentration/ Discharge management problem during a maintenance shutdown/ No consequences.		0	Ntotal=650 mg/ liter, Corrective actions: High level Ntotal For GA2: Had to optimize the condition of unit
1,378,370.2	834,036	544,267	67.2	1,251,167	868,200	382,953	14
1,378,370.2	834,036	544,267	67.2	1,251,167	868,200	382,953	14

			2021-2022				
			GROUP (3 industrial sites)	BERNIN	PASIR RIS	HASSELT	
Unit	GRI						
Waste							
Total waste produced	Metric tonnes		7,790.2	6,187.4	1,595.8	6.976	
Total NHW	Metric tonnes		740.4	490.4	244.99	4.995	
Total HW	Metric tonnes		7,049.8	5,697.0	1,350.8	1.981	
NHW used for energy production	Metric tonnes		171.4	171.4	0.0	0.000	
NHW recycled	Metric tonnes		269.9	246.4	20.8	2.694	
NHW recovered	Metric tonnes		441.2	417.7	20.8	2.694	
NHW not recovered	Metric tonnes		299.2	72.7	224.2	2.301	
HW recycled/recovered	Metric tonnes		1,142.6	1,134.0	6.6	1.981	
HW used for energy production	Metric tonnes		3,475.0	3,475.0	0.0	0.000	
HW recovered	Metric tonnes		4,617.6	4,609.0	6.6	1.981	
HW not recovered	Metric tonnes		2,432.2	1,087.9	1,344.2	0.000	
% NHW recovered	%		60%	85%	8%	54%	
% NHW recycled	%		36%	50%	8%	54%	
% HW recovered + recycled	%		65%	81%	0%	100%	
% HW used for energy production	%		49%	61%	0%	0%	
Transportation of wafers							
% of substrates transported by sea between our Bernin plant and our Pasir Ris plant	%		65%				
Biodiversity							
Total surface covered by Soitec	sq.m.		135,386.12	107,588	27,000	798.12	
Total waterproof surface	sq.m.		98,269.12	70,716	27,000	553.12	
Facilities located near protected areas	Number		1	Yes	No	No	
Facilities with no phytosanitary products	Number		2	Yes	Yes	No	
Facilities that have implemented initiatives to promote biodiversity	Number		1	Yes	No	No	

2020-2021				2019-2020			
GROUP (3 industrial sites)	BERNIN	PASIR RIS	HASSELT	GROUP (3 industrial sites)	BERNIN	PASIR RIS	HASSELT
6,547.5	4,989.4	1,550.9	7.2	6,233.1	4,882.9	1,345.0	5.2
661.1	498.82	157.28	4.979	569.4	415.68	150	3.702
5,886.5	4,490.6	1,393.59	2.269	5,663.7	4,467.18	1,194.99	1.5
139.8	139.77	0	0	144.9	144.9	0	0
330.3	301.67	27.3	1.289	260.8	215.65	44	1.159
472.8	441.44	20	11.32	404.5	360.54	44	0
187.4	57.38	129.98	0	160.9	54.94	106	0
937.9	925.96	9.696	2.269	828.5	821.09	5.9	1.5
2,722.8	2,722.77	0	0	2,785.1	2,785.08	0	0
3,658.4	3,648.73	9.696	0	3,612.1	3,606.18	5.9	0
2,226.9	843.01	1,383.89	0	2,050.5	861.36	1,189.09	0
72%	88%	17%	26%	71%	87%	29%	0
50%	60%	17%	100	46%	52%	29%	100
62%	81%	1%	100	64%	81%	0%	100
46%	61%	0%	0	49%	62%	0%	0
24%							
135,386.12	107,588	27,000	798.12	135,386.12	107,588	27,000	798.12
98,269.12	70,716	27,000	553.12	97,769.12	70,216	27,000	553.12
1	Yes	No	No	1	Yes	No	No
2	Yes	Yes	No	1	No	Yes	No
1	Yes	No	No	1	Yes	No	No

Governance

			2021-2022						
			GROUP	FRANCE & EMEA (France – Bernin, Besançon, Meylan, Soitec Lab, NOVASIC, Belgium)	FRANCE (Bernin, Soitec Lab, NOVASIC, Besançon, Meylan)	BERNIN (+ Soitec Lab)	ASIA (Singapore, Japan, South Korea, Taiwan, China)	AMERICAS (United States, Canada)	
Unit	GRI								
Ethics									
Employees having completed the e-learning module on the Code of Good Conduct	Number		1,417	1,211	1,210	1,204	200	6	
Innovation									
R&D expenditure: percentage of revenue dedicated to R&D	%		10.80%						
Patents	Number		3,739						
Employees in R&D	Number		386						
New inventors during the year (first patent filed)	Number		14						
Total number of inventors (at least one patent)	Number		54						
Patents filed during the year	Number		283						
Partnerships for innovation	Number		15						
Responsible supply chain									
Tier-one suppliers	Number		2,236			2,089	535	98	
Strategic suppliers	Number		21						
Strategic suppliers having signed our Supplier Quality Policy	Number		21						
Cybersecurity									
Employees made aware of cybersecurity	%		100%						
Sites/entities with a Data Protection Officer (DPO) or equivalent	Number		1						

2020-2021						2019-2020					
GROUP	FRANCE & EMEA (France – Bernin, Besançon, Meylan, Soitec Lab, Israel, Belgium)	FRANCE (Bernin, Soitec Lab, Besançon, Meylan)	BERNIN (+ Soitec Lab)	ASIA (Singapore, Japan, South Korea, Taiwan, China)	AMERICAS (United States, Canada)	GROUP	FRANCE & EMEA (France – Bernin, Besançon, Meylan, Soitec Lab, Israel, Belgium)	FRANCE (Bernin, Soitec Lab, Besançon, Meylan)	Bernin (+ Soitec Lab)	ASIA (Singapore, Japan, South Korea, Taiwan, China)	AMERICAS (United States, Canada)
1,141	1,048	1,047	1,042	93	0						
12.70%											
3,564						3,300					
352						358					
6						12					
40						47					
285						238					
15						15					
2,080						N/A					
22						20					
19						18					
98%											
1						1					

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.

3.9.1.1 Definition of entities

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

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

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

3.9.1.2 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. Action plans will be drawn up to obtain the relevant data for some of these indicators next year. Either such entities were recently acquired, or they are not industrial facilities

and thus certain indicators are less relevant, or they are not wholly owned by Soitec (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	% workforce	Indicators covered
SOCIAL			
Attracting and retaining talent	Group	100%	<ul style="list-style-type: none"> • Workforce at March 31 • Number of employees on permanent contracts • Breakdown by age (<i>as a %</i>) • Employee breakdown by geographic area • Average seniority • Breakdown by category (<i>as a %</i>) • Number of permanent hires • Turnover rate • Resignation rate • Number of work-study students hired during the year • Number of young people under 26 hired during the year • Percentage of employees benefiting from the company savings plan
	All entities except NOVASIC	99%	<ul style="list-style-type: none"> • Internal promotion rate
Health and safety	Group	100%	<ul style="list-style-type: none"> • 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 • Percentage of employees working in production • % of training hours devoted to health, safety and the environment • Number of safety tours
			<ul style="list-style-type: none"> • Average percentage increase for employees (year on year) • Average compensation gap • Percentage of employees whose salary is higher than the legal minimum in force, where one exists in the country concerned • Percentage of total payroll dedicated to pay increases • Objective-based bonuses as a % of gross base salary (objectives fully met)
Wages and their development	Group	100%	<ul style="list-style-type: none"> • Average number of hours of training per employee trained per year • Percentage of employees who received training during the fiscal year • Percentage of total payroll spent on training • Percentage of managers trained
Skills development	Group	100%	<ul style="list-style-type: none"> • Percentage of women in the Group workforce • Percentage of women managers
	Bernin		
	Soitec Lab	80%	<ul style="list-style-type: none"> • Pay equality index
	Dolphin Design Meylan		
Diversity	Bernin		
	Soitec Lab	73%	<ul style="list-style-type: none"> • Percentage of employees with disabilities

Topic	Scope	% workforce	Indicators covered
ENVIRONMENT			
Climate change	Main industrial facilities	88%	<ul style="list-style-type: none"> • Direct GHG emissions (Scope 1) • Indirect GHG emissions linked to electricity use (Scope 2) • Other indirect GHG emissions (Scope 3)
Green taxonomy	Group	100%	<ul style="list-style-type: none"> • Percentage of revenue eligible for the taxonomy regulation • Percentage of eligible CAPEX • Percentage of eligible OPEX
Pollution management			<ul style="list-style-type: none"> • Air pollutants • Breaches • Water discharges
Waste prevention and management	Main industrial facilities	88%	<ul style="list-style-type: none"> • Breaches • Total waste generated • Total NHW • Total HW • % NHW recycled • % NHW recovered • % HW recovered + recycled • % HW used for energy production
Sustainable use of resources			<ul style="list-style-type: none"> • Energy consumption per unit of production • Total water withdrawal • Water consumption per unit of production • % of water recycled
Biodiversity			<ul style="list-style-type: none"> • Total surface covered by Soitec • Total waterproof surface • Facilities that have implemented initiatives to promote biodiversity
GOVERNANCE			
Innovation			<ul style="list-style-type: none"> • % of revenue dedicated to R&D • Number of patents filed • % of employees working on innovation issues • Metric tons of CO₂ equivalent avoided on final products
Customer relationships	Group	100%	<ul style="list-style-type: none"> • Customer relationship score from the satisfaction survey (2015 = 100)
Cybersecurity			<ul style="list-style-type: none"> • Percentage of new employees made aware of cybersecurity
Responsible supply chain			<ul style="list-style-type: none"> • % of strategic suppliers that have signed the Supplier Quality Policy • RBA self-assessment score
Ethics		91%	<ul style="list-style-type: none"> • Percentage of employees having completed the e-learning module on the Code of Good Conduct

The term "Group" refers to all of the entities, namely the facilities at Bernin and Singapore; FrecInsys, NOVASIC and Soitec Belgium NV; the offices in Japan, South Korea, China and Taiwan, as well as the United States; Dolphin Design Meylan, Dolphin Design Singapore and Dolphin Design Canada. Soitec's main industrial facilities are Bernin, Singapore and

Hasselt, which together account for 88% 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.

3.9.2 Calculation methods

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

A. 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 workforce, turnover rate, ratio of women to men;
- jobs held: breakdown of employees by job, resignation rate, absenteeism, hardship.

Fixed-term contracts include doctoral student employment contracts and apprenticeships (work-study or vocational training), but not internships or international work experience contracts. The change in workforce is the difference between the numbers of employees who joined during fiscal year 2021-2022 and those who left during fiscal year 2021-2022.

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 workplace accidents with lost time 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 workplace 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.

Workplace accidents with lost time correspond to the number of accidents resulting in at least one day not worked, not counting the day of the accident.

The **percentage of employees with disabilities** is calculated based on the regulations in force in France.

Training hours per employee per year

Comparability with fiscal year 2019-2020 is only possible for Bernin and Singapore, as the other entities were not consolidated before that date.

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 2021 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 EcolInvent database when more relevant. The footprint measures the main greenhouse gases: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O) and the fluorinated gases (HFC, PFC, SF₆, and others).

Scope 1:

- direct energy consumption at facilities;
- direct greenhouse gas emissions from non-energy sources (process gases and refrigerants).

Scope 2:

- indirect energy consumption at facilities.

Scope 3:

- procurement of goods and services, including industrial subcontracting;
- transport of goods to, between and from facilities;
- personal travel: work commutes, business travel and outside visits;
- on-site waste collection and treatment;
- property, plant and equipment;
- end of life of products and packaging put onto the market.

The footprint covers all of the Group's industrial facilities, namely Bernin, Pasir Ris and Hasselt.

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 facility, samples and analyses are carried out by Abiolab. At the Singapore facility, they are done by Setsco.

Air pollutants

At the Bernin facility, samples and analyses are carried out by Apave. At the Singapore facility, they are done by Setsco.

Recycling rate

Comparisons with fiscal year 2019-2020 are only possible for the Bernin and Singapore sites, as Hasselt was not previously included in the scope.

C. Social 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.

Percentage of 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, 2022. The rate is calculated by dividing the number of current Soitec employees who have completed the module by the total Soitec workforce.

Number of patents

The number of patents is calculated by adding together all the titles filed during the fiscal year: priority filings, extensions and divisional applications.

D. Methodological limits

Soitec does not consider that it has a major risk or opportunity in respect of the fight against food insecurity, food waste, respect for animal well-being and responsible, fair and sustainable food. As such, these topics are excluded from our SNFP.

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, 2022

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 COFRAC under number 3-1049 ⁽¹⁾, we have undertaken a limited assurance engagement on the historical financial information (actual or extrapolated) of the consolidated non-financial statement, prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), for the year ended March 31, 2022 (hereinafter, respectively, the "Information" and the "Statement"), included in the Group'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*).

Conclusion

Based on the procedures performed, as set out in the "Nature and scope of our work" section of this report, and the information collected, nothing has come to our attention that causes us to believe that the 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.

Preparation of the Statement

The absence of a commonly used generally accepted reporting framework or established practices on which to draw to evaluate and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Guidelines, the main elements of which are presented in the Statement or on request from the entity's registered office).

Inherent limitations in preparing the Information

As discussed in the Statement, the Information may be subject to inherent uncertainty because of incomplete scientific and economic knowledge and the quality of external data used. Some information is sensitive to methodological choices, assumptions and/or estimates used for their preparation and presentation in the Statement.

Responsibility of the entity

The Board of Directors:

- Selecting or establishing suitable criteria for preparing the Information;
- Preparing a Statement in accordance with legal and regulatory requirements, including a presentation of the business model, a description of the main extra-financial risks, a presentation of policies applied to mitigate these risks and the outcomes of those policies, including key performance indicators, and the information provided for in Article 8 of Regulation (EU) 2020/852 (the Taxonomy Regulation);
- Implementing internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

The Statement was prepared by applying the entity's Guidelines as mentioned previously.

Responsibility of the Statutory Auditor, 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 historical financial information (actual or extrapolated) provided in accordance with Article R.225-105-I(3) and II of the French Commercial Code concerning action plans and policy outcomes, including the key performance indicators on the main risks.

As it is our responsibility to provide an independent conclusion on the Information as prepared by Management, we are not authorised to help prepare said Information, as that could compromise our independence.

However, it is not our responsibility to comment on:

- The entity's compliance with other applicable legal and regulatory requirements (in particular, the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (the Taxonomy Regulation), and anti-corruption and tax avoidance legislation);
- The fairness of the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (the Taxonomy Regulation);
- The compliance of products and services with the applicable regulations.

⁽¹⁾ Accreditation Cofrac Inspection, number 3-1049, scope available at www.cofrac.fr

Regulatory provisions and applicable professional guidance

We performed our work described below in accordance with the provisions of Articles A. 225 1 and following of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this engagement and International Standard on Assurance Engagements 3000 (Revised) ⁽¹⁾.

Our independence and quality control

Our independence is defined by the provisions of Article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors. Our firm maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with applicable legal, regulatory and ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors relating to this engagement.

Means and resources

Our work was carried out by a team of 8 people between April and July 2022 and took a total of 3 weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted a dozen interviews with the people responsible for preparing the Statement.

Nature and scope of our work

We planned and performed our work to address the areas where we identified that a material misstatement of the Information was likely to arise.

We believe that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion:

- We obtained an understanding of all the consolidated entities' activities, and the description of the principal risks associated;
- We assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, 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;
- 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, as 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 and covers between 69% 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.

The procedures performed in a limited assurance engagement are less in extent than for a reasonable assurance engagement performed in accordance with the professional guidance issued by the French Institute of Statutory Auditors; a higher level of assurance would have required us to carry out more extensive procedures.

Paris-La Défense, on June 8, 2022

KPMG S.A.

Fanny Houlliot
Partner
Sustainability Services

Jacques Pierre
Partner

Rémi Vinit Dunand
Partner

⁽¹⁾ ISAE 3000 (Revised) - Assurance Engagements Other Than Audits or Reviews of Historical Financial Information.

⁽²⁾ Attractiveness and retention of talent, Health & Safety, Innovation, Ethics, Territorial anchoring, Responsible supply chain and Cybersecurity.

⁽³⁾ Head office, Bernin site and Singapore site.

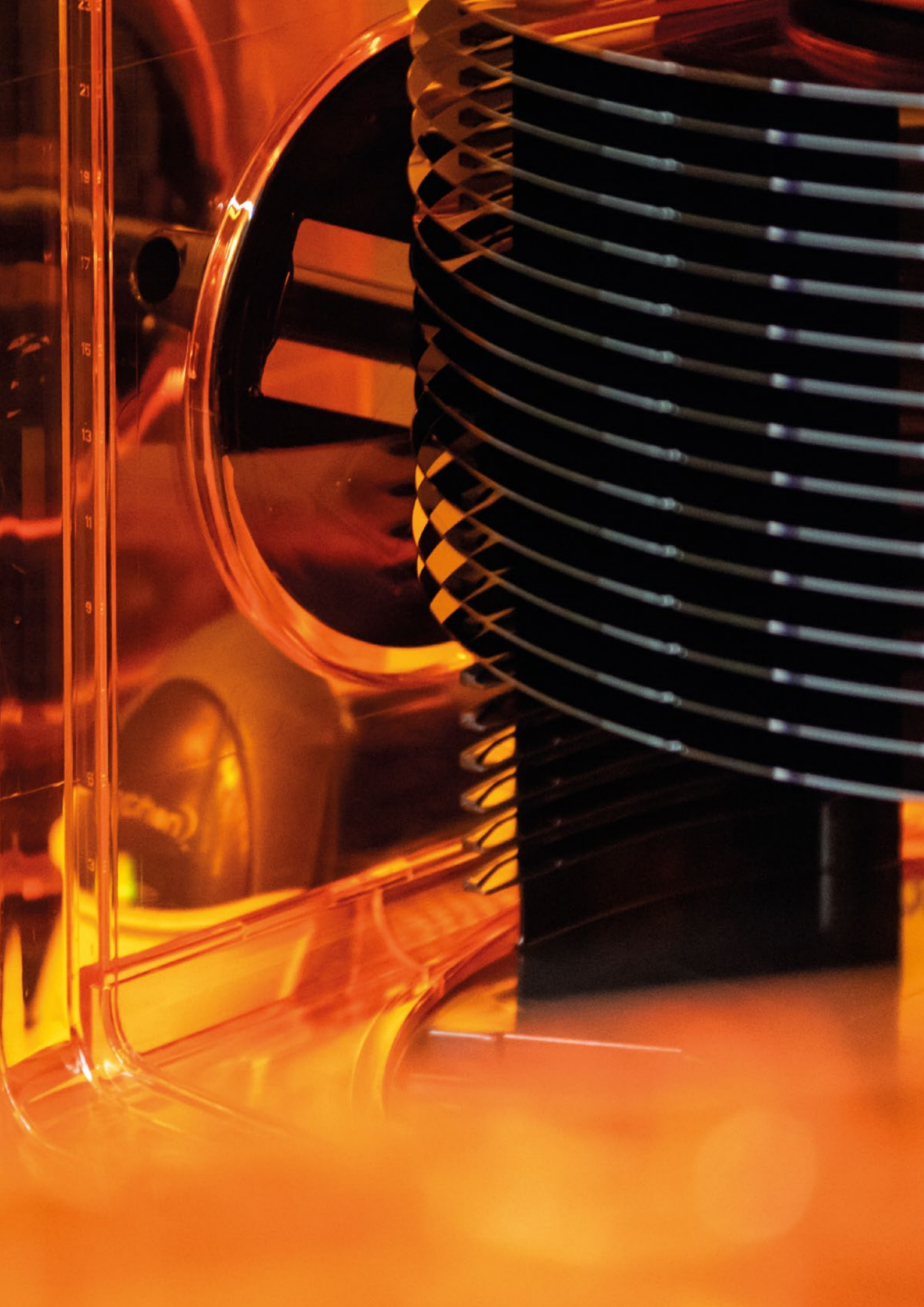
Appendix

Qualitative information (actions and results) considered most important

- Measures and results in terms of attracting and retaining talent
- Culture Safe Program implemented to ensure employee safety
- Climate Plan and associated targets validated by the Science-Based Targets initiative
- Ethical Business Management
- Impact study and associated results on greenhouse gas emissions avoided by the Group's innovative products
- Commitment to a responsible supply chain
- Workshops to raise awareness on cybersecurity
- Soitec's involvement in the local development of soft mobility

Key performance indicators and other quantitative results considered most important

- Headcount as of March 31, 2022 and breakdown by gender and age
- Percentage of women in the Group workforce
- Internal promotion rate
- Frequency rate of workplace accidents with lost time
- Change in Scopes 1 & 2 versus the prior fiscal year
- Direct GHG emissions (Scope 1)
- Indirect emissions linked to electricity use (Scope 2)
- Other indirect GHG emissions (Scope 3)
- Percentage of employees having completed the e-learning module on the Code of Good Conduct
- Percentage of strategic suppliers that have signed the Supplier Quality Policy
- Percentage of new employees made aware of cybersecurity



4

CORPORATE GOVERNANCE

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In accordance with Article L. 22-10-20 of the French Commercial Code (*Code de commerce*), at its meeting on June 8, 2022, the Board of Directors approved the corporate governance report that will be presented at the next Shareholders' General Meeting and which includes the information required pursuant to Articles L. 22-10-9 to L. 22-10-11, L. 22-10-26, L. 225-100 II and L. 225-100 III of the French Commercial Code (the "Required Information"). The cross-reference table featured in Chapter 10 indicates those parts of the Universal Registration Document which correspond to those parts of the corporate governance report not featured in this Chapter.

This corporate governance report was prepared based on the work of the Company's Legal Department and the relevant operational departments, in particular the Finance, People & Sustainability and Strategy departments. It was then examined by the Chair of the Board of Directors, and the Nomination and Governance Committee, the Compensation Committee and the Audit and Risks Committee for their relevant sections.

The table in section 4.1 of this Universal Registration Document lists the Required Information and specifies the sections of the Company's Universal Registration Document in which such information is presented.

4.1 Administration and management of the Company

The Company refers to the corporate governance rules defined in the Code of Corporate Governance for listed companies published by AFEP and MEDEF, as revised in January 2020 (the "AFEP-MEDEF Code"), which is available on the AFEP website at www.afep.com.

In accordance with the "comply or explain" disclosure requirement in Article L. 22-10-10 of the French Commercial Code and Article 27.1 of the AFEP-MEDEF Code, the Company hereby states that it considers that its

practices comply with all of the recommendations of the AFEP-MEDEF Code apart from the reservations mentioned below, most of which the Board of Directors will ask the July 26, 2022 Shareholders' General Meeting to lift by approving several changes in its composition and the staggering of the terms of office of its directors. These changes will bring the Company into line with all the recommendations of the AFEP-MEDEF Code, as detailed below:

AFEP-MEDEF recommendations	Company's position and justification
<p><u>Recommendation relating to the proportion of independent members of the Board of Directors (section 9.3):</u> <i>"The independent directors should account for half the members of the Board in widely held corporations without controlling shareholders."</i></p>	<p>Five of the 12 Board members meet the independence criteria (the employee directors are not included in this calculation), representing approximately 42%. Historically, the Board's composition has reflected the Shareholders' Agreement between our "strategic investors" ("the Pact"), under the terms of which those investors were entitled to propose directors for appointment to the Board. The pact has expired, and at the July 26, 2022 Shareholders' General Meeting, the Board will propose the appointment of two new independent directors. If the related resolutions are adopted, at the end of the Shareholders' General Meeting, 7 out of the 12 Board members will be independent, i.e., more than 58%, in compliance with the AFEP-MEDEF recommendation.</p> <p>For historical reasons, as set out on page 167 of the 2020-2021 Universal Registration Document, the terms of office of 10 members of the Board of Directors were renewed at the Shareholders' General Meeting on July 26, 2019.</p> <p>In order to ensure a smoother staggering of the terms of office of the members of the Board of Directors:</p> <ul style="list-style-type: none"> • Satoshi Onishi and Éric Meurice were elected for terms of three years from the July 28, 2021 Shareholders' General Meeting; the terms of office of Shuo Zhang and Françoise Chombar were renewed for terms of three years at the close of the July 28, 2021 Shareholders' General Meeting; the terms of these four directors will thus expire at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024; • As regards the eight directors whose terms of office expire at the close of the Shareholders' General Meeting of July 26, 2022, the Board is proposing to further optimize the staggering of terms of office, as follows: <ul style="list-style-type: none"> • Four terms of office to be set at three years, expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2025; • Four terms of office to be set at four years, expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2026.
<p><u>Recommendation relating to the term of office of directors (section 14.2):</u> <i>"Terms of office should be staggered so as to avoid replacement of the entire body and to favor a smooth replacement of directors."</i></p>	
<p><u>Recommendation relating to the composition of the Audit Committee (section 16.1):</u> <i>"The proportion of independent directors on the Audit Committee should be at least equal to two-thirds."</i></p>	<p>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, in the aim of increasing the Committee's proportion of independent members, and provided that the shareholders vote in favor of appointing the two independent directors put forward at the July 26, 2022 Shareholders' General Meeting, following that meeting the Board will restructure the Audit and Risks Committee's membership so that four of its six members will be independent (excluding the employee director), i.e., approximately 67%, in compliance with the AFEP-MEDEF recommendation.</p>
<p><u>Recommendation relating to the composition of the Nomination Committee (section 17.1):</u> <i>The Nomination Committee "must mostly consist of independent directors."</i></p>	<p>With three independent members out of seven, the Nomination and Governance Committee's independence ratio is 43%, i.e., less than half. However, in the aim of increasing the Committee's proportion of independent members, and provided that the shareholders vote in favor of appointing the two independent directors put forward at the July 26, 2022 Shareholders' General Meeting, following that meeting the Board will restructure the Nomination and Governance Committee's membership so that four of its seven members will be independent, i.e., 57%, bringing the Board in line with the AFEP-MEDEF recommendation.</p>

Recommendation relating to the composition of the Compensation Committee (section 18.1):

"It [...] must mostly consist of independent directors."

"It [...] must mostly consist of independent directors."

There is not a majority proportion of independent members 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%, excluding the employee director). The Compensation Committee is chaired by Éric Meurice, who is an independent director.

However, in the aim of increasing the Committee's proportion of independent members, and provided that the shareholders vote in favor of appointing the two independent directors put forward at the July 26, 2022 Shareholders' General Meeting, following that meeting the Board will restructure the Compensation Committee's membership so that three of its four members will be independent and one will be an employee director; thus 100% of the non-employee directors will be independent, in compliance with the AFEP-MEDEF recommendation.

Recommendation relating to 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."

At June 15, 2022, 10 out of the 14 members of the Board of Directors were shareholders of the Company (bearing in mind that one director cannot directly hold Soitec shares given his status as an employee of Bpifrance), clearly demonstrating how the Board is gradually moving towards compliance with the AFEP-MEDEF recommendation.

Soitec is – and has been since it was incorporated in 1992 – a joint-stock corporation (*société anonyme*) governed by French law, with a Board of Directors (a single-tier governance structure).

The roles of Chair of the Board of Directors and Chief Executive Officer have been separated since July 26, 2018. The choice of governance structure is in line with best governance practices, and allows both roles to be exercised to their full, which in turn enables the Company to continue developing its business under the best conditions.

This separation of roles also helps to achieve a balance of powers within the Company's governance bodies, further aided by (i) the fact that the Chair of the Board of Directors is independent, (ii) the restrictions imposed on the powers of the Chief Executive Officer by the Board of Directors' Internal Regulation, as amended on June 9, 2021, and (iii) the procedures for preventing and managing conflicts of interest (see section 4.1.1 B. 3. of this Universal Registration Document).

4.1.1 The Board of Directors

The Board of Directors is responsible for the tasks assigned to it under the French Commercial Code, the Company's by-laws and the Board of Directors' Internal Regulation ⁽¹⁾. In particular, it sets the Company's strategic goals and objectives and ensures that appropriate action is taken to achieve them. Subject to the powers expressly vested in Shareholders' General Meetings and within the limit of the Company's corporate purpose, the Board considers any issues affecting the proper running of the Company and resolves any matters relating thereto.

4.1.1.1 Composition of the Board of Directors

At the date of this Universal Registration Document, the Board of Directors has 14 members, including five independent directors, the Chief Executive Officer, six non-independent directors and two employee directors (as required by law), all of whom are domiciled for business purposes at the Company's head office ⁽²⁾. The profiles of the Board members are set out below:

⁽¹⁾ The Company's by-laws and the Board of Directors' Internal Regulation are available on Soitec's website at www.soitec.com.

⁽²⁾ Chemin des Franques – Parc Technologique des Fontaines – 38190 Bernin, France.



65 years old

Business address*
soitec

Skills

Finance⁽¹⁾
Industry⁽¹⁾
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

Years on the Board

4

Attendance rate at Board and Committee meetings in fiscal year 2021-2022
100%

ÉRIC MEURICE

Chair of the Board of Directors

Independent director

Number of shares held: 1,000

Date of first appointment: July 26, 2018

Start date of current term: July 28, 2021

End date of current term: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024

PROFESSIONAL EXPERIENCE

Éric Meurice was the Chief Executive Officer and President of ASML Holding N.V., a leading equipment manufacturer for the semiconductor industry, from October 2004 to June 2013, and its Chairman until March 2014.

From 2001 to 2004, he was Executive Vice President of the Thomson-RCA Television division. From 1995 to 2001, he led Western Europe, Eastern Europe, and emerging markets in the EMEA region for Dell Computer.

Before 1995, he acquired significant experience in the industrial and technology fields within ITT Semiconductors, Intel Corporation and Renault SA.

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 SOITEC SA

Company director

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2022

- IPG Photonics Corporation** (USA)
- Umicore, SA** (Belgium)
- Global Blue AG** (Switzerland)

OFFICES THAT HAVE 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.

(1) Corrections made after AMF filing.



PAUL BOUDRE

Chief Executive Officer
Non-independent director

Number of shares held: 63,486

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 ended March 31, 2022

63 years old

Business address*
soitec

Skills
International
Industry
TMT
Governance/Legal
Executive Management

Committees
Member of the Strategic Committee

Years on the Board
10

Attendance rate at Board and Committee meetings in fiscal year 2021-2022
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 Unity, 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 (*Commissariat à l'énergie atomique et aux énergies alternatives* – 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 SOITEC SA

N/A

OFFICES HELD AT MARCH 31, 2022

- Soitec:
 - 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
- Outside Soitec:
 - Director of Alphawave IP** (United Kingdom)
 - Director of Fogale Unity (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 THAT HAVE 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

Number of shares held: 269

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

38 years old

Business address*
soitec

Skills
CSR/HR
Industry

Committees
Compensation
Committee

Years on the Board
1.5

Attendance rate at
Board and Committee
meetings in fiscal year
2021-2022
87.50%

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 SOITEC SA

N/A

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2022

- N/A

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- N/A

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

(1) Appointed by the CGT trade union.



FRANÇOISE CHOMBAR

Independent director

Number of shares held: 100

Date of first appointment: July 26, 2019

Start date of current term: July 28, 2021

End date of current term: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024

60 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

Years on the Board
3

Attendance rate at Board and Committee meetings in fiscal year 2021-2022
100%

PROFESSIONAL EXPERIENCE

Françoise Chombar is Chairwoman and co-founder of Melexis. She served as CEO of Melexis for 18 years (from 2003 to 2021). Melexis develops and manufactures mixed signal semiconductor sensor and driver components mainly aimed at automotive applications.

At the same time, she is an independent director on the Board of Umicore (since 2016), a group specialized in materials technology and recycling. She is Chairwoman of the Board of BioRICS and member of the Advisory Board to Byteflies, both Belgian health tech companies. From May 1, 2022, Françoise Chombar joined the Board of Antwerp Management School, the highest ranking EMBA business school of the Benelux.

She also chairs the STEM Platform, a consultative body of the Flemish regional government that aims to encourage young people towards STEM studies (science, technology, engineering and mathematics) and to promote these disciplines to the general public.

From 1999 to 2016, she was a mentor for the SOFIA Women's Network, a coaching and learning organization for female professionals, and she promotes the access of women to Boards of Directors through her membership of the Belgium-based non-profit organization Women on Board.

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

Françoise holds a Master's degree in interpreting (Dutch, English and Spanish) from Ghent University.

MAIN POSITION OUTSIDE SOITEC SA

Chairwoman and co-founder of Melexis** (Belgium)

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2022

- Director of Umicore** (Belgium)
- Chairwoman of BioRICS (Belgium)
- Member of the Advisory Board of Byteflies (Belgium)
- Chairwoman of STEM Platform (Belgium)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- N/A

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

** Listed company.



51 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

Years on the Board
6

**Attendance rate at
Board and Committee
meetings in fiscal year
2021-2022**
100%

LAURENCE DELPY

Independent director

Number of shares held: 650

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 ended March 31, 2022

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.

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2022

- N/A

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- N/A

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



CHRISTOPHE GÉGOUT

Independent director

Number of shares held: 100

Date of first appointment: April 20, 2015 (as permanent representative of CEA Investissement) and April 11, 2016, effective May 2, 2016 (in his own name) ⁽¹⁾

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 26, 2022

46 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

Years on the Board
7

Attendance rate at Board and Committee meetings in fiscal year 2021-2022
100%

PROFESSIONAL EXPERIENCE

Since December 2020, Christophe Gégout has been a Managing Partner at Yotta Capital Partners, a French private equity firm dedicated to smart industry and the transition to a low-carbon economy. Previously, he was Investment Director at Meridiam, in charge of investments in SMEs within one of the leading global investment and public asset management firms.

Before that, he was Chief Financial Officer at the French Alternative Energies and Atomic Energy Commission (*Commissariat à l'énergie atomique et aux énergies alternatives* – CEA) from 2009 to 2015 and was then named Deputy General Manager, a position he held until 2018. At CEA, he developed innovation partnerships with major international groups and European SMEs, as well as a new asset management business on behalf of third parties, focusing on ground-breaking innovations in the field of major transformations (digital, medical and energy revolutions), which is now led by Supernova Invest. From 2001 to 2009, Christophe held various positions within the French Ministry of Economy and Finance, including advisor to Christine Lagarde, Finance Minister.

He is a graduate of the École polytechnique, Sciences-Po Paris, and ENSAE (French national school of statistics and economic administration).

MAIN POSITION OUTSIDE SOITEC SA

Managing Partner of Yotta Capital Partners

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2022

- Director of Neoen** (France) (since June 2015)
- Director of Eldim (France) (since March 2022)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Chairman of CEA Investissement (France) Board of Directors (January 2011 – October 2018)
- Director of Supernova Invest (France) (April 2017 – October 2018)
- Director of FT1CI and of AREVA Group companies, including AREVA 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.



50 years old

Business address*
soitec

Skills
CSR/HR
Industry
TMT
R&D

Committees
Member of the Strategic
Committee

Years on the Board
1.5

Attendance rate at
Board and Committee
meetings in fiscal year
2021-2022
100%

DIDIER LANDRU

Employee director

Number of shares held: 469

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

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 SOITEC SA

N/A

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2022

- N/A

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- N/A

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

(1) Appointed by the Métallurgie Isère CFE-CGC trade union.



SATOSHI ONISHI

Non-independent director

Number of shares held: 100

Date of first appointment: July 10, 2015

Start date of current term: July 28, 2021

End date of current term: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024

59 years old

Business address*
soitec

Skills
International
Industry
TMT
Executive Management

Committees
Member of the
Nomination and
Governance Committee

Years on the Board
7

Attendance rate at
Board and Committee
meetings in fiscal year
2021-2022
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. Shin-Etsu Handotai Co. Ltd. has been the world's leading supplier of silicon wafers for the semiconductor industry for many years, and Satoshi has more than 30 years' experience in this sector.

Satoshi 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 (USA).

MAIN POSITION OUTSIDE SOITEC SA

Director of the Office of the President of Shin-Etsu Chemical Co. Ltd. (Japan)

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2022

- N/A

OFFICES THAT HAVE 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.



44 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
9

**Attendance rate at
Board and Committee
meetings in fiscal year
2021-2022**
82.58%

BPIFRANCE PARTICIPATIONS

represented by Sophie Paquin

Non-independent director

Number of shares held: 3,636,007

Date of first appointment: July 2, 2013

Start date of current term: July 26, 2019

End date of current term: reappointment of Bpifrance Participations to be put to the shareholders' vote at the Shareholders' General Meeting of July 26, 2022

SOPHIE PAQUIN

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 law 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 business school.

MAIN POSITION OUTSIDE SOITEC SA

General Counsel of Bpifrance Investissement (France)

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2022

- Director of Cosmeur SAS (France)
- Director of Tyrol Acquisition 1 SCA (Luxembourg)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- N/A

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

** Listed company.



GUILLEMETTE PICARD

Non-independent director

Number of shares held: 124

Date of first appointment: May 2, 2016 (as permanent representative of CEA Investissement) and September 24, 2020 (in her own name) ⁽¹⁾

Start date of current term: September 24, 2020 ⁽²⁾

End date of current term: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ended March 31, 2022

46 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

Years on the Board
6

Attendance rate at Board and Committee meetings in fiscal year 2021-2022
94.17%

PROFESSIONAL EXPERIENCE

Guillemette Picard has been Vice President of Production Technology at Ubisoft since June 2021.

She has over 20 years' experience in the development and financing of digital technologies in various industry sectors.

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 five patents in these fields.

Guillemette has an engineering degree from the École polytechnique and a PhD in statistical physics.

MAIN POSITION OUTSIDE SOITEC SA

Vice President of Production Technology, Ubisoft (France)

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2022

- Director of CLS (France)

OFFICES THAT HAVE 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 Gégout as director in his own name at the corresponding end of his role as permanent representative of CEA Investissement.

(2) Date that Guillemette Picard was co-opted as a director by the Board of Directors to replace the outgoing director, CEA Investissement. Her co-option was ratified at the July 28, 2021 Shareholders' General Meeting.



KAI SEIKKU

Non-independent director

Number of shares held: 2,000

Date of first appointment: May 6, 2019 ⁽¹⁾

Start date of current term: July 26, 2019

End date of current term: reappointment (designated by NSIG) to be put to the shareholders' vote at the Shareholders' General Meeting of July 26, 2022

57 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
3

Attendance rate at
Board and Committee
meetings in fiscal year
2021-2022
95.83%

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 SOITEC SA

President & Chief Executive Officer of Okmetic Oy (Finland) and Executive Vice President of National Silicon Industry Group (NSIG) (China)

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2022

- Director of Inderes Oy**⁽²⁾ (Finland)
- Director of Verkkokauppa.com** (Finland)
- Director of NoHo Partners**⁽²⁾ (Finland)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Director of Robit Oyj** (Finland) (2018-2020)
- Director of Technology Industries of Finland (Finland) (January 2012 – December 2018)

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

** Listed company.

(1) Appointment by co-option by the Board of Directors on May 6, 2019, for the remainder of the term of office of Nabeel Gareeb, who resigned, effective March 27, 2019. Ratification of the appointment and renewal of the term of office were approved at the Shareholders' General Meeting of July 26, 2019.

(2) Correction made after AMF filing.



THIERRY SOMMELET

Non-independent director

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 ended March 31, 2022

52 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

Years on the Board
7

Attendance rate at Board and Committee meetings in fiscal year 2021-2022
90.45%

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 Infos CE 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 SOITEC SA

Managing Director, member of the Management Committee and Head of Technology, Media and Telecom at Bpifrance (France)

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2022

- 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 THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Director of Groupe Ingenico** (France) (until 2020)
- Chairman of the Supervisory Board of Greenbureau SA (France) (until 2020)
- Permanent representative of Bpifrance Investissement, member of the Supervisory Board of Mersen** (France) (until May 2018)

* 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 was entitled to propose two Board members according to the Shareholders' Agreement that expired at the close of the Shareholders' General Meeting of July 28, 2021. 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

Non-independent director

Number of shares held: 0

Date of first appointment: May 6, 2019, effective May 7, 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 ended March 31, 2022

62 years old

Business address*
soitec

Skills
Finance
International
Industry
TMT
Executive Management

Committees
Member of the Audit and
Risks Committee

Years on the Board
3

Attendance rate at
Board and Committee
meetings in fiscal year
2021-2022
95%

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 SOITEC SA

Board director & Chief Executive Officer of Shanghai Simgui Technology Co. Ltd. (China) and Executive Vice President of National Silicon Industry Group (NSIG) (China)

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2022

- N/A

OFFICES THAT HAVE 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 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.



SHUO ZHANG

Independent director

Number of shares held: 0

Date of first appointment: July 26, 2019

Start date of current term: July 28, 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

57 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
3

Attendance rate at Board and Committee meetings in fiscal year 2021-2022
78.59%

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), Qester Technologies (1996-1998) and LSI Logic (1994-1996).

She started out as a research assistant at the Chinese Academy of Sciences (1987-1989) and at Penn State University (1990-1994).

Shuo Zhang has an MSc in Engineering from Penn State University (USA), a BSc in Electrical Engineering from Zhejiang University (China) and an Executive Management degree from Stanford University (USA).

MAIN POSITION OUTSIDE SOITEC SA

Managing Partner & Chief Executive Officer of Renascia Partners LLC (USA), Advisory Partner of Benhamou Global Ventures (USA) and Operating Partner of Atlantic Bridge Capital (USA)

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2022

- Director of Grid Dynamics (USA)
- Director of PDF Solutions Corp** (USA)
- Executive Director of Telink Semiconductor Corp. (China)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Director of Ampleon (Netherlands) (October 2015 – December 2017)

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

** Listed company.

NEW PROPOSED DIRECTORS' AND NEW PROPOSED DIRECTORS' REPRESENTATIVES' PROFILES



51 years old

Skills

Executive Management
International
Industry
TMT
CSR/HR

PIERRE BARNABÉ

Appointed Chief Executive Officer at the close of the July 26, 2022 Shareholders' General Meeting

Number of shares held: 0

Date of first appointment: proposed at the Shareholders' General Meeting of July 26, 2022

Start date of current term: N/A

End date of current term: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2026

PROFESSIONAL EXPERIENCE

Pierre Barnabé was appointed by the Board of Directors of Soitec to be the Group's new Chief Executive Officer in January 2022. After joining the Company in May, he will formally take up the position in July 2022.

Between 2015 and 2021, he was Executive Vice-President of the Atos group in charge of the Big Data & Cybersecurity (BDS) division. He also managed the group's Public Services & Defense, then Manufacturing activities. He was interim group CEO in 2021.

Before its acquisition by Atos in 2014, he was the Deputy CEO of Bull, the unique European leader in supercomputing, electronics for Artificial Intelligence, cybersecurity and cyberdefense from 2013 to 2015.

From 2011 to 2013, he was Managing Director of the Enterprise branch of the French Telco SFR, where he launched cloud computing and very high-speed broadband activities.

From 1998 to 2013, he held various positions at Alcatel then Alcatel-Lucent, first in sales, then as Chairman & Managing Director of Alcatel-Lucent France (formerly Alcatel CIT), before becoming Deputy Managing Director of the group in charge of Human Resources and Transformation.

Pierre Barnabé has been knighted in the French National Order of Merit.

Pierre Barnabé graduated from the NEOMA Business School and the Ecole Centrale de Paris.

MAIN POSITION OUTSIDE SOITEC SA

N/A*

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2022

- In January 2022, he joined the Board of Directors of Ipsos, the multinational market research and consulting firm.

* Correction made after AMF filing.



Skills

Executive Management
International
Industry
R&D

MAUDE PORTIGLIATTI

Number of shares held: 0

Date of first appointment: proposed at the Shareholders' General Meeting of July 26, 2022

Start date of current term: N/A

End date of current term: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2026

PROFESSIONAL EXPERIENCE

Since July 1, 2021, Maude Portigliatti has been a member of the Michelin group's Executive Committee and Executive Vice President of Michelin's High-Tech Materials businesses, with the mission of driving the change towards high-value new domains. She oversees sealing and belting solutions, the engineered polymers segment, as well as three joint ventures: Symbio (fuel cells), AddUp (metal 3D printing) and Solesis (materials for healthcare).

Starting in 2017, while based in South Carolina in the United States, she took the position of Innovation Deployment Programs Director, serving key customers in the Automotive Original Equipment Business Line.

Since joining Michelin in 2000, Maude Portigliatti has benefited from more than 15 years' experience in upstream and downstream R&D, over a wide technological scope, and managing global teams across multiple time zones. She was appointed Scientific Director in 2013, with the particular responsibility of developing partnership innovation within the group. She also headed the Advanced Research department where she was in charge of developing Michelin innovations for the tire and High-Tech Materials segments.

Maude Portigliatti is a graduate of INSA Lyon engineering school, where she majored in materials physics. She also holds a research Master's degree in materials science and a PhD in polymer physics.

MAIN POSITION OUTSIDE SOITEC SA

Executive Vice President of Michelin's High-Tech Materials businesses, member of Michelin's Executive Committee

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2022

- Co-Chair of the Board of Directors of Symbio
- Co-Chair of the Board of Directors of Add Up
- Co-Chair of the Board of Directors of Solesis



52 years old

Skills
 CSR/HR
 International
 Industry
 TMT

DELPHINE SEGURA VAYLET

Number of shares held: 0

Date of first appointment: proposed at the Shareholders' General Meeting of July 26, 2022

Start date of current term: N/A

End date of current term: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2026

PROFESSIONAL EXPERIENCE

Delphine Segura Vaylet began her career at Thales where she held various positions as HR Operations Director within the subsidiary Semiconducteurs Spécifiques and the Research Group, IT Group and Services France activities for 13 years. She then joined STMicroelectronics in 2007 as HR Director for the Digital Consumer branch. For four years, she was in charge of the Talent and Organization Development Department, then of Training at Group level. In 2014, she joined Zodiac Aerospace as the Group HR Director and ExCom member, until the sale to Safran. She joined the Total group in 2017 as Director of Group HR Strategy and Policy.

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

MAIN POSITION OUTSIDE SOITEC SA

Delphine Segura Vaylet joined Groupe SEB in January 2021 as Deputy Managing Director, Human Resources. She is in charge of the Human Resources Department of the Group and its subsidiaries worldwide and is responsible for the Talent, Organization and Learning Departments, Administration, Services, HR Data & Compensation and Global Labor Relations.

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2022

- Director and Chair of the Nomination, Compensation and Governance Committee of Artelia Group (for 3 years)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- N/A



FONDS STRATÉGIQUE DE PARTICIPATIONS

Represented by Laurence Delpy

(see her profile presented on page 132)

Number of shares held: 800,971 ⁽¹⁾

Date of first appointment: proposed at the Shareholders' General Meeting of July 26, 2022

Start date of current term: N/A

End date of current term: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2025

FSP is an investment company whose investments are managed by ISALT, an independent management company specifically created to manage FSP's equity interests. The shareholders and directors of FSP comprise seven French insurance companies: BNP Paribas Cardif, CNP Assurances, Crédit Agricole Assurances, Groupama, Natixis Assurances, Société Générale Assurances and Suravenir. In connection with its acquisition of its stake in Soitec's share capital, consistent with its intention to be a long-term investor, FSP has requested a seat for FSP as a company on Soitec's Board of Directors. This company Board seat would permit FSP's shareholders to classify their stakes as strategic equity investments for the purposes of Solvency II accounting. FSP would meet the independence criteria set by the Board of Directors, as it holds less than 10% of the Company's share capital. FSP has stated that it intends to appoint Laurence Delpy as its permanent representative.

The friendly investment is welcomed by the Board of Directors and Executive Management, and is made with a view to FSP making a long-term investment in the Group. FSP has affirmed its support for the Group's business model development. FSP provides long-term support to French companies in their growth and transition projects. It holds large "strategic" stakes in companies' share capital and participates in their governance structures through membership of their Boards of Directors or Supervisory Boards. FSP holds nine investments in its portfolio in French companies that are leaders in their fields: Seb, Arkema, Safran, Eutelsat Communications, Tikehau Capital, Elior, Néoen, Believe and Valeo.

(1) At June 15, 2022.



59 years old

Skills

Executive
Management
International
Industry

CEA INVESTISSEMENT

Represented by François Jacq

Number of shares held: 2,571,007

Date of first appointment: proposed at the Shareholders' General Meeting of July 26, 2022

Start date of current term: N/A

End date of current term: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2025

FRANÇOIS JACQ

PROFESSIONAL EXPERIENCE

Born in 1965, François Jacq studied at Ecole Polytechnique and Ecole des Mines in Paris. He holds a degree in sociology and a PhD in the history of science. In 2000, François Jacq became Chief Executive Officer of the French Agency for Radioactive Waste Management (ANDRA). In 2005, he joined the General Directorate for Energy and Raw Materials at the Ministry of Industry as Head of the Directorate for Energy Demand and Energy Markets. Between 2007 and 2009, he was advisor to the Prime Minister for Sustainable Development, Research and Industry. In April 2009, François Jacq joined Météo-France, the French national meteorological service, as Chairman and Chief Executive Officer, and Permanent Representative of France with the World Meteorological Organization. In September 2013, he was appointed as Chairman and Chief Executive Officer of Ifremer, the French national institute for marine science and technology. Since April 2018, he has been Chairman and Chief Executive Officer of CEA, the leading French research and technology organization (RTO).



39 years old

Skills

Finance
International
CSR/HR
Governance/Legal
TMT

BPIFRANCE PARTICIPATIONS

Represented by Samuel Dalens

Number of shares held: 3,636,007

Date of first appointment: July 2, 2013 (term of office of Bpifrance Participations)

Start date of current term: N/A

End date of current term: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2025

SAMUEL DALENS

PROFESSIONAL EXPERIENCE

Samuel Dalens is Investment Director at Bpifrance, in the Large Cap team, investing in mid-sized and large companies. Samuel has 14 years of experience in finance and private equity. Prior to joining Bpifrance in 2012, Samuel worked in the French administration, for two years at the Ministry of Foreign Affairs and four years at the Ministry of Finance (at the Budget Office then at the French Government Shareholding Agency). Samuel graduated from Ecole Polytechnique and Telecom Paris (he is a Mines engineer).

MAIN POSITION OUTSIDE SOITEC SA

Investment Director at Bpifrance Investissement (France)

OFFICES HELD OUTSIDE SOITEC SA AT MARCH 31, 2022

- Financial controller (i.e., observer) on the Supervisory Board of STMicroelectronics NV (Netherlands)
- Supervisory Board member of STMicroelectronics Holding NV (Netherlands) (whose reference shareholders are Bpifrance Participations and the Italian Ministry of Finance)
- Permanent representative of Bpifrance Investissement, observer on the Board of Directors of Gascogne (France)
- Permanent representative of Bpifrance Investissement, member of the Supervisory Committee of Attis 2 (France)
- Director on the Board of Labrador Investment Holdings Limited (United Kingdom)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Observer on the Supervisory Board of Idemia (France) until 2020
- Permanent representative of Bpifrance Participations, Board member of FT1CI (France) until 2019
- Permanent representative of Bpifrance Participations, Board member of Antalis International (France) until 2018

A. Summary table

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

	Age	Nationality	Number of offices held in non-Group listed companies ⁽¹⁾	MEMBER OF A BOARD COMMITTEE				End date of current term	No. of years on the Board ⁽²⁾	No. of Soitec shares held
				Strategic Committee	Audit and Risks Committee	Nomination and Governance Committee	Compensation Committee			
Éric Meurice <i>Chair of the Board</i>	65	French	3	●	●	●	●	2024 SGM	4	1,000
Paul Boudre <i>Chief Executive Officer</i>	63	French	1	●				2022 SGM	10	63,486
Wissème Allali <i>Employee director</i>	38	French	0				●	2024 SGM	1.5	269
Bpifrance Participations <i>(represented by Sophie Paquin)</i>	44	French	0			●	●	2022 SGM	9 ⁽²⁾	3,636,007 ⁽³⁾
Françoise Chombar	60	Belgian	2	●		●		2024 SGM	3	100
Laurence Delpy	51	French	0	●	●	●	●	2022 SGM	6	650
Christophe Gégout	46	French	1	●	●			2022 SGM	7 ⁽⁴⁾	100
Didier Landru <i>Employee director</i>	50	French	0	●				2024 SGM	1.5	469
Satoshi Onishi	59	Japanese	0			●		2024 SGM	7	100
Guillemette Picard	46	French	0	●	●	●	●	2022 SGM	6 ⁽⁵⁾	124
Kai Seikku	57	Finnish	1	●		●	●	2022 SGM	3	2,000
Thierry Sommelet	52	French	4	●	●			2022 SGM	7 ⁽⁶⁾	0 ⁽⁷⁾
Jeffrey Wang	62	American	0		●			2022 SGM	3	0
Shuo Zhang	57	American	1	●	●		●	2024 SGM	3	0

(1) Excluding the directorship held within Soitec.

(2) Bpifrance Participations has been successively represented by Fabienne Demol (from 2013 to April 2015), Thierry Sommelet (from April 2015 to July 2016), and Sophie Paquin (since July 26, 2016).

(3) Shares held by Bpifrance Participations.

(4) Including one year as permanent representative of CEA Investissement.

(5) Including four years as permanent representative of CEA Investissement.

(6) Including two years as permanent representative of Bpifrance Participations, then Bpifrance Investissement.

(7) Thierry Sommelet was appointed as a Board member on the proposal of Bpifrance Participations, which holds 3,636,007 shares. As an employee of Bpifrance, Thierry Sommelet is not authorized to directly hold any Soitec shares or to receive any compensation for his role as a Soitec Board member.

Independent director

Chair of a Committee

94.58%

average
attendance rate

11

meetings

41.67%

independent
members*

5

nationalities

2

employee
directors

14

members

3

year term
of office

41.67%

women*



* Excluding the employee directors.

B. Review of the composition of the Board of Directors

The Board of Directors regularly examines the individual situations of each of its members, as part of a general review of its composition and when putting forward directors for appointment or reappointment at the Shareholders' General Meeting. This review notably entails examining the following factors:

- the expertise the directors bring to the work of the Board and its Committees;
- their attendance at and involvement in meetings;
- their independence status and any potential conflicts of interest;
- their contribution to the Board's diversity.

The Board's members are expected to act with integrity and to the best of their abilities, as well as being pro-active, adept at exercising their judgment, and forward thinking.

Additionally, each director must be rigorous and have the availability required for the volume and frequency of Board and Committee meetings.

In accordance with the recommendations of the AFEP-MEDEF Code, the Board of Directors regularly reviews whether the Board and its Committees have a balanced membership structure, in order to assure shareholders and































































the market that it carries out its duties with due care, independence and objectivity, with proper regard to the Group's imperatives and strategy.

The Company's continuous communication with its shareholders and the voting results at the last Shareholders' General Meeting have shown the Board that the shareholders would like to see a greater proportion of independent directors. The Board has therefore decided to take advantage of the fact that the terms of office of eight directors are due to expire at the next Shareholders' General Meeting in order to rework its membership structure and create a better balance between independent members and members representing Soitec's value chain (i.e., directors representing suppliers and strategic shareholders). At the same time, it is seeking to retain its diverse membership and varied, cross-sector and complementary skills, which are valuable assets. Through its proposals to the July 26, 2022 Shareholders' General Meeting, the Board is aiming to achieve a proportion of independent directors exceeding 58% and to have a majority of independent directors on all of its Committees, while ensuring a smooth staggering of directors' terms of office, in accordance with the recommendations of the AFEP-MEDEF Code.

The Board's proposals relating to changes in its composition are set out in section 4.1.1.1 D of this Universal Registration Document.

1. Varied, cross-sector and complementary expertise

The directors, whose average age is 54, have extensive and diversified experience, which gives them varied, cross-sector and complementary expertise, as shown in the skills matrix below. It also allows them to swiftly and fully understand Soitec's business development objectives and make informed decisions.

	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 Gégout								
Didier Landru								
Satoshi Onishi								
Guillemette Picard								
Kai Seikku								
Thierry Sommelet								
Jeffrey Wang								
Shuo Zhang								

* Correction made after AMF filing.

2. Attendance and involvement

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

Name	Attendance at Board of Directors' meetings	Attendance at Strategic Committee meetings	Attendance at Audit and Risks Committee meetings	Attendance at Nomination and Governance Committee meetings	Attendance at Compensation Committee meetings
Éric Meurice	100%	100%	100%	100%	100%
Paul Boudre	100%	100%	-	-	-
Wissème Allali	100%	-	-	-	75% ⁽²⁾
Françoise Chombar	100%	100%	-	100%	-
Laurence Delpy	100%	100%	100%	100%	100%
Christophe Gégout	100%	100%	100%	-	-
Didier Landru	100%	100% ⁽¹⁾	-	-	-
Satoshi Onishi	100%	-	-	100%	-
Bpifrance Participations (represented by Sophie Paquin)	82%	-	-	83%	83%
Guillemette Picard	100%	100%	70%	100%	83%
Kai Seikku	100%	75%	-	100%	100%
Thierry Sommelet	91%	100%	80%	-	-
Jeffrey Wang	100%	-	90%	-	-
Shuo Zhang	73%	100%	70%	-	83%

(1) Appointed as a member of the Strategic Committee by the Board of Directors on June 9, 2021.

(2) Appointed as a member of the Compensation Committee by the Board of Directors on June 9, 2021.

3. Conflicts of interest and independence

Conflicts of interest

In accordance with the Board of Directors' Internal Regulation, directors must make every effort to avoid any situation that could cause a conflict between their own moral or material interests and the interests of the Group. Every director is also obligated to notify the Board of Directors of any situation involving a direct, indirect or even potential conflict of interest. The directors are also required to comply with the rules on conflicts of interest set out in the Company's Code of Good Conduct.

Furthermore, the Chair of the Board of Directors can, at any time, request a written statement from the Board members indicating that they do not find themselves in an actual or potential conflict-of-interest situation. If an actual or potential conflict of interest exists and the Chair considers that the reason for that conflict of interest 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.

Furthermore, the Board of Directors' Internal Regulation contains a strict confidentiality obligation applicable to the Board members representing the Company's three "strategic investors": Bpifrance Participations, CEA Investissement and NSIG Sunrise S.à.r.l, and employees of our strategic supplier ShinEtsu. These members do not have access to documentation and do not take 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.

Each year, the directors receive a questionnaire setting out illustrative examples of conflicts of interest and inviting them to declare any situations concerning themselves that could represent an actual, or potential, conflict of interest with respect to Soitec. Conflicts of interest brought to the attention of the Company trigger the stipulations of the Board's Internal Regulation described above. See also:

- section *Independence* below, which refers to the existence of business relations between certain directors and Soitec; and
- section 8.4 *Agreements with interested or related parties*, which sets out (i) the applicable procedure for reviewing related-party agreements, and (ii) the related-party agreements authorized by the Board of Directors which remained in force in fiscal year 2021-2022.

Based on the disclosures made to the Company by its corporate officers, and to the best of the Company's knowledge, in the past five years:

- None of its corporate officers have been convicted of fraud or been associated with any bankruptcy, sequestration, liquidation or receivership.
- None of its corporate officers have been formally incriminated or been subject to an official public sanction by a statutory or regulatory authority (including designated professional bodies).
- None of its corporate officers have been barred by a court from acting as a member of the administrative, management or supervisory body of an issuer or from being part of the management or conducting of an issuer's business.

In addition, there are no family ties between the corporate officers, nor any arrangements or agreements with Soitec's principal stakeholders whereby a member of its Board of Directors has been appointed a corporate officer of another entity.

Lastly, the directors are required to inform the Board of any offices they hold in other companies (both French and non-French), including if they sit on a Board committee, and the Chief Executive Officer must seek the Board's opinion before accepting any office in another company.

Independence

Pursuant to Article 1 a) of its Internal Regulation, the Board of Directors must use its best efforts to ensure that its composition, and in particular, its number of independent members, is in line with the recommendations of the AFEP-MEDEF Code.

Each year, the Nomination and Governance Committee conducts a review of the independence status of the Board members based on independence questionnaires given to each of them. The Nomination and Governance Committee's recommendations following this review are subsequently presented to the Board, which then examines the situation of each director. The independence criterion of business relations is examined in

two different stages. First, the Nomination and Governance Committee and then the Board of Directors verify whether business relations actually exist. If business relations are found to exist, a more detailed review is conducted to assess whether or not they are significant, based on qualitative criteria (context, history and organization of the relationship, as well as the respective powers of the parties) and quantitative criteria (materiality of the relationship for the parties).

In addition, each time a director is appointed or reappointed, the main aspects of their career path and the Board of Directors' conclusions as to their independence are disclosed at the Shareholders' General Meeting at which the shareholders are asked to vote on their appointment or renewal.

The table below shows the results of the 2021/2022 independence review of the members of the Board of Directors (excluding the employee directors, Wissème Allali and Didier Landru, who are not included in this review in accordance with Article 9.3 of the AFEP-MEDEF Code).

	Criterion 1	Criterion 2	Criterion 3	Criterion 4	Criterion 5	Criterion 6	Criterion 7	Criterion 8
	Employee or corporate officer in the past five years	Cross-directorships	Significant business relations	Close family ties with a corporate officer	Statutory Auditor in the past five years	Duration of term of office exceeding 12 years	Granted variable compensation in cash or securities or any compensation linked to Soitec's performance	Major shareholder
Éric Meurice ⁽¹⁾ <i>Independent</i>	x	x	x	x	x	x	x	x
Paul Boudre <i>Not independent</i>	✓	x	x	x	x	x	x	x
Bpifrance Participations (represented by Sophie Paquin) <i>Not independent</i>	x	x	✓	x	x	x	x	✓
Françoise Chombar <i>Independent</i>	x	x	x	x	x	x	x	x
Laurence Delpy <i>Independent</i>	x	x	x	x	x	x	x	x
Christophe Gégout ⁽²⁾ <i>Independent</i>	x	x	x	x	x	x	x	x
Satoshi Onishi <i>Not independent</i>	x	x	✓	x	x	x	x	x
Guillemette Picard ⁽³⁾ <i>Not independent</i>	x	x	✓	x	x	x	x	x
Kai Seikku <i>Not independent</i>	x	x	✓	x	x	x	x	✓
Thierry Sommelet <i>Not independent</i>	x	x	✓	x	x	x	x	✓
Jeffrey Wang <i>Not independent</i>	x	x	✓	x	x	x	x	✓
Shuo Zhang <i>Independent</i>	x	x	x	x	x	x	x	x

(1) Éric Meurice left NXP Semiconductors N.V., one of the Company's principal customers, in May 2019.

(2) Christophe Gégout, a director who was originally put forward by CEA Investissement but has been a Board member in his own name since 2016, (i) resigned from CEA in September 2018 and has not received any compensation from CEA since that date, and (ii) was in any event employed by CEA, an entity that is independent of CEA Investissement (which is a shareholder of Soitec).

(3) Guillemette Picard, who originally represented the corporate director CEA Investissement, has been a member of the Board in her own name since September 2020 following the reduction in CEA Investissement's stake in Soitec to below 10% of the Company's capital in August 2020. In addition, the shareholders' agreement between Bpifrance Participations, CEA Investissement and NSIG Sunrise S.à.r.l. expired on July 28, 2021.

The Board wishes to have several directors with experience in the field of semiconductors. However, the semiconductor market is known for its limited number of players, meaning that the Group has, or is likely to have, business relations with Shin-Etsu Handotai, Shanghai Simgui Technology Co. Ltd. and CEA. Several members of the Board of Directors – Éric Meurice, Satoshi Onishi, Jeffrey Wang, Kai Seikku, Christophe Gégout, Guillemette Picard and Shuo Zhang – hold or have held positions in the semiconductor industry. The Board of Directors considers that 5 out of

its 12 members (excluding the employee directors) are independent, i.e., 42%. Historically, the Board's composition has reflected the fact that it includes directors representing the Company's "strategic investors", or directors put forward by them.

The Board considers that it acts in a collegiate manner and is fully independent in its decision-making, particularly in view of the skills and profiles of its members.

Pursuant to the recommendation of the French financial markets authority (*Autorité des marchés financiers* – AMF), a table is set out below listing the directors who at the date of this Universal Registration Document are deemed to be independent based on the Board's assessment and the AFEP-MEDEF Code.

	Directors deemed to be independent based on	
	the Board's assessment	the AFEP-MEDEF Code
Éric Meurice	✓	✓
Paul Boudre	✗	✗
Bpifrance Participations (represented by Sophie Paquin)	✗	✗
Françoise Chombar	✓	✓
Laurence Delpy	✓	✓
Christophe Gégout	✓	✓
Satoshi Onishi	✗	✗
Guillemette Picard	✗	✗
Kai Seikku	✗	✗
Thierry Sommelet	✗	✗
Jeffrey Wang	✗	✗
Shuo Zhang	✓	✓

However, the Board has decided to take advantage of the fact that the terms of office of eight directors are due to expire to propose significant changes to the July 26, 2022 Shareholders' General Meeting, which would increase its independence rate to 58% and thereby bring the Board into compliance with the AFEP-MEDEF recommendations, as reflected hereafter:

• ASSESSMENT OF DIRECTORS' INDEPENDENCE BASED ON AFEP-MEDEF CRITERIA UNDER THE NEW PROPOSED BOARD COMPOSITION

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



4. Diversity

In addition to increasing the number of women members, the Board is committed to ensuring a diverse mix of French and international profiles, while also striking a balance between the Company's various stakeholders.

Balanced gender representation

Excluding the two employee directors, who, in accordance with Article L. 225-27-1 of the French Commercial Code, are not included in the gender ratio calculation, 5 out of the 12 current Board members are women, corresponding to a ratio of approximately 42%, which is higher than the minimum ratio of 40% provided for in the French Commercial Code and the AFEF-MEDEF Code. This gender diversity is also reflected in the composition of the Board Committees.

Employee representation on the Board

Members of the Board of Directors representing employees

In accordance with Article L. 225-27-1 of the French Commercial Code and Article 12 paragraph 5 of the Company's by-laws, the trade union organizations that obtained the most votes in the first round of the elections referred to in Articles L. 2122-1 and L. 2122-4 of the French Labor Code (*Code du travail*) were responsible for appointing the two employee directors. The Métallurgie Isère CFE-CGC trade union appointed Didier Landru on January 18, 2021, and the Soitec branch of the CGT trade union appointed Wissème Allali on January 22, 2021.

Subject to the legal provisions specifically applicable to 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 the Group, they are not eligible for directors' compensation in accordance with Soitec's by-laws.

Representatives of the Social and Economic Committee (SEC)

Two employees representing the Social and Economic Committee take part in all meetings of the Board of Directors, in a non-voting capacity, 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.

The Board's strong international dimension

The Company strives to reflect the international environment in which the Group operates. In line with this, the Board of Directors includes five different nationalities (American, Belgian, Japanese, Finnish and French) and has five members who are non-French nationals.

C. Changes in the composition of the Board of Directors in fiscal year 2021-2022

Since March 31, 2021, the following changes in the composition of the Board of Directors have taken place:

	Departures/appointments/reappointments
Éric Meurice	Reappointed for a three-year term at the Shareholders' General Meeting of July 28, 2021
Françoise Chombar	Reappointed for a three-year term at the Shareholders' General Meeting of July 28, 2021
Satoshi Onishi	Reappointed for a three-year term at the Shareholders' General Meeting of July 28, 2021
Guillemette Picard	Ratification of the co-option by the Shareholders' General Meeting of July 28, 2021 for a term expiring at the close of the Shareholders' General Meeting of July 26, 2022
Shuo Zhang	Reappointed for a three-year term at the Shareholders' General Meeting of July 28, 2021



Representation of Bpifrance Participations, CEA Investissement, and NSIG Sunrise S.à.r.l., the Company's "strategic investors"

Pursuant to a Shareholders' Agreement entered into on March 7, 2016, amended on April 29, 2016 and which expired at the close of the Shareholders' General Meeting of July 28, 2021, each of the three "strategic investors" had:

- two representatives on the Board of Directors if the strategic investor's ownership interest in Soitec was equal to or greater than 10%; or
- one representative on the Board of Directors if its ownership interest in Soitec was between 5% and 10%.

These representation provisions applied until the expiry of the Shareholders' Agreement at the close of the July 28, 2021 Shareholders' General Meeting.

D. Changes expected in fiscal year 2022-2023

The terms of office of eight directors are due to expire at the close of the July 26, 2022 Shareholders' General Meeting: Paul Boudre, Bpifrance Participations, Laurence Delpy, Christophe Gégout, Guillemette Picard, Kai Seikku, Thierry Sommelet and Jeffrey Wang.

The Board has decided to take advantage of the expirations to invite the July 26, 2022 Shareholders' General Meeting to further improve its governance methods by approving the appointment of new independent directors and the staggering of the terms of office of its directors, in accordance with the recommendations of the AFEF-MEDEF Code. Accordingly, the Board is proposing the appointment as a director of Pierre Barnabé (Chief Executive Officer), the reappointment of Christophe Gégout (independent director), Kai Seikku (proposed by NSIG), Bpifrance Participations (represented by Samuel Dalens) and the appointment of CEA Investissement (represented by François Jacq), FSP (represented by Laurence Delpy), Maude Portigliatti and Delphine Segura (both independent directors).

These appointments, reappointments and other changes will increase the independence ratio (to 58%) and lead to the renewal of 21% of Board members, while maintaining a high proportion of semiconductor industry experts (57%) and a ratio of women on the Board of 42%. The Board of Directors would still include five different nationalities (American, Belgian, Japanese, Finnish and French).

1. Non-independent directors

- **The appointment of Pierre Barnabé as a new director, replacing Paul Boudre, for a four-year term.**

Following its decision on January 18, 2022 to appoint Pierre Barnabé as the Company's Chief Executive Officer, replacing Paul Boudre, as of the close of the July 26, 2022 Shareholders' General Meeting, the Board of Directors has decided, based on the recommendation of the Nomination and Governance Committee, to propose Pierre Barnabé for appointment as a director for a four-year term (in accordance with the proposed amendment to Article 12.2 of the 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, 2026.

- **The appointment of CEA Investissement as a new director for a three-year term.**

As CEA Investissement is a long-standing partner of Soitec and the Board wishes to continue to have members who are experienced in the field of semiconductors, in the 13th resolution, the Board is asking the shareholders to appoint CEA Investissement for a three-year term expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2025.

If appointed, CEA Investissement would designate its Chairman and Chief Executive Officer, François Jacq, as its permanent representative.

François Jacq's profile is presented in section 4.1.1.1 of the 2021-2022 Universal Registration Document.

If the shareholders vote in favor of appointing CEA Investissement as a director, the Board of Directors intends to appoint CEA Investissement, represented by François Jacq, as a member of the Strategic Committee.

- **The reappointment of Bpifrance Participations as a director for a three-year term.**

Bpifrance Participations is a long-standing partner of Soitec. In the 11th resolution, the Board is asking the shareholders to reappoint Bpifrance Participations for a three-year term expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2025.

If reappointed, Bpifrance Participations would designate Samuel Dalens as its permanent representative.

Samuel Dalens's profile is presented in section 4.1.1.1 of the 2021-2022 Universal Registration Document.

If the shareholders vote in favor of reappointing Bpifrance Participations as a director, the Board of Directors intends to appoint Bpifrance Participations, represented by Samuel Dalens, as a member of the Audit and Risks Committee, the Nomination and Governance Committee and the Strategic Committee.

- **The reappointment of Kai Seikku, designated by NSIG, as a director for a three-year term.**

After examining the individual situation of Kai Seikku, both the Nomination and Governance Committee and the Board of Directors considered that he brings specialist skills and an in-depth understanding of Soitec and the issues related to its operations. In fiscal year 2021-2022, he had a 100% attendance rate at meetings of the Board of Directors. Therefore, on the recommendation of the Nomination and Governance Committee, the Board of Directors has decided, under the terms of the 12th resolution, to propose Kai Seikku, designated by NSIG, for reappointment as a director for a three-year term expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2025.

Kai Seikku's profile is presented in section 4.1.1.1 of the 2021-2022 Universal Registration Document.

If the shareholders vote in favor of reappointing Kai Seikku, designated by NSIG, as a director, the Board of Directors intends to reappoint him as a member of the Audit and Risks Committee, the Nomination and Governance Committee and the Strategic Committee.

After examining the individual situation of Kai Seikku, both the Nomination and Governance Committee and the Board of Directors considered that he brings specialist skills and an in-depth understanding of Soitec and the issues related to its operations. In fiscal year 2021-2022, he had a 100% attendance rate at meetings of the Board of Directors.

2. Independent directors

- **The reappointment of Christophe Gégout as an independent director for a four-year term.**

Christophe Gégout has put himself forward for reappointment. After examining the individual situation of Christophe Gégout, both the Nomination and Governance Committee and the Board of Directors considered that he brings specialist skills and an in-depth understanding of Soitec and the issues related to its operations. In fiscal year 2021-2022, he had a 100% attendance rate at meetings of the Board of Directors. Therefore, on the recommendation of the Nomination and Governance Committee, the Board of Directors has decided, under the terms of the 10th resolution, to propose Christophe Gégout for reappointment as a director for a four-year term expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2026.

Christophe Gégout's profile is presented in section 4.1.1.1 of the 2021-2022 Universal Registration Document.

If the shareholders vote in favor of reappointing Christophe Gégout as director, the Board of Directors intends to reappoint him as a member of the Audit and Risks Committee and the Strategic Committee.

- **The appointment of Fonds Stratégique de Participations ("FSP") as a new independent director for a three-year term.**

FSP is an investment company whose investments are managed by ISALT, an independent management company specifically created to manage FSP's equity interests. The shareholders and directors of FSP comprise seven French insurance companies: BNP Paribas Cardif, CNP Assurances, Crédit Agricole Assurances, Groupama, Natixis Assurances, Société Générale Assurances and Suravenir. In connection with its acquisition of its stake in Soitec's share capital, consistent with its intention to be a long-term investor, FSP has requested a seat for FSP as a company on Soitec's Board of Directors. This company Board seat would permit FSP's shareholders to classify their stakes as strategic equity investments for the purposes of Solvency II accounting. FSP would meet the independence criteria set by the Board of Directors, as it holds less than 10% of the Company's share capital. FSP has stated that it intends to appoint Laurence Delpy as its permanent representative.

The friendly investment is welcomed by the Board of Directors and Executive Management, and is made with a view to FSP making a long-term investment in the Group. FSP has affirmed its support for the Group's business model development. FSP provides long-term support to French companies in their growth and transition projects. It holds large "strategic" stakes in companies' share capital and participates

in their governance structures through membership of their Boards of Directors or Supervisory Boards. FSP holds nine investments in its portfolio in French companies that are leaders in their fields: Seb, Arkema, Safran, Eutelsat Communications, Tikehau Capital, Elior, Néoen, Believe and Valeo.

In view of the above, and on the recommendation of the Nomination and Governance Committee, and further to its analysis of the independence criteria confirming that, as FSP holds less than 10% of Soitec's share capital, and delegates management of its investments to ISALT, it would meet the AFEP-MEDEF Code criteria to be classified as independent, the Board of Directors has decided, in the 9th resolution to propose FSP for appointment as an independent director, represented by Laurence Delpy, to the Shareholders' General Meeting. Laurence Delpy brings specialist skills and an in-depth understanding of Soitec and the issues related to its operations. In fiscal year 2021-2022, she had a 100% attendance rate at meetings of the Board of Directors and the Committees of which she is a member.

If the shareholders vote in favor of appointing FSP as a director, the Board of Directors intends to appoint FSP, represented by Laurence Delpy, as a member of the Audit and Risks Committee, the Nomination and Governance Committee, the Compensation Committee and the Strategic Committee.

- **The appointment of Delphine Segura as a new independent director for a four-year term.**

Delphine Segura is Senior Executive Vice President of Human Resources at SEB and a member of its Executive Committee. She has close to 30 years of professional experience in human resources in large industrial groups, having worked at Thales and Zodiac, and more specifically in the semiconductor industry, with more than seven years spent at STMicroelectronics. During her career, she has been involved in restructurings and complex cross-border acquisitions and integrations and led talent development initiatives, as well as managing the Covid-19 crisis while at Total.

In view of her skills and experience, and after a rigorous selection process conducted by the Nomination and Governance Committee, the Board of Directors is asking the shareholders in the 14th resolution to appoint Delphine Segura for a four-year term expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2026.

Delphine Segura's profile is presented in section 4.1.1.1 of the 2021-2022 Universal Registration Document.

If the shareholders vote in favor of appointing Delphine Segura as a director, the Board of Directors intends to appoint her as a member of the Nomination and Governance Committee, the Compensation Committee and the Strategic Committee.

- **The appointment of Maude Portigliatti as a new independent director for a four-year term**

Maude Portigliatti is currently Executive Vice President of Michelin's High-Tech Materials business, which generates annual revenue of €1 billion. She sits on Michelin's Executive Committee and reports to the Chief Executive Officer. She benefits from a combination of extensive scientific and operational expertise, having worked on materials, products and processes, and currently leads a business unit with high growth prospects. She has worked in large corporations in both France and the United States. Passionate about technological innovation, she has led research programs and supported start-ups.

In view of her skills and experience, and after a rigorous selection process conducted by the Nomination and Governance Committee, the Board of Directors is asking shareholders in the 15th resolution to appoint Maude Portigliatti for a four-year term expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2026.

Maude Portigliatti's profile is presented in section 4.1.1.1 of the 2021-2022 Universal Registration Document. If the shareholders vote in favor of appointing Maude Portigliatti as a director, the Board of Directors intends to appoint her as a member of the Strategic Committee.

Subject to the adoption of the proposed appointments and reappointments by the shareholders, the composition of the Board of Directors at the close of the July 26, 2022 Shareholders' General Meeting would comply with all the recommendations of the AFEP-MEDEF Code, as follows:

- 7 out of the 12 directors would be independent (excluding the employee directors, who are not included in this calculation), i.e., an independence ratio of 58%, compared to 42% currently;
- 5 out of the 12 directors would be women (excluding employee directors), i.e., 42%, which is higher than the minimum ratio of 40% required under the French Commercial Code;
- 4 out of 6 of the members of the Audit and Risks Committee (excluding employee directors) would be independent directors, i.e., 67%, compared to 57% currently;
- the Compensation Committee would have 4 members, of whom 3 would be independent directors, i.e., 100% (excluding employee directors), compared to 50% currently;
- 4 out of 7 of the members of the Nomination and Governance Committee would be independent directors, i.e., 57%, compared with 43% currently.

The staggering of directors' terms of office would be further optimized, as follows:

- 4 terms of office to be renewed for a term of three years, expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2025;
- 4 terms of office to be renewed for a term of four years, expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2026;
- 4 directors reappointed in the prior fiscal year for a term of three years, 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 considers that this composition would be balanced and satisfactory, in line with regulatory requirements and the recommendations of the AFEP-MEDEF Code.

The table below lists the departures and proposed appointments and reappointments of directors at the July 26, 2022 Shareholders' General Meeting.

Departures	Appointment/Reappointment
1. Paul Boudre	1. Pierre Barnabé (appointment)
2. Jeffrey Wang	2. Delphine Segura (appointment)
3. Bpifrance Participations, represented by Sophie Paquin	3. Bpifrance Participations (reappointment), represented by Samuel Dalens
4. Guillemette Picard	4. CEA Investissement (appointment), represented by François Jacq (new)
5. Laurence Delpy	5. Fond Stratégique de Participations, represented by Laurence Delpy (appointment)
6. Kai Seikku (designated by NSIG)	6. Kai Seikku (designated by NSIG) (reappointment)
7. Christophe Gégout	7. Christophe Gégout (reappointment)
8. Thierry Sommelet	8. Maude Portigliatti (appointment)

4.1.1.2 Board of Directors' operating procedures

The operating procedures of the Company's Board of Directors are governed by the applicable legal and regulatory provisions, as well as by the Company's by-laws and the Board of Directors' Internal Regulation ⁽¹⁾.

A. Restricted meetings of the Board of Directors

In accordance with Article 2. e) of the Board'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 are held without the presence of Board members who are also members of Executive Management, or of members in a potential conflict-of-interest situation given the issues on the meeting's agenda.

These meetings, convened by the Chair of the Board of Directors who also sets the agenda, may notably be held in order to discuss performance, compensation, succession planning and actual or potential conflicts of interest involving members of the Board who are also members of Executive Management. Restricted meetings may also be called in order to discuss any other specific matters, as well as the internal functioning of the Board of Directors.

However, no decisions, deliberations, actions or formal resolutions falling within the remit of the Board of Directors may be taken during these meetings. The matters discussed may or may not be recorded in the minutes. Any issues discussed at these meetings that fall within the remit of the Board of Directors and require action must be brought to the Board's attention and, where appropriate, be placed on the agenda of its next ordinary meeting and subject to a formal decision.

During fiscal year 2021-2022, the Board of Directors held restricted meetings, notably to discuss succession arrangements for the Chief Executive Officer as well as his performance and compensation.

B. Role of the Chair of the Board of Directors

Éric Meurice, an independent director, has chaired the Board of Directors since March 27, 2019.

In addition to the tasks assigned to them by law, the Chair of the Board of Directors ensures that the Board operates effectively. In particular, they make sure that there is a culture of openness and transparency within the Board in order to allow for informed debate. They also verify that the directors receive the information they need ahead of each meeting, so that the Board's discussions and deliberations are effective and the directors can properly carry out their duties.

The Chair is informed, in a timely manner, by the Chief Executive Officer of any significant issues and events of interest to the Company, notably those relating to its strategy, functioning and organization, planned acquisitions or divestments, and major financial transactions. To this end, the Chair may ask the Chief Executive Officer to provide them with any information or documentation that could give the Board and its Committees useful insight as regards to the above. The Chair brings to the Group and the Chief Executive Officer their industry knowledge, experience and vision.

The Chair represents the Board of Directors and helps to embed Soitec's corporate values and culture. They use their best efforts to promote the Group's initiatives, notably in terms of responsible environmental, social and governance (ESG) practices. In particular, they ensure that best corporate governance principles are effectively applied.

The Chair is also responsible for preventing actual or potential conflicts of interest. To this end, they inform the Board of Directors of any actual or potential conflicts of interest involving Board members.

⁽¹⁾ The Company's by-laws and the Board of Directors' Internal Regulation are available on Soitec's website at www.soitec.com.

In certain circumstances, they may occasionally be required to represent the Company in its high-level dealings at both national and international level, particularly in its relations with public authorities, institutions, regulators, shareholders (having previously liaised with the Chief Executive Officer regarding issues impacting the Company's strategy or operations) and key stakeholders of the Company.

C. Dialogue with shareholders

In accordance with the recommendations of the AFEP-MEDEF Code, mainly the Chair but also the directors may communicate directly with the Company's shareholders in order to explain the Board's position in areas falling within governance.

D. Information, training and resources for directors

When they take up office, each member receives the documentation required for understanding the rules of the Board's functioning.

The non-executive directors may also meet – with or without the executive directors being present – with certain Group senior executives, after first informing the Chief Executive Officer and the Chair of the Board, except in certain circumstances (i.e., for reasons of urgency, necessity, or conflict of interest, or when an Executive Committee member is in regular contact with the Board of Directors).

Directors can also, if they deem necessary, be given training about the Company, its businesses and sectors of activity, and/or about corporate social responsibility issues. In compliance with applicable regulations, members of the 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 the directors.

Executive Management also periodically sends a scorecard to directors that shows the achievement levels for key indicators, particularly financial indicators, and which includes a comparison with forecast levels.

The directors can also ask any of the senior managers and the Board Secretary for any additional information or clarifications they may require for performing their duties.

In order to properly carry out its work (or the work of its Committees), the Board of Directors may call on external independent advisors or experts and may commission independent reviews, at the Company's expense. The Board of Directors has a specific separate budget in this respect which is allocated each year as decided by the Board. In connection with the allocation of this specific budget which may be used by the Board at its own discretion, the Chair of the Committee wishing to call on external advisors or experts informs and seeks the approval of the Board Chair, and determines reasonable fees and acceptable terms of engagement that comply with industry standards.

E. Selection of directorship candidates

In accordance with Article 1 a) of the Board of Directors' Internal Regulation, the Board must make every effort to put forward directorship candidates who have industrial and/or accounting and financial skills. Furthermore, their profiles and skills should meet Soitec's needs and comply with the applicable regulatory requirements and the recommendations of the AFEP-MEDEF Code.

The Board of Directors is guided by the recommendations of the 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, the Board of Directors particularly draws on the Nomination and Governance Committee's work on the Board's assessment of its own composition, organization and operation when identifying new candidates or putting forward directors for reappointment. This process guarantees a balanced diversity in terms of 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 the Board to help it select candidates for co-option, appointment or reappointment as directors.

F. Ethics

1. Duties of the members of the Board of Directors

Representation of shareholders' interests

The Board of Directors' Internal Regulation stipulates that the Board represents the collective interests of all of the Company's shareholders and must act, in all circumstances, in the Company's best interest. All the directors, regardless of their role on the Board or the positions they may hold in other companies, must always act in accordance with those principles and with due care.

Knowledge of their obligations

The directors are required to know the general and specific obligations associated with their directorship duties. They must in particular know and comply with the applicable legal and regulatory provisions, as well as the Group's own rules that are set out in the Company's by-laws and Code of Good Conduct, and the Board of Directors' Internal Regulation.

Compliance with stock market regulations

Pursuant to (i) Regulation (EU) 596/2014 of the European Parliament and of the Council dated April 16, 2014 on market abuse (the "**Market Abuse Regulation**", or "MAR"), (ii) position-recommendation 2016-08 dated October 26, 2016 of the AMF, and (iii) the Board of Directors' Internal Regulation, the Company's directors and senior executives are prohibited from trading in our Company's shares during periods preceding results releases (i.e., (i) for 30 calendar days before the Company releases its provisional or final annual and half-year results, and (ii) for 15 calendar days before it releases its quarterly financial information), and in general for as long as they are privy to inside information.

Disclosure of securities transactions

All Board members and senior executives, and any persons closely related to them, are required to disclose any purchases, sales or transfers they carry out in the Company's financial securities to the AMF when the aggregate amount of those transactions exceeds €20,000 in any given calendar year. Such disclosures must be made electronically, within three business days of the transaction date. This disclosure obligation covers, more generally, all transactions carried out on their own behalf in shares of the Company or debt securities issued by it, or derivative instruments, as well as transactions conducted in related financial instruments.

The table below summarizes the transactions carried out in fiscal year 2021-2022 (transactions disclosed when their aggregate value exceeds €20,000 per disclosing party in a given calendar year).

Disclosing party	Didier Landru	Laurence Delpy
Capacity	Employee director	Director
Issuer	Soitec	Soitec
LEI	969500ZR92SQC9TST26	969500ZR92SQC9TST26
Type of financial instrument	Ordinary shares	Ordinary shares
Financial instrument identification code	FR0013227113	FR0013227113
Number of financial instruments	205	500
Type of transaction	Sale	Vesting
Transaction date	August 30, 2021	January 27, 2022
Place of transaction	Euronext Paris	Euronext Paris
Unit price	€207.6498	€162.2966
Total amount of the transaction	€42,568.21	€81,148.30

Directors' involvement in the Board's work

Under the terms of the Board's Internal Regulation, the directors undertake to give the necessary time and attention to their duties. They undertake to attend and participate in all meetings of the Board of Directors and of any Committees to which they belong. They must also attend Shareholders' General Meetings.

The terms and conditions for setting and allocating compensation to the individual directors out of the aggregate amount decided on by the Board are stricter than the recommendations of the AFEP-MEDEF Code. The total amount of directors' compensation allocated to the members of the Board of Directors for fiscal year 2021-2022 was weighted in line with each director's meeting attendance rate during the year, apart from for the Chair, who receives €230,000 in fixed compensation in that capacity (see section 4.2 of this Universal Registration Document).

Duty of confidentiality

The directors, as well as any other persons invited to attend meetings of the Board and/or its Committees, are subject to a duty of discretion concerning all confidential information which is identified as such by the Chair of the Board of Directors or the person chairing the meeting if the Chair is unable to attend. Beyond this legal discretion obligation, Board members are bound by a true confidentiality obligation with regard to the information, discussions and exchanges resulting from the meetings of the Board of Directors or its Committees.

In the case of a proven breach of confidentiality by one of the directors or any other person that attends meetings of the Board of Directors and/or its Committees, the Chair of the Board of Directors is responsible for considering the consequences, which may be legal.

2. Restrictions applicable to, or which may relate to, members of the Company's administrative and management bodies

Share ownership requirement for members of the Board of Directors

Pursuant to Article L. 225-25 of the French Commercial Code, Article 13 of the Company's by-laws does not require Board members to own at least one Soitec share. However, the Board of Directors' Internal Regulation stipulates that the directors, with the exception of (i) permanent representatives appointed by corporate directors, (ii) members representing institutional investors and (iii) employee directors, must hold a significant number of Soitec shares.

Holding conditions for free shares allocated to corporate officers

The Chair of the Board of Directors does not receive any free share grants. The Chief Executive Officer is subject to holding conditions, as described in section 4.2 of this Universal Registration Document.

The Chief Executive Officer currently holds 63,486 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 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, for the "Onyx" performance share plan dated November 18, 2020 vesting in August 2023, and for the Onyx 24 performance share plan dated July 28, 2021 vesting on August 1, 2024.

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.

G. Assessment of the Board of Directors

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, the Board of Directors performs an annual assessment of its composition, organization and functioning, as well as those of its Committees.

It may take the form of anonymous questionnaires sent to each Board member, or also an assessment conducted with the assistance of an external consultant.

The results of the assessment are presented and discussed at a Board of Directors' meeting, under the direction of the Chair of the Nomination and Governance Committee.

The various roles and responsibilities and duties of the Board and its members are reviewed and assessed, and recommendations (where applicable) are made to improve the functioning of the Board. The results are presented to the shareholders each year in the corporate governance report.

2. Analysis by the Nomination and Governance Committee and improvements approved by the Board of Directors for fiscal year 2021-2022

The Nomination and Governance Committee carried out a self-assessment of the composition, organization and operation of the Board of Directors and the Board Committees for fiscal year 2021-2022 based on a detailed, comprehensive questionnaire, 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 meetings on March 30, 2022 and April 26, 2022.

The directors are generally satisfied with the effectiveness and quality of the information given to them by the Company for performing their duties, although some said they would like to have additional information on certain strategic topics, as well as on the Company's organizational changes and HR policies/employee satisfaction. Similarly, most of the directors gave a positive assessment of each member's contribution to the Board's work. Concerning the way in which the Board Committees operate, most directors expressed overall satisfaction.

In addition, as announced in January 2022, the Board of Directors appointed Christophe Gégout, in his capacity as an independent director, and Ledconseil, represented by Juliette d'Aboville, in its capacity as an external governance expert, to examine its governance processes and structure.

Following completion of the process carried out over several weeks, the expert issued a series of recommendations, notably confirming the Board's intention to propose to the July 26, 2022 Shareholders' General Meeting to appoint new directors who will raise the level of independence of the Board of Directors and its Committees so that they comply with the AFEP-MEDEF Code.

The Board of Directors also intends to appoint a Lead Independent Director further to the appointments of the new directors. Among other things, the Board intends to organize joint training for Board and Executive Committee members on governance rules and issues related to the code of conduct. The Board of Directors approved all of these recommendations and worked on an implementation timetable, with the aim of them being fully deployed by the end of fiscal year 2022-2023.

H. Work of the Board of Directors

Board meetings are convened by the Chair, Éric Meurice, whenever necessary and at least four times per fiscal year. Eleven Board meetings were held in fiscal year 2021-2022, with an average attendance rate of 94.58%.

Each year, the Board of Directors is required to examine and take decisions on topics that are identical from one fiscal year to another. These topics include, but are not limited to:

- a review of the activities of the Board Committees;
- a review of the Group's business and strategy, as well as the determination of its strategic directions;
- approval of the budget and investments;
- approval of the statutory and consolidated annual and half-yearly financial statements;
- approval of the Company's provisional financial statements;
- determination of the compensation for the corporate officers;
- a review of information communicated to the public (including the Universal Registration Document);
- the preparation of the Shareholders' General Meeting;
- an assessment of the composition, organization and operation of the Board and its Committees;
- a review and/or approval of new or renewed related-party agreements;
- a review of agreements concerning routine transactions and entered into on arm's length terms;
- an analysis of the undertakings, endorsements and guarantees granted by the Company;
- a review of certain press releases.

In addition to recurring topics, a number of exceptional matters were examined by the Board during fiscal year 2021-2022, as shown in the table below.

Topic	Agenda item
Strategy	Review of strategic initiatives
	Investment studies
	Review of various presentations and market research
	Review of the multi-year business plan
Financial policy	Early redemption of the OCEANE 2023 convertible bonds
	The share buyback program
	Change in the reporting method for results
Governance (Soitec)	Adoption of a corporate purpose for the Company
	Soitec's diversity policy
	Soitec's climate policy
Governance (Board of Directors' operating procedures)	Reappointment of the Chair of the Board of Directors
	Revision of the Board of Directors' Internal Regulation
	Adoption of a budget specifically for the Board of Directors
	Review of the Board of Directors' composition
	Implementation of a Governance project (and adoption of recommendations to achieve the best corporate governance practices)
Governance (succession plan)	Implementation of a succession process for the Chief Executive Officer
	Appointment of the new Chief Executive Officer and setting the terms and conditions for his joining Soitec
Compensation	Adoption of employee share ownership plans
	Monitoring the vesting of employee share ownership plans set up in previous years
	Review of the compensation of Executive Committee members

4.1.2 The Board Committees

For the purpose of carrying out its duties, the Board of Directors is assisted by the five Committees it has set up. 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 have no decision-making power. The opinions, proposals or recommendations that they submit to the Board of Directors are not

binding in any way. They carry out their work under the aegis of the Board of Directors, which has sole legal decision-making power and remains collectively responsible for the fulfillment of its duties.

The Board of Directors may decide to create special focus groups devoted solely to reviewing matters of an exceptional nature or specific issues of strategic importance for the Company over a specified period of time.

4.1.2.1 Composition of the Board Committees

A. Committee members

The composition of the Board Committees is presented in section 4.1.1.1 A. of this Universal Registration Document. There were no changes in the Committees' composition in fiscal year 2021-2022, except for the appointments of Wissème Allali and Didier Landru to the Compensation Committee and the Strategic Committee respectively, on June 9, 2021.

The Board of Directors envisages making the following changes to the Committees' composition following the July 26, 2022 Shareholders' General Meeting:

	Non-independent	Independent	Female	New	Industry expert	Audit	Comp.	Nom.	Strat.
<i>Bpifrance Participations - represented by Samuel Dalens</i>	1					●		●	●
<i>CEA Investissement - represented by Francois Jacq</i>	1			1					●
Kai Seikku	1				1	●		●	●
<i>FSP - represented by Laurence Delpy</i>		1	1			●	●	●	●
Satoshi Onishi	1				1				●
Pierre Barnabé	1								●
Didier Landru	1				1	●			●
Wissème Allali	1		1		1		●		●
Eric Meurice		1			1	●		●	●
Delphine Segura		1	1	1	1		●	●	●
Shuo Zhang		1	1		1	●	●		●
Christophe Gégout		1				●			●
Maude Portigliatti		1	1	1					●
Françoise Chombar		1	1		1			●	●
Including employees	7	7	6						
Independence ratio	50%	50%	43%	21%	57%	57%	75%	67%*	50%
Excluding employees	5	7	5						
Independence ratio	42%	58%	42%	25%	50%	67%	100%	67%*	58%

Staggered terms	Black	July 2024	term	4 directors
	Purple	July 2025 or 2026	term	decision by draw - 4 to be up by July 2025 and 3 to be up by July 2026
	Blue	July 2026	term	CEO

* Corrections made after AMF filing.

B. Other participants in committee meetings

1. Strategic Committee

The Chief Executive Officer is invited to attend each meeting of the Strategic Committee, if they are not already a member. 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 provided this complies with the applicable ethics rules (notably concerning potential conflicts of interest).

2. Audit and Risks Committee

In accordance with the report of the AMF working group on audit committees, the Board of Directors reviews the particular expertise of the proposed members in financial and/or accounting matters, particularly with regard to listed companies. To this end, the Board takes into consideration the professional experience and/or academic background of the profiles it reviews. The Board considers that all of the members of the Audit and Risks Committee have specific expertise in financial matters, particularly in view of their professional experience.

In addition to the Committee's members, the following persons attend and contribute to the Audit and Risk Committee's discussions: the Chief Financial Officer, either alone or accompanied by one or more members of her team, and the Statutory Auditors when there is an agenda item related to their work.

3. Compensation Committee and Nomination and Governance Committee

The Chief Executive Officer may be invited to attend meetings of the Compensation Committee and the Nomination and Governance Committee, none of whose members may be an executive corporate officer. In the case of the Nomination and Governance Committee, the Committee Chair and the Chair of the Board of Directors must be notified in advance that the Chief Executive Officer will be attending.

Within the Compensation Committee, the Chief Executive Officer may not take part in deliberations concerning his compensation.

It is standard practice for the Head of People & Sustainability to attend meetings of these two committees.

C. Resources

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 Chair of the Board of Directors, who then has the Board approve the overall budget.

When a Committee decides to call on an external expert or advisor, the Chair of the Committee in question informs the Board Chair, who allocates the approved annual budget. The Chair of the Committee in question may request additional funds from the Board if necessary, subject to the Committee Chair informing the Board of Directors at its next meeting. In connection with the allocation of this specific budget, the Board Chair or the Chair of the Committee determines reasonable fees and acceptable terms of engagement that comply with industry standards.

Lastly, each Committee may contact and meet with the Company's key senior executives after informing the Chair of the Board or, if the latter disagrees, the Chair of the Nomination and Governance Committee, provided that a report is subsequently provided to the Board of Directors in this respect.

4.1.2.2 Work of the Board Committees in fiscal year 2021-2022

A. Strategic Committee

During the year, the Committee met four times, with an attendance rate of 97.50%. The Committee worked on all subjects related to the Group's business, including products, markets and organization and its strategy for the next five years.

B. Audit and Risks Committee

During the year, the Committee met 10 times, with an attendance rate of 87.14%. The Committee worked on its customary missions relating to audit and internal control.

For the purposes of carrying out its duties, the Committee had the opportunity for regular, independent discussions with the Statutory Auditors.

At each closing of the annual and half-year statutory and consolidated financial statements, the Audit and Risks Committee verified the closing process and read the Statutory Auditors' report.

The Committee also examined the off-balance-sheet commitments, the accounting options retained for establishing provisions, as well as the risk mapping.

It also reviewed the terms of each of the financial press releases and financial reports published during the year, as well as the financial, accounting and economic items submitted for approval to the last Shareholders' General Meeting.

The Committee also examined the report by our Chair of the Board of Directors on corporate governance drafted for the fiscal year ended March 31, 2021, in accordance with the provisions of Article L. 225-37 of the French Commercial Code.

In addition to its recurring annual work, the Audit and Risks Committee worked particularly on the following topics:

- early redemption of the OCEANE 2023 convertible bonds;
- reappointment of the Principal and Alternate Statutory Auditors;
- examination of a share buy-back program;
- the rise in capital expenditure related to the accelerated increase in production capacity;
- a review of routine agreements entered into on arm's length terms falling within the scope of Article L. 225-39 of the French Commercial Code, as required pursuant to Article L. 22-10-12 of the French Commercial Code;
- review of the risk map and the risks presented in the Universal Registration Document;
- the change in the reporting method for results;
- study of a presentation on cybersecurity;
- study of a presentation on Soitec's climate policy;
- review of internal control and compliance programs.

C. Nomination and Governance Committee

During the year, the Nomination and Governance Committee met six times, with an attendance rate of 97.62%.

In addition to its recurring annual work, the Committee particularly worked on the following topics:

- amendments to the Board of Directors' Internal Regulation;
- appointment of Éric Meurice as Chair of the Board of Directors;
- the list of recommended target profiles for the Board of Directors and its Committees;
- composition of the Board Committees;
- the succession process for the Chief Executive Officer;
- the Board assessment process.

Once a year, the Committee also meets to hear the Chief Executive Officer report on changes in the management and organization of the Executive Committee.

D. Compensation Committee

During the year, the Compensation Committee met six times, with an attendance rate of 89.29%.

In addition to its recurring annual work, the Compensation Committee particularly worked on the following topics:

- proposal to the July 28, 2021 Shareholders' General Meeting to adopt the Company's corporate purpose;
- Soitec's diversity policy;
- Soitec's climate change policy;
- issuance of new ordinary shares to employee beneficiaries under the "PAT 3" plans;
- setting up a free share plan ("Onyx 2024") for employees and certain corporate officers, subject to a continued presence condition and performance conditions;
- delivery of PS 2 following the vesting of the second tranche of the Topaz 2019 long-term co-investment plans;
- issuance of new ordinary shares to employee beneficiaries under the November 2020 Topaz plan.

4.1.3 Executive Management

4.1.3.1 Chief Executive Officer

At the date of this Universal Registration Document, Paul Boudre is the Company's Chief Executive Officer. His profile is presented in section 4.1.1.1 of this Universal Registration Document.

As announced on January 19, 2022, the Board of Directors has chosen Pierre Barnabé to succeed Paul Boudre as Chief Executive Officer. Pierre Barnabé joined the Group on May 1, 2022, tasked by the Board to work closely with Paul Boudre until he takes over as Chief Executive Officer

after the July 26, 2022 Shareholders' General Meeting in order to ensure a smooth leadership transition.

Pierre Barnabé's profile is presented in section 4.1.1.1 of this Universal Registration Document. He was selected for this role following a rigorous and thorough assessment process conducted by the Board of Directors and the Nomination and Governance Committee, which explored all options for implementing the succession plan.

4.1.3.2 Cross-directorships

The AFEP-MEDEF Code recommends that executive corporate officers should not hold more than two other directorships in listed corporations – including foreign corporations – that are not affiliated with the executive

corporate officer's group. Paul Boudre only holds one other directorship in a French or foreign listed company. This is also the case for Pierre Barnabé.

4.1.3.3 Powers of the Chief Executive Officer

Subject to any restrictions on their powers imposed by the Board of Directors' Internal Regulation – which only apply within Soitec and are not binding on third parties – the Chief Executive Officer is vested with the broadest powers to act in all circumstances on behalf of the Company. They exercise their authority within the limit of the corporate purpose and subject to the powers expressly bestowed by the law on Shareholders' General Meetings and on the Board of Directors.

In addition to the consultations that the Chief Executive Officer is required to carry out with the Board of Directors and/or the prior authorizations

that they are required to obtain from the Board in accordance with the applicable regulations, Article 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.

The Board's Internal Regulation sets out a number of significant transactions and decisions that require the prior authorization of the Board of Directors. This Internal Regulation is published on Soitec's website at www.soitec.com.

4.1.3.4 Executive Committee

The Executive Committee is led by the Chief Executive Officer and comprises 11 members, who have complementary and varied skills, and in-depth knowledge of the Group's business and strategic goals. It includes representatives from the Group's operations and support departments and its purpose is to inspire, lead, manage and develop the Group's business in a collegial manner. Its aim is to keep capturing growth in Electronics

markets, and to pursue growth in the Company's profitability while working towards long-term sustainability.

The Executive Committee meets whenever required, under the leadership of the Chief Executive Officer, and its members hold weekly conference calls and perform quarterly detailed reviews.

The decision processes and operating methods are defined in the management system steered by the Quality Department.

At the date of this Universal Registration Document, the members of the Executive Committee are:

Name	Function
Léa Alzingre	Chief Financial Officer
Bernard Aspar	Chief Operating Officer
Christophe Maleville	Senior Executive Vice President, Innovation & Chief Technical Officer
Joséphine Mansour	Senior Vice President & General Counsel
Cyril Menon	Senior Executive Vice President, Global Supply
Pascal Lobry	Executive Vice President, People and Sustainability
Steve Babureck	Senior Vice President, Strategy & Investor Relations
Thomas Piliszczuk	Executive Vice President, Global Business
Yvon Pastol	Executive Vice President, Customer Group
Reiner Breu	Vice President, Quality
Philippe Pellegrin	Vice President, Global Sourcing & Procurement

4.1.3.5 Gender diversity policy in Soitec's management bodies

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 taken into account to make appropriate and fair decisions in a context of equal access to pay rises and career promotions, and 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 until 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 meetings on September 15, 2021 and April 26, 2022. 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 confirmed 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. Employees have featured in short films designed to raise awareness about sexist behaviors. 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. Several gender pay gaps by job grade and age bracket were eliminated in fiscal year 2021-2022. The gender equality index scores since 2018 are as follows:

- 84/100 as at March 31, 2018
- 89/100 as at March 31, 2019 and 2020
- 94/100 as at March 31, 2021 and 2022

Similarly, our subsidiary Dolphin Design, in which the Company took a stake in 2018 and which operates in an industry that is even more male-dominated than the semiconductor sector, improved significantly during the year, registering a gender equality index of 91/100 compared to 89/100 in fiscal year 2020-2021 and to 79/100 one year earlier.

During the 2021 promotion campaigns and people review, as a result of this work, strictly equal access to promotion has been ensured for both genders on a worldwide basis. A specific budget provided for in the collective agreement signed on March 21, 2022 with the trade unions has also closed or reduced gender pay gaps, in addition to the regular amounts dedicated to merit increases and promotions.

A. Executive Committee

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. As the composition of the Executive Committee remained unchanged in the last fiscal year, the opportunity to improve the ratio of women did not arise.

By fiscal year 2024-2025, the Company has set itself the objective of having at least 25% of women on its Executive Committee.

B. Top management positions

More generally, we carefully monitor the population holding the positions whose classification in our internal business architecture is greater than or equal to 150 (senior management level and above). 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 has improved significantly, increasing to 19% as of March 31, 2022 from 17% one year earlier.

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).

C. Succession plan

Following the appointment of the Company's new Chief Executive Officer, a review of Soitec's succession plan will be undertaken, covering the corporate officers and the Group's main senior executives.

The Nomination and Governance Committee will be closely involved in drawing up and monitoring the succession plan, ensuring that the proportion of men and women in the successors put forward is as balanced as possible.

4.2 Compensation

4.2.1 Compensation policies applicable to corporate officers

This section of the corporate governance report will be submitted to Soitec's shareholders for approval in specific resolutions at the July 26, 2022 Shareholders' General Meeting.

4.2.1.1 Fundamental principles for determining the compensation policies

The Board of Directors sets the compensation policies for the corporate officers in the best interests of the Company. The policies adopted are based on recommendations issued by the Compensation Committee, which takes into account the principles set out in the AFEP-MEDEF Code (comprehensiveness, balance between compensation components, benchmarking, consistency, clear rules, and proportionality).

The Board thus ensures that the compensation policies are in line with Soitec's best interests and in particular that:

- they are aligned with the Company's overall business strategy and are compatible with the operating context;
- they support the Company's financial and overall business performance and competitiveness over the short, medium and long term, and integrate criteria related to social and environmental responsibility;
- they are aligned with standard market practices for comparable companies.

A. Corporate officers' total compensation structure is in line with the Company's business strategy and is designed to contribute to its long-term success

The Board seeks to incentivize the Chief Executive Officer to achieve the highest possible performance objectives based on various Company success criteria, and to implement this approach over a long period of time and in a consistent way. His variable compensation makes up the majority of his total compensation, and is set based on clear, quantifiable and demanding criteria that are relevant to the Company's business model and sustainable development. The applicable performance metrics are consistent, with annual and multi-annual assessment periods adapted to the timeframes of each of the objectives set. In other words, the Chief Executive Officer's performance conditions are demanding and correspond to the key factors underlying the Company's profitable, sustainable and responsible growth.

For the members of the Board of Directors (other than the Chair, who receives fixed compensation, and the unpaid directors), their compensation is based entirely on their attendance at Board meetings.

B. The structure of corporate officers' compensation packages is straightforward and transparent, ensuring that they are attractive to the corporate officers while being fair and acceptable to stakeholders

The components of the corporate officers' compensation are clear, straightforward and demanding. The compensation packages of the Chief Executive Officer and the Executive Committee members are made up of fixed and variable compensation, with no deferred compensation mechanisms or guaranteed minimum amounts of variable compensation if the Company performs badly.

The compensation packages are set in a comprehensive manner, taking into consideration all commitments given by the Company, including indemnities or benefits that are due or could be due for the take-up, termination or change of duties, or subsequent to exercising such duties. The compensation packages for the corporate officers are set in line with the duties assigned to them and take into account their experience and market practices.

The Board's objective is to define an appropriate level of compensation enabling the Company to attract, retain and motivate the best talent. To this end, the Compensation Committee regularly examines benchmarking studies carried out by specialized independent firms based on panels of comparable companies. These panels are reviewed each time the independent studies are carried out in order to ensure that they are still relevant. The independent firms concerned may propose changing the companies included in the benchmarking panels if the structure or business of those companies change, or to take into account changes in Soitec's key performance indicators.

In 2021, the Compensation Committee reviewed the Chief Executive Officer's annual compensation, particularly with regard to market benchmarks and practices. New studies were carried out in 2022 by the Compensation Committee concerning all of Soitec's corporate officers (both executive and non-executive) as well as the members of the Executive Committee.

C. The corporate officers' compensation takes into account the compensation and employment conditions of Soitec's employees

The Group's policy is to give its employees a stake in its long-term growth in a number of different ways. In general, the compensation packages of the Group's employees are in line with market standards, and various systems have been, or are being, put in place to reward both collective and individual performance (including employee share ownership plans and bonus schemes adapted to local performance and practices).

The Compensation Committee regularly reviews the Group's salary policy and ensures that the structure of the Chief Executive Officer's compensation package is consistent with that of the Group's other key executives. In addition, the performance conditions underlying the performance share plans currently in effect for the Group's key executives are the same as those applicable to the Chief Executive Officer. Based on the recommendation of the Compensation Committee, the Board has increased the weighting of sustainability-related criteria within the Chief Executive Officer's variable compensation. More generally, sustainability-related objectives based on environmental and/or social performance have been set for all members of the executive management team, with varied weightings depending on each executive's scope of responsibility.

The Compensation Committee pays careful attention to the pay equity ratio, as set out in section 4.2.3.4 of this Universal Registration Document.

4.2.1.2 Measures in place for preventing and managing conflicts of interest

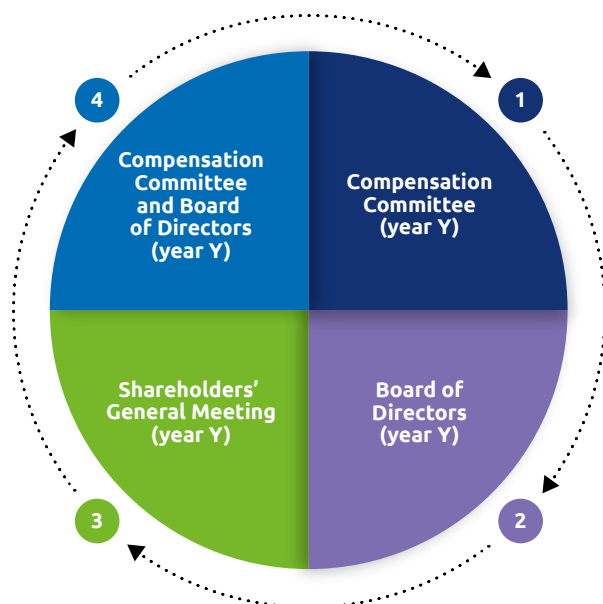
In order to prevent any potential conflicts of interest and in accordance with the recommendations of the AFEP-MEDEF Code, the Chief Executive Officer is not a member of the Compensation Committee. Additionally, they do not participate in the Board of Directors' discussions or votes relating to their compensation.

The rules for managing conflicts of interest regarding members of the Board of Directors and the Chief Executive Officer are set out in detail in section 1 of Chapter 4.

4.2.1.3 Decision-making process for setting, revising and implementing the compensation policies

Once a year, the Compensation Committee reviews the various components of the compensation of the Chief Executive Officer and the members of the Board of Directors. Based on this work carried out by the Compensation Committee, the Board determines the compensation policies to be put to the shareholders' vote at the next Shareholders' General Meeting.

The same process is followed if there are any amendments to or departures from the compensation policies.



- 1** Issuance of recommendations concerning:
 - The compensation policies for year Y (including a review of the general structure of compensation, an assessment of compensation levels, and an analysis of the performance conditions applicable to variable compensation).
 - Variable compensation for year Y-1 (assessment of the achievement of the applicable performance criteria).
- 2**
 - Review of the Compensation Committee's recommendations.
 - Adoption of related decisions.

The assessment of the quantitative criteria related to financial or stock market indicators is carried out based on the consolidated financial statements as approved by the Board of Directors, or on market data. For the other criteria, including strategy-related conditions, this assessment is based on the report of the Compensation Committee.
- 3**
 - *Ex-ante* vote on the compensation policies for year Y.
 - *Ex-post* vote on the compensation and benefits paid during or granted for year Y-1 to (i) all corporate officers and (ii) each individual corporate officer.
- 4** Review of the Shareholders' General Meeting, analysis of the voting results, and analysis of comments made by investors and voting advisory agencies.

As part of the process of drawing up the compensation policies, the Compensation Committee and the Board of Directors can:

- use the services of reputed independent specialists, in particular for carrying out various benchmarking studies;

- hold meetings with the Group's Executive Vice President, People & Sustainability, for example, to obtain information about the compensation and employment conditions of the Group's employees;
- hold meetings with investors and voting advisory agencies.

4.2.2 Corporate officers' compensation for fiscal year 2021-2022

This section contains the disclosures required pursuant to Article L. 22-10-9 I of the French Commercial Code (*Code de commerce*) in relation to the compensation of our Company's corporate officers for fiscal year 2021-2022, which will be submitted to Soitec's shareholders for approval in the 21st resolution of the July 26, 2022 Shareholders' General Meeting in accordance with Article L. 22-10-34 I of the French Commercial Code.

For the Chair of the Board of Directors and the Chief Executive Officer, all of the compensation components described below are in line with the compensation policy that was approved by the shareholders at the July 28, 2021 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 July 28, 2021 Shareholders' General Meeting and complies with the principles set out in the 2020-2021 Universal Registration Document.

4.2.2.1 Compensation of Paul Boudre, Chief Executive Officer, for fiscal year 2021-2022

The components of the compensation of the Chief Executive Officer presented below were set by the Board of Directors, based on the recommendation of the Compensation Committee in application of the compensation policy approved in the 14th resolution of the July 28, 2021 Shareholders' General Meeting. This policy meets the fundamental principles described in section 4.2.4.3 in that, among other things, it encourages demanding performance conditions that correspond to the key factors underlying the Company's long-term growth. These principles were set after taking into account the voting results of the 10th resolution of the June 17, 2021 Shareholders' General Meeting (98.03% approval).

In accordance with the compensation policy approved at the July 28, 2021 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 compensation 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 2021-2022.

• **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 <i>Start of first term of office: January 16, 2015</i> <i>End of current term of office: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ended March 31, 2022</i>	Fiscal year 2020-2021	Fiscal year 2021-2022
Compensation granted for the fiscal year (details in table 2 below) ⁽¹⁾	1,238,488.20	1,312,635.04
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⁾	1,243,047	1,409,864
Valuation of other long-term compensation plans	None	None
TOTAL	2,481,535.20	2,722,499.04

(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 <i>Start of first term of office: January 16, 2015</i> <i>End of current term of office: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ended March 31, 2022</i>	Fiscal year 2020-2021		Fiscal year 2021-2022	
	Amount granted	Amount paid	Amount granted	Amount paid
Fixed compensation	550,000	550,000	550,000	550,000
Annual variable compensation	654,500 ⁽¹⁾	728,200 ⁽²⁾	717,750 ⁽³⁾	654,500 ⁽¹⁾
Percentage of variable compensation/fixed compensation	119%	132.4%	130.5%	119%
Exceptional compensation	None	None	None	None
Compensation granted in his capacity as a director and Board Committee member	None	None	None	None
Benefits in kind	33,988.20 ⁽⁴⁾	33,988.20 ⁽⁴⁾	44,885.04	44,885.04
TOTAL	1,238,488.20	1,312,188.20	1,312,635.04	1,249,385.04

(1) Variable compensation for fiscal year 2020-2021 approved at the July 28, 2021 Shareholders' General Meeting and paid in fiscal year 2021-2022.

(2) Variable compensation for fiscal year 2019-2020 paid in fiscal year 2020-2021.

(3) Variable compensation for fiscal year 2021-2022 subject to approval at the July 26, 2022 Shareholders' General Meeting, which will be paid in fiscal year 2022-2023.

(4) Corresponding to the use of a company car as well as private unemployment insurance and key-person insurance.

A. Fixed compensation

Paul Boudre received €550,000 in annual fixed compensation for the fiscal year ended March 31, 2022.

B. Short-term variable compensation

Variable compensation paid in fiscal year 2021-2022, as per the policy approved at the July 28, 2021 Shareholders' General Meeting

Following the recommendation of the Compensation Committee, the Board of Directors rated the performance levels of the quantitative criteria as well as of the discretionary criteria, and decided at its meeting held on June 8, 2022 to propose to the Shareholders' General Meeting to be held on July 26, 2022 under applicable say-on-pay *ex-post* procedures a total bonus of 130.5% of Paul Boudre's fixed compensation, corresponding to the level of achievement of objectives as outlined in the following table:

● **TABLE 3 – ASSESSMENT OF THE ACHIEVEMENT RATES OF THE PERFORMANCE CONDITIONS UNDERLYING THE ANNUAL VARIABLE COMPENSATION FOR FISCAL YEAR 2021-2022**

Type of objective	Description	Weighting	Maximum % in case of overperformance	% achieved
I. FINANCIAL OBJECTIVES	1. Level of revenue (<i>in US\$ thousands</i>)	1,011	30%	25%
	2. Level of consolidated EBITDA (<i>as a % of revenue in € at constant exchange rates</i>)	35.8%	30%	30%
	3. Level of operating cash (<i>in € millions</i>)	255	30%	30%
II. INNOVATION AND STRATEGY	7 milestones	Partially achieved	47%	35%
ESG SOCIAL AND GOVERNANCE	Wage gap, access to training and promotion and improvement in the gender equality index/ Governance	Partially achieved	10.5%	8%
ESG ENVIRONMENT	Trajectory validation by SBTi and calendar year 2021 climate roadmap in line with trajectory	Achieved	2.5%	2.5%
TOTAL			150%	130.5%

Multiplier (maximum of 1.1 of the total bonus) rated at 1.

On this basis, the gross bonus amount payable is €717,750. Payment will be subject to the approval of the Company's Shareholders' General Meeting to be held on July 26, 2022 under applicable legal procedures.

In accordance with the recommendations of the AFEP-MEDEF Code, Paul Boudre was not present when the Committee discussed his bonus and did not participate in the vote by the Board.

C. Long-term variable compensation

1. Performance share plan (Onyx 2024 plan)

Pursuant to the authorization granted at the July 28, 2021 Shareholders' General Meeting, the Board of Directors decided to allocate Paul Boudre 8,240 free performance shares, corresponding to ordinary shares of the Company and representing a value of €1,409,864. At the date of this Universal Registration Document, these shares corresponded to 0.023% of the Company's capital.

This performance share allocation is in line with the compensation policy approved by the shareholders at the July 28, 2021 Shareholders' General Meeting.

The free performance shares allocated to Paul Boudre are subject to a vesting period running from August 2, 2021 to August 1, 2024 (inclusive). 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, 2022, 2023 and 2024 (except in the event of (i) dismissal for gross negligence or misconduct, in which case the presence condition is deemed not to be fulfilled, (ii) death or invalidity, where the presence condition is deemed to be fulfilled, and (iii) retirement, in which case the Board may waive the presence condition (see below)), 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.

These performance conditions were pre-determined by the Board of Directors based on the five-year business plan and relate to the results of fiscal year 2023-2024:

- the EBITDA objective, measured at actual exchange rates and expressed as a percentage of reported revenue in euros, corresponds to a minimum value representing a 50% achievement rate, and a maximum value representing a 100% achievement rate;
- the consolidated revenue objective corresponds to a minimum value representing a 50% achievement rate, and a maximum value representing a 100% achievement rate;
- the objective based on the Company's TSR performance compared to the Euro Stoxx 600 Technology index over the full duration of the plan corresponds to between 80% and 120%, representing a 0% and 100% achievement rate respectively.

With respect to the two-thirds of the shares allocated under the Onyx 2024 free share plan that have not yet vested (5,493 shares), the Company's compensation policy, approved by the Company's shareholders at the July 28, 2021 Shareholders' General Meeting, provides that in the event of retirement with a full benefit, the Chief Executive Officer's performance shares will vest on a *pro rata temporis* basis and that, where appropriate, the Board of Directors may waive the presence condition on the basis of a reasoned decision.

The Board has considered Paul Boudre's contribution to the strategic plan underway on which the plan performance conditions are based and has decided to waive the presence condition, thereby allowing for the shares available on August 2, 2024 to vest, subject to the rate of achievement of the performance conditions set forth in the plan, and having understood that he will retire at full rate following the end of his term of office as Chief Executive Officer at the July 26, 2022 Shareholders' General Meeting.

The Board has noted that Paul Boudre will continue cooperation with the Board and the new Chief Executive Officer until the Shareholders' General Meeting to be held on July 26, 2022 and will remain supportive of the Company's interests.

The Board further noted in respect of the Onyx 2023 and Topaz share plans that Paul Boudre will have satisfied the presence conditions for the duration of both plans, as such conditions were described on page 174 of Soitec's 2020-2021 Universal Registration Document (retirement at full rate for the last tranche of the Onyx 2023 free share plan, as provided for all corporate officers and employees and within 12 months of the presence condition date for Topaz PS2 co-investment plan).

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;
- 30% of the PS 2 allocated will vest on August 1, 2021; and
- 30% of the PS 2 allocated will vest on August 1, 2022.

After the Board of Directors placed on record that the presence condition had been met, the following PS 2 allocated to Paul Boudre vested: (i) 12,792 on December 18, 2020 and (ii) 9,595 on August 2, 2021.

The third tranche of the PS 2 will vest for Paul Boudre on August 1, 2022, 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 receive the PS 2 whose vesting date is less 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. As Paul Boudre's term of office will end on July 26, 2022, i.e., less than 12 months before August 1, 2022, and as the termination of his duties does not correspond to a resignation for personal

reasons or a dismissal for gross misconduct, he will receive the 30% of the PS 2 due to vest on August 1, 2022, corresponding to 9,595 PS 2.

The vested PS 2 will 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 the 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 the date set by our Board of Directors, which will be August 1, 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), 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 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 ended 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 the Company's by-laws):

- 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 ended March 31, 2022, and which Conversion Date has been set at August 1, 2022 by Board decision of June 8, 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 the Company's by-laws), it being specified that the PS 2 that vested on December 18, 2020 and August 2, 2021 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 the Company's by-laws. Details of the Topaz plan are provided in section 7.2.3 of this Universal Registration Document.

● **TABLE 4 (BASED ON THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – SHARES ALLOCATED FREE OF CONSIDERATION TO PAUL BOUDRE IN FISCAL YEAR 2021-2022**

Corporate officer	Plan	Number of shares allocated in fiscal year 2021-2022	Value of the shares in accordance with IFRS 2	Vesting date	End of lock-up period	Performance conditions
Paul Boudre	Onyx 2024 plan Allocation decided by the Board of Directors on July 28, 2021 Delegation granted at the July 28, 2021 SGM ⁽¹⁾	8,240	€1,409,864	August 1, 2024	August 1, 2024	<ul style="list-style-type: none"> 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.

(1) On June 11, 2022, the Board of Directors decided to waive the presence condition for the remaining two-thirds of the non-vested shares as described below in section 4.2.3.2 of the 2021-2022 Universal Registration Document.

● **TABLE 5 (BASED ON THE TEMPLATE IN THE AFEP-MEDEF CODE) – SHARES THAT VESTED IN FISCAL YEAR 2021-2022**

Paul Boudre	Topaz plan Allocation decided by the Board of Directors on December 18, 2019	Number of shares that vested during the year: 9,594 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
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(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 ended March 31, 2022, and which Conversion Date has been set at August 1, 2022 by Board decision of June 8, 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 ended March 31, 2022 (the "Repurchase Date"), at their par value, in accordance with the provisions of Article L. 228-12 III of the French Commercial Code.

● **TABLE 6 (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)	Onyx 2024 plan (ordinary shares)
Date of Shareholders' General Meeting	07/26/2019	07/26/2019	07/28/2021
Date of Board of Directors' meeting	12/18/2019	11/18/2020	07/28/2021
Total number of shares allocated	195,960	59,915	54,614
Number of shares allocated to Paul Boudre	31,982	13,306	8,240
Date of conditional allocation	12/18/2019 ⁽¹⁾	11/18/2020	08/02/2021
Vesting date	40% of the PS 2 vested on 12/18/2020 30% of the PS 2 vested on 08/01/2021 30% of the PS 2 will vest on 08/01/2022 ⁽²⁾	08/01/2023	08/02/2024
End of lock-up period	08/01/2022 ⁽³⁾	08/01/2023	08/02/2024
Performance conditions	Yes	Yes	Yes
Number of shares vested for Paul Boudre as at March 31, 2022	22,386 PS 2	-	-
Total number of canceled or forfeited shares	6,559	0	101
Performance shares outstanding at March 31, 2022	110,187	59,915	54,513

(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 ended March 31, 2022 (the "Repurchase Date"), at their par value, in accordance with the provisions of Article L. 228-12 III of the French Commercial Code.

D. Other benefits and 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).

1. Termination benefit and 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 annual variable compensation). It would be due and payable for any type of forced departure (except in the event of gross misconduct), provided that at least 75% of the cumulative

EBITDA budget amounts are achieved for the two fiscal years preceding his departure, as approved by the Board of Directors (see section 4.2.4.3 B. for the Board decision taken on June 8, 2022).

Paul Boudre is eligible for a non-compete indemnity as consideration for the non-compete clause to which he would 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 (see section 4.2.4.3 B. for the Board decision taken on June 8, 2022).

• TABLE 7 (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

Name	Employment contract	Supplementary pension plan	Indemnities or benefits for termination or change of duties	Non-compete indemnity
Paul Boudre Chief Executive Officer <i>Start of first term of office: January 16, 2015</i> <i>End of current term of office: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ended March 31, 2022</i>	No ⁽¹⁾	Yes ⁽²⁾		

(1) Paul Boudre voluntarily terminated his employment contract on November 24, 2020.

(2) 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 *Compensation and benefits of the Executive Committee (ExCom) members* of this Universal Registration Document.

Under this pension plan, the expense recorded by the Company for fiscal year 2021-2022 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 *Compensation and benefits of the Executive Committee (ExCom) members* 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, 2022, the annual pension that could be paid to Paul Boudre under the "Article 39" defined benefit supplementary pension plan has been estimated at approximately €124,000.

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 €44,885.04 for fiscal year 2021-2022.

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 €12,083.28 in fiscal year 2021-2022.

4.2.2.2 Compensation of Éric Meurice, Chair of the Board of Directors, for fiscal year 2021-2022

The components of the compensation of the Chair of the Board of Directors presented below were set by the Board of Directors, based on the recommendation of the Compensation Committee in application of the compensation policy approved in the 13th resolution of the July 28, 2021 Shareholders' General Meeting (99.94% approval).

In accordance with this compensation policy and the Board's decision of June 8, 2022, the Company granted Éric Meurice a total gross amount of €230,000 in compensation for the fiscal year.

Travel costs incurred by the Chair in connection with his duties are reimbursed by the Company on presentation of receipts.

● **TABLE 8 (BASED ON THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – SUMMARY OF COMPENSATION, STOCK OPTIONS AND SHARES ALLOCATED TO ÉRIC MEURICE, CHAIR OF THE BOARD OF DIRECTORS** (in €)

Éric Meurice Chair of the Board of Directors	Fiscal year 2020-2021	Fiscal year 2021-2022
Compensation granted for the fiscal year (details in table 2 below) ⁽¹⁾	230,000	230,000
Valuation of multi-annual variable compensation granted during the fiscal year	N/A	N/A
Valuation of stock options allocated during the fiscal year	N/A	N/A
Valuation of performance or preferred shares allocated free of consideration during the fiscal year ⁽²⁾	N/A	N/A
Valuation of other long-term compensation plans	N/A	N/A
TOTAL	230,000	230,000

(1) Gross amount.

(2) Shares valued in accordance with IFRS 2.

● **TABLE 9 (BASED ON THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – SUMMARY OF THE COMPENSATION OF ÉRIC MEURICE, CHAIR OF THE BOARD OF DIRECTORS** (in €)

Éric Meurice Chair of the Board of Directors	Fiscal year 2020-2021		Fiscal year 2021-2022	
	Gross amount granted	Gross amount paid	Gross amount granted	Gross amount paid
Fixed compensation	230,000 ⁽¹⁾	50,000	230,000 ⁽¹⁾	230,000 ⁽¹⁾
Annual variable compensation	N/A	N/A	N/A	N/A
Variable/fixed proportion	N/A	N/A	N/A	N/A
Exceptional compensation	N/A	N/A	N/A	N/A
Compensation granted in his capacity as a director and Board Committee member	N/A	105,547	N/A	N/A
Benefits in kind	N/A	N/A	N/A	N/A
TOTAL	230,000	155,547	230,000	230,000

(1) Amount not paid out of the aggregate budget for the compensation of the members of the Board of Directors.

● **TABLE 10 (BASED ON THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – EMPLOYMENT CONTRACT, PENSION PLAN AND INDEMNITIES FOR TERMINATION OR CHANGE OF DUTIES – ÉRIC MEURICE, CHAIR OF THE BOARD OF DIRECTORS**

Name	Employment contract	Supplementary pension plan	Indemnities or benefits for termination or change of duties	Non-compete indemnity
Éric Meurice Chair of the Board of Directors Start of first term of office: July 28, 2021 End of current term of office: Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2024	No	No	No	No

4.2.2.3 Pay ratios – Changes in compensation, Company performance, and pay ratios

In accordance with Article L. 22-10-9, 6° and 7° of the French Commercial Code, the following section sets out the ratios between the compensation levels of the Chair of the Board of Directors and the Chief Executive Officer, and the average and median compensation of Soitec's employees, along with the annual change in compensation, Company performance, average employee compensation and the ratios, over the last five fiscal years.

A. Methodology

The ratios were established by applying the recommendations published by the AFEP in February 2021 in its guidelines on compensation multiples.

B. Scope

In accordance with the AFEP-MEDEF Code and section 26.2 "Annual information", the ratios were calculated based on Soitec's Economic and Social Unit and the wholly-owned subsidiaries of the Soitec Group in France, which is representative of the headcount, the Group's compensation policy and different socio-professional categories of the Soitec Group in France. Soitec's Economic and Social Unit is composed of Soitec SA, Soitec Lab and FrecInsys, which used to be a single entity until March 31, 2020 and represented, at the end of the fiscal year, more than 98% of the total headcount in France (wholly-owned subsidiaries). NOVASiC, which was acquired during fiscal year 2021-2022, has not been included in the scope. Its inclusion is planned for the 2022-2023 Universal Registration Document. The employees included in the calculations are the employees on permanent contracts who were "continuously present" over two consecutive

fiscal years, for whom compensation changes reflect the compensation policy of the Group. Ratios for listed entity compensation have not been calculated because they are similar to the ratios for the ESU, given the small headcounts of Soitec Lab and Frec|n|sys (less than 40 employees on permanent contracts).

C. Compensation components used for calculating the numerator and denominator

Soitec's ratios were calculated on a comparable basis between corporate officers and other employees by analyzing the following components:

- The compensation for the **Chief Executive Officer** includes the compensation paid during fiscal year Y. It includes 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 **Chair of the Board of Directors** includes the amounts defined in the compensation policy for the Chair of the Board, plus the amounts due for his attendance at meetings of the Board and Board Committees (assuming an attendance rate of 100% at these meetings).
- For **employees**, the compensation is the full-time equivalent paid during fiscal year Y. It includes their base salary, seniority bonuses, other fixed bonuses, the exceptional purchasing power bonus paid in France, variable compensation paid during fiscal year Y, mandatory and voluntary profit-sharing, employer matching contribution paid during fiscal year Y, and shares allocated during fiscal year Y, valued under IFRS 2.

D. Ratios

1. Changes in compensation

In accordance with Article L. 22-10-9, 7°, the compensation of corporate officers and of employees is presented below:

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Chair of the Board compensation	€88,000	€119,000	€155,547	€230,000	€230,000
Change compared to the previous fiscal year (Y/Y-1) (in %)	–	+35%	+31%	+48%	0%
CEO compensation	€1,012,305	€1,051,255	€4,042,089	€2,480,314	€2,575,467
Change compared to the previous fiscal year (Y/Y-1) (in %)	-67%	+4%	+285%	-39%	+4%
Average compensation of Soitec employees	€62,731	€76,971	€66,854	€69,417	€61,528
Change compared to the previous fiscal year (Y/Y-1) (in %)	+2%	+23%	-13%	+4%	-11%

2. Reminder of compensation paid to Chairs of the Board over the 2017-2022 period

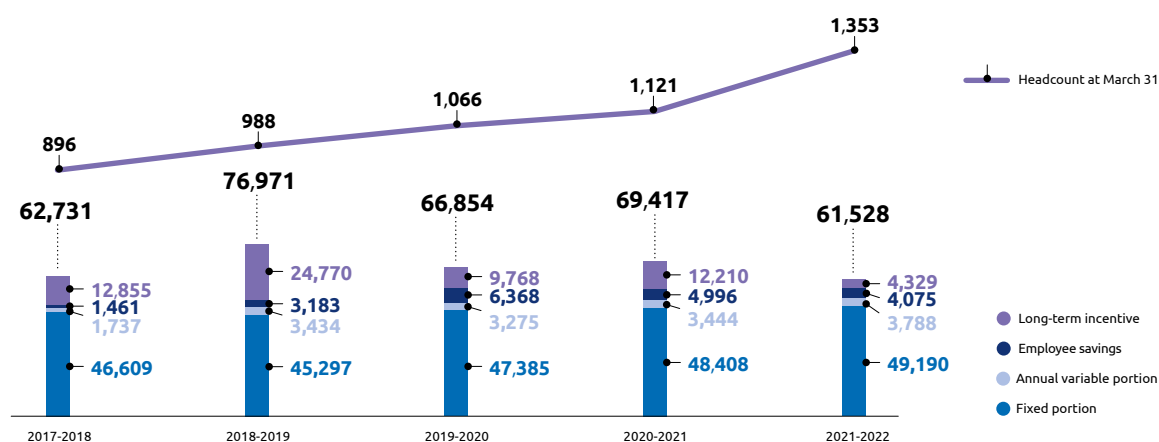
- During fiscal year 2018-2019, Thierry Sommelet (Chair of the Board from March 1, 2018 to March 27, 2019) waived his compensation of €96,629 due for that fiscal year. Based on compensation paid, the ratios were 0 compared to the average and median of annualized employee compensation.

- During fiscal year 2018-2019, Éric Meurice (Chair of the Board as of March 27, 2019) received total compensation of €152,574 due for that fiscal year. Based on compensation paid, the ratios were respectively 2.2 and 2.7 compared to the average and median of annualized employee compensation.

Reminder of compensation paid to the Chief Executive Officer over the 2017-2022 period:

The fixed compensation of the Chief Executive Officer was reviewed in fiscal year 2018-2019. The last increase had occurred in 2010.

► CHANGES IN AVERAGE EMPLOYEE COMPENSATION IN EUROS AND HEADCOUNTS OVER THE 2017-2022 PERIOD



The increase in the average compensation of employees in fiscal year 2018-2019 was the result of the implementation of a profit-sharing plan with very significant amounts for all Group employees.

During fiscal years 2017-2018, 2018-2019 and 2020-2021, Soitec implemented performance share plans for all employees, including those employed in foreign entities for the plan allocated on July 26, 2018, which explains the increase in average compensation. This reflects the Group's strategy in terms of sharing value creation and fostering employees' performance over the long-term. Beneficiaries of the long-term management incentive plan (MIP), including the Chief Executive Officer, have waived their rights to receive those shares. In addition, the co-investment plan implemented during fiscal year 2019-2020 was opened to all employees of wholly-owned entities in France and in Singapore.

During fiscal years 2018-2019, 2020-2021 and 2021-2022, Soitec paid the exceptional purchasing power bonus to eligible employees, which could amount to €1,000. Lastly, fiscal year 2019-2020 was the first year with the payment of mandatory profit-sharing, in addition to the existing voluntary profit-sharing scheme.

The compensation policy for the scope concerned results from agreements with representative trade union organizations for each year. Voluntary profit-sharing, mainly based on the Group's financial performance (EBITDA), has been set up through three-year agreements signed by all the representative trade unions in 2016 and 2019.

The decrease in average employee compensation for fiscal year 2021-2022 is due to the non-renewal of the democratic performance share plan. For fiscal year 2022-2023, as part of the negotiation of the three-year profit-sharing agreement, the Group plans to introduce a new policy for sharing value creation, which will be communicated when it is implemented.

3. Compensation ratios: including the entire value of the long-term incentive allocated during the fiscal year

Chair of the Board	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Pay ratio compared to the average compensation of Soitec employees (excluding corporate officers)	1	2	2	3	4
Pay ratio compared to the median compensation of Soitec employees (excluding corporate officers)	2	2	3	4	5

Chief Executive Officer	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Pay ratio compared to the average compensation of Soitec employees (excluding corporate officers)	16	14	60	36	42
Pay ratio compared to the median compensation of Soitec employees (excluding corporate officers)	18	16	80	44	53

4. Company performance

Performance criteria selected for the comparison

Three criteria were selected in order to assess the Company performance in a way that is consistent with Soitec's variable compensation plans and financial communication:

- two internal criteria: revenue and EBITDA;
- one external relative criterion: Soitec's Total Shareholder Return (TSR) compared to the Europe Stoxx 600 Technology index.

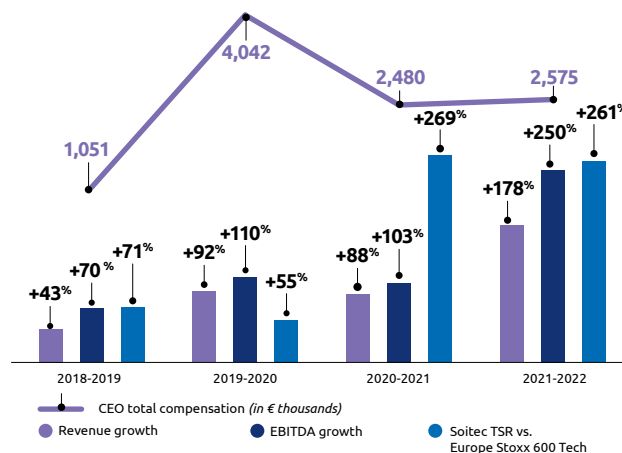
• FIVE-YEAR FINANCIAL PERFORMANCE

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
EBITDA (in € millions)	88.0	149.8	184.5	178.7	308.3
Change compared to the previous fiscal year (Y/Y-1) (in %)	+174%	+70%	+23%	-3%	+73%
Revenue (in € millions)	310.6	443.9	597.5	583.8	862.7
Change compared to the previous fiscal year (Y/Y-1) (in %)	+26%	+43%	+35%	-2%	+48%
Soitec TSR – Europe Stoxx 600 Technology TSR	+44%	+71%	+55%	+269%	+261%
Change compared to the previous fiscal year (Y/Y-1) (in %)	+61%	-22%	+389%	-3%	+61%

Compensation of the Chief Executive Officer compared to the Group's performance

Over the 2017-2022 period, the increase in the total compensation of the Chief Executive Officer is correlated with Soitec's performance over the same period, with increases as follows:

- up 178% in revenue;
- up €220.3 million in EBITDA;
- up 261% compared to the Europe Stoxx 600 Technology index.



4.2.2.4 Directors' compensation for fiscal year 2021-2022

The components of the directors' compensation (other than the Chair) presented below were set by the Board of Directors, based on the recommendation of the Compensation Committee in application of the compensation policy approved in the 15th resolution of the July 28, 2021 Shareholders' General Meeting (99.94% approval). This policy meets the fundamental principles in that, among other things, it encourages long-term growth.

In accordance with the rules governing the compensation of members of the Board of Directors, the total annual compensation paid or granted during fiscal year 2021-2022 for their directorship duties amounts to €695,144 and €692,674, respectively. Travel costs incurred by the directors in connection with their directorship duties are reimbursed by the Company on presentation of receipts.

The individual amounts of directors' variable compensation paid/granted are shown in the table below. None of them receives fixed compensation, except for the Chair of the Board.

• **TABLE 11 – (BASED ON THE TEMPLATE IN AMF POSITION-RECOMMENDATION 2021-02) – COMPENSATION RECEIVED BY NON-EXECUTIVE DIRECTORS** (in €)

Director	Fiscal year 2020-2021		Fiscal year 2021-2022	
	Amount granted	Amount paid	Amount granted	Amount paid
Wissème Allali ⁽¹⁾				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	N/A	N/A	N/A	N/A
Other compensation	— ⁽¹⁾	— ⁽¹⁾	— ⁽¹⁾	— ⁽¹⁾
Monica Beltrametti ⁽²⁾				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	N/A	24,224	N/A	N/A
Other compensation	N/A	N/A	N/A	N/A
Bpifrance Participations (represented by Sophie Paquin)				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	72,000	42,508	59,903	72,000
Other compensation	-	-	-	-
Françoise Chombar				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	58,200	26,746	72,000	58,200
Other compensation	-	-	-	-
Laurence Delpy				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	115,000	93,143	115,000	115,000
Other compensation	-	-	-	-
Nadine Foulon-Belkacémi ⁽²⁾				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	N/A	18,973	N/A	N/A
Other compensation	N/A	N/A	N/A	N/A

Director	Fiscal year 2020-2021		Fiscal year 2021-2022	
	Amount granted	Amount paid	Amount granted	Amount paid
Christophe Gégout				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	86,400	66,111	89,000	86,400
Other compensation	-	-	-	-
Didier Landru ⁽¹⁾				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	N/A	N/A	N/A	N/A
Other compensation	-	-	-	-
Éric Meurice ⁽³⁾				
Satoshi Onishi				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	56,471	20,222	59,000	56,471
Other compensation	-	-	-	-
CEA Investissement ⁽⁴⁾				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	34,718	39,619	N/A	34,718
Other compensation	-	-	-	-
Guillemette Picard ⁽⁴⁾				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	49,399	N/A	91,933	49,399
Other compensation	-	-	-	-
Kai Seikku				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	85,000	47,676	81,750	85,000
Other compensation	-	-	-	-
Thierry Sommelet				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	0 ⁽⁵⁾	0 ⁽⁵⁾	0 ⁽⁵⁾	0 ⁽⁵⁾
Other compensation	-	-	-	-
Qingyu (Jeffrey) Wang				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	59,000	31,434	57,700	59,000
Other compensation	-	-	-	-
Shuo Zhang				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	78,956	41,605	66,388	78,956
Other compensation	-	-	-	-
Weidong (Leo) Ren ⁽⁶⁾				
Variable compensation for duties as a member of the Board of Directors and Board Committee(s)	N/A	1,971	N/A	N/A
Other compensation	N/A	N/A	N/A	N/A
TOTAL	695,144 ⁽⁷⁾	609,779	692,674	695,144

(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 Chair of the Board of Directors is presented in Table 2 above and is not included in the budget for the directors' compensation.

(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 ended March 31, 2022). This co-optation was ratified at the Shareholders' General Meeting of 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) The compensation of the Chair of the Board of Directors is not included in the budget for the compensation of directors. It is not included in the total amount granted.

4.2.3 Components of compensation paid during or granted for fiscal year 2021-2022 to the Chief Executive Officer and the Chair of the Board of Directors to be submitted for shareholder approval at the July 26, 2022 Shareholders' General Meeting

This section describes the components of the compensation of the Chief Executive Officer and the Chair of the Board of Directors for fiscal year 2021-2022, which, in accordance with Article L. 22-10-34, II of the French Commercial Code, will be submitted for shareholder approval at the July 26, 2022 Shareholders' General Meeting (in the 23rd and 22nd resolutions respectively).

• **TABLE 12 – COMPENSATION OF THE CHIEF EXECUTIVE OFFICER, PAUL BOUDRE, FOR FISCAL YEAR 2021-2022 (GROSS AMOUNTS) (TO BE SUBMITTED FOR SHAREHOLDER APPROVAL AT THE JULY 26, 2022 SGM – 23rd RESOLUTION)**

Compensation components submitted for shareholder approval	Amounts paid or valuation of shares vested in fiscal year 2021-2022	Amounts or valuation of shares granted for fiscal year 2021-2022	Description
Fixed compensation	€550,000	€550,000	Paul Boudre's fixed compensation for the fiscal year is in line with the compensation policy approved by the shareholders at the July 26, 2021 Shareholders' General Meeting. The amount of his fixed compensation has remained unchanged since January 1, 2019.
Annual variable compensation	€654,500 Amount granted for fiscal year 2020-2021 Compensation approved in the 11 th resolution of the July 28, 2021 SGM (82.63% approval)	€717,750 Amount granted for fiscal year 2021-2022 To be submitted for approval at the July 26, 2022 Shareholders' General Meeting (23 rd resolution)	<p>Annual variable compensation paid in 2021-2022 (for fiscal year 2020-2021): based on the work of the Compensation Committee, at its meeting on June 9, 2021, the Board of Directors set Paul Boudre's variable compensation for fiscal year 2020-2021 at 119% of his fixed compensation, corresponding to a gross amount of €654,500.</p> <p>A breakdown of the achievement rates of the applicable quantitative and qualitative criteria is presented on page 173 of the Company's 2020-2021 Universal Registration Document. This compensation amount was approved at the Shareholders' General Meeting of July 28, 2021.</p> <p>Annual variable compensation granted for 2021-2022: the variable portion of Paul Boudre's compensation for fiscal year 2021-2022 could have represented between 0% and 165% of his fixed compensation, i.e., a maximum gross amount of €907,500.</p> <p>If the target values of the objectives set by the Board of Directors were achieved, the variable portion would have corresponded to 100% of his fixed compensation, with the achievement of the budget commitments representing 90% of the target amounts of the financial criteria.</p> <p>As was the case for the previous fiscal year, an EBITDA threshold was included for fiscal year 2021-2022, which had to be achieved in order for Paul Boudre's variable compensation to be able to exceed 100% of his fixed compensation. If this threshold was not reached, the variable portion of his compensation would have been capped at 100% of his fixed compensation, even if the achievement rates of his other objectives were such that the variable portion should have exceeded 100% of his fixed compensation. Any 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.</p> <p>Lastly, the amount of Paul Boudre's variable compensation for fiscal year 2021-2022 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.</p> <p>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 (14%), partnerships (14%), commercial/design wins (14%), growth strategy (5%), governance (2.5%), ESG social (8%) and ESG climate (2.5%).</p> <p>Based on the recommendation of the Compensation Committee, the Board of Directors noted an achievement rate of 130.5% for the objectives, corresponding to an aggregate €717,750.</p> <p>The payment of this compensation is subject to approval at the Shareholders' General Meeting to be held on July 26, 2022.</p>
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 2021-2022.
Directors' compensation	-		In accordance with Soitec's policy, Paul Boudre did not receive any directors' compensation during fiscal year 2021-2022, as he holds an executive position within the Company.

Compensation components submitted for shareholder approval	Amounts paid or valuation of shares vested in fiscal year 2021-2022	Amounts or valuation of shares granted for fiscal year 2021-2022	Description
Benefits of any kind	€44,885.04	€44,885.04	
Stock options, performance shares or other long-term benefits	€807,526.98 For PS 2 shares vested on August 1, 2021	€1,409,864 For the ordinary performance shares allocated in fiscal year 2021-2022	Pursuant to the authorization granted in the 27 th resolution of the July 28, 2021 Shareholders' General Meeting, at its July 28, 2021 meeting, the Board of Directors decided to allocate Paul Boudre 8,240 free performance shares, corresponding to ordinary shares of the Company and representing approximately 0.023% of its capital. The performance conditions that have to be met in order for these performance shares to vest are described in this section. In addition, 9,595 PS 2 vested for Paul Boudre.
Termination benefit	€0	€0	In the event of the termination of his duties as Chief Executive Officer, Paul Boudre 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 gross misconduct), provided that 75% of the cumulative EBITDA amounts as approved in the budget are 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 2021-2022.
Supplementary pension plans	€13,245.79 under the "Article 83" defined contribution pension plan	€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 of this Universal Registration Document. Under this pension plan, the expense recorded by the Company for fiscal year 2021-2022 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 main components of this plan are presented in section 4.2.5 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, 2022, the estimated amount of the pension that could be paid to Paul Boudre under the "Article 39" defined benefit supplementary pension plan was €124,000.

• **COMPENSATION OF THE CHAIR OF THE BOARD OF DIRECTORS, ÉRIC MEURICE, FOR FISCAL YEAR 2021-2022 (GROSS AMOUNTS)**

Compensation components submitted for shareholder approval	Amounts paid or valuation of shares vested in fiscal year 2021-2022	Amounts or valuation of shares granted for fiscal year 2021-2022	Description
Fixed compensation	€230,000	€230,000	Éric Meurice's fixed compensation for fiscal year 2021-2022 is in line with the compensation policy approved by the shareholders at the July 28, 2021 Shareholders' General Meeting.
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		Éric Meurice's compensation solely comprises an annual fixed amount of €230,000 (gross). 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 2021-2022.
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.

4.2.4 Compensation policies for the Company's corporate officers for fiscal year 2022-2023

The compensation policies for the Company's corporate officers for fiscal year 2021-2022 were approved at the July 28, 2021 Shareholders' General Meeting (13th to 15th resolutions). 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 July 28, 2021 Shareholders' General Meeting (10th resolution).

4.2.4.1 Compensation policy for the Chair of the Board of Directors (non-executive corporate officer)

The fiscal year 2022-2023 compensation policy for the Chair of the Board of Directors solely comprises fixed compensation. It does not include any variable compensation, performance share grants, termination benefits or a non-compete indemnity. This policy is unchanged compared with the compensation policy approved in the 13th resolution of the July 28, 2021 Shareholders' General Meeting (99.94% approval).

A. Fixed compensation

The annual fixed compensation of the Chair of the Board of Directors has been set at a gross amount of €230,000, unchanged from the two previous fiscal years. This level of compensation was benchmarked in March 2022 by an independent firm, based on two panels: one consisting of 33 comparable companies in the CAC Mid 60 index and the other comprising 20 comparable European companies operating in the semiconductor or technology sectors.

B. Reimbursement of expenses

The Chair of the Board of Directors is entitled to the reimbursement of any travel expenses incurred in connection with his directorship duties, on presentation of receipts.

C. Benefits in kind/Other commitments

The Chair of the Board of Directors does not receive any benefits in kind and has not been given any other commitments. In addition, no service agreement has been entered into between the Chair and the Company or any of its subsidiaries that provides for entitlement to benefits.

4.2.4.2 Compensation policy for the non-executive members of the Board of Directors (other than the Chair)

The fiscal year 2022-2023 compensation policy for the non-executive members of the Board of Directors (other than the Chair) is unchanged from that approved in the 15th resolution of the July 28, 2021 Shareholders' General Meeting (99.94% approval), with the exception of the proposed increase in the total amount of directors' compensation from €780,000 to €820,000 to take into account the increased participation of directors in the Strategic Committee.

A. Principles

The total amount that may be allocated to the directors as compensation for their work has been set at a gross amount of €780,000 (not including the compensation of the Chair of the Board of Directors).

The amounts due by the Company for any social contributions and charges levied on the payment of directors' compensation are not part of this budget. The social levy (*forfait social*) to be paid on directors' compensation (20%) by the Company is above and beyond the budget voted by the Shareholders' General Meeting.

B. Allocation principles

The compensation paid to each individual director is adapted to the specific roles and responsibilities of that director and the time they devote

to their directorship. The overall amount of directors' compensation is allocated as follows:

- the directors receive compensation for their directorship duties, except for (i) directors who have an operational and/or executive role within the Group and (ii) the Chair of the Board of Directors, if they receive other compensation for their role as Chair;
- the total amount of compensation granted to each director is pro-rated to the actual time that they have held their directorship during the compensation period concerned;
- regular attendance at 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.

In accordance with the Company's by-laws, employee directors may not combine a salary under their employment contract with compensation for their directorship.

Each year, the Board of Directors places on record the aggregate budget and the individual amounts paid as a result of applying the allocation criteria described above.

The maximum amount of the budget for directors' compensation is allocated among the individual directors as follows:

Duties	Compensation based on a 100% attendance rate for all meetings over the full fiscal year
Seat on the Board of Directors	€46,000 (gross)
Seat on a Committee (other than the Restricted Strategic Matters Committee)	€13,000 (gross)
Chair of a Committee ⁽¹⁾	€17,000 (gross) ⁽¹⁾

(1) In addition to the amount received by the director in their capacity as a member of the Committee concerned.

The Board is proposing for the approval of the shareholders an increase in the total amount of directors' compensation (excluding the compensation of the Chair) from €780,000 to €820,000.

C. Reimbursement of expenses

Each of the members of the Board of Directors is entitled to the reimbursement of any travel expenses incurred in connection with their directorship duties, on presentation of receipts.

D. Benefits in kind/Other commitments

The Board may allocate exceptional compensation to a director for a specific assignment commissioned in accordance with the applicable regulations.

The non-executive members of the Board of Directors (other than the employee directors) do not receive any other benefits in kind and have not been given any other commitments. In addition, no service agreement has been entered into between the non-executive Board members and the Company or any of its subsidiaries that provides for entitlement to benefits.

Employee directors have a permanent employment contract with the Company which can be terminated under the terms and conditions provided for by labor law and the applicable collective bargaining agreement, subject to the authorization of the Labor Inspectorate.

4.2.4.3 Compensation policy for the Chief Executive Officer

A. Generic policies

If a new executive corporate officer were to be appointed in fiscal year 2022-2023, the principles and criteria contained in the most recent compensation policy for executive corporate officers approved at the Shareholders' General Meeting would apply to that new executive corporate officer. Based on the recommendation of the Compensation Committee, the Board of Directors would then set the various components of the compensation of the executive concerned, depending on their individual situation and in line with the Company's existing practices. Such compensation components may not exceed the amounts provided for in said compensation policy. In exceptional circumstances, the Board of Directors may decide to offer a signing bonus to a new executive from outside the Soitec Group. This bonus, which may take various forms, is

intended to compensate for the loss of benefits previously received by the executive in their former position. In accordance with section 25.4 of the AFEP-MEDEF Code, if such a bonus were to be granted, it would be explained and publicly disclosed when it was set, even if its payment is staggered or deferred.

In accordance with Article L. 225-82-2 III, paragraph 2 of the French Commercial Code, in exceptional circumstances, the Board of Directors has the faculty to adapt the compensation policy provided that this deviation from the standard policy is temporary, is in the corporate interest and is necessary to guarantee the sustainability or viability of the Company.

The compensation of the Company's Chief Executive Officer comprises the following components:

Compensation components	Comments
Fixed compensation	The amount of fixed compensation is set by the Board of Directors based on the recommendation of the Compensation Committee, and corresponds to consideration for the duties and responsibilities inherent to the position of Chief Executive Officer. The Board reviews the amount of this compensation either annually or once every two years, based on benchmarking studies of the compensation paid by comparable companies, with a view to making any necessary changes. The amount of the fixed compensation for fiscal year 2022-2023 of Paul Boudre (unchanged from fiscal year 2021-2022) and Pierre Barnabé is detailed in the relevant sections below.
Short-term variable compensation	Short-term variable compensation is set based on the achievement of pre-determined financial and strategic objectives and may vary between 0% and 165% of the Chief Executive Officer's fixed compensation. Financial objectives account for 60% of the short-term variable compensation and strategic objectives for 40%. The achievement of target objectives corresponds to a payment of 100% of the fixed compensation, any outperformance of the target can give rise to a payment of up to 150% of the fixed compensation. The amount of the variable compensation can be increased by 10% if an additional objective is achieved for a total of up to 165% of the fixed compensation. This overall mechanism for short-term variable compensation is unchanged from that provided for in the compensation policy for the Chief Executive Officer approved in the 14 th resolution of the July 28, 2021 Shareholders' General Meeting.
Long-term variable compensation	Long-term variable compensation consists of performance share grants representing up to 300% of annual fixed compensation (number of shares calculated at fair market value at the grant date). For fiscal year 2022-2023, the vesting of the shares to be granted is intended to be contingent on the achievement of performance conditions based on (i) financial criteria (e.g., revenue, profitability metrics such as EBITDA margin, and TSR) and (ii) non-financial sustainability criteria assessed based on milestones over a three-year period.
Commitments given by Soitec in relation to a termination or change of duties	If the Chief Executive Officer leaves the Company, provided certain conditions are met, they may be eligible for an indemnity in lieu of notice, a termination benefit and/or a non-compete indemnity, representing up to 24 months' worth of compensation (fixed plus short-term variable compensation) as provided for in the AFEP-MEDEF Code. The specific characteristics of these mechanisms applicable to Paul Boudre (unchanged from fiscal year 2021-2022) and Pierre Barnabé are detailed in the relevant sections below.
Benefits in kind	The benefits in kind granted to the Chief Executive Officer include a company car, company accommodation if they are required to be based at Soitec's head office, and unemployment insurance. They also have the same personal risk insurance and healthcare expense coverage as all the managerial employees of Soitec's Economic and Social Unit. In addition, they are provided with the material resources necessary for performing their duties and are entitled, on presentation of receipts, to the reimbursement of travel and other business-related expenses. The specific benefits granted to Paul Boudre (unchanged from fiscal year 2021-2022) and Pierre Barnabé are detailed in the relevant sections below.
Supplementary pension plans	The Chief Executive Officer is eligible for the "Article 83" defined contribution pension plan applicable to all the employees of Soitec's Economic and Social Unit. The current Chief Executive Officer 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). In accordance with France's "Pacte Act", this plan has been closed to new entrants since July 4, 2019 and the benefit entitlements have been frozen. Pierre Barnabé is therefore not eligible for this plan. The details for Paul Boudre are provided in the relevant section below.
Exceptional compensation	The Company does not plan to pay any exceptional compensation to the Chief Executive Officer in fiscal year 2022-2023.
Directors' compensation	The Chief Executive Officer does not receive any compensation in their capacity as a director of the Company or any compensation from any entities consolidated by Soitec.
Other benefits	Soitec may not grant any loans or guarantees to the Chief Executive Officer. In addition, no service agreements may be entered into between the Chief Executive Officer and the Company or any of its subsidiaries that provide for entitlement to benefits.

B. Compensation of Paul Boudre, Chief Executive Officer for the period from April 1, 2022 until the effective date of the appointment of his successor, Pierre Barnabé

Paul Boudre was reappointed as Chief Executive Officer on July 26, 2019. The Board of Directors has appointed Pierre Barnabé to succeed him at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ended March 31, 2022.

Paul Boudre's compensation policy for the period from April 1, 2022 until the effective date of his successor's appointment provides for compensation comprising a fixed portion, an annual variable portion and certain commitments and benefits.

1. Fixed compensation

Paul Boudre's annual fixed compensation has been set at a gross amount of €550,000, paid in 12 equal monthly installments. The amount of his fixed compensation has remained unchanged since January 1, 2019. For fiscal year 2022-2023, it will be paid on a pro rata basis at one-third of the full-year amount of €550,000 corresponding to the time that Paul Boudre serves as Chief Executive Officer during fiscal year 2022-2023.

2. Short-term variable compensation

For the purposes of the determination of the bonus amount, the base compensation will be determined pro rata, on the basis of a full-year amount of €550,000 and actual presence for one-third of the year.

The performance criteria will be:

- for an amount equal to 60% (if targets achieved) and up to 90% (for achievement of overperformance levels) of the base compensation: the same financial targets and time frame as applied to the new Chief Executive Officer for Full-year 2022-2023 (which criteria are set forth below regarding Pierre Barnabé);

- for an amount equal to up to 40% (if targets achieved) and up to 60% (for achievement of overperformance levels) of the base compensation:
 - conclusion of two strategic contracts: 10% (at target) each or 15% (for achievement of overperformance levels),
 - smooth succession transition to the new Chief Executive Officer until the Shareholders' General Meeting to be held on July 26, 2022: 20% (at target) or 30% (for achievement of overperformance levels).
- Identical to the fiscal year 2022-2023 bonus for Pierre Barnabé, a 10% increase will be applied in the event of achievement of ESG ratings improvements.

Payment shall be subject to the prior approval of the Company's compensation policy as it pertains to Paul Boudre at the Company's Shareholders' General Meeting to be held on July 26, 2022 under the applicable say-on-pay *ex-ante* procedures, and to the prior approval of the Company's Shareholders' General Meeting to be held in 2023 under the applicable say-on-pay *ex-post* procedures.

3. Long-term variable compensation – Performance shares

The Company does not intend to grant any ordinary performance shares to Paul Boudre in fiscal year 2022-2023.

4. Decision by the Company in relation to the termination of the Chief Executive Officer's term of office

In view of the end of Paul Boudre's term of office and of his intention to claim full retirement benefits, and in accordance with the recommendations of Article 25.5.1 of the AFEP-MEDEF Code, the Board of Directors decided at its meeting held on June 8, 2022 to not propose any termination benefits in relation to the end of his term of office.

i. A termination benefit

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.

In view of the end of Paul Boudre's term of office and of his intention to claim full retirement benefits, and in accordance with the recommendations of Article 25.5.1 of the AFEP-MEDEF Code, the Board of Directors decided to not propose any termination indemnity or other settlement.

ii. A non-compete indemnity

Taking into account Paul Boudre's intention to retire, in compliance with Article R. 22-10-14 III of the French Commercial Code, no payment will be made in respect of the non-competition obligation at the end of his term of office.

iii. Long term compensation Onyx

With respect to the two-thirds of the shares allocated under the Onyx 2024 free share plan that have not yet vested (5,493 shares), the Company's compensation policy, approved by the Company's shareholders at the July 28, 2021 Shareholders' General Meeting, provides that in the event of retirement with a full benefit, the Chief Executive Officer's performance shares will vest on a *pro rata temporis* basis and that, where appropriate, the Board of Directors may waive the presence condition on the basis of a reasoned decision. The Board has considered Paul Boudre's contribution to the strategic plan underway on which the plan performance conditions are based and has decided to waive the presence condition following the end of Paul Boudre's term of office on July 26, 2022, making any vested shares available on August 2, 2024, subject to the rate of achievement of the performance conditions set forth in the plan and having understood that he retires at full rate following the end of his term of office as Chief Executive Officer.

The Board has noted that Paul Boudre will continue cooperation with the Board and the new Chief Executive Officer until the Shareholders' General Meeting to be held on July 26, 2022 and will remain supportive of the Company's interests.

It is noted further in regard of the Onyx 2023 and Topaz share plans that Paul Boudre will have satisfied the presence conditions for the duration

of both plans, as such conditions were described on page 174 of Soitec's 2020-2021 Universal Registration Document (retirement at full rate for the last tranche of the Onyx 2023 free share plan, as provided for all corporate officers and employees and within 12 months of the presence condition date for Topaz PS 2 co-investment plan).

5. Specific benefits in kind

Paul Boudre receives the following specific benefit in kind: key-person insurance providing death and disability coverage until the end of his term of office.

6. Supplementary pension plans

Paul Boudre is a member of the "Article 39" defined benefit supplementary pension plan described in section 4.2.4 of this Universal Registration Document. No entitlements have accrued under this plan since January 1, 2020.

In addition, he is a member of the "Article 83" defined contribution pension plan applicable to all the employees of Soitec's Economic and Social Unit.

C. Compensation of Pierre Barnabé, Chief Executive Officer as of the close of the July 26, 2022 Shareholders' General Meeting, for fiscal year 2022-2023

The Board of Directors has appointed Pierre Barnabé as the Company's new Chief Executive Officer, with effect from the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ended March 31, 2022. At that Meeting, the shareholders will be invited to appoint Pierre Barnabé as a director.

Pierre Barnabé's compensation policy, which will apply as from the effective date of his appointment as Chief Executive Officer, provides for compensation comprising a fixed portion, an annual variable portion, a long-term variable portion and certain commitments and benefits.

As previously announced and published on April 4, 2021, upon Pierre Barnabé taking office as Chief Executive Officer following the Shareholders' General Meeting to be held on July 26, 2022.

1. Fixed compensation

The Board of Directors at its meeting held on March 31, 2022 decided upon the fiscal year 2022-2023 compensation of the next Chief Executive Officer to take office at the close of the July 26, 2022 Shareholders' General Meeting, Pierre Barnabé, as follows:

Pierre Barnabé's annual fixed compensation will be set at a gross amount of €480,000 (paid on a pro rata basis for the period running from his appointment as Chief Executive Officer to March 31, 2023). The level of his compensation will be benchmarked to the level of compensation of a group of CEOs of similar European companies (peers) on an annual or semi-annual basis (benchmarks) and adapted if the Board deems it necessary.

2. Variable compensation

On the recommendation of the Compensation Committee, the Board decided to maintain the structuring and weighting implemented during fiscal year 2020-2021, based on an analysis of market practices and a projection of earning expectations in view of the performance of the various companies of the panel, carried out by reputed independent consultants specialized in the compensation of corporate officers.

The objectives underlying Pierre Barnabé's variable compensation are both financial and strategic and the compensation policy provides for the principle of an additional criterion allowing for a 10% increase in his total variable compensation. The strategic criteria cover the Company's main strategic issues, in line with what was put in place for the previous fiscal year, adapting the criteria to the roadmap for fiscal year 2022-2023 in the areas of innovation, commercial challenges, partnerships and governance. In accordance with the AFEP-MEDEF recommendations, three criteria relate to the Company's social and environmental responsibility (diversity and inclusion, climate change roadmap and water stress).

Pierre Barnabé's short-term annual variable compensation, which will be subject to the achievement of pre-determined performance conditions defined by the Board of Directors based on recommendations issued by the Compensation Committee, can represent between 0% and 165% of his annual fixed compensation.

He will be eligible for short term variable compensation. The performance criteria for such variable compensation shall be as follows:

Objectives	Weighting	Overperformance
I. FINANCIAL OBJECTIVES	60%	90%
Of which:		
a. Revenue	a. 20%	a. 30%
b. EBITDA	b. 20%	b. 30%
c. Operating cash flow	c. 20%	c. 30%
II. STRATEGIC OBJECTIVES*	40%	60%
Of which:		
a. Innovation	a. 30%	a. 45%
b. Strategy	b. 3%	b. 5%
c. ESG	c. 7%	c. 10%

* The total sum of the achievement rates will be multiplied by 1.1 in the event of achievement of ESG ratings improvements.

As was the case for previous fiscal years:

- if the target values of the objectives set by the Board of Directors are achieved, the variable portion will correspond to 100% of Pierre Barnabé's fixed compensation;
- the achievement of the budget objectives will represent 100% of the target values of the financial criteria (unlike in previous fiscal years, when it represented only 90%); 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 rates of his other objectives are such that the variable portion should exceed 100% of his fixed compensation.

Most of the strategic criteria include several sub-criteria, the cumulative achievement of which corresponds to an outperformance level of 150%. Under the environmental criteria (ESG), control over water consumption, which is a major challenge in our industry, has been added to the climate change criterion.

The amount of Pierre Barnabé's variable compensation for fiscal year 2022-2023 based on the financial and strategic objectives can be increased by a further 10% if an additional objective is achieved related to improving the Group's ESG ratings.

The amount of compensation paid will be calculated on a gross basis.

Details of the assessment of the achievement rates of the performance criteria underlying the calculation of the Chief Executive Officer's annual variable compensation have not been disclosed in this Universal Registration Document for confidentiality reasons.

Pursuant to Article L. 22-10-34 II of the French Commercial Code, the payment of annual variable compensation is subject to prior approval at the Shareholders' General Meeting (*ex-post* vote). Pierre Barnabé's compensation policy does not provide for the possibility for the Company to require variable compensation to be repaid.

3. Long-term variable compensation – Performance shares

At the Shareholders' General Meeting of July 28, 2021, the Company's shareholders authorized performance shares to be granted to the Chief Executive Officer and key Group executives.

The vesting of the free shares to be allocated to the Chief Executive Officer will be subject to the achievement of performance criteria based on financial objectives and, in some cases, non-financial objectives, assessed at the end of fiscal year 2024-2025. 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 the Company's ordinary share compared with the Euro Stoxx 600 Technology index) and sustainability-related performance criteria (diversity and inclusion, climate change roadmap and water stress). No lock-up period will apply at the end of the vesting period. However, the Chief Executive Officer is required to hold a certain number of vested shares in registered form, for the duration of his term of office. The value of these shares has been set by the Board of Directors at 10% of the Chief Executive Officer's annual fixed compensation at the vesting date.

The vesting of the performance shares allocated to the Chief Executive Officer is also subject to a *prorata temporis* presence condition, i.e., one-third of each allocation is subject to his continued presence per vesting year. In the event of retirement with a full benefit, the Chief Executive Officer's performance shares will vest on a *prorata temporis* basis (where appropriate, the Board of Directors may waive this condition on the basis of a reasoned decision). In the event of dismissal for gross misconduct, the Chief Executive Officer would lose all of the allocated shares.

4. Commitments given by the Company to the Chief Executive Officer in relation to a termination or change of duties

Pierre Barnabé has had an employment contract with the Company since May 1, 2022. In accordance with the recommendations of the AFEP-MEDEF Code, this employment contract will be terminated without any financial consideration immediately when he takes over as the Company's Chief Executive Officer.

In the event of a forced departure from the Company (other than for gross negligence or misconduct), Pierre Barnabé would be eligible for certain benefits and indemnities, for which the main terms and conditions are as follows:

- The following situations will not be deemed to be a forced departure (i) if the Chief Executive Officer resigns (unless his resignation is not voluntary), (ii) if his duties in his role as Chief Executive Officer change, (iii) if he is not reappointed as Chief Executive Officer on the expiration of his term of office, or (iv) if it becomes impossible, for legal or regulatory reasons, for him to continue in his role as Chief Executive Officer. Also, in accordance with the AFEP-MEDEF Code, no termination benefit would be due if Pierre Barnabé is able to claim his full-rate statutory retirement pension within six months of the termination of his duties.
- The amounts payable to Pierre Barnabé include the following:
 - (i) If the Board of Directors waives all or part of the six-month notice period, **an indemnity in lieu of notice** for the portion of the notice period that he is not required to work out. The indemnity for each month waived would equal one-twelfth of Pierre Barnabé's annual compensation, calculated by reference to his annual fixed compensation (gross) on his last day of office and his most recent

annual short-term variable compensation (gross) received prior to the termination date of his office. This indemnity is subject to the overall cap set out below which applies to this indemnity in lieu of notice and the termination benefit and non-compete indemnity described below.

- (ii) **A termination benefit** representing an initial amount of up to 18 months' worth of compensation, calculated by reference to his annual fixed compensation (gross) on his last day of office and his most recent annual short-term variable compensation (gross) received in relation to the performance of his duties prior to the termination date thereof. This initial amount will be reduced if the remaining period between the termination date and the original expiration date of his term of office is less than 18 months (in which case it will correspond to the amount of compensation – calculated in the same way – for the number of months until the original expiration date of his term of office). In other words, the termination benefit will decrease as from January 26, 2025 until it reaches 0 on July 26, 2026. In addition, the termination benefit will only be paid if cumulative EBITDA for the two fiscal years preceding his departure corresponds to at least 75% of the amounts provided for in the budgets for those two years as approved by the Board of Directors. It is subject to the overall cap set out below which applies to the indemnity in lieu of notice described above, this termination benefit and the non-compete indemnity are described below.
- (iii) **A non-compete indemnity.** As consideration for a non-compete clause, Pierre Barnabé will be entitled to an indemnity equal to 50% of his annual fixed compensation (gross) paid during the 12 months preceding the date on which his office is terminated (excluding any bonuses, benefits or additional compensation granted on top of his fixed compensation). This indemnity will be paid monthly over a period of 12 months (which may be extended by the Board of Directors for a further period of up to 12 months). It is subject

to the overall cap set out below which applies to the indemnity in lieu of notice and termination benefit described above and this non-compete indemnity. The Board of Directors may waive the non-compete clause if it deems fit, in which case no financial indemnity would be payable to Pierre Barnabé.

- In all circumstances, the combined amount of the indemnity in lieu of notice, termination benefit and non-compete indemnity may not exceed 24 months' worth of Pierre Barnabé's compensation (fixed and short-term variable), in accordance with the recommendations of the AFEP-MEDEF Code. If the aggregate amount of the three indemnities exceeds this cap, the amount of the termination benefit will be reduced so that the non-compete clause (if applied) and the corresponding non-compete indemnity remain in full force.

5. Specific benefits in kind

Pierre Barnabé is entitled to Company accommodation located near Soitec's head office, the monthly rent of which is approximately €1,300.

6. Supplementary pension plans

Pierre Barnabé is a member of the "Article 83" defined contribution pension plan applicable to all the employees of Soitec's Economic and Social Unit. The main components of this plan are presented in section 4.2.5.

For the sake of transparency, it should be noted that Pierre Barnabé will receive the same above-described compensation for the leadership transition period during which he will be working closely with Paul Boudre under a permanent employment contract as of May 1, 2022. In accordance with the AFEP-MEDEF Code, this employment contract will be terminated when he takes over as the Company's Chief Executive Officer. His short-term variable compensation will be calculated on a pro rata basis for this period, by reference to the achievement of the annual objectives described above (see *Variable compensation*).

4.2.5 Compensation and benefits of the Executive Committee (ExCom) members

At March 31, 2022, our Executive Committee (ExCom) had 11 members, excluding corporate officers (11 members at March 31, 2021), 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 €12,321 thousand for the fiscal year ended March 31, 2022.

(in € thousands)	March 31, 2021	March 31, 2022
Short-term benefits	4,764 ⁽¹⁾	5,159 ⁽¹⁾
Post-employment benefits	-	-
Accounting value of share-based payments	6,659	7,162
TOTAL GROSS COMPENSATION PAID TO EXCOM MEMBERS	11,423	12,321

(1) The amounts indicated are calculated taking into account the maximum variable compensation to which the members of the Executive Committee are entitled.



5

COMMENTS ON THE FISCAL YEAR

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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, 2022, 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, 2021, with the exception of the new standards, amendments and interpretations described in Chapter 6, note 3 to the consolidated financial statements.

The "Other Business" segment, which includes discontinued operations and notably the Solar Energy business, is presented under discontinued operations in the consolidated financial statements, in accordance with IFRS 5.

5.1.1 Business review and consolidated results

5.1.1.1 Main business trends in fiscal year 2021-2022

Annual consolidated revenue reached €863 million in fiscal year 2021-2022, an all-time high. Revenue was up 48% from €584 million in fiscal year 2020-2021. This reflects the combination of 50% growth at constant exchange rates ⁽¹⁾ and a negative currency impact of 2%, with a solid performance across all types of products in each of our end markets.

Our Group achieved further strong growth in mobile communications, our largest end market, which continues to be supported by the deployment of 5G, both in sub-6 GHz and in mmWave. The expansion of 5G is translating into much higher sales of RF-SOI wafers dedicated to radiofrequency applications, POI wafers dedicated to RF filters, and also FD-SOI wafers for 5G mmWave modules. Growth was enabled by the ramp-up in production following the capacity increase at our Singapore facility dedicated to 300 mm SOI products and at Bernin 3, which is dedicated to 150 mm POI products.

Our Group posted growth in the automotive and industry segment, as evidenced by the sustained sales of Power-SOI and FD-SOI products, which continue to be lifted by the recovery of the automotive market.

Lastly, our Group also achieved a sharp increase in revenue from smart devices thanks to much higher sales of FD-SOI wafers for IoT and edge computing applications, as well as of Photonics-SOI wafers for data centers.

As a direct consequence of the record revenue, driven by the full loading of our Bernin 1 and Bernin 2 plants, and a higher utilization rate at our Singapore plant, the EBITDA margin reached 35.8%, outperforming our initial forecasts.

As planned, our Group continued to accelerate capacity investments to support the manufacture of 300 mm SOI wafers in Singapore and the increase in its production capacity for innovative products (Piezoelectric-on-Insulator) at its Bernin 3 plant. Additional refresh and epitaxy capacities were also put in place during the year.

Russian military offensive against Ukraine

Since the beginning of the conflict between Russia and Ukraine in February 2022, numerous international sanctions and other measures targeting Russia and Belarus have had significant economic consequences that could potentially impact some of our operations.

As our operations in Russia and Ukraine are not directly exposed to the conflict, our Group has not identified any material impact on its consolidated financial statements for the year ended March 31, 2022.

Our Group may, however, be indirectly exposed to the conflict as a manufacturer of microelectronics. At the date of the financial statements, we have not identified any consequences of the conflict on our main customers or suppliers that could lead to a reduction in demand or to difficulties in the supply of materials. Our Group will continue to reassess the consequences of the conflict in light of any additional sanctions that may be imposed.

(1) At constant exchange rates and comparable scope of consolidation; scope effects relate to the acquisition of the entire share capital of NOVASIC SAS in December 2021.

5.1.1.2 Income statement for fiscal year 2021-2022

(in € millions)	2021-2022	2020-2021	2019-2020
Revenue	862.7	583.8	597.5
Gross profit	315.6	183.5	195.4
as % of revenue	36.6%	31.4%	32.7%
Current operating income	194.9	90.0	117.7
as % of revenue	22.6%	15.4%	19.7%
Other operating income and expenses	9.6	0.4	1.8
Operating income (EBIT)	204.6	90.4	119.5
as % of revenue	23.7%	15.5%	20.0%
Net loss from discontinued operations ⁽¹⁾	(0.3)	(1.4)	(0.9)
NET PROFIT – GROUP SHARE	202.0	72.7	109.7
as % of revenue	23.4%	12.4%	18.4%
Basic earnings per share (in euros)	5.98	2.19	3.40

(1) Restatement of the solar businesses in application of IFRS 5.

• EBITDA

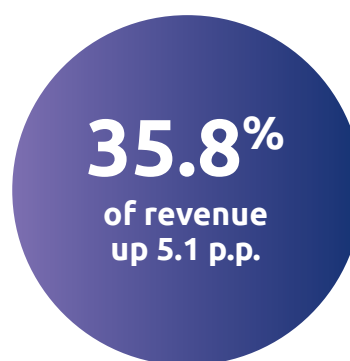
(in € millions)	2021-2022	2020-2021	2019-2020
Electronics EBITDA	308.8	179.0	185.4
Electronics EBITDA margin	35.8%	30.7%	31.0%
Other Business EBITDA	(0.4)	(0.3)	(0.9)
Group EBITDA	308.3	178.7	184.5
Group EBITDA margin	35.7%	30.6%	30.9%

EBITDA represents operating income (EBIT) before depreciation, amortization, impairment of non-current assets, non-cash items related to share-based payments, provisions for impairment of current assets and for contingencies and expenses, disposals gains and losses.

Revenue



EBITDA margin ⁽¹⁾



(1) EBITDA margin for the Electronics business.

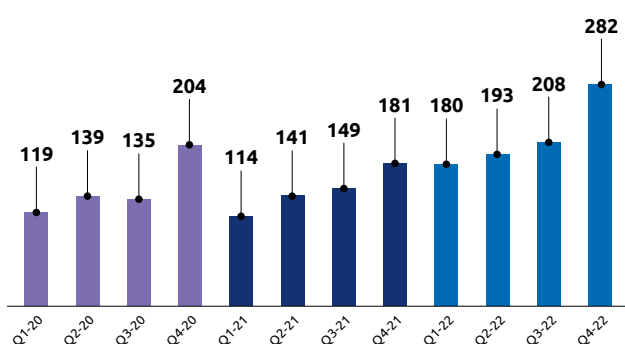
5.1.1.3 Revenue

As expected, fiscal year 2021-2022 was marked by very strong growth at constant exchange rates and scope ⁽¹⁾; consolidated revenue reached an all-time high of €863 million, up 48% from €584 million in fiscal year 2020-2021. This reflects the combination of 50% growth at constant exchange rates and a negative currency impact of 2%.

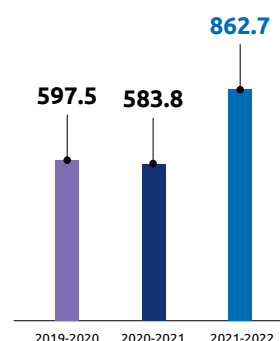
Sales of 150/200 mm wafers were up 26% at constant exchange rates ⁽¹⁾ versus fiscal year 2020-2021, while sales of 300 mm wafers were up 79% at constant exchange rates ⁽¹⁾.

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 is sustained.

› CHANGE IN REVENUE BY QUARTER (in € millions)



› REVENUE (in € millions)



• BREAKDOWN OF ELECTRONICS REVENUE BY PRODUCT

(in € millions)

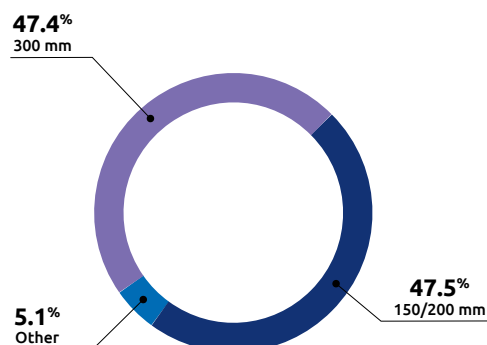
	Year ended March 31, 2022	Year ended March 31, 2021	Change (in %)
Electronics – 300 mm SOI	488	277	76.5%
Electronics – 150/200 mm	344	277	24.1%
Royalties and other revenue ⁽¹⁾	30	30	1.5%
REVENUE	863	584	47.8%

(1) Including revenue relating to Dolphin Design.

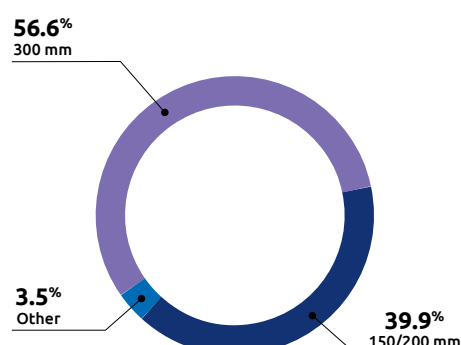
Our Electronics division accounted for all of the Group's revenue in fiscal year 2021-2022, as was the case in the previous fiscal year.

› BREAKDOWN AND CHANGE IN REVENUE BY WAFER TYPE (in € millions)

Fiscal year 2020-2021



Fiscal year 2021-2022



(1) At constant exchange rates and comparable scope of consolidation; scope effects relate to the acquisition of the entire share capital of NOVASIC SAS in December 2021.

**150/
200 mm
up 26%**
at constant exchange
rates versus fiscal
year 2020-2021

Sales of small-diameter wafers (150 mm and 200 mm) increased year on year by 24%, or 26% at constant exchange rates, to €344 million from €277 million.

150 mm and 200 mm wafers are mostly dedicated to radiofrequency applications, including filters, and, to a lesser extent, to power applications. In fiscal year 2021-2022, growth in 150/200 mm wafer sales was mainly due to:

- a strong increase in volumes of 150 mm POI wafers produced at Bernin 3, as well as higher output of 200 mm SOI wafers at Bernin 1, notably on the back of a strong industrial performance from Simgui, Soitec's Shanghai-based partner;
- a positive price/mix effect.

150/200 mm wafer revenue growth was mainly supported by:

- higher RF-SOI 200 mm wafer sales compared to fiscal year 2020-2021, with the deployment of 5G technology;
- higher sales of Power-SOI products, thanks in particular to the recovery in the automotive market;
- a strong increase in sales of 150 mm POI (Piezoelectric-on-Insulator) substrates for RF filters, representing a strong value proposition for 4G and 5G smartphone filters for mass markets.

300 mm wafers comprise products designed for digital and radiofrequency applications. **Sales of 300 mm wafers** reached €488 million, up 79% at constant exchange rates from €277 million in fiscal year 2020-2021, including a 2% favorable currency effect.

Sales growth essentially resulted from strong demand on Soitec's three end markets and the Group's capacity to deliver more volumes from Bernin 2 (thanks to the very good industrial performance) and from Singapore (thanks to the capacity increase), and, to a lesser extent, from a positive price-mix effect.

**300 mm
up 79%**
at constant exchange
rates versus fiscal
year 2020-2021

- RF-SOI 300 mm wafer sales significantly increased compared with fiscal year 2020-2021. Sales continue to be supported by the ongoing deployment of 5G smartphones and by the increase in radiofrequency content in every smartphone.
- FD-SOI wafer sales also continued to enjoy strong growth, as FD-SOI is increasingly benefiting applications across our three end markets, i.e., smart devices, automotive and industry, and mobile communications, especially 5G mmWave modules.
- Sales of Imager-SOI wafers, which enable 3D image sensing for facial recognition in smartphones, also outperformed fiscal year 2020-2021.
- Finally, sales of Photonics-SOI wafers for data centers were much higher than in the previous year.

Royalties and other revenue

Royalties and other revenue reached €30 million in fiscal year 2021-2022, up 1% (2% at constant exchange rates), and derived mainly from the business of Dolphin Design SAS.

• BREAKDOWN OF REVENUE BY GEOGRAPHIC AREA

	2021-2022	2020-2021	2019-2020
United States	14%	14%	20%
Europe	25%	25%	25%
Asia	61%	61%	55%

• BREAKDOWN OF REVENUE BY CUSTOMER

	2021-2022	2020-2021	2019-2020
Top 5 customers	61%	66%	64%
Next 5 customers	23%	19%	24%
Other customers/royalties	16%	15%	12%

The top five customers represented 61% of revenue in fiscal year 2021-2022, compared to 66% 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: 36.6% 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 €316 million (36.6% of revenue) in fiscal year 2021-2022, compared to €184 million (31.4% of revenue) in fiscal year 2020-2021. Despite an unfavorable currency effect due to the appreciation of the euro against the dollar, gross profit benefited from:

- operating leverage linked to business levels and reflecting the very good industrial performance of our production capacities at Bernin 1 (200 mm), Bernin 2 (300 mm) and Pasir-Ris (300 mm at our Singapore site), leading to a more optimal use of production capacities;
- a favorable impact from the phasing-in of our raw materials procurement contracts;
- a favorable price/mix effect.

5.1.1.5 Sharp increase in R&D costs (up €12.5 million)

R&D costs essentially comprise:

- salaries and social security contributions, including share-based payments;
- operating costs of clean room and R&D equipment;
- materials consumed in finalizing and manufacturing prototypes;
- subcontracting to public research centers and private laboratories, as well as under cooperation agreements; and
- costs relating to maintaining and strengthening our Group's intellectual property rights.

Amounts received under subsidy agreements (including research tax credits) are deducted from gross R&D costs when determining the net amount recognized in the income statement.

R&D costs were up €13 million to €57 million in fiscal year 2021-2022, versus €44 million in fiscal year 2020-2021. R&D costs represented 6.6% of consolidated revenue in fiscal year 2021-2022, versus 7.6% in the same year-ago period.



The increase mainly reflects higher levels of gross R&D expenditure (up €19 million compared to fiscal year 2020-2021), in large part due to continued growth and development efforts (new hiring, increased subcontracting with CEA-Leti and higher depreciation and amortization expenses as a result of the increase in our investments).

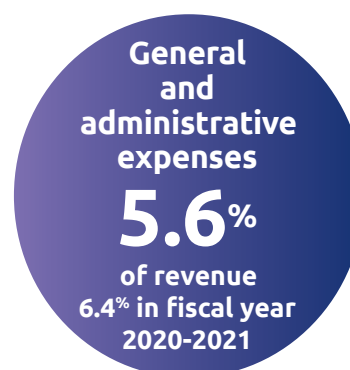
Our R&D expenditure reflects our innovation strategy of consolidating our unique market positioning through next-generation products for each of our three end markets, thereby addressing numerous market opportunities.

5.1.1.6 Sales and marketing expenses

Reflecting our Group's development, sales and marketing expenses were up €3.5 million year on year to €15.2 million, versus €11.7 million in fiscal year 2020-2021. They represented 1.8% of revenue in the year to March 31, 2022, versus 2.0% in the year to March 31, 2021.

5.1.1.7 General and administrative expenses

General and administrative expenses for the Electronics business increased by €11.2 million to €48.6 million in fiscal year 2021-2022, versus €37.4 million in the same year-ago period.



The increase was mainly due to the rise in personnel costs (hiring and other compensation-related costs, including profit-sharing) and, to a lesser extent, to higher depreciation and amortization expense for IT investments.

General and administrative expenses represented 5.6% of our revenue in fiscal year 2021-2022, versus 6.4% in the same year-ago period. In view of the Group's growth, the rise in general expenses remained limited and reflects the growth expected in future years.

5.1.1.8 Current operating income of €195 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 €195 million in fiscal year 2021-2022 (22.6% of revenue), versus €90 million (15.4% of revenue) in the same

year-ago period, reflecting operating leverage linked to higher business levels in terms of both sales and production driven by excellent industrial performance (yields, cost control), as well as a controlled increase in our net R&D costs and our general and administrative expenses.

5.1.1.9 Operating income of €205 million (23.7% 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 €9.6 million and chiefly included the reversal of the impairment loss recognized in the year ended March 31, 2016 on our Singapore industrial building for €9.1 million.

In fiscal year 2020-2021, other operating income and expenses represented net income of €0.4 million, and mainly reflected the gain on the disposal of Dolphin Design's Memory business.

Operating income was €205 million, up €114.2 million from €90.4 million in the prior fiscal year.

5.1.1.10 EBITDA

EBITDA from continuing operations (Electronics) amounted to €308.8 million for the year to March 31, 2022 (35.8% of revenue), in line with our Group's expectations and up 5.1 percentage points from €179 million (30.7% of revenue) in the prior fiscal year.

Despite an unfavorable currency effect, EBITDA for the year ended March 31, 2022 benefited from higher business levels, combined with a controlled increase in both our production and R&D costs.

5.1.1.11 Net financial expense

In fiscal year 2021-2022, our Group posted net financial expense of €0.7 million, compared to net financial expense of €14.8 million in fiscal year 2020-2021.

This caption mainly includes:

- €9.8 million in financial expenses incurred in connection with the OCEANE 2023 and 2025 convertible bond issues (versus €8.2 million in fiscal year 2020-2021). The increase is mainly due to the issue of our OCEANE 2025

convertible bonds on October 1, 2020, partly offset by the conversion of our OCEANE 2023 convertible bonds in October 2021;

- financial expenses related to interest on our financing for €3.3 million;
- a €12.8 million foreign exchange gain (versus a foreign exchange loss of €3.6 million in fiscal year 2020-2021) as a result of changes in the EUR/USD exchange rate over the period.

5.1.1.12 Net loss from discontinued operations

For the year ended March 31, 2022, the net loss from discontinued operations was not material.

For fiscal year 2020-2021, the net loss from discontinued operations was €1.4 million, reflecting a tax effect and unfavorable currency 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 €202 million in fiscal year 2021-2022 versus net profit of €73 million one year earlier. The increase in net profit is attributable to the rise in operating income and the decrease in net financial expense, partly offset by a slightly higher tax expense.

Basic earnings per share came out at €5.98 (versus €2.19 in fiscal year 2020-2021). Diluted earnings per share were €5.63 (versus €2.16 in fiscal year 2020-2021).

5.1.1.14 Statement of financial position

(in € millions)	March 31, 2022	March 31, 2021 ⁽¹⁾	March 31, 2020
Non-current assets	770	559	445
Current assets	489	365	365
Cash and cash equivalents	728	644	191
TOTAL ASSETS	1,986	1,568	1,001
Total equity	1,044	677	552
Financial debt	586	648	245
Provisions and other non-current liabilities	79	42	41
Operating payables	278	200	164
TOTAL EQUITY AND LIABILITIES	1,986	1,568	1,001

(1) Data at March 31, 2021 have been restated following the application of the IFRS IC agenda decision on the calculation of retirement benefit obligations (see note 3.5 of section 6.2.1.1 of this Universal Registration Document).

Non-current assets mainly comprise fixed assets, financial assets (equity investments), the fair value of currency hedges and deferred tax assets. The €212 million increase in non-current assets versus March 31, 2021 is mainly attributable to:

- a €9 million net increase in intangible assets, reflecting:
 - €15 million in capitalized development costs,
 - €8 million in software acquisitions,
 - €6 million in goodwill following the acquisition of NOVASIC SAS,
 - partially offset by the €20 million depreciation and amortization charge during the fiscal year;
- a €184 million net increase in property, plant and equipment, reflecting:
 - €223 million in additions to property, plant and equipment (including new leases), including:
 - industrial equipment for our Bernin plants (dedicated to 200 mm and 300 mm wafers and POI wafers) for €72 million and for our Singapore plant that manufactures 300 mm SOI (RF-SOI and FD-SOI products) for €106 million,
 - €35 million in fixtures and fittings for our clean rooms at the Bernin and Singapore sites,
 - R&D equipment,
 - a positive €14 million in currency effects,
 - the reversal of an impairment loss on our Singapore industrial building for €9 million,
 - partially offset by the €61 million depreciation and amortization expense;
- a €4 million increase in non-current financial assets, mainly related to the measurement of the fair value of our derivative financial instruments with a maturity of more than 12 months;

- a €11.5 million increase in deferred tax assets, notably due to the recognition of additional deferred tax assets on tax loss carryforwards for €12 million;

- a €3 million increase in other non-current assets (€19 million at March 31, 2022), mainly reflecting research tax credit receivables.

Changes in current assets and liabilities are described in section 5.1.1.15.

Financial debt amounted to €586 million at March 31, 2022, a year-on-year decrease of €63 million that was mainly due to:

- the conversion of our OCEANE 2023 convertible bonds for €139 million, and the repayment of finance lease liabilities for €11 million, offset by:
- new financing:
 - drawdowns in an amount of €31 million on the IPCEI loan taken out with Caisse des Dépôts et Consignations as part of the Nano 2022 program,
 - the bank loan taken out to partially finance equipment by our Singapore-based subsidiary in an amount of €20 million, net of repayments during the year,
 - finance lease arrangements entered into during the year for €16 million;
- the remeasurement of our derivative financial instruments with a negative fair value for €16 million.

Net financial debt (debt less cash and cash equivalents) decreased from a net debt position of €4 million to a net cash position of €142 million, thanks to cash generated during the year and the decrease in our gross debt.

As a result, the gearing (net debt/equity) ratio improved from 0.6% at end-March 2021 to a negative 13.6% at end-March 2022.

See note 6.13 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 €677 million at March 31, 2021 to €1,044 million at March 31, 2022, lifted mainly by net profit for the year and the conversion of our OCEANE 2023 convertible bonds for €143 million.

5.1.1.15 Current assets and liabilities

(in € millions)	March 31, 2022	March 31, 2021	Change	Non-operating cash flows, changes in non-current operating assets and liabilities and reclassification between current assets and liabilities	Non-cash movements		
					Currency translation adjustments and foreign exchange gains/(losses)	Other	Change in working capital
Inventories	143	124	18	-	(1)	14	31
Trade receivables	280	157	123	(56)	(18)	-	48
Other current assets	62	77	(15)	12	(2)	-	(6)
Current financial assets	4	6	(2)	2	-	-	(0)
Current assets (1)	489	365	123	(42)	(22)	14	73
Trade payables	101	79	22	(2)	(6)	-	14
Other current liabilities	177	121	56	(46)	(2)	(1)	6
Operating payables (2)	278	200	78	(48)	(8)	(1)	21
CURRENT ASSETS NET OF OPERATING PAYABLES (1) - (2)	210	165	46	5	(14)	15	52

5.1.2 Investments

Our Group's investment policy is designed to maintain production capacity in line with the demand expressed by customers or inferred from market trends, while maintaining an appropriate return on investment.

Equipment of the same type is used both for R&D work on the development of new products and for the pre-industrialization of new products.

Lastly, capital expenditure on information systems 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 2021-2022

The Group recorded a significant €246 million in capital expenditure during the year, representing a €229 million cash outflow (€213 million, net of equipment financed through leases).

In line with the previous year, capital expenditure was mainly devoted to increasing our production capacity for 300 mm SOI wafers at the Pasir Ris facility in order to respond to growth in demand, as well as to gradually increasing production capacity.

Bernin 1 and Bernin 2	Bernin 3	Pasir Ris (Singapore)
200 mm wafers 300 mm wafers	POI (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
€20 million in capital expenditure	€82 million in capital expenditure	€112 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, our Group also invested €7 million in IT equipment and €20 million in development projects (including capitalized development costs), as well as equity investments in connection with Soitec Belgium and Dolphin Design SAS.

5.1.2.2 Main future capital expenditure

In 2022-2023, our Group will continue its investment efforts, with the related outflows for the fiscal year expected to total around €260 million. From an industrial standpoint:



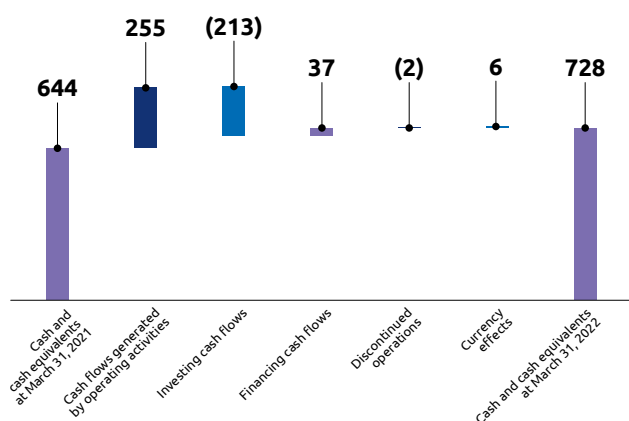
- at Bernin:
 - equipment intended to increase the overall production capacity, in particular for the production of 300 mm wafers;
 - new investments, in order to ready our first production capacities for innovative SmartSiC™ wafers. These silicon carbide wafers will primarily address the key challenges of the electric vehicle and industrial markets;
 - the installation of refresh (raw materials recycling) capacity in our Bernin 4 plant, in order to address the additional demand for our 300 mm products;
- in Singapore:
 - continued investment in additional 300 mm wafer production capacity, with the aim of eventually producing 1,000,000 wafers to meet the growing demand for our FD-SOI and RF-SOI products. Additional new investments are also planned to increase our refresh and epitaxy capacities.

At all our industrial facilities, we also plan to invest in developing our industrial infrastructure, reducing our energy consumption and our carbon footprint and improving security, IT and cybersecurity. In addition, we anticipate investments related to our development projects (equipment and capitalized costs).

5.1.3 Cash flows and financial position

5.1.3.1 Cash flows

Our Group's available cash increased from €644 million at March 31, 2021 to €728 million at the reporting date.



Investing cash flows in the amount of (€213) million shown above correspond to the presentation in the consolidated IFRS statement of cash flows which is net of the finance leases for the year amounting to €16 million. Investing cash flows including the investments financed through finance leases amount to (€229) million.

The cash balance at March 31, 2021 included ZAR 125 million (€7.2 million) related to the sale of the shares held in our former South African subsidiary. These funds were received in full by our Group in May 2021, after obtaining clearance for their repatriation.

- **Net cash generated by operating activities during the fiscal year amounted to €255 million**, up €81 million from fiscal year 2020-2021. The significant improvement was driven by:

- EBITDA of €309 million (€179 million in the prior fiscal year);
- a decrease in taxes paid (€2 million versus €14 million for fiscal year 2020-2021), mainly due to refunds for previous years;
- partially offset by a €52 million increase in working capital (a €9 million improvement on fiscal year 2020-2021).

The increase in working capital chiefly reflects the strong growth in fiscal year 2021-2022 (business was stable in fiscal year 2020-2021) and was attributable to:

- a €31 million increase in inventories in connection with business growth;
- a €48 million increase in trade receivables in connection with sales growth;
- partially offset by an increase in trade payables for €15 million and a decrease in other receivables in connection with subsidies received and refunds of tax receivables in Singapore.

- These operating cash flows financed investments over the period. **Net cash used in investing activities totaled €213 million in the year ended March 31, 2022**, versus €133 million in the same year-ago period, mainly comprising:

- capital expenditure during the year, as described in section 5.1.2;
- the investment in NOVASIC SAS, net of cash acquired, for €6 million.

- **Net cash generated by financing activities totaled €37 million in fiscal year 2021-2022**, versus €412 million in the prior fiscal year, mainly comprising:

- the €31 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 to finance equipment by our Singapore-based subsidiary in an amount of €20 million, net of repayments during the year;
- partially offset by repayments during the period (leases).

- In total, our Group's cash and cash equivalents amounted to €728 million at March 31, 2022 versus €644 million at March 31, 2021.

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 early conversion of our OCEANE 2023 convertible bonds, our Group continued to strengthen its equity, which stood at €1,044 million at March 31, 2022 versus €677 million at March 31, 2021.

At March 31, 2022, the Group had a comfortable liquidity position, comprising:

- available cash of €728 million;
- net cash of €142 million (versus net debt of €4 million at March 31, 2021);
- sufficient net cash from operating activities in 2021-2022 to cover capital expenditure;
- access to different sources of financing, if needed (see below).

During fiscal year 2021-2022, our Group also took out a new line of credit, bringing its total lines of credit to €85 million across a pool of eight banks. These credit lines are repayable at maturity no later than June 2025. No drawdowns have been made.

The Group finances a portion of its industrial capital expenditure through:

- finance leases in France and Belgium (additional €16 million in fiscal year 2021-2022);
- bank loans in Singapore with four Asia-based banks to finance new equipment for our Singapore site, in a total amount of €75 million. The loans have five-year terms and mature in 2026 and 2027;
- 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. During the fiscal year, the Group drew down a cumulative total of €126 million. The outstanding €74 million will be used to fund capital expenditure over the next two years;
- in addition, our Group obtains financing for a portion of its R&D costs through subsidies and repayable advances.

Further information on the financing of our Company and our Group is provided in note 6.13 to the consolidated financial statements (section 6.2.1.2 of this Universal Registration Document).

5.2 Subsequent events

5.2.1 Power outage of production in Bernin

At around 2:00 am on Tuesday April 5, 2022, a fire broke out at an electricity supply facility outside Soitec's site in Bernin, which led to the power outage of its production plants. Safety protocols were activated to protect equipment while waiting for the restoration of the power supply. Soitec's

plants were progressively back in operation as from April 5 at 8:30 pm and production went fully back to normal on April 9. Soitec expects this power outage to have only a very limited impact on fiscal year 2022-2023 operational and financial performance.

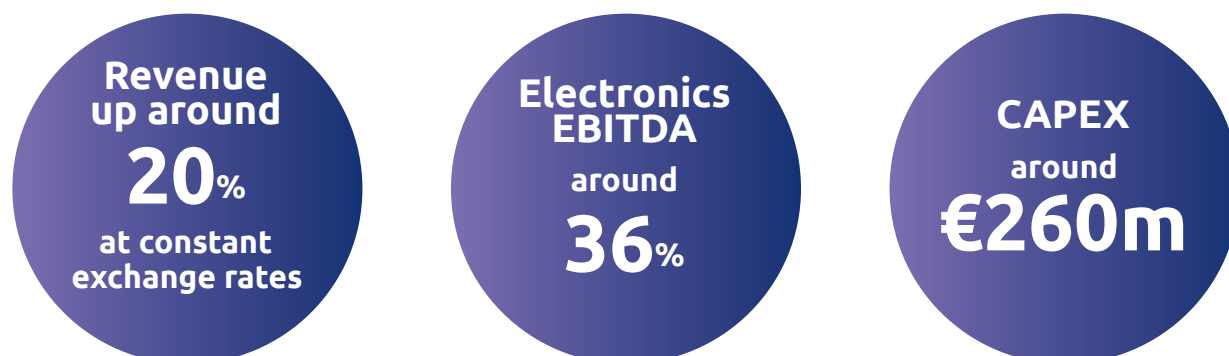
5.2.2 Soitec announces the extension of its Pasir Ris facility to produce 300 mm SOI wafers, and expand its Refresh and Epitaxy capacities

On June 8, 2022, Soitec decided the extension of its Pasir Ris facility in Singapore, with the objective to add a new capacity of 1 million wafers per year. Soitec expects the construction of this extension to start in fiscal year 2022-2023, and the fab to enter into operation by the end of fiscal year 2024-2025. The robust level of customer demand gives Soitec enough visibility to accelerate the launch of this new fab, which was initially

planned for fiscal year 2025-2026. Combining Bernin II, Pasir Ris I and Pasir Ris II, Soitec's total 300 mm SOI production capacity will ultimately reach 2.7 million wafers per year. The extension of Pasir Ris is also due to include additional refresh and epitaxy capacities.

5.3 Trends and objectives

› OUTLOOK FOR FISCAL YEAR 2022-2023



Revenue for fiscal year 2022-2023 is expected to increase by around 20% at constant scope and exchange rates to US\$1,200 million (or €1,050 million based on a EUR/USD exchange rate of 1.16). Growth is expected to be driven chiefly by higher 300 mm wafer sales, led by an increase in sales of RF-SOI and FD-SOI products and sustained demand for Imager-SOI products. This growth will be made possible by full-capacity utilization at our Bernin 2 plant and the industrial ramp-up at our Singapore facility;

The EBITDA margin is expected to reach approximately 36%. EBITDA will benefit from:

- operating leverage linked to business growth and therefore full utilization of our Bernin and Singapore industrial facilities;
- a favorable price/mix effect;
- partially offset by an unfavorable impact from raw material procurement costs (linked to the phasing-in of our contracts) and an inflationary effect.

Our Group anticipates that capital expenditure will reach around €260 million in fiscal 2022-2023, essentially reflecting an acceleration in capacity investments to support the ramp-up of the 300 mm plant in Singapore, the additional 300 mm refresh capacity in France and preparations for innovative silicon carbide (SiC) semiconductor wafer production in France.

Our Group does not anticipate any adverse consequences of the conflict between Russia and Ukraine given the lack of direct and indirect exposure of our activities in these countries.

For more information on anticipated capital expenditure, see section 5.1.2.2 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, 2022, 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, 2022, 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, 2022, 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 €737 million in fiscal year 2021-2022, versus €550 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 the fiscal year.

5.4.3 Main changes in our Company's balance sheet

5.4.3.1 Assets

Non-current assets

Non-current assets increased from €473.4 million at March 31, 2021 to €638.5 million at March 31, 2022, reflecting the high level of investments during fiscal year 2021-2022. Purchases of property, plant and equipment amounted to €107 million, and mainly (72%) comprised fixtures and fittings, industrial equipment and IT infrastructure for the Bernin 3 plant manufacturing POI products.

Intangible assets include €47.3 million in capitalized development projects at March 31, 2022.

Current assets

Current assets rose from €812 million at March 31, 2021, to €886 million at March 31, 2022.

The increase is mainly attributable to:

- an increase in marketable securities to €270 million at March 31, 2022, versus €140 million at March 31, 2021;
- an increase in trade receivables in line with business activities;
- partially offset by a 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 €798 million at March 31, 2022, versus €501 million at March 31, 2021. The increase principally reflects the conversion of the OCEANE 2023 convertible bonds (€146 million) and €68.7 million in net profit for the prior fiscal year.

Provisions for contingencies and expenses

Provisions for contingencies and expenses amounted to €6.6 million as of March 31, 2022, versus €5.2 million as of March 31, 2021. The increase in this caption mainly reflects a provision for foreign exchange losses in an amount of €4.8 million at March 31, 2022 (versus €2 million at March

31, 2021) and a reversal of surplus provisions for contingencies on the futures market in the amount of €1.4 million.

Liabilities

Financial debt decreased year on year, mainly due to the conversion of our OCEANE 2023 convertible bonds in October 2021 in an amount of €150 million.

At March 31, 2022, €126 million of the €200 million long-term loan arranged with Banque des Territoires had been drawn down and was presented in financial debt, including an additional drawdown of €31 million during the year.

5.4.4 Our Company's operating profit

Our Company's revenue amounted to €737.3 million, versus €550.0 million for fiscal year 2020-2021, representing an increase of 34.05%.

Total operating income amounted to €783.3 million, compared to €611.3 million for the previous fiscal year, representing an increase of 28.14%.

For a description of the Company's business activities, see *Business review and consolidated results*.

Operating expenses for the fiscal year amounted to €629.6 million, versus €538.7 million in fiscal year 2020-2021, and operating profit came out at €153.7 million, versus €72.6 million one year earlier.

The financial statements for fiscal year 2021-2022 show net profit of €147,000,804, compared to net profit of €68,685,970 for fiscal year 2020-2021.

For additional information on our Company's financial position for the two fiscal years preceding March 31, 2022, readers are invited to refer to the management reports drawn up by our Board of Directors for those fiscal years, particularly page 179 of the 2019-2020 Registration Document filed with the French financial markets authority (*Autorité des marchés financiers* – AMF) under no. D.20-0782, and page 206 of the 2020-2021 Universal Registration Document, filed with the AMF under no. D.21-0681.

5.4.5 Proposed appropriation of net profit for fiscal year 2021-2022

Our Board of Directors will submit the following proposal for approval by the Shareholders' General Meeting to be held on July 26, 2022:

- appropriate €357,131.40 to the legal reserve, bringing it up to 10% of the share capital, which would be increased from €6,672,984.60 to €7,030,116; and
- appropriate the balance of €146,643,672.74 to "Retained earnings", which would be increased from €321,140,750.71 to €467,784,423.45.

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 2021-2022 include an amount of €116,462 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, 2022

• PAST DUE INVOICES RECEIVED BUT NOT SETTLED AT THE REPORTING DATE

	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and beyond	Total (1 day and beyond)
(A) BREAKDOWN OF PAST DUE PAYMENTS						
Number of invoices concerned	2,789					532
Total amount of invoices concerned including VAT	72,482,119	4,557,697	688,273	77,480	3,447,391	8,770,840
% of total purchases in the fiscal year	12.33%	0.78%	0.12%	0.01%	0.59%	1.49%
% of revenue for the fiscal year						
(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED AND UNRECOGNIZED PAYABLES AND RECEIVABLES						
Number of invoices excluded						
Total amount of invoices excluded						
(C) REFERENCE PAYMENT TERMS USED						
Reference payment terms used to calculate past due payments						Contractual terms

• PAST DUE INVOICES ISSUED BUT NOT SETTLED AT THE REPORTING DATE

	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and beyond	Total (1 day and beyond)
(A) BREAKDOWN OF PAST DUE PAYMENTS						
Number of invoices concerned	365					82
Total amount of invoices concerned including VAT	€67,779,206.58	€6,446,170.48	€2,770,289.63	€13,360.76	€1,230,372.23	€10,460,193.10
% of revenue for the fiscal year	9.25%	0.88%	0.38%	0.00%	0.17%	1.43%
(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED AND UNRECOGNIZED PAYABLES AND RECEIVABLES						
Number of invoices excluded		0				
Total amount of invoices excluded		€0				
(C) REFERENCE PAYMENT TERMS USED						
Reference payment terms used to calculate past due payments						Contractual terms



6

FINANCIAL STATEMENTS

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6.1 Historical financial information

Pursuant to Article 19 of Regulation (EU) 2017/1129 of the European Parliament and of the Council, the following information is incorporated by reference in this Universal Registration Document:

- our Company's annual financial statements at March 31, 2020 and the corresponding audit reports appearing on pages 226 *et seq.* and pages 245 *et seq.* of the Universal Registration Document filed with the French financial markets authority (*Autorité des marchés financiers* – 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 Universal Registration Document filed with the AMF on September 2, 2020 under no. D.20-0782;

- our Company's annual financial statements at March 31, 2021 and the corresponding audit reports appearing on pages 258 *et seq.* and pages 280 *et seq.* of the Universal Registration Document filed with the AMF on July 5, 2021 under no. D.21-0681;

- our Group's consolidated financial statements at March 31, 2021 and the corresponding audit reports appearing on pages 212 *et seq.* and 255 *et seq.* of the Universal Registration Document filed with the AMF on July 5, 2021 under no. D.21-0681.

The sections of these documents that are not incorporated by reference are either not relevant for investors or are covered elsewhere in this Universal Registration Document.

The documents cited above are available on our Company's website (www.soitec.com) and the AMF's website (www.amf-france.org).

6.2 Consolidated financial statements

6.2.1 Consolidated financial statements

6.2.1.1 Consolidated financial statements at March 31, 2022

• CONSOLIDATED INCOME STATEMENT

(in € thousands)	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Revenue	4	862,743	583,761
Cost of sales		(547,166)	(400,284)
Gross profit		315,577	183,477
Sales and marketing expenses		(15,181)	(11,712)
R&D costs	7.2	(56,895)	(44,378)
General and administrative expenses		(48,570)	(37,397)
Current operating income		194,931	89,990
Other operating income	7.4	10,282	392
Other operating expenses	7.4	(645)	(30)
Operating income	4	204,568	90,352
Financial income	7.5	13,498	475
Financial expense	7.6	(14,154)	(15,264)
Net financial expense		(656)	(14,789)
Profit before tax	7.7	203,912	75,563
Income tax	7.7	(1,683)	(1,494)
Net profit from continuing operations		202,229	74,069
Net loss from discontinued operations	7.9	(267)	(1,398)
CONSOLIDATED NET PROFIT		201,962	72,671
NET PROFIT – GROUP SHARE		201,962	72,671
Basic earnings per share (in euros)	7.8	5.98	2.19
Diluted earnings per share (in euros)	7.8	5.63	2.16

Basic earnings per share amounted to €5.98, including earnings per share of €5.99 relating to continuing operations and a (€0.01) loss per share attributable to discontinued operations.

Diluted earnings per share came out at €5.63, including earnings per share of €5.64 relating to continuing operations and a (€0.01) loss per share attributable to discontinued operations.

• CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in € thousands)	Notes	Year ended March 31, 2022	Year ended March 31, 2021 ⁽¹⁾
Consolidated net profit	-	201,962	72,671
Items that may be reclassified to the income statement	-	5,316	(13,991)
• of which: foreign exchange gains/(losses) on translation of foreign operations	-	12,061	(11,611)
• of which: changes in the fair value of hedging instruments	-	(9,487)	(3,325)
• of which: tax on items recognized in other comprehensive income	-	2,742	945
Items that may not be reclassified to the income statement	-	(683)	(778)
• of which: actuarial gains/(losses) on defined benefit plans	8.1	(897)	(1,109)
• of which: tax impact	-	214	331
Income and expenses recognized in other comprehensive income	-	4,633	(14,769)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	206,595	57,902
<i>Group share</i>	-	<i>206,595</i>	<i>57,902</i>

(1) Data for the year ended March 31, 2021 have been restated following the application of the IFRS IC agenda decision on the calculation of retirement benefit obligations (see note 3.5).

• CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets (in € thousands)	Notes	March 31, 2022	March 31, 2021 ⁽¹⁾
NON-CURRENT ASSETS			
Intangible assets	6.1	108,037	99,126
Property, plant and equipment	6.2	562,314	378,157
Non-current financial assets	6.4	16,865	12,704
Other non-current assets	6.5	18,531	15,403
Deferred tax assets	7.7	64,243	52,703
Total non-current assets		769,990	558,093
CURRENT ASSETS			
Inventories	6.6	142,517	124,309
Trade receivables	6.7	280,235	157,422
Other current assets	6.8	61,597	77,079
Current financial assets	6.9	4,207	6,336
Cash and cash equivalents	6.10	727,822	644,376
Total current assets		1,216,378	1,009,522
TOTAL ASSETS		1,986,368	1,567,615

Equity and liabilities (in € thousands)	Notes	March 31, 2022	March 31, 2021 ⁽¹⁾
EQUITY			
Share capital	6.11	70,301	66,730
Share premium	6.11	229,612	83,183
Reserves and retained earnings		746,770	534,165
Other reserves	6.11	(2,749)	(7,382)
Equity – Group share		1,043,934	676,696
Total equity		1,043,934	676,696
NON-CURRENT LIABILITIES			
Long-term financial debt	6.13	518,104	612,273
Provisions and other non-current liabilities	6.14	78,597	42,188
Total non-current liabilities		596,701	654,461
CURRENT LIABILITIES			
Short-term financial debt	6.13	67,595	36,206
Trade payables	6.15	100,993	78,989
Provisions and other current liabilities	6.16	177,145	121,263
Total current liabilities		345,733	236,458
TOTAL EQUITY AND LIABILITIES		1,986,368	1,567,615

(1) Data at March 31, 2021 have been restated following the application of the IFRS IC agenda decision on the calculation of retirement benefit obligations (see note 3.5).

• CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>(in € thousands)</i>	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
Impact of the application of the IFRS IC agenda decision (IAS 19) ⁽¹⁾				1,006		1,006	1,006
April 1, 2020, after impact of the application of the IFRS IC agenda decision (IAS 19) ⁽¹⁾	66,558	82,426	(377)	396,738	7,387	552,732	552,732
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	-	-	-	-	(778)	(778)	(778)
• of which: actuarial gains/(losses) on defined benefit plans ⁽¹⁾					(1,109)	(1,109)	(1,109)
• of which: tax impact ⁽¹⁾					331	331	331
Total income and expenses in the period recognized in other comprehensive income	-	-	-	-	(14,769)	(14,769)	(14,769)
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	(14,769)	57,902	57,902
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 ⁽¹⁾	66,730	83,183	(369)	534,534	(7,382)	676,696	676,696

⁽¹⁾ Data at March 31, 2020 have been restated following the application of the IFRS IC agenda decision on the calculation of retirement benefit obligations (see note 3.5).

(in € thousands)	Share capital	Share premium	Treasury shares	Reserves and retained earnings	Other reserves	Equity – Group share	Total equity
MARCH 31, 2021 ⁽¹⁾	66,730	83,183	(369)	534,534	(7,382)	676,696	676,696
Items that may be reclassified to the income statement	-	-	-	-	5,316	5,316	5,316
• of which: foreign exchange gains/(losses) on translation of foreign operations					12,061	12,061	12,061
• of which: changes in the fair value of hedging instruments					(9,487)	(9,487)	(9,487)
• of which: tax on items recognized in other comprehensive income					2,742	2,742	2,742
Items that may not be reclassified to the income statement	-	-	-	-	(683)	(683)	(683)
• of which: actuarial gains/(losses) on defined benefit plans					(897)	(897)	(897)
• of which: tax impact					214	214	214
Total income and expenses in the period recognized in other comprehensive income	-	-	-	-	4,633	4,633	4,633
Net profit from continuing operations				202,229		202,229	202,229
Net loss from discontinued operations				(267)		(267)	(267)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	-	-	201,962	4,633	206,595	206,595
Capital increase ⁽²⁾	699	(699)				-	-
Share-based payments and tax impact				13,727		13,727	13,727
Conversion of OCEANE 2023 convertible bonds ⁽³⁾	2,872	147,128		(6,606)		143,394	143,394
Change in liabilities relating to put options granted to non-controlling interests				3,525		3,525	3,525
Other				(3)		(3)	(3)
MARCH 31, 2022	70,301	229,612	(369)	747,139	(2,749)	1,043,934	1,043,934

(1) Data at March 31, 2021 have been restated following the application of the IFRS IC agenda decision on the calculation of retirement benefit obligations (see note 3.5).

(2) Share capital increases include €560 thousand following the issue of 279,821 ordinary shares further to the vesting of free shares under the free share plan for all on July 27, 2021, €113 thousand following the issue of 56,712 new PS 2 shares further to the vesting of 56,712 free preferred shares under the Topaz 2019 plan on August 2, 2021, and €25 thousand following the issue of 12,553 new PS 2 shares further to the vesting of 12,553 PS 2 shares under the Topaz 2020 plan on January 10, 2022.

(3) 1,435,818 OCEANE 2023 bonds were converted into ordinary shares based on a ratio of one ordinary share for each OCEANE bond.

• CONSOLIDATED STATEMENT OF CASH FLOWS

<i>(in € thousands)</i>	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Net profit from continuing operations		202,229	74,069
Net loss from discontinued operations		(267)	(1,398)
CONSOLIDATED NET PROFIT		201,962	72,671
Adjustments for:			
Depreciation and amortization expense	6.1, 6.2, 7.3	80,814	59,860
Impairment/(reversals of impairment) of non-current assets	6.2	(9,801)	
Provision (expense for the period)/(reversals), net	6.4, 6.6, 6.7	1,498	5,767
Provision (expense for the period)/(reversals) for retirement benefit obligations, net	8.1	(4,207)	837
(Gains)/losses on disposals of assets	7.4	2,088	1,215
Income tax	7.7	1,683	1,494
Net financial expense	7.5, 7.6	657	14,789
Share-based payments		19,545	19,963
Other non-cash items		14,262	1,007
Non-cash items relating to discontinued operations		(159)	1,067
Changes in:			
Inventories		(31,005)	(9,377)
Trade receivables		(48,276)	384
Other receivables		6,072	(3,020)
Trade payables		14,764	7,375
Other liabilities		6,097	13,984
Changes in working capital and income tax paid relating to discontinued operations		96	(26)
Income tax paid		(1,889)	(14,040)
NET CASH GENERATED BY OPERATING ACTIVITIES		254,201	173,950
<i>Of which continuing operations</i>		<i>254,531</i>	<i>174,307</i>
Purchases of intangible assets		(23,970)	(24,221)
Purchases of property, plant and equipment		(180,960)	(109,384)
Proceeds from disposals of intangible assets and property, plant and equipment		1,444	438
Acquisitions of subsidiaries, net of cash acquired		(7,712)	(992)
(Acquisitions) and disposals of financial assets		(2,192)	1,099
Interest received		422	447
Investment/divestment flows related to discontinued operations		4	
NET CASH USED IN INVESTING ACTIVITIES		(212,964)	(132,613)
<i>Of which continuing operations</i>		<i>(212,968)</i>	<i>(132,613)</i>
Convertible bond (net of issue costs) – OCEANE 2025			321,058
Capital increase			930
Change in interest in subsidiaries without change of control			(2,000)
Financing received from non-controlling interests		1,900	190
Loans and drawdowns on credit lines		64,222	143,166
Repayments of borrowings (including leases)		(24,889)	(48,928)
Interest paid		(3,751)	(2,066)
Financing flows related to discontinued operations		(1,550)	(2)
NET CASH GENERATED BY FINANCING ACTIVITIES		35,932	412,348
<i>Of which continuing operations</i>		<i>37,482</i>	<i>412,350</i>
Effects of exchange rate fluctuations		6,277	(307)
CHANGE IN NET CASH		83,446	453,378
<i>Of which continuing operations</i>		<i>85,322</i>	<i>453,737</i>
Cash and cash equivalents at beginning of the period		644,376	190,998
Cash and cash equivalents at end of the period		727,822	644,376

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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 2021-2022, our Group operated in two business segments:

- **Electronics:** our Group’s historical activity in the semiconductor sector, producing and marketing substrates and components for the semiconductor industry;

- **Other Business:** operations that have largely been discontinued by our Group, mainly comprising the Solar Energy sector, whose outstanding activities were sold in fiscal year 2019-2020. Our Group no longer has any operations in this business segment and its accounts hold only provisions for activities sold or discontinued as well as costs of discontinuing the operations.

NOTE 2. SIGNIFICANT EVENTS OF THE YEAR

2.1 Expansion of manufacturing footprint in Bernin in preparation for the production of innovative silicon carbide semiconductor wafers and increased SOI capabilities

On March 11, 2022, our Group announced a new fabrication facility at Bernin, France, primarily to manufacture new silicon carbide wafers, which address key challenges of the electric vehicle and industrial markets.

The extension will also support Soitec’s 300 mm Silicon-on-Insulator (SOI) activities. The factory will produce innovative SmartSiC™ engineered wafers developed by Soitec at the Substrate Innovation Center located at CEA-Leti in Grenoble, using Soitec’s proprietary SmartCut™ technology.

2.2 Industrial plant in Singapore

The Singapore plant was built in 2008 in order to increase 300 mm wafer production capacity. In fiscal year 2015-2016, due to the downturn in demand and its dormant status, impairment was recognized against the plant in an amount of US\$22 million.

In view of the strong improvement in the level of utilization of the plant, its outlook and the visibility on its profitability, our Group was able to reverse the impairment loss. Net of the corresponding revised depreciation and amortization, the impairment reversal amounts to €9.1 million, thereby returning the plant to the net carrying amount that would have been calculated had no impairment been charged. This amount is presented within “Other operating income” in our income statement.

2.3 Chief Executive Officer succession plan

On January 19, 2022, Soitec’s Board of Directors announced that Pierre Barnabé would succeed Paul Boudre as Group Chief Executive Officer at the close of the July 2022 shareholders’ meeting. Pierre Barnabé joined the company on May 1, 2022 to work closely with Paul Boudre on an effective leadership transition. The Board will also propose the appointment of Pierre Barnabé as a director at the Ordinary Shareholders’ Meeting scheduled for July 26, 2022.

2.4 Early conversion of all 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.

Holders of OCEANE 2023 convertible bonds had a right to receive new and/or existing ordinary shares, which they could have 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 OCEANE 2023 conversion/exchange ratio was one ordinary share per OCEANE 2023 convertible bond.

On September 16, 2021, our Group announced its decision to proceed with the early redemption on October 18, 2021 of all of its outstanding OCEANES maturing on June 28, 2023, at a price equal to the par value per bond (i.e., €104.47).

On October 8, 2021, all OCEANE bondholders opted to exercise their conversion/exchange right at the conversion/exchange ratio of one Soitec share per OCEANE convertible bond. A total of 1,435,818 OCEANE 2023 convertible bonds were converted into new ordinary shares, representing a total increase in our Company’s capital of €150 million, of which €2.9 million corresponding to the par value and €147.1 million to the share premium.

2.5 Employee share ownership plans

Vesting of free shares allocated under the Share Plan for All no. 3 (PAT no. 3)

On July 26, 2018, our Board of Directors decided to set up two new free ordinary share allocation plans for all Group employees, subject to presence and performance conditions.

On June 9, 2021, the Board of Directors noted that the objectives set out in the plan rules had been fully achieved and that the performance conditions for these two plans had therefore been met in full. The ordinary shares allocated under these plans vested to the beneficiaries of our Group on July 26, 2021 at the end of the vesting period. The plans are now therefore terminated.

Consequently, 279,821 new ordinary shares with a par value of €2.00 each were created by capitalizing share premiums of €560 thousand within the share capital.

“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 STOXX Europe 600 Technology index. 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 second tranche, 56,712 PS 2 were issued on August 1, 2021. As a reminder, 75,861 PS 2 were issued on December 18, 2020, following the vesting of the first tranche.

On November 18, 2020, the Board of Directors reopened the plan with identical performance conditions and amended tranches. The free PS 2 vest in tranches (60% on January 1, 2022 and 40% on November 30, 2022). On January 10, 2022, 12,553 PS 2 were issued following the end of the first vesting period of the free PS 2 granted on November 18, 2020.

"Onyx 2024" free share allocation plan

On July 28, 2021, pursuant to the authorizations granted by the Shareholders' General Meeting of July 28, 2021, our Board of Directors set up a free ordinary share allocation plan for certain employees of our Group. A total of 54,614 ordinary shares were allocated under the plan, subject to a presence condition (presence in the Group until July 1, 2024) and performance conditions based on the achievement of objectives relating to revenue, EBITDA and the Total Shareholder Return (TSR) of our Company's ordinary shares compared to the STOXX Europe 600 Technology index.

The shares allocated represented approximately 0.2% of our Company's share capital at July 28, 2021.

2.6 Completion of the acquisition of NOVASiC to strengthen silicon carbide wafer technology

On December 29, 2021, our Group finalized the acquisition of a 100% stake in NOVASiC, an advanced technology company specialized in polishing and refreshing wafers, to support its unique silicon carbide-based SmartSiC™ roadmap (see note 5 "Changes in scope of consolidation").

2.7 Tax inspection

The audit of the accounting and all of the tax returns of Soitec SA for the period from April 1, 2016 to March 31, 2019 has been completed and the tax inspection concluded without reassessment. The tax audit of Concentrix has been completed and the audit concluded without significant reassessment.

2.8 Russian military offensive against Ukraine

Since the beginning of the conflict between Russia and Ukraine in February 2022, numerous international sanctions and other measures targeting Russia and Belarus have had significant economic consequences that could potentially impact some of our operations.

As our operations in Russia and Ukraine are not directly exposed to the conflict, our Group has not identified any material impact on its consolidated financial statements for the year ended March 31, 2022.

Our Group may, however, be indirectly exposed to the conflict as a manufacturer of microelectronics. At the date of the financial statements, we have not identified any consequences of the conflict on our main customers or suppliers that could lead to a reduction in demand or to difficulties in the supply of materials. Our Group will continue to reassess the consequences of the conflict in light of any additional sanctions that may be imposed.

NOTE 3. ACCOUNTING POLICIES

3.1 Statement of compliance

Pursuant to Regulation (EC) 1606/2002 of July 19, 2002 on the application of international accounting standards, our Group's consolidated financial statements have been prepared in accordance with the standards and interpretations published by the International Accounting Standards Board (IASB), adopted by the European Union and mandatory for consolidated financial statements.

These standards are available on the European Commission's website, and include international accounting standards (IAS and IFRS), as well as the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Standards Interpretations Committee (IFRS IC).

The consolidated financial statements were prepared under the responsibility of our Group's Board of Directors at its meeting of June 8, 2022 and will be submitted for approval to the Shareholders' General Meeting on July 26, 2022.

3.2 Basis of preparation of financial information

Presentation currency

The Company's functional currency is the euro. The consolidated financial statements of our Group are presented in thousands of euros and all amounts are rounded to the nearest thousand, unless otherwise stated.

Change in accounting policies

The standards, amendments and interpretations used to prepare the consolidated financial statements for the year ended March 31, 2022 are those published in the Official Journal of the European Union before March 31, 2022, and mandatory on that date. The reference framework is available from the European Commission's website.

Our Group has applied the following standards, amendments and interpretations, published by the IASB and adopted by the European Union, and mandatory for reporting periods beginning on or after April 1, 2021:

- amendments to IFRS 16 – Covid-19-Related Rent Concessions;
- amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark Reform – Phase 2;
- IFRS IC agenda decision concerning IAS 19 – Employee Benefits on the basis for attributing benefit to periods of service under certain defined benefit pension plans. The impact of the application of the IFRS IC agenda decision on IAS 19 is described in note 3.5.

These new standards, amendments and interpretations had no material impact on our Group's consolidated financial statements.

- IFRS IC agenda decision on configuration and customization costs in a cloud computing arrangement

The Group has begun mapping its contracts and analyzing the costs incurred in order to identify any contracts whose initial treatment be affected by the decision. At the reporting date, the analyses are still ongoing. The Group will complete its analyses during the first half of fiscal year 2022-2023 in order to apply the decision in its interim financial statements at September 30, 2022.

Standards, amendments and interpretations that may be early adopted for reporting periods beginning on or after April 1, 2021

The new standards, amendments and interpretations applicable to reporting periods beginning on or after April 1, 2021 that were not early adopted by our Group at March 31, 2022 concern:

- IFRS 17 – Insurance Contracts;
- amendments to IFRS 3 – Reference to the Conceptual Framework;

- amendments to IAS 1 – Classification of Liabilities as Current or Non-current;
- amendments to IAS 8 – Definition of Accounting Estimates;
- amendments to IAS 12 – Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction;
- amendments to IAS 16 – Property, Plant and Equipment – Proceeds before Intended Use;
- amendments to IAS 37 – Onerous Contracts – Cost of Fulfilling a Contract.

These new standards, amendments and interpretations are not expected to have a material impact on the Group's consolidated financial statements.

3.3 Significant accounting judgments

As part of the normal process of preparing consolidated financial statements, the determination of certain items requires Group management to make assumptions, estimates and assessments that affect the amounts reported for assets and liabilities, as well as the disclosures provided in certain notes at the reporting date and the amounts reported for income and expenses. In particular, they apply to:

- impairment of non-current assets;
- capitalization of development costs;
- accounting value of share-based payments;
- impairment of inventories;
- recognition of tax loss carryforwards;
- amount of provisions for contingencies and expenses; and
- provisions for employee benefits and trade obligations.

These assumptions, estimates and assessments are prepared on the basis of available information or situations prevailing at the reporting date of the consolidated financial statements for the year ended March 31, 2022. In the event of changes in the underlying assumptions or in the prevailing economic conditions, the amounts presented in our Group's future financial statements could differ materially from the current estimates.

3.4 Consideration of risks related to climate change

In 2021, our Group launched its new corporate social responsibility (CSR) policy, with a roadmap running through to 2026. This policy makes sustainability the cornerstone of Soitec's strategy and is based on three pillars and 12 commitments, which draw on a materiality matrix produced together with all our stakeholders. These pillars are: driving the transition toward a sustainable economy through our innovation and operations, leveraging our inclusive and inspiring company culture, and acting to become a role model for a better society.

Our Group has committed to an environmental strategy featuring the following objectives for 2026:

- a 25.2% reduction in Scopes 1 & 2 greenhouse gas emissions in absolute terms and a 35.3% reduction in Scope 3 greenhouse gas emissions per million euros of added value by 2026, compared to 2020 (baseline year in which we last assessed our carbon footprint);

- 100% renewable power at our Bernin plant in 2022 and 50% at our Pasir Ris plant in Singapore by 2024;
- 90% of substrates sent from our Bernin plant to our Pasir Ris plant in Singapore by sea freight by 2024.

As part of our financial reporting process, our Group has integrated the impacts of the main risks related to climate change. These risks are notably taken into account in the assumptions used to support our commitment to our environmental strategy and integrated in the underlying business plans used for impairment tests of non-current assets. In addition, our Group believes that climate change issues do not have an impact on the useful life of intangible assets and that no revision is necessary.

Our Group considers that its assessment of the impact of climate risks is properly reflected in the consolidated financial statements and that it is consistent with its commitments in this regard.

3.5 New standards and interpretations applied as of April 1, 2020

IFRS IC agenda decision on attributing benefit to periods of service (IAS 19 – Employee Benefits)

The IFRS Interpretations Committee (IC) was asked to comment on the basis for calculating benefit obligations under defined benefit plans where benefits are (i) conditional on the employee being employed by the Group at retirement (with all rights forfeited in the event of departure before this date) and (ii) depend on the length of employee service, capped at a specified number of years of service.

Our Group's practice, commonly used by issuers in France, was to recognize benefits on a straight-line basis over the employee's career with the Group.

In its decision dated May 24, 2021, the IFRS IC clarified the period over which benefit should be recognized for defined benefit plans that meet the following conditions:

- the benefit is subject to the beneficiary being employed by the company when they retire;
- the benefit depends on the length of service;
- the amount of the benefit is capped.

When the above conditions are met, the expense for the plans should be recognized from the date on the service rendered by the beneficiary starts to generate pension entitlement and until the date on which the additional service ceases to generate rights

This decision was applied by our Group as of March 31, 2022 for retirement benefit plans in France.

As the application of this decision represents a change in accounting policy, the resulting impact was calculated retrospectively and is recognized in opening equity for the first fiscal year presented. The impact on the income statement of applying this agenda decision was not material for the fiscal years presented.

(in € thousands)	March 31, 2020 Historical data	Impact of IFRS IC agenda decision	Restated as of April 1, 2020	Change in fiscal year 2020-2021	Impact of IFRS IC agenda decision	Restated as of April 1, 2021	March 31, 2021 Historical data
Assets							
Deferred tax assets	37,176	(350)	36,826	15,943	(66)	52,703	53,119
Total non-current assets	445,226	(350)	444,876	113,283	(66)	558,093	558,509
TOTAL ASSETS	1,001,220	(350)	1,000,870	566,811	(66)	1,567,615	1,568,031

Equity and liabilities	March 31, 2020 Historical data	Impact of IFRS IC agenda decision	Restated as of April 1, 2020	Change in fiscal year 2020-2021	Impact of IFRS IC agenda decision	Restated as of April 1, 2021	March 31, 2021 Historical data
Reserves and retained earnings	395,355	1,006	396,361	137,804	-	534,165	533,159
Other reserves	7,387	-	7,387	(14,959)	190	(7,382)	(7,572)
Total equity	551,726	1,006	552,732	123,774	190	676,696	675,500
Provisions and other non-current liabilities	40,515	(1,357)	39,158	3,286	(256)	42,188	43,800
Total non-current liabilities	233,036	(1,357)	231,679	423,038	(256)	654,461	656,073
TOTAL EQUITY AND LIABILITIES	1,001,220	(350)	1,000,870	566,811	(66)	1,567,615	1,568,031

3.6 Significant accounting policies

A. Consolidation principles and scope

All entities controlled by our Group are consolidated.

Our Group considers that it has control over an investee when (i) it has power over the investee, (ii) it is exposed to or has rights to variable returns from its involvement with the investee, and (iii) it has the ability to affect those returns through its power over the investee.

The financial statements of subsidiaries are included in the consolidated financial statements from the date control is effectively transferred until the date that control ceases.

At March 31, 2022, the consolidated financial statements include the financial statements of our Company and our subsidiaries listed below:

Entity	Date of consolidation	Percentage interest	Country	Functional currency
Soitec USA LLC	1997	100.0%	United States	US dollar
Soitec Japan Inc.	June 2004	100.0%	Japan	Japanese Yen
Soitec Microelectronics Singapore Pte Ltd.	June 2006	100.0%	Singapore	US dollar
Soitec Korea LLC	July 2011	100.0%	South Korea	US dollar
Soitec Trading Shanghai Co. Ltd.	November 2013	100.0%	China	Yuan
Frec n sys SAS	October 2017	100.0%	France	Euro
Dolphin Design SAS ⁽¹⁾	August 2018	100.0%	France	Euro
Dolphin Ltd. ⁽¹⁾	August 2018	100.0%	Israel	Shekel
Dolphin Inc. ⁽¹⁾	August 2018	100.0%	Canada	Canadian dollar
Dolphin Design Pte Ltd ⁽¹⁾	October 2021	100.0%	Singapore	Singapore dollar
Soitec Lab SAS	March 2019	100.0%	France	Euro
Soitec Newco 2 SAS	March 2019	100.0%	France	Euro
Soitec Newco 3 SAS	March 2019	100.0%	France	Euro
Soitec Newco 4 SAS	March 2019	100.0%	France	Euro
Soitec Asia Holding Pte Ltd	March 2019	100.0%	Singapore	US dollar
Soitec Belgium NV ⁽²⁾	May 2019	100.0%	Belgium	Euro
NOVASIC SAS	December 2021	100.0%	France	Euro
SOLAR ENERGY SEGMENT ENTITIES				
Soitec USA Holding Inc.	December 2009	100.0%	United States	US dollar
Soitec Solar Industries LLC	December 2009	100.0%	United States	US dollar
Soitec Solar Development LLC	September 2010	100.0%	United States	US dollar
Soitec Solar RSA Ltd.	April 2011	100.0%	South Africa	Rand
Soitec Solar France SAS	October 2011	100.0%	France	Euro
Concentrix Holding SAS	March 2018	100.0%	France	Euro
PROJECT ENTITIES IN THE SOLAR SEGMENT ⁽³⁾				
CPV Power Plant No. 2 (Pty) Ltd.	September 2010	100.0%	South Africa	Rand

⁽¹⁾ 80% of the shares held, with a put option on the outstanding 20% of the share capital held by non-controlling interests.

⁽²⁾ 96.6% of the shares held, with a put option on the outstanding 3.4% of the share capital held by non-controlling interests.

⁽³⁾ 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.

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, 2022;
- 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 and intangible assets, as the case may be. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use or sale (generally over six months) are included in the cost of that asset. All other borrowing costs are expensed as incurred.

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. 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.

Financial assets	Classification according to IFRS 9
Non-consolidated investments	Fair value through profit or loss
Derivative financial instruments (positive fair value)	Fair value – hedging instrument
Deposits and guarantees	Amortized cost
Other	Amortized cost
Cash and cash equivalents	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.

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.

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.

These assets are measured later at fair value. Interest income calculated by applying the effective interest rate method, foreign exchange gains or losses and impairment are recognized in profit or loss. The other gains and losses are recognized in other comprehensive income. At derecognition, the gains and losses cumulated in other comprehensive income are reclassified to profit or loss.

The term "principal" refers to the fair value of the financial asset when it was initially recognized. "Interest" refers to the consideration for the time value of money, the credit risk associated with the principal amount outstanding for a given period, and the other risks and expenses related to a base loan and a margin.

All financial assets that are not classified at amortized cost or at fair value through other comprehensive income are measured at fair value through profit or loss. Net gains and losses, including interest or dividends collected, are recognized in profit or loss.

All standard purchases and sales of financial assets are recognized at the settlement date.

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 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 are measured at purchase cost and inventories of consumables at their weighted average price. An allowance for impairment is booked for obsolete or surplus items.

Finished 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. 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).

N. 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.

O. 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.

P. 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 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.

Q. 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, mainly):
 - sales of intellectual property (virtual component)/off-the-shelf licenses with no or very few modifications. Revenue from these sales is recognized in full when the intellectual property is delivered,
 - sales of more complex intellectual property (virtual component) requiring a significant development effort. Revenue is recognized on a percentage-of-completion basis, calculated by reference to the costs incurred versus the total estimated costs,
 - sales of design services for components principally used in the aerospace and defense industries. Revenue from these contracts is recognized on a percentage-of-completion basis.

Our Group may become involved in contracts in which invoicing does not take place when the products are delivered, but when they are consumed by our customers. In this case, our Group analyzes the control transfer criteria stipulated in IFRS 15 and, in particular:

- the reason for implementing such an arrangement (intention of the parties);
- storage and identification of the products within dedicated areas;
- products being ready for physical transfer to the customer within a very short period of time;
- impossibility of selling the products to other customers.

When these criteria are met, and control has been transferred, the revenue is recorded.

R. 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).

S. 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.

T. 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.

U. 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.

V. 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.

W. 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.

X. 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.

Y. 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.

Z. 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 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.

AA. 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 4. 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).

Segment information is presented below:

The EBITDA figure reported in the segment analysis represents operating income (EBIT) before depreciation, amortization, impairment of non-current assets, non-cash items relating to share-based payments, provisions for impairment of current assets and for contingencies and expenses, and disposals gains and losses.

EBITDA is not a financial indicator defined by IFRS and may not be comparable to EBITDA as reported by other groups. It represents additional information and should not be considered as a substitute for operating income or net cash generated by operating activities.

• BREAKDOWN OF THE CONSOLIDATED INCOME STATEMENT

(in € thousands)	Year ended March 31, 2022			Year ended March 31, 2021		
	Electronics	Other Business	Total	Electronics	Other Business	Total
Revenue	862,743	-	862,743	583,761	-	583,761
Gross profit	315,577	-	315,577	183,477	-	183,477
Gross R&D operating costs	(92,942)	-	(92,942)	(74,133)	-	(74,133)
Sales of prototypes and other income	3,326	-	3,326	4,579	-	4,579
Subsidies and repayable advances	32,721	-	32,721	25,176	-	25,176
Net R&D costs	(56,895)	-	(56,895)	(44,378)	-	(44,378)
Sales and marketing expenses	(15,181)	-	(15,181)	(11,712)	-	(11,712)
General and administrative expenses	(48,570)	-	(48,570)	(37,397)	-	(37,397)
Current operating income	194,931	-	194,931	89,990	-	89,990
Other operating income	10,282	-	10,282	392	-	392
Other operating expenses	(645)	-	(645)	(30)	-	(30)
Other operating income and expenses	9,637	-	9,637	362	-	362
Operating income (EBIT)	204,568	-	204,568	90,352	-	90,352
<i>Neutralization of reconciliation items</i>						
Depreciation and amortization expense	80,814	-	80,814	59,860	-	59,860
Impairment and accelerated depreciation/ amortization of non-current assets	(9,801)	-	(9,801)	-	-	-
Share-based payments	19,545	-	19,545	19,963	-	19,963
Provisions, net	1,498	-	1,498	5,767	-	5,767
Provisions for retirement benefit obligations	(4,207)	-	(4,207)	837	-	837
Other non-cash items	14,262	-	14,262	1,007	-	1,007
Gains and losses on disposals of assets	2,088	-	2,088	1,215	-	1,215
EBITDA from discontinued operations	-	(426)	(426)	-	(331)	(331)
EBITDA	308,767	(426)	308,341	179,001	(331)	178,670

● BREAKDOWN OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in € thousands)	March 31, 2022			March 31, 2021 ⁽¹⁾		
	Electronics	Other Business	Total	Electronics	Other Business	Total
Intangible assets, net	108,037	-	108,037	99,126	-	99,126
of which goodwill	26,702	-	26,702	20,765	-	20,765
Property, plant and equipment, net	562,314	-	562,314	378,157	-	378,157
Non-current financial assets	16,865	-	16,865	12,704	-	12,704
Other non-current assets	18,531	-	18,531	15,403	-	15,403
Non-current assets (1)	705,747	-	705,747	505,390	-	505,390
Inventories	142,517	-	142,517	124,309	-	124,309
Trade receivables	280,235	-	280,235	157,422	-	157,422
Other current assets	61,370	227	61,597	76,879	200	77,079
Current financial assets	4,207	-	4,207	6,336	-	6,336
Current assets (2)	488,329	227	488,556	364,946	200	365,146
Trade payables	(100,841)	(152)	(100,993)	(78,856)	(133)	(78,989)
Other current and non-current liabilities	(249,859)	(5,883)	(255,742)	(157,291)	(6,160)	(163,451)
Current and non-current liabilities (3)	(350,700)	(6,035)	(356,735)	(236,147)	(6,293)	(242,440)
CAPITAL EMPLOYED (1) + (2) + (3)	843,376	(5,808)	837,568	634,189	(6,093)	628,096

(1) Data at March 31, 2021 have been restated following the application of the IFRS IC agenda decision on the calculation of retirement benefit obligations (see note 3.5).

● BREAKDOWN OF REVENUE

All revenue is generated by the Electronics segment, and breaks down as follows:

(in € thousands)	Year ended March 31, 2022	Year ended March 31, 2021
Electronics – 300 mm SOI	488,391	276,650
Electronics – Small diameter	344,181	277,376
Royalties and other	30,171	29,735
REVENUE	862,743	583,761

Revenue by geographic area breaks down as follows:

(in € thousands)	Year ended March 31, 2022	Year ended March 31, 2021
Europe	213,253	145,709
Asia	529,121	358,600
United States	120,369	79,452
REVENUE	862,743	583,761

NOTE 5. CHANGES IN SCOPE OF CONSOLIDATION

NOVASiC acquisition

On December 29, 2021, our Group finalized the acquisition of a 100% stake in NOVASiC, an advanced technology company specialized in polishing and refreshing wafers, for an amount of €6,800 thousand. The acquisition will support the development of SmartSiC.

<i>(in € thousands)</i>	At the acquisition date
Purchase price (A)	6,800
Cash acquired net of acquisition-related costs	(525)
Investment, net of cash acquired	6,275
Assets acquired and liabilities assumed at fair value (B)	863
PROVISIONAL GOODWILL (A) - (B)	5,937

Provisional goodwill of €5,937 thousand was recognized in respect of the NOVASiC acquisition, before definitive allocation of the purchase price to the identifiable assets acquired and liabilities assumed. The goodwill is allocated in full to the Electronics CGU.

In accordance with IFRS 3 – Business Combinations, our Group has one year from the acquisition date to identify and determine the final fair value measurement of the identifiable assets acquired and liabilities assumed. This purchase price accounting is in progress. Accordingly, the amounts reported above at March 31, 2022 are therefore provisional and will be revised during the first half of our fiscal year 2022-2023.

The contribution of NOVASiC to our Group's revenue and net profit since the acquisition is not material. If the acquisition had taken place on April 1, 2021, the contribution to consolidated revenue would have amounted to €1,445 thousand and the contribution to net profit to €956 thousand.

Dolphin Design Singapore

On October 28, 2021, Dolphin Design opened its new dedicated Edge Computing and AI subsidiary, hosted in our Singapore plant.

NOTE 6. NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

6.1 Intangible assets

Intangible assets break down as follows:

<i>(in € thousands)</i>	Gross value	Accumulated amortization	Impairment	Net value
Goodwill	34,060	-	(13,295)	20,765
Capitalized development projects	48,043	(5,567)	-	42,476
Concessions, patents and other rights	5,520	(5,520)	-	-
Software	89,937	(69,333)	(238)	20,366
Other intangible assets	19,900	(4,381)	-	15,519
MARCH 31, 2021	197,460	(84,801)	(13,533)	99,126
Goodwill	39,997	-	(13,295)	26,702
Capitalized development projects	63,420	(13,027)	-	50,393
Concessions, patents and other rights	5,563	(5,563)	-	-
Software	98,546	(80,717)	(255)	17,574
Other intangible assets	19,910	(6,542)	-	13,368
MARCH 31, 2022	227,436	(105,849)	(13,550)	108,037

For the year ended March 31, 2022, changes in the net value of each intangible asset category can be analyzed as follows:

(in € thousands)	Goodwill	Capitalized development projects	Software	Other intangible assets	Total
MARCH 31, 2020	20,765	31,998	17,032	17,676	87,471
Acquisitions	-	14,916	11,765	-	26,681
Translation adjustments	-	-	(198)	-	(198)
Amortization (expense for the period)	-	(4,408)	(8,145)	(2,157)	(14,710)
Other movements	-	(30)	(88)	-	(118)
MARCH 31, 2021	20,765	42,476	20,366	15,519	99,126
Changes in scope of consolidation	5,937	-	19	10	5,966
Acquisitions	-	15,100	7,682	-	22,782
Translation adjustments	-	-	142	-	142
Amortization (expense for the period)	-	(7,460)	(10,312)	(2,161)	(19,933)
Other movements	-	277	(323)	-	(46)
MARCH 31, 2022	26,702	50,393	17,574	13,368	108,037

At March 31, 2022, intangible assets not yet commissioned amounted to €14,061 thousand and mainly included €9,735 thousand in capitalized development projects (versus respectively €20,939 thousand and €16,347 thousand at March 31, 2021).

During fiscal year 2021-2022, €22,814 thousand worth of intangible assets, including €16,347 thousand worth of capitalized development projects, were commissioned (compared with €8,510 thousand and €1,044 thousand, respectively, in the previous fiscal year). The remaining commissioned assets concern software, chiefly production management applications at the Pasir Ris (Singapore) and Bernin (France) facilities.

6.2 Property, plant and equipment

Property, plant and equipment break down as follows:

(in € thousands)	Gross value	Accumulated depreciation	Impairment	Net value
Buildings ⁽¹⁾	288,178	(181,188)	(18,976)	88,014
Equipment and tooling ⁽¹⁾	691,904	(410,764)	(3,988)	277,152
Other property, plant and equipment ⁽¹⁾	28,871	(15,880)	-	12,991
MARCH 31, 2021	1,008,953	(607,832)	(22,964)	378,157
Buildings ⁽¹⁾	318,510	(198,404)	-	120,106
Equipment and tooling ⁽¹⁾	882,567	(451,972)	(2,076)	428,519
Other property, plant and equipment ⁽¹⁾	32,432	(18,743)	-	13,689
MARCH 31, 2022	1,233,509	(669,119)	(2,076)	562,314
<i>Of which property, plant and equipment held under leases pursuant to IFRS 16</i>	101,106	(32,384)	-	68,722

(1) Of which assets held under leases:

(in € thousands)	Gross value	Accumulated depreciation	Impairment	Net value
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
MARCH 31, 2021	85,024	(22,079)	(140)	62,805
Buildings	23,981	(8,163)	-	15,818
Equipment and tooling	75,410	(23,186)	-	52,224
Other property, plant and equipment	1,715	(1,035)	-	680
MARCH 31, 2022	101,106	(32,384)	-	68,722

For the year ended March 31, 2022, changes in the net value of each category of property, plant and equipment can be analyzed as follows:

<i>(in € thousands)</i>	Buildings	Equipment and tooling	Other	Total
MARCH 31, 2020	86,296	204,519	6,339	297,154
Acquisitions	6,667	106,946	8,242	121,855
Leased assets (IFRS 16)	9,482	4,348	948	14,778
Translation adjustments	(2,739)	(5,906)	(144)	(8,789)
Depreciation (expense for the period)	(11,702)	(31,179)	(2,269)	(45,150)
Disposals or retirements (net value)	10	(1,576)	(125)	(1,691)
MARCH 31, 2021	88,014	277,152	12,991	378,157
Changes in scope of consolidation	350	670	28	1,048
Acquisitions	37,187	168,004	2,985	208,176
Leased assets (IFRS 16)	866	14,099	204	15,169
Translation adjustments	2,508	11,230	89	13,827
Depreciation (expense for the period)	(15,151)	(43,122)	(2,608)	(60,881)
Reversals of impairment	9,077	759	-	9,836
Disposals or retirements (net value)	(2,745)	(273)	-	(3,018)
MARCH 31, 2022	120,106	428,519	13,689	562,314

At March 31, 2022, property, plant and equipment not yet commissioned amounted to €140,672 thousand and primarily comprised €123,108 thousand in equipment and tooling (compared with €73,712 thousand in property, plant and equipment not yet commissioned, of which €67,056 thousand in equipment and tooling, at March 31, 2021).

During fiscal year 2021-2022, €143,235 thousand worth of property, plant and equipment were commissioned, the main items including €114,539 thousand euros of equipment and tooling and €26,597 thousand

of fixtures and fittings for clean rooms and logistics facilities (versus respectively €94,822 thousand, €82,957 thousand and €10,037 thousand in the previous fiscal year).

Acquisitions mainly concern industrial investments for the Bernin site (Bernin 3 facility dedicated to POI products) and Pasir Ris site (300 mm SOI wafers production facility), intended to increase capacity in line with customer demand.

The following table presents the change in the net value of right-of-use assets by category of non-current asset:

<i>(in € thousands)</i>	Buildings	Equipment and tooling	Other non-current assets	Total
NET VALUE OF RIGHT-OF-USE ASSETS – MARCH 31, 2021	17,381	44,562	862	62,805
Increase (right-of-use assets recognized during the fiscal year)	866	14,099	204	15,169
Changes in scope of consolidation	298	273	10	582
Translation adjustments	108	-	-	108
Depreciation expense	(2,377)	(6,710)	(403)	(9,490)
Impairment	(458)	-	6	(452)
NET VALUE OF RIGHT-OF-USE ASSETS – MARCH 31, 2022	15,818	52,224	679	68,722

6.3 Value of non-current assets

Goodwill

In accordance with the description set out in note 3.6.G., our Group conducts impairment tests on the "Electronics" and "Integrated circuit design" cash-generating units (CGUs).

The assumptions used for the March 31, 2022 impairment tests are as follows:

	March 31, 2022		March 31, 2021	
	Electronics	Integrated circuit design	Electronics	Integrated circuit design
Long-term growth rate	1.5%	1.5%	1.5%	1.5%
Discount rate	11.1%	15.0%	11.3%	19.0%

The business plan used for the impairment tests is based on average annual revenue growth of 21% for the "Electronics" CGU and of 20% for the "Integrated circuit design" CGU over the next five years.

These tests did not show any impairment loss at March 31, 2022 and did not reveal any significant sensitivity to a reasonably possible change in key assumptions (notably the growth rate and discount rate).

Specific assets

Industrial plant in Singapore

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 in 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).

In fiscal year 2021-2022, in view of the strong improvement in the level of utilization of the plant, its outlook and the visibility on its profitability, our Group was able to reverse the impairment loss. Net of revised depreciation and amortization, the impairment reversal amounts to €9.1 million and is presented within "Other operating income" in our income statement.

6.4 Non-current financial assets

Non-current financial assets break down as follows:

(in € thousands)	March 31, 2022	March 31, 2021
Financial assets – Investments	12,845	11,935
Loans	1,051	1,230
Deposits and guarantees	104	92
Derivative financial instruments (positive fair value)	3,128	36
Other financial assets	83	83
Gross value	17,211	13,376
Impairment of financial assets – Investments	(256)	(492)
Impairment of loans	(90)	(180)
Impairment, total	(346)	(672)
NON-CURRENT FINANCIAL ASSETS, NET	16,865	12,704

Non-current financial assets mainly comprise investments in companies over which the Group has neither exclusive or joint control nor significant influence (€12,845 thousand), as well as derivative instruments (€3,128 thousand).

These instruments correspond mainly to our foreign exchange hedges (forward sales of dollars), and to our interest rate derivatives (only caps) hedging future interest payments on our floating-rate borrowings.

"Financial assets – Investments" breaks down as follows:

(in € thousands)	March 31, 2022				March 31, 2021			
	Gross value	Provisions	Net value	% held	Gross value	Provisions	Net value	% held
Shanghai Simgui Technology Co. Ltd.	4,441	-	4,441	2.70%	4,441	-	4,441	2.70%
Technocom	4,350	(256)	4,094	8.00%	3,850	(152)	3,698	8.00%
Greenwaves Technologies	3,299	-	3,299	16.58%	3,299	-	3,299	16.58%
Supernova Ambition Industrie	750	-	750	3.50%	-	-	-	-
Cisroid	-	-	-	-	340	(340)	-	0.19%
Other	5	-	5	-	5	-	5	-
TOTAL FINANCIAL ASSETS – INVESTMENTS	12,845	(256)	12,589		11,935	(492)	11,443	

During fiscal year 2021-2022, our Company sold its equity interest in Cisroid. The disposal gain/loss was not material.

6.5 Other non-current assets

Other non-current assets break down as follows:

(in € thousands)	March 31, 2022	March 31, 2021
Tax receivables	13,762	10,831
Prepayments on orders of non-current assets	3,259	3,995
Deposits and guarantees	1,510	577
Gross value	18,531	15,403
Impairment	-	-
OTHER NON-CURRENT ASSETS, NET	18,531	15,403

At March 31, 2022, non-current tax receivables representing €13,762 thousand correspond to research tax credits for €12,757 thousand (€10,831 thousand at March 31, 2021) and collaborative research tax credits (CICo) for €1,005 thousand (mechanism effect from January 1, 2022).

The total value of research and collaborative research tax credits (CICo) receivable (current and non-current portions) amounted to €29,903 thousand at March 31, 2022 (€25,632 thousand at March 31, 2021).

6.6 Inventories

Inventories break down as follows:

<i>(in € thousands)</i>	March 31, 2022	March 31, 2021
Raw materials	110,913	81,499
Work-in-progress	28,410	27,476
Finished products and goods	17,766	31,546
Gross value	157,089	140,520
Allowances	(14,572)	(16,211)
INVENTORIES, NET	142,517	124,309

6.7 Trade receivables

Trade receivables break down as follows:

<i>(in € thousands)</i>	March 31, 2022	March 31, 2021
Trade receivables	281,018	157,803
Allowances	(783)	(381)
TRADE RECEIVABLES, NET	280,235	157,422

At March 31, 2022, the aged analysis of trade receivables was as follows:

<i>(in € thousands)</i>	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	281,018	263,728	11,355	2,776	1,849	1,310
Allowances	(783)	-	-	-	-	(783)
Net value at March 31, 2022	280,235	263,728	11,355	2,776	1,849	527
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

6.8 Other current assets

Other current assets break down as follows:

<i>(in € thousands)</i>	March 31, 2022	March 31, 2021
Tax and social security receivables	29,709	41,822
Receivables on disposals of assets	337	1,747
Prepaid expenses	3,268	2,370
Subsidies receivable	20,443	25,606
Prepayments on orders of current assets	5,657	3,811
Deposits and guarantees	220	92
Other	1,964	1,631
Gross value	61,597	77,079
Allowances	-	-
OTHER CURRENT ASSETS, NET	61,597	77,079

At March 31, 2022, tax receivables mainly include research tax credits in an amount of €16,145 thousand (€14,803 thousand at March 31, 2021), as well as tax receivables for €13,209 thousand (€21,546 thousand at March 31, 2021).

Operating subsidies receivable are as follows:

<i>(in € thousands)</i>	March 31, 2022	March 31, 2021
Operating subsidies receivable at beginning of period	25,606	25,927
Changes in scope of consolidation	183	-
Received during the period	(24,864)	(15,032)
Recognized in income	19,425	13,232
Translation adjustments	384	(591)
Other reclassifications	(290)	2,070
OPERATING SUBSIDIES RECEIVABLE AT END OF PERIOD	20,443	25,606

Subsidies receivable primarily concern the Nano 2022 program for Soitec SA and Soitec Lab for €8,137 thousand at March 31, 2022 (€9,582 thousand at March 31, 2021), as well as programs financed by the Singapore Economic Development Board for €5,613 thousand (€10,223 thousand at March 31, 2021).

6.9 Current financial assets

Current financial assets break down as follows:

<i>(in € thousands)</i>	March 31, 2022	March 31, 2021
Loans	1,264	34
Accrued interest	264	87
Prepaid expenses	39	30
Deposits and guarantees	75	275
Derivative financial instruments (positive fair value)	2,444	5,610
Other	301	300
Gross value	4,387	6,336
Allowances	(180)	-
CURRENT FINANCIAL ASSETS, NET	4,207	6,336

Derivative financial instruments with a positive fair value, amounting to €2,444 thousand, correspond mainly to the fair value of our foreign exchange hedges (mainly forward dollar sales), and to the fair value of our interest rate derivatives (caps only) hedging future interest payments on our floating-rate borrowings. These instruments each have a maturity of less than 12 months.

6.10 Cash and cash equivalents

Cash and cash equivalents break down as follows:

<i>(in € thousands)</i>	March 31, 2022	March 31, 2021
Cash	457,591	504,260
Cash equivalents	270,232	140,116
TOTAL CASH AND CASH EQUIVALENTS	727,822	644,376

Cash includes cash held in interest-bearing accounts, and cash equivalents correspond to sight deposits.

Cash at bank is principally denominated in euros (78% of the total) and US dollars (18% of the total).

6.11 Issued capital and reserves

Share capital and share premium

At March 31, 2022, our Company's share capital comprised ordinary shares and preferred shares, both with a par value of €2.00 per share.

<i>(number of shares)</i>	March 31, 2022	March 31, 2021
Ordinary shares	34,897,013	33,180,921
Preferred shares	253,567	184,302
TOTAL	35,150,580	33,365,223

Movements in our Company's share capital during fiscal year 2021-2022 were as follows:

	07/09/2021	07/27/2021	08/02/2021	08/10/2021	08/25/2021	09/27/2021	10/11/2021	10/18/2021	11/23/2021	01/10/2022	Total
Number of ordinary shares created	44,500	279,821	-	12,000	60,000	4,500	1,106,156	208,662	453	-	1,716,092
<i>Of which conversion of OCEANE 2023</i>	<i>44,500</i>	-	-	<i>12,000</i>	<i>60,000</i>	<i>4,500</i>	<i>1,106,156</i>	<i>208,662</i>	-	-	<i>1,435,818</i>
<i>Of which free share allocations (PAT no. 3)</i>	-	<i>279,821</i>	-	-	-	-	-	-	<i>453</i>	-	<i>280,274</i>
Number of PS 2 created	-	-	56,712	-	-	-	-	-	-	12,553	69,265
<i>Of which Topaz plans</i>	-	-	<i>56,712</i>	-	-	-	-	-	-	<i>12,553</i>	<i>69,265</i>

- July 9, 2021: creation of 44,500 new ordinary shares following the conversion of 44,500 OCEANE 2023 convertible bonds: capital increase of €4,649 thousand (share capital: €89 thousand; share premium: €4,560 thousand);
- July 27, 2021: unwinding of the Share Plan for All (PAT no. 3) and issue of 279,821 shares: increase in the share capital of €560 thousand by deduction from the share premium;
- August 2, 2021: issue of 56,712 free preferred shares ("PS 2") further to the vesting of the second tranche of free PS 2 allocated on August 1, 2021 as part of the "Topaz" co-investment plan: increase in the share capital of €113 thousand by deduction from the share premium;
- August 10, 2021: issue of 12,000 new ordinary shares following the conversion of 12,000 OCEANE 2023 convertible bonds: capital increase of €1,254 thousand (share capital: €24 thousand; share premium: €1,230 thousand);
- August 25, 2021: issue of 60,000 new ordinary shares following the conversion of 60,000 OCEANE 2023 convertible bonds: capital increase of €6,268 thousand (share capital: €120 thousand; share premium: €6,148 thousand);
- September 27, 2021: issue of 4,500 new ordinary shares following the conversion of 4,500 OCEANE 2023 convertible bonds: capital increase of €470 thousand (share capital: €9 thousand; share premium: €461 thousand);
- October 11, 2021: issue of 1,106,156 new ordinary shares following the conversion of 1,106,156 OCEANE 2023 convertible bonds: capital increase of €115,561 thousand (share capital: €2,212 thousand; share premium: €113,348 thousand);
- October 18, 2021: issue of 208,662 new ordinary shares following the conversion of 208,662 OCEANE 2023 convertible bonds: capital increase of €21,799 thousand (share capital: €417 thousand; share premium: €21,382 thousand);
- November 23, 2021: unwinding for one beneficiary of the Share Plan for All (PAT no. 3) and issue of 453 shares through increase in the share capital of €1 thousand by deduction from the share premium;
- January 10, 2022: issue of 12,553 free preferred shares ("PS 2") further to the vesting of the first tranche of free PS 2 allocated on January 10, 2022 as part of the "Topaz" co-investment plan: increase in the share capital of €25 thousand by deduction from the share premium.

Treasury shares

At March 31, 2022, our Company held 4,351 treasury shares. There was no movement in treasury shares in fiscal year 2021-2022.

	March 31, 2022	March 31, 2021
Number of treasury shares	4,351	4,351
Gross value (in € thousands)	369	369
Unrealized capital gain/(loss) (in € thousands)	308	350

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	Currency translation adjustments	Other reserves
March 31, 2020	(7,477)	(414)	1,448	1,001	(15,729)	28,558	7,387
Changes during the period ⁽¹⁾	(1,109)	(3,325)	1,276	-	-	(11,611)	(14,769)
March 31, 2021 ⁽¹⁾	(8,586)	(3,739)	2,724	1,001	(15,729)	16,947	(7,382)
Changes during the period	(897)	(9,487)	2,956	-	-	12,061	4,633
MARCH 31, 2022	(9,483)	(13,226)	5,680	1,001	(15,729)	29,008	(2,749)

(1) Data at March 31, 2021 have been restated following the application of the IFRS IC agenda decision on the calculation of retirement benefit obligations (see note 3.5).

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 26, 2022 to appropriate the net profit for the year to reserves and retained earnings, and not to pay a dividend.

6.12 Share-based payment

Impact of share-based payments on the consolidated income statement

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 344,981 ordinary shares were allocated to employees, representing approximately 1.1% of our Company's share capital at that date.

On June 9, 2021, the Board of Directors noted that the objectives set out in the plan rules had been fully achieved and that the performance conditions for these two plans had therefore been met in full. The ordinary shares allocated under these plans vested to the beneficiaries of our Group on July 26, 2021 at the end of the vesting period. These plans are now terminated, and 279,821 ordinary shares were delivered to the beneficiaries.

For the year to March 31, 2022, the expense recognized in the income statement for these free share allocation plans was €4,127 thousand (including €2,028 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 by tranches (40% on December 18, 2020, 30% on August 1, 2021 and 30% on August 1, 2022). Following the vesting of the first two tranches, 132,573 PS 2 were issued, of which 75,861 PS 2 on December 18, 2020 and 56,712 PS 2 on August 2, 2021.

The plan was reopened on November 18, 2020, and further to the subscription of 10,461 PS 2 by employees at a unit price of €88.90, our Board of Directors issued 10,461 PS 2 on November 30, 2020.

- Subject to a presence condition, the free PS 2 vest in tranches (60% on January 10, 2022 and 40% on November 30, 2022). Following the vesting of the first tranche, 12,553 PS 2 were issued on January 10, 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 the second tranche was measured based on our best estimates of:

- 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 €6,380 thousand (of which €2,186 thousand attributable to social security contributions) in the income statement for the year to March 31, 2022.

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 €1,848 thousand (including €237 thousand in social security contributions) in the income statement for the year to March 31, 2022.

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 Group's objectives and continue to provide support to customers in the preceding 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 €10,549 thousand (including €2,214 thousand in social security contributions) in the income statement for the year to March 31, 2022.

Pursuant to the authorizations granted by the Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2019, at its meeting of July 28, 2021 the Board of Directors decided to award certain employees along with management a free share plan subject to presence and performance conditions. The shares allocated represented approximately 0.2% of our Company's share capital at July 28, 2021.

A total of 54,614 ordinary shares were allocated under the plan, subject to the following conditions:

- a presence condition;
- EBITDA and revenue objectives for the year ending March 31, 2024; and
- the Total Shareholder Return (TSR) of our Company's ordinary shares compared to the STOXX Europe 600 Technology index between August 2, 2021 and the publication date of our Group's consolidated financial statements for the fiscal year ending March 31, 2024.

This plan gave rise to an expense of €3,989 thousand (of which €598 thousand in social security contributions) in the income statement for the year to March 31, 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.

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, 2022:

Date of Shareholders' General Meeting	03/23/2018	07/26/2019	07/26/2019	07/26/2019	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	03/25/2020	11/18/2020	11/18/2020	03/31/2021	11/18/2020	11/18/2020	07/28/2021
Number of shares allocated by the Board of Directors	344,981	23,953	14,863	143,122	59,915	1,271	7,394	9,500	54,614
<i>Of which number of shares for corporate officers</i>	-	-	-	-	13,306	-	-	-	8,240
Vesting period	07/26/2018 to 07/26/2021	12/18/2019 to 08/01/2022	03/25/2020 to 08/01/2022	11/18/2020 to 08/01/2023	11/18/2020 to 08/01/2023	03/31/2021 to 08/01/2023	11/18/2020 to 11/18/2022	11/18/2020 to 08/01/2024	07/01/2021 to 08/01/2024
Holding period	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of shares vested	279,821	-	-	-	-	-	-	-	-
Number of shares outstanding	-	17,581	12,994	133,379	59,915	1,271	7,394	9,500	54,614

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, 2022:

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⁾	31,383 ⁽²⁾
<i>Of which number of preferred shares for corporate officers</i>	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	631,971	67,473

(1) 97,980 PS purchased by employees and 195,960 PS allocated free of consideration.

(2) 10,461 PS purchased by employees and 20,922 PS allocated free of consideration.

(3) First tranche on December 18, 2020 (40%), second tranche on August 1, 2021 (30%) and third tranche on August 1, 2022 (30%).

(4) First tranche on January 10, 2022 (60%) and second tranche on November 30, 2022 (40%).

6.13 Borrowings and financial debt

Borrowings and financial debt break down as follows:

(in € thousands)	Effective interest rate (in %)	Currency	Maturity	March 31, 2022	March 31, 2021
CURRENT					
Industrial equipment	0.10%-1.68%	EUR	2023-2029	12,644	10,448
Leases	0.60%-6.34%	EUR	2022-2033	2,252	2,276
Leases	1.87%-2.67%	USD	2023-2027	63	22
Leases	2.60%-3.87%	Other currency	2022-2024	57	54
Loans					
France bank loans	0.75%-2.49%	EUR	2022-2026	295	40
Singapore bank loans	1.61%-1.93%	EUR	2024-2026	15,636	9,235
CDC loan	1.27%-2.05%	EUR	2032	4,011	73
Other					
Repayable advances	-	EUR	2022	2,432	2,772
Derivative financial instruments (negative fair value)	-	EUR	2022-2023	23,698	5,014
Finance payables	-	EUR	2022	122	1,441
Drawn committed credit lines	0.80%-2.00%	EUR	2024-2025	3,197	3,543
Other financial liabilities	1.63%	EUR	2022	3,188	1,288
CURRENT FINANCIAL DEBT				67,595	36,206
NON-CURRENT					
Leases (IFRS 16)					
Industrial equipment	0.10%-1.68%	EUR	2023-2029	33,657	30,440
Leases	0.60%-6.34%	EUR	2023-2033	9,786	11,450
Leases	1.87%-2.67%	USD	2023-2027	95	43
Leases	2.60%-3.87%	Other currency	2023-2024	54	71
Loans					
Bonds: OCEANE 2023 convertible bonds	0.00%	EUR	2023	-	139,350
Bonds: OCEANE 2025 convertible bonds	0.00%	EUR	2025	297,353	289,868
France bank loans	0.75%-2.49%	EUR	2023-2026	1,307	1,041
Singapore bank loans	1.61%-1.93%	EUR	2024-2026	43,763	30,186
CDC loan	1.27%-2.05%	EUR	2032	121,952	94,559
Other					
Repayable advances	-	EUR		3,563	5,178
Drawn committed credit lines	0.80%-2.00%	EUR	2024-2025	4,614	2,161
Derivative financial instruments (negative fair value)	-	EUR	2023	932	3,267
Put options	-	EUR	2023-2024	1,028	4,547
Other financial liabilities	-	EUR	2022	-	111
NON-CURRENT FINANCIAL DEBT				518,104	612,273

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, 2022 in respect of interest expenses relating to discounting the debt and amortizing issue fees amounted to €7,486 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.

During fiscal year 2021-2022, our Group proceeded with the early conversion of all of our 2023 OCEANE bonds, i.e., 1,435,818 bonds, based on a ratio of one Soitec share for each OCEANE bond (see note 2 "Significant events of the year").

The amount recognized in the income statement for the year to March 31, 2022 in respect of interest expenses relating to discounting the debt and amortizing issue fees amounted to €2,318 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 €16,442 thousand, with interest at rates of between 0.10% and 1.02%.

Long-term €200 million loan with Banque des Territoires (CDC loan)

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 loan is for a maximum amount of €200 million and is subject to investment conditions. It is repayable in equal installments until the twelfth anniversary of its inception (2032) after an initial two-year capital amortization grace period. It bears interest at a rate equal to the yield on fixed-rate French treasury bonds (OAT) plus a spread of 1.43%.

At March 31, 2022, our Group had drawn down €125,962 thousand, of which €31,403 thousand in fiscal year 2021-2022.

Bank loans

Our Group concluded two syndicated loans with four Asia-based banks to finance new equipment for the Singapore site, for a total of €75,362 thousand.

The first loan was taken out in November 2020 for an initial amount of €44,406 thousand and falls due in five years (2025). The loan bears interest at 3-month Euribor plus an average spread of 1.93%.

In January 2022, our Group arranged a second loan for an initial amount of €30,956 thousand falling due in five years (2026). The loan bears interest at 3-month Euribor plus an average spread of 1.61%.

Both loans are subject to hedges (interest rate cap – see note 8.4) and guaranteed by the equipment financed.

Property lease

On March 22, 2022, our Group signed a property finance lease with six banks for a maximum amount of €90 million to finance the construction of our new fabrication facility in Bernin, primarily intended for the manufacture of new silicon carbide wafers. The lease includes two phases: (i) first, the pre-financing of the construction work; and (ii), once the building has been delivered, its leasing over 12 years, with a repurchase option at the end of the lease. The lease is not subject to any covenants.

At March 31, 2022, a total of €662 thousand had been financed, with the remaining balance to be financed as the work progresses.

Bank credit lines

At March 31, 2022, our Group had bank credit lines worth €85 million with eight banks, which are repayable at maturity no later than 2025. They bear a commitment fee of 0.20% or a non-utilization fee of 0.05%, and a utilization fee ranging from Euribor +0.60% to +0.85%, depending on the credit line, and are not subject to any covenants.

At March 31, 2022, our subsidiary Dolphin Design had €7,811 thousand of drawdown credit lines, €2,452 thousand of which concerned the pre-financing of the 2020 research tax credit in first-half 2021-2022.

Repayable advances

The liabilities corresponding to the repayable advances collected under the Nanosmart and Guépard 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 €7,807 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 €8,175 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 €2,908 thousand.

Put options

Dolphin Design SAS

The Dolphin Design SAS shareholder agreement includes a put option granted to the minority shareholders, MBDA. Under the put option, 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.

In November 2020, our Group exercised the option to acquire 20% of Dolphin Design SAS at a price of €2,000 thousand.

The fair value of this liability was measured based on best estimates of the achievement of the performance criteria by reference to the business plan over the contractual period.

Soitec Belgium NV

At March 31, 2022, Soitec Belgium's co-founding directors held 3.39% of the share capital. The shareholder agreement provides for a cross put/call option for these directors at a price that will be determined according to the level of achievement of performance criteria. The fair value of this liability was measured based on best estimates of the achievement of the performance criteria by reference to the business plan over the contractual period.

Borrowings and debt fall due as follows:

(in € thousands)	March 31, 2022				March 31, 2021
	Less than 1 year	1 to 5 years	More than 5 years	Total	
LEASES (IFRS 16)					
Equipment leases	12,644	29,186	4,471	46,301	40,888
Other leases	2,372	5,147	4,788	12,307	13,916
LOANS					
Bonds: OCEANE 2023 convertible bonds	-	-	-	-	139,350
Bonds: OCEANE 2025 convertible bonds		297,353		297,353	289,868
Bank loans	19,941	97,091	69,932	186,964	135,134
OTHER BORROWINGS AND FINANCIAL DEBT					
Repayable advances	2,433	3,005	557	5,995	7,950
Derivative financial instruments (negative fair value)	23,698	932	-	24,630	8,281
Drawn committed credit lines	3,197	4,614	-	7,811	5,704
Put options	-	1,028	-	1,028	4,547
Other financial liabilities	3,310	-	-	3,310	2,840
TOTAL BORROWINGS AND FINANCIAL DEBT	67,595	438,356	79,748	585,699	648,479

The following table presents changes in liabilities arising from financing activities:

(in € thousands)	March 31, 2021	Change in cash and cash equivalents	Non-cash movements			March 31, 2022
			Change	Translation adjustments	Changes in scope of consolidation	
Borrowings and other financial debt – non-current portion	561,712	41,531	-	2,159	(135,384)	470,018
Borrowings and other financial debt – current portion	14,183	11,405	-	749	-	26,337
Leases (IFRS 16)	54,805	(13,483)	17,272	14	-	58,608
Other	-	199	-	-	-	199
Derivative financial instruments (positive fair value)	(36)	(186)	-	-	(320)	(542)
TOTAL LIABILITIES ARISING FROM FINANCING ACTIVITIES	630,664	39,466	17,272	2,922	(135,704)	554,620

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, 2021	Changes in scope of consolidation	Increase in lease liabilities	Decrease in lease liabilities	Translation adjustments	Net carrying amount of lease liabilities at March 31, 2022
Buildings	12,865	309	102	(1,785)	13	11,504
Equipment	40,890	-	16,442	(11,031)	-	46,301
Other non-current assets	1,050	224	193	(665)	1	803
TOTAL LEASES RECOGNIZED PURSUANT TO IFRS 16	54,805	533	16,737	(13,481)	14	58,608

6.14 Provisions and other non-current liabilities

Provisions and other non-current liabilities break down as follows:

(in € thousands)	March 31, 2022	March 31, 2021 ⁽¹⁾
Advances from customers	39,232	-
Deferred income	19,565	18,570
Deferred tax liabilities	3,184	3,633
Non-current liabilities	61,981	22,203
Provisions	16,616	19,985
PROVISIONS AND OTHER NON-CURRENT LIABILITIES	78,597	42,188

(1) Data at March 31, 2021 have been restated following the application of the IFRS IC agenda decision on the calculation of retirement benefit obligations (see note 3.5).

At March 31, 2022, provisions and other non-current liabilities mainly included advances from customers under multi-year sales contracts amounting to €39,232 thousand.

At March 31, 2022, deferred income mainly comprises:

- sales of prototypes and research tax credits/subsidies relating to capitalized development costs (for €4,396 thousand and €9,983 thousand

respectively versus €4,589 thousand and €8,625 thousand respectively at March 31, 2021);

- subsidies to be recognized in income for €3,781 thousand (€4,497 thousand at March 31, 2021);
- royalties to be recognized in income in the amount of €477 thousand (€859 thousand at March 31, 2021).

Changes in provisions

Provisions break down as follows:

(in € thousands)	March 31, 2021 ⁽¹⁾	Changes in scope of consolidation	Additions for the period	Reversals (utilized)	Reversals (surplus)	Translation adjustments	Other comprehensive income	March 31, 2022
CURRENT PROVISIONS								
Litigation	1,862	-	595	(172)	(719)	-	-	1,566
Restructuring	303	-	122	-	-	12	-	437
Total current	2,165	-	717	(172)	(719)	12	-	2,003
NON-CURRENT PROVISIONS								
Retirement benefit obligations	15,352	160	2,136	(6,260)	-	-	897	12,285
Total non-current	15,352	160	2,136	(6,260)	-	-	897	12,285
Provisions linked to the Solar Energy business	5,094	-	90	(345)	(90)	38	-	4,787
TOTAL PROVISIONS	22,611	160	2,943	(6,777)	(809)	50	897	19,075

(1) Data at March 31, 2021 have been restated following the application of the IFRS IC agenda decision on the calculation of retirement benefit obligations.

Non-current provisions for contingencies and expenses mainly comprises €12,285 thousand in provisions for retirement benefit obligations (€15,352 thousand at March 31, 2021), as well as €4,331 thousand in provisions linked to commitments given in connection with the Solar Energy business (€4,633 thousand at March 31, 2021). The decrease in the provision for retirement benefit obligations is mainly due to the reclassification of these obligations as social security payables.

Our Company and its subsidiaries may be subject to certain claims, legal or regulatory proceedings outside the ordinary course of business. The provision recognized is based on a case-by-case assessment of the level of

risk and depends in particular on the assessment of the merits of the claims and the defense arguments, it being specified that any events occurring during the course of the proceedings may give rise to a reassessment of the risk. Provisions are set aside for any expenses arising from these proceedings only when such expenses are likely to arise and their amount is quantifiable or can be estimated within a reasonable range. Our Group believes that it has recognized adequate provisions for the risks currently incurred.

The provision for retirement benefit obligations is analyzed in note 8.1.

Provisions relating to discontinued or sold operations (Solar Energy business) and the underlying commitments amount to €4,787 thousand, of which a non-current portion for €4,331 thousand and a current portion for €456 thousand, breaking down as follows:

(in € thousands)	March 31, 2021	Additions for the period	Reversals (utilized)	Reversals (surplus)	Translation adjustments	March 31, 2022
• Dismantling of solar power plants (excl. US) and compensation	3,844	-	(10)	(90)	-	3,744
• Cost of discontinuing operations	595	90	(219)	-	-	466
Freiburg site	4,439	90	(229)	(90)	-	4,210
• Cost of discontinuing operations	197	-	(56)	-	7	148
San Diego site	197	-	(56)	-	7	148
• Cost of discontinuing operations	458	-	(60)	-	31	429
South Africa site	458	-	(60)	-	31	429
TOTAL	5,094	90	(345)	(90)	38	4,787

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.

6.15 Trade payables

Trade payables break down as follows:

(in € thousands)	March 31, 2022	March 31, 2021
TRADE PAYABLES	100,993	78,989

Trade payables correspond to short-term operating payables.

6.16 Provisions and other current liabilities

Provisions and other current liabilities break down as follows:

(in € thousands)	March 31, 2022	March 31, 2021
Prepayments received on customer orders	35,143	17,953
Payable to fixed asset suppliers	55,571	31,497
Tax and social security payables	74,570	57,807
Deferred income	6,218	4,584
Other liabilities	3,184	6,796
Other current liabilities	174,686	118,637
Provisions	2,459	2,626
PROVISIONS AND OTHER CURRENT LIABILITIES	177,145	121,263

Provisions are detailed in note 6.14.

Other liabilities mainly include subsidies concerning certain R&D projects for €2,188 thousand, and directors' compensation (formerly known as directors' fees) for €1,010 thousand.

NOTE 7. NOTES TO THE CONSOLIDATED INCOME STATEMENT

7.1 Personnel costs

Personnel costs break down as follows:

<i>(in € thousands)</i>	Year ended March 31, 2022	Year ended March 31, 2021
Wages and salaries, including social security costs ⁽¹⁾	(159,187)	(125,816)
Pension costs	4,207	(837)
Share-based payment expenses ⁽²⁾	(26,792)	(28,173)
TOTAL PERSONNEL COSTS	(181,772)	(154,826)

⁽¹⁾ Wages and salaries also include incentive and mandatory profit-sharing expenses.

⁽²⁾ Including social security contributions.

The decrease in the provision for retirement benefit obligations is due to the reclassification of this provision within social security payables.

Our Group's average number of employees measured on a full-time equivalent basis is as follows:

<i>(full-time equivalent)</i>	Year ended March 31, 2022	Year ended March 31, 2021
Production	1,172	989
R&D	392	353
Sales and marketing	39	33
Management and administrative staff	244	213
TOTAL FULL-TIME EQUIVALENT HEADCOUNT	1,847	1,588

7.2 R&D costs

R&D costs break down as follows:

<i>(in € thousands)</i>	Year ended March 31, 2022	Year ended March 31, 2021
Gross R&D operating costs	(92,942)	(74,133)
<i>of which cost of amortization of capitalized projects</i>	<i>(7,461)</i>	<i>(4,408)</i>
Sales of prototypes	1,739	1,863
R&D subsidies recognized in income	13,960	8,872
Research tax credit	18,761	16,304
Other income	1,587	2,716
Total income deducted from gross R&D operating costs	36,047	29,755
TOTAL R&D OPERATING COSTS, NET	(56,895)	(44,378)

In fiscal year 2021-2022, our Group capitalized €15,100 thousand in development costs (€14,619 thousand in fiscal year 2020-2021).

7.3 Depreciation and amortization expense

Depreciation and amortization expense in the income statement break down as follows:

<i>(in € thousands)</i>	Year ended March 31, 2022	Year ended March 31, 2021
Cost of sales	(59,470)	(44,650)
R&D costs	(19,040)	(12,705)
Sales and marketing expenses	(41)	(271)
Administrative expenses	(2,263)	(2,234)
TOTAL DEPRECIATION AND AMORTIZATION EXPENSE	(80,814)	(59,860)

The increase in depreciation and amortization expense reflects the high levels of investment over the past few years.

IFRS 16 – Leases

<i>(in € thousands)</i>	Depreciation of right-of-use assets for the year ended March 31, 2022	Interest expense on lease liabilities for the year ended March 31, 2022	Rental expenses for the year ended March 31, 2022
LEASES RECOGNIZED PURSUANT TO IFRS 16			
Buildings	(2,377)	(154)	(2,056)
Equipment	(6,635)	(248)	(11,424)
Other non-current assets	(403)	(25)	(575)
Total leases recognized pursuant to IFRS 16	(9,415)	(427)	(14,055)
Short-term or low-value leases (exemption)	-	-	(876)
Total leases not restated	-	-	(876)
TOTAL	(9,415)	(427)	(14,931)

7.4 Other operating income and expenses

Other operating income and expenses in the income statement break down as follows:

<i>(in € thousands)</i>	Year ended March 31, 2022	Year ended March 31, 2021
Reversals of impairment on intangible assets	10,251	-
Gains on assets disposals	-	392
Other operating income	31	-
Total other operating income	10,282	392
Other operating expenses	(645)	(30)
Total other operating expenses	(645)	(30)
TOTAL OTHER OPERATING INCOME AND EXPENSES, NET	9,637	362

For the year to March 31, 2022, other operating income mainly includes the reversal of the impairment loss on our Singapore industrial site for €9.1 million (see note 2 "Highlights of the fiscal year").

For the year to March 31, 2021, other operating income includes the disposal gain on Dolphin Design's Mémoire business for €392 thousand.

7.5 Financial income

Financial income breaks down as follows:

<i>(in € thousands)</i>	Year ended March 31, 2022	Year ended March 31, 2021
Other interest income	483	376
Other financial income	115	99
Reversal of provisions	72	-
Net foreign exchange gains ⁽¹⁾	12,828	-
TOTAL FINANCIAL INCOME	13,498	475

(1) Foreign exchange gains and losses are presented net.

For the year to March 31, 2022, financial income comprises:

- interest income for €483 thousand;
- a foreign exchange gain mainly attributable to the appreciation of the US dollar against the euro during fiscal year 2021-2022 (€12,828 thousand).

At March 31, 2021, financial income consists of interest received for €376 thousand and dividends received from our non-consolidated investments for €99 thousand.

7.6 Financial expense

Financial expenses break down as follows:

<i>(in € thousands)</i>	Year ended March 31, 2022	Year ended March 31, 2021
Interest on borrowings and bank current accounts	(2,357)	(1,044)
Interest on leases	(428)	(471)
Interest on OCEANE convertible bonds	(9,804)	(8,189)
Other interest expense	(469)	(435)
Impairment of financial assets – Investments	(166)	(86)
Other financial expenses	(930)	(1,436)
Net foreign exchange gains/(losses) ⁽¹⁾	-	(3,603)
TOTAL FINANCIAL EXPENSES	(14,154)	(15,264)

(1) Foreign exchange gains and losses are presented net.

At March 31, 2022:

- interest on borrowings and bank current accounts increased due to the issuance of new financing in fiscal year 2021-2022;
- financial expenses related to convertible bonds increased due to a full fiscal year of financial expenses for our OCEANE 2025 convertible bond, compared with only six months of expenses in fiscal year 2020-2021.

For the year to March 31, 2021, 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.

7.7 Income tax

For the year to March 31, 2022, the net tax expense for the fiscal year was €1,683 thousand, reflecting current tax expense of €14,635 thousand originating mainly from our Company and our Japanese subsidiary, partially offset by the recognition of deferred tax assets of €12,952 thousand (of which €12,350 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 (28.41% for the year to March 31, 2022) and the effective tax expense in the income statement breaks down as follows:

<i>(in € thousands)</i>	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax	203,645	74,165
Tax rates in force in France	28.41%	32.02%
Theoretical income tax benefit/(expense) at the applicable rate	(57,856)	(23,748)
Reconciliation items		
Unrecognized deferred tax assets	(2,817)	(1,948)
Non-deductible provisions and expenses (permanent difference)	214	(462)
Non-taxable income	5,303	5,022
Utilization of tax loss carryforwards	27,115	11,825
Recognition of tax loss carryforwards	12,350	12,956
Reversals of impairment on intangible assets	1,443	-
Adjustments for differences in income tax rates	5,685	(178)
Share-based payments	6,803	(4,683)
Other differences	77	(279)
EFFECTIVE TAX	(1,683)	(1,494)

Deferred tax assets and liabilities chiefly break down as follows, by nature:

(in € thousands)	March 31, 2021 ⁽¹⁾	Income statement	Other comprehensive income	Changes in scope of consolidation and translation adjustments	March 31, 2022
DEFERRED TAX ASSETS					
Tax losses carried forward, net	52,401	12,350	-	132	64,883
Temporary differences ⁽²⁾	2,402	3,952	-	-	6,354
Other items ⁽³⁾	18,786	(7,078)	(5,604)	41	6,145
Total deferred tax assets	73,589	9,224	(5,604)	173	77,382
DEFERRED TAX LIABILITIES					
Net deferred taxes on leases	(4,176)	(49)	-	-	(4,225)
Deferred taxes on financial instruments	698	-	2,742	-	3,440
Other items ⁽³⁾	(21,040)	3,777	1,726	-	(15,537)
Total deferred tax liabilities	(24,518)	3,728	4,468	-	(16,322)
DEFERRED TAXES, NET	49,071	12,952	(1,136)	173	61,060

(1) Data at March 31, 2021 have been restated following the application of the IFRS IC agenda decision on the calculation of retirement benefit obligations (see note 3.5).

(2) Temporary differences mainly comprise non-tax-deductible provisions.

(3) Other items mainly include deferred tax on the free share allocation plans for €4.3 million, retirement benefits recognized in assets for €3.2 million, repayable advances recognized in liabilities for (€4.2) million, the equity component of the OCEANE 2025 convertible bonds for (€6.3) million, as well as deferred tax liabilities on intangible assets identified during the acquisitions of Soitec Belgium and Dolphin Design SAS for (€3.3) million.

Deferred tax assets include an amount of €61,504 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 €562,790 thousand at March 31, 2022.

Unrecognized tax loss carryforwards amounted to US\$23,704 thousand for Soitec Microelectronics Singapore, US\$300,317 thousand for Soitec USA Holding (to be utilized by March 31, 2027) and €12,062 thousand for Soitec Belgium.

7.8 Earnings per share

The share data used to calculate basic and diluted earnings per share are as follows:

(number of shares)	Year ended March 31, 2022	Year ended March 31, 2021
Weighted average number of ordinary shares (excluding treasury shares) used to calculate basic earnings per share	33,753,666	33,176,570
Effects of dilution		
Preferred shares	631,826	85,262
OCEANE convertible bonds	2,610,059	1,435,818
Free shares	186,081	316,657
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES (EXCLUDING TREASURY SHARES) ADJUSTED FOR DILUTED EARNINGS PER SHARE	37,181,632	35,014,307

In addition to the dilutive shares described above, 110,567 potentially dilutive equity instruments at March 31, 2022 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.

7.9 Net loss from discontinued operations

(in € thousands)	Year ended March 31, 2022	Year ended March 31, 2021
Revenue	-	-
Income/(expenses) for the period	(76)	181
Current operating income/(loss)	(76)	181
Other operating expenses, net	(1)	-
Operating income/(loss)	(77)	181
Net financial expense	(264)	(612)
Loss before tax	(341)	(431)
Income tax	74	(967)
NET LOSS FROM DISCONTINUED OPERATIONS	(267)	(1,398)

For the year to March 31, 2022, the net loss from discontinued operations mainly reflects foreign exchange losses for €264 thousand.

For the year to March 31, 2021, the net loss from discontinued operations mainly corresponded to income tax expense for €967 thousand and foreign exchange losses for €612 thousand.

NOTE 8. OTHER INFORMATION

8.1 Retirement benefit obligations and other post-employment benefits

Benefit obligations

(in € thousands)	March 31, 2022	March 31, 2021
Retirement benefit obligations ⁽¹⁾	12,281	15,352
Fair value of plan assets	(4)	-
BENEFIT OBLIGATIONS RECOGNIZED IN THE STATEMENT OF FINANCIAL POSITION	12,285	15,352

(1) Data at March 31, 2021 have been restated following the application of the IFRS IC agenda decision on the calculation of retirement benefit obligations (see note 3.5).

Our Group recognizes retirement benefit obligations in the statement of financial position based on the most likely estimated obligation using information available at the reporting date. The impact of changes in actuarial assumptions is recognized in other comprehensive income under "Actuarial gains/(losses) on defined benefit plans".

Retirement benefit obligations

Retirement and other employee benefits granted to long-term personnel relate solely to active employees. Benefits are granted under either defined

contribution or defined benefit plans. Provisions are set aside only for defined benefit plans. These mainly consist of retirement indemnities plus other pension obligations and supplementary retirement gratuities.

In certain cases, obligations under defined benefit plans are covered by funds, which are regularly valued by independent actuaries. The value of any such funds is deducted from the corresponding liability. Plan assets include secure/dynamic investment vehicles, based on an analysis carried out with the entity of its obligations in light of the expected retirement dates of its employees.

	March 31, 2022	March 31, 2021
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	1.80%	1.60%
Annual salary increase rate	1.00% to 2.50%	1.00% to 2.50%
Contribution rate	24%	24%
Annual discount rate	1.80%	0.75%

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		
	0.80%	1.80%	2.80%
	1-point decrease	Base scenario	1-point increase
PRESENT VALUE OF BENEFIT OBLIGATION	16%	100%	-13%

Change in retirement benefit obligations

(in € thousands)	March 31, 2022	March 31, 2021
Benefit obligation at beginning of the period	15,352	14,799
Change of accounting policy ⁽¹⁾	-	(1,612)
Service cost	2,072	1,493
Interest cost	123	210
Benefits paid	(6,260)	(745)
Other benefits	(59)	(158)
Changes in scope of consolidation	160	-
Actuarial gains/(losses) (assumptions and experience adjustments)	897	1,365
BENEFIT OBLIGATION AT END OF THE PERIOD	12,285	15,352

(1) Data at March 31, 2021 have been restated following the application of the IFRS IC agenda decision on the calculation of retirement benefit obligations (see note 3.5).

The decrease in retirement benefit obligations is due to the reclassification of the obligations within social security payables.

Change in fair value of plan assets

(in € thousands)	March 31, 2022	March 31, 2021
Fair value of plan assets at beginning of the period	-	418
Benefits paid net of contributions	-	(420)
Return on plan assets	-	5
Actuarial gains/(losses)	4	(3)
FAIR VALUE OF PLAN ASSETS AT END OF THE PERIOD	4	-

Change in provision recognized in the statement of financial position

(in € thousands)	March 31, 2022	March 31, 2021
Provision at beginning of the period	15,352	14,381
Change of accounting policy ⁽¹⁾	-	(1,612)
Service cost	2,072	1,493
Interest cost	123	210
Return on plan assets	-	(5)
Actuarial gains/(losses)	893	1,368
Benefits paid out of insurance fund	(6,260)	(325)
Changes in scope of consolidation	160	-
Other benefits	(59)	(158)
PROVISION AT END OF THE PERIOD	12,281	15,352

(1) Data at March 31, 2021 have been restated following the application of the IFRS IC agenda decision on the calculation of retirement benefit obligations (see note 3.5).

Expenses recognized in the income statement

(in € thousands)	March 31, 2022	March 31, 2021
Service cost	2,072	1,493
Interest cost	123	210
Return on plan assets	-	(5)
TOTAL EXPENSE RECOGNIZED IN THE INCOME STATEMENT	2,195	1,697

8.2 Contractual obligations and commitments

Contractual obligations and commitments break down as follows:

(in € thousands)	March 31, 2022				March 31, 2021
	Less than 1 year	1 to 5 years	More than 5 years	Total	Total
Commitments given shown off-balance sheet					
Pledges	-	-	138	138	-
Guarantees given	2,304	77,472	20,030	99,806	79,405
Other commitments	-	64,040	-	64,040	80,875
TOTAL OFF-BALANCE SHEET CONTRACTUAL OBLIGATIONS	2,304	141,512	20,168	163,984	160,280
Commitments received					
UNDRAWN COMMITTED CREDIT LINES	2,500	82,500	-	85,000	75,000

At March 31, 2022, guarantees, pledges and commitments given totaled €163,984 thousand, and mainly concern:

- guarantees given on equipment: €59,910 financed by two syndicated loans in Singapore for an amount of €30,554 thousand and €29,356 thousand, respectively;
- 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 under two agreements in respect of advances from one of our customers;
- guarantee given to the acquirers of the Desert Green solar power plant for €3,197 thousand;
- commitment to purchase raw materials from the supplier SK Siltron over four years, effective since April 1, 2020, for €60,040 thousand.

8.3 Related-party disclosures

At March 31, 2022, the members of the Board of Directors were as follows:

- Éric Meurice, Chairman of the Board of Directors;
- Paul Boudre, who leads our Group as Chief Executive Officer;
- Bpifrance Participations, represented by Sophie Paquin;
- 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, employee director;
- Didier Landru, employee director.

Of the 12 directors (excluding members representing employees), five are independent, namely Éric Meurice, Laurence Delpy, Françoise Chombar, Christophe Gegout and Shuo Zhang. They have no executive mandate

within our Company or Group, do not have a relationship of any nature whatsoever with our Company, our Group or our Executive Management that might compromise their judgment, and do not have any specific ties with the latter.

Shin-Etsu Handotai Co. Ltd.

In the year to March 31, 2022, purchases of raw materials from Shin-Etsu Handotai represented €199,597 thousand (€142,265 thousand in the year ended March 31, 2021). Our Group invoiced €4,674 thousand to Shin-Etsu Handotai in respect of fiscal year 2020-2021 (€3,995 thousand in respect of fiscal year 2020-2021).

Other related parties

In fiscal year 2021-2022, our Group paid €5,741 thousand to CEA under the R&D agreement (€4,276 thousand in fiscal year 2020-2021), €6,667 thousand under the hosting agreement (€6,293 thousand in fiscal year 2020-2021) and €5,694 thousand in patent royalties (€10,698 thousand in fiscal year 2020-2021). In addition, our Group invoiced CEA €2,125 thousand, mainly in connection with the sale of 300 mm wafers (€1,831 thousand in the year to March 31, 2021).

During the fiscal year, our Group paid Simgui US\$78,300 thousand for the purchase of 200 mm SOI wafers (US\$51,800 thousand in fiscal year 2020-2021).

Our Group invoiced Simgui US\$37,700 thousand in silicon substrates (US\$23,200 thousand in fiscal year 2020-2021).

During the fiscal year, our Group reimbursed €2.9 million in respect of programs subsidized by Bpifrance, and received €3.5 million from Bpifrance Investissement, chiefly under the Mobisic and Limpide programs. During the fiscal year, the Group obtained receivable financing from Bpifrance Financement in respect of research tax credits for €4.6 million.

At March 31, 2022, our Executive Committee (ExCom) had 11 members, excluding corporate officers (unchanged from March 31, 2021), resulting in an average membership of 11 over the fiscal year (unchanged from fiscal year 2020-2021). The total gross compensation paid by our Group to ExCom members, excluding corporate officers, and including direct and indirect benefits of executives, was €12,321 thousand for the year ended March 31, 2022.

(in € thousands)	March 31, 2022	March 31, 2021
Short-term benefits	5,159	4,764
Accounting value of free shares allocated during the fiscal year	7,162	6,659
TOTAL GROSS COMPENSATION GRANTED TO GROUP EXECUTIVES	12,321	11,423

Over fiscal year 2021-2022, executives excluding corporate officers were allocated:

- 26,464 ordinary shares under the "Onyx 2024" plan, subject to presence and performance conditions.

The gross amount of compensation allocated to corporate officers and non-employee directors was as follows:

(in € thousands)	March 31, 2022	March 31, 2021
Short-term benefits	1,502	1,491
Accounting value of free shares allocated during the fiscal year	1,688	1,854
Total compensation granted to corporate officers	3,190	3,345
Compensation	1,010	1,010
Reimbursement of travel expenses	17	8
Total compensation awarded to corporate officers and non-employee directors	4,217	4,363

During fiscal year 2021-2022, 8,240 ordinary shares were allocated on a conditional basis to corporate officers under the "Onyx 2024" plan, subject to presence and performance conditions.

8.4 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 2021-2022, our Group's policy regarding exposure to foreign exchange risk on its future commercial transactions was to hedge a substantial portion of the risk for fiscal year 2021-2022 using derivatives (mainly futures) based on operating budgets.

The useful lives of these instruments match our Group's payment flows. Our Group applies hedge accounting as defined by IFRS 9. Our Group's policy is not to use instruments for speculative purposes.

Our Group also hedges the foreign exchange risk related to purchases of equipment in foreign currencies by means of tunnel options. These economic trading derivatives do not qualify as hedges for accounting purposes. Changes in the fair value of these instruments are recognized directly in the income statement.

Interest rate risk management

Our Group aims to hedge interest rate risk on material financing arrangements. During fiscal year 2021-2022, 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, 2021 and March 31, 2022:

(in € thousands)	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
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	21,978	159,819
MARCH 31, 2021 ⁽¹⁾	163,654	72,806	559,801	91,026	887,286
Borrowings and financial debt	18,284	49,189	438,356	79,748	585,577
Other financial liabilities	122	-	-	-	122
Trade payables	94,713	6,279	-	-	100,993
Other liabilities	83,521	93,624	58,602	16,811	252,558
MARCH 31, 2022	196,640	149,092	496,958	96,559	939,249

(1) Data at March 31, 2021 have been restated following the application of the IFRS IC agenda decision on the calculation of retirement benefit obligations (see note 3.5).

(in € thousands)	March 31, 2022				
	Notes	Carrying amount	Fair value through other comprehensive income	Fair value through profit or loss	Amortized cost
NON-CURRENT FINANCIAL ASSETS					
Non-consolidated investments	6.4	12,589	-	12,589	-
Derivative financial instruments (positive fair value)	6.4	3,128	3,128	-	-
Deposits and guarantees	6.4	104	-	-	104
Other	6.4	1,044	-	-	1,044
Non-current financial assets		16,865	3,128	12,589	1,148
CURRENT FINANCIAL ASSETS					
Derivative financial instruments (positive fair value)	6.9	2,444	278	2,166	-
Other	6.9	1,763	-	-	1,763
Current financial assets		4,207	278	2,166	1,763
Trade receivables	6.7	280,235	-	-	280,235
Cash and cash equivalents	6.10	727,822	-	727,822	-
TOTAL FINANCIAL ASSETS		1,029,129	3,406	742,577	283,146
FINANCIAL LIABILITIES					
Derivative financial instruments (negative fair value)	6.13	(24,630)	(16,418)	(8,212)	-
Other financial debt	6.13	(255,783)	-	-	(255,783)
OCEANE 2025 convertible bonds	6.13	(297,353)	-	-	(297,353)
Drawn committed credit lines	6.13	(7,811)	-	-	(7,811)
Current and non-current financial liabilities		(585,577)	(16,418)	(8,212)	(560,947)
Other financial liabilities	6.13	(122)	-	-	(122)
Trade payables	6.15	(100,993)	-	-	(100,993)
TOTAL FINANCIAL LIABILITIES		(686,692)	(16,418)	(8,212)	(662,062)

Financial assets and liabilities were as follows at March 31, 2021:

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	6.4	11,443	-	11,443	-
Derivative financial instruments (positive fair value)	6.4	36	-	36	-
Deposits and guarantees	6.4	92	-	-	92
Non-current financial assets		11,571	-	11,479	92
CURRENT FINANCIAL ASSETS					
Derivative financial instruments (positive fair value)	6.9	5,610	2,896	2,714	-
Other	6.9	726	-	-	726
Current financial assets		6,336	2,896	2,714	726
Trade receivables	6.7	157,422	-	-	157,422
Cash and cash equivalents	6.10	644,376	-	644,376	-
TOTAL FINANCIAL ASSETS		819,705	2,896	658,569	158,240
FINANCIAL LIABILITIES					
Derivative financial instruments (negative fair value)	6.13	(8,281)	(6,637)	(1,644)	-
Other financial debt	6.13	(203,835)	-	-	(203,835)
OCEANE 2023 convertible bonds	6.13	(139,350)	-	-	(139,350)
OCEANE 2025 convertible bonds	6.13	(289,868)	-	-	(289,868)
Drawn committed credit lines	6.13	(5,704)	-	-	(5,704)
Current and non-current financial liabilities	6.13	(647,038)	(6,637)	(1,644)	(638,757)
Other financial liabilities	6.13	(1,441)	-	-	(1,441)
Trade payables	6.15	(78,989)	-	-	(78,989)
TOTAL FINANCIAL LIABILITIES		(727,468)	(6,637)	(1,644)	(719,187)

Classification of financial instruments pursuant to IFRS 13

The breakdown of financial instruments by level in the fair value hierarchy is as follows:

(in € thousands)	Notes	Level 1	Level 2	Level 3	Carrying amount in the statement of financial position
ASSETS					
Non-consolidated investments	6.4	-	-	12,589	12,589
Cash and cash equivalents	6.10	727,822	-	-	727,822
Derivative financial instruments (positive fair value)	6.9	-	5,572	-	5,572
LIABILITIES					
Derivative financial instruments (negative fair value)	6.13	-	(24,630)	-	(24,630)
NET VALUE AT MARCH 31, 2022		727,822	(19,059)	12,589	721,353
ASSETS					
Non-consolidated investments	6.4	-	-	11,443	11,443
Cash and cash equivalents	6.10	644,376	-	-	644,376
Derivative financial instruments (positive fair value)	6.9	-	5,646	-	5,646
LIABILITIES					
Derivative financial instruments (negative fair value)	6.13	-	(8,281)	-	(8,281)
NET VALUE AT MARCH 31, 2021		644,376	(2,635)	11,443	653,184

The fair value hierarchy is described in note 3.6.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):

Currency	Average rate		Closing rate	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
US dollar	0.86571	0.85195	0.90082	0.85288
Yen	0.00767	0.00810	0.00740	0.00770
Rand	0.06031	0.05599	0.06183	0.05764

The table below shows the financial instruments contracted to hedge currency risk at March 31:

Type (in € thousands)	Currency	March 31, 2022		March 31, 2021	
		Market value (net)	Position hedged	Market value (net)	Position hedged
Hedging of statement of financial position items		(6,028)		1,069	
<i>of which eligible for hedge accounting (hedging of trade receivables):</i>					
Forward sales	USD to EUR	(6,028)	75,669	2,439	63,539
<i>of which not eligible for hedge accounting:</i>					
Forward sales (hedging of financial assets)	ZAR to EUR	-	-	(1,370)	7,205
Cash flow hedges		(13,573)		(3,740)	
<i>of which eligible for hedge accounting:</i>					
Forward sales	USD to EUR	(13,555)	499,955	(3,740)	357,527
<i>of which not eligible for hedge accounting:</i>					
Tunnel option	JPY to EUR	(18)	39,979	-	-
TOTAL HEDGES		(19,601)		(2,671)	

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, 2022 were as follows:

- EUR/USD: €1 for US\$1.1101 (€1 for US\$1.1725 at March 31, 2021);
- EUR/JPY: €1 for JPY 135.17 (€1 for JPY 129.90 at March 31, 2021);
- EUR/ZAR: €1 for ZAR 16.17 (€1 for ZAR 17.35 at March 31, 2021).

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, 2022). For the purposes of this analysis, all other variables (in particular interest rates) are assumed to have remained constant.

(in € thousands)	March 31, 2022	March 31, 2021
US dollar	(38,840)	(7,872)
Yen	4,373	674
Singapore dollar	21,397	(1,303)
Rand	21	(109)
Other currencies	(412)	(451)
Increase/(decrease) in earnings resulting from a 10% increase in the value of the euro	(13,461)	(9,061)

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, 2022). For the purposes of this analysis, all other variables (in particular interest rates) are assumed to have remained constant.

(in € thousands)	March 31, 2022	March 31, 2021
US dollar	47,471	9,621
Yen	(5,344)	(824)
Singapore dollar	(26,152)	1,592
Rand	(26)	133
Other currencies	504	552
Increase/(decrease) in earnings resulting from a 10% decrease in the value of the euro	16,453	11,074

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 two floating-rate loans 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 €382 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 material impact on net financial income or expense.

Credit risk

The financial instruments on which our Group potentially incurs a credit risk are mainly cash and trade receivables. Our Group has put in place a cash management policy to optimize its investments in liquid short-term and low-risk financial instruments. Our Group's cash and cash equivalents are deposited mainly with leading international financial institutions.

Our Group sells its products to customers within the semiconductor industry, located mainly in the US, Asia, and Europe. At March 31, 2022, seven customers individually represented more than 5% of Group revenue and together accounted for 75% of revenue. At March 31, 2021, six customers individually represented more than 5% of Group revenue and together accounted for 73% 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, 2022 at their nominal amount, including interest recognized and not discounted.

	Contract maturity date						Amount recognized in the statement of financial position at March 31, 2022
	Amount due						
(in € thousands)	Less than 1 year	1-2 years	2-3 years	3-5 years	More than 5 years	Total	
NON-DERIVATIVE FINANCIAL INSTRUMENTS WITH A NEGATIVE FAIR VALUE							
Leases pursuant to IFRS 16	15,370	13,514	9,495	11,916	9,454	59,749	58,608
Bonds and other borrowings	29,924	33,990	34,074	370,049	73,405	541,442	530,108
Trade payables	100,840	-	-	-	-	100,840	100,840
Other payables (excluding tax and social security payables)	93,899	-	-	-	-	93,899	93,899
Total non-derivative financial instruments with a negative fair value	240,033	47,504	43,569	381,965	82,859	795,930	783,455
DERIVATIVE FINANCIAL INSTRUMENTS							
Interest rate derivatives	-	-	-	-	-	-	-
Currency derivatives	21,351	(1,750)	-	-	-	19,601	19,601
Other derivatives	-	-	-	-	-	-	-
Total derivative financial instruments	21,351	(1,750)	-	-	-	19,601	19,601
TOTAL FINANCIAL LIABILITIES	261,384	45,754	43,569	381,965	82,859	815,531	803,056

Our Group has access to financing from the capital markets in the form of:

- long-term borrowings: convertible bond issues;
- specific debt instruments (loan from Banque des Territoires [Caisse des Dépôts group], bank loans in Singapore);
- lease financing in France and Belgium for capital spending purposes; and
- committed credit lines.

At March 31, 2022, in addition to cash and cash equivalents as presented in the statement of financial position (€728 million), our Group's liquidity was backed by:

- **Committed credit lines**

At March 31, 2022, our Group had bank credit lines worth €85 million with eight banks, of which €75 million is repayable at maturity no later than June 2025. The remaining €10 million of credit lines is repayable in installments (€2.5 million every year starting in 2022). They bear a commitment fee of 0.20% or a non-utilization fee of 0.05%, and a utilization fee ranging from Euribor +0.60% to +0.85%, depending on the credit line, and are not subject to any covenants.

These credit lines were entirely undrawn at March 31, 2022.

- **Residual drawdown rights on the €200 million long-term loan from Banque des Territoires**

As explained in note 5.15 "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, the loan does not contain any covenants. The loan contains an early repayment clause that would be triggered in the event that the investments financed by the loan are sold (and not replaced).

At March 31, 2022, €125,962 thousand of the €200 million loan had been drawn down and was presented in financial debt. A further €74,037 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 10.34%, 7.31% and 10.34%, respectively, of the share capital – plus a number of institutional investors.

NOTE 9. SUBSEQUENT EVENTS

9.1 Power outage of production in Bernin

At around 2:00 am on Tuesday April 5, 2022, a fire broke out at an electricity supply facility outside Soitec's site in Bernin, which led to the power outage of its production plants. Safety protocols were activated to protect equipment while waiting for the restoration of the power supply. Soitec's plants were progressively back in operation as from April 5 at 8:30 pm and production went fully back to normal on April 9. Soitec expects this power outage to have only a very limited impact on fiscal year 2022-2023 operational and financial performance.

9.2 Soitec announces the extension of its Pasir Ris facility to produce 300 mm SOI wafers, and expand its Refresh and Epitaxy capacities

On June 8, 2022, Soitec decided the extension of its Pasir Ris facility in Singapore, with the objective to add a new capacity of 1 million wafers per year. Soitec expects the construction of this extension to start in fiscal year 2022-2023, and the fab to enter into operation by the end of fiscal year 2024-2025. The robust level of customer demand gives Soitec enough visibility to accelerate the launch of this new fab, which was initially planned for fiscal year 2025-2026. Combining Bernin II, Pasir Ris I and Pasir Ris II, Soitec's total 300 mm SOI production capacity will ultimately reach 2.7 million wafers per year. The extension of Pasir Ris is also due to include additional refresh and epitaxy capacities.

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 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, 2022

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 consolidated financial statements of Soitec for the year ended March 31, 2022.

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, 2022 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, 2021 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.

Emphasis of matter

We draw your attention to the following matter described in section 3.5 "New standards and interpretations applied on April 1, 2020" ("*Nouvelles normes et interprétations appliquées au 1^{er} avril 2020*") of the Note 3 "Accounting policies and methods" ("*Règles et méthodes comptables*") to the consolidated financial statements, related to the change in accounting policy, following the adoption by IFRS IC of the agenda decision published in May 2021 that clarifies the calculation of the defined benefit obligation of certain pension plans, which's impacts were accounted for, retrospectively on April 1, 2020. Our opinion is not modified in respect of this matter.

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

Risk identified	Our response
<p>As at March 31, 2022, the Group recognized deferred tax assets amounting to €65m in respect of tax loss carryforwards, principally in France. Tax loss carryforwards in France for which no deferred tax asset was recognized amount to €563m as at March 31, 2022, as stated in Note 7.7 to the consolidated financial statements.</p> <p>A deferred tax asset relating to tax loss carry forwards is only recognized if the Group considers it probable that sufficient taxable profits will be available against which this tax loss carry forwards can be used, as described in Note 3.6.X to the consolidated financial statements.</p> <p>We considered the recognition of deferred tax assets relating to tax loss carry forwards to be a key audit matter due to the materiality of these tax loss carry forwards and the level of judgment exercised by Management to determine the amount of the related deferred tax assets to be recognized.</p>	<p>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.</p> <p>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:</p> <ul style="list-style-type: none"> the existing deferred tax liabilities that can be offset against the existing tax loss carryforwards; the company's ability to generate sufficient future taxable profits against which the tax loss carryforwards can be used, within a reasonable timeframe. <p>We reviewed the process used to forecast future taxable profits, by:</p> <ul style="list-style-type: none"> 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
<p>As at March 31, 2022, capitalized development costs represent a net amount of €50m in the Group's consolidated balance sheet.</p> <p>As described in Notes 3.6.C and 3.6.G of the notes to the consolidated financial statements, development costs incurred by the Group in the context of its new projects are capitalized when the capitalization criteria are met, in particular when it is probable that the development projects will generate future economic benefits for the Group. Capitalized development costs, if not yet commissioned, are tested annually for impairment.</p> <p>We identified the capitalization and valuation of development costs in the balance sheet as a key audit matter, due to the materiality of these intangible assets in the Group's consolidated financial statements and the judgment exercised by Management for their initial capitalization and their impairment testing.</p>	<p>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.</p> <p>For the projects we selected, our work notably consisted in:</p> <ul style="list-style-type: none"> 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, 2022 with the underlying supporting documentation; evaluating the data and assumptions used by the Group for the impairment testing of capitalized development costs through inquiries of Management; 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 the Group given in the Board of Director's management report.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code (*Code de commerce*) is included in the information relating to the Group given in the management report, it being specified that, in accordance with Article L. 823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

Report on Other Legal and Regulatory Requirements

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the Statutory Auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the CEO, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 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, 2022, our firms were in the sixth year of total uninterrupted engagement.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit and Risks Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements.
- Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit and Risks Committee

We submit to the Audit and Risks Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit and Risks Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit and Risks Committee with the declaration provided for in Article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for Statutory Auditors. Where appropriate, we discuss with the Audit Committee and Risks Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense and Lyon, June 17, 2022

The Statutory Auditors
French original signed by

KPMG Audit

Jacques Pierre
Partner

Rémi Vinit-Dunand
Partner

Ernst & Young Audit

Nicolas Sabran
Partner

6.3 Statutory financial statements

6.3.1 Company financial statements

6.3.1.1 Company financial statements at March 31, 2022

• BALANCE SHEET – ASSETS

(in € thousands)	Gross amount	Depr., amort., impair.	March 31, 2022	March 31, 2021
INTANGIBLE ASSETS				
Start-up costs				
Development costs	43,170	9,062	34,107	22,469
Concessions, patents and similar rights	66,171	58,316	7,854	8,006
Other intangible assets	7,771		7,771	16,050
PROPERTY, PLANT AND EQUIPMENT				
Land	2,529	338	2,191	2,107
Buildings	11,963	4,920	7,042	2,840
Technical installations, equipment, tooling	286,397	203,353	83,044	61,030
Other property, plant and equipment	75,503	43,924	31,578	20,268
Property, plant and equipment in progress	63,042		63,042	31,400
NON-CURRENT FINANCIAL ASSETS				
Other investments	203,293	256	203,037	194,669
Advances to equity investments	196,015		196,015	112,837
Other long-term investments	2,000		2,000	1,050
Other non-current financial assets	1,004	180	824	727
NON-CURRENT ASSETS	958,856	320,350	638,506	473,453
INVENTORY AND WORK-IN-PROGRESS				
Raw materials, supplies	69,745	7,197	62,549	44,074
Work-in-progress	18,485	1,656	16,829	21,182
Semi-finished and finished products	13,370	4,352	9,019	19,488
Goods held for resale	263	0	263	654
Prepayments on orders of current assets	4,152		4,152	4,549
RECEIVABLES				
Trade receivables ⁽¹⁾	151,025	15	151,010	106,550
Other receivables ⁽¹⁾	31,075		31,075	35,547
MISCELLANEOUS				
Marketable securities	270,232		270,232	140,116
Cash at bank and at hand	339,036		339,036	437,480
ACCRUALS				
Prepaid expenses ⁽¹⁾	2,237		2,237	1,937
CURRENT ASSETS	899,621	13,219	886,401	811,576
Debt issue costs to be amortized	2,759		2,759	4,639
Unrealized foreign exchange losses	5,720		5,720	4,784
TOTAL	1,866,956	333,570	1,533,386	1,294,452

(1) Portion due in more than 1 year

2,552

6,795

• BALANCE SHEET – EQUITY AND LIABILITIES

<i>(in € thousands)</i>	March 31, 2022	March 31, 2021
Share capital (of which paid up: 70,301)	70,301	66,730
Share, merger and contribution premiums	229,596	83,166
Legal reserve	6,673	6,656
Other reserves (including purchase of original works of art)	23,116	23,116
Retained earnings	321,141	252,472
NET PROFIT	147,001	68,686
Tax-driven provisions	154	263
EQUITY	797,982	501,089
Conditional advances	21,712	24,128
OTHER EQUITY	21,712	24,128
Provisions for contingencies	6,591	5,238
PROVISIONS	6,591	5,238
FINANCIAL DEBT		
Convertible bonds	325,000	475,000
Borrowings and debt with credit institutions ^{(1) (2)}	126,168	94,632
Prepayments received on outstanding orders ⁽¹⁾	35,019	14,700
OPERATING PAYABLES		
Trade payables	86,528	90,531
Tax and social security payables ⁽¹⁾	62,114	44,210
MISCELLANEOUS LIABILITIES		
Amounts due on fixed assets ⁽¹⁾	20,207	15,548
Other liabilities ⁽¹⁾	19,650	11,367
ACCRUALS		
Deferred income ⁽¹⁾	18,970	16,248
LIABILITIES	693,656	762,237
Unrealized foreign exchange gains	13,445	1,760
TOTAL	1,533,386	1,294,452
<i>(1) Prepayments and deferred income due within 1 year</i>	141,296	87,964
<i>(2) Of which bank outstandings, bank credit balances, current accounts</i>	0	

• INCOME STATEMENT

<i>(in € thousands)</i>	France	Export	Year ended March 31, 2022	Year ended March 31, 2021
Sales of goods	1,993	32,257	34,249	16,821
Sales of goods produced	48,638	660,418	709,056	499,456
Sales of services provided	797	(6,785)	(5,989)	33,766
Net revenue	51,428	685,889	737,317	550,043
Production in inventory			(14,252)	7,799
Stored production			8,056	7,672
Operating subsidies			14,129	11,621
Reversals of impairment, provisions and transfer of expenses ⁽⁴⁾			9,286	14,492
Other income ⁽⁵⁾			28,794	19,698
Operating income			783,330	611,325
Purchases of goods held for resale (including customs duties)			108,835	63,119
Changes in inventory (goods)			680	(455)
Purchases of raw materials and supplies (and customs duties)			257,901	215,485
Changes in inventory (raw materials and supplies)			(16,871)	11,107
Other purchases and external expenses ^{(1) (3)}			91,525	70,578
Taxes and similar payments			5,989	5,211
Wages and salaries			83,610	64,453
Social security contributions ⁽⁴⁾			39,951	36,438
OPERATING EXPENSES				
Fixed assets: depreciation and amortization expense			32,944	25,171
Fixed assets: impairment charge			449	
Current assets: impairment charge			1,327	12,596
Additions to provisions			1,230	1,434
Other costs ⁽⁶⁾			22,063	33,571
Operating expenses			629,634	538,707
OPERATING PROFIT			153,696	72,618
FINANCIAL INCOME				
Financial income from investments ⁽²⁾				99
Other interest income ⁽²⁾			4,256	2,284
Reversal of impairment and provisions, expense transfers			2,882	758
Positive translation adjustments			2,368	2,671
Financial income			9,505	5,812
Additions to amortization, impairment and provisions for financial assets			4,386	2,565
Interest and similar expense ⁽³⁾			2,093	1,258
Negative translation adjustments			1,977	6,708
Financial expense			8,456	10,531
NET FINANCIAL INCOME/(EXPENSE)			1,049	(4,719)
RECURRING PROFIT BEFORE TAX			154,745	67,899
Non-recurring income on management transactions				1
Non-recurring income on corporate actions			16,419	14,093
Reversal of impairment and provisions, expense transfers			129	129
Non-recurring income			16,548	14,223
Non-recurring expenses on corporate actions			19,127	14,736
Non-recurring expenses for depreciation, amortization, impairment and provisions			221	
Non-recurring expenses			19,348	14,736

(in € thousands)	France	Export	Year ended March 31, 2022	Year ended March 31, 2021
NET NON-RECURRING INCOME/(EXPENSE)			(2,800)	(512)
Employee profit-sharing plan			1,367	52
Income tax			3,578	(1,352)
Total income			809,383	631,360
Total expenses			662,382	562,674
NET PROFIT			147,001	68,686
(1) Of which equipment leases			10,273	9,717
(2) Of which income concerning related parties			3,589	1,890
(3) Of which interest concerning related parties			155	230
(4) Of which expense transfers			2,621	3,928
(5) Of which royalties for concessions, patents, licenses (income)			6,372	4,999
(6) Of which royalties for concessions, patents, licenses (expense)			5,790	5,472

6.3.1.2 Notes to our Company financial statements

The total balance sheet prior to appropriation for the fiscal year ended March 31, 2022, represents €1,533,386,454.30. The income statement, presented in list form, shows total expenses of €662,381,992.48, total income of €809,382,796.62 and net profit of €147,000,804.14.

The fiscal year runs from April 1, 2021 to March 31, 2022.

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 26, 2022:

- appropriate €357,131.40 to the legal reserve, bringing it up to 10% of the share capital, which would be increased from €6,672,984.60 to €7,030,116; and
- appropriate the balance of €146,643,672.74 to "Retained earnings", which would be increased from €321,140,750.71 to €467,784,423.45.

Our annual financial statements were approved by the Board of Directors on June 8, 2022.

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, except for the change in accounting policy described below, and the accruals basis of accounting, pursuant to the general rules of preparing and presenting annual financial statements.

The basic method used to measure accounting items is the historical cost method.

Off-balance sheet commitments

Contingent liabilities consist of a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the control of the entity, or a present obligation for which an outflow of resources is unlikely. Contingent liabilities are not recognized but are disclosed in the notes.

A. General principles and conventions

The financial statements were prepared in accordance with ANC Regulation no. 2014-03 on the French General Chart of Accounts (PCG), as supplemented and amended by subsequent regulations.

Change of accounting policy: Measurement rules for retirement benefit obligations and related benefits

On November 5, 2021, the French accounting standards-setter (*Autorité des normes comptables* – ANC) amended its recommendation no. 2013-02 of November 7, 2013 by introducing two methods for attributing benefit entitlements for plans under which benefits are paid to employees still employed by the company at retirement, capped at a maximum amount and conditional on a minimum period of service in the company.

The amendment follows the IFRS IC agenda decision published on May 24, 2021, which concluded that no benefit entitlement exists under such plans in the event of departure before retirement age and that benefits are capped after a certain number of years of service ("X"). The benefit obligation is recognized only for the last "X" years of the employee's career with the company.

Based on the ANC recommendation no. 2013-02, our Company decided, as from April 1, 2021, to attribute benefit entitlements under such plans on a straight-line basis as from the date on which each year of service gives rise to entitlements, i.e., the date before which the employee's performance does not affect the amount or payment date of the benefits. Previously, the benefit obligation was recognized on a straight-line basis over the employee's career with the Company.

The change in accounting policy has led to a €1,437 thousand reduction in the amount of the benefit obligations recognized and published at March 31, 2021.

B. Highlights of the fiscal year

Chief Executive Officer succession plan

On January 19, 2022, Soitec's Board of Directors announced that Pierre Barnabé would succeed Paul Boudre as Group Chief Executive Officer at the close of the July 2022 shareholders' meeting. Pierre Barnabé joined our Company on May 1, 2022 to work closely with Paul Boudre on an effective leadership transition. The Board will also propose the appointment of Pierre Barnabé as a director at the Ordinary Shareholders' Meeting scheduled for July 26, 2022.

Russian military offensive against Ukraine

Since the beginning of the conflict between Russia and Ukraine in February 2022, numerous international sanctions and other measures targeting Russia and Belarus have had significant economic consequences that could potentially impact some of our operations.

As our operations in Russia and Ukraine are not directly exposed to the conflict, our Company has not identified any material impact on its financial statements for the year ended March 31, 2022.

Our Company may, however, be indirectly exposed to the conflict as a manufacturer of microelectronics. At the date of the financial statements, we have not identified any consequences of the conflict on our main customers or suppliers that could lead to a reduction in demand or to difficulties in the supply of materials.

Our Company will continue to reassess the consequences of the conflict in light of any additional sanctions that may be imposed.

Expansion of manufacturing footprint in Bernin in preparation for the production of innovative silicon carbide semiconductor wafers and increased SOI capabilities

On March 11, 2022, our Company announced a new fabrication facility at Bernin, France, primarily to manufacture new silicon carbide wafers, which address key challenges of the electric vehicle and industrial markets.

The extension will also support Soitec's 300 mm Silicon-on-Insulator (SOI) activities. The factory will produce innovative SmartSiC™ engineered wafers developed by Soitec at the Substrate Innovation Center located at CEA-Leti in Grenoble, using Soitec's proprietary SmartCut™ technology.

With its SmartSiC™ products, Soitec has started working with the leading silicon carbide component manufacturers and is aiming to generate its first revenues in the second half of calendar year 2023.

Early conversion of all 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.

Holders of OCEANE 2023 convertible bonds have a right to receive new and/or existing ordinary shares, which they may exercise 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 OCEANE 2023 conversion/exchange ratio is one ordinary share per OCEANE 2023 convertible bond.

On September 16, 2021, our Company announced its decision to proceed with the early redemption on October 18, 2021 of all of its outstanding OCEANEs maturing on June 28, 2023, at a price equal to the par value per bond (i.e., €104.47).

On October 8, 2021, all OCEANE bondholders opted to exercise their conversion/exchange right at the conversion/exchange ratio of one Soitec

share per OCEANE convertible bond. A total of 1,435,818 OCEANE 2023 convertible bonds were converted into new ordinary shares, representing a total increase in our Company's share capital of €150 million, of which €2.9 million corresponding to the par value and €147.1 million to the issue premium.

Employee share ownership plans

Vesting of free shares allocated under the Share Plan for All no. 3 (PAT no. 3)

On July 26, 2018, our Board of Directors decided to set up two free ordinary share allocation plans for all Group employees, subject to presence and performance conditions.

On June 9, 2021, the Board of Directors noted that the objectives set out in the plan rules had been fully achieved and that the performance conditions for these two plans had therefore been met in full. The ordinary shares allocated under these plans vested to the beneficiaries of our Group on July 26, 2021 at the end of the vesting period. The plans are now therefore terminated.

Consequently, 280,274 new ordinary shares with a par value of €2.00 each were created on June 9, 2021 by capitalizing issue premiums of €560 thousand within the share capital.

"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 STOXX Europe 600 Technology index. 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 second tranche, 56,712 PS 2 were issued on August 1, 2021. As a reminder, 75,861 PS 2 were issued on December 18, 2020, following the vesting of the initial tranche.

"Onyx 2024" free share allocation plan

On July 28, 2021, pursuant to the authorizations granted by the Shareholders' General Meeting of July 28, 2021, our Board of Directors set up a free ordinary share allocation plan for certain employees of our Group. A total of 54,614 ordinary shares were allocated under the plan, subject to a presence condition (presence in the Group until August 1, 2024) and performance conditions based on the achievement of objectives relating to revenue, EBITDA and the Total Shareholder Return (TSR) of our Company's ordinary shares compared to the STOXX Europe 600 Technology index.

The shares allocated represented approximately 0.2% of our Company's share capital at July 28, 2021.

Completion of the acquisition of NOVASIC to strengthen silicon carbide wafer technology

On December 29, 2021, our Company finalized the acquisition of a 100% stake in NOVASIC, an advanced technology company specialized in polishing and refreshing wafers, to support its unique silicon carbide based SmartSiC™ roadmap. The acquisition price was €7,218 thousand, including €411 thousand in acquisition costs.

Tax inspection

The audit of the accounting and all of the tax returns of Soitec SA for the period from April 1, 2016 to March 31, 2019 has been completed and the tax inspection concluded without any reassessment.

C. Subsequent events

At around 2:00 am on Tuesday April 5, 2022, a fire broke out at an electricity supply facility outside Soitec's site in Bernin, which led to the power outage of its production plants. Safety protocols were activated to protect equipment while waiting for the restoration of the power supply. Soitec's plants were progressively back in operation as from April 5 at 8:30 pm and production went fully back to normal on April 9. Soitec expects this power outage to have only a very limited impact on fiscal year 2022-2023 operational and financial performance.

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 a gross amount of €47,308 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;

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 conducted, consisting of comparing their historical value with their value in use, determined primarily based on their net asset value or on an estimate of their profitability. They are carried in the balance sheet at the lower of historical cost and value in use.

The value in use of the shares in our subsidiaries was adjusted at end-March 2022, in line with the assessment conducted based on the economic situation and profitability of each subsidiary.

- 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 commissioned, are subject to impairment tests at least once a year.

In fiscal year 2021-2022, our Company:

- acquired the entire share capital of NOVASIC, for €7,218 thousand;
- invested in the Supernova fund, for €750 thousand;
- increased its interest in Technocom 3, for €500 thousand;
- invested €950 thousand in the Greenwaves fund by subscribing to a convertible bond.

In fiscal year 2021-2022, our Company:

- sold its stake in Cissoid for €10 thousand (shares written down in full), generating a capital gain of €10 thousand.

SUMMARY OF OUR COMPANY'S EQUITY INVESTMENTS

Company (in € thousands)	Gross value March 31, 2022	Impairment March 31, 2022	Net value March 31, 2022
Soitec USA Holding Inc.	17		17
Soitec Japan Inc.	2,637		2,637
Soitec Korea LLC	328		328
Soitec Corporate Services SAS			
Soitec Trading Shanghai Co. Ltd.	102		102
Frec n sys SAS	2,949		2,949
Concentrix Holding SAS	3,898		3,898
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
NOVASiC SAS	7,218		7,218
Innovacom gestion ⁽¹⁾	4,350	256	4,094
Exagan			
Shanghai Simgui Technology Co. Ltd.	4,441		4,441
Greenwaves Technologies	3,299		3,299
Supernova Ambition Industrie	750		750
TOTAL	203,293	256	203,037

(1) Impairment of the equity investment in Technocom 2 was reversed in the amount of €62 thousand. The shares were not written down at the reporting date. Impairment of the equity investment in Technocom 3 was reversed for an additional €126 thousand, bringing the impairment charged against the equity investment to €256 million.

The shares in Cissoid were sold during the fiscal year. Impairment was reversed in the amount of €340 thousand.

SUMMARY OF ADVANCES TO EQUITY INVESTMENTS

Company (in € thousands)	Gross value March 31, 2022	Impairment March 31, 2022	Net value March 31, 2022
ADVANCES TO EQUITY INVESTMENTS			
Soitec Microelectronics Singapore Pte Ltd.	169,646		169,646
Soitec Asia Holding Pte Ltd.	49		49
Soitec Lab SAS	8,346		8,346
Frec n sys SAS	1,400		1,400
Soitec Belgium	5,362		5,362
Dolphin Design SAS	11,210		11,210
TOTAL	196,013	-	196,013

At March 31, 2022, our Company had a portfolio of 4,351 treasury shares, which are recognized in other non-current financial assets.

	March 31, 2022
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.

They are broken down as follows:

Inventory category (in € thousands)	Gross value March 31, 2022	Allowances	Net value March 31, 2022
Raw materials	46,506	3,055	43,451
Consumables	23,239	4,141	19,098
Work-in-progress	18,485	1,656	16,829
Finished products	13,370	4,352	9,019
Goods held for resale	263	0	263
TOTAL	101,864	13,205	88,659

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.

H. Other receivables

Other receivables related to tax and social security receivables, as well as subsidies receivable amounting to €31,075 thousand.

Subsidies receivable amounting to €11,345 thousand and mainly concern the following programs:

- Ocean 12, for €1,373 thousand;
- Beyond 5, for €1,617 thousand;
- Nano 2022, for €8,002 thousand.

The "State and local authorities" item includes a research tax credit for €13,198 thousand, mainly concerning the research tax credits for 2021 and the first quarter of calendar year 2022, as well as the tax credit for collaborative research (CICo) introduced in 2022 for €488 thousand.

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 (81% of the total) and US dollars (18% of the total).

At March 31, 2022, these items amounted to €270,232 thousand and €339,036 thousand for marketable securities and cash and cash equivalents, respectively, compared to €140,116 thousand and €437,480 thousand respectively at March 31, 2021.

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.

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.

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 €4,858 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 €788 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.

€1.1 thousand in residual costs relating to the bond issue were amortized during the fiscal year following the conversion of the bonds into new shares, as described in *Highlights of the fiscal year* above.

L. Equity

Movements in the share capital during fiscal year 2021-2022 were as follows:

- July 9, 2021: creation of 44,500 new ordinary shares following the conversion of 44,500 OCEANE 2023 convertible bonds: capital increase of €4,648,915 (share capital: €89,000; issue premiums: €4,559,915);
- July 27, 2021: unwinding of the Share Plan for All (PAT no. 3) and issue of 279,821 shares: capital increase of €559,642 by capitalization of issue premiums;
- August 2, 2021: issue of 56,712 free preferred shares ("PS 2") further to the vesting of the second tranche of free PS 2 allocated on August 1, 2021 as part of the "Topaz" co-investment plan: capital increase of €113,424 by deduction from issue premiums;
- August 10, 2021: creation of 12,000 new ordinary shares following the conversion of 12,000 OCEANE 2023 convertible bonds: capital increase of €1,253,640 (share capital: €24,000; issue premiums: €1,229,640);

- August 25, 2021: creation of 60,000 new ordinary shares following the conversion of 60,000 OCEANE 2023 convertible bonds: capital increase of €6,268,200 (share capital: €120,000; issue premiums: €6,148,200);
- September 27, 2021: creation of 4,500 new ordinary shares following the conversion of 4,500 OCEANE 2023 convertible bonds: capital increase of €470,115 (share capital: €9,000; issue premiums: €461,115);
- October 11, 2021: creation of 1,106,156 new ordinary shares following the conversion of 1,106,156 OCEANE 2023 convertible bonds: capital increase of €115,560,117 (share capital: €2,212,312; issue premiums: €113,347,805);
- October 18, 2021: creation of 208,662 new ordinary shares following the conversion of 208,662 OCEANE 2023 convertible bonds: capital increase of €21,798,919 (share capital: €417,324; issue premiums: €21,381,595);
- November 23, 2021: unwinding for one beneficiary of the Share Plan for All (PAT no. 3) and issue of 453 shares by capitalizing issue premiums within the share capital for €906.

M. Other equity

During the year, our Company repaid €2,186 thousand of the advance received for the Nanosmart program and €700 thousand for the Allegro program, and made payments of €315 thousand to finance the Mobisic project and €106 thousand for the IT2 project.

N. Borrowings and financial debt

This item consists mainly of bonds convertible into and/or exchangeable for new and/or existing shares (OCEANE convertible bonds) maturing on October 1, 2025, for an amount of €325 million.

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, the loan does not contain any covenants. The loan contains an

early repayment clause that would be triggered in the event that the investments financed by the loan are sold (and not replaced).

At March 31, 2022, €125,962 thousand of this loan had been drawn down and was presented in financial debt. A further €74,037 thousand can be drawn under the loan subject to investments meeting eligibility criteria (technologies covered by the Nano 2022 program).

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 €18 thousand to cover a transaction in Japanese yen.

The following table shows the portfolio of financial instruments at March 31, 2022 and at March 31, 2021, used to hedge currency risks:

Type (in € thousands)	Currency	March 31, 2022		March 31, 2021	
		Market value (net)	Position hedged	Market value (net)	Position hedged
Hedging of statement of financial position items		(6,028)		1,069	
<i>of which eligible for hedge accounting (hedging of trade receivables):</i>					
Forward sales	USD to EUR	(6,028)	75,669	2,439	65,915
<i>of which not eligible for hedge accounting:</i>					
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		(13,573)		(3,740)	
<i>of which eligible for hedge accounting:</i>					
Forward sales	USD to EUR	(13,555)	499,955	(3,740)	350,797
<i>of which not eligible for hedge accounting:</i>					
Forward sales	USD to EUR	-	-	-	-
Options (tunnel)	JPY to EUR	(18)	39,979		
TOTAL HEDGES		(19,601)		(2,671)	

The maturities of the financial hedging instruments fall within the upcoming fiscal year 2022-2023 and through to the end of calendar year 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 hedges the exchange rate on cash flow forecasts, based on cash flow forecasts using forward contracts or options.

The maturity of these instruments matches the settlement flows.

However, our policy is not to use instruments for speculative purposes.

The exchange spot rates of our Company's main currencies at March 31, 2022 were as follows:

- EUR/USD: €1 for US\$1.1101 (€1 for US\$1.1725 at March 31, 2021);
- EUR/JPY: €1 for JPY 135.17 (€1 for JPY 129.90 at March 31, 2021).

Credit risk

The financial instruments on which our Company potentially incurs a credit risk are mainly cash and trade receivables. Our Company markets its products to players in the semiconductor industry, mainly located in the United States, Asia and Europe. At March 31, 2022, eight customers individually represented more than 3% of our Company's revenue and together accounted for 95% of revenue. At March 31, 2021, eight customers individually represented more than 5% of our Company's revenue and together accounted for 95% of revenue.

Our Company frequently assesses its customers' credit risk and financial position and allocates provisions for potential losses on receivables that cannot be recovered. The amount of these losses has remained non-material in recent years.

Equity risk

With the exception of its 4,351 treasury shares, our Company does not hold any other non-consolidated investments or marketable investments.

Liquidity risk

Our Company has access to financing from the capital markets in the form of:

- long-term borrowings: convertible bond issue (and capital increases in 2016);
- specific debt instruments (loan with Banque des Territoires);
- lease financing for capital spending purposes;
- committed credit lines.

Committed credit lines

At March 31, 2022, our Company had bank credit lines worth €85 million with seven banks, a large portion of which (€75 million) is repayable at maturity no later than June 2025. The remaining €10 million of credit lines is repayable in installments (€2.5 million every year starting in 2022). They bear a commitment fee of 0.20% or a non-utilization fee of 0.05%, and a utilization fee ranging from Euribor +0.60% to +0.85%, depending on the credit line, and are not subject to any covenants.

These credit lines were entirely undrawn at March 31, 2022.

At March 31, 2022, €125,962 thousand of the €200 million arranged with Banque des Territoires (see financial debt) had been drawn down

and was presented in financial debt. A further €74,037 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.

The revenue recognition criteria vary depending on the nature of the services provided by our Company:

- sales of silicon wafers are recognized as revenue when the transfer of risks and benefits takes place pursuant to the terms and conditions of sale specified in customer contracts. Revenue is generally recognized when the customer accepts delivery of the goods or when the goods leave the warehouses of our Company's entities, depending on the Incoterm in use.
- For sales under consignment stock transfer agreements, our Company carries out an analysis of the criteria for the transfer of the related risks and benefits in order to ensure the sale is recognized when the customer consumes the products or as soon as the products are delivered to the consignment stock;
- licensing revenue is recognized on a straight-line basis over the period during which the rights are granted or may be recognized on the basis of a percentage of sales as defined in the contract.

Deferred income: at March 31, 2022, deferred income chiefly consisted of royalties for €858 thousand, as well as sales of prototypes and research tax credits relating to capitalized development costs (for €5,816 thousand, €6,800 thousand and €4,140 thousand, 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 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.

During the fiscal year, our Company recognized around €38,742 thousand in net R&D costs in the income statement.

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 calendar year 2021 totaled €10,646 thousand (with an impact of €8,074 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 1.80%, 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, 2022 amounted to €11.5 million, versus €14.4 million at March 31, 2021 (amount recalculated based on the amended ANC no. 2013-02 recommendation).

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	1,533
Provisions for foreign exchange losses	4,839
Other provisions for contingencies and expenses	200
Provisions for losses on forward markets	18

T. Significant accounting judgments

As part of the normal process of preparing financial statements, the determination of certain items requires Company management to make assumptions, estimates and assessments that affect the amounts reported for assets and liabilities, as well as the disclosures provided in certain notes at the reporting date and the amounts reported for income and expenses. In particular, they apply to:

- impairment of non-current assets;
- capitalization of development costs;
- accounting value of share-based payments;
- impairment of inventories;
- recognition of tax loss carryforwards;
- amount of provisions for contingencies and expenses; and
- provisions for employee benefits and trade obligations.

These assumptions, estimates and assessments were prepared on the basis of available information or situations prevailing at the reporting date of the financial statements for the year ended March 31, 2022. In the event of changes in the underlying assumptions or in the prevailing economic conditions, the amounts presented in our Company's future financial statements could differ materially from the current estimates.

U. Related-party disclosures

At March 31, 2022, the members of the Board of Directors were as follows:

- Éric Meurice, Chairman of the Board of Directors;
- Paul Boudre, who leads our Company as Chief Executive Officer;
- Bpifrance Participations, represented by Sophie Paquin;
- 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, employee director;
- Didier Landru, employee director.

Of the 12 directors (excluding members representing employees), five are independent, namely Eric Meurice, Laurence Delpy, Françoise Chombar, Christophe Gegout and Shuo Zhang. They have no executive mandate within our Company or Group, do not have a relationship of any nature whatsoever with our Company or our Executive Management that might compromise their judgment, and do not have any specific ties to our Company or our Executive Management.

On February 2, 2021, two employee directors, Wissème Allali and Didier Landru, joined the Board of Directors.

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, 2022, purchases of raw materials from Shin-Etsu Handotai represented €144,393 thousand (€119,199 thousand in the year to March 31, 2021). Our Company invoiced €4,674 thousand to Shin-Etsu Handotai in respect of fiscal year 2021-2022 (€3,995 thousand in respect of fiscal year 2020-2021).

Other related parties

In fiscal year 2021-2022, our Company paid €5,128 thousand to CEA under the R&D agreement (€3,733 thousand in fiscal year 2020-2021) and €5,694 thousand in patent royalties (€10,698 thousand in fiscal year 2020-2021). In addition, our Group invoiced CEA €2,125 thousand, mainly in connection with the sale of 300 mm wafers (€1,782 thousand in the year to March 31, 2021).

During the fiscal year, our Company paid Simgui Technology Co., Ltd. US\$78.3 million for the purchase of 200 mm SOI wafers (US\$51.8 million in fiscal year 2020-2021).

Our Company invoiced Simgui US\$37.7 million in silicon substrates (versus US\$23.2 million in fiscal year 2020-2021).

During the fiscal year, our Company reimbursed €2.9 million in respect of programs subsidized by Bpifrance and Bpifrance Financement, and received €2.9 million from Bpifrance Financement and Bpifrance Investissement under the Mobisic, Limpide, Butterfly and IT2 programs.

At March 31, 2022, our Executive Committee (ExCom) had 11 members, excluding corporate officers (unchanged from March 31, 2021), resulting in an average membership of 11 over the fiscal year (unchanged from fiscal year 2020-2021). The total gross compensation paid by our Company to ExCom members, excluding corporate officers, and including direct and indirect benefits of executives, was €12,321 thousand for the year ended March 31, 2022.

(in € thousands)	March 31, 2022	March 31, 2021
Short-term benefits	5,159	4,764
Post-employment benefits	-	-
Share-based payment	7,162	6,659
TOTAL GROSS COMPENSATION PAID TO EXECUTIVES OF OUR COMPANY	12,321	11,423

Over fiscal year 2021-2022, executives excluding corporate officers were allocated:

- 26,464 ordinary shares under the "Onyx 2024" plan, subject to presence and performance conditions.

The gross amount of compensation allocated to corporate officers and non-employee directors was as follows:

(in € thousands)	March 31, 2022	March 31, 2021
Short-term benefits	1,502	1,491
Accounting value of share-based payments	1,688	1,854
TOTAL COMPENSATION AWARDED TO CORPORATE OFFICERS	3,190	3,345
Directors' compensation paid	1,010	1,010
Reimbursement of travel expenses	17	8
TOTAL COMPENSATION AWARDED TO CORPORATE OFFICERS AND NON-EXECUTIVE DIRECTORS	4,217	4,363

The gross amount of compensation allocated to corporate officers and non-employee directors was as follows:

During fiscal year 2021-2022:

- 8,240 ordinary shares were allocated on a conditional basis to corporate officers under the "Onyx 2024" plan, subject to presence and performance conditions.

V. Statutory Auditors' fees

The total amount of Statutory Auditors' fees recorded in the income statement for the fiscal year was €578 thousand. These fees include the audit of the consolidated financial statements and of the individual financial statements for €512 thousand and other non-audit services for €66 thousand.

6.3.1.3 Balance sheet and income statement information

A. Non-current assets

• ACQUISITIONS

(in € thousands)	Opening balance	Increases	
		Remeasurement	Acquisitions, contributions, transfers
Development costs	26,823		16,346
Other intangible assets	76,969		18,630
Land	2,409		253
<i>Comprising</i>			
Buildings on own land	7,663		4,862
Technical installations, equipment and industrial tooling	257,458		40,796
General installations, fixtures and fittings	56,289		16,850
Vehicles	106		260
Office, IT equipment and furniture	14,528		1,428
Property, plant and equipment in progress	31,400		106,996
Property, plant and equipment	369,853		171,445
Other investments and advances to equity investments	307,999		136,427
Other long-term investments	1,050		950
Loans and other non-current financial assets	907		109
Non-current financial assets	309,956		137,486
TOTAL	783,602		343,908

• DECREASE

(in € thousands)	Decreases		Closing balance
	Transfer	Disposal	
Start-up and development costs			43,170
Other Intangible assets	21,627	30	73,942
Land		133	2,529
Buildings on own land		562	11,963
Buildings on land owned by third parties			
Buildings, general installations, fixtures and fittings			
Technical installations, equipment and industrial tools		11,856	286,397
General installations, fixtures and fittings		13,946	59,193
Vehicles			366
Office, IT equipment and furniture		13.52	15,943
Reusable packaging and misc.			
Property, plant and equipment in progress		75,354	63,042
Advances and prepayments			
Property, plant and equipment		101,865	439,434
Equity-accounted investments			
Other investments and advances to equity investments		45,119	399,308
Other long-term investments			2,000
Loans and other non-current financial assets		13	1,004
Non-current financial assets		45,131	402,311
TOTAL	21,627	147,027	958,856

B. Depreciation and amortization

<i>(in € thousands)</i>	Opening balance	Expenses	Reversals	Closing balance
Start-up and development costs	4,355	4,708		9,062
Other intangible assets	52,676	5,404	19	58,061
Land	302	71	36	338
Buildings on own land	4,823	593	496	4,920
Buildings on land owned by third parties				
Buildings, general installations, fixtures and fittings				
Technical installations, equipment and industrial tools	192,579	15,643	6,947	201,275
General installations, fixtures and fittings	38,458	3,444	11,363	30,539
Vehicles	87	77		164
Office, IT equipment and furniture	12,112	1,124	13.52	13,222
Reusable packaging and misc.				
Property, plant and equipment	248,361	20,952	18,855	250,458
TOTAL	305,392	31,064	18,874	317,581

• BREAKDOWN OF MOVEMENTS AFFECTING PROVISIONS FOR ACCELERATED DEPRECIATION/AMORTIZATION

	Expenses			Reversals		Movements
	Difference in duration and other	Declining balance method	Non-recurring tax depreciation and amortization	Difference in duration and other	Declining balance method	
Start-up costs						
Other intangible assets						
						129 (129)
Property, plant and equipment						
Acquisitions of equity investments	21					21
TOTAL						(108)

Costs to be amortized over several fiscal years	Opening balance	Increases	Expenses	Closing balance
Debt issue costs to be amortized	4,639		1,880	2,759

C. Provisions recognized in the balance sheet

<i>(in € thousands)</i>	Opening balance	Expenses	Reversals	Closing balance
Accelerated depreciation/amortization	263	21	129	154
Tax-driven provisions	263	21	129	154
Provisions for disputes	1,787	591	845	1,534
Provisions for losses on forward markets	1,370	18	1,370	18
Provisions for foreign exchange losses	2,004	4,839	2,004	4,839
Other provisions for contingencies and expenses	78	200	78	200
Provisions for contingencies and expenses	5,238	5,649	4,296	6,591
Impairment of intangible assets	237	19	2	255
Impairment of property, plant and equipment	3,848	431	2,202	2,078
Impairment of equity investments	492	166	402	256
Impairment of other non-current financial assets	180			180
Allowances for inventory and work-in-progress	14,528	1,323	2,646	13,205
Allowances for trade receivables	11	4		15
Other allowances				
Impairment	19,296	1,943	5,251	15,988
TOTAL	24,797	7,613	9,676	22,734
Additions and reversals – operating items		3,006	6,665	
Additions and reversals – financial items		4,386	2,882	
Additions and reversals – non-recurring items		221	129	

Receivables and payables

Schedule of receivables <i>(in € thousands)</i>	Gross amount	Up to 1 year	More than 1 year
Advances to equity investments ⁽¹⁾	196,015	196,015	
Other non-current financial assets	1,004	214	790
Doubtful and disputed trade receivables	15	15	
Other trade receivables	151,010	151,010	
Employees and related accounts	39	39	
Research tax credits receivable	13,198	10,646	2,552
VAT receivable	3,836	3,836	
Research subsidies receivable	11,351	11,351	
Other debtors	2,650	2,650	
Prepaid expenses	2,237	2,237	
TOTAL	381,356	378,014	3,341

(1) The subsidiaries concerned are described in the section Summary of impairment of advances to equity investments.

Schedule of payables (in € thousands)	Gross amount	Up to 1 year	More than 1 year and less than 5 years	More than 5 years
Convertible bonds	325,000	(0)	325,000	
Borrowings and debt due within 1 year at inception	30	30		
Borrowings and debt due beyond 1 year at inception	126,138	4,186	52,020	69,932
Trade payables	86,528	86,528		
Employees and related accounts	29,857	29,857		
Social security and other agencies	19,275	16,180	3,095	
• State: income tax	6,879	6,879		
• State: VAT	1,342	1,342		
• State: other duties, taxes and related payments	4,761	4,761		
Amounts due on fixed assets	20,207	20,207		
Group and related parties	8,595	8,595		
Other liabilities	11,055	11,055		
Deferred income	18,970	3,186	11,527	4,258
TOTAL	658,637	192,806	391,642	74,189
Loans subscribed during the fiscal year	31,403			
Loans repaid during the fiscal year	150,000			

E. Items relating to several balance sheet items

(in € thousands)	Related parties	Investments	Payables, receivables
NON-CURRENT ASSETS			
Investments	190,453	12,584	
Advances to equity investments	196,013		
CURRENT ASSETS			
Trade receivables	81,177	4,009	
LIABILITIES			
Trade payables	15,790	9,746	
Other liabilities	8,595		

F. Translation adjustments on receivables and payables in foreign currencies

Type of adjustments (in € thousands)	Assets Unrealized losses	Adjustments offset by currency hedges	Provisions for foreign exchange losses	Liabilities Unrealized gains
Non-current financial assets	434		434	9,900
Receivables	3,772	5	3,767	3,068
Operating payables	638		638	472
TOTAL	4,845	5	4,839	13,440

G. Share capital

Categories of shares (in € thousands)	Number of shares			Par value
	at end of the fiscal year	issued during the fiscal year	redeemed during the fiscal year	
Ordinary shares	34,897,013			2.00
Preference shares	253,567	69,265		2.00

● CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Opening balance <i>(in € thousands)</i>		Balance
EQUITY BEFORE DISTRIBUTION OF PRIOR-YEAR EARNINGS		501,089
Dividends paid out on prior-year earnings		
EQUITY AFTER DISTRIBUTION OF PRIOR-YEAR EARNINGS		501,089
Changes during the fiscal year	Less	More
Changes in the share capital		3,571
Changes in share premiums		146,429
Changes in reserves		17
Changes in tax-driven provisions	108	
Other changes	17	
Net profit for the period		147,001
BALANCE		296,893
Closing balance		Balance
EQUITY BEFORE APPROPRIATION		797,982

H. Appropriation of earnings submitted for approval of the Shareholders' General Meeting

(in € thousands)

1 - Origin	Amount
Net profit for the period	147,001
<i>including recurring profit after tax:</i>	
TOTAL	147,001
2 - Appropriations	Amount
Legal reserve	357
Retained earnings	146,644
TOTAL	147,001

I. Provisions for contingencies and expenses

	Position and changes				
			Decreases		
(in € thousands)	Opening balance	Additions for the fiscal year	Amounts utilized during the fiscal year	Surplus provisions reversed during the fiscal year	Closing balance
Labor disputes	883	356	125	93	1,020
Other litigation	905	236	627		514
Risk on futures market	1,370	18	1,370		18
Foreign exchange loss	2,004	3,400	565		4,839
Other provisions for contingencies and expenses (cut-off)	78	200		78	200
TOTAL	5,238	4,210	2,686	171	6,591

J. Average headcount

Headcount	Employees
Operators	481
Technicians and office workers	433
Engineers and executives	437
TOTAL	1,351

K. Breakdown of revenue

<i>(in € thousands)</i>	Revenue – France	Revenue – Other	Total March 31, 2022	Total March 31, 2021	% 2021-2022
By geographic market	51,428	685,889	737,317	550,043	34%

● ACCRUED INCOME

<i>Accrued income (in € thousands)</i>	Amount
Interest on advances to equity investments	2
Unbilled revenue	39,562
Credit notes	140
<i>Return of consigned stock</i>	227
TOTAL	39,931

Accrued income consists mainly (€29.8 million) of transfers of consigned stocks and margin adjustments in accordance with the transfer pricing policy (€9.8 million).

● ACCRUED EXPENSES

<i>Accrued expenses (in € thousands)</i>	Amount
Interest on debt with credit institutions	175
Credit notes	274
Personnel – accrued payables	75
Provision for expenses	161
Provision for vacation pay	8,450
Personnel – Other accrued payables ⁽¹⁾	21,169
Social security contributions on vacation pay	4,056
Social security contributions – Other accrued payables ⁽²⁾	11,545
Accrued tax payables	4,345
Agefiph – Financial contribution	46
Accrued expenses	1,010
Accrued invoices (inventory items, non-inventory items and miscellaneous)	31,790
TOTAL	83,096

(1) The Company has recorded a provision for termination benefits for the Chief Executive Officer in the amount of €6,250 thousand (of which retirement benefits of €5,001 thousand).

(2) "Social security contributions – Other accrued payables" includes a provision for social security contributions on free share plans for €5,187 thousand.

● DEFERRED INCOME

<i>Deferred income (in € thousands)</i>		Date/Period	Amount		
			Operating	Financial	Non-recurring
Licensing agreement	April 1, 2022	March 31, 2025	858		
Capitalized income (research tax credit, subsidies, prototypes)	April 1, 2022	March 31, 2030	16,741		
Other income	April 1, 2022	December 31, 2024	1,371		
TOTAL			18,970		

● PREPAID EXPENSES

Prepaid expenses (in € thousands)	Date/Period	Amount		
		Operating	Financial	Non-recurring
Prepaid expenses – Miscellaneous	April 1, 2022	March 31, 2023	1,562	
Prepaid expenses – Leases	April 1, 2022	March 31, 2023	675	
TOTAL		2,237		

L. Non-recurring income and expenses

Type of expense (in € thousands)	Amount
Disposal of operating assets	18,572
Non-recurring expenses on asset disposals	555
Non-recurring expense on corporate actions	19,127
Accelerated depreciation/amortization	21
Additions to non-recurring provisions	200
Additions to provisions and expense transfers	221
TOTAL	19,348

Type of income	Amount
Proceeds from disposals of assets	16,193
Non-recurring proceeds from disposals of financial assets	226
Non-recurring income on corporate actions	16,419
Reversals of provisions for accelerated depreciation/amortization	129
Reversals of provisions and expense transfers	129
TOTAL	16,548

Proceeds from and expenses on the disposal of assets mainly correspond to leaseback transactions.

M. Deferred and unrealized tax position

(in € thousands)	Amount
TAX DUE ON:	
Other	
Unrealized foreign exchange losses	1,250
Provisions for losses on forward markets	5
Total increases	1,255
PREPAID TAX ON:	
Temporary non-deductible costs (to be deducted the following fiscal year):	
Employee profit-sharing	378
"Organic" levy	88
Other	4,626
For later deduction	
Other retirement costs	2,933
Total reductions	8,025
NET DEFERRED TAX POSITION	(6,770)
CREDIT TO BE CHARGED TO:	
Tax loss carryforwards	145,029
NET UNDERLYING TAX POSITION	145,029

A rate of 25.83% has been used for all deferred tax position items.

6.3.1.4 Financial commitments and other information

A. Lease commitments

(in € thousands)	Land	Buildings	Equipment and tooling	Other non-current assets	Total
Opening value			81,191		81,191
DEPRECIATION AND AMORTIZATION					
Cumulative opening balance			30,139		30,139
Current fiscal year			10,066		10,066
Total			40,204		40,204
NET VALUE			40,987		40,987
LEASE PAYMENTS					
Cumulative opening balance			32,636		32,636
Current fiscal year			10,252		10,252
Total			42,887		42,887
FUTURE LEASE PAYMENTS					
Due within 1 year			11,663		11,663
Due in more than 1 year and less than 5 years			26,041		26,041
Due in more than 5 years			3,596		3,596
Total			41,300		41,300
RESIDUAL AMOUNT					
Amount accounted for in the fiscal year			10,252		10,252

B. Off-balance sheet commitments

(in € thousands)	Off-balance sheet amount
Discounted bills not yet due	
Guarantees and bonds	30
Pension obligations	11,521
Other commitments given	168,414
Long-term lease commitments	96
Guarantees given	104,278
Other commitments ⁽¹⁾	64,040
TOTAL	179,965

(1) A purchase commitment was signed on March 31, 2020 with SK Siltron, taking effect on April 1, 2020, under which a penalty (contractual compensation undertaking) was agreed in the amount of US\$110,000,000. The amount of €64,040 thousand represents the outstanding purchase commitment to expiration of the contract on March 31, 2024.

At March 31, 2022, guarantees, pledges and commitments given totaled €104.3 million, and mainly concern:

- The project company for the Touwsrivier solar power plant (CPV Power Plant no. 1), for €20.0 million. The commitment expires on June 30, 2029 at the latest.
- The acquirers of the Desert Green and Rians solar power plants, for €3.2 million. The commitment expires on June 20, 2024 at the latest.
- A letter of intent given to its subsidiary FrecInsys for the purposes of negotiating and meeting commitments, for €950 thousand. The letter is renewable each year.
- A letter of intent given by our Company to Soitec Asia Holding Pte Ltd. for the purposes of negotiating and meeting commitments next year, for €45 thousand. The letter is renewable each year.
- A comfort letter given to our Company's subsidiary Dolphin Design, which had purchase orders with STMicroelectronics for €1.6 million as part of its framework agreement, expiring in June 2022.
- Two financial guarantees granted to Soitec Microelectronics Singapore Pte Ltd. for a €29.4 million loan and a €30.6 million loan from Société Générale, OCBC, HSBC and SMFL, expiring in February 2027 and November 2025 respectively.
- A joint and several guarantee issued by the parent company to secure payment by Soitec Belgium NV to ES Finance in respect of two equipment leasing contracts, for €4 million, expiring in March 2026 and September 2028 respectively.
- A joint and several guarantee (in proportion to its ownership interest) given by our Company to its subsidiary Dolphin Design, in order to guarantee payment of all sums due (but still unpaid) in accordance with the lease for the new Dolphin Design headquarters building, for €0.5 million.

- A counter-guarantee until September 2020, issued by our Company to Société Générale as part of a bank guarantee to RF360 requiring reimbursement by Soitec SA of RF360's initial investment in Soitec SA's additional capacities, for €14.2 million.
- Soitec signed a 12-year property lease with five banking partners (led by Natocredibail) to finance the new SmartSiC plant. The maximum financial commitment is €90 million, consisting of two phases of work, for €58.5 million and €31.5 million respectively.

Principal commitments given to subsidiaries (guarantees and sureties)	Amount (in € thousands)
Soitec Solar US	3,197
Soitec Solar RSA	20,000
Frec n sys	950
Dolphin Design	2,047
Soitec Belgium	3,917
Soitec Microelectronics Singapore	59,789

Principal commitments given on behalf of Soitec SA (guarantees and sureties)	Amount (in € thousands)
Contractual commitment with SK Siltron	64,040
Counter-guarantee covering the reimbursement of a customer investment	14,211

C. Put options

Dolphin

The Dolphin Design SAS shareholder agreement includes a put option in favor of MBDA. Under the put option, MBDA can require our Company to purchase its 20% interest in Dolphin Design SAS between November 1, 2022 and December 31, 2022. The fair value of this liability was measured based on best estimates of the achievement of the performance criteria by reference to the business plan over the contractual period. In accordance

with French accounting standards, this liability is not recorded in the balance sheet at March 31, 2022.

Soitec Belgium

At March 31, 2022, Soitec Belgium's co-founding directors held 3.39% of the share capital. The shareholder agreement provides for a cross put/call option for these directors at a price that will be determined according to the level of achievement of performance criteria.

6.3.1.5 Subsidiaries and shareholdings

Company (in €) Registered office	Share capital Equity	% interest Dividends received	Gross value of equity investments Net value of shares	Loans, advances Guarantees	Revenue Net profit/loss
	LOCAL CURRENCY		€	€	€
SUBSIDIARIES (MORE THAN 50%-OWNED)					
Soitec USA Holding Inc. 11182 El Camino Real Suite 260 San Diego CA 92130, United States	1,000 316,091,614	100%	16,796 16,796		- (7,498,454)
Soitec Japan Inc. West Tower 20 F, Otemachi First Square 1-5-1 Otemachi, Chiyoda-Ku 100-0004 Tokyo, Japan	300,500,000 1,507,841,151	100%	2,636,988 2,636,988		72,838,937 1,906,640
Soitec Korea, Kyunggi-do hwasung-si Bansong Dong 93-10 Shinyoung Gwell – South Korea	500,000,000 749,853,971	100%	328,483 328,483		1,448,070 769,504
Soitec Trading Co. Ltd. 3261 Dong Fang Road Shanghai – China	860,594 9,847,953	100%	102,138 102,138		2,285,571 1,139,286
Frec n sys 18 rue Alain Savary 25000 Besançon, France	499,500 422,506	100%	2,949,287 2,949,287	1,400,000	1,160,547 (840,635)
Concentrix Holding Parc Technologique des Fontaines 38190 Bernin, France	100,000 (2,875,674)	100%	3,897,794 3,897,794		- (1,070,784)
Dolphin Design SAS 1BA, chemin du Pré Carré 38240 Meylan, France	5,500,000 4,367,356	80%	5,300,001 5,300,001	11,210,000	21,038,060 (2,082,120)

Company (in €) 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 Asia Holding 81 Pasir Ris Industrial Drive 1, Singapore 518220	1 142,051,454	100%	126,392,973 126,392,973	49,043	- (8,377)
Soitec Lab Parc technologique des Fontaines Chemin des Franques 38190 Bernin, France	6,000,000 7,166,195	100%	7,166,195 7,166,195	8,346,040	8,244,904
NEWCO 2 Parc technologique des Fontaines Chemin des Franques 38190 Bernin, France	1,000 810	100%	1,000 1,000		- (80)
NEWCO 3 Parc technologique des Fontaines Chemin des Franques 38190 Bernin, France	1,000 810	100%	1,000 1,000		- (80)
NEWCO 4 Parc technologique des Fontaines Chemin des Franques 38190 Bernin, France	1,000 810	100%	1,000 1,000		- (0)
Soitec Belgium Kempische Steenweg 293 3500 Hasselt, Belgium	9,755,085 5,713,929	96.6%	34,441,030 34,441,030	5,362,380	2,144,566 (2,806,542)
NOVASiC SAS Savoie Technolac – BP 267, 73370, Le Bourget du Lac Cedex, France	833,972 931,177	100%	7,218,304 7,218,304		2,446,384 9,550
INVESTMENTS (10 TO 50%-OWNED)					
Greenwaves Technologies Pépinière des entreprises Bergès Avenue des Papeteries 38190 Villard Bonnot, France	1,774,551 4,688,901	17%	3,298,873 3,298,873		474,979 (3,453,420)
Supernova 9, rue Duphot 75001 Paris, France	25,943,240 24,633,618	3.5%	750,000 750,000		- (1,309,622)
OTHER INVESTMENTS (LESS THAN 10% OWNED)					
Technocom 2 23, rue Royale 75008 Paris, France	29,900,698 29,451,542	8.0%	2,350,000 2,350,000		- (446,847)
Technocom 3 23, rue Royale 75008 Paris, France	14,134,460 12,785,539	8.0%	2,000,000 1,743,889		- (1,347,155)
Simgui 200 Puhui Road, Jiading District, Shanghai, China	315,000,000 919,894,048	2.7%	4,440,962 4,440,962		114,018,126 19,183,389

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 FrecIn|sys SAS, Soitec Lab SAS, Soitec Newco 2 SAS, Soitec Newco 3 SAS, Soitec Newco 4 SAS, Concentrix Holding SAS, Dolphin Design SAS, Soitec Belgium, NOVASiC SAS, Technocom 2 and 3, Greenwaves Technologies SAS and Supernova.

Concerning investments below 10%, no loan, advance or deposit was granted during the fiscal year.

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, 2022

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, 2022.

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, 2022 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, 2021 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.

Emphasis of Matter

We draw your attention to the following matter described in the Note "Change in accounting policy" ("*Changement de méthode comptable*") of the section "Accounting rules and policies and notes on the balance sheet" ("*Règles et méthodes comptables et notes sur le bilan*") to the financial statements, which sets out the change related to the application of the revised recommendation n° 2013-02 by the "Autorité des Normes Comptables" (ANC) related to the rules applicable for the measurement and recognition of post-employment benefits and similar benefits, with regard to the choice of methods for the recognition over time of the rights acquired in relation to defined benefit plans.

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.

Valuation of equity investments

Risk identified

At March 31, 2022, non-current financial assets represented a net amount of €402m in the company's balance sheet.

As described in note 6.3.1.2 "Non-current financial assets" of the financial statements, are valued at their historical acquisition price. At the end of the fiscal year, a review of the value of equity investments is conducted, consisting of comparing their historical value with their value in use, determined primarily based on their net asset value or on an estimate of their profitability.

We have identified the valuation of non-current financial assets as a key audit matter due to the materiality in the balance sheet and the judgment exercised by the management to determine the value in use.

Our response

We analyzed the valuation method used and the figures on which it is based.

For valuation based on historic elements, our work consisted primarily in examining the consistency of the net assets used with the accounts of the entities that have been audited or subjected to analytical procedures, and in checking whether any adjustments made were supported by meaningful documentation.

For assessments based on provisional data, our work consisted primarily in:

- obtaining the cash flow and operating forecasts for the activities of the entities concerned and in assessing their consistency with the forecast data presented by management as part of the budgeting process;
- analyzing the consistency of the assumptions used with the economic environment at the closing and preparation date of the financial statements;
- assessing the discount rate used for the discounting of cash flows.

Capitalization and valuation of development expenses in the balance sheet

Risk identified	Our response
<p>At March 31, 2022, capitalized development expenses represented a net amount of €38m in the company's balance sheet.</p> <p>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.</p> <p>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.</p>	<p>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.</p> <p>For the projects we selected, our work notably consisted in:</p> <ul style="list-style-type: none"> 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, 2022 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 favour, we have verified the consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlled companies included in the scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a public takeover bid or exchange offer, provided pursuant to Article L.22-10-11 of the French Commercial Code, we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and 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, 2022, our firms were in the sixth year of total uninterrupted engagement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit and Risks Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.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) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for Statutory Auditors. Where appropriate, we discuss with the Audit and Risks Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense and Lyon, June 17, 2022

The Statutory Auditors
French original signed by

KPMG Audit
Jacques Pierre
Partner

Rémi Vinit-Dunand
Partner

Ernst & Young Audit
Nicolas Sabran
Partner

6.4 Other financial and accounting information

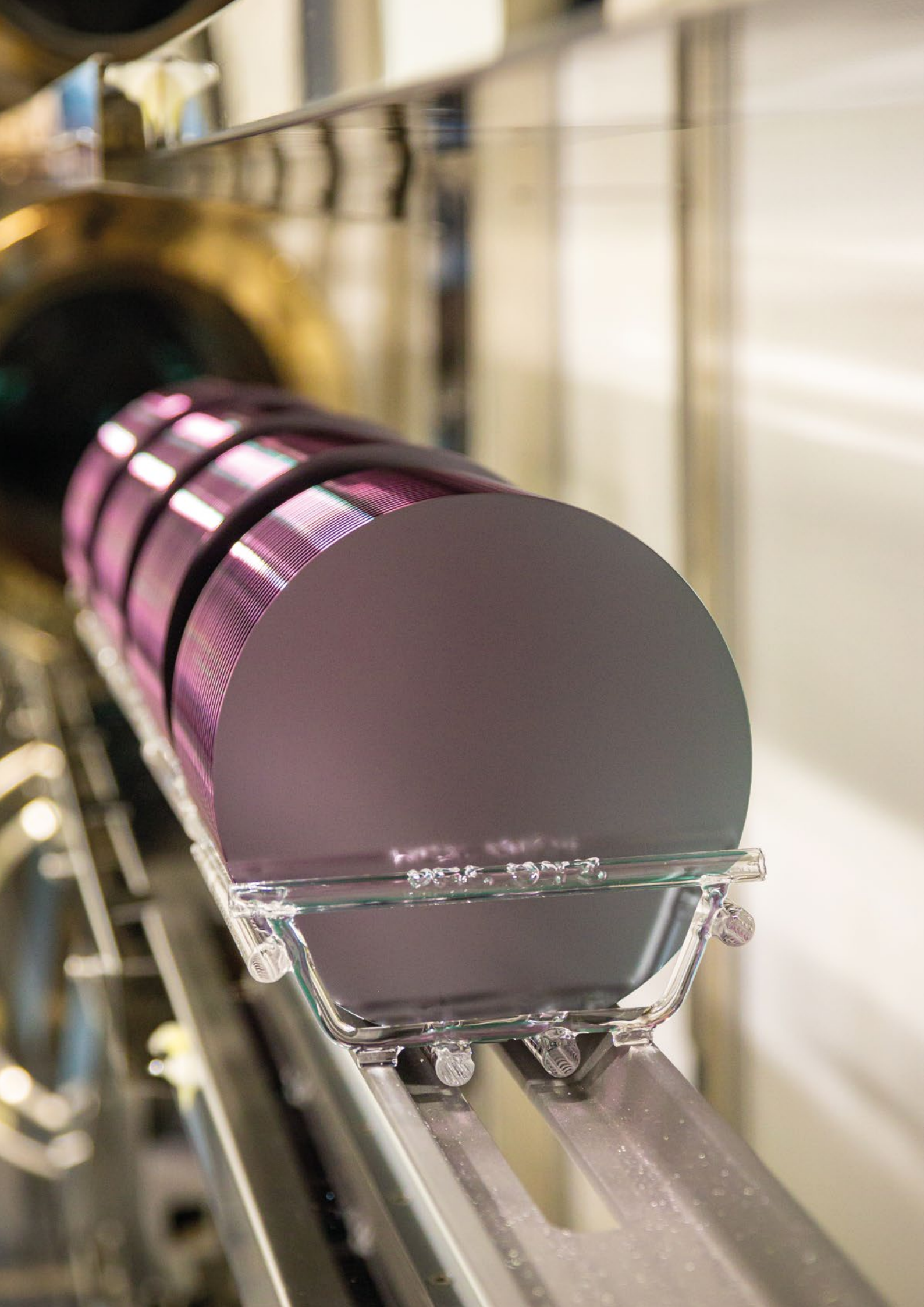
6.4.1 Five-year financial summary

• FIVE-YEAR FINANCIAL SUMMARY

Fiscal year ended	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018
Duration of fiscal year (months)	12	12	12	12	12
I. SHARE CAPITAL AT END OF FISCAL YEAR					
Share capital	70,301	66,730	66,558	62,762	62,762
Number of shares					
• ordinary shares	34,897,013	33,180,921	33,180,921	31,367,567	31,367,567
• preferred shares	253,567	184,302	97,980	269,365	269,365
Maximum number of shares to be issued					
• on conversion of bonds					
• on redemption of subscription rights					
II. EARNINGS					
Revenue before tax	737,317	550,043	577,355	448,694	296,034
Earnings before tax, employee profit-sharing, depreciation, amortization and impairment	182,826	97,701	54,136	103,216	(477,674)
Income tax	3,578	(1,352)	495	3,421	(7,458)
Employee profit-sharing	1,367	52	1,107	2,522	
Additions to depreciation, amortization and impairment	30,881	30,314	(47,194)	(11,186)	(517,764)
Net profit	147,001	68,686	99,727	108,460	47,548
Dividends paid					
III. EARNINGS PER SHARE					
Earnings after tax, employee profit-sharing, but before depreciation, amortization and impairment	5.10	2.98	1.58	3.1	(14.99)
Earnings after tax, employee profit-sharing, depreciation, amortization and impairment	4.21	2.07	3.01	3.46	1.52
Dividend paid					
IV. PERSONNEL					
Average headcount during the fiscal year	1,350	1,191	1,128	1,053	931
Payroll costs	83,610	64,453	63,738	55,896	51,804
Amounts paid in social charges (social security and other social agencies)	39,951	36,438	30,184	25,717	23,511

6.4.2 Inventory of marketable securities

Company	Book value March 31, 2022
A. EQUITY INVESTMENTS	
Soitec USA Holding Inc.	17
Soitec Japan Inc.	2,637
Soitec Korea LLC	328
Soitec Corporate Services SAS	
Soitec Trading Shanghai Co. Ltd.	102
Frec n sys SAS	2,949
Concentrix Holding SAS	3,898
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
NOVASiC SAS	7,218
Innovacom gestion	4,350
Shanghai Simgui Technology Co. Ltd.	4,441
Greenwaves Technologies	3,299
Supernova Ambition Industrie	750
B. ADVANCES TO EQUITY INVESTMENTS	
Soitec Microelectronics Singapore Pte Ltd.	169,695
Soitec Asia Holding Pte Ltd.	
Soitec Lab SAS	8,346
Frec n sys SAS	1,400
Soitec Belgium	5,362
Dolphin Design SAS	11,210
C. OTHER LONG-TERM INVESTMENTS	
OCA Greenwaves	2,000
D. MARKETABLE SECURITIES	
Marketable securities	270,232
E. TREASURY SHARES	
4,351 Treasury shares	369
TOTAL	671,907



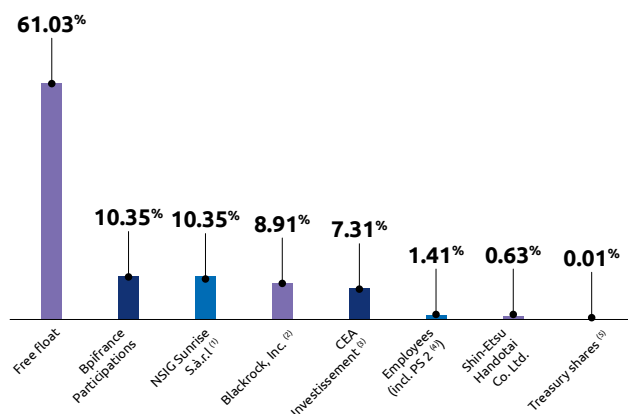
7

SHARE CAPITAL AND SHAREHOLDING STRUCTURE

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7.1 Shareholding structure

7.1.1 Shareholders



(1) Threshold crossing declaration made by NSIG Sunrise S.a.r.l to the AMF on March 1, 2021.

(2) Information provided by BlackRock to the Company on May 28 and May 31, 2021. BlackRock has maintained its shareholding in the Company's capital above 5%, and holds approximately 8.91% of the Company's shares as of March 31, 2022.

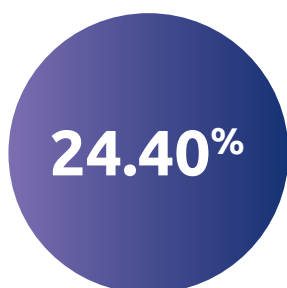
(3) Threshold crossing declaration made by CEA Investissement to the AMF on May 25, 2021.

(4) PS 2 with a par value of €2.00 each, not admitted to trading on a regulated market.

(5) Shares without voting rights.

The Company conducts a number of shareholder identification studies every year. The most recent was completed on May 31, 2022.

Around 24.40% of the stock is held by the general public and institutional investors



Around 24.40% of shares in the Company are widely distributed among the public or held by institutional investors other than the 50 leading investors.

Slight increase in employee shareholding



Slight increase in employee shareholding, due to the unwinding of the co-investment programs with free share allocations and free share allocation plans set up for employees over the past fiscal year.

Small portion of treasury shares



The

treasury shares represent around 0.01% of the total number of shares.

Three “strategic investors”



In May and June 2016, we completed two major capital increases, one of which was reserved for the Group's three “strategic investors”.

Following these transactions, these companies each held 14.50% of the share capital, totaling 43.50%.

On June 28, 2017, the companies each sold an identical number of shares to institutional investors. Following these transactions, their respective shareholdings represented around 12%.

On July 31, 2020, CEA Investissement sold 1,065,000 shares off-market through a placement to qualified investors via an accelerated book building process. Following this transaction, its shareholding represented around 7.71%.

28.01%

The three “strategic investors” continue to represent a significant portion of the Company's shareholding: NSIG Sunrise S.à.r.l and Bpifrance Participations each hold 10.35% and CEA Investissement holds 7.31% of the shares, i.e., a total of 28.01%. Given that the three “strategic investors” do not act in concert, as described in section 7.1.6.2 *Absence of control over the Company* of this Universal Registration Document, the Company is not controlled.

A long-standing shareholder



Shin-Etsu Handotai, a long-standing Japanese partner and silicon supplier, is still one of the Company's shareholders.

0.63%

One of the first shareholders, Shin-Etsu Handotai holds approximately 0.63% of the share capital at the date hereof, 23 years after Soitec's initial public offering.

Growth of the top 50 institutional investors

47.59%

As of May 31, 2022, the top 50 institutional investors hold 47.59% of the Company's share capital (compared to 35% in March 2018 and 45.88% in March 2021).

Primarily located in Europe, the United States and Asia, the majority have a long-only strategy.

7.1.2 Change in the main shareholders over the past three fiscal years

The table below shows the number of shares and voting rights, and the corresponding percentages, held by the main shareholders, long-standing shareholders and employee shareholders as of March 31, 2022.

The development over the past three years of their respective positions in terms of percentages of shares and exercisable voting rights is also included.

The main shareholders are those who directly or indirectly hold more than 5% of the share capital. To the best of the Company's knowledge,

no other shareholder holds, directly or indirectly, alone or in concert, more than 5% of the share capital or voting rights as of March 31, 2022.

Employee shareholding has been calculated in accordance with Article L. 225-102 of the French Commercial Code (*Code de commerce*), as described in further detail in section 7.1.7 *Employee shareholding structure* of this Universal Registration Document.

Shareholders	Situation as of March 31, 2022						Situation as of March 31, 2021		Situation as of March 31, 2020	
	Number of shares	Percentage of shares	Number of theoretical voting rights ⁽¹⁾	Percentage of theoretical voting rights ⁽¹⁾	Number of exercisable voting rights ⁽²⁾	Percentage of exercisable voting rights ⁽²⁾	Percentage of shares	Percentage of exercisable voting rights ⁽²⁾	Percentage of shares	Percentage of exercisable voting rights ⁽²⁾
Free float	21,452,167	61.03%	21,884,180	47.94%	21,884,180	49.18%	59.87%	50.62%	65.71%	65.22%
NSIG Sunrise S.à.r.l.	3,636,008	10.35%	7,272,016	15.93%	6,159,984	13.85%	10.90%	15.39%	10.93%	10.93%
Bpifrance Participations	3,636,007	10.35%	7,272,014	15.93%	7,272,014	16.34%	10.90%	18.17%	10.93%	10.93%
BlackRock, Inc.	3,131,663	8.91%	3,131,663	6.86%	3,095,107	6.96%	9.05%	7.55%	-	-
CEA Investissement	2,571,007	7.31%	5,142,014	11.26%	5,142,014	11.56%	7.71%	6.42%	10.93%	10.71%
Employees:	496,748	1.41%	496,748	1.09%	496,748	1.11%	0.89%	0.74%	0.83%	0.89%
• Of which freely allocated PS 2 ⁽³⁾	253,567	0.72%	253,567	0.56%	253,567	0.57%	0.19%	0.16%	0.29%	0.29%
Shin-Etsu Handotai	222,629	0.63%	445,258	0.98%	445,258	1.00%	0.67%	1.11%	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	35,150,580	100.00%	45,648,244	100.00%	44,495,305	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 Stock market data

7.1.3.1 Company profile

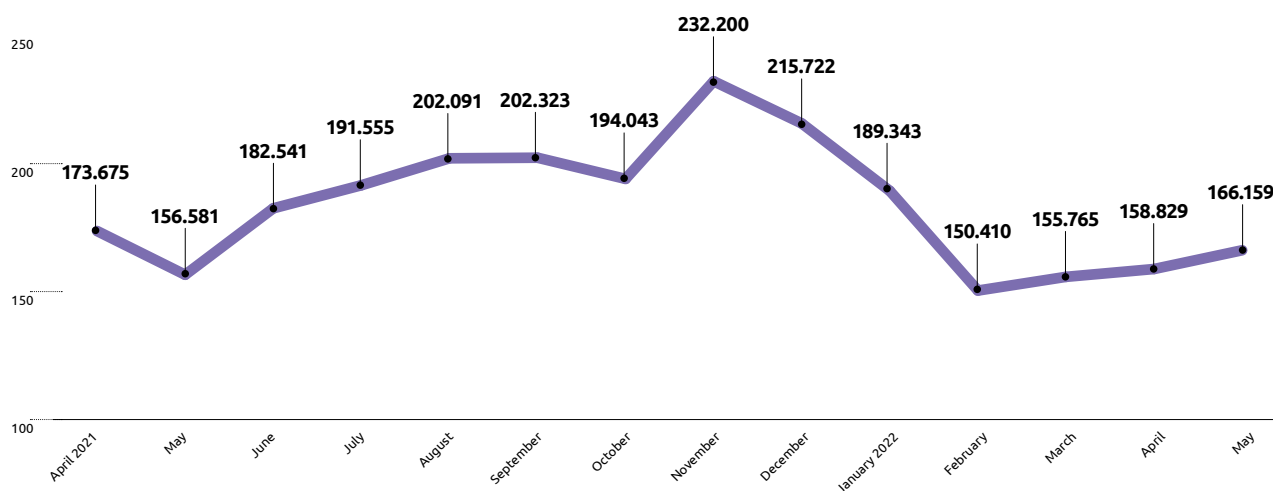
Event		
Stock market		The Company has been listed on Euronext Paris since its initial public offering on February 9, 1999. Initially listed in Compartment B, it is now listed in Compartment A.
Indices	CAC Mid 60 SBF 120	Following the quarterly review of the Euronext Paris indices on March 9, 2017, the Index Committee (<i>Conseil scientifique des indices</i>) decided to readmit the Company to the panels comprising the CAC Mid 60 and SBF 120 indices. This decision took effect on March 17, 2017 after market close.
Ticker symbol	SOI	Since February 9, 1999.
ISIN	FR0013227113	Since the reverse stock split effective February 8, 2017.

7.1.3.2 Summary table of the past two fiscal years

	2021-2022	2020-2021
Stock market capitalization at fiscal year-end (in € billions)	5.97	5.78
Number of listed shares	34,892,662	33,180,921
Highest price (in €)	243.000	191.300
Lowest price (in €)	127.100	63.600
Average closing price (in €)	187.648	125.89
Price at fiscal year-end (in €)	171.100	174.300

7.1.3.3 Changes in the share price over the past fiscal year (in €)

Year/month	Highest price (in €)	Lowest price (in €)	Average closing price (in €)	Number of shares traded	Value traded (in € millions)	Market capitalization on the basis of the average closing price (in € millions)
2021						
April	183	162.9	173.675	1,207,370	209.43	5,794.705
May	170.2	143	156.581	1,641,057	255.92	5,224.358
June	193.7	166.1	182.541	1,726,193	314.61	6,090.518
July	203.6	181	191.555	1,263,485	242.05	6,453.385
August	210.4	185.2	202.091	1,045,576	210.78	6,834.362
September	213.8	184.6	202.323	1,189,608	239.28	6,843.112
October	231.8	166.1	194.043	1,689,110	330.96	6,818.195
November	241.8	219.8	232.2	1,367,364	317.08	8,159.050
December	243	200.2	215.722	1,544,242	339.88	7,580.036
2022						
January	222.2	152	189.343	3,229,257	573.59	6,655.511
February	169	128.3	150.41	2,250,160	336.75	5,286.999
March	178.2	127.1	155.765	2,334,071	355.66	5,475.238
April	174.15	150.35	158.829	1,211,902	194.06	5,582.930
May	174.95	153.85	166.159	1,412,812	234.92	5,840.588



7.1.4 Dividend information

The Company has not distributed any dividends in respect of the past three fiscal years.

It does not plan to pay out any dividends over the next three fiscal years, as it intends to reinvest its profits in order to finance its future growth.

7.1.5 Rights, preferences and restrictions attached to Company shares

7.1.5.1 Two different share classes

The Company's share capital comprises two classes of shares:

- 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.

The PS 2 are subject to temporary transfer restrictions under the conditions defined in Articles 9 and 10 of the Company's by-laws.

shares that have been held for at least two years by the same shareholder in the registered form.

In the event of a capital increase by incorporation of reserves, profits or issue premiums, double voting rights are conferred on the registered shares allocated free of charge to the shareholders as from the date of their issue, on the basis of the previous shares for which such right was also conferred.

This rule has applied since August 31, 2000.

The double voting right ceases for any share converted to bearer or subject to a transfer.

7.1.5.2 Different voting rights

Simple voting rights

Voting rights are proportional to the capital represented by shares. At Shareholders' General Meetings, each ordinary share carries one vote.

Double voting rights

Since the resolution adopted by the Combined Ordinary and Extraordinary Shareholders' General Meeting of November 30, 1998, Article 22 of the Company's by-laws states that double voting rights are conferred on

Voting rights of the main shareholders

Section 7.1.2 *Change in the main shareholders over the past three fiscal years* of this Universal Registration Document presents the exact number of voting rights held by the main and long-standing shareholders as of March 31, 2022.

7.1.5.3 Amendments to shareholder rights under legal requirements

Decisions amending the by-laws of the Company in general are adopted by the Extraordinary Shareholders' General Meeting under the legal majority conditions required.

7.1.6 Threshold crossings – Absence of control over the Company

7.1.6.1 Threshold crossings over the past fiscal year

A. Legal threshold crossings

During the period from April 1, 2021 to March 31, 2022, the following threshold crossings were declared 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
08/27/2020 ⁽¹⁾	↘	5% of voting rights	1,887,868	5.67%	1,887,868	4.60%
09/11/2020 ⁽¹⁾	↗	5% of voting rights	2,094,171	6.29%	2,094,171	5.10%

⁽¹⁾ BlackRock, Inc. (acting on behalf of clients and funds that it manages) has indicated – by way of a corrective declaration made on May 28 and 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 (based on the 33,365,223 shares and 41,141,593 voting rights comprising the Company's share capital at that date).

• CEA INVESTISSEMENT ⁽¹⁾

Date of crossing	Crossing direction	Threshold(s) crossed	Number of shares held post-crossing	Percentage of capital declared	Number of voting rights held post-crossing	Percentage of voting rights declared
05/23/2021 ⁽¹⁾	↗	10% of voting rights	2,571,007	7.71%	5,142,014	11.76%

(1) By correspondence received on May 25, 2021, CEA Investissement declared that its interest in the Company had increased to above the threshold of 10% of the voting rights, following the allocation of double voting rights.

B. Crossing of the thresholds set out in the by-laws

In accordance with Article 11 of the Company's by-laws, any crossing of the threshold of 3% of the capital or voting rights must be disclosed to the Company's. No crossings of the 3% threshold set out in the by-laws were disclosed to the Company during fiscal year 2021-2022.

7.1.6.2 Absence of control over the Company

In their Shareholders' Agreement of March 7, 2016 as amended on April 29, 2016, the three main shareholders represented that they were not acting in concert, meaning that the Company was not in a controlled position. The term of the Shareholders' Agreement expired at the close of the Shareholders' General Meeting of July 28, 2021.

To the Company's knowledge, no shareholder directly or indirectly holds a portion of its share capital or voting rights granting it control over the Company.

7.1.6.3 Change of control over the Company

To the Company's knowledge, there is no agreement in place that could give rise to a change of control over the Company in the future.

Apart from the double voting rights described in section 7.1.5.2 *Different voting rights* of this Universal Registration Document and the factors presented in section 7.1.8 *Factors likely to have an impact in the event of a*

public offer of this Universal Registration Document, no provisions in the Company's articles of incorporation or by-laws or any of its charters or regulations would have the effect of delaying, deferring or preventing a change of control over the Company.

7.1.7 Employee shareholding structure

Pursuant to Article L. 225-102 of the French Commercial Code, it is hereby specified that the proportion of the share capital held by our employees as of March 31, 2022 is 1.41%, i.e., 496,748 ordinary shares and 253,567 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, the Company has set up a company savings plan for the employees of the French and Singaporean entities of the Group via a company mutual fund ("FCPE Jade");

- in addition, the shares held in registered form by employees and included in the above calculation are the result of the free shares allocated under the plans described in section 7.2.3.1 *Type and characteristics of financial instruments issued* of this Universal Registration Document or of the Universal Registration Documents or Registration Documents for previous fiscal years. Share subscription offers against payment reserved for employees are excluded from the calculation.

7.1.8 Factors likely to have an impact in the event of a public offer

In application of Article L. 22-10-11 of the French Commercial Code, the factors likely to have an impact in the event of a public offer are as follows:

Structure of the Company's share capital	See sections 7.1.1 and 7.1.2 of this Universal Registration Document.
Restrictions on the exercise of voting rights and on transfers of shares provided for in the by-laws or clauses of agreements brought to the Company's attention pursuant to Article L. 233-11 of the French Commercial Code	In accordance with Article 9 of the Company's by-laws, the PS 2 are subject to temporary transfer restrictions under the conditions defined in Articles 9 and 10 of the by-laws. 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. The Company's by-laws are available in full on the Group's website and are incorporated by reference in this Universal Registration Document.
Direct or indirect interests in the share capital of which the Company is aware pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code	See sections 7.1.2 and 7.1.6 of this Universal Registration Document.
Control mechanisms provided for in any employee shareholding scheme where control rights are not exercised by the employees	The Supervisory Board of the company mutual fund 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 the Company is aware and which may result in restrictions on the transfer of shares and the exercise of voting rights	N/A. To the best of the Company's knowledge, the Shareholders' Agreement entered into on March 7, 2016 between Bpifrance Participations, CEA Investissement and National Silicon Industry Group/ NSIG Sunrise S.à.r.l. expired at the close of the Shareholders' General Meeting of July 28, 2021.
Rules applicable to the appointment and replacement of members of the Board of Directors and to amendments of the by-laws	See sections 4.1.1 and 7.1.5.3 of this Universal Registration Document and Article 12 of the Company's by-laws.
Powers of the Board of Directors, in particular with respect to share issues and buybacks	In accordance with the resolution approved by the shareholders at the Shareholders' General Meeting of July 28, 2021, 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 Meeting of July 28, 2021, the Board of Directors may not decide to issue shares and securities with or with a waiver of preemptive subscription rights (except through capital increases reserved for members of company savings plans and free share allocations subject to performance conditions) during public offers for the Company's shares. The Board of Directors' powers to issue or buy back shares are described in more detail in section 7.2.4.1 of this Universal Registration Document as well as in the Company's by-laws. 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 the Company that are subject to amendment or termination in the event of a change of control, unless such disclosure, other than in accordance with a legal obligation to disclose, would be seriously prejudicial to its interests	The Company may enter into agreements containing change of control clauses, such as the issue agreement for the 2025 OCEANE bond (see section 7.2.3.1 of this Universal Registration Document), which contain a clause providing for the possibility of early redemption, in cash, in the event of a change of control.
Agreements providing for compensation for members of the Board of Directors and employees if they resign or are dismissed without just cause or if their employment is terminated as a result of a public takeover and exchange bid	Commitments related to the termination of the duties of the Chief Executive Officer are described in section 4.2 of this Universal Registration Document. In addition, under certain free share allocation plans set up by the Company, a public takeover or exchange bid for the Company's securities may have the effect of reducing the vesting (or holding) period or of waiving the presence conditions.

7.2 Share capital information

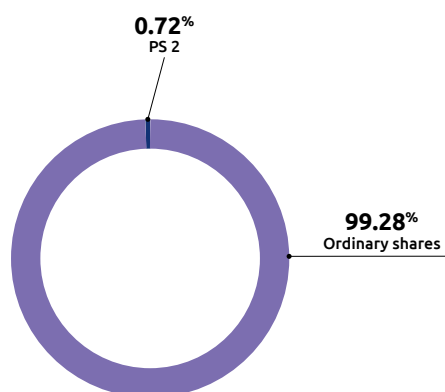
7.2.1 Changes in the share capital since April 1, 2021

7.2.1.1 Share capital situation since April 1, 2021

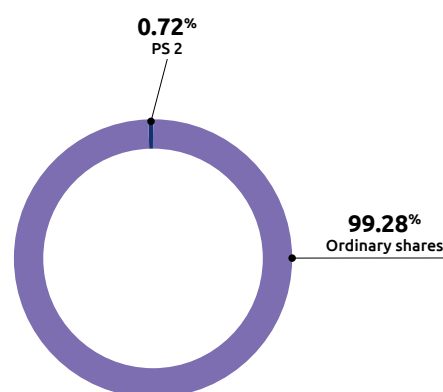
As of June 8, 2022, the share capital, amounting to €70,301,160, comprised two classes of shares:

- 34,897,013 ordinary shares with a par value of €2.00 each; and
- 253,567 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 the last fiscal year

Since April 1, 2021, the Company's share capital has changed as indicated in the table in section 7.2.6 of this Universal Registration Document.

7.2.2 Treasury shares held by the Company

7.2.2.1 Number of treasury shares

As of June 8, 2022, the Company held 4,351 ordinary treasury shares, representing 0.01% of the share capital. Their par value is €2.00 each.

7.2.2.2 Number of shares held by indirect subsidiaries

As of June 8, 2022, none of its indirect subsidiaries held shares in the Company.

7.2.2.3 Share buyback program in force, adopted by the Combined Ordinary and Extraordinary Shareholders' General Meeting of July 28, 2021

The Combined Ordinary and Extraordinary Shareholders' General Meeting of July 28, 2021, in its 16th resolution, authorized the Board of Directors, with the power to sub-delegate, to acquire or to cause shares to be acquired in the Company, on one or more occasions, at such times as it shall determine, up to 5% of the share capital at the date of each buyback. This authorization superseded the authorization granted to the Board of Directors by the Shareholders' General Meeting of September 23, 2020. This authorization will expire at the Shareholders' General Meeting of July 26, 2022.

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 July 28, 2021.

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 the Company at any time shall not exceed 10% of the share capital, this percentage applying to adjusted capital based on transactions affecting it after the Shareholders' General Meeting of July 28, 2021.

Acquisitions may be made with the purpose of:

- ensuring the liquidity of and making a market for the Company's shares through an investment services provider, under a liquidity agreement that complies with the market practices permitted by the AMF (as amended where appropriate); or

- allocating or selling shares to employees as part of their involvement in the performance of the Company or pursuant to a company or Group employee savings plan (or similar plan) in accordance with the law, notably Articles L. 3332-1 *et seq.* of the French Labor Code (*Code du travail*); or
- allocating free shares under the provisions of Articles L. 225-197-1 *et seq.*, L. 22-10-59 and L. 22-10-60 of the French Commercial Code; or
- in general, meeting obligations related to share option programs or other share allocations to employees or corporate officers of the issuer or of a related company; or
- 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
- canceling the shares bought back, under the conditions provided for in Article L. 22-10-62 of the French Commercial Code.

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, 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 maximum purchase price per share is set at €220 (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 the share buyback program was set at €367,017,420 at the Shareholders' General Meeting of July 28, 2021. It was calculated on the basis of the share capital at June 9, 2021, amounting to €66,730,446.00 and comprising 33,365,223 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 July 28, 2021 was provided in the previous 2020-2021 Universal Registration Document filed with the AMF on July 5, 2021 under no. D.21-0681.

7.2.2.4 Use made up to June 8, 2022

Between April 1, 2021 and June 8, 2022, the 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 26, 2022, under the 24th 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 26, 2022, under the 24th resolution.

B. Number of shares and share capital held directly or indirectly by the Company and breakdown by objective

As of June 8, 2022, the Company held 4,351 treasury shares with a par value of €2.00 each or approximately 0.01% of its 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 the Company's shares through an investment services provider, under a liquidity agreement that complies with the market practices permitted by the AMF (as amended where appropriate); or
- allocating or selling shares to employees as part of their involvement in the performance of the Company or pursuant to a company or Group employee savings plan (or similar plan) in accordance with the law, notably Articles L. 3332-1 *et seq.* of the French Labor Code; 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
- canceling some or all of the shares bought back, under the conditions provided for in Article L. 22-10-62 of the French Commercial Code.

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 the 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 the share capital at each buyback date. This limit would apply to the share capital as adjusted for any share capital transactions occurring after the Shareholders' General Meeting of July 26, 2022.

This maximum number of shares would therefore stand at 1,757,529, as calculated based on the share capital as of June 8, 2022 of €70,301,160.00 (and comprising 35,150,580 shares).

Regarding the particular case of shares bought back under a liquidity contract, the number of shares taken into account for the calculation of the 5% limit corresponds to the number of shares purchased, less the shares re-sold during the term of the authorization.

The number of shares held by the Company at any time may not exceed 10% of the share capital. This percentage would apply to the share capital as adjusted for any share capital transactions occurring after the Shareholders' General Meeting of July 26, 2022.

The maximum purchase price would be set at €250 per share. In the event of a share capital transaction, this amount would be adjusted accordingly. The Shareholders' General Meeting of July 26, 2022 will be asked to set the maximum number of shares that may be acquired under this share buyback program at 1,757,529, and the overall maximum amount that would be allocated to this program at €439,382,250. These limits were determined based on the share capital as of June 8, 2022, amounting to €70,301,160.00.

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 26, 2022, 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, 2023, and at the latest within 18 months.

The buyback program would supersede the program approved by the Shareholders' General Meeting of July 28, 2021 in its 16th 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). 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.

G. Report on the previous program

See section 7.2.2.3 of this Universal Registration Document for a description of the previous program.

● DECLARATION BY THE ISSUER OF THE TRANSACTIONS PERFORMED IN ITS OWN SHARES FROM JULY 28, 2021, TO JUNE 8, 2022

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⁾	€764,035.60

(1) As of March 31, 2022.

(2) Calculated based on the stock market closing price on June 8, 2022 (€175.60).

From July 28, 2021 to June 8, 2022	Cumulative gross flows ⁽¹⁾		Positions open on the publication date of the program description ⁽²⁾			
	Purchases	Sales/transfers	Open buy positions		Open sell positions	
			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 Company's share capital as of March 31, 2022

7.2.3.1 Type and characteristics of financial instruments issued

A. Co-investment program with free allocation of PS 2 (Topaz plans no. 1 and no. 2) and reserved issue of PS 2

Legal framework

To enable the implementation of a co-investment program unanimously authorized by the 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 the 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 the 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, the Board of Directors to allocate free PS 2 to employees and/or corporate officers of the 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 the Board of Directors, in its 35th resolution, a delegation of authority to increase the share capital through the issue of PS 2, with a waiver of preemptive subscription rights for shareholders and reserved for employees and/or corporate officers of the 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 Company's by-laws.

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, the 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 the Group, in the proportions shown in the table below.

Date	Share capital before issue	Share capital after issue	New share capital breakdown
			32,775,196 shares divided into: <ul style="list-style-type: none"> • 32,647,806 ordinary shares of €2.00; • 29,410 PS 1 of €0.10; • 97,980 PS 2 of €2.00.
12/18/2019	€65,298,553	€65,494,513	

Free PS 2 preferred share allocation plan (Topaz plans no. 1 and 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, the 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 the 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, 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 PS 2 for the Chief Executive Officer, Paul Boudre.

Vesting of PS 2 during fiscal year 2021-2022 and corresponding issues

During fiscal year 2021-2022, the above-mentioned conditional allocations gave rise, subject to a presence condition, to the vesting of 30% of the PS 2 allocated under the Topaz no. 1 and no. 2 plans. Accordingly, on August 2, 2021, the Chief Executive Officer, under the authorization granted by the Board of Directors on July 28, 2021, placed on record:

- under the Topaz no. 1 plan, the issue of 47,118 new PS 2 with a par value of €2.00 each; and
- under the Topaz no. 2 plan, the issue of 9,594 new PS 2 with a par value of €2.00 each.

Date	Share capital before issue	Share capital after issue	New share capital breakdown
08/02/2021	€67,379,088	€67,492,512	33,746,256 shares divided into: <ul style="list-style-type: none"> • 33,505,242 ordinary shares of €2.00; • 241,014 PS 2 of €2.00.

Future vesting of PS 2 during fiscal year 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 30% of the PS 2 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 the Board of Directors	163,978	31,982
<i>Of which number of shares for corporate officers of the Company</i>	-	31,982
<i>Of which number of shares for top ten employee beneficiaries of the Company</i>	110,624	31,982
Number of initial beneficiaries	371	1
Three vesting periods:		
• Vesting of 40% of the PS 2 allocated	From 12/18/2019 to 12/18/2020	From 12/18/2019 to 12/18/2020
• Vesting of 30% of the PS 2 allocated	From 12/18/2019 to 08/01/2021	From 12/18/2019 to 08/01/2021
• Vesting of 30% of the PS 2 allocated	From 12/18/2019 to 08/01/2022	From 12/18/2019 to 08/01/2022
Holding period	Until the earliest of the following three dates: (i) the Conversion Date ⁽²⁾ , (ii) the Repurchase Date ⁽³⁾ , or (iii) July 26, 2029	Until the earliest of the following three dates: (i) the Conversion Date ⁽²⁾ , (ii) the Repurchase Date ⁽³⁾ , or (iii) July 26, 2029
Number of shares vested ⁽¹⁾	110,187	22,386
Number of canceled or lapsed shares ⁽¹⁾	6,559	0
Number of shares outstanding ⁽¹⁾	47,232	9,596

(1) As of March 31, 2022.

(2) 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.

(3) In the event that the performance objectives are not achieved and the number of ordinary shares to which the PS 2 would entitle the holder upon conversion, by applying the Conversion Ratio, equals zero, the PS 2 may be repurchased by the Company at its initiative no later than the 180th calendar day after the publication date of the Group's consolidated financial statements for the fiscal year ended March 31, 2022 (the "Repurchase Date"), at their par value, in accordance with the provisions of Article L. 228-12 III of the French Commercial Code.

Future conversion into ordinary shares during fiscal year 2022-2023

As of August 1, 2022, the PS 2 will be convertible into a certain number of new or existing ordinary shares in the Company subject to compliance with a performance condition.

The conversion ratio will be determined by the Board of Directors based on the rate of achievement of three objectives relating to:

- (i) the Group's consolidated EBITDA as shown in the Group's consolidated financial statements for the fiscal year ended March 31, 2022;
- (ii) the Group's consolidated revenue as shown in the Group's consolidated financial statements for the fiscal year ended March 31, 2022; and
- (iii) the respective performance of the Total Shareholder Return (TSR) of 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 ended March 31, 2022.

These objectives were determined by the 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 the 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 the Group's consolidated financial statements for the fiscal year ended 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 the Company at its initiative no later than the 180th calendar day after the publication date of the Group's consolidated financial statements for the fiscal year ended March 31, 2022, at their par value in anticipation of their cancellation.

B. 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 A above, the Combined Ordinary and Extraordinary Shareholders' General Meeting of September 23, 2020 granted the Board of Directors, in accordance with its 22nd resolution, a new delegation of authority to increase the share capital through the issue of PS 2, with a waiver of preemptive subscription rights for the shareholders and reserved for employees and/or corporate officers of the 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, the Board of Directors to allocate free PS 2 to employees and/or corporate officers of the 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 Company's by-laws.

Reserved PS 2 issue

Under the 22nd resolution of the Combined Ordinary and Extraordinary Shareholders' General Meeting of September 23, 2020, the 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 the 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: <ul style="list-style-type: none"> • 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, the 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 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.

Vesting of PS 2 during fiscal year 2021-2022 and corresponding issues

During fiscal year 2021-2022, the above-mentioned conditional allocations gave rise, subject to a presence condition, to the vesting of 60% of the PS 2 allocated under the Topaz 2022 plan. Accordingly, on January 10, 2022, the Chief Executive Officer, under the authorization granted by the Board of Directors on November 30, 2020, placed on record the issue of 12,553 new PS 2 with a par value of €2.00 each.

Future vesting of PS 2 during fiscal year 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 remaining 40% of the PS 2 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 the Board of Directors	20,922
<i>Of which number of shares for corporate officers of the Company</i>	-
<i>Of which number of shares for top ten employee beneficiaries of the Company</i>	20,922
Number of initial beneficiaries	3
Two vesting periods:	
• Vesting of 60% of the PS 2 allocated	From 11/30/2020 to 01/10/2022
• Vesting of 40% of the PS 2 allocated	From 11/30/2020 to 11/30/2022
Holding period	Until the earliest of the following three dates: (i) the Conversion Date ⁽²⁾ , (ii) the Repurchase Date ⁽³⁾ , or (iii) July 26, 2029
Number of shares vested ⁽¹⁾	12,553
Number of canceled or lapsed shares ⁽¹⁾	0
Number of shares outstanding ⁽¹⁾	8,369

(1) As of March 31, 2022.

(2) 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.

(3) In the event that the performance objectives are not achieved and the number of ordinary shares to which the PS 2 would entitle the holder upon conversion, by applying the Conversion Ratio, equals zero, the PS 2 may be repurchased by the Company at its initiative no later than the 180th calendar day after the publication date of the Group's consolidated financial statements for the fiscal year ended March 31, 2022 (the "Repurchase Date"), at their par value, in accordance with the provisions of Article L. 228-12 III of the French Commercial Code.

Future conversion into ordinary shares during fiscal year 2022-2023

Subject to the exceptions stipulated in the terms and conditions of the PS 2 in Article 10 of the Company's by-laws, the PS 2 will be convertible, as of August 1, 2022, into a certain number of new or existing ordinary shares in the Company subject to compliance with a performance condition.

The conversion ratio will be determined by the Board of Directors based on the rate of achievement of three objectives relating to:

- (i) the Group's consolidated EBITDA as shown in the Group's consolidated financial statements for the fiscal year ended March 31, 2022;
- (ii) the Group's consolidated revenue as shown in the Group's consolidated financial statements for the fiscal year ended March 31, 2022; and
- (iii) the respective performance of the Total Shareholder Return (TSR) of the Company's ordinary shares and of the Euro Stoxx 600 Technology index between July 26, 2019 and the reporting date of the Group's consolidated financial statements for the fiscal year ended March 31, 2022.

These objectives were determined by the 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 the 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 the Group's consolidated financial statements for the fiscal year ended 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 the Company at its initiative no later than the 180th calendar day after the publication date of the Group's consolidated financial statements for the fiscal year ended March 31, 2022, at their par value in anticipation of their cancellation.

C. Free ordinary share allocation plans approved in fiscal years 2019-2020, 2020-2021 and 2021-2022

Legal framework

In accordance with the legal and regulatory provisions governing the allocation of free shares (in particular Articles L. 225-197-1 *et seq.*, L. 22-10-59 and L. 22-10-60 of the French Commercial Code), the Combined Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2019, pursuant to its 32nd resolution, authorized the Board of Directors to allocate free ordinary shares in the Company with a par value of €2.00 each, on one or several occasions, to employees of the Group and corporate officers of the Company.

The 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.*, L. 22-10-59 and L. 22-10-60 of the French Commercial Code, at its meetings on December 18, 2019, March 25, 2020, November 18, 2020, March 31, 2021, July 28, 2021 and March 31, 2022, the Board of Directors approved 10 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 the Company or affiliated companies or groups that meet the conditions set out in Article L. 225-197-1, II of the French Commercial Code.

Conditional free allocation of ordinary shares during fiscal year 2019-2020

In accordance with the plan approved by the Board of Directors on December 18, 2019, subject to their presence over the period from December 18, 2019 to August 1, 2022, some employees and/or corporate officers were allocated 23,953 free ordinary shares in the Company. The Chief Executive Officer, Paul Boudre, was not a beneficiary of this plan.

In accordance with the plan approved by the Board of Directors on March 25, 2020, subject to their presence over the period from March 25, 2020 to August 1, 2022, some employees and/or corporate officers were allocated 14,863 free ordinary shares in the Company. The 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 the Board of Directors based on the rate of achievement of three objectives relating to (i) the Group's consolidated EBITDA, (ii) the Group's consolidated revenue, and (iii) the Total Shareholder Return (TSR) of 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 the Board of Directors on November 18, 2020, subject to their presence over the period from November 18, 2020 to November 18, 2022, an employee of the Group was allocated 7,394 free ordinary shares in the Company.

In accordance with the Opale France plan approved by the Board of Directors on November 18, 2020, subject to their presence over the period from November 18, 2020 to August 1, 2023, all employees of Soitec SA, Frecn|sys SAS and Soitec Lab SAS were allocated 123,711 free ordinary shares in the Company.

In accordance with the Opale Foreign Entities plan approved by the Board of Directors on November 18, 2020, subject to their presence over the period from November 18, 2020 to August 1, 2023, some employees and/or corporate officers of the subsidiaries based outside of France were allocated 19,411 free ordinary shares in the Company.

In accordance with the Onyx 2023 plan approved by the Board of Directors on November 18, 2020, subject to their presence over the period from November 18, 2020 to August 1, 2023, some employees and/or corporate officers (including the Chief Executive Officer, Paul Boudre, it being specified that allocations to the Chief Executive Officer are described in section 4.2.3.3 C. of this Universal Registration Document) were allocated 59,915 free ordinary shares in the Company (of which 13,306 to the Chief Executive Officer, Paul Boudre).

In accordance with the Dolphin 2024 plan approved by the Board of Directors on November 18, 2020, subject to their presence over the period from November 18, 2020 to August 1, 2024, some employees

and/or corporate officers of Dolphin Design SAS were allocated 9,500 free ordinary shares in the Company.

In accordance with the Onyx 2023 *bis* plan approved by the Board of Directors on March 31, 2021, subject to their presence over the period from March 31, 2021 to August 1, 2023, an employee was allocated 1,271 free ordinary performance shares in the 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 the Board of Directors based on the rate of achievement of three objectives relating to (i) the Group's consolidated EBITDA, (ii) the Group's consolidated revenue, and (iii) the Total Shareholder Return (TSR) of the Company's ordinary shares compared to the Euro Stoxx 600 Technology index.

With respect to the Dolphin 2024 plan, the number of ordinary shares that will vest at the end of the vesting period will be determined by the Board of Directors based on the rate of achievement of objectives specific to Dolphin Design SAS.

Conditional free allocation of ordinary shares during fiscal year 2021-2022

In accordance with the Onyx 2024 plan approved by the Board of Directors on July 28, 2021, subject to their continued presence in the Group, some employees and/or corporate officers (including the Chief Executive Officer, Paul Boudre, it being specified that allocations to the Chief Executive Officer are described in section 4.2 of this Universal Registration Document) were allocated 54,614 free ordinary performance shares in the Company. The presence condition will be assessed in tranches, as follows: (i) one-third (33.33%) of the shares allocated will be contingent on the beneficiary being present in the Group on July 1, 2022 (inclusive) ("Tranche 1"); (ii) two-thirds (66.66%) of the shares allocated will be contingent on the beneficiary being present in the Group on July 1, 2023 (inclusive) ("Tranche 2"); and (iii) 100% of the shares will be contingent on the beneficiary being present in the Group on July 1, 2024 (inclusive) ("Tranche 3"). The number of ordinary shares that will vest at the end of the vesting period will be determined by the Board of Directors based on the rate of achievement of three objectives relating to (i) the Group's consolidated EBITDA, (ii) the Group's consolidated revenue, and (iii) the Total Shareholder Return (TSR) of the Company's ordinary shares compared to the Euro Stoxx 600 Technology index.

In accordance with the plan approved by the Board of Directors on March 31, 2022, subject to their presence in the Group over the period from March 31, 2022 to March 31, 2023, three employees were allocated 2,596 free ordinary performance shares in the Company. The number of ordinary shares that will vest at the end of the three-year vesting period will be determined by the Board of Directors based on the rate of achievement of three objectives relating to (i) the Group's consolidated EBITDA, (ii) the Group's consolidated revenue, and (iii) the Total Shareholder Return (TSR) of the Company's ordinary shares compared to the Euro Stoxx 600 Technology index.

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	07/28/2021	07/28/2021
Plan name	-	-	US 2022	Opale France	Opale Foreign Entities	Onyx 2023	Dolphin 2024	Onyx 2023 bis	Onyx 2024	-
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	07/28/2021	03/31/2022
Number of ordinary shares allocated by the Board of Directors	23,953	14,863	7,394	123,711	19,411	59,915	9,500	1,271	54,614	2,596
<i>Of which number of shares for corporate officers of the Company</i>	-	-	-	-	-	13,306 ⁽²⁾	-	-	8,240 ⁽²⁾	-
<i>Of which number of shares for top ten employee beneficiaries of the Company</i>	20,423	12,047	7,394	8,919	3,484	34,474	9,500	1,271	24,916	2,596
Number of initial beneficiaries	16	20	1	1,218	172	22	10	1	88	3
Performance conditions	Yes	Yes	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	From 08/02/2021 to 08/01/2024	From 03/31/2022 to 03/31/2025
Holding period	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of shares vested⁽¹⁾	-	-	-	-	-	-	-	-	-	-
Number of canceled or lapsed shares⁽¹⁾	6,372	1,869	0	6,802	2,941	0	0	0	101	-
Number of shares outstanding⁽¹⁾	17,581	12,994	7,394	116,909	16,470	59,915	9,500	1,271	54,513	2,596

(1) As of March 31, 2022.

(2) Shares allocated to the Chief Executive Officer, Paul Boudre.

Future vesting of ordinary shares during fiscal years 2022-2023, 2023-2024 and 2024-2025

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.

D. Issue of OCEANE 2025 convertible bonds for around €325 million

Legal framework of the bond issue

In line with the 2023 OCEANE placement, presented on pages 298 and 299 of the Company's 2020-2021 Universal Registration Document, which was redeemed early on October 18, 2021, the placement of new "2025 OCEANES" was carried out, pursuant to Article L. 411-2 1° of the French Monetary and Financial Code, on the basis of the 14th resolution approved by the Extraordinary Shareholders' General Meeting of September 23, 2020. A private placement was carried out with institutional investors in France and abroad, with the exception of the United States, Canada, Australia and Japan.

Amount and maturity of 2025 OCEANES

On September 28, 2020, the Company carried out a successful issue of bonds convertible into and/or exchangeable for new and/or existing ordinary shares (OCEANES) maturing on October 1, 2025 (the "2025 OCEANES"), by way of a private placement with institutional investors, for a nominal amount of €324,999,920.82.

The par value per 2025 OCEANE was set at €174.34.

It gave rise to a premium of 45% on the reference share price, equal to the volume-weighted average share price recorded on the Euronext Paris regulated market from the start of trading on September 28, 2020 until the setting of definitive terms and conditions for 2025 OCEANES on the same day.

The 2025 OCEANES were issued at par on October 1, 2020, the settlement-delivery date, and will be redeemed at par five years later, i.e., on October 1, 2025.

They shall not bear interest during this period (zero-coupon).

The 2025 OCEANES may be redeemed early at the Company's discretion, subject to certain conditions. In particular, they may be redeemed on October 2, 2023 if the arithmetic average of the daily product of the volume-weight average share price on the Euronext Paris regulated market and the share conversion/exchange ratio in force, over a period of 20 consecutive trading days out of 40 consecutive trading days, exceeds 130% of the nominal value of the 2025 OCEANES.

Right to allocation of ordinary shares

Holders of 2025 OCEANES are entitled to the allocation of new and/or existing ordinary shares, which may be exercised at any time 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.

7.2.3.2 Information on the potential dilution of the Company's capital

As of June 8, 2022, the Company's share capital comprised a total of 35,150,580 shares, as follows:

- 34,897,013 ordinary shares with a par value of €2.00 each; and
- 253,567 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 ⁽⁴⁾
Free ordinary shares (PAT no. 3.1 of July 26, 2018)	307,373	252,948	-	-	252,948	0.72%
Free ordinary shares (PAT no. 3.2 of July 26, 2018)	37,608	27,326	-	-	27,326	0.08%
PS 2 (Reserved PS 2 issue of December 18, 2019)	97,980	97,980	-	2.15 ⁽²⁾	210,909	0.63%
Free PS 2 (Topaz no. 1 of December 18, 2019)	163,978	157,419	-	2.15 ⁽²⁾	338,450	0.96%
Free PS 2 (Topaz no. 2 of December 18, 2019)	31,982	31,982	-	2.15 ⁽²⁾	68,843	0.20%
Free ordinary shares (December 18, 2019)	23,953	17,581	-	-	17,581	0.05%
Free ordinary shares (March 25, 2020)	14,863	12,994	-	-	12,994	0.04%
OCEANE 2025 (Issue of October 1, 2020)	1,864,173	1,864,173	-	1 ⁽³⁾	1,864,173	5.30%
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	116,909	-	-	116,909	0.33%
Free ordinary shares (Opale Foreign Entities of November 18, 2020)	19,411	16,470	-	-	16,470	0.05%
Free ordinary shares (Onyx 2023 of November 18, 2020)	59,915	59,915	-	-	59,915	0.17%
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 ⁽²⁾	21,784	0.06%
Free PS 2 (Topaz 2022)	20,922	20,922	-	2.15 ⁽²⁾	43,569	0.12%
Free ordinary shares (Onyx 2023 bis of March 31, 2021)	1,271	1,271	-	-	1,271	0.004%
Free ordinary shares (Onyx 2024 of July 28, 2021)	54,616	54,513	-	-	54,513	0.16%
Free ordinary shares (March 31, 2022)	2,596	2,596	-	-	2,596	0.007%
TOTAL MAXIMUM POTENTIAL DILUTION	-	-	-	-	3,127,145	8.90%

(1) As of March 31, 2022.

(2) Based on PS 2 actually issued or currently vesting and a realization rate of 100%.

(3) See section 7.2.3.1 D. 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.

(4) Based on the number of shares as of June 8, 2022.

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

• SUMMARY TABLE OF CURRENT AUTHORIZATIONS

Transactions/shares concerned (date of Shareholders' General Meeting and resolution number)	Maximum amount	Use (date)	Duration of the authorization (expiry date)
Allocation of free ordinary shares to employees and corporate officers with a waiver of PSR Shareholders' General Meeting of July 28, 2021 – 27 th resolution	5% of the share capital ⁽¹⁾ The shares allocated to corporate officers may not exceed 20% of the total allocation	One conditional ordinary share (OS) allocation plan: • Onyx 2024: 54,614 OS allocated (Board meeting of July 28, 2021) March 31, 2022: 2,596 OS allocated (Board meeting of March 31, 2022)	38 months (September 28, 2024)
Authorization to grant free PS 2 Shareholders' General Meeting of July 26, 2019 – 34 th 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 series of 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) • Topaz 2022: 12,553 PS 2 issued (Board meeting of November 30, 2020)	38 months (September 26, 2022)
Company's share buyback program Shareholders' General Meeting of July 28, 2021 – 16 th resolution	5% of the share capital Maximum buyback price: €220 per share with a par value of €2	None	Shareholders' General Meeting called to approve the financial statements for the fiscal year ended March 31, 2022 (within 18 months at the latest)
Capital increase, all securities included, with PSR Shareholders' General Meeting of July 28, 2021 – 17 th resolution	In share capital ⁽⁶⁾ = €32.5 million ⁽²⁾ In debt securities ⁽⁷⁾ = €395 million ⁽³⁾	None	26 months (September 28, 2023)
Capital increase, all securities included, with a waiver of PSR – offer to the public Shareholders' General Meeting of July 28, 2021 – 18 th resolution	In share capital ⁽⁶⁾ = €6.5 million ⁽⁴⁾ In debt securities ⁽⁷⁾ = €395 million ⁽³⁾	None	26 months (September 28, 2023)
Capital increase, all securities included, with a waiver of PSR – offer referred to in Article L. 411-2, II of the French Monetary and Financial Code (private placement) Shareholders' General Meeting of July 28, 2021 – 19 th resolution	In share capital ⁽⁶⁾ = €6.5 million ⁽⁴⁾ In debt securities ⁽⁷⁾ = €395 million ⁽³⁾	None	26 months (September 28, 2023)
Increase in the number of shares to be issued with a waiver of PSR – reserved for categories of persons meeting defined requirements Shareholders' General Meeting of July 28, 2021 – 20 th resolution	In share capital ⁽⁶⁾ = €6.5 million ⁽⁴⁾ In debt securities ⁽⁷⁾ = €395 million ⁽³⁾	None	18 months (January 28, 2023)

Transactions/shares concerned (date of Shareholders' General Meeting and resolution number)	Maximum amount	Use (date)	Duration of the authorization (expiry date)
Increase in the number of securities to be issued with or with a waiver of PSR in case of excess demand (Greenshoe) Shareholders' General Meeting of July 28, 2021 – 21 st resolution	Up to (i) 15% of the initial issue, and (ii) the ceilings defined in the resolution used for the initial issue	None	26 months (September 28, 2023)
Capital increase, all securities included, with a waiver of PSR – derogation rules for setting the issue price (unrestricted price) Shareholders' General Meeting of July 28, 2021 – 22 nd resolution	Up to (i) 10% of the share capital in a 12-month period, and (ii) the ceilings defined in the resolution used for the initial issue	None	26 months (September 28, 2023)
Capital increase as consideration for contributions in kind consisting of shares or securities giving access to the capital Shareholders' General Meeting of July 28, 2021 – 23 rd resolution	In share capital ⁽⁶⁾ = 10% of the share capital up to €6.5 million ⁽⁴⁾ In debt securities ⁽⁷⁾ = €395 million ⁽³⁾	None	26 months (September 28, 2023)
Capital increase by capitalizing premiums, reserves, profits, or any other funds that may be capitalized Shareholders' General Meeting of July 28, 2021 – 24 th 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 (September 28, 2023)
Capital increase as consideration for contributions of shares as part of a public exchange offer initiated by the Company Shareholders' General Meeting of July 28, 2021 – 25 th resolution	In share capital ⁽⁶⁾ = €6.5 million ⁽⁴⁾ In debt securities ⁽⁷⁾ = €395 million ⁽³⁾	None	26 months (September 28, 2023)
Capital increase by issue of shares or securities giving access to the capital reserved for members of company savings plans, with a waiver of PSR Shareholders' General Meeting of July 28, 2021 – 26 th resolution	In share capital ⁽⁶⁾ = €700,000 ⁽⁵⁾ and within the limit of 350,000 shares In debt securities ⁽⁷⁾ = €395 million ⁽³⁾	None	26 months (September 28, 2023)
Cancellation of shares acquired pursuant to the authorizations to buy back Company shares Shareholders' General Meeting of July 28, 2021 – 28 th 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, 2022)

(1) Ceiling of 5% of the share capital (as recorded on the date of the allocation decision by the Board of Directors) independent from the overall ceiling and sub-ceiling described in notes (2) and (4) below.

(2) Overall ceiling of €32.5 million in nominal value, applicable to all capital increase transactions that may result from the implementation of the 17th to 26th resolutions 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 the Company's share capital.

(3) Overall ceiling of €395 million in nominal value, applicable to all capital increase transactions described in note (7) below that may result from the implementation of the 17th to 26th resolutions of the Shareholders' General Meeting of July 28, 2021, except for the 24th 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 with a waiver of preemptive subscription rights that may result from the implementation of the 18th to 25th resolutions of the Shareholders' General Meeting of July 28, 2021, except for the 24th 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 the Company's share capital. This overall sub-ceiling of €6.5 million is deducted from the overall limit of €32.5 million described in note (2) above.

(5) Maximum amount of €700,000 charged against the overall ceiling of €32.5 million described in note (2) above.

(6) Shares.

(7) Debt securities or similar securities giving access, immediately or in the future, to the Company's capital.

7.2.4.2 Special report on stock option transactions during fiscal year 2021-2022

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 2021-2022.

I. Allocation of stock options during fiscal year 2021-2022

During fiscal year 2021-2022, no stock options were allocated to employees or corporate officers, neither by the Company nor by the companies under its control within the meaning of Article L. 233-16 of the French Commercial Code, nor by any companies or groups affiliated with the Company under the conditions set forth by Article L. 225-180 of the French Commercial Code.

II. Exercise of stock options during fiscal year 2021-2022

1. Exercise of stock options under plans allocated in 2021-2022
Not applicable.

2. Exercise of stock options under plans previously allocated
Not applicable.

III. Cancellation of stock options during fiscal year 2021-2022

Not applicable.

7.2.4.3 Special report on free share transactions during fiscal year 2021-2022

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 2021-2022.

I. Free share allocations during fiscal year 2021-2022

Under the authorization adopted by the Combined Ordinary and Extraordinary Shareholders' General Meeting of July 28, 2021, the Board of Directors used the delegation of authority granted to it in the 27th resolution to allocate free ordinary shares.

To that end, at its meetings held on July 28, 2021 and March 31, 2022, the Board of Directors set up free ordinary share allocation plans. The shares allocated under the plan will vest to their beneficiaries subject to presence and performance conditions (see section 7.2.3.1 C. of this Universal Registration Document).

The table in section 7.2.3.1 C. of this Universal Registration Document summarizes the information relating to these free share allocation plans.

II. Vesting during fiscal year 2021-2022 of shares allocated during previous fiscal years

During fiscal year 2021-2022, several waves of the free shares allocated during previous fiscal years vested.

Vesting of free ordinary shares allocated under PAT no. 3.1 and PAT no. 3.2

In accordance with a decision taken by the Chief Executive Officer on July 27, 2021 under the authorization granted by the Board of Directors on June 9, 2021, 252,948 ordinary shares allocated under PAT no. 3.1 and 26,873 ordinary shares allocated under PAT no. 3.2 vested to their beneficiaries due to their compliance with the presence condition or their eligibility for an exception from said condition and to the achievement rate of their performance conditions.

In addition, further to a decision by the Chief Executive Officer on November 23, 2021, rendered in accordance with the same authorization from the Board of Directors, 453 ordinary Company shares allocated under PAT no. 3.2 vested to their beneficiaries.

Vesting of PS 2 allocated free of charge under the Topaz 2019 no. 1 and Topaz 2019 no. 2 plans

In accordance with a decision taken by the Chief Executive Officer on August 2, 2021 under the authorization granted by the Board of Directors on July 28, 2021, 47,118 PS 2 allocated under the Topaz no. 1 plan and 9,594 PS 2 granted under the Topaz no. 2 plan vested to their beneficiaries due to their compliance with the presence condition at the end of a vesting period which expired on August 1, 2021.

Vesting of PS 2 allocated free of charge under the Topaz 2022 plan

By decision dated January 10, 2022, the Chief Executive Officer, further to the authorization granted by the Board of Directors on November 30, 2020, placed on record the vesting of 12,553 PS 2 to their beneficiaries due to their presence in the Company's workforce at January 10, 2022, as provided for in the Topaz 2022 plan rules.

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 the share capital	
						(in €)	(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 PREEMPTIVE SUBSCRIPTION RIGHTS	23,568,251	51,850,152	235,682,510	0.10	60,604,074	606,040,745
06/14/2016	Capital increases through the vesting of free shares	18,947	-	189,472	0.10	60,623,022	606,230,217
12/02/2016	Capital increases through the 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

• 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 the share capital	
						(in €)	(in shares)
07/26/2017	Capital increases through the vesting of free preferred shares	23,615.70	-	236,157	0.10	60,646,635.70	30,547,667
08/08/2017	CAPITAL INCREASES THROUGH THE CONVERSION OF OCEANE 2018 BONDS	2,112,114.00	-	1,056,057	2.00	62,758,749.70	31,603,724
12/06/2017	Capital increases through the vesting of free preferred shares	379.80	-	3,798	0.10	62,759,129.50	31,607,522
03/30/2018	Capital increases through the vesting of free preferred shares	2,941.00	-	29,410	0.10	62,762,070.50	31,636,932
07/29/2019	CAPITAL INCREASE THROUGH THE CONVERSION OF PS 1 INTO ORDINARY SHARES (MIP)	2,472,422.30	-	1,011,862	2.00	65,234,492.80	32,648,794
12/06/2019	CAPITAL INCREASE THROUGH THE CONVERSION OF PS 1 INTO ORDINARY SHARES (MIP)	64,060.20	-	28,422	2.00	65,298,553.00	32,677,216
12/18/2019	CAPITAL INCREASE THROUGH THE ISSUE OF RESERVED PS 2	195,960.00	8,051,016.60	97,980	2.00	65,494,513.00	32,775,196
02/28/2020	CASH CAPITAL INCREASE RESERVED FOR THE COMPANY MUTUAL FUND SOITEC JADE 2020	412,014.00	13,600,582.14	206,007	2.00	65,906,527.00	32,981,203
03/30/2020	CAPITAL INCREASE THROUGH THE VESTING OF ORDINARY SHARES (PAT NO. 1 AND PAT NO. 2)	340,494.00	-	170,247	2.00	66,247,021.00	33,151,450
03/30/2020	CAPITAL INCREASE THROUGH THE CONVERSION OF PS 1 INTO ORDINARY SHARES (MIP)	310,781.00	-	127,451	2.00	66,557,802.00	33,278,901
11/30/2020	Capital increase through the issue of reserved PS 2	20,922.00	909,060.90	10,461	2.00	66,578,724.00	33,289,362
12/18/2020	CAPITAL INCREASE THROUGH THE VESTING OF FREE PS 2 (TOPAZ 2019 NO. 1 AND NO. 2)	151,722.00	-	75,861	2.00	66,730,446.00	33,365,223
07/09/2021	CAPITAL INCREASE THROUGH THE CONVERSION OF OCEANE 2023 BONDS	89,000.00	4,559,915.00	44,500	2.00	66,819,446.00	33,409,723
07/27/2021	CAPITAL INCREASE THROUGH THE VESTING OF ORDINARY SHARES (PAT NO. 3.1 AND PAT NO. 3.2)	559,642.00	-	279,821	2.00	67,379,088.00	33,689,544
08/02/2021	CAPITAL INCREASE THROUGH THE VESTING OF FREE PS 2 (TOPAZ 2019 NO. 1 AND NO. 2)	113,424.00	-	56,712	2.00	67,492,512.00	33,746,256
08/10/2021	CAPITAL INCREASE THROUGH THE CONVERSION OF OCEANE 2023 BONDS	24,000.00	1,229,640.00	12,000	2.00	67,516,512.00	33,758,256
08/25/2021	CAPITAL INCREASE THROUGH THE CONVERSION OF OCEANE 2023 BONDS	120,000.00	6,148,200.00	60,000	2.00	67,636,512.00	33,818,256
09/27/2021	CAPITAL INCREASE THROUGH THE CONVERSION OF OCEANE 2023 BONDS	9,000.00	461,115.00	4,500	2.00	67,645,512.00	33,822,756
10/11/2021	CAPITAL INCREASE THROUGH THE CONVERSION OF OCEANE 2023 BONDS	2,212,312.00	113,347,805.32	1,106,156	2.00	69,857,824.00	34,928,912
10/18/2021	CAPITAL INCREASE THROUGH THE CONVERSION OF OCEANE 2023 BONDS	417,324.00	21,281,595.14	208,662	2.00	70,275,148.00	35,137,574
11/23/2021	CAPITAL INCREASE THROUGH THE VESTING OF ORDINARY SHARES (PAT 3.2)	906.00	-	453	2.00	70,276,054.00	35,138,027
01/10/2022	CAPITAL INCREASE THROUGH THE VESTING OF FREE PS 2 (TOPAZ 2022)	25,106.00	-	12,553	2.00	70,301,160.00	35,150,580



8

SHAREHOLDERS' GENERAL MEETING

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8.1 Agenda

At its meeting on June 8, 2022, the Board of Directors decided to convene a Combined Ordinary and Extraordinary Shareholders' General Meeting on:

Tuesday July 26, 2022 at 9:30 a.m., Paris time,

Centre de Conférences VERSO, 52 rue de la Victoire, 75009 Paris, France

in order to submit the 28 draft resolutions relating to the agenda below for shareholders' approval.

• 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, 2022
Second resolution:	Approval of the consolidated financial statements for the fiscal year ended March 31, 2022
Third resolution:	Appropriation of net profit for the fiscal year ended March 31, 2022
Fourth resolution:	Approval of the related-party agreements and commitments subject to the provisions of Articles L. 225-38 <i>et seq.</i> of the French Commercial Code
Fifth resolution:	Reappointment of KPMG S.A. as Statutory Auditor
Sixth resolution:	Reappointment of Ernst & Young Audit as Statutory Auditor

• RESOLUTION WITHIN THE COMPETENCE OF THE EXTRAORDINARY SHAREHOLDERS' GENERAL MEETING

Seventh resolution:	Amendment to Article 12.2 of the Company's by-laws to (i) permit staggered terms of office for directors, and (ii) add an age limit for directors
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• RESOLUTIONS WITHIN THE COMPETENCE OF THE ORDINARY SHAREHOLDERS' GENERAL MEETING

Eighth resolution:	Appointment of Pierre Barnabé as a director
Ninth resolution:	Appointment of Fonds Stratégique de Participations ("FSP") as an independent director
Tenth resolution:	Reappointment of Christophe Gégout as an independent director
Eleventh resolution:	Reappointment of Bpifrance Participations as a director
Twelfth resolution:	Reappointment of Kai Seikku as a director
Thirteenth resolution:	Appointment of CEA Investissement as a director
Fourteenth resolution:	Appointment of Delphine Segura as an independent director
Fifteenth resolution:	Appointment of Maude Portigliatti as an independent director
Sixteenth resolution:	Approval of the compensation policy for the Chair of the Board of Directors
Seventeenth resolution:	Approval of the compensation policy for the members of the Board of Directors
Eighteenth resolution:	Approval of the generic compensation policy for any future Chief Executive Officer
Nineteenth resolution:	Approval of the compensation policy for Paul Boudre in his capacity as Chief Executive Officer
Twentieth resolution:	Approval of the compensation policy for Pierre Barnabé in his capacity as Chief Executive Officer
Twenty-first 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
Twenty-second resolution:	Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during or granted for the fiscal year ended March 31, 2022 to Éric Meurice, Chair of the Board of Directors
Twenty-third resolution:	Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during or granted for the fiscal year ended March 31, 2022 to Paul Boudre, Chief Executive Officer
Twenty-fourth 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

Twenty-fifth resolution:	Authorization to be granted to the Board of Directors to reduce the share capital by canceling shares acquired by the Company pursuant to Article L. 22-10-62 of the French Commercial Code, up to a maximum of 10% of the share capital
Twenty-sixth resolution:	Delegation of authority to be granted to the Board of Directors for the purpose of issuing shares and/or securities giving access, immediately or in the future, to the Company's share capital, reserved for categories of persons meeting defined requirements, with a waiver of shareholders' preemptive subscription rights
Twenty-seventh resolution:	Delegation of authority to be granted to the Board of Directors for the purpose of carrying out one or more share capital increases by way of issuing shares or securities giving access to the share capital reserved for members of a company savings plan, with a waiver of shareholders' preemptive subscription rights

● RESOLUTION WITHIN THE COMPETENCE OF THE ORDINARY SHAREHOLDERS' GENERAL MEETING

Twenty-eighth resolution:	Powers for formalities
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8.2 Report of the Board of Directors on the resolutions submitted to the Combined Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2022

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 26, 2022. It was approved by the Board of Directors at its meeting on June 8, 2022.

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.

The 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 2021-2022 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 financial statements and appropriation of net profit

In the 1st to 3rd resolutions, the shareholders are asked to:

- approve the annual financial statements of the Company for the fiscal year ended March 31, 2022, which show revenue of €737,316,750.85 and profit of €147,000,804.14, and to approve the overall amount of non-deductible expenses and charges subject to corporate income tax standing at €116,462 for the fiscal year, as well as the related tax charge estimated at €32,027;
- approve the consolidated annual financial statements for the fiscal year ended March 31, 2022, which show revenue of €862,743 thousand and net profit (Group share) of €201,962 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, 2022, comprising the profit for said fiscal year plus retained earnings of €321,140,750.71, amounts to €468,141,554.85;

- appropriate distributable profit for the fiscal year ended March 31, 2022 as follows:

- €357,131.40 to the legal reserve, to represent 10% of the share capital, which would be increased from €6,672,984.60 to €7,030,116.00, and
- the balance of €146,643,672.74 to "Retained earnings", which would be increased from €321,140,750.71 to €467,784,423.45.

The annual financial statements were approved by the Board of Directors on June 8, 2022.

The financial statements, the Board of Directors' management report and the Statutory Auditors' reports are presented in the 2021-2022 Universal Registration Document.

The shareholders are also invited to note that no dividends were paid out in respect of the last three fiscal years.

Shareholders' General Meeting

Report of the Board of Directors on the resolutions submitted to the Combined Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2022

First resolution – Approval of the statutory financial statements for the fiscal year ended March 31, 2022

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Ordinary Shareholders' General Meetings, having considered the statutory financial statements for the fiscal year ended March 31, 2022, the Board of Directors' management report and the Statutory Auditors' report on said financial statements, approves the statutory financial statements for the fiscal year ended March 31, 2022, 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 €737,316,750.85 and profit of €147,000,804.14.

In accordance with the provisions of Article 223 *quater* of the French Tax Code (*Code général des impôts*), the Shareholders' General Meeting also approves the overall amount of expenses and charges referred to in Article 39-4 of said Code, amounting to €116,462 in respect of the fiscal year ended March 31, 2022, which generated an estimated tax charge of €32,027.

Second resolution – Approval of the consolidated financial statements for the fiscal year ended March 31, 2022

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Ordinary Shareholders' General Meetings, having considered the consolidated financial statements for the fiscal year ended March 31, 2022, the Board of Directors' management report and the Statutory Auditors' report on said financial statements, approves the

consolidated financial statements for the fiscal year ended March 31, 2022, 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 €862,743 thousand and net profit (Group share) of €201,962 thousand.

Third resolution – Appropriation of net profit for the fiscal year ended March 31, 2022

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, 2022:

- **notes** that, as a result of the profit for the fiscal year of €147,000,804.14 and retained earnings at March 31, 2022 of €321,140,750.71, the profit available for distribution in respect of the fiscal year amounts to €468,141,554.85;
- **resolves** to appropriate the profit for the fiscal year ended March 31, 2022, amounting to €147,000,804.14, as follows:
 - €357,131.40 to the "Legal reserve", increasing it from €6,672,984.60 to €7,030,116.00 and therefore to an amount at least equal to 10% of the share capital of the Company, and
 - the balance, representing €146,643,672.74 to "Retained earnings", increasing it from €321,140,750.71 to €467,784,423.45.

The Shareholders' General Meeting places on record that no dividends have been paid over the past three fiscal years.

Resolution no. 4: Related-party agreements

During the fiscal year ended March 31, 2022, on September 15, 2021, the Board of Directors authorized, in accordance with Article L. 225-38 of the French Commercial Code (*Code de commerce*), the signature of an amendment to (i) the license and technology transfer agreement, (ii) the Bulk supply agreement and (iii) the SOI supply agreement entered into on December 27, 2018 between the Company and Shanghai Simgui Technology Co., Ltd.

The purpose of the amendment to the above-mentioned agreements is to extend their term for a further three years, i.e., until December 31, 2027, in connection with the Company's objective to increase production capacity for 200 mm SOI wafers. All the other terms and conditions of the agreements remain unchanged.

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, 2022. These agreements are described in section 8.4 *Agreements with interested or related parties* of the 2021-2022 Universal Registration Document.

The Statutory Auditors' special report, which can be found in section 8.5 *Statutory Auditors' special report on related-party agreements* of the 2021-2022 Universal Registration Document, contains information on (i) the related-party agreements that were entered into and approved in prior years and which remained in force during fiscal year 2021-2022, and (ii) the new related-party agreement authorized and entered into during fiscal year 2021-2022.

In the 4th resolution, the shareholders are asked to take note of the information contained in the Statutory Auditors' special report on related-party agreements, and, in accordance with Article L. 225-40 of the French Commercial Code, to approve the agreement described therein.

NSIG Sunrise Sarl, an indirect interested party in relation to the agreement, may not take part in the vote on this resolution, and its shares will not be taken into account in the calculation of the voting majority, in accordance with Article L. 225-40, paragraph 4 of the French Commercial Code. In the event that NSIG, Jeffrey Wang or Kai Seikku, who are also interested parties in relation to the agreement, are shareholders of the Company at the time of the vote, they may not participate in the vote on this resolution and their shares will not be taken into account in the calculation of the voting majority.

Fourth resolution – Approval of the related-party agreements and commitments subject to the provisions of 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, having considered the Statutory Auditors' special report on related-party agreements and commitments required under Article L. 225-38 *et seq.* of the French Commercial Code, approves all of the provisions of said report as well as the related-party agreement authorized by the Board of Directors in fiscal year 2021-2022.

Resolutions no. 5 to 6: Reappointment of the Statutory Auditors

Under the terms of the 5th to 6th resolutions, the shareholders are asked to reappoint the Statutory Auditors, whose terms expire at the close of this Shareholders' General Meeting. In line with market practices and in view of the quality of their work, the Audit and Risks Committee has recommended to the Board that Ernst & Young Audit and KPMG S.A. be reappointed as the Company's Statutory Auditors. These reappointments are covered in the 5th and 6th resolutions.

Furthermore, it is specified that, since law no. 2016-1691 of December 9, 2016, the appointment of an alternate Statutory Auditor is only required if the principal Statutory Auditor is a natural person or a one-person company. Therefore, no proposal is made to the shareholders, in accordance with the provisions of Article L. 823-1 of the French Commercial Code, to appoint alternate Statutory Auditors, and the terms of the current alternate Statutory Auditors, Salustro Reydel and Auditex, expire at the end of this Meeting.

Fifth resolution – Reappointment of KPMG S.A. as Statutory Auditor

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Ordinary Shareholders' General Meetings, having considered the Board of Directors' report, notes that KPMG S.A.'s term of office as Statutory Auditor expires at the close of this Meeting and resolves to reappoint KPMG S.A. as Statutory Auditor for a six-year term expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2028.

Sixth resolution – Reappointment of Ernst & Young Audit as Statutory Auditor

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Ordinary Shareholders' General Meetings, having considered the Board of Directors' report, notes that Ernst & Young Audit's term of office as Statutory Auditor expires at the close of this Meeting and resolves to reappoint Ernst & Young Audit as Statutory Auditor for a six-year term expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2028.

8.2.3 Resolution within the competence of the Extraordinary Shareholders' General Meeting

Resolution no. 7: Amendment to Article 12.2 of the Company's by-laws to (i) permit staggered terms of office for directors, and (ii) add an age limit for directors

In accordance with the recommendations of the AFEP-MEDEF Code, and given the significant number of terms of office that are due to expire at the close of the Shareholders' General Meeting called to approve the financial statements for the fiscal year ended March 31, 2022, the shareholders are asked to approve an exceptional change to the duration of the term of office of directors in order to introduce staggered expiration dates for directorships and ensure that a similar number of directors are up for reappointment at any one time.

The Board also proposes to the shareholders to add an age limit for directors, set at 75 years old.

Consequently, in the 7th resolution, the shareholders are invited to amend Article 12.2 of the Company's by-laws to (i) permit, by way of exception, one or more members of the Board of Directors to be appointed or reappointed for a term of four years or for a term of less than three years, and (ii) add an age limit for directors.

Seventh resolution – Amendment to Article 12.2 of the Company's by-laws to (i) permit staggered terms of office for directors, and (ii) add an age limit for directors

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Extraordinary Shareholders' General Meetings, resolves to exceptionally change the duration of the term of office of directors in order to introduce staggered expiration dates for directorships, and therefore enable the Ordinary Shareholders' General Meeting to appoint one or more directors for a term of four years or for a term of less than three years.

The Shareholders' General Meeting also resolves to add an age limit for directors, set at seventy-five (75) years old.

Consequently, the Shareholders' General Meeting resolves to add the following provisions before paragraph 1 of Article 12.2 of the Company's by-laws:

"No one may be appointed director if they are over the age of seventy-five (75). If an incumbent director exceeds this age, they shall be automatically deemed to have resigned."

In addition, the Shareholders' General Meeting resolves to add the following provisions below paragraph 2 of Article 12.2 of the Company's by-laws:

"However, by way of exception, the Ordinary Shareholders' General Meeting may appoint one or more directors for a term of four (4) years or for a term of less than three (3) years, solely for the purposes of introducing staggered expiration dates for directorships and thereby ensure that a similar number of directors are up for reappointment at each time."

Lastly, the Shareholders' General Meeting resolves to delete the following provisions of paragraph 2 which are no longer applicable:

"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."

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Further to the above amendments, Article 12.2 of the Company's by-laws will read as follows:

Previous wording	New wording
<p>Article 12 – BOARD OF DIRECTORS</p> <p><i>"[...]</i></p> <p>2 – Age Limit – Term of office</p> <p><i>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.</i></p> <p><i>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.</i></p> <p><i>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."</i></p>	<p>Article 12 – BOARD OF DIRECTORS</p> <p><i>"[...]</i></p> <p>2 – Age Limit – Term of office</p> <p><i>No one may be appointed director if they are over the age of seventy-five (75). If an incumbent director exceeds this age, they shall be automatically deemed to have resigned.</i></p> <p><i>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.</i></p> <p><i>The term of office of directors shall be three years. However, by way of exception, the Ordinary Shareholders' General Meeting may appoint one or more directors for a term of four (4) years or for a term of less than three (3) years, solely for the purposes of introducing staggered expiration dates for directorships and thereby ensure that a similar number of directors are up for reappointment at each time.</i></p> <p><i>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."</i></p>

The other provisions of Article 12 remain unchanged.

8.2.4 Resolutions within the competence of the Ordinary Shareholders' General Meeting

Resolutions no. 8 to 15: Composition of the Board of Directors

The terms of office of the following eight directors expire at the close of this Shareholders' General Meeting:

- Paul Boudre, non-independent director;
- Laurence Delpy, independent director;
- Guillemette Picard, non-independent director;
- Christophe Gégout, independent director;
- Kai Seikku, non-independent director;
- Thierry Sommelet, non-independent director;
- Jeffrey Wang, non-independent director;
- Bpifrance Participations (represented by Sophie Paquin), non-independent director.

The Board has decided to take advantage of the expiration of these eight terms to restructure its composition and propose to the Shareholders' General Meeting of July 26, 2022 the appointment of a majority of independent directors to the Board and its Committees, while ensuring that it retains diverse profiles and expertise both in the semiconductor sector and throughout Soitec's value chain (including representation of its strategic partners), thereby ensuring that the Board of Directors and its Committees have the multidisciplinary, cross-cutting and complementary skills required to support the Group's development, meet its challenges and seize opportunities.

At its meeting on June 8, 2022, based on the recommendation of the Nomination and Governance Committee, the Board decided to recommend the following appointments and reappointments to the July 26, 2022 Shareholders' General Meeting:

Non-independent directors

- The appointment of Pierre Barnabé as a new director under the terms of the **8th resolution** (subsequent to his appointment by the Board as the Company's new Chief Executive Officer effective as of the July 26, 2022 Shareholders' General Meeting) for a four-year term, corresponding to his initial term as Chief Executive Officer.
- The appointment of CEA Investissement as a new director. As CEA Investissement is a long-standing partner of Soitec and the Board wishes to continue to have members who are experienced in the field of semiconductors, in the **13th resolution**, the Board is asking the shareholders to appoint CEA Investissement for a three-year term expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2025.

If CEA Investissement is appointed, it would designate François Jacq as its permanent representative. François Jacq's profile is presented in section 4.1.1.1 of the 2021-2022 Universal Registration Document.

If the shareholders vote in favor of appointing CEA Investissement as a director, the Board of Directors intends to appoint CEA Investissement, represented by François Jacq, as a member of the Strategic Committee.

- The reappointment of Bpifrance Participations as a director, under the terms of the **11th resolution**, for a three-year term expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2025. If Bpifrance Participations is reappointed, it would designate Samuel Dalens as its permanent representative.

Samuel Dalens's profile is presented in section 4.1.1.1 of the 2021-2022 Universal Registration Document.

If the shareholders vote in favor of appointing Bpifrance Participations as a director, the Board of Directors intends to appoint Bpifrance Participations, represented by Samuel Dalens, as a member of the Strategic Committee, the Audit and Risks Committee and the Nomination and Governance Committee.

- The reappointment of Kai Seikku as a director, designated by NSIG.

After examining the individual situation of Kai Seikku, both the Nomination and Governance Committee and the Board of Directors considered that he brings specialist skills and an in-depth understanding of Soitec and the issues related to its operations. In fiscal year 2021-2022, he had a 100% attendance rate at meetings of the Board of Directors. Therefore, on the recommendation of the Nomination and Governance Committee, the Board of Directors has decided, under the terms of the **12th resolution**, to propose Kai Seikku for reappointment as a director for a three-year term expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2025.

Kai Seikku's profile is presented in section 4.1.1.1 of the 2021-2022 Universal Registration Document.

If the shareholders vote in favor of reappointing Kai Seikku as a director, the Board of Directors intends to appoint him as a member of the Audit and Risks Committee, the Nomination and Governance Committee and the Strategic Committee.

Independent directors

- The reappointment of Christophe Gégout.

Christophe Gégout has put himself forward for reappointment. After examining the individual situation of Christophe Gégout, both the Nomination and Governance Committee and the Board of Directors considered that he brings specialist skills and an in-depth understanding of Soitec and the issues related to its operations. In fiscal year 2021-2022, he had a 100% attendance rate at meetings of the Board of Directors. Therefore, on the recommendation of the Nomination and Governance Committee, the Board of Directors has decided, under the terms of the **10th resolution**, to propose Christophe Gégout for reappointment as a director for a four-year term (in accordance with the proposed amendment to Article 12.2 of the 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, 2026.

Christophe Gégout's profile is presented in section 4.1.1.1 of the 2021-2022 Universal Registration Document.

If the shareholders vote in favor of reappointing Christophe Gégout as a director, the Board of Directors intends to appoint him as a member of the Audit and Risks Committee and the Strategic Committee.

- The appointment of Fonds Stratégique de Participations ("FSP") as a new independent director, under the terms of the **9th resolution**, for a three-year term expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2025.

FSP is an investment company whose investments are managed by ISALT, an independent management company specifically created to manage FSP's equity interests. The shareholders and directors of FSP comprise seven French insurance companies: BNP Paribas Cardif, CNP Assurances, Crédit Agricole Assurances, Groupama, Natixis Assurances, Société Générale Assurances and Suravenir. In connection with its acquisition of its stake in Soitec's share capital, consistent with its intention to be a long-term investor, FSP has requested a seat for FSP as a company on Soitec's Board of Directors. This company Board seat

would permit FSP's shareholders to classify their stakes as strategic equity investments for the purposes of Solvency II accounting. FSP would meet the independence criteria set by the Board of Directors, as it holds less than 10% of the Company's share capital. FSP has stated that it intends to appoint Laurence Delpy as its permanent representative.

The friendly investment is welcomed by the Board of Directors and Executive Management, and is made with a view to FSP making a long-term investment in the Group. FSP has affirmed its support for the Group's business model development. FSP provides long-term support to French companies in their growth and transition projects. It holds large "strategic" stakes in companies' share capital and participates in their governance structures through membership of their Boards of Directors or Supervisory Boards. FSP holds nine investments in its portfolio, in French companies that are leaders in their fields: Seb, Arkema, Safran, Eutelsat Communications, Tikehau Capital, Elior, Néoen, Believe and Valeo.

In view of the above, the Nomination and Governance Committee analyzed the independence criteria and confirmed that, as FSP holds less than 10% of Soitec's share capital, and delegates management of its investments to ISALT, it would meet the AFEP-MEDEF Code criteria to be classified as independent. On the recommendation of the Nomination and Governance Committee, the Board of Directors has decided to propose FSP for appointment as an independent director to the Shareholders' General Meeting.

Laurence Delpy brings specialist skills and an in-depth understanding of Soitec and the issues related to its operations. In fiscal year 2021-2022, she had a 100% attendance rate at meetings of the Board of Directors and the Committees of which she is a member.

Laurence Delpy's profile is presented in section 4.1.1.1 of the 2021-2022 Universal Registration Document.

If the shareholders vote in favor of appointing FSP as a director, the Board of Directors intends to appoint FSP, represented by Laurence Delpy, as a member of the Audit and Risks Committee, the Nomination and Governance Committee, the Compensation Committee and the Strategic Committee.

- The appointment of Delphine Segura as a new independent director.

Delphine Segura is Senior Executive Vice President of Human Resources at SEB and a member of its Executive Committee. She has close to 30 years of professional experience in human resources in large industrial groups, having worked at Thales and Zodiac, and more specifically in the semiconductor industry, with more than seven years spent at STMicroelectronics. During her career, she has been involved in restructurings and complex cross-border acquisitions and integrations and led talent development initiatives, as well as managing the Covid-19 crisis while at Total.

In view of her skills and experience, and after a rigorous selection process conducted by the Nomination and Governance Committee, the Board of Directors is asking the shareholders in the **14th resolution** to appoint Delphine Segura for a four-year term (in accordance with the proposed amendment to Article 12.2 of the 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, 2026.

Delphine Segura's profile is presented in section 4.1.1.1 of the 2021-2022 Universal Registration Document.

If the shareholders vote in favor of appointing Delphine Segura as a director, the Board of Directors intends to appoint her as a member of the Nomination and Governance Committee, the Compensation Committee and the Strategic Committee.

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- The appointment of Maude Portigliatti as a new independent director.
Maude Portigliatti is currently Executive Vice President of Michelin's High-Tech Materials business, which generates annual revenue of €1 billion. She sits on Michelin's Executive Committee and reports to the Chief Executive Officer. She benefits from a combination of extensive scientific and operational expertise, having worked on materials, products and processes, and currently leads a business unit with high growth prospects. She has worked in large corporations in both France and the United States. Passionate about technological innovation, she has led research programs and supported start-ups.
Maude Portigliatti's profile is presented in section 4.1.1.1 of the 2021-2022 Universal Registration Document.
In view of her skills and experience, and after a rigorous selection process conducted by the Nomination and Governance Committee, the Board of Directors is asking shareholders in the **15th resolution** to appoint Maude Portigliatti for a four-year term (in accordance with the proposed amendment to Article 12.2 of the 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, 2026.
If the shareholders vote in favor of appointing Maude Portigliatti as a director, the Board of Directors intends to appoint her as a member of the Strategic Committee.
Subject to the adoption of the proposed appointments and reappointments by the shareholders, the composition of the Board of Directors at the close of the July 26, 2022 Shareholders' General Meeting would comply with all the recommendations of the AFEP-MEDEF Code, as follows:
 - 7 out of the 12 directors would be independent (excluding the employee directors, who are not included in this calculation), i.e., an independence ratio of 58%, compared to 42% currently;
 - 5 out of the 12 directors would be women (excluding employee directors), i.e., 42%, which is higher than the minimum ratio of 40% required under the French Commercial Code;
 - 4 out of 6 of the members of the Audit and Risks Committee (excluding employee directors) would be independent directors, i.e., 67%, compared to 57% currently;
 - the Compensation Committee would have 4 members, of whom 3 would be independent directors, i.e., 100% (excluding employee directors), compared to 50% currently;
 - 4 out of 7 of the members of the Nomination and Governance Committee would be independent directors, i.e., 57%, compared with 43% currently.
- The staggering of directors' terms of office would be further optimized, as follows:
- 4 terms of office to be renewed for a term of three years, expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2025;
 - 4 terms of office to be renewed for a term of four years, expiring at the close of the Shareholders' General Meeting to be called to approve the financial statements for the fiscal year ending March 31, 2026;
 - 4 directors reappointed in the prior fiscal year for a term of three years, 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.

Eighth resolution –

Appointment of Pierre Barnabé 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 Pierre Barnabé as a director, for a term of four years, subject to the adoption of the 7th resolution of this Meeting, 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, 2026.

Ninth resolution – Appointment of Fonds Stratégique de Participations ("FSP") as an independent 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 Fonds Stratégique de Participations ("FSP") 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, 2025.

Tenth resolution –

Reappointment of Christophe Gégout as an independent 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 Christophe Gégout as a director, for a term of four years, subject to the adoption of the 7th resolution of this Meeting, 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, 2026.

Eleventh resolution –

Reappointment of Bpifrance Participations 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 Bpifrance Participations, 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, 2025.

Twelfth resolution –

Reappointment of Kai Seikku 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 Kai Seikku 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, 2025.

Thirteenth resolution –

Appointment of CEA Investissement as 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 CEA Investissement, 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, 2025.

Fourteenth resolution – Appointment of Delphine Segura as an independent 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 Delphine Segura as a director, for a term of four years, subject to the adoption of the 7th resolution of this Meeting, 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, 2026.

Fifteenth resolution – Appointment of Maude Portigliatti as an independent 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 Maude Portigliatti as a director, for a term of four years, subject to the adoption of the 7th resolution of this Meeting, 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, 2026.

Resolutions no. 16 to 20: Approval of the compensation policies 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 policies for the corporate officers, as approved by the Board of Directors at its meeting on June 8, 2022, on the recommendation of the Compensation Committee.

The compensation policy for the Chair of the Board of Directors, submitted in the **16th resolution**, is identical to that approved by the Shareholders' General Meeting of July 28, 2021, which provided that the compensation paid to the Chair 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 4.2.4.1 of the 2021-2022 Universal Registration Document.

The compensation policy for the members of the Board of Directors, which is being submitted for approval in the **17th resolution**, is unchanged from the resolution covering the same purpose which was approved at the July 28, 2021 Shareholders' General Meeting. It is presented in section 4.2.4.2 of the 2021-2022 Universal Registration Document, with the exception of the proposed increase in the maximum amount of

directors' compensation from €780,000 to €820,000 to take into account the increased participation of directors in the Strategic Committee. Said increase is being submitted in this resolution for shareholder approval.

The specific elements applicable to Paul Boudre (**19th resolution**) and Pierre Barnabé (**20th resolution**) are presented in detail in this Universal Registration Document, in sections 4.2.4.3 B. *Compensation of Paul Boudre, Chief Executive Officer for the period from April 1, 2022 until the effective date of the appointment of his successor, Pierre Barnabé*, and 4.2.4.3 C. *Compensation of Pierre Barnabé, Chief Executive Officer as from the effective date of his appointment by the Board of Directors*.

Pursuant to Article L. 22-10-34, II of the French Commercial Code, the payment of annual variable compensation is subject to prior approval at the Shareholders' General Meeting (*ex-post* say-on-pay vote).

The compensation policy for any future Chief Executive Officer of the Company is being submitted for approval in the **18th resolution**. It is presented in section 4.2.4.3 A. of the 2021-2022 Universal Registration Document and incorporates the common principles listed below.

Sixteenth resolution – Approval of the compensation policy for the Chair 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 Chair of the Board of Directors, as presented in section 4.2.4.1 of the 2021-2022 Universal Registration Document.

Seventeenth resolution – Approval of the compensation policy for the members 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 members of the Board of Directors, as presented in section 4.2.4.2 of the 2021-2022 Universal Registration Document.

Eighteenth resolution – Approval of the generic compensation policy for any future 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 generic compensation policy for any future Chief Executive Officer, as presented in section 4.2.4.3 A. of the 2021-2022 Universal Registration Document.

Nineteenth resolution – Approval of the compensation policy for Paul Boudre in his capacity as 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 Paul Boudre, Chief Executive Officer of the Company, as presented in section 4.2.4.3 B. of the 2021-2022 Universal Registration Document.

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Twentieth resolution –

Approval of the compensation policy for Pierre Barnabé in his capacity as 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 Pierre Barnabé in his capacity as Chief Executive Officer of the Company, as presented in section 4.2.4.3 C. of the 2021-2022 Universal Registration Document.

Resolutions no. 21 to 23:

Compensation of the corporate officers for fiscal year 2021-2022

Approval of the information relating to the compensation of each of the Company's corporate officers required by Article L. 22-10-9, I of the French Commercial Code

Under the **21st resolution**, in accordance with Article L. 22-10-34, I of the French Commercial Code, the shareholders are invited to approve, in an *ex-post* vote, the information referred to in Article L. 22-10-9, I of the said Code relating to the compensation of the Company's corporate officers for fiscal year 2021-2022, including information establishing a link between the Chief Executive Officer's and the Chair's compensation, employees' compensation and the Company's performance.

This information is presented in sections 4.2.2 and 4.2.3 of the 2021-2022 Universal Registration Document.

Approval of the compensation paid during or granted for the fiscal year ended March 31, 2022 to corporate officers (*ex-post* say-on-pay)

In application of Article L. 22-10-34, II of the French Commercial Code, the shareholders are asked to approve, in an *ex-post* vote, 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, 2022 to:

- **Éric Meurice**, Chair of the Board of Directors, pursuant to the **22nd resolution** (see sections 4.2.2.2 and 4.2.3 of the 2021-2022 Universal Registration Document); and
- **Paul Boudre**, Chief Executive Officer, pursuant to the **23rd resolution**. (see sections 4.2.2.1 and 4.2.3 of the 2021-2022 Universal Registration Document)

The components of the corporate officers' compensation were paid or granted in compliance with the compensation policy approved by the shareholders on July 28, 2021, pursuant to the 13th and 14th resolutions. The payment of the Chief Executive Officer's annual variable compensation, as described in sections 4.2.2.1 and 4.2.3 of the 2021-2022 Universal Registration Document, is subject to the approval of the **23rd resolution**.

Twenty-first 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 sections 4.2.2 and 4.2.3 of the 2021-2022 Universal Registration Document.

Twenty-second resolution –

Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during or granted for the fiscal year ended March 31, 2022 to Éric Meurice, Chair 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. 22-10-34, II of the French Commercial Code, the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during or granted for the fiscal year ended March 31, 2022 to Éric Meurice, Chair of the Board of Directors, as presented in sections 4.2.2.2 and 4.2.3 of the 2021-2022 Universal Registration Document.

Twenty-third resolution –

Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during or granted for the fiscal year ended March 31, 2022 to Paul Boudre, 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. 22-10-34, II of the French Commercial Code, the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during or granted for the fiscal year ended March 31, 2022 to Paul Boudre, Chief Executive Officer, as presented in sections 4.2.2.1 and 4.2.3 of the 2021-2022 Universal Registration Document.

Resolution no. 24: Authorization to carry out transactions on treasury shares

In the 16th resolution of the Shareholders' General Meeting of July 28, 2021, the shareholders authorized the Board of Directors, with the right to sub-delegate, to acquire Company shares, either directly or indirectly, on one or more occasions, at such times as it deems appropriate, up to 5% of the share capital at the date of each buyback. This authorization 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 July 28, 2021* of the 2021-2022 Universal Registration Document, which describes the main terms and conditions of the share buyback program approved by the Shareholders' General Meeting of July 28, 2021.

Between April 1, 2021 and June 8, 2022, the Company did not carry out any transactions on its own shares.

In the **24th resolution** of this Shareholders' General Meeting, the shareholders are asked to renew the authorization to the Board of Directors, in accordance with Article L. 22-10-62 of the French Commercial Code, Articles 241-1 to 241-5 of the General Regulation of the French financial markets authority (*Autorité des marchés financiers* – AMF), the EU regulation on market abuse and the market practices permitted by the AMF, which would supersede the authorization granted by the Shareholders' General Meeting of July 28, 2021 for the same purpose.

In accordance with the previous program authorized by the shareholders at the Shareholders' General Meeting of July 28, 2021, the new share repurchase program could be used with the following objectives:

- ensuring the liquidity of and making a market for the Company's shares through an investment services provider, under a liquidity agreement that complies with the market practices permitted by the AMF (as amended where appropriate); or
- allocating or selling shares to employees as part of their involvement in the performance of the Company or pursuant to a company or Group employee savings plan (or similar plans) in accordance with the law, notably Articles L. 3332-1 *et seq.* of the French Labor Code (*Code du travail*); or
- allocating free shares under the provisions of Articles L. 225-197-1 *et seq.*, L. 22-10-59 and L. 22-10-60 of the French Commercial Code; or
- in general, meeting obligations related to share option programs or other share allocations to employees or corporate officers of the issuer or of a related company; or
- 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 25th 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 the shareholders thereof in a press release.

The number of shares that may be acquired during the share buyback program may not exceed 5% of the share capital at each buyback date. This ceiling would apply to the share capital as adjusted for any share capital transactions occurring after 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 1,757,529, as calculated based on the share capital at June 8, 2022, representing €70,301,160.00.

The number of shares held by the Company at any time may not exceed 10% of the share capital. This percentage would apply to the share capital as adjusted for any share capital transactions occurring after this Shareholders' General Meeting.

The maximum purchase price per share would be set at €250 (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 €439,382,250.

Shares may be purchased on one or more occasions, by any means, on a regulated market, a multilateral trading facility, from a systematic internalizer or over the counter, including by public offer or via block trades (which may represent the entire program).

The Company does not intend to use derivatives.

This authorization would not be able to be used during a public offer for the Company's securities without the prior approval of the shareholders. This authorization is being sought for a period of 18 months and would supersede the authorization granted on July 28, 2021.

At June 8, 2022, the Company held 4,351 treasury shares with a par value of €2.00 each or approximately 0.01% of the Company's share capital.

Twenty-fourth 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 (i) the French Commercial Code, notably Articles L. 22-10-62 *et seq.* and L. 225-210 *et seq.*, and (ii) Articles 241-1 to 241-5 of the General Regulation of the AMF, (iii) Regulation (EU) no. 596/2014 of the European Parliament and of the Council on market abuse dated April 16, 2014, (iv) Commission Delegated Regulation (EU) no. 2016/1052 of March 8, 2016, (v) the market practices permitted by the AMF, and (vi) any other legal and/or regulatory provisions that may be applicable in the future, authorizes the Board of Directors, with the right to sub-delegate in accordance with the conditions set by the law and in the Company's by-laws, to acquire Company shares, either directly or indirectly, for the purposes of:

- ensuring the liquidity of and making a market for the Company's shares through an investment services provider, under a liquidity agreement that complies with the market practices permitted by the AMF (as amended where appropriate); or
- allocating or selling shares to employees as part of their involvement in the performance of the Company or pursuant to a company or Group employee savings plan (or similar plans) in accordance with the law, notably Articles L. 3332-1 *et seq.* of the French Labor Code; or
- allocating free shares under the provisions of Articles L. 225-197-1 *et seq.*, L. 22-10-59 and L. 22-10-60 of the French Commercial Code; or
- in general, meeting obligations related to share option programs or other share allocations to employees or corporate officers of the issuer or of a related company; or
- 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 25th 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 the shareholders thereof in a press release.

The number of shares purchased will be subject to the following limits:

- the number of shares acquired during the term of the buyback program may not exceed 5% of the Company's share capital (for information purposes, at the date of this Shareholders' General Meeting, a maximum of 1,757,529 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 will be two hundred and fifty euros (€250) (excluding transaction costs). This maximum purchase price will only apply to acquisitions decided on after the date of this Shareholders' General Meeting and not to forward transactions entered into under an authorization given by a previous Shareholders' General Meeting and providing for the acquisition of shares subsequent to the date of this Meeting. In the event of share capital transactions, notably stock splits or reverse stock splits or free share allocations, or equity transactions, the aforementioned amount will be adjusted accordingly (adjustment coefficient equal to the ratio between the number of shares comprising the capital prior to the transaction and the number of shares after the transaction).

The Shareholders' General Meeting notes, for information purposes, that based on the number of shares making up the Company's share capital at June 8, 2022, the total amount allocated to the share buyback program may not exceed €439,382,250.

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, 2023, 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.

8.2.5 Resolutions within the competence of the Extraordinary Shareholders' General Meeting

Resolution no. 25:

Authorization to be granted to the Board of Directors to reduce the share capital by canceling shares acquired by the Company

The purpose of this **resolution** is to authorize the Board of Directors, with the right to sub-delegate in accordance with the conditions set by law, to reduce the Company's share capital, on one or more occasions, by canceling all or a portion of the shares acquired by the Company pursuant to Article L. 22-10-62 of the French Commercial Code, within the limits allowed by law. Should this authorization be used, the supplementary reports required by law would be drawn up by the Board of Directors and the Statutory Auditors respectively and presented to the next Shareholders' General Meeting.

The Company may wish to cancel its own shares for various financial reasons such as active capital management, balance sheet optimization

or offsetting the dilutive impacts of capital increases. The number of Company shares that may be canceled would be subject to the ceiling indicated below.

At the date of each cancellation, the total number of shares canceled by the Company in the 24-month period prior to said cancellation (including those to be canceled in said cancellation) may not exceed 10% of the shares making up the Company's share capital at that date. This authorization is being sought for a period of 18 months from the date of this Shareholders' General Meeting and would supersede the authorization granted at the Shareholders' General Meeting of July 28, 2021 (which was not used in fiscal year 2021-2022).

Twenty-fifth resolution –

Authorization to be granted to the Board of Directors to reduce the share capital by canceling shares acquired by the Company pursuant to Article L. 22-10-62 of the French Commercial Code, up to a maximum of 10% of the share capital

The Shareholders' General Meeting, under the conditions of *quorum* and majority required for Extraordinary General Meetings, having considered the Board of Directors' report and the Statutory Auditors' special report, authorizes the Board of Directors, pursuant to Articles L. 22-10-62 *et seq.* and Article L. 225-213 of the French Commercial Code, to reduce the share capital, on one or more occasions, in the proportions and at the intervals it deems fit, by canceling all or a portion of the ordinary shares acquired as treasury shares under authorizations granted by the Shareholders' General Meeting pursuant to Article L. 22-10-62 of the French Commercial Code.

At the date of each cancellation, the total number of shares canceled by the Company over the 24-month period prior to the cancellation (including those to be canceled in the aforementioned cancellation) may

not exceed 10% of the share capital on that date; it being specified that this limit applies to the Company's share capital adjusted as necessary to take into account transactions affecting the share capital after this 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, set the final amount of the capital reduction and its terms and conditions, deduct from the available reserves and premiums of its choice the difference between the buyback value and par value of the canceled shares, allocate the fraction of the legal reserve newly available as a result of the capital reduction, amend the by-laws accordingly, and more generally, complete all necessary formalities.

The Shareholders' General Meeting resolves to set the period of validity of this authorization at eighteen (18) months from the date of this Meeting, it being stipulated that this authorization supersedes all authorizations previously granted in a resolution with the same purpose, and specifically the 28th resolution of the Ordinary and Extraordinary Shareholders' General Meeting of July 28, 2021.

Resolution no. 26:

Financial resolution – Delegation of authority to be granted to the Board of Directors for the purpose of issuing shares and/or securities giving access, immediately or in the future, to the Company's share capital, reserved for categories of persons meeting defined requirements, with a waiver of shareholders' preemptive subscription rights

In the **26th resolution**, the shareholders are asked to grant the Board of Directors a new delegation of authority to increase the share capital, with a waiver of shareholders' preemptive subscription rights, 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 (i) above and, in this context, to subscribe to the securities issued. The shareholders are therefore asked to waive their preemptive right to subscribe to shares and/or securities giving access to the share capital 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 requirements set out above.

Term

This delegation would be granted for the residual period of validity provided for in the 17th resolution of the July 28, 2021 Ordinary and Extraordinary Shareholders' General Meeting. It would supersede the delegation of authority granted in the 20th resolution adopted by the Ordinary and Extraordinary Shareholders' General Meeting of July 28, 2021. Any use of this delegation of authority will be subject to the period of validity and ceiling on capital increases provided for in the 17th resolution of the Ordinary and Extraordinary Shareholders' General Meeting of July 28, 2021 (see paragraph below on ceilings).

Detailed implementation conditions

Under this mechanism, the Board of Directors would be authorized to issue, on one or more occasions, in such amount and at such times it deems appropriate, in euros, foreign currencies, or any accounting unit established by reference to a basket of currencies, against payment or free of charge, in France and/or abroad, ordinary shares and/or securities giving access by any means, immediately and/or in the future, at any time or on a fixed date, by way of subscription, conversion, exchange, redemption, presentation of a warrant, or in any other manner, to the Company's share capital (including equity securities giving the right to the allocation of debt securities), reserved for (i) financial institutions or French or foreign investment funds or any placement vehicles focused on providing support in the medium term to growth companies in the technology sector or investing on a regular basis or exercising a significant part of their activity in the technology sector, or (ii) French or foreign investment service providers, or any foreign institution with equivalent status, that can guarantee the completion of an issue intended to be placed with the persons referred to in (i) above and, in this context, to subscribe to the securities issued.

These ordinary shares and/or securities may be paid-up in cash, or by offsetting against liquid and due receivables, or by capitalization of reserves, earnings or premiums.

The Board of Directors would have authority to set the definitive list of beneficiaries of the waiver of preemptive subscription rights and the number of shares and/or securities to be allocated to each such beneficiary.

This delegation would automatically lead to the waiver by shareholders, in favor of said beneficiaries, of their preemptive subscription rights to the new shares to which the securities that may be issued pursuant to this resolution would give right.

The Board of Directors would have all powers, with the right to sub-delegate in accordance with the law, to decide on the aforementioned issues and to carry them out in accordance with the terms and conditions that it will determine in accordance with the law.

Should this delegation be used, the supplementary reports required by law would be drawn up by the Board of Directors and the Statutory Auditors respectively and presented to the next Shareholders' General Meeting.

The Board of Directors may not, except with the prior authorization of the shareholders, make use of this delegation as from the filing of a public offer for the Company's securities by a third party, until the end of the offer period.

Price

The issue price of the ordinary shares to be issued or to which the securities to be issued pursuant to this resolution would grant entitlement would be equal to:

- the last closing price preceding the setting of the price; or
- the volume-weighted average share price on the market, on the trading day on which the issue price is set.

Moreover, the issue price of the securities giving access to the capital and the number of shares to which each security may potentially grant entitlement would be such that the amount immediately received by the Company (increased, where appropriate, by any amount received subsequently) is, for each share issued as a result of the issue of these securities, at least equal to the price determined by the Board of Directors from those defined above.

Ceilings

The maximum nominal amount of capital increases that may be carried out, immediately or in the future, 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 and subject to, respectively, the following ceilings:

- the shared ceiling of €6.5 million in nominal value referred to in "3. a. (i)" of the 18th resolution of the July 28, 2021 Ordinary and Extraordinary Shareholders' General Meeting, which was approved at a rate of 98.086%; and
- the overall ceiling of €32.5 million in nominal value referred to in "3. a. (i)" of the 17th resolution of the July 28, 2021 Shareholders' General Meeting, which was approved at a rate of 96.744%.

To these ceilings would be added the nominal amount of any capital increases that may be carried out via the issue of ordinary shares in order to preserve the rights of holders of securities and holders of other rights giving access to the Company's share capital.

Moreover, the maximum nominal amount of the debt securities 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 figure in any other currency. Please note that this amount of €395 million would be deducted from and subject to the overall ceiling of €395 million referred to in "3. b." of the 17th resolution of the Shareholders' General Meeting of July 28, 2021.

This ceiling would, where appropriate, be increased by any redemption premium in excess of the par value.

In addition, it would be independent from the amount of any debt securities issued or authorized by the Board of Directors in accordance with Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6, and L. 228-94 paragraph 3 of the French Commercial Code.

Twenty-sixth resolution –

Delegation of authority to be granted to the Board of Directors for the purpose of issuing shares and/or securities giving access, immediately or in the future, to the Company's share capital, reserved for categories of persons meeting defined requirements, with a waiver of shareholders' preemptive subscription rights

The 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, with a waiver of shareholders' preemptive subscription rights, in France and/or abroad, against payment or free of charge, ordinary shares and/or securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code, giving access by any means, immediately and/or in the future, at any time or on a 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 waive the preemptive 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 (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 waiver of preemptive subscription rights, as well as the authority to set the number of ordinary shares and/or securities that may be allocated to each of them;

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 preemptive 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:
 - i. this ceiling applies to this resolution in common with the 18th, 19th, 21st, 22nd, 23rd and 25th resolutions of the Shareholders' General Meeting of July 28, 2021,
 - ii. this amount shall be subject to and deducted from the shared ceiling of €6.5 million in nominal value referred to in "3. a. (i)" of the 18th resolution of the Shareholders' General Meeting of July 28, 2021, 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. 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 the Shareholders' General Meeting of July 28, 2021 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 subject to and deducted from the overall ceiling of €395 million referred to in "3. b." of the 17th resolution of the Shareholders' General Meeting of July 28, 2021 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 or (y) the average price of the share weighted by the trade volume during the trading day 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, shall be 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:

- a) determine the list of beneficiaries in the indicated categories and the number of shares to be awarded to each of them,
- b) 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,
- c) 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,
- d) 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,
- e) 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,
- f) 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,
- g) 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.

This delegation of authority is valid for the residual period of validity provided for in the 17th resolution of the Ordinary and Extraordinary Shareholders' General Meeting of July 28, 2021, it being stipulated that it supersedes all delegations of authority previously granted in a resolution with the same purpose, and specifically the 20th resolution of the Ordinary and Extraordinary Shareholders' General Meeting of July 28, 2021.

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. 27:**Delegation of authority to be granted to the Board of Directors for the purpose of carrying out one or more share capital increases by way of issuing shares or securities giving access to the share capital reserved for members of a company savings plan, with a waiver of shareholders' preemptive subscription rights**

In the 27th resolution, the shareholders are asked to delegate authority to the Board of Directors to carry out one or more capital increases reserved for members of a company or group savings plan, up to a total maximum nominal amount of €700,000, i.e., approximately 1% of the share capital at March 31, 2022, it being stipulated that this amount would be deducted from and subject to the overall ceiling of €32.5 million referred to in "3. a. (i)" of the 17th resolution of the Ordinary and Extraordinary Shareholders' General Meeting of July 28, 2021. We therefore propose that the shareholders waive their preemptive subscription rights to the shares or securities giving access to the share capital issued under this delegation of authority, in favor of the beneficiaries indicated above.

The issue price of the new shares or securities giving access to the share capital would be determined under the conditions stipulated in Articles L. 3332-18 *et seq.* of the French Labor Code and would be equal to at least 70% of the average listed price of the share on 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.

This resolution is proposed subject to Article L. 225-129-6 of the French Commercial Code, under which the Extraordinary Shareholders' General Meeting must vote on a draft resolution to carry out a capital increase pursuant to Articles L. 3332-18 to L. 3332-24 of the French Labor Code, when the Shareholders' General Meeting also delegates authority to carry out a capital increase in cash.

This delegation of authority would be valid for the residual period of validity provided for in the 17th resolution of the Ordinary and Extraordinary Shareholders' General Meeting of July 28, 2021. It would supersede the delegation of authority granted by the 26th resolution of the Ordinary and Extraordinary Shareholders' General Meeting of July 28, 2021.

Twenty-seventh resolution –**Delegation of authority to be granted to the Board of Directors for the purpose of carrying out one or more share capital increases by way of issuing shares or securities giving access to the share capital reserved for members of a company savings plan, with a waiver of shareholders' preemptive 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:

- delegates** to the Board of Directors, with the right to sub-delegate in accordance with the conditions set by law, its authority to decide on an increase of the share capital, on one or more occasions, in such amount and at such times as it deems appropriate, in euros, foreign currency or any accounting unit established by reference to a basket of currencies, on the issue, with a waiver of shareholders' preemptive subscription rights, in France and/or abroad, against payment or free of charge, in a maximum nominal amount of €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 and subject to the overall ceiling of €32.5 million in nominal value referred to in "3. a. (i)" of the 17th resolution of the Ordinary and Extraordinary Shareholders' General Meeting of July 28, 2021, 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; (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 and subject to the overall ceiling of €395 million defined in "3. b." of the 17th resolution of the Ordinary and Extraordinary Shareholders' General Meeting of July 28, 2021, 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;
- 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 listed price 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 and market practices;
- authorizes** the Board of Directors to allocate, free of charge, to the beneficiaries listed above, in addition to the cash subscription for shares or securities giving access to the share capital, shares or securities giving access to the share capital to be issued or already issued, as full or partial compensation for any decrease versus the Reference Price and/or the employer's contribution, it being acknowledged that the advantages arising out of this allocation may not exceed the legal or regulatory limits in application of Articles L. 3332-18 *et seq.* and L. 3332-11 *et seq.* of the French Labor Code;

4. **decides** to waive, for the benefit of the aforementioned beneficiaries, shareholders' preemptive subscription rights to shares and securities giving access to the share capital, the issue of which is the subject of this delegation, said shareholders waiving, in case of a free allocation to the aforementioned beneficiaries of shares and securities giving access to the share capital, all rights to said shares and securities giving access to the share capital, including the portion of the reserves, profits or premiums incorporated in the share capital, in proportion to the number of free shares allocated on the basis of this resolution;
5. **authorizes** the Board of Directors, under the conditions of this delegation, to carry out sales of shares to members of a company savings plan as provided by Article L. 3332-24 of the French Labor Code, it being specified that the nominal amount of the shares sold with a discount for the benefit of members of one or more employee savings plans indicated in this resolution shall be deducted from and subject to from the amount of the ceilings indicated in paragraph 1 above;
6. **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.
- This delegation of authority is valid for the residual period of validity provided for in the 17th resolution of the Ordinary and Extraordinary Shareholders' General Meeting of July 28, 2021, it being stipulated that it supersedes all delegations of authority previously granted in a resolution with the same purpose, and specifically the 26th resolution of the Ordinary and Extraordinary Shareholders' General Meeting of July 28, 2021.

8.2.6 Resolution within the competence of the Ordinary Shareholders' General Meeting

Resolution no. 28:

Powers

The 28th 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.

Twenty-eighth 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.

8.3 Material contracts

To the best of the Group's knowledge, no material contracts have been entered into by Group companies in the last two fiscal years that are still in force at the date of this Universal Registration Document and which provide for obligations or commitments that could have, in the event of their suspension or termination, a significant impact on the Group's business, financial position or cash flow, other than:

- (i) license agreements with CEA granting the Company the rights to manufacture and/or sell certain material related products, as described in section 8.4.2 of this Universal Registration Document;
- (ii) a partnership agreement with Simgui Technology Co. Ltd. for the manufacture of 200 mm SOI wafers, as described in section 1.6 of this Universal Registration Document;
- (iii) contracts with SEH for the supply of wafers, as described in section 1.9 of this Universal Registration Document;

(iv) other contracts which are variously described in chapters 1 to 5 of this Universal Registration Document, in note 8 to the consolidated financial statements for the fiscal year ended March 31, 2022 (notes 8.2 "Contractual obligations and commitments" and 8.3 "Related-party disclosures"), in section 8.4.2, and in the credit agreements described in note 6 to the consolidated financial statements;

(v) contracts entered into in the ordinary course of business, including operating contracts such as the sales agreement entered into between Tower Semiconductor Ltd., Tower Partners Semiconductor Co. Ltd. and Soitec USA LLC, and the sales agreement entered into between Soitec SA and Globalfoundries U.S., Inc.

Significant off-balance sheet commitments and guarantees granted by the Company or its subsidiaries are presented in note 8 to the consolidated financial statements for the fiscal year ended March 31, 2022 (note 8.2 "Contractual obligations and commitments") in this Universal Registration Document.

8.4 Agreements with interested or related parties

8.4.1 Procedure for reviewing agreements with "interested parties"

In accordance with Article L. 22-10-12 of the French Commercial Code, at a meeting held on June 10, 2020, following discussions with the Statutory Auditors, the Board of Directors adopted a procedure for reviewing agreements concerning ordinary transactions and entered into on arm's length terms. This procedure – which is described in the Company's 2019-2020 Universal Registration Document – was applied for the first time in the fiscal year ended March 31, 2021. As part of its annual review of this procedure, and in light of the fact that it was the first year that it was implemented, at its June 9, 2021 meeting, the Board of Directors decided (after discussion with the Statutory Auditors) to align it more closely with how the Company operates.

This internal procedure describes the methods used by the Group to identify, classify, and regularly monitor and control agreements entered into between the Company and any "interested party" within the meaning of the applicable regulations.

The review procedure for such agreements takes into consideration the Guide published by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) on related-party agreements dated February 2014. AMF Recommendation 2012-05 is used to define the notion of "interested party".

Any person who is aware of an agreement between the Company and an interested party must inform the Company's Legal Department prior to the conclusion, amendment or execution of said agreement, even where it is likely to be classified as a related-party agreement entered into in the ordinary course of business.

Moreover, in accordance with the applicable regulations, any person that may directly or indirectly benefit from a related-party agreement is required to disclose their interests to the Board of Directors as soon as they become aware of the agreement concerned.

The 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 related-party agreement subject to prior authorization, a related-party agreement entered into in the ordinary course of business or a prohibited agreement. If the criteria are met for qualifying the agreement as an agreement concerning ordinary transactions and 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, the Legal Department considers that the agreement is liable to be considered as a related-party agreement subject to prior authorization, said agreement must receive prior authorization from the Board of Directors in accordance with the Company's by-laws, the Board of Directors' Internal Regulation, and, more generally, the provisions of Articles L. 225-38 *et seq.* of the French Commercial Code (see section 8.4.2 *Rules on related-party agreements subject to prior authorization* of this Universal Registration Document).

The Legal Department holds a list of related-party agreements entered into the ordinary course of business with interested parties, which is based on either the information to which the Legal Department has access or on the disclosures provided to it.

A list of related-party agreements entered into the ordinary course of business is also drawn up on March 31 each year, is reviewed in detail by the Legal Department and the Finance Department, and is provided annually to the Company's Statutory Auditors and then the Audit and Risks Committee.

The Audit and Risks Committee reports once a year to the Board of Directors on the 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 related-party agreements entered into the ordinary course of business.

8.4.2 Related-party agreements subject to prior authorization

When an agreement entered into between the Company and an interested party is not deemed to have been entered into in the ordinary course of business (but is not prohibited within the meaning of Article L. 225-43 of the French Commercial Code), it is classified as a related-party agreement subject to prior authorization 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 Chair of the Board of Directors shall advise the Statutory Auditors of all agreements authorized and shall submit them to the Shareholders' General Meeting for approval. The Statutory Auditors present a special report on the agreements submitted to the shareholders for their approval.

The person directly or indirectly concerned by the agreement may not take part in the vote on the resolution put to the shareholders at the 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, related-party agreements subject to prior authorization that were authorized in prior years and remained in force during the year under review are examined by the Board of Directors and described in a special report issued by the Statutory Auditors.

8.4.2.1 Related-party agreement subject to prior authorization entered into during the fiscal year ended March 31, 2022

On September 30, 2021, the Company signed an amendment (the "Amendment") with Shanghai Simgui Technology Co. Ltd. ("Simgui") to the amended and restated (i) license and technology transfer agreement, (ii) bulk supply agreement and (iii) SOI supply agreement, entered into on December 27, 2018 and detailed below in the disclosures on related-party agreements that were entered into in previous fiscal years and remained in force in the fiscal year ended March 31, 2022 (hereinafter collectively, the "Agreements").

The main features of the Amendment are as follows:

Purpose: The purpose of the Amendment is to extend the term of the Agreements for three years to expire on December 31, 2027 rather than December 31, 2024, and it was signed in connection with the Company's objective to increase production capacity for 200 mm SOI wafers. The other terms and conditions of the Agreements remain unchanged.

Term: The initial term of the Agreements was six years, beginning January 1, 2019. The Amendment extends the overall term of the Agreements to nine years from January 1, 2019.

Financial conditions: Given the increase in production capacity, the amount of purchases and sales from/to Simgui is expected to increase significantly compared to the amounts presented in section 4.1.9.2 of the 2020-2021 Universal Reference Document.

Interested party(ies):

- Jeffrey Wang, a member of the Company's Board of Directors, is a direct interested party in relation to the Amendment owing to his position as Chief Executive Officer and director of Simgui, and an indirect interested party owing to his position as Executive Vice-President of NSIG.
- NSIG, which controls one of the shareholders of the Company holding more than 10% of the voting rights (NSIG Sunrise Sarl) as well as Simgui. NSIG and NSIG Sunrise Sarl are indirect interested parties in relation to the Amendment.
- Kai Seikku, a member of the Company's Board of Directors, is an indirect interested party in relation to the Amendment owing to his position as Executive Vice-President of NSIG.

Benefits of the Amendment for the Company: The Company and Simgui have agreed to increase Simgui's production capacity in China, only for 200 mm SOI wafers manufactured using Smart Cut™ technology, which Simgui is required to exclusively sell to Soitec. During the extended term, Simgui will continue to sell Smart Cut™ 200 mm SOI wafers exclusively to Soitec for resale by Soitec in the global market.

The Amendment was approved, prior to its signature, by the Board of Directors at its meeting on September 15, 2021.

The amounts billed during the fiscal year ended March 31, 2022, by the Company or Simgui under each Agreement are shown below in section 8.4.2.2 of this Universal Registration Document.

8.4.2.2 Related-party agreements subject to prior authorization entered into and authorized in prior fiscal years which remained in force in the fiscal year ended March 31, 2022

Pursuant to Article L. 225-40-1 of the French Commercial Code, the related-party agreements subject to prior authorization that were authorized in prior years and remained in force during the year (as listed below) have been reviewed by the Board of Directors and are described in the Statutory Auditors' special report in section 8.5 *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 CEA for the purpose of defining the terms and conditions for performing R&D work in a collaborative undertaking between CEA and the Company. It was entered into with retroactive effect as of January 1, 2018 for a duration of five years, i.e., until December 31, 2022.

Interested party(ies): CEA, a company that controls one of the Company's shareholders holding more than 10% of the voting rights (CEA Investissement).

This agreement, which was authorized, prior to its signature, by the Board of Directors at its December 14, 2017 meeting, was approved by the Shareholders' General Meeting of July 26, 2019.

During the fiscal year ended March 31, 2022, CEA invoiced the Company €5,128,000 under this agreement.

2. 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 an agreement with 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 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.

Interested party(ies): CEA, a company that controls one of the Company's shareholders holding more than 10% of the voting rights (CEA Investissement).

This agreement, which was authorized, prior to its signature, by the Board of Directors at its December 14, 2017 meeting, was approved by the Shareholders' General Meeting of July 26, 2019.

During the fiscal year ended March 31, 2022, CEA invoiced the Company €5,693,589.40 under this agreement.

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 the Company's Smart Cut™ technology. It was concluded with effect as of January 1, 2019, for a duration of six years, i.e., until December 31, 2024. The Amendment described in section 8.4.2.1 *Related-party agreement subject to prior authorization entered into during the fiscal year ended March 31, 2022* has extended the term of this agreement to nine years, expiring on December 31, 2027.

Interested party(ies):

- Jeffrey Wang, a member of the Company's Board of Directors, is a direct interested party in relation to the Amendment owing to his position as Chief Executive Officer and director of Simgui, and an indirect interested party owing to his position as Executive Vice-President of NSIG.
- NSIG, which controls one of the shareholders of the Company holding more than 10% of the voting rights (NSIG Sunrise Sarl) as well as Simgui. NSIG and NSIG Sunrise Sarl are indirect interested parties in relation to the Amendment.
- Kai Seikku, a member of the Company's Board of Directors, is an indirect interested party in relation to the Amendment owing to his position as Executive Vice-President of NSIG.

This agreement, which was authorized, prior to its signature, by the Board of Directors at its November 28, 2018 meeting, was approved by the Shareholders' General Meeting of July 26, 2019.

The Company did not invoice any amounts to Simgui under this agreement during the fiscal year ended March 31, 2022.

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. It was concluded with effect as of January 1, 2019, for a duration of six years, i.e., until December 31, 2024. The Amendment described in section 8.4.2.1 *Related-party agreement subject to prior authorization entered into during the fiscal year ended March 31, 2022* has extended the term of this agreement to nine years, expiring on December 31, 2027.

Interested party(ies):

- Jeffrey Wang, a member of the Company's Board of Directors, is a direct interested party in relation to the Amendment owing to his position as Chief Executive Officer and director of Simgui, and an indirect interested party owing to his position as Executive Vice-President of NSIG.
- NSIG, which controls one of the shareholders of the Company holding more than 10% of the voting rights (NSIG Sunrise Sarl) as well as Simgui. NSIG and NSIG Sunrise Sarl are indirect interested parties in relation to the Amendment.
- Kai Seikku, a member of the Company's Board of Directors, is an indirect interested party in relation to the Amendment owing to his position as Executive Vice-President of NSIG.

This agreement, which was authorized, prior to its signature, by the Board of Directors at its November 28, 2018 meeting, was approved by the Shareholders' General Meeting of July 26, 2019.

Pursuant to the agreement, Simgui invoiced the Company US\$78,322,975.50 during the fiscal year ended March 31, 2022.

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. It was concluded with effect as of January 1, 2019, for a duration of six years, i.e., until December 31, 2024. The Amendment described in section 8.4.2.1 *Related-party agreement subject to prior authorization entered into during the fiscal year ended March 31, 2022* has extended the term of this agreement to nine years, expiring on December 31, 2027.

Interested party(ies):

- Jeffrey Wang, a member of the Company's Board of Directors, is a direct interested party in relation to the Amendment owing to his position as Chief Executive Officer and director of Simgui, and an indirect interested party owing to his position as Executive Vice-President of NSIG.
- NSIG, which controls one of the shareholders of the Company holding more than 10% of the voting rights (NSIG Sunrise Sarl) as well as Simgui. NSIG and NSIG Sunrise Sarl are indirect interested parties in relation to the Amendment.
- Kai Seikku, a member of the Company's Board of Directors, is an indirect interested party in relation to the Amendment owing to his position as Executive Vice-President of NSIG.

This agreement, which was authorized, prior to its signature, by the Board of Directors at its November 28, 2018 meeting, was approved by the Shareholders' General Meeting of July 26, 2019.

Pursuant to the agreement, the Company invoiced Simgui US\$37,724,443.60 during the fiscal year ended March 31, 2022.

8.4.3 Agreements between the Company's corporate officers and/or shareholders with over 10% of the Company's voting rights and any Soitec subsidiary – Related parties

In accordance with Article L. 225-37-4, 2° of the French Commercial Code, please note that during the fiscal year ended March 31, 2022, there were no agreements on non-current transactions or transactions concluded under abnormal conditions, either directly or by way of an intermediary, between any of the Company's corporate officers or shareholders with more than 10% of its voting rights and one of its subsidiaries, with the exception of those mentioned above.

For information purposes, agreements entered into (or renewed) in fiscal year 2021-2022, either directly or through an intermediary, between the

Company's corporate officers or shareholders holding more than 10% of its voting rights and any of its subsidiaries, gave rise to cash flows involving the Company's subsidiaries.

The amounts of these cash flows are set out in note 8.3 "Related-party disclosures" to the 2021-2022 consolidated financial statements in section 6.2.1.2 *Notes to the consolidated financial statements at March 31, 2022* of this Universal Registration Document (which present the main transactions entered into with the Company's related parties in the fiscal years ended March 31, 2021 and March 31, 2022).

8.5 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, 2022, of the agreements previously approved by the Annual General Meeting.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this type of engagement. These procedures consisted in verifying the consistency of the information provided to us with the relevant source documents.

Agreements submitted for approval to the Annual General Meeting

In accordance with Article L. 225-40 of the French Commercial Code (*Code de commerce*), we have been notified of the following related-party agreements which received prior authorization from your Board of Directors.

With Shanghai Simgui CO. Ltd (Simgui)

Persons concerned

Jeffrey Wang and Kai Seikku, Board members.

Amendment to (i) license and technology transfer agreement, (ii) bulk supply agreement and (iii) SOI supply agreement

Nature and purpose

The purpose of the amendment entered into on September 30, 2021 in connection with the increase in production capacity for SOI 200 mm is to extend the term of the Agreements which are expiring on December 31, 2024 for three additional years until December 31, 2027. All other terms and conditions of the Agreements remaining unchanged. During the extended term, Simgui will continue to sell Smart Cut™ 200 mm SOI wafers exclusively to Soitec for resale by Soitec in the global market.

Conditions

Initial duration of these agreements was six years, from January 1, 2019. After the amendment, the agreements terms will be extended to nine years, from January 1, 2019. The amounts invoiced for these agreements by each party, during the year ended March 31, 2022, will be disclosed hereafter.

Reasons justifying why the Company benefits from this agreement

Your Board of Directors gave the following reasons: the Company and Simgui have agreed to increase Simgui's production capacity in China, only for 200 mm SOI wafers manufactured using Smart Cut™ technology, which Simgui is required to exclusively sell to Soitec. During the extended term, Simgui will continue to sell Smart Cut™ 200 mm SOI wafers exclusively to Soitec for resale by Soitec in the global market.

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, 2022.

With the Commissariat à l'énergie atomique et aux énergies alternatives (CEA – French Alternative Energies and Atomic Energy Commission), which controls CEA Investissement, one of your Company's shareholders possessing more than 10% of the voting rights

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 €5,128,000 during the year ended March 31, 2022.

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 utilization 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 €5,693,589.40 during the year ended March 31, 2022.

With Shanghai Simgui CO. Ltd (Simgui)

Persons concerned

Jeffrey Wang and Kai Seikku.

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 31, 2024. The duration of this agreement has been extended to nine years, in the conditions of the amendment presented above, i.e., until December 31, 2027.

Conditions

Your Company was not invoiced by Simgui in respect of this agreement during the year ended March 31, 2022.

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. The duration of this agreement has been extended to nine years, in the conditions of the amendment presented above, i.e., until December 31, 2027.

Conditions

In respect of the agreement, Simgui invoiced your Company for the amount of US\$78,322,975.50 during the year ended March 31, 2022.

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. The duration of this agreement has been extended to nine years, in the conditions of the amendment presented above, i.e., until December 31, 2027.

Conditions

In respect of the agreement, your Company invoiced Simgui for the amount of US\$37,724,443.60 during the year ended March 31, 2022.

Paris-La Défense and Lyon, June 17, 2022

The Statutory Auditors
French original signed by

KPMG Audit
Department of KPMG SA

Jacques Pierre

Rémi Vinit-Dunand

ERNST & YOUNG Audit

Nicolas Sabran

8.6 Conditions for holding, convening and admission to Shareholders' General Meetings

8.6.1 Procedures for shareholder participation in the Shareholders' General Meeting of July 26, 2022

On June 8, 2022, the Board of Directors decided to convene the shareholders of the Company to a Shareholders' General Meeting to be held on July 26, 2022 at Centre de Conférences VERSO, 52 rue de la Victoire, 75009 Paris, France.

Shareholders are notified of these meeting procedures and the voting procedures through the convening notice that will be published in accordance with the regulatory deadlines.

One or more shareholders or groups of shareholders meeting the eligibility criteria set out in the applicable legal and regulatory provisions may request the inclusion of items on the agenda or draft resolutions in accordance with the conditions laid down in Articles L. 225-105, L. 22-10-44, R. 225-71, R. 225-73 and R. 22-10-22 of the French Commercial Code.

Requests for the inclusion of items on the agenda or draft resolutions must be sent by registered letter with acknowledgment of receipt to our registered office and addressed to the Legal Department, or by email to shareholders-gm@soitec.com, and must be received at least 25 days before the date of the Shareholders' General Meeting, i.e., no later than Friday July 1, 2022.

Requests must be accompanied by:

- the items to be included on the agenda and their purpose;
- the text of the draft resolutions, which may be accompanied by a brief summary of the purpose, and if applicable, by the information provided for in paragraph 5 of Article R. 225-83 of the French Commercial Code; and
- a share registration certificate proving ownership or representation by the authors of the request of the portion of the capital, as required by Article R. 225-71 of the French Commercial Code.

In accordance with Article R. 225-71 of the French Commercial Code, items to be included on the agenda or draft resolutions will only be examined by the Shareholders' General Meeting on condition that the authors of the request provide a further certificate proving registration of the shares in the same accounts at midnight, Paris time, on the second business day preceding the Meeting, i.e., Friday July 22, 2022 at midnight, Paris time.

A list of items added to the agenda and the texts of any draft resolutions presented by shareholders under the aforementioned conditions will be published on our website (www.soitec.com), under "Company – Investors – Shareholders' information – Annual General Meeting – 2022 – ASM July 26, 2022".

8.6.2 Convening and holding of Shareholders' General Meetings

Articles 21 to 25 of the Company's by-laws govern 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.

Shareholders' General Meetings are presided over by the Chair of the Board of Directors or, in their absence, by a member of the Board of Directors specially delegated for this purpose by the Board. Failing this, the Shareholders' General Meeting elects its chair.

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 Chair of the Board, by a director performing the duties of Chief Executive Officer or by the secretary of the Meeting.

The agent in charge of holding the Company's shares and organizing Shareholders' General Meetings is: CACEIS CORPORATE TRUST (hereinafter "CACEIS").

8.6.3 Documents made available to the shareholders

In accordance with legal and regulatory provisions, all of the documents that must be provided in relation to Shareholders' General Meetings are made available to the shareholders at the registered office.

Pursuant to Article R. 225-88 of the French Commercial Code, the 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 the Company's registered office and addressed to the Legal Department, by email to the address created especially for 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 the shareholders on the Company's website (www.soitec.com), under "Company – Investors – Shareholders' information – Annual General Meeting – 2022 – ASM July 26, 2022", within the legal timeframe of at least 21 days prior to the Meeting.

8.6.4 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 the Company's registered office and addressed to the Legal Department, or by email to the address created especially for 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 the Company's website (www.soitec.com), under "Company – Investors – Shareholders' information – Annual General Meeting – 2022 – ASM July 26, 2022".

8.6.5 Prior formalities to be carried out in order to participate and vote in Shareholders' General Meetings

Each shareholder, regardless of the number of shares held, has the right to participate in 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 Chair 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 (*Code monétaire et financier*):

- 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 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.

8.6.6 Procedures for participation in 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 Chair of the Shareholders' General Meeting;
- grant proxy to one of the 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 the Company (by mail sent to the Company's registered office and addressed to the Legal Department, or by email to the address created especially for 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.

To be taken into account, CACEIS must receive the postal voting form no later than three calendar days prior to the date of the Shareholders' General Meeting.

CACEIS must receive all written appointments or revocations of proxies three 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 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 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.

8.6.7 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 the shareholders without stating the proxy holder, the Chair of the Shareholders' General Meeting shall vote in favor of adopting the draft resolutions presented or approved by the Board of Directors, and vote against adopting any other draft resolutions. To cast any other vote, the shareholder must select a proxy who agrees to vote in the manner specified by the shareholder.

No electronic vote (by videoconference or any other means of telecommunication) or remote transmission will be set up for this 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

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9.1 Legal information

Company name	Soitec
Trading name	Soitec
Grenoble Trade and Companies Register	SIREN: 384 711 909 SIRET: 384 711 909 00034 APE: 26.11Z – Manufacture of electronic components
Legal entity identifier	969500ZR92SQC9TST26
Legal form	Joint-stock corporation (<i>société anonyme</i>) with a Board of Directors
Governing law	French law – legal provisions applicable to joint-stock corporations
Date of incorporation – Term	The Company was incorporated on March 11, 1992. The term of the Company has been set at 80 years, i.e., until March 11, 2072.
Registered office	Parc Technologique des Fontaines, Chemin des Franques, 38190 Bernin, France Tel.: +33 (0)4 76 92 75 00
Fiscal year	April 1 through March 31
Corporate purpose	As defined in Article 2 of the by-laws, the Company's purpose, in France and in all countries, is: <ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> • The creation, acquisition, leasing, taking under lease management of all goodwill, the leasing, installation, operation of all establishments, goodwill, factories, workshops, relating to one of these specified activities. • The seizing, acquisition, operation or sale of any processes and patents concerning said activities. • The direct or indirect involvement of the Company in any financial, movable or immovable transactions or commercial or industrial companies which might be linked to the corporate purpose or to any similar or related purpose. • Any transactions contributing towards the achievement of said purpose.
Website	www.soitec.com NB: The information provided on the website is not part of the Universal Registration Document, except where such information is incorporated by reference.
By-laws	The Company's by-laws are available in full on the website and are incorporated by reference in this Universal Registration Document.

9.2 Documents on display

All regulatory information within the meaning of Article 221-1 of the General Regulations of the French financial markets authority (*Autorité des marchés financiers* – AMF) is available on the Company's website (www.soitec.com/en/investors). The other information and documents made available to shareholders under the legal and regulatory requirements may also be consulted on the website and downloaded.

In particular, the following documents may be consulted and downloaded:

Type of information	Where
Company by-laws	Company website, in the "Company – Investors – By-laws" 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

To get the latest financial news about Soitec, you can subscribe to the Company's press releases at www.soitec.com/en/subscribe.

9.3 Declaration by the person responsible for the Universal Registration Document serving as the Annual Financial Report ⁽¹⁾

"I hereby declare that the information contained in this Universal Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I further declare that, to the best of my knowledge, the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and of all the companies included in the scope of consolidation, and that the management report (see the cross-reference

table on page 341) presents a fair view of the business developments, results and financial position of the Company and of all the companies included in the scope of consolidation, and also describes the main risks and uncertainties to which they are exposed."

June 20, 2022

Paul Boudre

Chief Executive Officer

9.4 Persons responsible for financial information and Statutory Auditors

Person responsible for financial information

Léa Alzingre

Chief Financial Officer, member of the Executive Committee
Tel.: +33 (0)4 76 92 75 00

Principal Auditors

KPMG SA, represented by Jacques Pierre and Rémi Vinit-Dunand
Tour EQHO, 2, avenue Gambetta, Paris La Défense, 92066 Courbevoie Cedex

- Date of first appointment: July 25, 2016.
- Date of expiration of term of office: Shareholders' General Meeting called to approve the financial statements for the year ended March 31, 2022.

Ernst & Young Audit, represented by Nicolas Sabran
1-2, place des Saisons, Paris La Défense, 92400 Courbevoie Cedex

- Date of first appointment: July 25, 2016.
- Date of expiration of term of office: Shareholders' General Meeting called to approve the financial statements for the year ended March 31, 2022.

Alternate Auditors

Salustro Reydel (alternate for KPMG SA)

Tour EQHO, 2, avenue Gambetta, Paris La Défense, 92066 Courbevoie Cedex

- Date of first appointment: July 25, 2016.
- Date of expiration of term of office: Shareholders' General Meeting called to approve the financial statements for the year ended March 31, 2022.

Auditex (alternate for Ernst & Young Audit)

1-2, place des Saisons, Paris La Défense, 92400 Courbevoie Cedex

- Date of first appointment: July 25, 2016.
- Date of expiration of term of office: Shareholders' General Meeting called to approve the financial statements for the year ended March 31, 2022.

⁽¹⁾ In accordance with the template provided in Appendix 1 of AMF Instruction – DOC-2019-21 – Procedures for filing and publishing prospectuses.

9.5 Statutory Auditors' fees

Fees paid to the Statutory Auditors and the members of their networks by the Company and its subsidiaries.

For the fiscal years ended March 31, 2021 and March 31, 2022, the fees break down as follows:

	2021-2022				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	168	31.62%	212	39.90%	176	57.57%	220	84.69%
• Fully consolidated subsidiaries	119	22.40%	13.6	2.56%	118.9	38.89%	13.6	5.23%
Other work and services directly related to the statutory audit engagement								
• Issuer	10.8	2.03%	54.8	9.48%	10.8	3.54%	26.2	10.08%
• Fully consolidated subsidiaries	-	0%	-	0%	-	0%	-	0%
Subtotal	297.8	100%	280.4	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	297.8	100%	280.4	100%	305.7	100%	259.8	100%

EpiGaN: €4,500 for year-end audit by Grant Thornton.





CROSS-REFERENCE TABLES

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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.

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Cross-reference tables

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	<i>Quarterly or half-year financial information published since the date of the last audited financial statements</i>	N/A	N/A
	<i>Interim financial information from the first six months of the fiscal year after the end of the last audited fiscal year</i>	N/A	N/A
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19.1.3	<i>Shares held by or on behalf of the issuer itself or by subsidiaries of the issuer (number, book value and face value)</i>	7.2.2	289 – 291
19.1.4	<i>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</i>	7.2.3	292 – 298
19.1.5	<i>Information about and terms of any acquisition rights and/or obligations over authorized but unissued capital or an undertaking to increase the capital</i>	7.2.4	299 – 301
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19.2	Articles of incorporation and by-laws		
19.2.1	<i>Brief description of the issuer's objects and purposes and where they can be found in the articles of incorporation and by-laws</i>	9.1	332
19.2.2	<i>Description of the rights, preferences and restrictions attached to each class of shares</i>	9.1	332
19.2.3	<i>A brief description of any provisions which could delay, defer or prevent a change in control of the issuer</i>	N/A	N/A
20.	Material contracts	8.3	322
21.	Documents available	9.2	332

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	204 – 249
3. Annual financial statements	6.3.1	253 – 274
4. Statutory Auditors' reports on the consolidated and annual financial statements		
• on the consolidated financial statements	6.2.2	250 – 252
• on the annual financial statements	6.3.2	275 – 277
5. Statutory Auditors' fees	9.5	334
6. Statement by the persons responsible for the Annual Financial Report	9.3	333

Cross-reference table for the management report

The cross-reference table below helps to identify, within this Universal Registration Document, the information that makes up the Board of Directors' management report to the 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 the Company on June 8, 2022 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	5.1 188 – 197
French Commercial Code	L. 225-100-1 I, 2°	Key financial performance indicators	5.1.1 188 – 195
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 79, 80 – 86, 87 – 91, 100, 115
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	5.3 198
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	7.1.1 282 – 283
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	5.2 197
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	1.3.1, 1.5.2 35, 39
French Commercial Code	R. 225-102	Table showing the Company's financial results for each of the last five fiscal years	6.4.1 278
French Commercial Code	L. 441-14 D. 441-6	Information relating to supplier and customer payment terms	5.4.7 200
French Monetary and Financial Code	L. 511-6 R. 511-2-1-3	Amount of inter-company loans granted and statement by the Statutory Auditor	N/A N/A
French Commercial Code	L. 233-6, paragraph 2	Business and results of the Company as a whole, of its subsidiaries and of companies under its control by industry sector	5.1, 5.4 188 – 197, 198 – 200

Cross-reference tables

Cross-reference table for the management report

Applicable provisions		Information	Section	Pages
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 – 59
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., 3.3, 3.4	73 – 86
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	60 – 65
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	65 – 66
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	282 – 283, 284, 286 – 287
French Commercial Code	L. 225-211	Acquisition and disposal by the Company of its own shares	7.2.2	289 – 291
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	282 – 283, 289 – 291
French Commercial Code	R. 228-90 R. 228-91	Information on potential adjustments made for securities giving access to the share capital in the event of share buybacks or of financial transactions	N/A	N/A
AMF General Regulations French Monetary and Financial Code	L. 621-18-2	Information on transactions in the Company's securities by senior executives and related persons	4.1.1.2 F. 1.	158 – 159
French Tax Code (Code général des impôts)	243 bis	Amount of dividends distributed for the last three fiscal years	7.1.4	286
IV. ADDITIONAL INFORMATION REQUIRED FOR THE PREPARATION OF THE MANAGEMENT REPORT				
French Tax Code	223 quater 223 quinquies	Additional tax information	5.4.6	199
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	70 – 71
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	3.2.2	74
French Commercial Code	L. 225-102-1 III L. 22-10-36 R. 225-104 R. 225-105 I, 2°	Information on how the Company takes into account the social and environmental consequences of its business and the impacts of its business regarding respect for human rights and the prevention of corruption and tax evasion (description of the policies implemented to prevent, identify and mitigate the main risks relating to the activity of the Company or of the Group)	3.2, 3.3, 3.4, 3.5, 3.6	73 – 96
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 – 115
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	87 – 91
French Commercial Code	L. 225-102-1 L. 22-10-36 R. 225-105 II, A, 2°	Environmental information (general environmental policy, pollution, circular economy, climate change)	3.2, 3.3, 3.4, 3.6	73 – 78, 79, 80 – 86, 92 – 96
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	3.6.2	94 – 95
French Commercial Code	L. 225-102-1 III L. 22-10-36 R. 225-105 Collective agreements entered into by the Company, its subsidiaries and its controlled companies, and their impact on the economic performance of the Company, its subsidiaries and its controlled companies, as well as working conditions for employees	3.8	106
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	121
VI. APPENDICES TO THE MANAGEMENT REPORT			
French Commercial Code	R. 225-102 Table showing the Company's financial results for the last five fiscal years	6.4.1	278

Cross-reference table for the corporate governance report

The cross-reference table below helps to identify, within this Universal Registration Document, the information that makes up the Board of Directors' corporate governance report required in accordance with Article L. 225-37 of the French Commercial Code.

The corporate governance report was approved by the Board of Directors of the Company on June 8, 2022, 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 2022-2023	4.2.4	180 – 185
French Commercial Code	L. 22-10-9 I, 1° Total compensation and benefits of any kind paid during fiscal year 2021-2022 or granted in respect of their term of office for fiscal year 2021-2022 to each corporate officer of the Company	4.2.2	167 - 178
French Commercial Code	L. 22-10-9 I, 2° Relative proportion of corporate officers' fixed and variable compensation	4.2.2.1 Table 2, 4.2.2.2 Table 9	168, 173
French Commercial Code	L. 22-10-9 I, 3° Use of the option to request repayment of variable compensation from corporate officers	4.2.4.3 A.	181
French Commercial Code	L. 22-10-9 I, 4° Commitments of all kind made by the Company to its corporate officers, corresponding to components of compensation, indemnities, or benefits due or likely to be due for the take-up, termination or change in their duties, or subsequent to exercising such duties, particularly retirement benefits and other life annuity benefits	4.2.2.1 D., 4.2.4.3	172, 181
French Commercial Code	L. 22-10-9 I, 5° Compensation paid or granted to corporate officers by a company included in the scope of consolidation within the meaning of Article L. 233-16 of the French Commercial Code	4.2.4.1 C., 4.2.4.2 D., 4.2.4.3 A.	180, 181, 181 – 182
French Commercial Code	L. 22-10-9 I, 6° Ratios between the compensation of each corporate officer (the Chairman of the Board of Directors, the Chief Executive Officer and each Deputy Chief Executive Officer) and the average and median compensation of Company employees	4.2.2.3	173 – 176
French Commercial Code	L. 22-10-9 I, 7° Annual change in compensation, Company performance, average compensation based on full-time equivalent for Company employees other than senior executives, and ratios during the five most recent fiscal years	4.2.2.3 D.	174 – 176
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	4.2.1.1	166

Cross-reference tables

Cross-reference table for the corporate governance report

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	4.2.1.3	167
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	4.2.2.1 C., 4.2.4.3	169 – 172, 181 – 185
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	4.1.1.1	128 – 141
French Commercial Code	L. 225-37-4, 2° L. 22-10-10	Agreements entered into between one of the corporate officers or a significant shareholder of the Company and a subsidiary of the Company	8.4.3	324
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	299 – 300
French Commercial Code	L. 225-37-4, 4° L. 22-10-10	Executive Management procedures	4.1.3	163
French Commercial Code	L. 22-10-10, 1°	Composition, preparation and organization of the work of the Board	4.1.1.2	157 – 160
French Commercial Code	L. 22-10-10 R. 225-104	Application of the principle of gender balance within the Board of Directors	4.1.1.1 B. 4.	154
French Commercial Code	L. 22-10-10, 3°	Limits potentially imposed by the Board of Directors on the powers of the Chief Executive Officer	4.1.3.3	163
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	126 – 127
French Commercial Code	L. 22-10-10, 5°	Specific conditions for shareholder participation in the Shareholders' General Meeting	8.6	327 – 329
French Commercial Code	L. 22-10-10, 6° L. 22-10-12	Procedure for reviewing agreements entered into in the ordinary course of business and its implementation	8.4.1	322
French Commercial Code	L. 22-10-11	Factors likely to have an impact in the event of a public offering	7.1.8	288
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 275 – 277)	

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 26, 2022, included in this Universal Registration Document, are listed below.

The other documents required by Article R. 225-88 of the French Commercial Code are included in the convening notice sent by mail or electronically to registered shareholders. These documents, as well as this Universal Registration Document, are available on the Company's website (www.soitec.com), in the "Company – Investors – Annual General Meeting – 2022 - ASM July 26, 2022" 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 2021-2022	7.2.4.2	300
• Special report on free share transactions for fiscal year 2021-2022	7.2.4.3	301
• Volume of transactions and change in share price	7.1.3.3	285
• Volume of transactions and change in value of OCEANE convertible bonds	N/A	N/A
• Proposal for appropriating net profit for fiscal year 2021-2022	5.4.5, 8.2.2 (3 rd resolution)	199, 308
• 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 26, 2022	7.2.2.3	289 – 290
• Text of the resolutions submitted to the Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2022	8.2.2	307 – 308
• Board of Directors' report to the Ordinary and Extraordinary Shareholders' General Meeting of July 26, 2022	8.2	307 – 321
• Statutory Auditors' special report on related-party agreements and commitments	8.5	325 – 326





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.

Components

Substrate

A physical base, support or stand on which a circuit is printed or various components of a circuit or any other system are built.

Silicon-on-Insulator (SOI)

SOI is a semiconductor structure consisting of a layer of silicon (from a few dozen nm to a few μm thick) on a layer of insulator.

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 includes all the functions required for a specific 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.

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

Products using semiconductor materials composed of two or more elements, also called compound semiconductor materials. Gallium arsenide (GaAs), gallium nitride (GaN), indium phosphide (InP), zinc selenide (ZnSe), and silicon carbide (SiC) are typical examples of compound semiconductors.

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.

Power management integrated circuit (PMIC)

A PMIC is used to control the flow and direction of electrical power. A PMIC can refer to any electrical circuit that is an individual power related function, but generally refers to integrated circuits (ICs) that incorporate more than one function, such as power conversions and power controls (e.g., voltage supervision and undervoltage protection).

Microcontroller unit (MCU)

An MCU is a small computer on a single integrated circuit (IC) chip, generally based on metal-oxide-semiconductor (MOS) transistors (field effect transistor, with gate insulated by a layer of silicon oxide). An MCU 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 type of Soitec substrate.

Power-SOI

Power-SOI is a type of Soitec substrate.

Photonics-SOI

Photonics-SOI is a type of Soitec substrate.

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.

Gallium nitride (GaN)

GaN is a type of 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 are semiconductor companies that perform every step of the chip-making process themselves, from design to manufacture to sales.

Fabless

Fabless are companies that design and sell chips, but outsource their manufacture to foundries.

Foundries

Foundries are semiconductor companies that manufacture processed wafers according to their clients' designs.

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:

$$((\text{final value}/\text{initial value})^{(1/\text{number of years})}) - 1 = \text{CAGR}$$

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.

IATF 16949

IATF 16949 sets out the basic requirements of a quality management system for serial and spare parts production in the automotive industry.

ISO 9001

ISO 9001 sets out the criteria for a quality management system.

ISO 14001

ISO 14001 sets out the criteria for an environmental management system. It maps out a framework that a company or organization can follow to set up an effective environmental management system.

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.

ISO 26000

ISO 26000 provides guidance on corporate social responsibility.

ISO 27000

ISO 27000 sets out the criteria for an information security management system.

ISO 45001

ISO 45001 sets out the criteria for an occupational health and safety management system in order to improve employee safety, reduce risks in the workplace, and create better and safer work conditions.

ISO 50001

ISO 50001 sets out the criteria for an energy management system. It maps out a framework that a company or organization can follow to set up an effective energy management system.

LGBTQIA+

Abbreviation used to refer to lesbian, gay, bisexual, trans, queer, intersex and asexual people (i.e., non-heterosexual, non-cisgender or non-binary people) and any other variant of gender identity, sexual characteristic or sexual orientation.

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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Françoise Lanoe; Daniel Rory; Narratia; Michel Mutabazi; Philippe Dureuil; Camille Collin; Soitec.

Design and production: **côté corp.**

Tel.: +33 (0)1 55 32 29 74



Parc Technologique des Fontaines

Chemin des Franques – 38190 Bernin (France)

T. +33 (0)4 76 92 75 00 – F. +33 (0)4 38 92 17 89

www.soitec.com/en