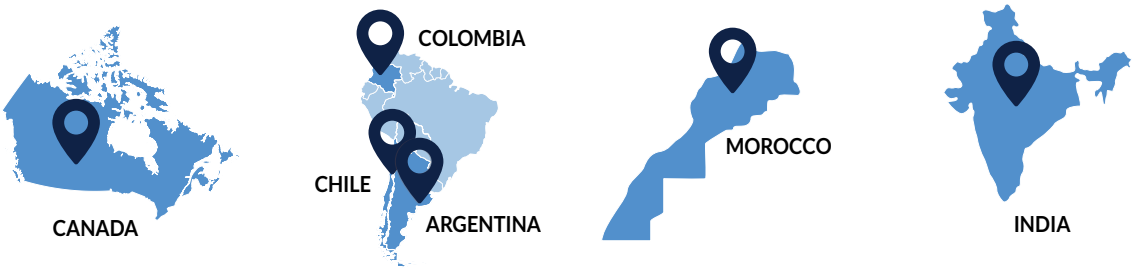
Annual financial report

YOUR TECHNOLOGY PARTNER

11 000
EMPLOYEES

4 CONTINENTS
18 COUNTRIES
76 LOCATIONS



OUR BUSINESS LINES

ICT

EMBEDDED SOFTWARE

INFORMATION SYSTEMS

SYSTEM ENGINEERING

INFRASTRUCTURES

CONSULTING & TRAINING

OUR SECTORS

Aeronautics & Aerospace
Defence
Telecom & Media
Banking & Insurance
Retail
Security
Electronics
Energy
Tourism & Transport
Automobile
Healthcare
Services
Construction
Food & Beverage

acknowledgement

With an average of 10 835 employees in fiscal 2022-2023, the SII Group posted consolidated revenue of €1,022.5m and generated net income of €80.5m.

We wish to thank our entire staff for making this performance possible. We owe our success to their technical and human skills, their professionalism, their trust, their creativity and their ability to work together and in good spirits at providing our customers with continually improved services.

On behalf of our entire staff, we also wish to thank our customers who, year in and year out, give us the opportunity to devise solutions with a high value-added for use in their future activities. Acknowledging this represents an encouragement and a powerful generator of energy and enthusiasm for our teams.

Participation in the development of new technologies

It is essential for companies to continually create and develop new services and products, or to devise innovative manufacturing processes.

Businesses are also constantly seeking to incorporate new technologies into their information systems.

These tasks require them to rely on increasingly advanced and diversified expertise, which they can only find through outsourcing.

Firms that do business with us are looking for specialised partners capable of contributing to their ongoing innovation efforts. This has been SII's field of expertise since its inception and represents know-how that generates most of the Group's revenue.

This document is a full free translation of the original French text. In case of discrepancies, the French version shall prevail.

A talk with M. Eric Matteucci

Chairman of the Management Board

How would you assess this financial year?

We have just concluded a second consecutive year with organic growth in excess of 20%, taking us above €1 billion in revenues. This is a very special moment in the history of the SII Group. I would like to begin by congratulating and thanking everyone who has formulated and shaped this epic journey over more than 40 years. I can't mention them all by name, but I'm sure they will know who they are if they read this.

I had described the previous year as the best performance of the decade, and we did at least as well in financial year 2022-2023.

The SII Group generated revenues of €1,022.5 million, up 23.4%, a performance driven by buoyant activity across all sectors.

Aeronautics-Space-Defence once again posted growth of almost 20% and now accounts for 21.1% of the SII Group's total revenues. Growth in the Banking & Insurance sector stands at more than 17.1%. All the other sectors, with the exception of telecoms, are also posting double-digit growth rates.

In France, revenues reached €434.1 million, an increase of 13.2%. Aeronautics-Space-Defence, Banking & Insurance and Telecommunications remain the top 3 contributors to revenues in this region.

Financial year 2022-2023 ended with an increase in international revenues, up 31% to €588.4 million. Poland, which contributed nearly 70% of international revenues, posted growth of almost 34%. In Germany, the second-largest contributor to international revenues, business has clearly picked up again with a 37% increase in revenues for this financial year. In Spain, sales fell by 8% due to discontinuation of several public sector activities. All other countries contributed €93.6 million to total revenues, posting growth of 48%.

This performance went hand in hand with a strong recruitment drive, with almost 4,200 new hires over the year. At March 31, 2023, the group had 10,970 employees, compared with 10,311 at the end of March 2022. In France, the SII Group now has nearly 5,000 employees.

In France and throughout the world, the Group remains focused on pursuing its ambitious employer brand strategy to promote its employees' well-being and foster performance. The Group has continued with and extended its Great Place To Work labelling programme.

Operating income exceeded €100 million for the first time, reaching €100.7 million. This performance can be explained by the continuing positive effects of the SII Group's organisational restructuring, a further improvement in the AREH, which reached its best-ever level of 89.9% across all activities, and the efforts of each subsidiary to contribute to this improvement. Overall, the operating margin reached an all-time high of 9.8%. In France, the operating margin improved slightly to 7.2% and the international operating margin was 11.8%.

After accounting for financial profit and taxes, net profit stood at €80.5m, representing a net margin of 7.9%.

The SII Group's net cash position and shareholders' equity ended this financial year on a stronger note.

All of these results are a credit to us and set our obligations for the future. Huge challenges still lie ahead for us. Our objective is to "develop a digital and sustainable world together".

That is a vast agenda. Could you tell us what you are targeting in particular?

Firstly, "developing". That is what we have been doing since the very beginning, and the SII Group hasn't stopped growing. We are fortunate to operate in an ever-expanding sector, but to remain a relevant player and meet our clients' expectations, we need to keep equipping ourselves with the means to grow. To this end, we will continue to develop the organisational structure of the Group, continue to invest, continue to recruit and continue to capture market share. This doesn't mean just repeating what we have done in the past, but innovating to achieve ever greater efficiency in the future.

Eric Matteucci

Secondly, we want to build our future "together". This idea applies primarily to our strategic stakeholders: employees, customers and shareholders, both current and future, without neglecting any of our other stakeholders. The human element is a central facet of the SII Group's history. Over time, we have managed to develop a truly unique character that we want to safeguard under all circumstances. It encompasses our employees' experience of QWL, their commitment to serving our customers and the value created for our shareholders. This all needs to be translated into practical initiatives, some of which are described in our non-financial performance statement.

Lastly, "a digital and sustainable world". Technological developments were the top priority for our business sector for a good number of years. Today, we are aware of the need to go the extra mile and meet our ever-increasing demands. As an operator in the sector, we have to play a full role. The world around us is increasingly full of digital technology, that's a fact. In many areas, it has proven its utility and is becoming indispensable. However, there are other criteria to consider in addition to utility alone so as to fulfil broader needs: its carbon footprint, its greenhouse gas emissions, its inclusive nature, its ethics, and so on. Here again, our non-financial performance statement provides preliminary answers.

After two years of exceptional growth, are you going for a third in a row?

The SII Group operates in the digital sector, which still appears promising. The Group can also count on its solid advantages, especially its organisation, its sectoral and geographical diversity and its high-quality HR policy.

The environment has changed significantly over the past few months. In the key countries, economies boomed at the end of the lockdowns linked to the COVID health crisis, fuelled by the various stimulus measures implemented by many governments.

Shortages of raw materials and labour have led to cost-price inflation. At the same time, the geopolitical crisis has caused energy costs to skyrocket. Gradually, this has all been reflected in selling prices, creating an upsurge in inflation in economies around the world. The central banks decided to combat this inflation by gradually and continuously raising interest rates.

We are currently in a phase of general slowdown in the global economy, with numerous uncertainties about the way that events will unfold.

Although forward-looking studies for the sector still show significant growth in 2023, it is hard to imagine that we alone could escape a global slowdown in the worldwide economy. We are already seeing investment fall away in certain economic sectors.

In this unpredictable context, the SII Group anticipates organic sales growth of between 8% and 12% for the first half of financial year 2023-2024. The SII Group also aims to maintain its operating margin between 9% and 10% during this first half-year. Meeting both these challenges would already represent strong performance.

This is a recurring question, but it's one that needs asking. With the cash you have available and a possible slowdown, what about external growth?

We have never viewed external growth as a way to address weak organic growth.

In October 2021, we made an acquisition in Belgium; in January 2023, we bought a company in France; and in May 2023, we did the same again in the Netherlands.

This reflects increased activity on the M&A front, but we can't change everything overnight. Our acquisitions need to remain strategic for the SII Group, with each bringing something specific to the table that goes beyond the numbers. We have the financial capacity to make further acquisitions and will keep a watchful eye on opportunities.

Stock market and shareholders

Ownership of capital and voting rights as of June 30, 2023

Shareholders	Number of shares	% of capital	Theoretical voting rights Number of rights	Theoretical voting rights % of rights	Exercisable voting rights Number of rights	Exercisable voting rights % of rights
Family HUVÉ	8 671 397	43,36	8 671 397	43,36	8 671 397	44,86
o/w:						
Bernard Huvé	2 721 997	13,61	2 721 997	13,61	2 721 997	14,08
Alexia Slape	1 999 800	9,99	1 999 800	9,99	1 999 800	10,35
Arnaud Huvé	1 999 800	9,99	1 999 800	9,99	1 999 800	10,35
Alban Huvé	1 949 800	9,75	1 949 800	9,75	1 949 800	10,08
Fidelity Investments (FMR)	1 959 806	9,80	1 959 806	9,80	1 959 806	10,14
Eric Matteucci	1 636 329	8,18	1 636 329	8,18	1 636 329	8,47
Employees and employee investment fund (FCPE)	270 494	1,35	270 494	1,35	270 494	1,40
Treasury shares	671 726	3,36	671 726	3,36		
Public	6 790 248	33,95	6 790 248	33,95	6 790 248	35,13
o/w:						
directly registered	1 291 738	6,46	1 291 738	6,46	1 291 738	6,68
bearer	5 498 510	27,49	5 498 510	27,49	5 498 510	28,45
TOTAL	20 000 000	100.00	20 000 000	100,00	19 328 274	100,00

In donations dated on November 30, 2020 and dated on October 2022, M. Bernard Huvé granted his three children disaggregated donations under Article 787 B of the French General Tax Code.

Details of the participation and voting rights of the HUVÉ family:

Shareholders	Shares held					Theoretical voting rights (OGSM) appropriation of income		Theoretical voting rights (OGSM) excluding appropriation of income		Theoretical voting rights (EGSM)	
	Full ownership	Bare ownership	Usufruct	Total	% of capital	Number	%	Number	%	Number	%
Bernard Huvé	2 721 997		3 069 600	2 721 997	13,63	5 791 597	28,96	2 721 997	13,63	2 721 997	13,63
Alexia Slape	989 900	1 009 900		1 999 800	9,99	989 900	4,95	1 999 800	9,99	1 999 800	9,99
Arnaud Huvé	989 900	1 009 900		1 999 800	9,99	989 900	4,95	1 999 800	9,99	1 999 800	9,99
Alban Huvé	900 000	1 049 800		1 949 800	9,75	900 000	4,50	1 949 800	9,75	1 949 800	9,75
Huvé Family	5 601 797	3 069 600	3 069 600	8 671 397	43,36	8 671 397	43,36	8 671 397	43,36	8 674 457	43,36

(1): The voting right will belong to the usufructuary for decisions on appropriation of income. For all other decisions, the voting right will belong to the bare owner of the shares thus split (Article 787 B of the French General Tax Code). In this context, Bernard Huvé will have 5,791,597 voting rights, Alexia Slape and Arnaud Huvé will each have 989,900 voting rights and Alban Huvé will have 900,000 voting rights.

To the best of the Company's knowledge, no other shareholder holds more than 5% of the capital or voting rights, either directly or indirectly, alone or jointly with other shareholders.

To the best of the Company's knowledge, there has been no material change in share ownership as shown above since June 30, 2023.

Table showing changes in the trading price and volume of the Company's shares over the past 18 months

Date	High(€)	Low(€)	Average closing price (€)	Number of shares traded	Value (€m)	Number of trading sessions
January 2021	49,60	39,90	44,333	187 084	8,29	21
February 2021	45,60	38,40	42,355	179 735	7,61	20
March 2021	45,00	35,70	41,678	136 659	5,60	18
April 2021	47,40	41,70	43,616	122 384	5,38	19
May 2021	49,55	44,15	46,925	194 955	9,20	22
June 2021	47,70	37,85	41,991	261 289	11,13	22
July 2021	47,20	37,95	43,562	123 635	5,33	21
August 2021	53,90	45,00	48,954	156 390	7,75	23
September 2021	49,70	41,20	46,295	105 112	4,85	22
October 2021	49,60	42,10	46,464	122 579	5,71	21
November 2021	49,50	45,15	46,986	154 615	7,26	22
December 2021	47,40	43,20	45,236	235 354	10,64	21
January 2022	48,65	43,15	45,532	220 749	9,96	22
February 2022	55,00	46,90	51,075	431 786	22,08	20
March 2022	52,00	47,50	49,996	262 245	13,11	23
April 2022	50,60	46,95	48,892	169 996	8,29	18
May 2022	51,50	48,50	50,416	201 491	10,14	22
June 2022	57,80	50,20	54,109	302 210	16,29	22

Source: https://connect.euronext.com

SII shares trade on Euronext Paris – Compartment B under the ISIN code FR0000074122.

They are included in the following Euronext indexes:

- EN TECH LEADERS
- CAC SMALL GR (CACSR),
- CAC SMALL (CACS),
- CAC SMALL NR (CACSN).

They are eligible for "long only" deferred settlement service (SRD)

Due to the eligibility criteria set by government decree, SII shares no longer qualify for small-business stock-saving plans (PEA-PME) because of the size of the Company's workforce.

LEI Code: 96950044FWV7YEJCKR65

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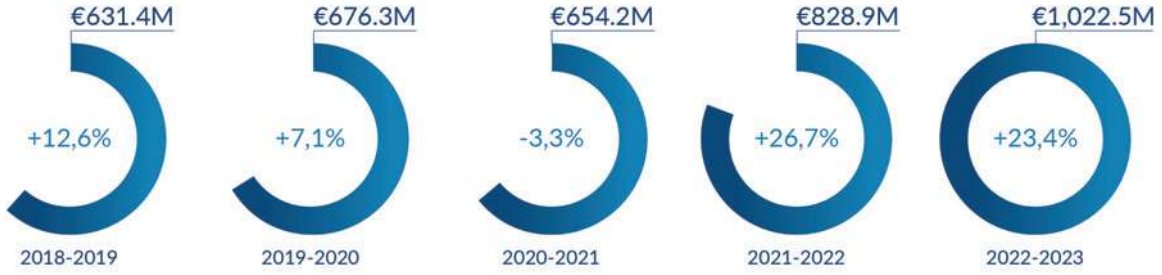
1.1. Selected financial information

1.1.1. *Indicators and key figures*

REVENUE (€M) GROWTH (% OF REVENUE)



OPERATING INCOME (€M) OPERATING MARGIN (% OF REVENUE)

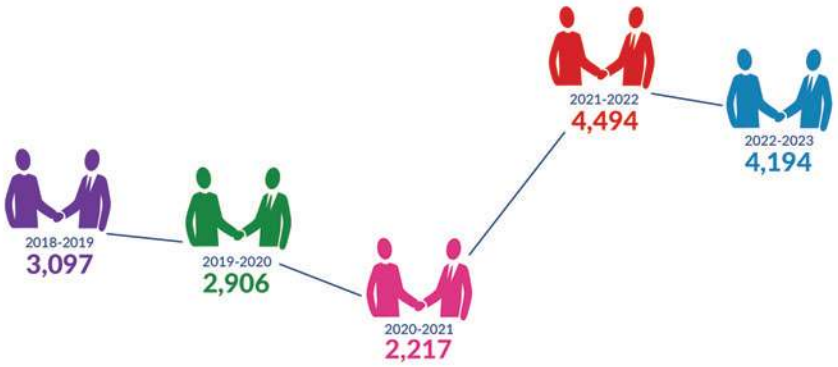
OPERATING CASH FLOW (*) (€M)

The cash flow generated is sufficient to finance the Group's growth.

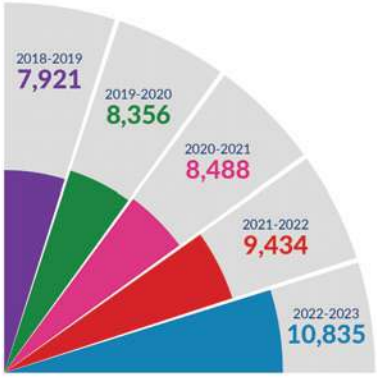
(*): cash flow after net cost of debt and taxes

NET INCOME (*) (€M) NET MARGIN (% OF REVENUE)

HIRING



HEADCOUNT (ANNUAL AVERAGE)



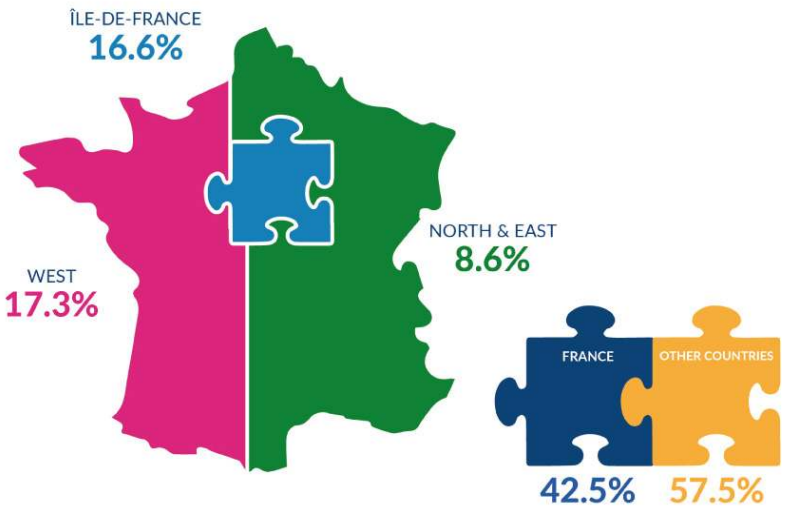
At the end of the period (3/31/2023), the SII Group had 10,970 employees, a net increase of 659 positions.

DIVIDENDS (€ CTS)

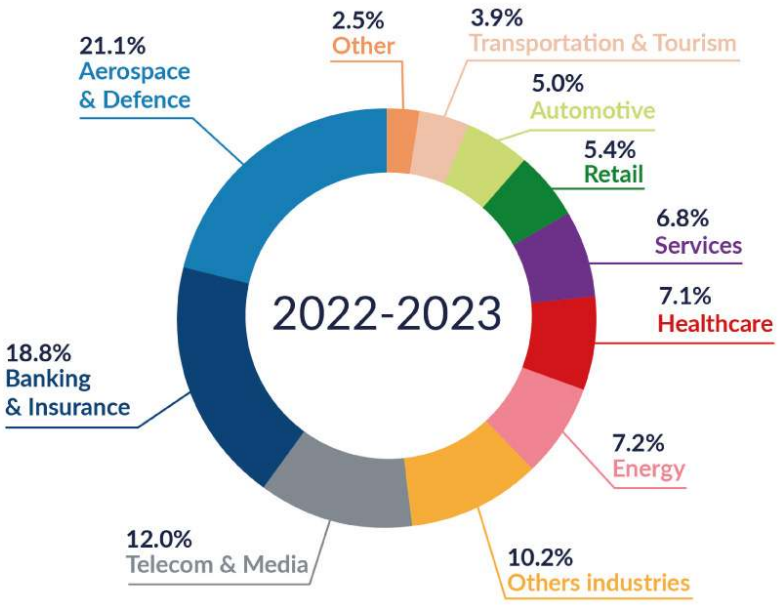
(*): proposed dividend payout submitted to the shareholders' meeting of September 21, 2023

IN 2022-2023...

REVENUE BY REGION



REVENUE BY SECTOR (%)



Selected data from the consolidated financial statements

Period	From 04/01/2022 to 03/31/2023	From 04/01/2021 to 03/31/2022	From 04/01/2020 to 03/31/2021
Length	12 months	12 months	12 months
Currency	€000	€000	€000
Revenue	1,022,547	828,875	654,188
Operating income	100,661	79,065	34,697
Income before taxes	105,411	78,149	34,391
Net income	80,467	59,412	24,732
Net income after minority interests	80,460	59,377	24,931
Capital stock	40,000	40,000	40 000
Shareholder's equity	266,533	219,131	180,874
Long term debt	12,416	18,669	15,801
Non current assets	164,717	126,898	122,576
Total assets	673,047	552,417	466,636

1.1.2. Highlights of the year

In a complex and uncertain environment, the SII Group has taken full advantage of all the opportunities created by the needs that have arisen following the COVID-19 health crisis and the geopolitical crisis linked to the war in Ukraine.

For the second year running, organic sales growth was remarkable, at over 20.0%. With the exception of Spain, all of the Group's entities contributed to growth in revenues and improved operating income. Two symbolic thresholds were crossed as the SII Group broke through €1 billion in revenues and €100 million in operating income.

The Group rounded out its organic development with an acquisition in France in the cloud sector.

All of these factors contributed to the delivery of results in line with targets updated during the financial year.

The second half of the year saw a slowdown in demand from our key clients.

In addition to the concerns at the end of last year, there was uncertainty around monetary policies aimed at reducing inflation. Whether there's a soft landing, an economic slowdown or a recession, any one of these scenarios seems possible, with economic players adopting a wait-and-see approach.

The SII Group will again have to operate against a backdrop of unprecedented conditions in 2023-2024. As we move into a new chapter, we can look back on a highly rewarding year.

1.1.3. Recent events

After a particularly buoyant year in 2022-2023, the SII Group is continuing its organic growth at a more moderate pace.

SII France made an acquisition in the Netherlands in May 2023. RISA-IT became an SII Group company, enhancing the geographical and technological offering in the Dutch market.

1.2. The Company and its development

1.2.1. Overview of the business

Our identity

Our business is to support companies in the integration of new technologies, innovation management processes and methods, to contribute to the development of their future products or services, and to develop their information systems.

Hybrid positioning around Technology Consulting and Digital Services

12 000 consultants – **18 countries** – **100 locations** – **4 continents**

Our ambition is to participate in the design and digitalisation processes to make them sustainable and accessible to as many people as possible, while generating added value for our customers.

Developing **a digital and sustainable world** together.

The SII group wants to combine customer satisfaction with the well-being and development of its employees in a sustainable and ethical manner while delivering a high level of performance for its shareholders.

History

The SII Group has made its experience and know-how available to its customers for more than forty years

1979 – 1984: The beginnings

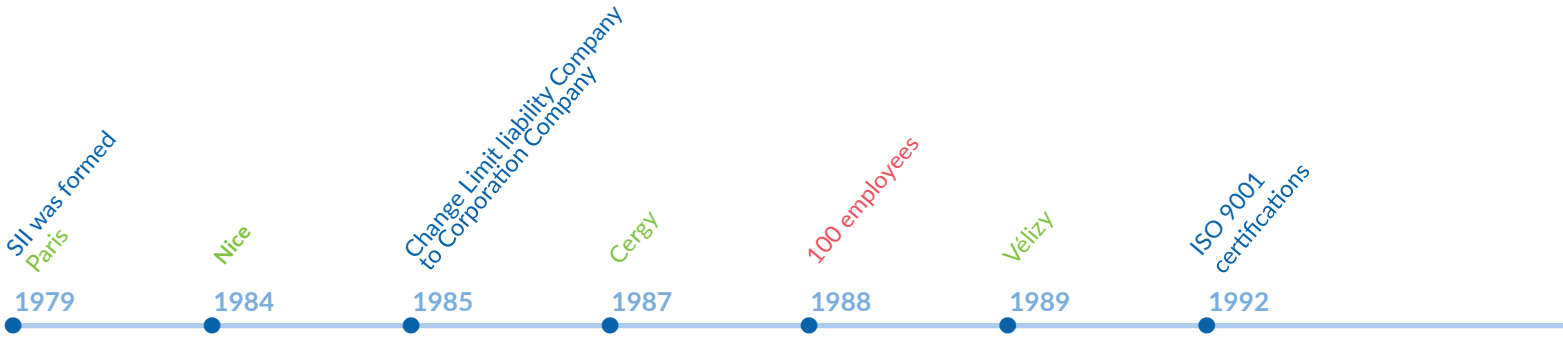
Bernard Huvé, a consulting engineer specialising in industrial information technology for large institutions (Bull, Atomic Energy Authority and Philips), formed SII.

At the time, SII worked exclusively on turnkey projects, primarily in three areas:

- information systems for sugar refineries, jointly with Philips Sciences & Industry;
- the development of a line of products for concrete plants, using early microcontrollers;
- electronic quality control systems for the automotive industry, using a client-server architecture that came into use on a wide scale in the late 1980s.

1984 – 1991: The first branch offices

Our first branch office was opened in Nice (1984) in connection with a large contract with IBM. Others followed in the Paris region, first at Cergy-Pontoise (1987) for Sagem, then at Vélizy (1989) for Matra, Renault and Sextant. The company's staff was increased to 120.



1991 - 1992: The market bottoms out

SII was shaken up by the recession in the IT sectors, as:

- customers deferred their capital projects (IBM stopped its outsourcing activity);
- corporate purchasing departments were put in charge of key decisions

The company incurred a loss of €350k in fiscal 1991-1992, when sales dropped to €8.7m and some 130 persons were on the payroll. It remains SII's only money- losing year since its incorporation. Drastic, long-term measures had to be taken. Sales departments were set up at each branch office and services were refocused to better respond to customers' demands, which at the time were chiefly for technical assistance.

1992-1996: Cultural revolution

By adapting its line of services, SII managed to overcome the recession. The resulting growth model is based on decentralised decision-making, with local services for major accounts.

At the same time, SII implemented strict management practices and reporting requirements, while promoting awareness among the employees of the need to improve productivity and profitability.

The foundations for the future were laid in 1992, as a quality manual was issued which clearly set out development methods, procedures and best practices. This led to SII gaining an ISO 9001 certification for its entire operation.

1997 – 2000: Sustained growth

The development strategy was applied in all of France, with branch offices opening in Rennes (1997) for the telecommunications and digital televisions industries and in Aix-en-Provence (1998) for the naval defence sector. They were rapidly followed by openings in Nantes, Toulouse, Strasbourg and Lille during the same period.

In 1999, in order to raise its profile, SII made an initial public offering in Paris (on the second market at the time).

2001 – 2004: Adverse economic conditions

There was a new downturn, as there had been ten years earlier. This time, however, the Company was structured, ten times as large, and was providing services to leading corporations, with large financial reserves that made it possible to absorb the shock of a brutal deterioration in market conditions. SII continued to grow (in terms of both sales and the size of its staff) and to post profits.

2005 – 2007: A new take-off

After two years of decline in the sector, growth resumed at 6 to 7 percent a year over the ensuing period, driven by technological innovation, the need to adapt to change, and the search for improvements in productivity.

SII started its international expansion by opening a subsidiary in Poland. At home, it continued to improve its regional coverage with several new branch offices (in Bordeaux, Brest, Caen, La Ciotat, Lannion, Le Mans, Lyon, Niort, Montpellier, Tours and Vitrolles).

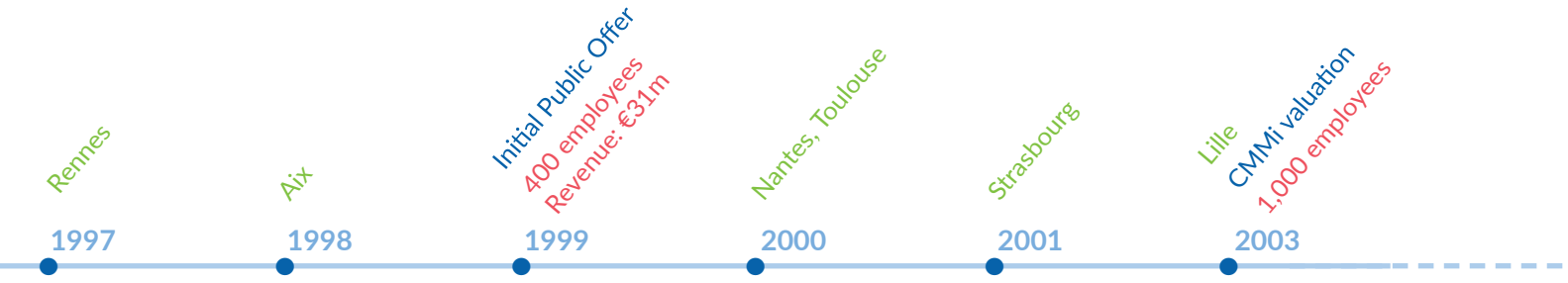
2007 – 2008: Management changes

A new management team took over at the end of 2007, as Bernard Huvé became the chairman of the Supervisory Board and a Management Board was formed with the following membership:

- Eric Matteucci, Management Board chairman,
- Patrice Demay, Management Board member in charge of development in France,
- Jean-Paul Chevée, Management Board member in charge of international development.

The business continued to grow at a sustained pace in France and the SII Group increased its international presence:

- Two subsidiaries were formed, in Praha and Brussels;
- SII Morocco, an offshore facility, was set up in Casablanca;
- Acquisition in Switzerland;
- Acquisition in Spain.



2009:
More turmoil in the industry

The business environment deteriorated quickly and hit new lows. The world economy was in trouble, with no one able to predict how extensive the problem was or how long it would last. Although SII's sector did not escape the crisis, the SII Group enjoyed structural advantages that made it possible for it to continue operating undisturbed during the period. Compared with the end of the last recession (in late 2004), the SII Group had now doubled in size and had balanced its exposure to sectors. Its financial resources were unaffected and were sufficient for it to prepare for the future.

SII benefited from its practice of many years, of investing in methods, quality assurance and the mass-application of its processes.

As economic conditions became increasingly adverse, the SII Group demonstrated its business and organisation maturity, the key to its long-term future. At the same time, it increased its net worth and available cash balances.

Early 2010:
Continued expansion and first signs of a recovery

Demand inched back up in early 2010, as corporations again considered projects that had been put on the back burner at the start of the recession. The order book started filling up and the pace of hiring increased at SII. At the same time, the Group continued to expand its international operations with an acquisition in Germany, giving it a foothold in Europe's largest market.

Within a little more than two years, the SII Group expanded its reach to ten countries outside France, where its annual revenue rose tenfold to almost twenty-eight million euros, accounting for 15 percent of the Group's total.

2010 – 2011:
New conquests

Fiscal 2010-2011 provided confirmation of recent developments. The SII Group added new services which were much in demand by customers seeking to produce more value added.

Revenue increased again at the same pace as in earlier period (by 17 percent) and the operating margin improved significantly, although it failed to return to its pre-recession level.

2011 – 2012:
An up-and-down year

The year once again saw the sector affected by turmoil in the general economy. In spite of the adverse environment, SII's strategy and positioning in the market enable it to continue growing as it had the previous year. Conditions worsened toward the end of the period, however, and future developments were again difficult to predict.

While the Group tended to react protectively, growth opportunities still appeared. Two acquisitions were made during the period, aimed at reinforcing SII's position in South-eastern France and Belgium.

International operations continued to grow rapidly and now accounted for almost one-fourth of the Group's annual revenue.

2012 – 2013:
More wait-and-see attitudes

In France, the period was marked by a sharp decline in capital spending by business. The budgets set aside for technological projects were slowly but steadily reduced. The SII Group had to adapt to that environment and prepare for the future.

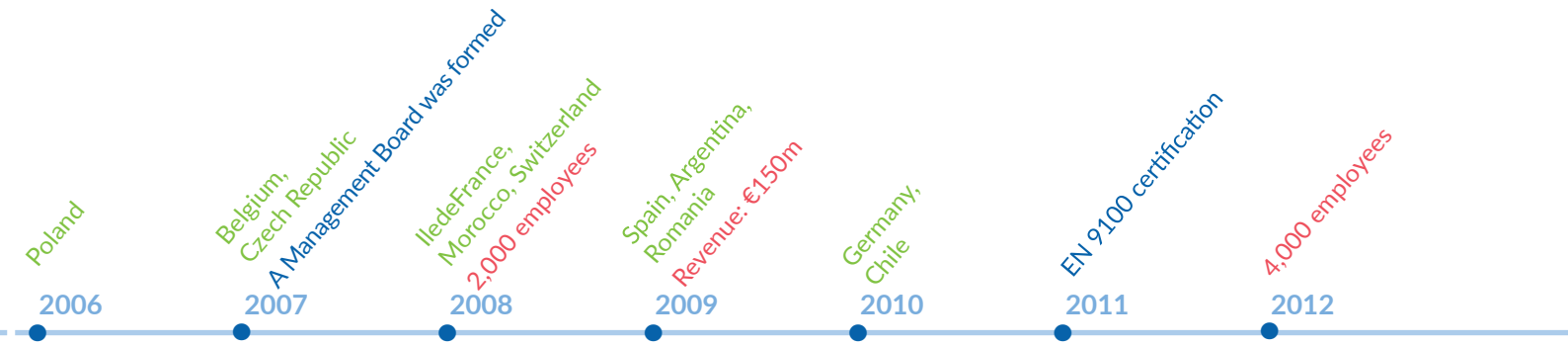
Outside France, the SII Group continued to expand, including into new markets.

2013 - 2015:
The gap widens between French and foreign operations

There has been a continued economic slowdown and decline in business investment in France. Revenue at the SII Group fell for two consecutive years for the first time in the company's history.

The offsetting growth in international operations has proved durable and validates the Group's expansion strategy:

- New acquisition in Germany, amalgamated into existing operations;
- New subsidiary in the Netherlands;
- Acquisition in Colombia.



2015 – 2016:
The onset of an economic recovery in France

After two years in which business declined in France, growth appears to have returned. SII's two main sectors (telecommunications and aerospace & defence) are stabilising and sales have been boosted by developments in two new sectors (energy and banks & insurance).

The expansion of international operations has been continuing on a sustained basis, helped by a new acquisition in Germany and the Group's entry into two new markets.

- New acquisition in Germany;
- New operations in Canada and England.

2016 – 2019:
Resumption of sustained growth

Thanks to the quality of the services it offers and the fact that they correspond closely to our customers' needs, the SII Group has taken full advantage of a business environment benefiting large numbers of digital technology projects.

A new positive cycle appears to be emerging in most sectors and regions where the Group operates. The strategy followed during the long period of stagnation is proving effective.

- Acquisition in France in the banking and insurance sector.
- New operations in Sweden.

2020 - 2021:
A health pandemic breaks the trend

The 2019/2020 financial year was continuing the scenario from the previous year. However, market dynamics in September 2019 were weaker than in previous years. Some sectors were holding back on investments without announcing a sudden halt.

Then, in early 2020, came the COVID-19 health crisis. The first few weeks saw doubts set in, demand was less sustained, but there was nothing to suggest what would happen next. In early March 2020, health concerns were gaining ground, and countries started to make the first difficult political decisions, leading to fears of a "disaster" scenario. In France, the government decided that lockdown should begin on March 16, 2020. This lockdown marked the start of the market turnaround and of a hitherto "unimaginable" economic crisis. All countries have seen spectacularly large falls in GDP, falls never before seen by the generation in political and economic power. We are facing an unprecedented scenario even though many components are similar in nature to previous crises.

Fortunately, the SII Group is even stronger than it was during the 2009 crisis, which seemed exceptional in size. The group's economic fundamentals, including its balance sheet structure, net cash position and strategic positioning, and its organisational foundations mean that it has many strengths with which to face this economic crisis.

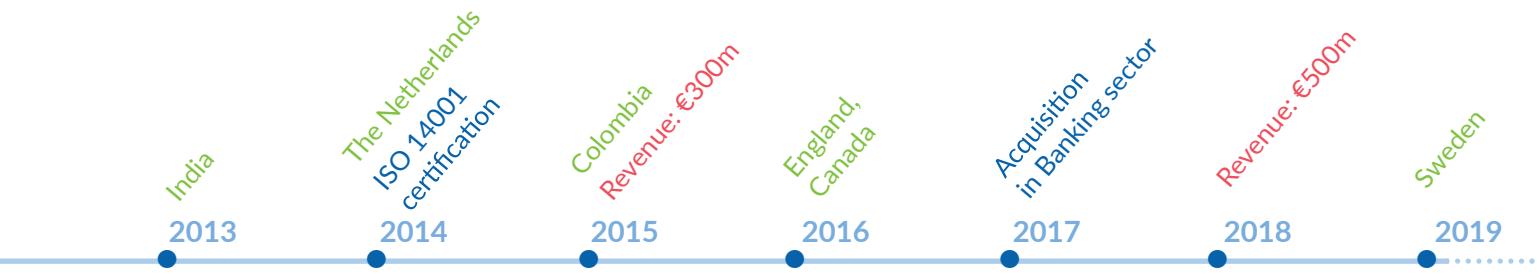
The 2020/2021 financial year confirmed the rebound in activity month after month. The slope is steep, the path is long, but the movement began at the end of the first lockdown. Each quarter saw the decline fall. After international activities, whose overall momentum remained positive throughout the year, the last quarter of the financial year marked a return to organic growth within the France scope.

2021 - 2022:
A year of strong recovery... and uncertainty

The rebound that began in the previous year is confirmed and accelerating. All the sectors in which the group operates are experiencing strong demand due to a new optimism. Many projects are being launched or relaunched.

Thanks to its anticipation and organisation, the SII group is taking full advantage of this recovery. All activities in France and abroad are driven by this spirit. The management indicators are all turning green again one after the other. The results for the financial year confirm this euphoria and will show a performance beyond expectations and beyond the performances over the last decade.

We barely had any time to savour this situation before the clouds came back in force with worries piling up: a geopolitical crisis is added to a health situation without any real certainty, and the whole thing turns into major economic fears. The immediate future will be done even before the scenario is finalised. The SII group will face a new period without a compass.



2022 – 2023 :
A change of scale

This year reaped the full benefit of all the acquisitions completed or begun in the previous financial year. While a few sectors are stalling, others are still very active.

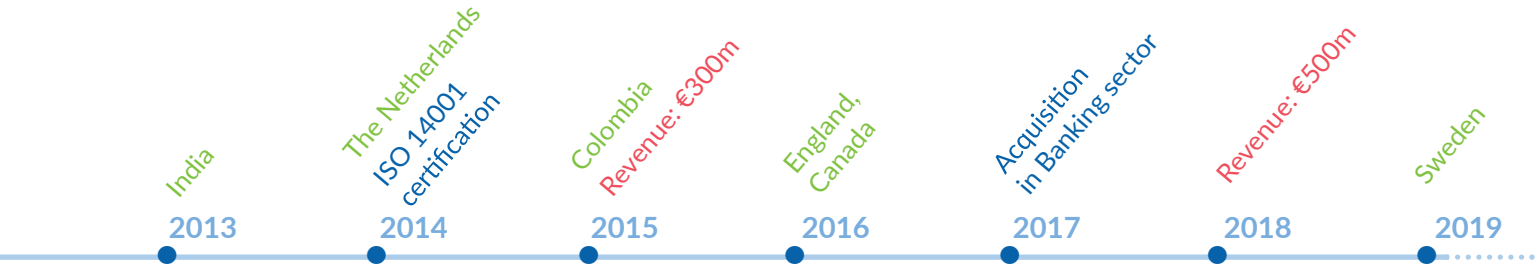
Geographically, all countries other than Spain exhibited growth along with an improvement in their results.

The main management indicators remained at or returned to historical highs. An acquisition just after the end of the financial year rounded out the Group's offer and represents a driver for future growth.

As a result, for the first time in its history, the SII Group exceeded the symbolic thresholds of €1 billion in revenues and €100 million in operating income.

The end of the financial year provided just enough time for appreciation of these record results before the deterioration foreseen at the end of last year set in. The economic environment is tightening and demand is gradually drying up. A few sectors are holding up well, including defence, aeronautics and energy, but the overall trend is becoming established.

We now need to manage this transition and prepare for the future of the Group in an environment where digital technology occupies its rightful place, continuing with our sector-based, geographical and technological expansion.



OUR VALUE CREATION PROCESS

KEY RESSOURCES

HUMAN CAPITAL

- More than **16,000** collaborators (employees and freelancers) spread over **4** continents, **18** countries and **100** locations
- A multicultural group rich in **89** nationalities
- Qualified, trained and supported staff
- A unique corporate culture based on strong values
- Employees' capacity for action to develop the company and its practices.

FINANCIAL CAPITAL

- A **healthy and robust** financial structure
- Consolidated revenue of **€1022,5m**, **23,1 %** rising, and generated net income of **€80,5m**
- An ambitious development strategy

IMMATERIAL / INTELLECTUAL CAPITAL

- A portfolio of **multi-sector expertise**
- An R&D unit: **SII Research**
- An **Integrated Management System** certified

SOCIETAL CAPITAL

- A **strong foothold** in the areas in which we operate
- A **sustainable approach** integrated into our **development strategy**
- **Responsible and ethical** conduct affirmed

OUR MISSION

Supporting companies in **the integration of new technologies, processes and innovation management methods**, contributing to the development of their future products or services and **developing their information systems**.

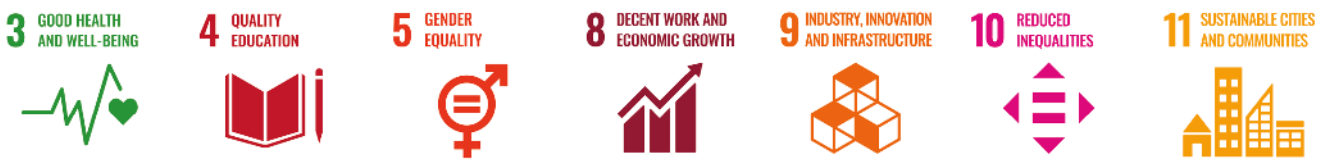
OUR STRATEGY

Develop to satisfy our customers: remain an independent and attractive player, remain a strategic supplier to offer a wider range of solutions, and more motivating opportunities to our employees;

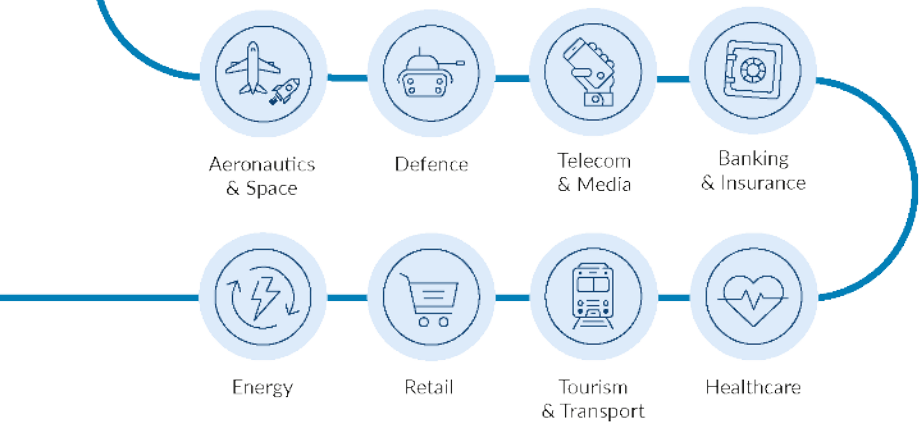
Together for the professional development of our employees: keep our cultural specificities, continue to have fun;

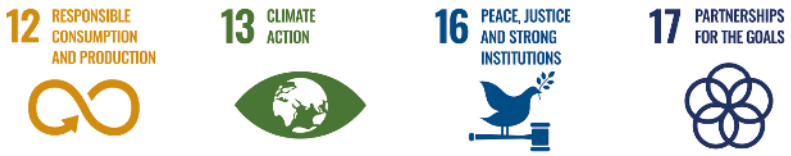
A digital and sustainable world in building a digital and sustainable world: making new digital uses accessible for everyone, and add feeling to our actions by integrating social and environmental concerns.

*SDGs TO WHICH THE GROUP MAKES A SIGNIFICANT CONTRIBUTION



OUR KEY BUSINESS SECTORS





A VALUE SHARED WITH OUR STAKEHOLDERS

OUR EMPLOYEES

- A group-wide approach to improving well-being at work: **Great Place To Work - Belgium, Canada, Chile, Colombia, Espagne, France, Germany, India, Morocco, Netherlands, Poland, Czech Republic, United Kingdom, Romania / Best employer 2023 by Capital magazine**
- Stimulating professional development: **125,000 hours of training**
- A unifying employer brand: **#fungenieur**

OUR CLIENTS ET PARTNERS

- Sustainability of customer relationships: **97.1% of satisfaction in line with expectations and beyond.**
- Recognised service quality: **93% of SII entities are ISO 9001 certified**
- Certified « **Qualiopi** » training organisation: **SII Learning**
- Recognised CSR performance: **SII is among the top 1% of the best-rated companies in the #IT sector according to the EcoVadis methodology (score of 76/100)**

OUR SHAREHOLDERS

- Value creation
- Stability and sustainability of the company's main shareholders
- Transparency and risk management
- Fair practices
- An overall Environmental, Social and Governance (ESG) **score of 63/100 in the Gaïa Rating 2022 campaign.**

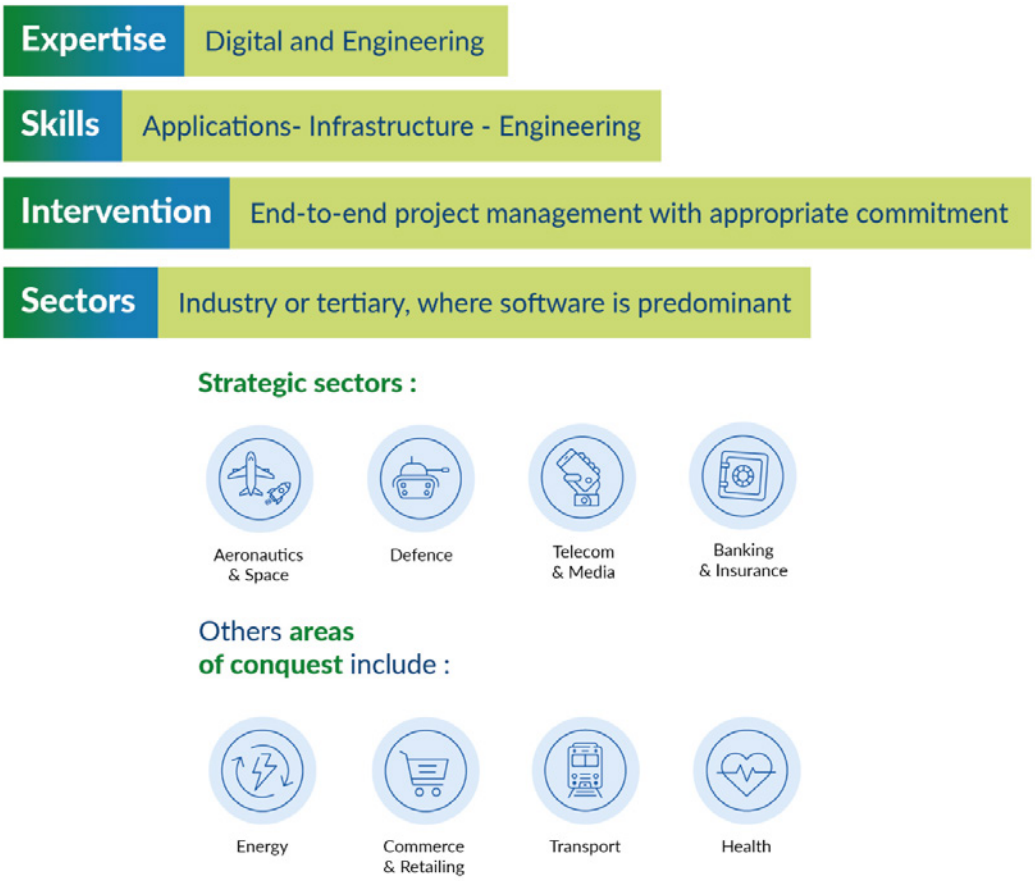
THE COMPANY

- A commitment to the UN Global Compact: **GC Advanced level**
- A contribution to Sustainable Development Goals (SDGs): **11 SDGs to which the group makes a significant contribution***
- Controlling the environmental impact of our activities: **33% SII entities ISO 14001 certified / Commitment for Planet Tech Care for a more responsible digital world**
- Mobilization for the general interest and for others: **SII corporate foundation, 5 projects supported in 2021, up to €39,500**

The business of the SII Group

Our know-how

As a Transformer, we support the convergence of digital and engineering by building pragmatic solutions for our customers (functional, methodological, technological) in order to accelerate and facilitate their transformation.



Services for various sectors, in many areas

Since its inception, the SII Group has developed two lines of business:

- Outsourced R&D or technology consulting;
- IT consulting and services in connection with the integration of new technologies aimed at developing the digital capabilities of companies.

The technology consulting and systems integration sector could be divided into three segments:

Research and consulting services

This covers the professional services of specialized consultants and experts prior to the start of projects or in connection with their planning:

- determination of requirements;
- audit, diagnostic and innovation consulting;
- drafting of specifications and design of prototypes;
- systems configuration and security;
- deployment logistics;
- implementation assistance.

Systems integration

The wide range of skills, technologies and methods developed within the SII Group makes it possible for it to offer solutions adapted to each situation:

- design and assembly of systems based on heterogeneous component parts incorporating the most advanced technologies available;
- maintenance or third-party maintenance of those systems.

Our ability to handle entire projects, to work as a team and lead projects can be put into practice as the need arises.

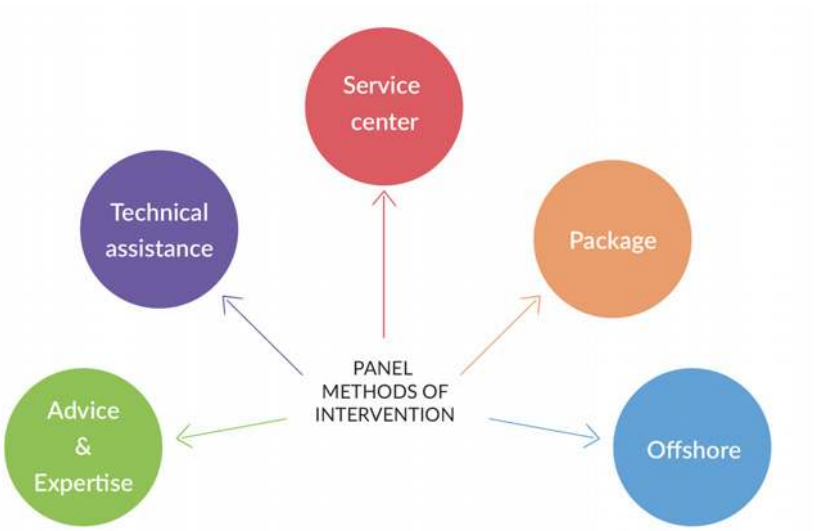
Engineering

The essential prerequisites for this activity are to have accumulated know-how, wide ranging engineering expertise (not merely in information technology) and a clear understanding of the fundamentals of customers' business.

The diverse nature of projects handled by the SII Group and its variety of customers have made the Group a leading firm in its sector, active in a wide range of specialised engineering fields in the following areas:

- **embedded IT -** embedded and real time software, command control software, control software, test benches, electronics.
- **information systems -** master plan, architecture, design, development, optimisation, deployment, operation, maintenance.
- **new information and communication technologies -** new applications, new tools, information processing.
- **infrastructures -** network and telecommunications architecture: design, development, optimisation, security, storage, database, hosting.
- **scientific and system engineering -** in the aviation, aerospace, naval, defence, transportation and high-tech sectors.

All of these activities are carried out as part of full-service delivery solutions:



Stakeholders

Stakeholder mapping

SII strives to take into consideration the social and environmental ecosystem in which the Group operates. Therefore, SII is committed to all its stakeholders in its ecosystem in order to best meet their needs, expectations and requirements.

Strategic stakeholders

Employees

- Valuing their activities
- Broadening their skills
- Well-being at work

Customers

- Optimal balance between quality, deadlines and costs
- Appropriate response to their needs and requirements

Shareholders

- Increase in the SII share price
- Long-term dividend policy
- Transparency and risk management
- Compliance with business ethics

Very important stakeholders

Job applicants

- Matching future employees' expectations and what SII can offer (tasks, benefits, quality of life at work)

Important stakeholders

Suppliers and subcontractors

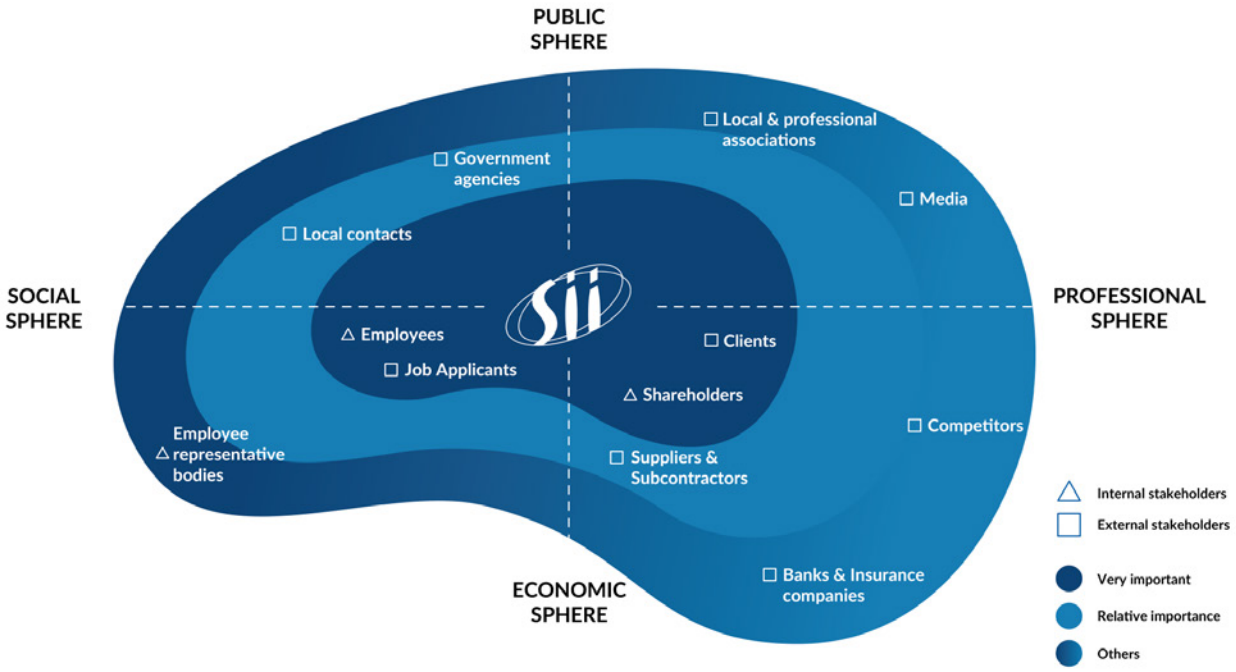
- Sustainability of relationships
- Mutual trust
- Maintaining the chain of trust regarding the SII Group's customers
- Mutual benefits

Government bodies

- Compliance with regulations
- Protection of technical and scientific assets
- Optimal, transparent and adequate communication
- Environmental protection

Local contacts

- Listening and consideration of needs and expectations
- Contribution to local dynamics locales



Significant stakeholders

Competitors

- Compliance with business ethics
- No unfair competition

Employee Representative Bodies (ERB)

- Compliance with the law
- Listening to demands
- Continuous, transparent and constructive social dialogue

Local and professional associations

- Social participation
- Education on social issues (health, environment, etc.)
- Passing on knowledge and information
- Mutual advertising

Banking and Insurance

- Good financial health
- Good prudential practices

Media

- Regular global communication
- Monitoring and taking into account influential publications related to the group's activities or ambitions

Organisation

The local branch office: proximity at the forefront of services

Local branch offices are the Group's basic entities. They offer local customers more individualised attention and access to nearby professional services. Each branch office is in charge of generating its own business and managing its expertise in its geographical area. As such, local branch offices offer the advantage of small-scale business that are at once simple, transparent and motivating for their staff.

The heads of local branch offices are responsible for both:

- the management and development of their customer portfolio; and
- the hiring of engineers and the development of their potential.

The Group's decentralised organisation is a source of transparency and efficiency. It has the following advantages:

Flexibility and responsiveness

The technical, commercial, human resources, sales administration and quality assurance teams work together under the authority of the branch office manager. The basic management structure ensures that SII's services are more effective.

Delegation of authority

Each local branch office is operated as a profit centre. It has its own budget and a full complement of financial indicators. The head of each branch office is a true entrepreneur, with all the risks and opportunities that this implies. The margins generated by a branch office are a factor in its manager's compensation.

Consideration of local conditions

The SII Group's goal is to develop its business through both organic growth and acquisitions. Its business model makes it possible for each branch office to evolve independently whenever their respective size, market and maturity differ.

Development Department

This department, which was set up in 2019, is intended to support the Group's development by managing customer relations in strategic sectors and by structuring the Group's value propositions across the entire value chain.

Operations Department

Created in 2021, this department organises the Group's multi-site (national and transnational) productions to ensure the highest level of quality and security for our customers.

Geographic Departments

To increase synergies within the SII Group, whether geographic, sectoral or technological, in 2019 the Group decided to set up several geographic departments in France and abroad to pursue its development.

Administrative and financial oversight

Two-tier, real-time oversight of the business for a highly responsive operation.

Decentralisation requires common procedures, practices, methods and tools. Clear and detailed reporting is necessary for top management to have an analytical view of the branch offices and an overview of the entire business.

The SII Group uses a specific system to monitor projects and personnel at the local level and to generate aggregate data that provides it with a summary view of consolidated monthly activity.

Sales and purchases are managed at the local level. All relevant accounting documents are immediately forwarded to the corporate department in charge of financial reporting, control, internal audit, payroll and the preparation of related administrative, employment and tax documents.

Executive Committee (Comex)

Helping to define and implement the strategy defined by the Management Board: this is the task of Comex, the group's new management body.

from left to right:

Xavier Michard, Olivier Journel, Charles Mauclair, Maud Lorant, François Goalabré, Eric Matteucci, Hélène Doumerc, Didier Bonnet, Antoine Leclercq

Corporate culture

The key value reflected in the SII Group's corporate culture are commitment, responsibility, transparency, trust, quality and professionalism

SII seeks to move beyond simple employer-employee relationships and has accordingly put in place:

- periodic and individualised monitoring of each employee;
- individual interviews for all personnel;
- monitoring of how projects progress, with guidelines incorporated into the quality system;
- regular branch office meetings (generally every quarter) for sharing information about the company's activity, including one at which the year's results and outlook are presented and discussed;
- a set of well-funded local employee representative committees, under an umbrella central corporate committee.

Each branch office also communicates and disseminates information by various means aimed at fostering employee involvement and promoting group dynamics, including dedicated extranet sites, blogs, podcasts and newsletters.

Commitment and responsibility

All Group employees are given the tools and authority that go with their job. They are encouraged to provide feedback and make suggestions regarding the commercial and operating aspects of the business. This valuation of commitments means that employees have the right to experiment and to make mistakes. There are opportunities for career advancement in-house, based on human values.

Transparency

Information on the Company's business is provided to its employees, shareholders and customers in a fair, prompt, exhaustive and readily understandable manner. Financial results, trends, objectives and the operation branch offices are not considered confidential business information.

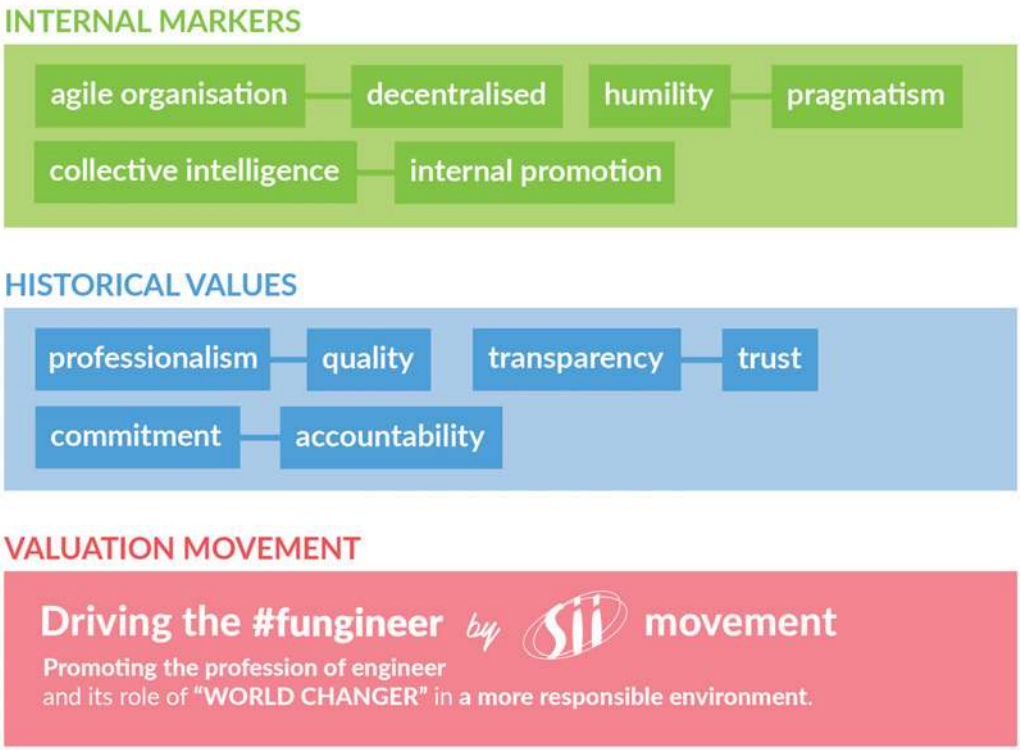
Trust

At SII, trust is the rule and serves as the foundation for relationships within the Group. This way of doing things implies reciprocity, namely a permanent demand for quality and requirement that employees endorse the project and the corporate culture.

Quality and professionalism

These are the time-tested values of a company formed by engineers drawn from the world of technology. While SII has acquired a business dimension over time, those original value continue to prevail.

Other values form an intrinsic part of the Company's corporate culture, such as humility, prudence, delegation of authority, respect for others, ethics, etc.



The "Great Place To Work" label recognises the embodiment of this DNA.

The desire to offer all our teams a stimulating working environment that fosters the development of their skills and careers is at the heart of our strategy.

Employment and training

The success of the SII Group directly depends on the quality of its staff. That is why the Group views employee hiring and training as major competitive factors

Hiring

A team of specialists is in charge of hiring at all times, because in an engineering consulting and service company, hiring plays a key role in production results.

All channels are used to contact potential job applicants, including advertising, placement sites, trade shows, school forums, student branch offices, junior firms, training programs, social networks, job search sites, etc. in full compliance with professional practice and codes of conduct.

Respect and transparency are the core of the hiring process: applicants have access to all the information they need about the Company and its projects, and can express themselves freely.

Future employees are selected by means of a rigorous process, based on their technical skills, ability to hold a service job (teamwork, attention, intellectual inquisitiveness, enthusiasm, mobility and adaptability, and the ability to communicate) and their endorsement of the corporate culture.

Training

The SII Group is aware of the fact its chief asset is its personnel and is accordingly keen to nurture the technical, technological and human skills of its staff. A substantial budget is set aside for this purpose, well in excess of that required by law. The Group places emphasis on several practices in this area:

- sponsorship, buddy system for newly-hired employees, in particular those in their first job;
- training in specific technologies;
- training in applied quality system processes and methods;
- personal development programs;
- language courses.

Certifications

Since its inception, the SII Group has sought to streamline its services, a process that is continually evolving

A pioneer in terms of quality, SII has gained a wide reputation and its processes have matured. The methods it has developed have been bolstered over time with the addition of new tools, standards, metrics and procedures.

Certifications enable the Group to:

- apply its process throughout its operations so as to bring uniformity to projects;
- capitalise company data with a view to achieving continued improvements on an ongoing basis;
- be more competitive and mature.

ISO 9001

The Company received its first ISO 9001 certification in 1992. It was extended the following year to include all of SII's facilities and operations. Since then, it has been continually renewed by the French Quality Assurance Association (AFAQ), so that SII has now been ISO 9001 certified for thirty years.

EN 9100

This standard, based on the ISO 9001 principles, is specifically intended for the aerospace and defence sectors. It was drafted at the initiative of the leading firms in the industry and has become a necessary prerequisite for all service providers in these areas.

CMMi®

Since 2003, SII has implemented an additional quality assurance measure intended for the engineering sector. The CMMi® (Capability Maturity Model Integration) is a set of good practices used to assess and improve an organisation's ability to efficiently deliver products and services corresponding to agreed quality, delivery time and cost specifications. The procedure has led the company to undergo a level-3 appraisal.

ITIL

By implementing the ITIL good practices, the SII group ensures that its customers receive services at a level that corresponds to the pre-established international quality standards.

ISO 27001

The specific features of that standard are being incorporated into the SII Group's quality processes. The first certifications have been obtained and pave the way for deployment. This new element complements our practices and strengthens our commitments to our customers and other stakeholders.

ISO 14001

The SII group has decided to operate its business in a manner consistent with sustainable growth and the interests of all the ecosystem's stakeholders. Doing so fosters internal cohesiveness and improves performance. Several of the Group's facilities have received ISO 14001 certifications and the procedure is continuing. As a general matter, the Group is gradually becoming more socially responsible and its objective is to attain a new level of excellence.

SII Worldwide

BELGIUM

2007 - SII set up a subsidiary in Brussels. With the acquisition of a company in April 2011, the group bolstered its position with operations in Brussels, Bruges, Antwerp and Liege. SII Belgium specialises in new technologies for the development of multi-platform e-business applications. In 2021, SII Belgium will triple in size through external growth.

€12.8M Fiscal 2022/2023 revenue

72 Headcount on 3/31/2023

Business sectors: *Energy, Media, Services*

UNITED KINGDOM

2016 - SII has formed a subsidiary in London to provide support for its customers in the aerospace and defence industries.

€5.0M Fiscal 2022/2023 revenue

57 Headcount on 3/31/2023

Business sectors: *Defence, Aerospace, Telecom*

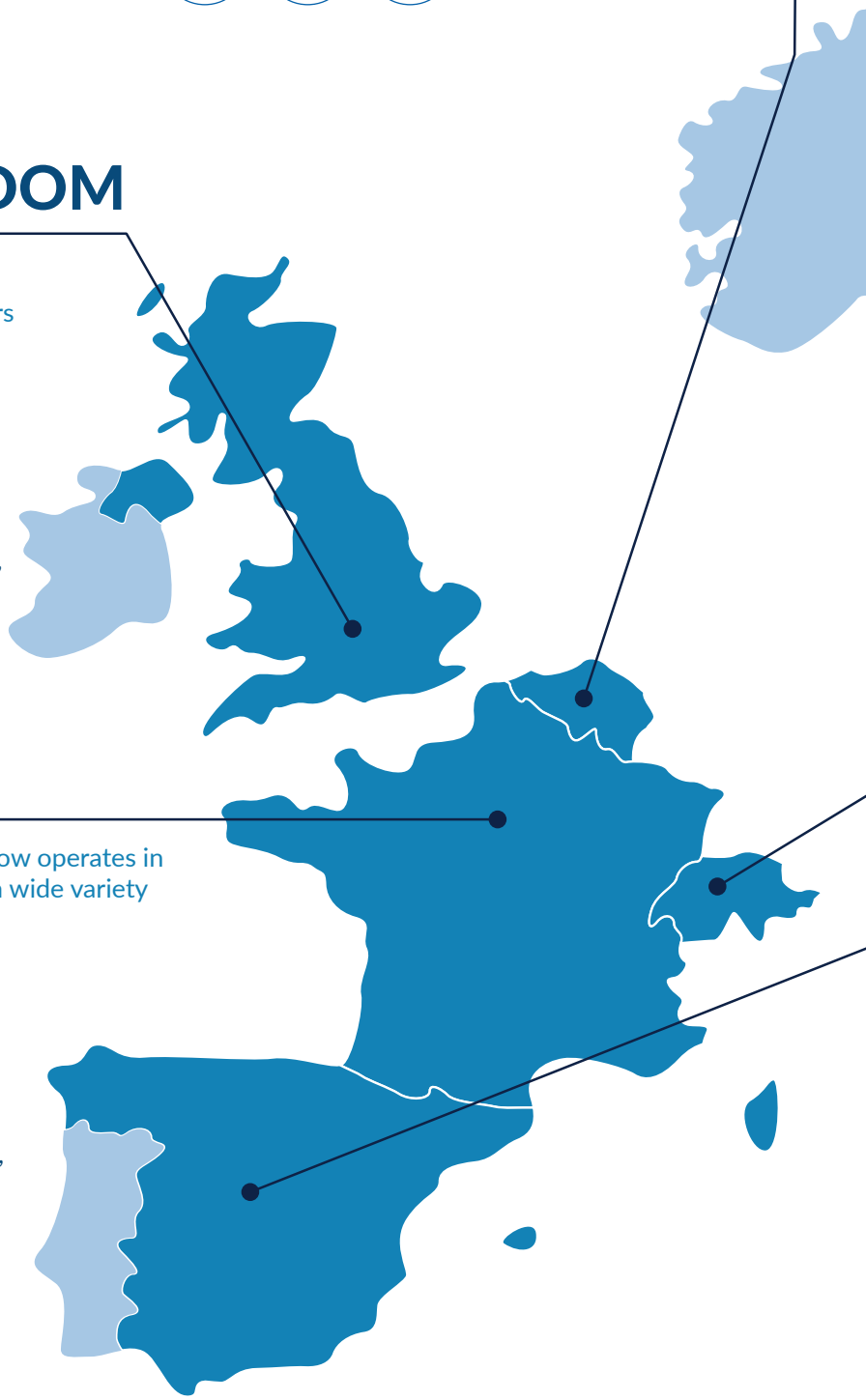
FRANCE

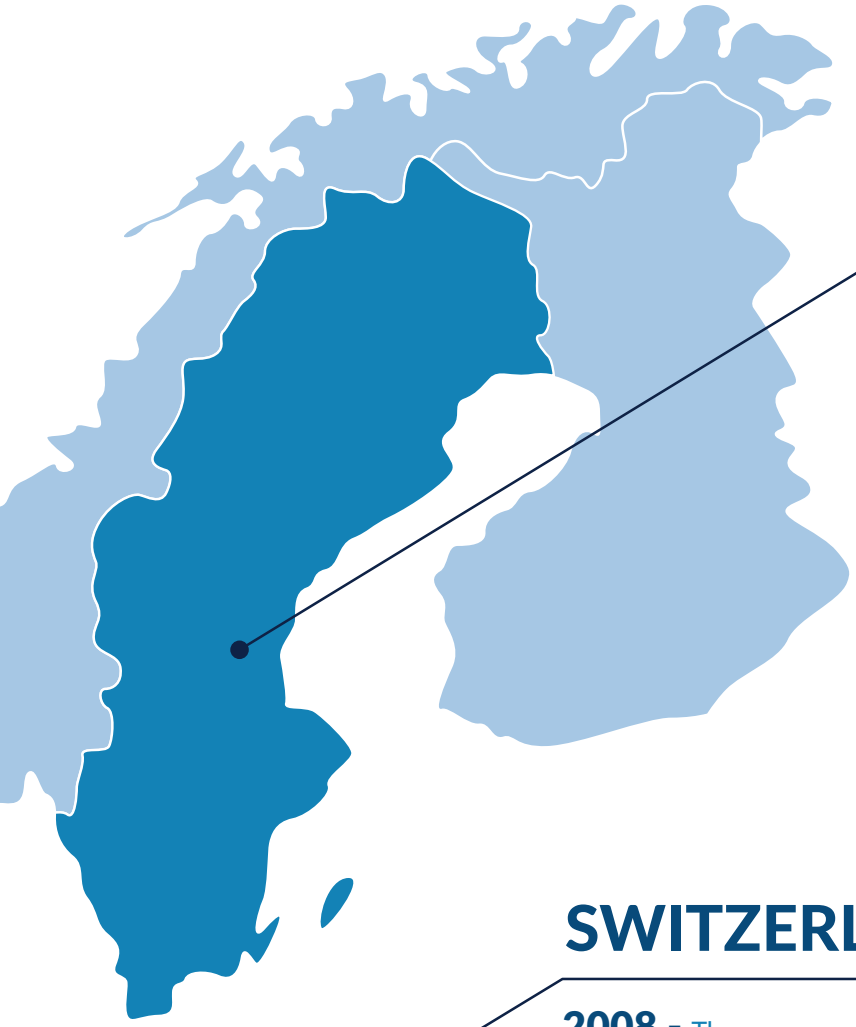
SII started in France in 1979 and the group now operates in nine main business areas in France covering a wide variety of sectors.

€435.2M Fiscal 2022/2023 revenue

5 025 Headcount on 3/31/2023

Business sectors: *Aerospace, Banking, Defence, Energy, Telecom*





SWEDEN

2018 - New location in Stockholm for customer support. A new subsidiary was set up managed by SII Poland.

€2.7M Fiscal 2022/2023 revenue

11 Headcount on 3/31/2023

SWITZERLAND

2008 - The group opened its swiss branch office in Geneva. SII Switzerland specialises in information systems and infrastructure engineering.

€1.3M Fiscal 2022/2023 revenue

SPAIN

2009 - Acquisition of a company with branch offices in Barcelona, Madrid and Valencia. SII Concatel is a specialist in new information and communication technology.

€41.5M Fiscal 2022/2023 revenue

641 Headcount on 3/31/2023

Business sectors: *Banking, Services, Telecom, Transport*

CZECH REPUBLIC

2007 - SII continue to expand into Central Europe and opened a branch office in Praha. The subsidiary specialises in engineering for information systems and infrastructures.

€5.4M Fiscal 2022/2023 revenue

44 Headcount on 3/31/2023

Business sectors:
Banking, Automobile, Digital security

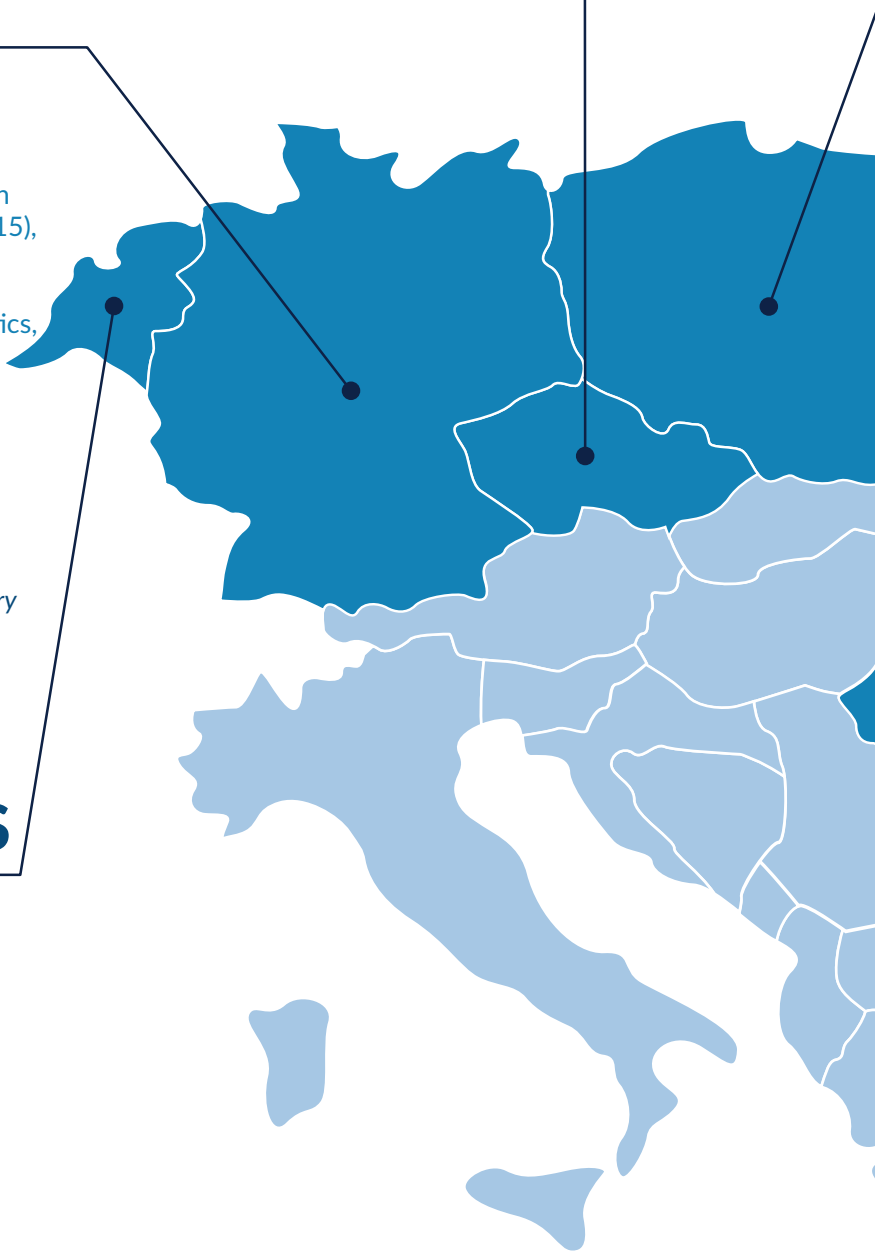
GERMANY

2010 - SII invested in the largest European economy by acquiring a company operating in the aeronautical sector in Stuttgart, Hamburg and Munich. Business has been strengthened in particular by two new acquisitions (2014 & 2015), which has enabled the SII group to pursue its development in this area. Business in Germany is in several economic sectors, mainly aeronautics, automotive, equipment, energy and health.

€52.1M Fiscal 2022/2023 revenue

542 Headcount on 3/31/2023

Business sectors:
Aerospace, Automobile et Industry



NETHERLANDS

2014 - SII Netherlands, a new subsidiary based in Amesterdam, emerged out of a merger in Germany. The company is mainly involved in aeronautical design projects.

€3.3M Fiscal 2022/2023 revenue

42 Headcount on 3/31/2023

Business sectors:
Aerospace, Services

POLAND

2006 - SII Poland was the group's first foreign venture and the subsidiary now has offices in the country's main business centers of Warsaw, Gdansk, Wroclaw, Cracow, Poznan, Lodz, Katowice and Lublin. SII Poland provides services in such areas as software development and network infrastructure management.

€405.5M Fiscal 2022/2023 revenue

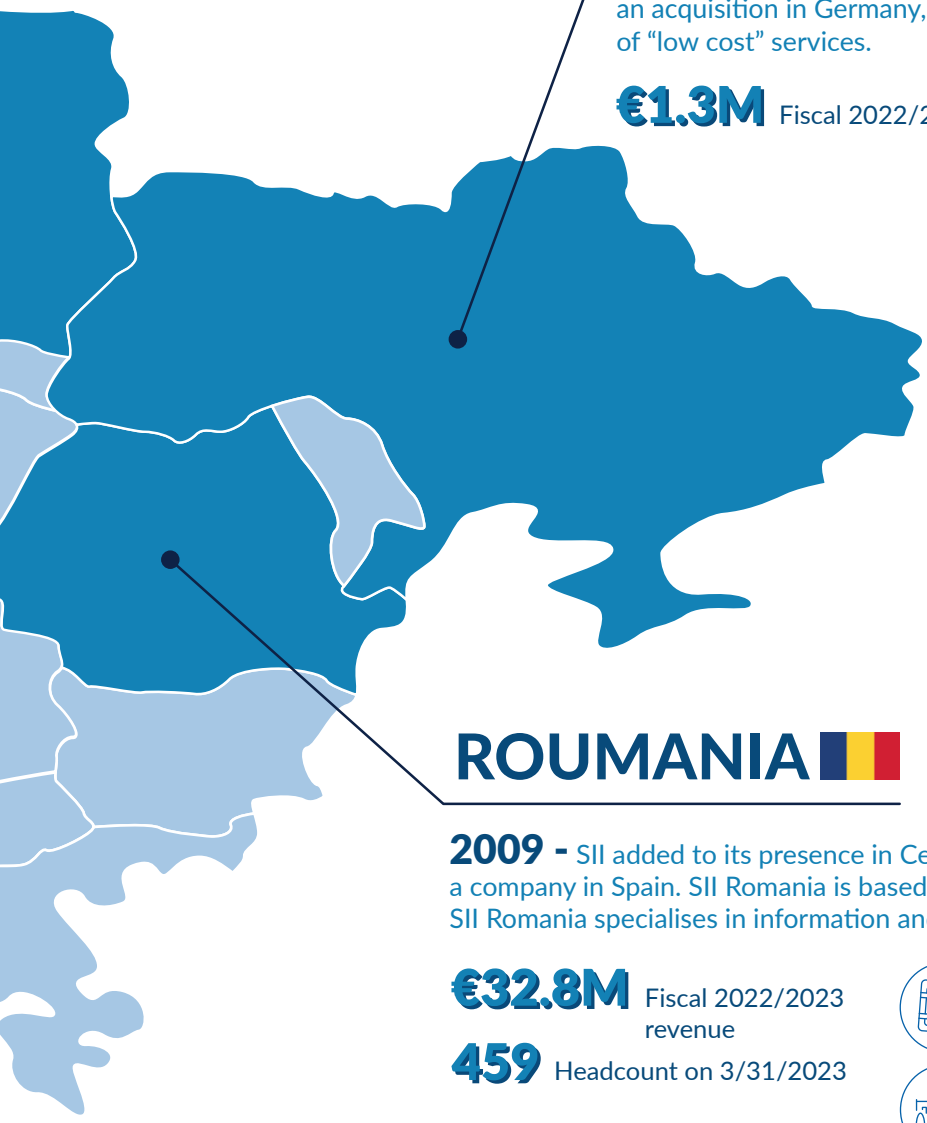
3 263 Headcount on 3/31/2023

Business sectors:
Banking, Electronic, Industry, Healthcare, Services, Telecom

UKRAINE

2015 - New operation in Odessa resulting from an acquisition in Germany, which adds to the SII group's line of "low cost" services.

€1.3M Fiscal 2022/2023 revenue



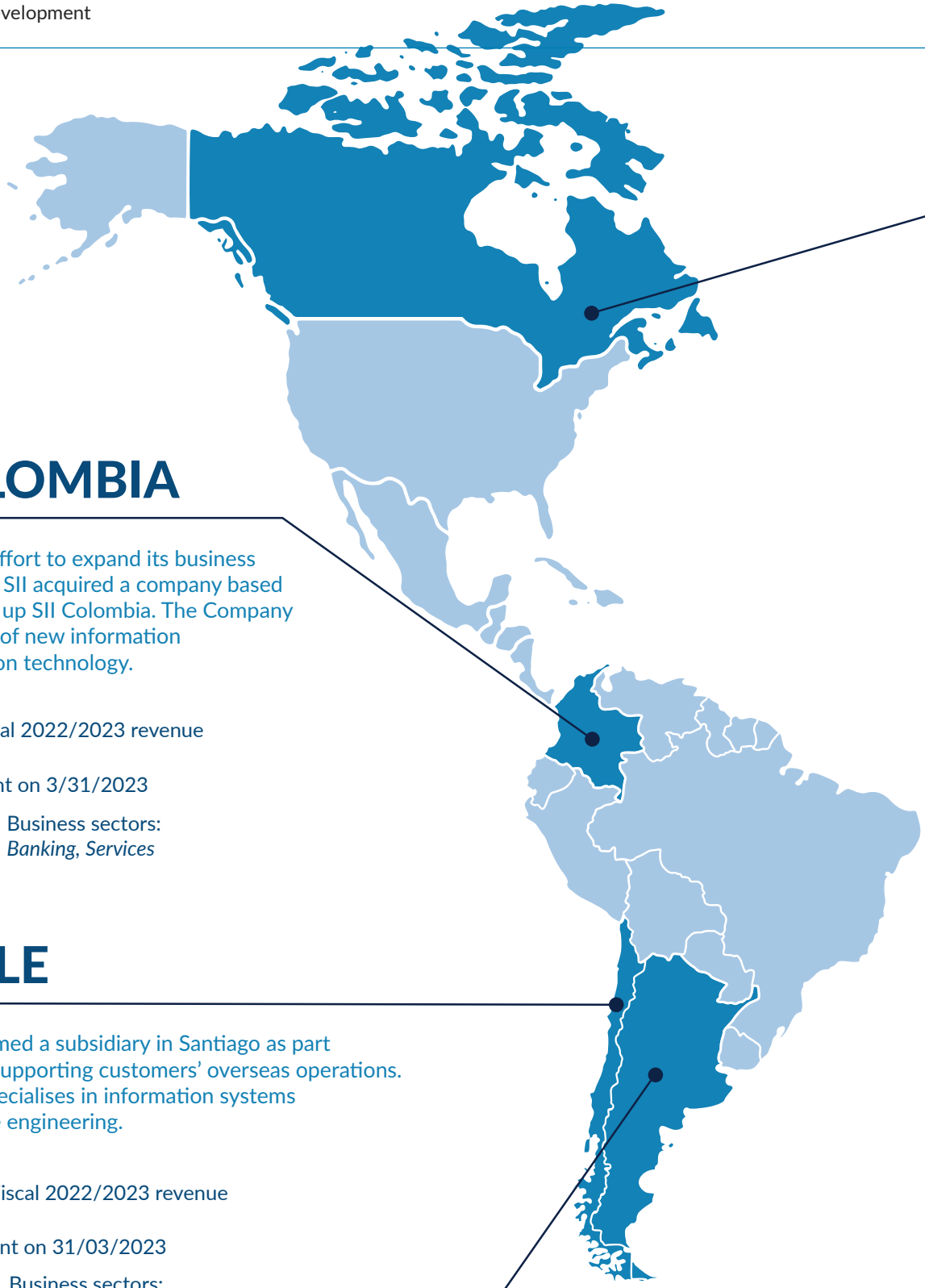
ROUMANIA

2009 - SII added to its presence in Central Europe when it acquired a company in Spain. SII Romania is based in Bucharest.
SII Romania specialises in information and communication technologies.

€32.8M Fiscal 2022/2023 revenue

459 Headcount on 3/31/2023

Business sectors:
Banking, Defence, Services, Telecom



COLOMBIA

2014 - In an effort to expand its business in South America, SII acquired a company based in Bogota and set up SII Colombia. The Company works in the area of new information and communication technology.

€4.4M Fiscal 2022/2023 revenue

180 Headcount on 3/31/2023

Business sectors:
Banking, Services

CHILE

2010 - SII formed a subsidiary in Santiago as part of its strategy of supporting customers' overseas operations. SII group Chile specialises in information systems and infrastructure engineering.

€17.7M Fiscal 2022/2023 revenue

363 Headcount on 31/03/2023

Business sectors:
Banking, Services

ARGENTINA

2009 - The group added to its offer of "low-cost" services in Spanish-speaking countries with an acquisition in Spain. Mendoza-based CVteam Argentina handles development projects under Java and .Net technology, jointly with the Spanish subsidiary's teams.

CANADA

2015 - SII is starting to operate in this country, where it has targeted the aerospace and banking sectors.

€10.7M Fiscal 2022/2023 revenue

42 Headcount on 3/31/2023

Business sectors:
Aerospace, Banking

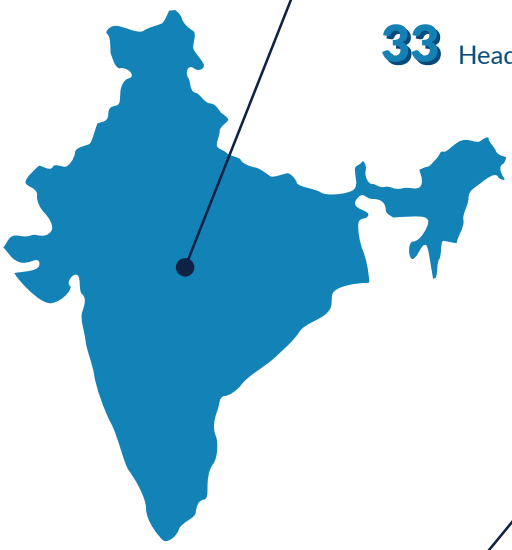
INDIA

2013 - After a few years of local activity in association with a local firm, SII opened branch offices in Bangalore and formed SII India to complement its line of offshore services.

€1.0M Fiscal 2022/2023 revenue

33 Headcount on 3/31/2023

Business sectors:
Aerospace, Industry



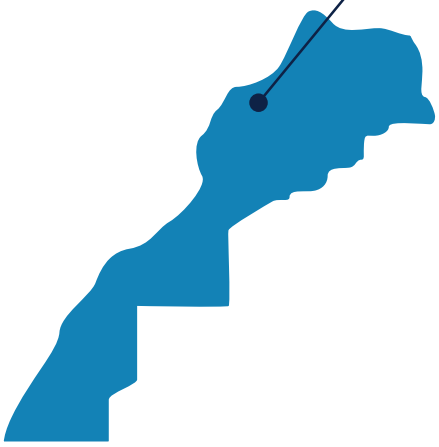
MOROCCO

2008 - SII Services Morocco, based in Casablanca, is a development facility providing services to customers in French-speaking countries. For the past years, SII Services Morocco has also been doing business locally. The subsidiary's consultants work on software development and digital security projects.

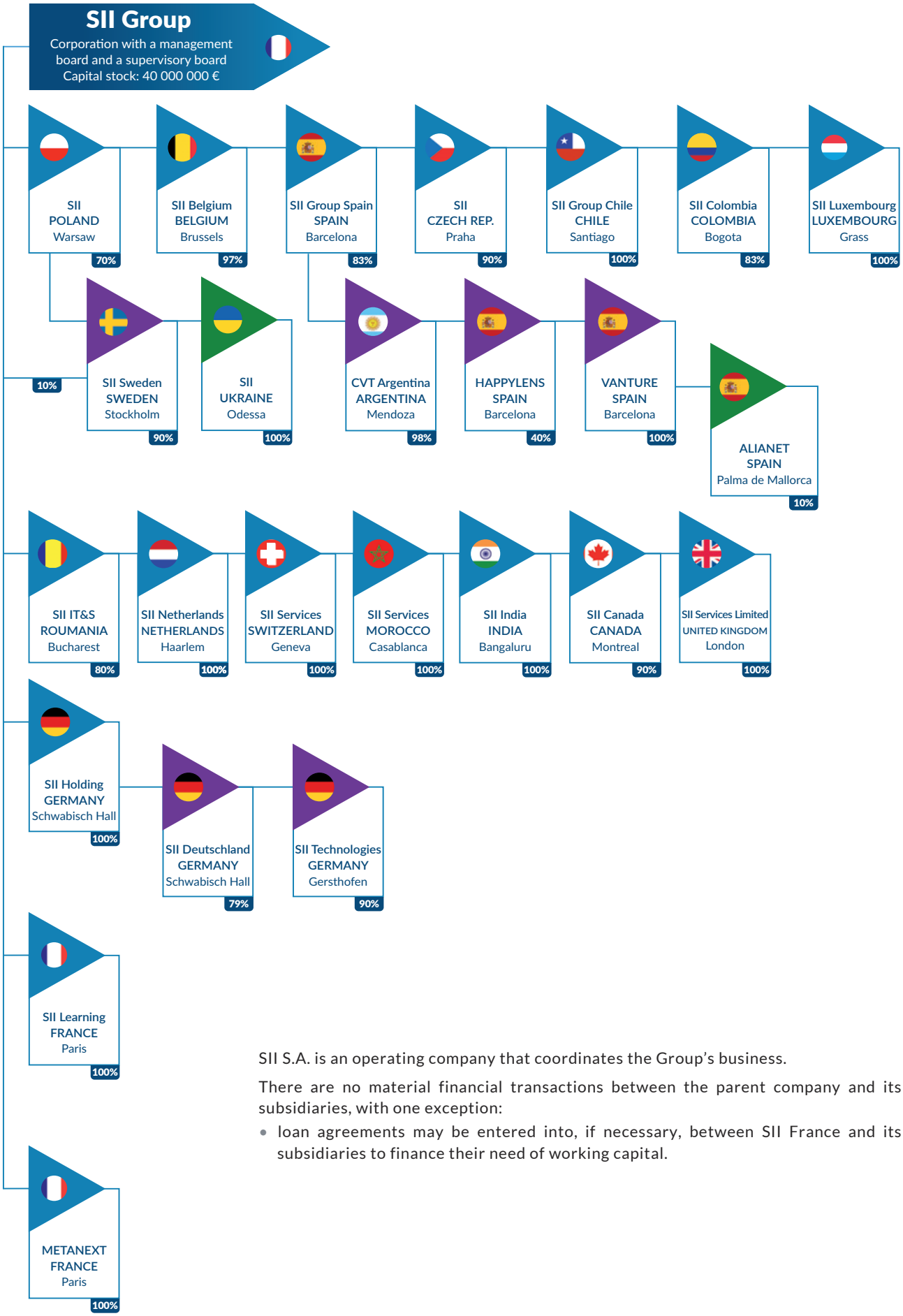
€7.6M Fiscal 2022/2023 revenue

178 Headcount on 3/31/2023

Business sectors:
Banking, Digital security, Services



1.2.2. Organisation chart (as of 7/31/2023)



SII S.A. is an operating company that coordinates the Group's business.

There are no material financial transactions between the parent company and its subsidiaries, with one exception:

- loan agreements may be entered into, if necessary, between SII France and its subsidiaries to finance their need of working capital.

1.2.3. Property, plant and equipment

None.

1.3. Description of the business

1.3.1. Market and strategy

Market, competitive position

The SII Group's market encompasses all engineering consulting services:

- design and research required to carry out a project in whole or in part;
- advice and assistance to companies in connection with their projects;
- network architectures and information systems;
- other services relating to information system quality, security, etc.

Three figures aptly summarise the SII Group's fiscal 2022-2023 performance:

- growth of 23.4 percent, bringing revenue to €1.022b;
- an operating margin of 9.84 percent;
- net income after minority interests of €80.5m.

At a press conference of December 2022, Numeum presented a French digital market of around €60.9 billion, up +7.5% for 2022 (+5.1% for consulting and services and +7.4% for technology consulting).

The technology consulting sector in France takes many forms and is divided among a large number of competing firms. They include:

- a few large companies such as SII;
- a few mid-size firms;
- some subsidiaries of large manufacturing groups;
- several ten companies employing between one hundred and one thousand persons;
- several hundred firms between ten and one hundred employees, providing services at the local level or in niche markets;
- the division of major general information technology consulting companies;
- countless very small business and individual entrepreneurs.

For 2023, the sector forecasts at the end of 2022 predicted strong growth of 5.9%, driven by all components of the market (software publishers, consulting and services companies, and technology consulting companies).

This dynamic should be fuelled by Digital Transformation, Cloud, Big Data, IoT, and Security. Beyond these technologies, the demand for skills in the digital sector is very high for many projects.

Internal organisation

The corporate structure is decentralised.

SII's principal office is in Paris, where the following function are located:

- general management (Comex);
- development department;
- operations department;
- hiring;
- performance management;
- internal audit;
- administration and finance:
  - accounting;
  - personnel management and payroll;
  - controlling;
  - cash management;
- communications department;
- internal IT.

Nine branch offices in France are in charge of a total of 26 local operations, including all of their operating resources (technical, business, sales administration, hiring and human resources management).

Seventeen foreign subsidiaries operate at 47 separate locations.

This structure relies on the delegation of significant authority. In return, it requires a high level of trust, transparency, commitment and reporting by management teams.

Performance indicators

SII primarily uses three performance indicators:

- change in share price in comparison which other companies in the same sector;
- personnel satisfaction surveys (see section 5.7); employees are polled annually to measure the level of satisfaction with management, the business and the Company in general;
- customer satisfaction surveys (see below); customers are polled periodically to monitor the level of satisfaction; warnings are issued in the event of occasional declines in the index.

These indicators are consistent with our quality policy of "triple satisfaction" and efforts to strike a balance between the needs of all parties: customers, employees and shareholders, in a buyers' market.

Revenue by sector

As a % of revenue	2021-2022	2022-2023
Aerospace, Space and Defence	21.4%	21.1%
Banking and Insurance	19.5%	18.8%
Telecommunications and media	13.8%	12.0%
Other industries	7.7%	10.2%
Energy	6.7%	7.2%
Healthcare	6.3%	7.1%
Services	7.3%	6.8%
Retail	4.9%	5.4%
Automotive	4.1%	5.0%
Transportation & tourism	3.8%	3.9%
Others	4.5%	2.5%

Customer satisfaction surveys

Customer satisfaction is measured regularly through surveys:

	2021-2022	2022-2023
Satisfaction index (%)	94.3	97.1

1.3.2. Research and development, patents and licenses

The SII Group participates in many search and development projects in connection with its work on behalf of customers.

In addition, SII finances its own research and development, which it conducts in the SII Research entity. The purpose of this activity is to allow the Group to acquire additional know-how to complement its approach and add value to assignments from its customers.

Patents may be filed in connection with this activity.

1.3.3. Investment spending

The SII Group invests primarily in its operations by purchasing computer hardware and software, office equipment and furniture, and by making improvements to its premises. All financial information concerning these expenditures is included in note 4.a.6 to the consolidated financial statements.

All capital expenditures are paid for with equity, with the exception of capital lease transaction.

1.4. Analyses and observations relating to the year's business

1.4.1. Information regarding the Company's business

SII is active in two lines of business:

- technology consulting;
- information systems, in particular those based on new technologies.

Technology consulting

During its presentation of the outlook to members on June 28, 2023, Numeum evaluated the technology consulting market at around €7.8 billion for 2022.

IT Consulting and services

During the same presentation, Numeum estimated the IT consulting and services market at around €33.5 billion.

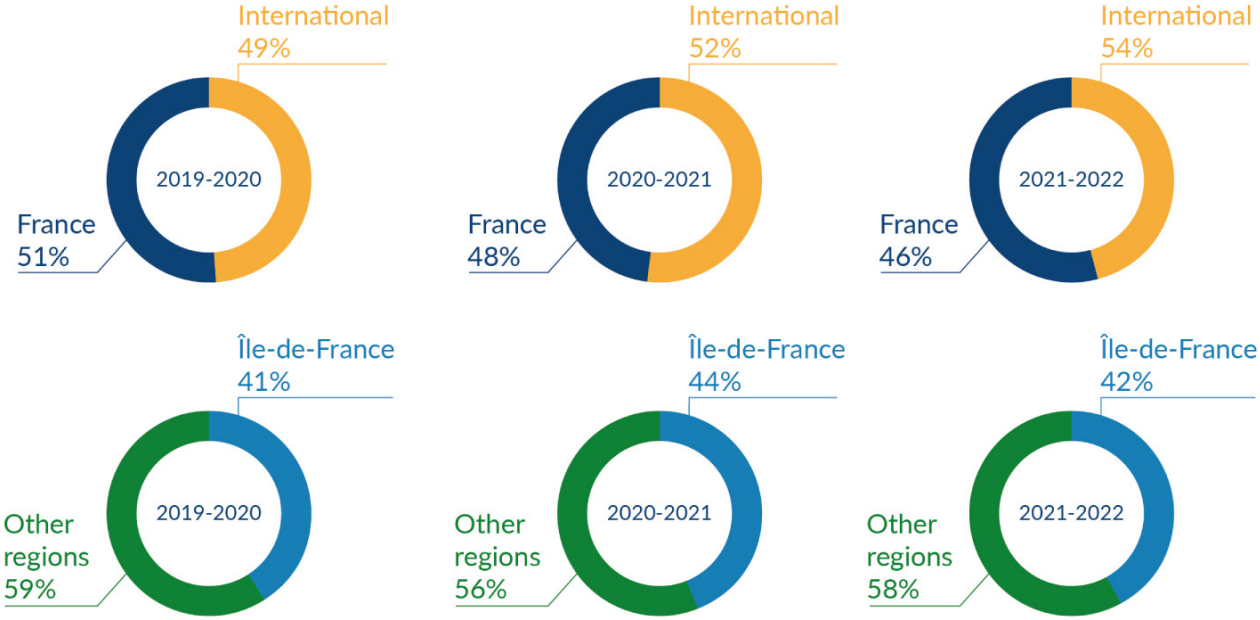
SII's share of the market

	Numeum (€m)	SII France (€m)	Share of French market (%)
IT consulting and services	33,500	434.1	1.05%
Technology consulting	7,800		
Software vendor	23,700	0	0.0%

Source: Numeum & SII.

Short and medium-term trends

A breakdown of SII's sales shows the rapid growth of international operations and the even distribution of revenue among French regions.



Reconciling the SII Group's target for fiscal 2022-2023 with its actual results

	2022-2023 targets (*)	2022-2023 results
SII Group's revenue 2022-2023	Growth > 10% for the first half	1,022.5 M€ (+23.4%)
Operating margin	between 9 to 10%	9.84%

(*): As set out on page 43 of the 2020-2021 Financial annual report.

1.4.2. Significant agreements

The SII Group has not entered into any material agreements other than those executed in the ordinary course of business. No member of the Group has entered into an agreement entailing a material commitment on the part of the Group as a whole, other than the ordinary course of business and in compliance with existing procedures.

1.4.3. Financial position of the Company

All information regarding the Company's financial position is included in section 4.1 regarding the consolidated financial statements and in section 4.3 regarding the company financial statements for the period ended March 31, 2023.

Consolidated financial statement - SII Group

Income Statement (€000)	2022/2023	2021/2022
Revenue	1,022,547	828,875
Operating income	100,661	79,065
Net income	80,467	59,412
Financial Statement (€000)		
Non-current assets	164,717	126,898
Current assets	508,330	425,519
Shareholders' equity	266,533	219,131
Non-current liabilities	63,312	60,647
Current liabilities	343,202	272,639
Total assets	673,047	552,417
Cash flow Statement (€000)		
Net cash flow from operations	99,539	78,483
Net cash flow from investment transactions	-29,800	-14,726
Net cash flow from financing transactions	-31,794	-25,527
Change in net cash	37,217	38,210
Cash at fiscal year end	196,354	159,137

Company financial statement - SII France

(€000)	2022/2023	2021/2022
Revenue	429,012	382,656
Operating income	29,139	25,072
Net financial income (losses)	8,033	5,715
Net extraordinary gains (losses)	-277	11
Net income	29,221	24,602
Financial Statement (€000)		
Non-current assets	86,441	57,621
Current assets	242,214	232,222
Shareholders' equity	191,946	170,426
Provisions	4,420	6,331
Liabilities	132,295	113,065
Total assets	328,661	289,844

Days' purchases outstanding

As required by articles L.441-6-1 and D.441-4 of the French Commercial Code, we hereby inform you that at the end of the past two fiscal years:

- The balance of SII France S.A.'s trade payables was as follows, broken by due date:

Trade Payables						
Invoices received and not paid at 31 March 2022						
(A) Payment delay tranches	0 days	1-30 days	31-60 days	61-90 days	91 days and over	Total (1 day and over)
Number of invoices concerned	1,792					714
Total amount of invoices concerned included tax	9,952,074 €	1,296,365 €	269,299 €	29,663 €	57,272 €	1,652,600 €
% of total amount of purchase in financial year included tax	11.03%	1.44%	0.30%	0.03%	0.06%	1.83%
(B) Invoices excluded from (A) relating to payables and receivables that are disputed or have not been entered in the accounts						
Number of invoices excluded						
Total amount of invoices excluded included tax						
(C) Reference due dates used						
Due dates for payment used for calculation of payment delays			Contractual delays			

Trade Payables						
Invoices received and not paid at 31 March 2021						
(A) Payment delay tranches	0 days	1-30 days	31-60 days	61-90 days	91 days and over	Total (1 day and over)
Number of invoices concerned	993					796
Total amount of invoices concerned included tax	6,363,836	2,783,334	47,357	207,812	712,350	3,750,853
% of total amount of purchase in financial year included tax	8.69%	3.80%	0.06%	0.28%	0.97%	5.12%
(B) Invoices excluded from (A) relating to payables and receivables that are disputed or have not been entered in the accounts						
Number of invoices excluded						
Total amount of invoices excluded included tax						
(C) Reference due dates used						
Due dates for payment used for calculation of payment delays			Contractual delays			

- SII France S.A.'s trade receivables outstanding broken down as follows by due date:

Trade receivables						
Invoices issued and not paid at 31 March 2022						
(A) Payment delay tranches	0 days	1-30 days	31-60 days	61-90 days	91 days and over	Total (1 day and over)
Number of invoices concerned	4,924					1,212
Total amount of invoices concerned included tax	89,781,302 €	5,370,563 €	1,760,431 €	816,081 €	1,575,326 €	9,522,401 €
% of revenue of financial year included tax	23.46%	1.40%	0.46%	0.21%	0.41%	2.49%
(B) Invoices excluded from (A) relating to payables and receivables that are disputed or have not been entered in the accounts						
Number of invoices excluded						
Total amount of invoices excluded included tax						
(C) Reference due dates used						
Due dates for payment used for calculation of payment delays			Contractual delays			

Trade receivables						
Invoices issued and not paid at 31 March 2021						
(A) Payment delay tranches	0 days	1-30 days	31-60 days	61-90 days	91 days and over	Total (1 day and over)
Number of invoices concerned	5,164					995
Total amount of invoices concerned included tax	76,092,383	6,024,533	2,374,133	1,107,297	994,017	10,499,980
% of revenue of financial year included tax	24.26%	1.92%	0.76%	0.35%	0.32%	3.35%
(B) Invoices excluded from (A) relating to payables and receivables that are disputed or have not been entered in the accounts						
Number of invoices excluded						
Total amount of invoices excluded included tax						
(C) Reference due dates used						
Due dates for payment used for calculation of payment delays			Contractual delays			

1.4.4. Foreseeable developments, outlook and significant events subsequent to the end of the period

The current economic climate is difficult to interpret and is clearly slowing down compared to the years that followed the end of the health crisis. After a major recovery in 2021 and continued robust growth in 2022, 2023 could see zero growth or even recession for some countries. Central bankers are fighting inflation, which picked up in 2022, by raising interest rates. As a result, an economic slowdown is expected, with just the scale of the downturn being unknown.

Nonetheless, the few studies dealing with our digital market still point to significant growth for 2023, as if our sector could escape the bleak news. On June 28, 2023, Numeum announced expected growth of 6.3% for the sector in France to its members (including +4.2% for DSCs and +5.9% for ETC). Looking beyond France, its European outlook shows sustained growth in all the other countries considered, with a minimum of +4.5% in Switzerland to a maximum of +6.9% in Spain.

This contradiction makes it difficult to project beyond the first few months of our financial year.

Our business model has generally proven to be resilient in times of trouble and dynamic in times of recovery. As in the past, it will need to be agile and responsive to seize opportunities in such a context.

Growth plan

SII's growth plan relies on four principles:

- continuing and developing our business with our main customers and securing new accounts;
- developing more services with value added and improving and expanding Company processes relating to contractual obligations to achieve specific results;
- maintaining our place of internal expansion;
- developing technological and business synergies.

SII Group objectives for fiscal year 2023-2024

At its meeting to present the 2022-2023 results (on June 7, 2023), the SII Group announced the following targets for the first semester of the 2023/2024 financial year:

- organic growth for revenue between 8 and 12 percent.
- operating margin between 9 and 10 percent.

Recent development

Cf. § 1.1.2 & 1.1.3.

1.4.5. Cash flow, financing and equity

The SII Group's cash flows are shown in the consolidated cash-flow statement, which is found in section 4.1 of this document.

The SII Group generated cash flow of €99.5m from operations.

Investment activities resulted in negative cash flow of €29.8m.

Financing activities resulted in negative cash flow of €31.8m.

There was a positive change in cash for the year of €37.2m, with total cash increasing to €196.3m.

Adjusted for the Group's financial debt (excluding IFRS 16) of €32.6m, the SII Group's net cash position is therefore €163.7m. Taking into account the €59.7m in debt recorded on lease contracts, the Group's net cash positions is €104.0m.

Except in Spain, the Group does not use financial instruments to finance its trade receivables. All current investments are financed with equity.

The SII Group's customers are mainly large companies. Accordingly, their risk of insolvency is limited, but the time required to collect receivables remains long. In France, the DSO was 75.9 days in fiscal 2022-2023 (compared to 75.8 days in the previous year).

All information relating to equity is included in section 4.1 on the consolidated financial statements, including the consolidated statement of changes in equity and note 4.a.14.

1.4.6. Financial statements and appropriation of income

Revenue

The SII Group's consolidated revenue of €1.022b is up +23.4% (+24.1% at constant rates and same perimeter). In France, revenue dropped by 13.2% to €434.1m.

The growth at constant rates is measured by excluding exchange rate effects (exchange rate for the previous year applied to revenue for the financial year).

SII Group's top ten clients

ABB	LA POSTE (Group)
AIRBUS GROUP	ORANGE
BOUYGUES TELECOM	ROCHE
CREDIT MUTUEL	THALES
HSBC	VOLKSWAGEN

Percentage of revenue generated by SII's largest clients

	2020-2021	2021-2022	2022-2023
Largest client	9.5	9.7	10.0
Top 5	30.5	30.5	29.6
Top 10	41.1	41.9	41.2
Top 20	53.3	53.3	53.4
Top 50	70.6	71.6	70.6

- The Company generates annual revenue of more than €1 million from 126 clients.
- The concentration of revenue on the first customers is the result of the group's business strategy.

Income

The SII Group's consolidated operating income was €100.6m, up 37.3 percent. The operating income of the corporate accounts (SII France) was €29.1m.

This performance is the result of a significant drop in the activity rate over the year (89.9% for the Group as a whole, 91.0% for SII France). This activity rate is measured as follows: number of days invoiced / number of billable days (excluding holidays). In France, it was affected in particular by a slowdown in demand in the first half of the financial year and by a significant impact in several countries (France, Germany and Spain) related to the lockdown period.

The Group had consolidated financial income of +€4.7m. The corporate accounts (SII France) showed financial income of +€8.0m.

Consolidated net income, group share, came to €80.5m after taking into account corporate income tax of €24.9m.

For the corporate accounts (SII France), net income was €29.2m after taking into account a non-current loss of €0.3m, an employee profit sharing of €4.0m and a corporate income tax of €3.6m.

All these figures are broken down and commented on in Chapter 4 presenting the annual financial statements.

The corporate financial statements drawn up in France include non-tax-deductible expenses, in accordance with article 39-4 of the French General Tax Code, totalling €176,181. These expenses correspond to long-term vehicle rentals that exceed the upper limits set by the tax authorities.

Change in non-deductible expenses over the past three years:

Year ended March 31, 2022: €176,181

Year ended March 31, 2022: €166,136

Year ended March 31, 2021: €150,340

Appropriation of income

The Management Board will propose to the shareholders' meeting that they distribute a dividend of €0.50 per share, for a total of €10,000,000.

The remainder being added to retained earnings.

1.4.7. Information on dividends

The SII Group generally distributes between 10 and 15 percent of net income after minority interests. After reducing significantly the dividend for two financial years consecutive during the COVID-19 crisis, the SII Group has resumed its usual distribution policy.

In accordance with this distribution policy, the Management Board will propose at the next shareholders' meeting distribution of a total dividend of €10,000,000.

Distributed dividends for the past three years

In euros per share	2020-2021	2021-2022	2022-2023
Dividend paid out of the year	€0.15	€0.40	€0.50

1.5. Internal control and risk management procedures

The SII Group has opted to implement the internal control framework prescribed by the AMF in its position paper and recommendation 2016-05.

1.5.1. Objectives

The purpose of internal control is to provide for the prevention and management of contingencies stemming from the activities of Group entities and of risks of errors or fraud, in particular those of an accounting and financial nature. It contributes to the organization's transparency, the protection of the Group's assets, management efficiency and the monitoring of transactions, improved performance and control over costs. Nevertheless, as in the case of all oversight systems, it can merely provide reasonable assurances – and under no circumstances an absolute guarantee – that those risks will be completely eliminated.

The SII Group's overall organisation relies on significant decentralisation, which in turn entails considerable delegation of authority. The delegation to business managers of operating, functional and legal responsibilities makes it necessary to have an internal control system adapted to this type of structure.

Accordingly, the very nature of internal control and the underlying information system operate in compliance with the principles applicable to actions and conduct, which in turn reflect the SII Group corporate culture:

- strict compliance with rules applicable throughout the Group, including in terms of delegation of authority, contracting, and accounting and financial information. Those rules, which reflect the wide-ranging decentralisation and autonomy of line managers, must be strictly complied with by the employees concerned;
- transparency and loyalty of employees with respect to management at the operating level and with respect to staff departments; an intrinsic aspect of line managers' role is that they are solely responsible for making decisions on matters within their purview and in the case of problems must seek the assistance of their immediate supervisors or the Group's staff management;
- compliance with applicable law and regulations;
- personal safety;
- continued improvement of internal processes aimed at ensuring the management and efficiency of our operations;
- reliability and quality of the information produced by the departments.

1.5.2. Organisation

The Group's internal control procedures and especially those pertaining to the preparation and treatment of accounting and financial information are carried out at four levels.

The Management Board is ultimately responsible for internal control, its implementation, required tools and consistency with operating needs and risks.

Line management, and in particular the heads of branch offices or subsidiaries, implements internal control procedures in the entity under its authority and is responsible for their application and must ensure that the system is cogent and appropriate in light of the specific needs and risks associated with their business.

Operating staff: Implementation, performance of daily tasks and reporting of malfunctions, if any.

Internal audit: Assistance, advice and training in the deployment and implementation of the system and assessment of performance in terms of needs and risks.

1.5.3. Process

Quality system

The SII quality system (ISO 9001 since 1992, renewed on a regular basis) is described in a quality manual available on the SII Group intranet system. It sets forth the responsibilities (job profiles) and operating procedures of each line of business and maps out the business processes. These descriptions help clarify the nature of assigned tasks by focusing on the form of supervision and incorporating the internal control dimension. Delegations of powers and banking authorisations specify whether the transfer of authority is temporary or permanent and pertain primarily to staff members involved in financial transactions (capital expenditures, orders for supplies, purchase and payment limits, etc.)

Business processes

The Quality Management System of SII is based on several quality standards: ISO 9001, EN 9100, ISO 14001 and ISO 27001. In this connection, the SII Group has mapped out the business processes and all of the corresponding procedures. On this basis, the SII quality managers perform regular audits aimed at measuring compliance with existing standards and procedures.

Pre-sale, bids and proposals: Prior to any bid or proposal, an internal procedure must be followed to determine whether or not to respond to a customer's request for proposals (GO/NOGO). In the affirmative, a technical and business proposal must be validated in terms of its technical, business and legal aspects (bid review). The degree of management involvement in this review depends on the amounts concerned.

Validation of orders: The readiness review is used to validate the customer's order and to verify its consistency with the proposal, as well as to appoint a project manager and determine the resources required to perform the contract.

Performance of the order: Periodic reviews (at least once a month) are made of the project's progress, cost, scheduling and problems. The reviews make it possible to measure the time spent to complete the project and, where applicable, the loss on completion.

Administrative procedures

Budget and financial control: The Group's operating entities plan their activities and submit annual budgets broken down by quarter. After the budgets have been approved, they are monitored quarterly. Differences between budgeted amounts and actual revenue and expenses are analysed whenever they are material, and adjustments may be made in the budget for the following quarter.

Consolidation: The SII Group's consolidated financial statements are prepared in accordance with international financial reporting standards (IFRS), from accounting data prepared under the responsibility of the subsidiaries' management. Some of the financial reporting work is centralised within the accounting and finance department (impairment tests of assets, disposals, acquisitions, etc.)

Financial reporting: The SII Group's accounting department is in charge of coordinating the preparation of financial statements at the end of each period; it notifies the subsidiaries of all accounting rules and communicates with the independent auditors to explain specific transactions and options selected under reporting standards.

Finance and cash management: In France, the SII Group has a centralised system of cash management and investment. Cash management policy decisions are made by the management Board and are designed to ensure the liquidity and safety of investments.

Other procedures handled by the finance department

Insurance: The listing of insurable risks and their coverage take place under the supervision of the finance department.

Litigation: The finance department monitors and reports on litigation on a permanent basis, in coordination with outside counsel. A summary report is established periodically.

Financial announcements: The finance department drafts press releases and prepares presentations of the Group's quarterly, half-year and annual financial results, and submits them to the Management Board for approval.

Disposals – Acquisitions: Disposals and acquisitions are approved by the Management Board following the completion of due diligence procedures. They are submitted to the Supervisory Board for prior approval.

Tools

The SII Group uses a set of benchmarks for monitoring its business operations. These benchmarks are updated in connection with project reviews and at monthly meetings between a Management Board member and the head of the entity concerned. The Group's financial reporting also includes a series of benchmarks and aggregates that help analyse the performance of individual entities in a more accurate manner.

Internal communications

The two communication channels on which the SII Group relies to disseminate important information needed by the various line managers to perform their duties are the intranet and the reporting and consolidation system.

Risk prevention

The SII Group considers it crucial to manage the risks stemming from its business.

The monthly project reviews (essentially concerning projects with an obligation to achieve specific results, under either turnkey or service contracts) help identify risks from current projects and are used to decide on measures needed to reduce them.

Four factors are taken into consideration: revenue recognition based on technical advancement, margin on completion, contractual risks and the corresponding accounting provisions and project-related cash flow.

One of the main features of the SII Group's business is a high employee turnover. Accordingly, monthly analyses are made of hiring and the ratio of stayers to leavers, in terms of the quarterly and annual budget forecasts (revised where applicable).

Two factors are critical in connection with contracts: bench time and changes in the customer environment.

- Bench time is measured in quasi-real time, for each entity and for the Group as a whole. It is a major indicator of the SII Group's operating performance and efficiency.
- Concerning the customer environment aspect, the SII Group is diversified and is not dependent to a significant extent on a specific business sector. Nevertheless, the heads of entities and the Management Board continually monitor the customer's sectors so as to ensure that SII offers services for promising industries and to anticipate the need to shift expertise from one sector to another.

The information system is an essential tool which helps the SII Group carry out and monitor its activities. The Group has set up a backup system in response to the risks to which it is exposed, and a set of procedures is designed to ensure that the service operates at all times and to ensure the data's protection and the system's dependability.

The purpose of the internal audit is to ensure that risks are properly identified and mapped by management at all times, and that they are assessed and managed accordingly. Internal audit reports contain information for the Management Board on risk areas that, in the controllers' opinion, are insufficiently covered, along with recommendations for appropriate measures.

The main task of the **internal audit** team is to ensure that risks are properly identified and mapped by management so that they are properly understood and managed. In its reports, the internal audit team informs the Management Board of areas of risk that, in its opinion, are not covered and recommends appropriate actions.

Changes in internal control

SII seeks to continually improve its internal control system.

The financial control system (budget and reporting) has been in place since 1995. The procedures on which it relies remain effective given the Group's current size but will need to be adapted if it grows significantly. Management and financial control verify that rules are duly applied. If SII grows significantly in size, this function will be reinforced in practice (tighter financial control, improved organisation and systems, etc.) The Group will have to periodically re-examine its risk management practices, either internally or with the help of third parties, and will need to draw up formal improvement plans.

In conclusion, internal control is determined by the underlying corporate culture, which is in turn based on ethics and integrity rules long applied by the members of SII's management. Nevertheless, this cannot prevent an employee from acting dishonestly, failing to comply with legal or regulatory provisions or from disseminating misleading information about the Group.

1.6. Risk factors

As part of its internal control procedure, the SII Group has reviewed the risks that could have a material impact on its business, financial position or income (or on its ability to reach its objectives) and considers that there are no significant risks other than those presented below and in the Non-Financial Statement (Chapter 3).

1.6.1. Specific risks relating to the Company's business

Client risk

For all large clients, several branches and/or subsidiaries of the SII Group enter into contracts with many different subsidiaries and/or sites of the same client. The relative weight of the top n clients is shown in § 1.4.6 of this annual financial report. The Group's development strategy within major clients is coordinated by an account manager overseen by a Management Committee member.

Furthermore, almost all sales are made with "key account" clients. The non-payment risk is therefore limited. Changes in the aged balance of clients and the DSO are periodically monitored to assess any risk of deviation as soon as possible.

Our clients' listing policies, which aim to limit the number of selected suppliers, may have an impact on the group's business and therefore its profitability in the event a client which accounts for a significant proportion of revenue delists SII.

In addition, our markets are directly affected by macro-economic trends including, in particular, our clients' investment policies.

The strategy implemented by the Group is designed to limit these risks, although it is impossible to rule them out completely.

Risk stemming from commitments to achieve specific results

A proportion of the Company's revenue (around 15%) is generated by so-called "turnkey" or "guaranteed results" projects, whose specifications have been set with a varying degree of precision and may change over time. The risk of failure to achieve a specific result and, in some cases, the potential obligation to pay a contractual penalty cannot be ruled out. However, SII manages this risk, which is extremely low in practice because it is constantly monitored:

- at the end of the pre-contract phase: the tender is reviewed before validating the final proposal;
- during the project: an ongoing quality assurance process is implemented with regular reviews. In addition, progress is analysed on a monthly basis with standard reports produced by the financial control teams.

Risk associated with the economic context

An economic crisis severely disrupts business activity. Most of SII's customers could suffered and, as a result, try to cut back on spending. Capital expenditures for new information and communication technologies are no exception. Although the fact the SII Group provides services to customers in a variety of sectors tends to limit this risk, we cannot ignore the general economic context.

Risk associated with the technological and economic environment

Over the years, the Company has proven that it is capable of evolving and taking control of its environment. However, technological and economic developments are becoming increasingly sudden, radical, multifaceted and unforeseeable.

The Company focuses in particular on the following two factors, without mitigating the risks involved:

- SII's capacity to identify, attract and hire high-quality technical and commercial staff to meet its customers' expectations, without lowering its recruitment standards or paying salaries above the market rate;
- SII's capacity to motivate, cultivate and retains its technical, commercial and management employees, who are essential for the successful completion of its customer's projects.

Competition risk

The information technology market has very few entry barriers likely to discourage new participants, and competitors' pricing or recruitment policies could destabilise the market.

Risk associated with production processes

The Company's various processes have been the subject of strict quality assurance procedures since 1992, and are now well established and reliable.

1.6.2. Other risks

Pandemic risks

Recent events have shown that such a risk cannot be totally ruled out, even if it is the first in the Group's forty-year history. The health emergency was managed by a crisis unit aimed at quickly organising matters to implement business continuity wherever possible. The Group's infrastructure, material resources and processes have proven their effectiveness.

Beyond the health risk, we have seen that a pandemic can generate a significant economic risk, related to the new obligations created (health emergency and lockdown). In this event, the management bodies must, as a first step, take all necessary measures to ensure the immediate survival of the Group. Secondly, the actions to be undertaken must lead to preserving existing sustainable activities and building a new development scenario.

Risk associated with acquisitions

Small-scale acquisitions are approved following a very strict selection process. They are part of a global strategy designed to provide our clients with comprehensive services in terms of technology and geographic coverage. Acquisitions are only made after a thorough audit of the target company.

These acquisitions result in the recognition of goodwill as an intangible asset in the financial statements. Goodwill is the subject of annual impairment tests aimed at determining whether its value has declined, in which case an impairment allowance is recognized (see note 4.a.2.5 and 4.a.5 of the consolidated financial statements).

Currency risk

The activity of the SII Group is, for less than half, French (≈42.5%) and majority on the whole of the euro area (≈53%). Export sales include services provided to subsidiaries of SII's French customers in Eurozone countries (Belgium, Italy, Germany, Spain, etc.).

However, SII services billed in currencies other than euros, in Poland (zloty), Czech Republic (korunas), Switzerland (Swiss francs), Morocco (dirhams), Chile (pesos), Romania (leus), India (rupees), Colombia (pesos), Canada (Canadian dollars), United Kingdom (sterling) and Sweden (Swedish Krona) currently account for approximately 47% of Group revenue, essentially reflecting services provided within those countries.

However, there are euro-denominated intragroup loan agreements between SII France and the Group's subsidiaries which are exposed to exchange-rate fluctuations. Furthermore, certain transactions are billed in a different currency from that of the country where the service is performed.

Interest rate risk – Credit risk

The SII Group has contracted several loans, mostly at fixed interest rates. The floating rates of other loans are, for the most part, tied to the one- or three-month Euribor index. There are no major risks stemming from the current market interest-rate curve and its evolution over the short or medium term. The amount of debt carried by the SII Group also means that it could obtain additional facilities if needed.

Equity portfolio risk

As of March 31, 2023, SII held 710,955 of its own shares, of which 627,495 were accounted for as long-term security holdings. The average share price was €50.00 in March 2023, compared to the share's average purchase price of €5.56. No additions to or reversals of provisions were recognized in the financial statements for the period.

SII does not hold any other portfolio equities.

Liquidity risk

All cash is invested in financial instruments linked to the money market rate. Credit lines have been negotiated to finance some of the working capital requirements; this essentially concerns SII Concatel in Spain.

Given its current cash position, the Group is of the opinion that it will be able to meet its future commitments.

To date, SII France has repaid all the loans it had contracted, no more "covenants" are in artwork.

Environmental risks

As required by France's Act on New Economic Regulations, the Company represents that its business have no material impact on the environment.

Financial risks stemming from climate change – measures taken by the Company to mitigate them by implementing a low-carbon strategy

The Company's environmental policies are explained in section 3 of this Document.

Risk associated with regulations

The main topic concerns the General Data Protection Regulation, the requirements of which are very restrictive for our profession. The SII Group has put in place processes that we believe provide an appropriate response. However, we cannot completely rule out this risk.

There are no other specific regulations applicable to our business or authorisation required by it. The Company does not qualify for any particular tax benefits.

1.6.3. Insurance and coverage of risks

The Company has taken out business insurance policies with AXA that provide the following coverage:

	Business liability insurance
Bodily injury	€10,000,000
Property damage and consequential loss	€10,000,000
Non-consecutive consequential loss	€400,000
Accidental environmental damage	€750,000

	Civil liability insurance
Property damage and consequential loss	€15,000,000
Non-consecutive consequential loss	€15,000,000

	Directors' and officers' liability insurance
Per claim and per year	€2,000,000

1.6.4. Dispute, arbitral proceeding and significant events

To the best of the Company's knowledge, no administrative procedure, dispute, legal proceedings, arbitral proceedings or significant event exists, is pending or is likely for which it has not recognized a provision and which could be likely to have, or have had over the past twelve months, a material impact on the financial position, income, business, assets or profitability of the Company and/or the SII Group.

Provisions for "employee relation risks" are set aside to cover disputes pending before the employment courts or in appellate proceeding. Provisions are recognised for such disputes on the following basis:

- 100% of the initial claim, capped at 24 months' salary, pending an initial decision by the lower court,
- 50% of claim, capped at 24 months' salary, pending a decision in the appellate proceedings, if the other party has appealed,
- 100% of claim, capped at 24 months' salary, pending a decision in the appellate proceedings, if it is the Company that appealed.

Supervisory Board's report on corporate governance

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Our Company bases its corporate governance on the MiddleNext Corporate Governance Code for mid-caps and small caps.

2.1. Membership of the Company's supervisory and management bodies

2.1.1. Supervisory Board

As of the date of this document, the Supervisory Board had the following three members:

	Office	Company	Date of appointment	Expiration of term of office
Bernard Huvé	Chairman of the SB	SII	AGM 9/19/2019	AGO fin.Stats 2024-2025
Alexia Slape	Member of the SB	SII	AGM 9/16/2021	AGO fin.Stats 2026-2027
Jean-Yves Fradin	Member of the SB	SII	AGM 9/19/2019	AGO fin.Stats 2024-2025

Note:

All the members of the Supervisory Board were appointed for the first time at the annual and special shareholders' meeting of December 20, 2007, with the exception of Alexia Slape, who was appointed for the first time at the annual and special shareholders' meeting of September 17, 2009.

As required by article 12 of the articles of incorporation and bylaws, each member of the Supervisory Board owned at least five SII shares on the date of the publication of this annual financial report.

Over the past five years, the members of the Supervisory Board have not held any office or position outside the SII Group.

At a meeting held on July 27, 2023, the Supervisory Board made a self-assessment of how it operates, with the aim of making improvements.

At that meeting, the Board members concluded that the composition of the Board, its operation and the preparation of its work were satisfactory.

The Supervisory Board members have each gained extensive experience in various fields during the course of their careers (corporate management, administration, human resources, etc.).

During the period and after reviewing the independence criteria of the MiddleNext Code, the Supervisory Board declared that Jean-Yves Fradin could be considered independent member.

Independence of the members	Bernard Huvé	Jean-Yves Fradin	Alexia Slape
Not an employee or appointed officer of the company or another company of its group, either now or ever the past three years	YES	YES	YES
Not a significant customer, supplier or banker of the company or its group, or for which the company or its group accounts for a significant share of the business	YES	YES	YES
Not a key company shareholder	NO	YES	YES
No close family ties with an officer or key shareholder	YES	YES	NO
Not a company auditor over the past three years	YES	YES	YES
Conclusion on independence	NO	YES	NO

At the same time, neither of them is in a business relationship with Group companies. Members who are considered independent undertake to keep their situation unchanged and to resign from their office in the event that changes in circumstances should result in a conflict of interest with their appointment.

Concerning the representation of women on the Supervisory Board, it should be noted that its members include one woman and two men, and that its membership is in compliance with article L.225-69-1, as amended by the Act of January 27, 2011.

All members of the Supervisory Board are French citizens.

Operation of the board

The Supervisory board meets whenever it is in the Company's interest to do so, and at least four times a year. Prior to its meetings, the board receives regular and comprehensive information on the matters before it, including all items on the agenda, including quarterly reports on the management of the Company, so that it can properly perform its assigned duties.

During the past fiscal year, the Supervisory Board met six times (including twice as the audit committee), with all of its members in attendance.

The Board considered the following matters at its meetings:

- *the half-yearly and annual financial statements, quarterly figures, off-balance sheet commitments, reviews of business operations and results;*
- *the Group's strategic developments;*
- *the acquisitions under consideration;*
- *other more specific items, such as share award plans for management, the share buyback program, etc.;*
- *current economic developments and their consequences for the operation of the Group;*
- *priorities, national and international expansion, and the budget for fiscal 2023-2024;*
- *the impact of the context on the Group's development.*

The Supervisory board has drawn up internal regulations in line with the recommendations of the MiddleNext Code. Its Rules and Regulations can be found on the Company's website (www.sii-group.com) under "Investors-Regulated Information".

With regard to the prevention and management of conflict of interest, the board's internal regulations provide that, if a situation arises that causes or is liable to cause a conflict between the interests of the Company and a Board member's direct or indirect personal interests or the interests of the shareholder or group of shareholders that Board member represents, the Board member must:

- *promptly notify the Board upon becoming aware thereof, with the understanding that failure to do so would be treated as an acknowledgement that no conflict of interest exists;*
- *draw any necessary consequences in terms of exercise of his corporate office.*

Accordingly, as appropriate, the Board member should:

- *refrain from voting on any related decisions;*
- *not attend Board meetings for as long as he is in a conflict-of-interest situation;*
- *resign from the Board.*

The person concerned may be considered liable if he or she fails to comply with these obligations to abstain or, were applicable, to withdraw.

Moreover, if the chairman of the Board has serious reason to believe in the existence of a conflict of interest within the meaning of this section, he is not required to disclose information or documents relating to the subject matter of the conflict to the member or members concerned. He must inform the Supervisory Board of such non-disclosure.

Supervisory board's role as an audit committee

With respect to the audit committee, the Company has decided not to follow the recommendations on audit committees contained in the report on July 22, 2010 by the AMF working group chaired by Mr. Poupart-Lafarge, as it considers that the recommendations are not suitable, given the nature of the Company's business and the size of the Board.

The Board met as an audit committee twice in the past fiscal year. All board members attended its meeting as an audit committee.

As provided for in article L.823-20 (4) of the Commercial Code, the Company has decided to assign the duties of the audit committee to its Supervisory Board, in view of its expertise in this area and of the Company's size.

The members of the Board were given sufficient time to examine the financial and accounting documents, and were able to question the chairman of the Management Board and the head of internal control.

2.1.2. Management Board

As of the date of this document, the Management Board had the following four members:

	Office	Functions Company	Company	Date of appointment	Expiration of term of office
Eric Matteucci	Chairman of the Management Board	Administrative and Financial Director	SII	CS 12/7/2019	12/6/2025
Didier Bonnet	Member of the Management Board	Regional Director International	SII	CS 9/8/2022	7/9/2028
François Goalabré	Member of the Management Board	Regional Director France North & East	SII	CS 12/7/2019	12/6/2025
Antoine Leclercq	Member of the Management Board	Regional Director International	SII	CS 12/7/2019	12/6/2025
Charles Mauclair	Member of the Management Board	Regional Director France West	SII	CS 12/7/2019	12/6/2025

Eric Matteucci was appointed for the first time at the Supervisory Board meeting of December 20, 2007. Mrs. François Goalabré, Antoine Leclercq and Charles Mauclair were appointed for the first time at the Supervisory Board meeting of December 7, 2019. Didier Bonnet was appointed for the first time at the Supervisory Board meeting of September 8, 2022.

Other offices held by the members of the Management Board within the SII Group:

Eric Matteucci	SII Belgium	Chairman of the Board of Directors
	SII Canada Inc	Chairman of the Board of Directors
	SII Group Chile	Member of the Management Board
	SII India IT	Member of the Management Board
	SII Luxembourg SA	Chairman of the Board of Directors
	SII Netherlands	Member of the Supervisory Board
	SII Czech Republic	Manager
	SII Romania	Member of the Supervisory Board
	SII Services Limited UK	Chairman
	SII Services Morocco SARL	Co-Manager
	SII Switzerland SA	Chairman of the Board of Directors
	SII Spain	Member of the Supervisory Board
	SII Sweden	Member of the Supervisory Board
	Metanext	General Director
Didier Bonnet	SII Belgium	Member of the Management Board
	SII Group Chile	Member of the Management Board
	SII Czech Republic	Manager
	SII Services Morocco SARL	Manager
	SII Switzerland SA	Member of the Management Board
	SII Spain	Chairman of the Management Board
François Goalabré	None	None
Antoine Leclercq	SII Canada Inc	Chairman of the Board of Director
	SII India IT	Member of the Management Board
	SII Netherlands	Member of the Supervisory Board
	SII Romania	Member of the Supervisory Board
	SII Holding (Germany)	Manager
	SII Technologies GmbH	Manager
	SII Precision Parts GmbH	Manager
Charles Mauclair	Metanext	General Director

Operation of the board:

It should be noted that the appointment of the three new members of the Management Board were internal promotions, and that the members of the Management Board do not hold any other office or position in any French or foreign company outside the SII Group.

As the executive body, the Management Board meets whenever it is in the Company's interest to do so. The Chairman has a casting vote. The Management Board vested with the broadest powers to act on the Company's behalf in all circumstances in relations with third parties. The chairman of the Management Board represents the Company with regard to third parties.

Article 11 of the articles of incorporation and bylaws (statuts) and article 2 of the Rules and Regulations of the Supervisory Board place limits on the powers of the Management Board.

Under those rules, the following transactions require the Supervisory Board's prior approval if they exceed a total of two hundred and fifty thousand (250,000) euros:

- *sales of land and buildings;*
- *partial or total disposals of interests in other companies;*
- *the creation of security interests as well as sureties, endorsements or guarantees;*
- *the contracting and extensions of loans;*
- *purchases, exchanges and sales of business;*
- *purchases and exchanges of buildings;*
- *the incorporation of companies and all capital contributions to existing or future companies;*
- *as well as all acquisitions or disposals of equity interests.*

2.1.3. Other information concerning officers and directors

General information

Alexia Slape is Bernard Huvé's daughter. There are no other family ties between the Company's corporate officers.

For the needs of their corporate offices, the members of the Supervisory Board and the Management Board have chosen the Company's headquarters as their address for service.

Collective covenants not to dispose of SII shares

On June 30, 2021, the members of the Huvé family group (identified below) and the chairman of the Management Board signed a joint covenants to refrain from disposing of Company shares, in accordance with article 787 B of the French Tax Code (Code Général des Impôts).

This new collective covenant replaces those previously entered into on March 31, 2019.

	2021 Dutreil Agreement
Governing statute	CGI Art. 787 B
Date of signature	June 30, 2021
Duration of the collective commitment	Indeterminate
Contractual term of the Agreement	24 months
Percentage of shares covered by the Agreement on the date of signature	35.00%
Percentage of voting rights covered by the Agreement on the date of signature	35.00%
Names of the parties who are company officers	Bernard Huvé Eric Matteucci
Names of the parties with close ties to company officers	Alexia Slape
Names of the parties owning at least 5 percent of the Company's share or voting rights	Bernard Huvé Alban Huvé Alexia Slape Arnaud Huvé Eric Matteucci

Pledged shares

Table showing pledged shares

Name	Beneficiary	Effective date	Expiration	Release condition	Number of shares	% of capital
Eric Matteucci	Bank	January 2020	February 2027	N/A	200,000	1.00%
Eric Matteucci	Bank	October 2020	September 2027	N/A	448,718	2.24%
TOTAL					648,718	3.24%

Conflicts of interest

As of the date of this document, the Company is not aware of any situation that could result in a conflict between the responsibilities of the members of the Supervisory Board and the Management Board with regard to the Company and their private interests and other responsibilities.

Moreover, to the best of SII's knowledge, over the past five years none of its corporate officers has:

- been convicted of fraud;
- been involved in a bankruptcy or insolvency, receivership or liquidation;
- been the subject of any prosecution or official public sanction handed down by the statutory of regulatory authorities (including any professional associations);
- been prohibited by a court from acting as a member of the governing, management or supervisory body of an issuer or from taking part in the management or conduct of an issuer's business.

As of the date of this document, the Company is not aware of any arrangement or agreement entered into with the main shareholders, customers or suppliers pursuant to which any members of the Supervisory Board or Management Board were selected for that position.

As of the date of this document, to the best of the Company's knowledge, the members of the Supervisory Board and the Management Board have not accepted any restrictions on the transfer of the Company securities they hold, with the exception of those described below.

As of the date of this document, the Company is not aware of any service agreement between the members of the Supervisory Board or the Management Board and the issuer or any of its subsidiaries, providing for specific benefits or rights.

Code of conduct for the prevention of insider trading

In accordance with the Financial Markets Authority's guidelines regarding insider trading (AMF position-recommendation 2016-08 of October 26, 2016), the Company has decided:

1. To provide for closed window periods for employees with access to privileged information, thirty calendar days prior to publication of the half-yearly and annual financial statements and fifteen calendar days prior to publication of quarterly information.
2. To adopt a corporate code of conduct for executives and other employees who may hold privileged information.

Applicable regulations require the members of the Supervisory Board, the Management Board and the Executive Committee to report any material transactions involving Company shares and to agree not to trade, directly or indirectly, in Company shares using the periods referred to in the regulations.

2.1.4. The Executive Committee

The Executive Committee's members include the Group's main French and foreign line and staff managers. Its purpose is to act as a forum for discussions on strategy and the situation at the various entities, as well as on topics that affect the Group as a whole (markets, service lines, human resources, development objectives, etc.).

In addition to the members of the Management Board, the management committee is composed of the following persons:

Etienne Andréoni	Manager, Sophia Antipolis branch office
Tarik Aziz	Manager, SII Morocco
Manel Ballesteros	Manager, SII-IT&S Services (Romania)
Nicolas Bourgeois	Manager, Rennes branch office
Thierry Chevalier	Manager, Lille branch office
David Coiron	Manager, Lyon branch office
Jérôme Delvoy	Manager, Aix-en-Provence branch office
Hélène Doumerc	Manager of the development department
Xavier De Obes	Manager, SII Concatel (Spain, Argentina)
Cyril Duflos	Manager, SII Group Chile
Arnaud Duval	Manager, SII Czech Republic
Mathieu Fischer	Manager, Strasbourg branch office
Enrique Geck	Manager, SII Deutschland GmbH
Andie Johnson-Mitchell	Manager, SII Services (United Kingdom)
Olivier Journel	Manager, Île-de-France (Paris) branch office
Frank Kup	Manager, SII Netherlands
Maud Lorant	Hiring Manager
Xavier Michard	Manager of delivery department
Damien Michaud	Manager, SII Switzerland
Wolfram Motz	Manager, SII Technologies (Germany)
Benoît Mouneydier	Manager, Nantes branch office
Grégoire Nitot	Manager, SII Poland, SII Sweden and SII Ukraine
Nicolas Ortiz Molano	Manager, SII Colombia
Romain Perrier	Manager SII Belgium
Suseendran G	Manager, SII India
Philippe Thiels	Manager, Toulouse branch office
Thomas Vidalinc	Manager, SII Canada Inc.

2.2. Officers' and directors' compensation and benefits

The elements of officers' compensation pertaining to fiscal 2022-2023 will be included in post-ante resolutions which the shareholders' meeting will be asked to approve on September 21, 2023.

2.2.1. Member of the Supervisory Board

(In euros)	Amount for fiscal 2021-2022		Amount for fiscal 2022-2023	
	Owed	Paid	Owed	Paid
Bernard Huvé				
- Fixed compensation	12,000	12,000	0	0
- Variable compensation	0	24,931	0	0
- Board fees	0	0	6,000	0
- Securities awarded	0	0	0	0
- In-kind benefits	0	0	0	0
TOTAL	12,000	36,931	6,000	0
Alexia Slape				
- Board fees	7,000	6,000	6,000	7,000
- Other compensations	-	-	-	-
TOTAL	7,000	6,000	6,000	7,000
Jean-Yves Fradin				
- Board fees	7,000	6,000	6,000	7,000
- Other compensations	-	-	-	-
TOTAL	7,000	6,000	6,000	7,000

2.2.2. Member of the Management Board

Synthesis

Summary table of the compensation, options and share awards of
Mr. Eric Matteucci, Chairman of the Management Board

(In euros)	Fiscal 2021-2022	Fiscal 2022-2023
Compensation for the year	255,528	305,822
Value of the multiple-year variable compensation allocated during the year	0	0
Value of stock options granted during the year	0	0
Value of free shares awarded during the year	216,810	269,911
TOTAL	472,338	575,733

Summary table of compensation, options and share awards of Mr. Didier Bonnet, Member of the Management Board		
(In euros)	Fiscal 2021-2022	Fiscal 2022-2023
Compensation for the year	-	109,235
Value of the multiple-year variable compensation allocated during the year	-	0
Value of stock options granted during the year	-	0
Value of free shares awarded during the year	-	0
TOTAL	-	109,235

Mr. Didier was appointed Member of the Management Board as of September 8, 2022. All the elements concerning him cover all the payments carried out over the period from September 8, 2022 to March 31, 2023.

Summary table of compensation, options and share awards of Mr. François Goalabré, Member of the Management Board		
(In euros)	Fiscal 2021-2022	Fiscal 2022-2023
Compensation for the year	322,497	327,446
Value of the multiple-year variable compensation allocated during the year	0	0
Value of stock options granted during the year	0	0
Value of free shares awarded during the year	90,000	218,786
TOTAL	412,497	546,232

Summary table of compensation, options and share awards of Mr. Antoine Leclercq, Member of the Management Board		
(In euros)	Fiscal 2021-2022	Fiscal 2022-2023
Compensation for the year	310,881	315,833
Value of the multiple-year variable compensation allocated during the year	0	0
Value of stock options granted during the year	0	0
Value of free shares awarded during the year	170,000	218,786
TOTAL	480,881	534,619

Summary table of compensation, options and share awards of Mr. Charles Mauclair, Member of the Management Board		
(In euros)	Fiscal 2021-2022	Fiscal 2022-2023
Compensation for the year	319,599	324,556
Value of the multiple-year variable compensation allocated during the year	0	0
Value of stock options granted during the year	0	0
Value of free shares awarded during the year	90,000	218,786
TOTAL	409,599	543,342

Note:

Compensation and all non-cash benefits owing to officers in executive positions in connection with their appointment by I) the Company, II) companies controlled (within the meaning of article L.233-16 of the French Commercial Code), by the company in which the office is held, III) companies controlled (within the meaning of article L.233-16 of the French Commercial Code), by the company or companies that control(s) the company in which the office is held.

Summary compensation benefits

Eric Matteucci, Chairman of the Management Board				
(In euros)	Amount fiscal for 2021-2022		Amount fiscal for 2022-2023	
	Owed	Paid	Owed	Paid
- Fixed compensation	252,468	252,468	302,762	302,762
- Annual variable compensation [1]	0	0	0	0
- Multiple-year variable compensation	0	0	0	0
- Special compensation	0	0	0	0
- In-kind benefits	3,060	3,060	3,060	3,060
TOTAL	255,528	255,528	305,822	305,822

Didier Bonnet, Member of the Management Board				
(In euros)	Amount fiscal for 2021-2022		Amount fiscal for 2022-2023	
	Owed	Paid	Owed	Paid
- Fixed compensation	-	-	107,940	107,940
- Annual variable compensation [1]	-	-	0	0
- Multiple-year variable compensation	-	-	0	0
- Special compensation	-	-	0	0
- In-kind benefits	-	-	1,295	1,295
TOTAL	-	-	109,235	109,235

François Goalabré, Member of the Management Board				
(In euros)	Amount fiscal for 2021-2022		Amount fiscal for 2022-2023	
	Owed	Paid	Owed	Paid
- Fixed compensation	182,147	182,147	187,096	187,096
- Annual variable compensation [1]	138,190	80,000	158,250	138,190
- Multiple-year variable compensation	0	0	0	0
- Special compensation	0	0	0	0
- In-kind benefits	2,160	2,160	2,160	2,160
TOTAL	322,497	264,303	347,506	327,446

Antoine Leclercq, Member of the Management Board				
(In euros)	Amount fiscal for 2021-2022		Amount fiscal for 2022-2023	
	Owed	Paid	Owed	Paid
- Fixed compensation	182,071	182,071	187,023	187,023
- Annual variable compensation [1]	126,830	100,000	123,809	126,830
- Multiple-year variable compensation	0	0	0	0
- Special compensation	0	0	0	0
- In-kind benefits	1,980	1,980	1,980	1,980
TOTAL	310,881	284,051	312,812	315,833

Charles Mauclair, Member of the Management Board				
(In euros)	Amount fiscal for 2021-2022		Amount fiscal for 2022-2023	
	Owed	Paid	Owed	Paid
- Fixed compensation	182,147	182,147	187,096	187,096
- Annual variable compensation [1]	135,000	80,000	117,000	135,000
- Multiple-year variable compensation	0	0	0	0
- Special compensation	0	0	0	0
- In-kind benefits	1,980	1,980	2,452	2,452
TOTAL	283,909	283,909	319,599	264,595

(1): The variable compensation owed for a given fiscal year is paid the following fiscal year.

In-kind benefits correspond to use a company car.

No stock options were granted by the issuer on any Group entity to officers in executive positions during the 2022-2023 fiscal year.

No stock options were exercised by corporate officers during the 2022-2023 fiscal year.

Grants to officers of incentive shares during fiscal 2022-2023:

Officer	Plan date	Number of shares awarded during the period	Value of the shares	Vesting date	Availability date
Bernard Huvé	None	N/A	N/A	N/A	N/A
Alexia Slape	None	N/A	N/A	N/A	N/A
Jean-Yves Fradin	None	N/A	N/A	N/A	N/A
Eric Matteucci	6/1/2022	6,330	269,911	6/1/2024	6/1/2024
François Goalabré	6/1/2022	5,131	218,786	6/1/2024	6/1/2024
Antoine Leclercq	6/1/2022	5,131	218,786	6/1/2024	6/1/2024
Charles Mauclair	6/1/2022	5,131	218,786	6/1/2024	6/1/2024

Notes:

1/ the value of the shares is measured in the same manner as that used for the consolidated financial statements.

2/ the performance shares were awarded to Management Board members are on the SII Group's net income after minority interests (Eric Matteucci), and on the basis of quantitative indicators for the other members of the executive board, supplemented by qualitative indicators.

Performance shares awarded to corporate officers that vested during the fiscal year 2022-2023:

Corporate officer	Plan date	Number of shares vesting during fiscal year	Grant conditions
Bernard Huvé	None	N/A	N/A
Alexia Slape	None	N/A	N/A
Jean-Yves Fradin	None	N/A	N/A
Eric Matteucci	6/1/2020	12,013	N/A
Didier Bonnet	None	N/A	N/A
François Goalabré	6/1/2020	3,000	N/A
Antoine Leclercq	6/1/2020	7,000	N/A
Charles Mauclair	6/1/2020	3,000	N/A

Past share awards

INFORMATION ON SHARE AWARDS				
Date of shareholders meeting	9/15/2016	9/19/2019	9/19/2019	9/19/2019
Date of the Management Board meeting	6/3/2019	6/2/2020	6/1/2021	6/1/2022
Total number of shares awarded Of which, shares awarded to:	56,411	31,776	38,138	38,723
Bernard Huvé	0	0	0	0
Jean-Yves Fradin	0	0	0	0
Alexia Slape	0	0	0	0
Eric Matteucci	20,481	12,013	8,403	6,330
Didier Bonnet	0	0	3,488**	2,966**
François Goalabré	0	3,000	3,488	5,131
Antoine Leclercq	14,305*	7,000	6,589	5,131
Charles Mauclair	0	3,000	3,488	5,131
Vesting date of the shares	6/3/2021	6/2/2022	6/1/2023	6/1/2024
Lock-up expiration date	6/3/2021	6/2/2022	6/1/2023	6/1/2024
Aggregate number of retired or cancelled shares	0	0	0	0
Balance of awarded shares at the end of the period	56,411	31,776	38,138	38,723

*: *at the date of the plan, Mr. Antoine Leclercq was not corporate officer.*

**: *at the date of the plan, Mr. Didier Bonnet was not corporate officer.*

Restriction on the disposal of shares relating to corporate officers' stock options and share awards

The Supervisory Board has decided that corporate officers who are granted stock options and/or share awards must keep, in register form, until they are no longer in office:

- 10 percent of shares obtained through the exercise of stock options granted;
- 20 percent of shares awarded, subsequent to the lock-up period.

Other information

	Executive corporate officers				
	Eric Matteucci	Didier Bonnet	François Goalabré	Antoine Leclercq	Charles Mauclair
Office	Chairman of the Management Board	Member of the Management Board	Member of the Management Board	Member of the Management Board	Member of the Management Board
Start of term	12/7/2019	9/8/2022	12/7/2019	12/7/2019	12/7/2019
End of term	12/6/2025	9/7/2028	12/6/2025	12/6/2025	12/6/2025
Employment contract	YES	YES	YES	YES	YES
Supplementary pension plan	NO	NO	NO	NO	NO
Allowances and benefits liable to be owing if the officer leaves office or changes office	NO	NO	NO	NO	NO
Indemnities under a non-compete clause	NO	NO	NO	NO	NO

2.3. Policy governing the compensation of the members of the Management and Supervisory Boards

As prescribed by article L.22-10-26 II of the French Commercial Code, the principles governing the determination, allocation and granting of the elements making up the total compensation and benefits of all kinds allocated to the chairman of the Management Board, the members of the Management Board, the chairman of the Supervisory Board and the members of the Supervisory Board of the Company are set forth below.

This report is appended to the report referred to in articles L.225-100 and L.225-102 of the French Commercial Code.

The principles and rules governing the determination and allocation of officers' compensation are set by the Supervisory Board, which relies on the recommendations of the code of practice followed by the SII Group.

All information on the compensation, benefits in kind, stock options and share awards of Company officers are included in this Document (see 2.2) and the notes to the consolidated financial statements.

The principles and criteria for determining compensation for fiscal 2023-2024 will be submitted to the shareholders' meeting on September 21, 2023, for its approval.

Management Board members' compensation

The compensation policy for Management Board members is decided by the Supervisory Board, which sets its general principles based on:

- Compliance with the recommendations of the MiddleNext corporate governance code to which the Company has elected to refer;
- A compensation structure consisting of:
  - a fixed compensation,
  - a variable compensation,
  - in-kind benefits,
  - share awards,
  - the possibility for the Supervisory Board to grant a special bonus based on such considerations as extraordinary circumstances or operations that contribute to the Group's development.

The policy takes into account the work accomplished, the results obtained, the responsibilities assumed, practices reported at comparable firms and the compensation of other Group senior executives.

Fixed compensation

The Supervisory Board determines the compensation of each member of the Management Board for the year.

The annual fixed compensation of M. Eric Matteucci, Chairman of the Management Board for fiscal 2023-2024 will amount to €348,000 (not including their vacation bonus);

The annual fixed compensation of M. Didier Bonnet, Member of the Management Board for fiscal 2023-2024 will amount to €192,000 (not including their vacation bonus);

The annual fixed compensation of M. François Goalabré, Member of the Management Board for fiscal 2023-2024 will amount to €192,000 (not including their vacation bonus);

The annual fixed compensation of M. Antoine Leclercq, Member of the Management Board for fiscal 2023-2024 will amount to €192,000 (not including their vacation bonus);

The annual fixed compensation of M. Charles Mauclair, Member of the Management Board for fiscal 2023-2024 will amount to €192,000 (not including their vacation bonus);

Annual variable compensation

The Supervisory Board determines the annual variable compensation of each Management Board member.

The annual variable compensation of M. Eric Matteucci, Chairman of the Management Board for fiscal 2023-2024 will amount to €120,000 corresponding to 100 percent of its objectives;

The annual variable compensation of M. Didier Bonnet, Member of the Management Board for fiscal 2023-2024 will amount to €120,000 corresponding to 100 percent of its objectives;

The annual variable compensation of M. François Goalabré, Member of the Management Board for fiscal 2023-2024 will amount to €120,000 corresponding to 100 percent of its objectives;

The annual variable compensation of M. François Leclercq, Member of the Management Board for fiscal 2023-2024 will amount to €120,000 corresponding to 100 percent of its objectives;

The annual variable compensation of M. François Mauclair, Member of the Management Board for fiscal 2023-2024 will amount to €120,000 corresponding to 100 percent of its objectives;

In-kind benefits

Benefits in kind consist of the availability of a company car.

Share award plans

The Management Board may award free shares to its members. However, the awards are subject to the oversight of the Supervisory Board in compliance with the policy governing the compensation of Management Board members.

Shares awarded to the chairman of the Management Board

There are no plans to award free shares to the Chairman of the Management Board for the next financial year.

Shares awarded to the members of the Management Board

The number of free shares awarded to the other members of the Management Board depends on several qualitative and quantitative criteria under their authority. The degree to which qualitative and quantitative criteria must be met is not disclosed for reasons of confidentiality.

General share award policy

The share award plans take into consideration the interest of the SII Group, its economic position, practices in its sector and performance criteria based on clear accounting data.

The share awards form part of plans with a limited circle of beneficiaries.

Share awards are contingent on performance and attendance conditions. The performance conditions are not disclosed, in part because they are always personalised and in part for reasons of confidentiality.

They reflect the medium and long-term interest of the Company in terms of its business and the continued commitment of the executive team.

Vesting

Awarded shares vest after two years.

Lock-up period

In the case of shares awarded under plans subsequent to the shareholders' meeting of September 15, 2016, the lock-up period has been eliminated while the vesting period has been kept at two years.

However, the Supervisory Board has decided that Company officers who are awarded free shares will be required to keep 20 percent of those shares in registered form from the expiration of the vesting period to the end of their appointment.

A new share award plan will be put in place during fiscal 2023-2024, in compliance with the policy described above.

A code of conduct has set "close periods" prior to the publication of the financial statements, during which awarded shares may not be sold. In addition, the code has laid out a procedure to be followed by so-called "insiders" to ensure that they do not trade when in possession of information that is not publicly available.

Special compensation

The Supervisory Board may decide to pay the members of the Management Board a special compensation after reviewing the particular circumstances that would warrant it. This situation has not occurred since the beginning of the current terms of the Management Board members.

It should be noted that, according to article L.225-82-2 of the Commercial Code, the payment of special compensation decided during year N requires the approval by the annual shareholders' meeting of the compensation elements for year N+1 of the person concerned, as prescribed by article L.225-100 of the Commercial Code.

Other compensation elements

Compensation elements under an employment contract

A portion of the Management Board members' compensation, as set out above, is payable to them in accordance with their employment agreement.

The members of the Management Board have employment contracts because they are appointed after long careers with the SII Group as well as because of their duties:

- Eric Matteucci: authority over financial, accounting, legal and administrative matters;
- Didier Bonnet: authority over regional international operations (Belgium, Chile, Colombia, Czech Republic, Morocco, Spain, Switzerland) and interface with large accounts.
- François Goalabré: authority over regional domestic operations (North and east) and interface with large accounts;
- Antoine Leclercq: authority over regional international operations (Germany, Romania, Canada, The Netherlands, India) and interface with large accounts;
- Charles Mauclair: authority over regional domestic operations (West) and interface with large accounts.

Accordingly, their employment contracts have not been suspended, especially since the size of the SII Group and its structure make it impossible for those positions to overlap.

Other information

The members of the Management Board are not covered by:

- any commitments by a Group company corresponding to compensation elements, indemnities or benefits owed or liable to be owed because of the termination or change of their assignment, or subsequent thereto, provided, however, that contractual severance benefits may be paid to them if their employment is terminated;
- any commitment by a Group company to indemnify them in connection with a covenant not to compete;
- any supplemental retirement plan.

Supervisory Board members' compensation

Directors' fees

The shareholders' meeting on September 19, 2017, resolved to create a directors' fee envelope in an aggregate annual amount of €80,000, including the total annual compensation of the Supervisory Board's chairman.

The decision, which applies to fiscal 2018-2019, will remain in effect until the shareholders' meeting resolves otherwise.

The Supervisory Board will decide how to allocate directors' fees based on its members' attendance and the time they spend on their assignments.

Compensation of the Supervisory Board's chairman

Since April 1, 2022, the remuneration of the supervisory board's chairman is aligned with that of the other supervisory board members.

Compensation of the Supervisory Board's other members

The other members of the Supervisory Board are entitled to directors' fees, as determined by the Supervisory Board, based on their attendance and the time spent on their assignments.

The members of the Supervisory Board do not receive any other specific compensation related to their appointment.

2.4. Other information

Participation of the shareholders in shareholders' meetings

All shareholders may attend shareholders' meetings, irrespective of the number of shares they hold.

Ownership is evidenced by the shareholder's shares being registered in an account in the shareholder's name or the name of the intermediary acting on the shareholder's behalf by zero hours (Paris time) two working days before the date of the meeting, either in the registered share account ledger kept by the Company or in the books kept by the authorised intermediary.

For bearer shares, the authorised intermediary will issue a certificate attesting that the shares are recorded in its accounts.

Shareholders who are unable to attend a meeting in person have three options. They may:

- appoint an individual or legal entity of their choice to act as their proxy, in accordance with article L.225-106 of the French Commercial Code;
- send a proxy form to the Company without naming a proxy;
- vote by mail.

Requests by shareholders to add items or draft resolutions to the agenda must be sent by registered mail with proof of delivery or by e-mail and must reach the Company's principal office no later than twenty-five (25) days before the date of the meeting, and no later than twenty days after publication of the notice of the meeting in the Official Bulletin (BALO).

Factors likely to have an impact in the event of a public offering

As required by article L.225-100-3 of the French Commercial Code, please note that the following factors may have an impact in the event of a public offering:

- The capital structure and all direct and indirect equity interests known to the Company are described in subsection 5.2., together with all related information.
- The articles and bylaws do not place any restrictions on the exercise of voting rights.
- On June 30, 2021, the members of the Huvé family group and the chairman of the Company's Management Board entered into covenant to refrain from disposing of Company securities, under the special tax treatment introduced by the Act of August 1, 2003 ("Loi Dutreil"), the terms and conditions of which are described above in section 2.1.3.
- The Company is not aware of any other agreement or covenant between its shareholders.
- The Company is not aware of any agreement on preferential in the event of the sale or purchase of shares.
- No securities granting special control rights exist.
- The rules applying to the appointment and removal from office of members of the Management Board are those contained in the law and the articles and bylaws, and more specifically in article 10 of the articles and bylaws as set forth in subsection 5.3.
- As regards the powers of the Management Board, the current delegations of authority are described below and in subsection 5.2 (share buyback program).
- The amendment of the articles and bylaws of our Company is done in accordance with the legal and regulatory provisions.
- No specific agreement exists that grants members of the Management Board or employees any compensation if they resign or are dismissed without just cause or if their employment ends following a public offering.
- The Company has not entered into any agreement that needs to be amended or would be terminated in the event of a change in the control of the Company.

Financial delegations

Table summarising delegations in effect during the fiscal year ending on March 31, 2023

Delegation for capital increases	Date of the delegation	Expiration	Authorised amount (shares)	Fiscal 2022-2023 (shares)	Outstanding authorisation (shares)
Increase of existing shares by incorporation of reserves	Meeting of 9/16/2021	11/15/2023	60,000,000	0	60,000,000
Authorisation to reduce capital	**Date of the delegation**	**Expiration**	**Authorised amount**	**Fiscal 2022-2023**	**Outstanding authorisation**
Capital reduction by the cancellation of shares previously bought back by the company	Meeting of 9/22/2022	9/21/2024	10% of capital	None	10% of capital
Others authorisations	**Date of the delegation**	**Expiration**	**Authorised amount (shares)**	**Fiscal 2022-2023 (shares)**	**Outstanding authorisation (shares)**
Awarding of existing shares	Meeting of 9/17/2019	11/13/2022	400,000	38,723	323,139
Awarding of existing shares	Meeting of 9/22/2022	11/21/2025	400,000	0	400,000
Share buyback program	Meeting of 9/16/2021	3/15/2023	2,000,000	0	2,000,000

Share awards and stock options granted correspond to shares previously purchased by the Company on the market under the share buyback program, which does not affect the amount of capital stock.

Supervisory Board's report on the financial statements for the year ended March 31, 2023

Observations by the Supervisory Board

We remind you that article L.225-68 of the French Commercial Code requires the Supervisory Board to submit to the annual shareholders' meeting its observation on the Company and consolidated annual financial statements, as approved by the Management Board, as well as on the Management Report prepared for the meeting.

We note that the financial statements for the year ended March 31, 2023 and the management report were provided to the Supervisory Board on time as required by the law and regulations.

The principle items in the company financial statements for the year ended March 31, 2023 show:

- a balance sheet total of €328,660,946;
- income of the year of €29,220,781.

The principle items in the consolidated financial statements for the year ended March 31, 2023 show:

- a balance sheet total of €673,048,098;
- consolidated net income of the year after minority interests of €80,458,938.

The Supervisory Board has no particular observations to make concerning either the company and consolidated financial statements for the year ended March 31, 2023 or the Management Report for that fiscal year.

The Supervisory Board has also examined the resolutions drafted by the Management Board and placed before the shareholders' meeting. It recommends to the shareholders that they adopt each of the resolutions submitted to them.

Paris, July 27, 2023

The Supervisory Board

Non-financial statement

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Message from the Chairman

As part of its corporate social responsibility (CSR), SII has chosen to focus its development objectives on sustainable development.

The SII Group's corporate culture is based on commitment, transparency, trust and professionalism. We are aware of the scope of our activities around the world and do our utmost to limit our impact as much as possible.

SII is now in a position to promote its policy by working on a harmonised way forward involving the three areas of sustainable development: A fair economic policy, well thought-out environmental measures and equity in the employee-related and social practices of our subsidiaries, branches and locations.

SII has developed its commitment in these different areas and has intensified dialogue with its shareholders, employees, customers and all stakeholders associated with its business.

Our goals are ambitious and have so far been achieved according to our expectations. But we do not intend to stop at this point and rest on our laurels.

For us, our social, environmental and economic advances are only the first part of our goals, the second part being to maintain these advances into the future. The advances we are making are not for the short term only; our action plans include monitoring our practices and their sustainability over time.

SII wants to be a responsible company that respects its employees, its customers, and the environment, with a humble but ambitious style of governance; in short, we have organised sustainable development into a number of areas, implemented on a daily basis, to quantify our approach.

Our goal is to develop a digital and sustainable world together:

The SII Group led a global review of its identity, corporate culture, business model and future prospects. The findings of the review confirmed and highlighted the SII Group's objective to **develop a digital and sustainable world together**. With the increasing use of digital technology and the emergence of fresh challenges, SII is working to design responsible processes and digitalisation to make them sustainable and accessible to as many people as possible, by generating added value for our clients.

3.1. Note on methodology

The purpose of this document is to describe the methodology used to draw up the Non-Financial Statement of the SII group, in accordance with the transposition in France of the European Directive 2014/95/EU of October 22, 2014 relating to the publication of social and environmental information (ordinance 2017-1180 of July 19, 2017; decree 2017-1265 of August 9, 2017) and Regulation No. 2020/852 of June 18, 2020 on establishing the framework to promote sustainable investments by amending Regulation No. 2019/2088.

The SII Group has chosen to incorporate its NFS into its Annual Financial Report to present the relevant information about the Group's main non-financial macro risks required as part of the NFS: employee-related, environmental, social, human rights, anti-corruption and tax evasion information.

Compliance with CSR reference documents

The information in the Group's NFS complies with:

- european directive 2014/95/EU of October 22, 2014;
- delegated regulations (EU) 2020/852 of June 18, 2020, 2021/2139 of June 4, 2021 and 2021/2178 of july 6, 2021;
- law n° 2021-1104 of August 22, 2021;
- the global Reporting Initiative (GRI) guidelines;
- regulations (EU) 2021/2139 of June 4, 2021 and 2021/278 of July 6, 2021;
- the 10 United Nations Global Compact principles;
- the Sustainable Development Goals (SDGs);
- ISO 26000;
- the EcoVadis assessment.

Correlation with the subjects listed in article L.225-102-1 paragraph 3 of the French Commercial Code

Some of the subjects required by article L.225-102-1 paragraph 3 of the French Commercial Code do not have any specific indicators or comments, as no major risk has been identified for the subjects. These subjects are therefore considered irrelevant to the SII Group's activities.

This applies to:

- the fight against food waste,
- the fight against food insecurity,
- respect for animal welfare and responsible, fair and sustainable food.

Correlation table:

SUBJECTS OF ARTICLE L.225-102-1 OF THE FRENCH COMMERCIAL CODE	NFS CHAPTER
BUSINESS MODEL Description of main activities Stakeholders Value creation	See Chapter 1 "Presentation of the company and its activities"
VISION AND OBJECTIVES (VALUES, STRATEGY) Issues and future prospects (sectoral issues, market trends)	
MACRO RISKS AND NON-FINANCIAL ISSUES	3.2
POLICIES, DUE DILIGENCE, RESULTS AND KEY PERFORMANCE INDICATORS	3.3; 3.4; 3.5
IMPACT ON CLIMATE CHANGE OF THE COMPANY'S ACTIVITY AND THE USE OF THE GOODS AND SERVICES IT PRODUCES	3.5
SOCIAL COMMITMENTS TO SUSTAINABLE DEVELOPMENT	
CIRCULAR ECONOMY	
FIGHT AGAINST FOOD WASTE	No major risk; Not relevant to the SII Group's activities.
FIGHT AGAINST FOOD INSECURITY	
RESPECT FOR ANIMAL WELFARE AND RESPONSIBLE, FAIR AND SUSTAINABLE FOOD.	
COLLECTIVE AGREEMENTS ENTERED INTO WITHIN THE COMPANY AND THEIR IMPACT ON THE COMPANY'S ECONOMIC PERFORMANCE AND ON EMPLOYEE WORKING CONDITIONS	3.4
ACTIONS TO COMBAT DISCRIMINATION AND PROMOTE DIVERSITY	3.4
MEASURES FOR DISABLED PEOPLE	
ACTIONS TO PROMOTE THE PRACTICE OF PHYSICAL ACTIVITY AND SPORT	3.4
FIGHT AGAINST CORRUPTION	3.3
FIGHT AGAINST TAX EVASION	

Sources and methods

The Non-Financial Statement is based on two key processes:

- A materiality analysis presenting the non-financial issues relevant to the SII Group's activities.
- Annual recording of the CSR practices of SII Group entities (branches and subsidiaries).

The system put in place for the collection of extra-financial data promotes the reliable and efficient collection of both qualitative and quantitative data from the subsidiaries where the SII Group operates. The tool selected for this data is a web platform provided by **Reporting 21:** http://sii-group.reporting21.com

Each subsidiary has nominative access (one for each CSR correspondent), so that it can enter the extra-financial data for its perimeter.

The data collection campaign lasts approximately one month between April and May. Once the data has been checked and validated by the Group's CSR manager, the tool is used to consolidate the data at Group level in May-June.

Legislative and regulatory changes are also analysed so that they can be taken into account in our CSR reporting.

As well as being used for the Group's NFS, information on CSR practices is collected to:

- Provide a CSR practices reference document that all entities can use to answer questions from our stakeholders;
- Measure our level of maturity and gives us the opportunity to improve it.

Scope and reporting period

The target scope for capturing CSR practices is the financial scope of consolidation.

So, unless specified otherwise:

- The information and indicators cover the entire scope of the SII Group except SII-Metanext, SII Learning, SII Luxembourg, Sweden and Switzerland.
- The period for calculating the indicators is that of each of the fiscal years presented, i.e. from April 1, N to March 31, N+1.

Some indicators have been evaluated for SII France only when the measure exists only in France or when there are methodological limitations due to a lack of harmonisation of national and/or international definitions and laws.

The "Total average workforce" and "Net job creation" indicators relate to the Group scope.

The "Green Taxonomy" indicators concern SII Germany, SII Technologies (Germany), SII Spain, SII France, SII Poland and SII Romania, corresponding to 91% of the Group's workforce at 3/31/2023.

The "Emissions by scope" indicator concerns the Group perimeter, based on data reported by the various subsidiaries according to their access to data (scope 3 unavailable). Two subsidiaries are not represented for this indicator: SII Canada and SII United kingdom.

With regard to the data published for France for this indicator for the 2022-2023 financial year, in order to gradually align carbon reporting with the Group's subsidiaries, we have made two adjustments:

- the "Goods and services" financial ratios have been associated with two "Services" emission factors: Insurance, banking services, consultancy and fees and printing, architecture and engineering, multi-technical building maintenance, caretaking, cleaning, security, travel, agency, other business services;
- the "Furniture and works" financial ratios have not been taken into account.

The "Purchase of eco-labelled IT equipment" indicator concerns SII Technologies (Germany), SII Belgium, SII Colombia, SII Spain, SII France, SII India, SII Poland, SII Romania, and SII United Kingdom.

The "Employee awareness of digital responsibility" indicator covers SII Technologies (Germany), SII Belgium, SII Colombia, SII Spain, SII France, SII India, SII Netherlands, SII Romania and SII United Kingdom.

The "Energy consumed" indicator concerns the scope of SII Technologies (Germany), SII Belgium, SII Chile, SII Colombia, SII Spain, SII France, SII India, SII Morocco, SII Poland, SII Czech Republic and SII Romania, corresponding to 96.7% of the Group's workforce at 3/31/2023.

Results and key performance indicators

To measure its non-financial performance, the SII Group has developed indicators relevant to its activities and stakeholder expectations. Thus, the non-financial indicators have been chosen pragmatically to asses clearly how the results relating to each macro risk and associated issues change.

In addition, **key performance indicators (KPI)** have been defined for each non-financial macro risk to measure the effectiveness of the policies and actions put in place. In addition, the annual EcoVadis assessment enabled us to add a score out of 100 to each category of social, environmental and societal performance indicators.

The results and key performance indicators apply the following principles:

- Accuracy: The SII Group strives to ensure that its published data is accurate;
- Comparability: The SII Group strives to maintain consistency over the years to ensure data comparability.

Since 2022, during the reporting period, two internal audits per year have been carried out on the spreadsheets used to monitor social data: "Training hours" and "Work-related accidents". These internal audits make it possible to correct any data errors during the course of the year, thereby ensuring the reliability of the data published in the annual financial report.

The indicators are calculated based on definitions set out in the CSR Indicator Dashboard.

For certain indicators, a specific reporting procedure has been drawn up and shared with all the subsidiaries included in the scope of audit control for the financial year in question (via the Reporting 21 tool). This makes it possible to obtain a harmonised reporting methodology between the various entities audited, and thus to promote data consistency.

The Group regularly reviews all of its indicators to ensure that each year it presents indicators that are relevant to its activities and its maturity with regards to its extra-financial challenges.

A number of additions and deletions have been made since the publication relating to the 2021-2022 financial year:

- the wording of the KPI "Satisfaction meets and exceeds expectations" has been replace by "Customer satisfaction rate";
- the indicator "Percentage of our entities having relations with professional associations and groups of technological experts" has become a monitoring indicator following the re-evaluation of the KPIs as part of our new CSR strategy;
- the wording of the KPI "Percentage of our entities involved in philanthropic works" has been replaced by "Entities involved in philanthropic works" and has become a monitoring indicator following the re-evaluation of the KPIs as part of our new CSR Strategy;
- the KPI "CO2 emissions/pers./year" has become a monitoring indicator following the re-evaluation of the KPIs as part of our new CSR strategy;
- the KPIs "Completion of the carbon footprint", "Quantity of paper purchased (reams)", "Emissions relating to business travel", "Emissions relating to IT equipment", "% of the population having implemented the sorting and recycling of paper and cardboard waste", "% of the population having implemented the recycling of WEEE waste (sorting and recycling of waste electrical and electronic equipment, IT equipment, ink cartridges)", "% of population with plastic waste recycling in place", "% of ecoresponsible paper purchases" and "Quantity of paper collected and sent for recycling" have been removed following the re-evaluation of the KPIs as part of our new CSR strategy.

In the report's tables, the **Key Performance Indicators (KPIs)** for each issues, applicable from the 2023-2024 financial year, are highlighted in green.

The Key Performance indicators applicable from the 2023-2024 and 2024-2025 financial years are shown in italics.

The associated policies are also mentioned opposite each macro-risk / issue.

For certain macro-risks (Governance, Innovation, Social Relations, Digital Ecosystem, Philanthropic Commitment), only monitoring indicators are planned to date. This is because the have been deemed to be less of a priority than the other macro-risks. Discussions are underway to define related Key Performance Indicators. However, the SII Group's approach to these issues is set out in the Extra-Financial Performance Statement.

Details on employee-related indicators

The employee-related performance indicators come from the human resources management tools used in each of the subsidiaries. They have been the subject of non-accounting reporting. A common reference document was distributed to all those responsible for collecting the information. The results were compiled by the Group's finance department.

Unless otherwise indicated by asterisks in the spreadsheets, the indicators cover the entire SII Group (including Metanext, SII Learning, SII Switzerland and SII Sweden).

The headcount indicators include apprentices and professional training contract holders and exclude interns. The information can vary according to local specificities (for example: departures are broken down by six reasons in France compared with three for all entities outside France). The Group is working to harmonise them.

The average absenteeism rate was calculated based on "consultant" staff, including only absences due to illness, maternity and occupational and commuting accidents. It is determined by the number of days of absence for these reasons in relation to the total number of days theoretically worked (including holidays).

For the "Training hours" indicator, training hours are recorded when they end during the financial year, with the exception of training hours relating to professionalization contracts, which are recorded during the financial year (and not at the end of the training course). All types of training can be taken into account, whether internal or external, face-to-face or distance learning, as long as they: result in an acquisition of skills for the employee, are accompanied (tutored) by a trainer (internal or external) or via a digital learning environment (online). Training hours spent at school by apprentices & professional training contracts are counted. Internship hours are not taken into account.

In France, although the reform of professional training means that declaration no. 2483 is no longer required, training-related indicators are calculated in accordance with the same provisions.

The severity rate is calculated as follows: (number of days lost due to temporary disability * 1,000) / number of days worked.

For the "Accidents with lost time" indicator, accidents at work and commuting accidents with lost time occurring during the year between the place of work and: the main residence, the place of catering, or the customer are counted. Accidents resulting in lost time are classified as such by the French CPAM. The number of accidents at work with lost time includes commuting accidents.

Details on social and environmental indicators

In 2022, the indicators used to steer our environmental approach were reviewed in order to present indicators that are relevant to the Group's activities and maturity with regard to environmental issues.

For the "CO_2/FTE/year" indicator, FTEs are calculated on the basis of contractual presence time (in calendar days) at the end of the financial year (at 3/31/N).

For the "Emissions by scope (1, 2 and 3)" indicator, local data from subsidiaries is fed into the Reporting 21 CSR data collection tool for consolidation, which calculates emissions by scope according to the GHG Protocol methodology, using emission factors from ADEME's Empreinte® data-base. Targets for this indicator were defined when the France Decarbonisation Plan was drawn up i early 2023. The scope of this plan will be extended to other subsidiaries in the coming years.

For France in particular, please refer to the Methodological Note - SII France Carbon Emissions Inventory, for details of the calculations.

For the indicator "Purchase of eco-labelled IT equipment", the ecolabels used for the calculation are the following (in order of preference analysis of how representative they are of the CSR aspects taken into account by each of them, with priority given to first two):

- **TCO-Certified** because it also includes social criteria: https://tcocertified.com/product-finder/
- **EPEAT** (Gold or Silver): https://epeat.net/
- Blue Angel: https://www.blauer-engel.de/en/products
- European Ecolabel: http://ec.europa.eu.ecat/

This indicator is calculated on the basis of equipment purchase dates. It only takes into account equipment for which we have found proof of purchase (first year of calculation of this indicator).

For the "Energy consumed" indicator, the number of kWh consumed is reported.

External audit

To obtain an external opinion on the completeness and fairness of its non-financial data reporting process, the SII Group has appointed the firm RSM Paris as an independent third party to perform the following audit:

- audit the statement's compliance with the provisions of article L.225-105 of the French Commercial Code;
- audit of the fairness of the information provided pursuant to article R.225-105 of the French Commercial Code, namely the results of policies, including key performance indicators, and actions, relating to the main risks.

3.2. SII Group's CSR approach

CSR governance and management

Within the SII Group, the corporate social responsibility (CSR) comes under the Quality & CSR France department which is attached to the Operations Department reporting to the Chairman of the Management Board who approves the Group's strategy and policies in this area.

The group CSR approach is led by a group CSR manager, two France CSR managers and a responsible digital expert.

These key contacts are responsible for providing the non-financial information and deploying Group policies.

The Group's CSR approach is the subject of an annual consultation during the "Performance and CSR management review.

Commitment to the United Nations Global Compact

SII SIGNATORY TO THE 10 UN PRINCIPLES

In 2022, the SII Group renewed its support for the Global Compact, a United Nations initiative that proposes a set of simple, universal and voluntary commitments based on 10 principles relating to respect for human rights, international labour standards, the environment and the fight against the corruption:

NOUS SOUTENONS LE PACTE MONDIAL
UN GLOBAL COMPACT

1. support and respect the protection of internationally proclaimed human rights,
2. make sure that they are not complicit in human rights abuses,
3. uphold the freedom of association and recognise the right to collective bargaining,
4. contribute to the elimination of all forms of forced or compulsory labour,
5. contribute to the effective abolition of child labour,
6. contribute to the elimination of discrimination in respect of employment and occupation,
7. apply a precautionary approach to environmental challenges,
8. undertake initiatives to promote greater environmental responsibility,
9. encourage the development and diffusion of environmentally friendly technologies,
10. work against corruption in all its forms, including extortion and bribery.

In pursuing this commitment, the SII Group, as a signatory, is expressing its willingness to support and incorporate these principles into its strategy, culture, and day-to-day operations, and to advance them within its area of influence and with its stakeholders.

The SII Group is also a member of the Global Compact Advanced Club of nearly 100 companies, of various sizes and sectors, that are advanced in CSR and report at the "GC Advanced" level, the highest differentiation level of the United Nations Global Compact. It offers a space for dialogue, reflection and collective learning to move forward and contribute together to the Sustainable Development Goals.

The subsidiaries SII Germany and SII Colombia are also committed to the Global Compact network in their respective territories.

CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS (SDGS)

"*Transforming our world*" is the aim of the 2030 Agenda adopted by the United Nations in September 2015. This program comprises 17 universal, crosscutting and interdependent Sustainable Development Goals (SDGs). It marks the urgent need to accelerate and intensify the transitions of our societies.

SUSTAINABLE DEVELOPMENT GOALS

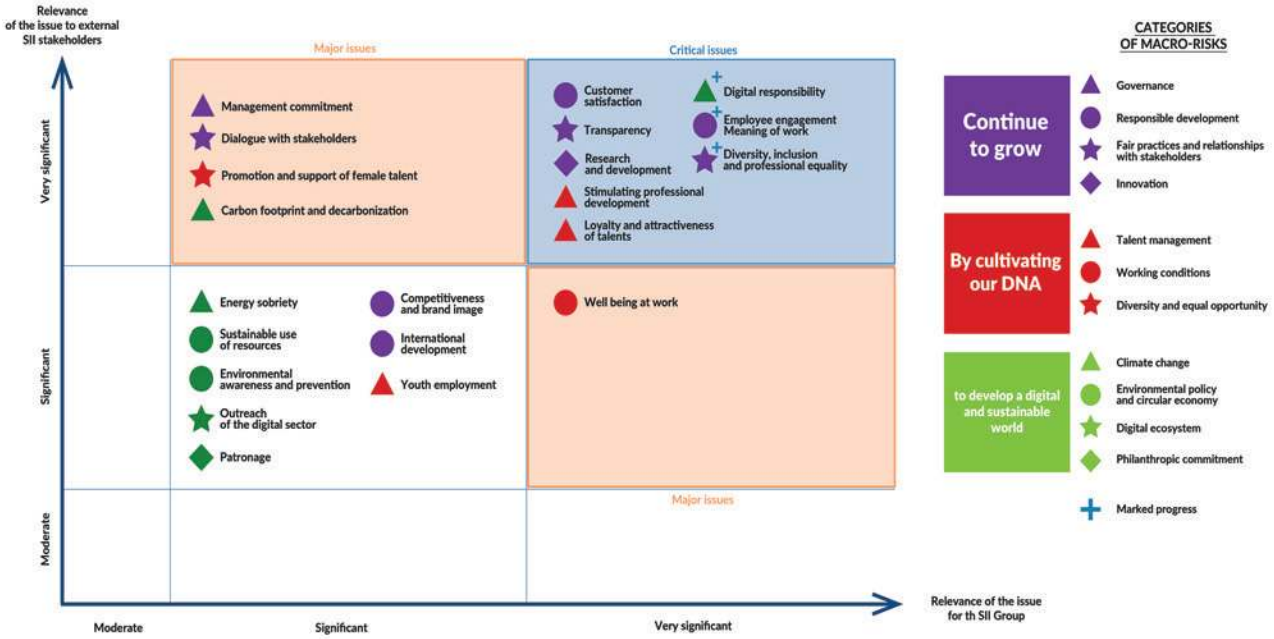
To make its contribution and actively participate in this program, the SII Group has looked at its non-financial issues in the light of these major goals. This analysis identified 10 Sustainable Development Goals to which the Group makes a significant contribution.

Materiality analysis: the cornerstone of the CSR strategy

At the end of 2022, the SII Group updated its materiality analysis in order to identify the most relevant CSR macro-risks and associated challenges of its CSR strategy based on a cross-analysis of its own point of view and that of its stakeholders. Based on the Group's activities, 16 extra-financial issues covering 10 macro-risks have been identified.

Below is the graph representing the materiality matrix resulting from this analysis

SII MATERIALITY MATRIX



This materiality matrix is the cornerstone of the Group's CSR approach. It has been used to consolidate the Group's new CSR strategy, validated at the beginning of 2023, around 3 ambitions associated with issues covering 11 extra-financial macro-risks which guide its actions and which also enable it to contribute to the United Nations' Sustainable Development Goals (SDGs). This new CSR strategy is international in scope, and is intended to include all the Group's subsidiaries.

This Extra-Financial Performance Statement is structured on the basis of this analysis and associated matrix, in order to adopt a materiality approach and to communicate exclusively on the issues relevant to the Group's activities. Accordingly, only the issues identified as crucial or major by the materiality matrix and the additional issues deemed important by management have been selected (distinguished with this spelling in the "Associated issues" column of the following spreadsheet). The macro-risks "Social relations" and "Protection of assets and confidentiality" have also been added.

These issues and the associated indicators are set out in turn in the following sections.

The Group's CSR strategy "Professional ethics for responsible growth"

The SII Group committed to a sustainable future

At SII, we are convinced that digital technology is a source of opportunity and progress and that it constitutes a vital resource for meeting current and future challenges. This is why the Group is seeking to give meaning to its businesses and expertise, with a view to contributing at its own level to the sustainable transformation of ecosystems. Consistent with its social responsibility objectives and commitment to the United Nations Global Compact and the 17 Sustainable Development Goal, SII constantly fosters innovative practices generating sustainable value. SII is working to improve well-being at work, fair practices, information security, environmental impact, digital responsibility and philanthropic commitments through concrete, inclusive and responsible projects. These initiatives are led in a humble and collective spirit, dialogue with key stakeholders and their involvement in this sustainable transformation process being essential to meeting the challenges of responsible digital innovation.

The Group's CSR approach is based on a foundation of three goals, covering eleven non-financial macro risks that guide its actions:

Goal 1: Continue to grow – *economic and financial issues*

Goal 2: By cultivating our DNA – *employee-related issues*

Goal 3: To develop a digital and sustainable world – *social and environmental issues*

GOAL 1: CONTINUE TO GROW - ECONOMIC AND FINANCIAL ISSUES

NON-FINANCIAL MACRO RISKS	ASSOCIATED ISSUES	DEFINITIONS	CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS
GOVERNANCE	MANAGEMENT COMMITMENT	Fostering a corporate culture based on strong values. Taking account of social, societal and environmental issues in the Group's strategy, and defining objectives with a view to sustainable development. Respect the commitments made (competence, listening, advice, deadlines, future, service). Communicate clearly on the CSR strategy and its deployment.	8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
RESPONSIBLE DEVELOPMENT	CUSTOMER SATISFACTION	Maintain long-term customer satisfaction and loyalty by developing trust-based relationship.	8 DECENT WORK AND ECONOMIC GROWTH 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
	SUB-CONTRACTORS AND SUPPLIERS	Maintain the chain of trust with our subcontractors and suppliers. Use suppliers and service providers that meet corporate responsibility requirements.	
	COMPETITIVENESS AND BRAND IMAGE	Ensure a sound economic and financial model, maintain current business, continue to develop our activities, penetrate new markets, develop our customer portfolio, diversify our activities, remain competitive.	
	GEOGRAPHIC DEVELOPMENT	conquer new territories, support our existing clients in their international development	

NON-FINANCIAL MACRO RISKS	ASSOCIATED ISSUES	DEFINITIONS	CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS
FAIR PRACTICE AND RELATIONS WITH STAKEHOLDERS	BUSINESS ETHICS	Ensuring the integrity of the Group's activities and its relations with all stakeholders in the areas of ethics, the fight against corruption, money laundering, influence peddling and the prevention of conflicts of interest. Clear communication on the subject for stakeholders.	
	TRANSPARENCY	Communicating Group information (including results, decisions, trends and objectives) to stakeholders in a sincere, comprehensive and comprehensible manner).	
	DIALOGUE WITH STAKEHOLDERS	Guaranteeing the quality of relations with the Group's various internal and external stakeholders (individuals or groups of individuals who may affect or be affected by the Group's activities, and who represent the ecosystem in which the Group operates).	
INNOVATION	RESEARCH AND DEVELOPMENT	Developing innovative projects, putting our expertise to work for our customers' digital transition, being a major and recognised player in the digital ecosystem.	
ASSET PROTECTION AND CONFIDENTIALITY	DATA PROTECTION AND CONFIDENTIALITY	Ensuring the protection of confidential information and personal data of employees and external stakeholders (customers, suppliers, etc.). Ensuring the protection of tangible assets (equipment and material goods) and intangible assets (human capital, know-how, projects, brand image) as well as respect for the intellectual property of customers and the Group.	

GOAL 2: BY CULTIVATING OUR DNA - EMPLOYEE-RELATED ISSUES

NON-FINANCIAL MACRO RISKS	ASSOCIATED ISSUES	DEFINITIONS	CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS
TALENT MANAGEMENT	ATTRACTING AND RETAINING TALENT	Identifying and attracting external talent, and retaining, motivating, and developing internal talent (training, skills development, mobility management, career management and remuneration).	
	STIMULATING PROFESSIONAL DEVELOPMENT	Foster personal and professional development, value talent, encourage professional mobility, enhance employability, develop social innovation. Anticipate changes in jobs and skills to respond proactively to customer needs.	
	YOUTH EMPLOYMENT	Integrating young people into the job market, hiring young people on apprenticeship or profesionalization contracts.	
WORKING CONDITIONS / QUALITY OF LIFE AT WORK	HEALTH AND SAFETY	Ensuring employee safety: combating workplace accidents, absenteeism, psycho-social-risks, musculoskeletal disorders and occupational illnesses.	
	WELL-BEING AT WORK	Promoting quality of life at work, offering optimal working environments and conditions, contributing to work/life balance (flexible working hours, time off, the right of disconnect, parental support), taking actions to protect the health and safety of our employees.	
	EMPLOYEE ENGAGEMENT / MEANING AT WORK	Involve employees in the collective life of the company, in SII's culture and values, and encourage intrapreneurship (bottom-up approach). Developing talent. Listening to employee's CSR proposals.	

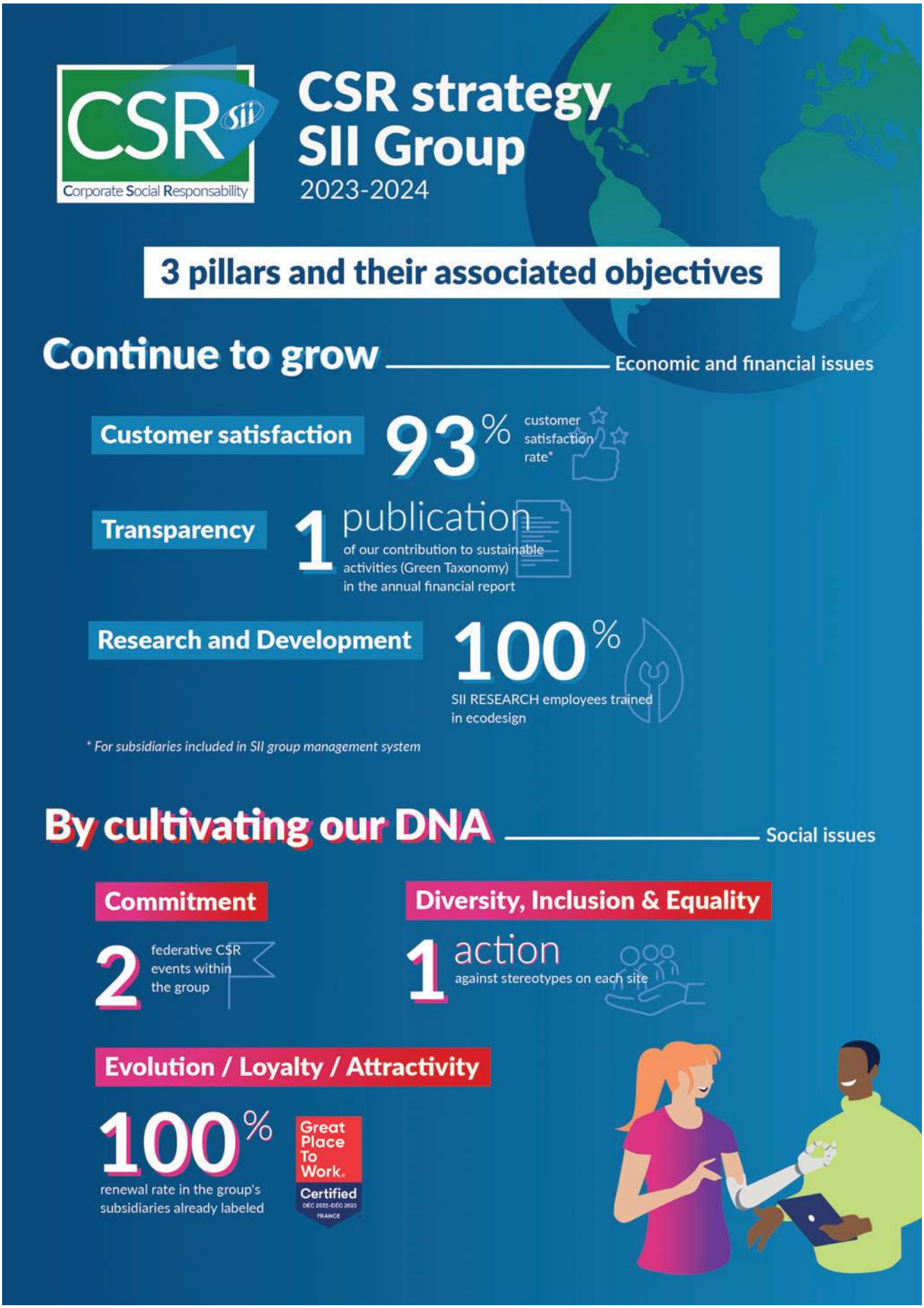
NON-FINANCIAL MACRO RISKS	ASSOCIATED ISSUES	DEFINITIONS	CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS
DIVERSITY AND EQUAL OPPORTUNITIES	DIVERSITY, INCLUSIONS, AND PROFESSIONAL EQUALITY	Better reflect the diversity of the population in the Group's workforce. Combating discrimination based on gender, sexual orientation, disability, age, ethnic origin or social background, by promoting fair treatment. Promoting parity and diversity. Reject all forms of discrimination (active and passive).	
	PROMOTING AND SUPPORTING FEMALE TALENT	Promoting the attractiveness of digital and engineering professions to women, increasing the number of women in digital professions.	

GOAL 3: TO DEVELOP A DIGITAL AND SUSTAINABLE WORLD - SOCIAL AND ENVIRONEMENTAL ISSUES

NON-FINANCIAL MACRO RISKS	ASSOCIATED ISSUES	DEFINITIONS	CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS
DIGITAL ECOSYSTEM	INFLUENCE OF THE DIGITAL SECTOR	Contribute to the development and influence of our business sector. Developing innovative projects, using our expertise to help our customers make the digital transition, and being a major, recognised player in the digital ecosystem. Forge links with key organisations in the digital sector. Promote digital training and careers.	
PHILANTHROPIC COMMITMENT	PATRONAGE AND CIVIC ENGAGEMENT	Implementing corporate philanthropy initiatives on themes that may or may not be related to the Group's activity business and enabling employees to carry out voluntary work/skills sponsorship. Support associations and self-help organisations. Mobilise the Group in favour of causes of general interest.	

NON-FINANCIAL MACRO RISKS	ASSOCIATED ISSUES	DEFINITIONS	CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS
CLIMATE CHANGE	CARBON FOOTPRINT / DECARBONATION	Asses the volume of greenhouse gas (GHG) emissions generated (via energy consumption, employee travel, purchasing, etc.) and implement measures to reduce these emissions, in order to meet the challenges of the ecological transition.	
	DIGITAL RESPONSIBILITY	Informing, raising awareness, training and proposing tools and practices to promote responsible digital technology that is accessible to all. Building a framework of trust in the digital world. Encourage innovation and the emergence of ecosystems of ethical and responsible values, while ensuring the protection of eco-responsible data (D3E waste management, energy consumption, IT equipment management, etc.).	
	SUSTAINABLE MOBILITY	Promote soft or clean modes of transport that reduce the impact on the environment: active mobility (walking, cycling), public transport and shared transport (car pooling, car sharing).	
CIRCULAR ECONOMY	ENVIRONMENTAL AWARENESS AND PREVENTIONS	Implement efficient and recognised environmental management (with certifications / labels). Training employees and raising their awareness of environmentally-friendly behaviour (eco-gestures, environmental issues, etc.) and preventing environmental pollution. Promote waste prevention and management (prevention measures, recycling, reuse, other forms of waste recovery and disposal, measures to combat food waste).	
	SUSTAINABLE USE OF RESOURCES / ENERGY EFFICIENCY	Optimise consumption of paper, energy, water, raw materials and IT equipment. Encourage the use of sustainable / renewable energy and recycle materials. Using soil in a respectful way. Monitor and control energy consumption and travel (sustainable mobility), to optimise it and reduce unnecessary consumption.	

This new CSR Strategy was communicated internally using the following illustration:



To develop a digital and sustainable world

Enjeux environnementaux et sociétaux

Sustainable IT

90% eco-labeled purchases for SII monitors and PCs

+20% of collaborators trained in Sustainable IT awareness*

Carbon footprint / Decarbonisation

-10% of energy consumption*

1 business travel Policy deployed at all sites

* Compared to 2021-2022 exercice

We contribute to **14** SUSTAINABLE DEVELOPMENT GOALS

Together, let's continue to act day-by-day to continue to progress!

Recognition of the CSR approach

ECOVADIS ASSESSMENT

For many years, the SII Group has assessed its CSR practices using the EcoVadis evaluation. EcoVadis CSR assessment methodology is based on international CSR standards, including the Global Reporting Initiative, the United Nations Global compact, and ISO 26000.

The Group's CSR performance was rewarded once again in 2022, with:

- a score of 76/100,
- maintained "advanced" CSR performance,
- been awarded a platinum medal.

This award is further confirmation that the Group is among the top 1% of the best rated companies in the #IT sector.

GAÏA INDEX

In October 2019, the SII Group was included in the 2019 Gaïa Index, a socially responsible investing (SRI) stock market index that highlights SMEs and mid-market companies according to their environmental, social and governance (ESG) performance. In 2022, the Group obtained a note of 63/100.

GLOBAL COMPACT ADVANCED

The SII Group is recognised as "GC Advanced", the highest level of differentiation of the Global Compact, for its CSR commitment and contribution to the Sustainable Development Goals.

GREAT PLACE TO WORK

The GPTW approach has been amplified through the SII group, We have grown from 12 to 14 certified entities: SII Germany, SII Belgium, SII Canada, SII Chile, SII Colombia, SII Spain, SII France, SII India, SII Morocco, SII Netherlands, SII Poland, SII Czech Republic, SII Romania, and SII United-Kingdom have obtained "Great Place to Work" certification, this label is granted to companies which offer great working conditions.

RESPONSIBLE BUSINESS ALLIANCE (RBA)

In 2020, SII Romania's CSR approach was recognised in the form of RBA Platinum certification, which assesses compliance which the strictest standards on social responsibility. With a perfect score of 200 out of 200 points, SII Romania ranks among the top-rate companies in the computer programming sector.

European Union Green Taxonomy

From 2022, the European Union's Green Taxonomy for sustainable activities (EU regulation 2020/852 of June 18, 2020) comes into force, with the aim of directing investment towards sustainable projects and activities, thanks to a European classification system for green activities, to help achieve climate neutrality by 2050.

In accordance with the applicable regulations (Article 10.2 of Delegated Regulation (EU) No. 2021/2178 of July 6, 2021), the information to be disclosed in the Extra-Financial Statement of the SII group concerns for the financial year 2022-2023 only the part of its economic activities eligible for the Taxonomy (Annex 1 of Delegated Regulation (EU) No. 2021/2139 of June 4, 2021), and contributing to the first two environmental objectives: climate change mitigation and climate change adaptation.

The SII Group, like most NSEs, is relatively unaffected by the activities identified in the Green Taxonomy:

"Transport by motorbikes, passenger car and light commercial vehicles" § 6.5 [1], NACE code J61-62-63.11 (according to the statistical classification of economic activities).

Corresponds to the following definition: *"The purchase, financing, hire, leasing and operation of vehicles designated as belonging to categories M 1 (232) and N 1 (233), both of which fall within the scope of regulation (EC) No 715/2007 of the European Parliament and of the Council (234), or to category L (two or three vehicles and quadricycles) (235)".*

"Installation, maintenance and repair of charging stations for electric vehicles inside buildings (and in car parks attached to buildings)" § 7.4 [2], NACE code J61-62-63.11 (according to the statistical classification of economic activities).

Corresponds to the following definition: "*Installation, maintenance and repair of charging stations for electric vehicles inside buildings and in car parks attached to buildings*".

"Acquisition and ownership of buildings" § 7.7 [3], NACE code J61-62-63.11 (according to the statistical classification of economic activities).

Corresponds to the following definition: "*Purchase of real estate and exercise of ownership of this real estate*".

"**Data-driven solutions for GHG emissions reductions" / "Programming, consulting, and other IT activities"**; § 8.2 of Annex 2021/2139, NACE code J61-62-63.11 (according to the statistical classification of economic activities).

Corresponds to the following definition: "*Providing expertise in the field of information technology, writing, modifying, testing and supporting software; planning and designing computer systems integrating hardware, software and communication technologies; managing and operating on-site computer systems or customer data processing facilities; and performing other professional and technical activities related to information technology.*

The development or use of ICT solutions to collect, transmit, store, model and use data where the primary purpose of these activities is to obtain data and analysis to reduce GHG emission. These ICT solutions may include, among others, the use of decentralised technologies (i.e. distributed ledger technologies), The internet of Things (IDO), 5G, and Artificial Intelligence".

This mainly concerns consulting and integration activities, for projects carried out on behalf of customers that could have a favourable impact, directly or indirectly, on reducing greenhouse gas emissions.

In addition, the impact of digital technology on the environment is treated as one of the key challenges of our CSR strategy (see Digital Responsibility).

The SII Group has also regularly pursued its exchanges with its peers in France within Numeum, the professional association of Digital Services Companies (ESN), software publishers, platforms and Engineering and Technology Consulting (ICT) companies, in order to have a harmonised understanding of the European regulation and its delegated acts, in particular with regard to the identification of activities eligible under the revenue indicator.

In 2022, Numeum carried out an analysis of the activities defined in Annex 1 of the climate delegated act, "Mitigation of climate change", and compared them with those carried out by its members . In a position paper, Numeum presented its interpretation of the activities it considers eligible.

For the 2022-2023 financial year, the SII Group has launched a process at each site to identify eligible projects and expenses, in line with the Group's business model and in collaboration with the management control department, in order to determine the shares of revenue (CA), capital expenditure (CAPEX) and operating expenses (OPEX) corresponding to these eligible activities. It then launched an analysis process to determine the alignment of the subjects identified. This process is progressive, which means that to date the inventory in certainly not exhaustive. Projects that have not been analysed are considered not to be aligned.

Eligibility

For the purposes of reporting eligible for the Green Taxonomy, customer projects are taken into account where offers have been implemented to address sustainability issues, and more specifically to reduce or avoid GHC emissions.

Among the major sectors in which the SII Group operates, some make a particularly significant contribution to the fight against global warming: Energy, Telecoms and Media, Transport, Aeronautics.

Eligible projects are therefore mainly projects carried out on behalf of customers with a favourable and measurable impact on the reduction of greenhouse gas emissions, such as:

projects involving the construction of solutions for determining and measuring greenhouse gas emissions;

the integration of solutions enabling customers to reduce their consumption of raw materials or components;

integration projects aimed at optimising a constraint or replacing physical flows with a digital process.

Capital expenditure (CAPEX) was limited to:

Electricity points installed or leased over the 2022-2023 period;

IT equipment (PCs or screen) acquired during the 2022-2023 financial-year, regardless of whether they have been awarded a label.

Operating expenses (OPEX) include:

research and developments costs;

all our newly acquired or leased buildings over the 2022-2023 financial-year (including lease renewals), regardless of their energy efficiency;

all our newly acquired or leased vehicles in the 2022-2023 financial-year (including lease renewals), regardless of their GHG emissions level.

Because of the Group's business model, only a very small proportion of its sales are eligible for the Green Taxonomy.

Alignment

An activity is considered sustainable or taxonomy aligned if:

it contributes to one of the six environmental objectives by respecting the criteria of substantial contribution (climate change mitigation, adaptation, water, circular economy, pollution and biodiversity) and it is part of the list of activities defined in the delegated acts;

it does not cause significant harm to any of the other five environmental objectives;

it is carried out in compliance with the OECD and United Nations guidelines on business, in particular the fundamental rights at work and human rights.

Compliance with substantial contribution criteria

Projects eligible under activity 8.2 meet the criteria for a substantial contribution, which aim to use the solution to obtain data that will help reduce GHG emissions, and are therefore aligned.

For the purposes of reporting in line with the Green Taxonomy, we consider customer projects that meet the following technical criteria:

the solutions are mainly used to obtain data and analyses to reduce GHG emissions;

when an alternative solution is already available on the market, the solution demonstrates substantial savings in GHG emissions over its life cycle compared with the best performing alternative solution.

Concerning individually eligible CAPEX:

electrical charging points installed over the 2022-2023 period;

only IT equipment (PCs or screens) acquired during the 2022-2023 financial-year and bearing a TCO Certified or EPAT (Gold or Silver) ecolabel. See "Details of social and environmental indicators" on page 76.

Concerning individually eligible OPEX:

only new buildings acquired or leased in the 2022-2023 financial-year and which, for buildings constructed before December 31, 2020, have a Class A energy performance certificate issued and are operated efficiently thanks to energy performance monitoring and assessment.

only new vehicles acquired or leased during the 2022-2023 financial-year that, for vehicles in categories M1 and N1 (light vehicles), comply with specific CO_2 emissions or less the 50d CO / km^2.

We do not meet all the substantial contribution criteria for these activities: the elements identified as eligible will therefore not be considered as aligned.

Compliance with the "do no harm" principle (DNSH)

DNSH "Adaptation to climate change" and "Adaptation to climate change": the SII Group has deployed a decarbonisation plan with a view to limiting global warming, as described in the paragraph "Climate change", page 114. However, to date there has been no analysis of the physical risks associated with climate change.

DNSH "Transition to a circular economy": a waste management procedure is in place that guarantees maximum recycling of waste at the end of its life, specifically electrical and electronic equipment.

Compliance with minimum guarantees

Human rights: the SII Group is committed to complying with applicable laws and has a policy on human rights. It is also subject to the duty of vigilance as defined by French regulations, as described in the section "Fair practices and relations with stakeholders" on page 92.

Business ethics and the fight against corruption: the SII Group applies a zero tolerance policy to corruption and influence peddling. A Code of Conduct for the prevention of corruption and influence peddling is published in ten languages and covers all Group entities. An e-learning training program has been set up for all employees, supplemented by dedicated training for those considered to be at greater risk. These elements are described in detail in the section on "Fair practices and relations with stakeholders" on page 92.

The SII Group has also introduced procedures for evaluating suppliers and subcontractors. See "Subcontracting and suppliers" and "Fair practices and relations with stakeholders" on page 92.

Taxation: the SII Group is committed to full compliance with tax regulations. In particular, the Group pays taxes in the countries where it operates and where value is created. See "Fair practices and relations with stakeholders" on page 92.

Protection of fair competition: the SII Group conducts its business in strict compliance with the competition laws of the countries in which it operates. See "Fair practices and relations with stakeholders" on page 92.

Results

The indicators below have been compiled using financial data determined in accordance with the accounting rules described in Chapter 4.

The CAPEX to be considered corresponds to the increase in assets. The amounts taken into account in the CAPEX denominator correspond to flows of intangible and tangible fixed assets (excluding goodwill).

Sales Indicators

Activity	Code	Turnover (€)	Turnover %	Substantial contribution						DNSH						Minimum Safeguards	Turnover - Year-End N %	Turnover - Year-End N-1 %	Enabling (E) activity / Transitional (T) activity
				Climate Change						Climate Change									
				Mitigation	Adaptation	Water protect.	Circular eco.	Pollution	Biodiversity	Mitigation	Adaptation	Water protect.	Circular eco.	Pollution	Biodiversity				
A. ACTIVITIES ELIGIBLE FOR REGULATION TAXONOMY																			
A.1. ELIGIBLE AND ALIGNED ACTIVITIES																			
Data driven solutions for reducing GHG emissions	8.2	0	0%	0%	0%	0%	0%	0%	0%		Y	Y	Y	Y	Y		Y	0%	E	
Total A.1. Eligible and aligned activities		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y		Y	0%	0%	0%
A.2. ELIGIBLE AND NON-ALIGNED ACTIVITIES																			
Data driven solutions for reducing GHG emissions	8.2	4,479	0.44%	100%	0%	0%	0%	0%	0%		Y	Y	Y	Y	Y		Y	0,44%	E	
Total A.2. Eligible and non-aligned activities		4,479	0.44%																	
Total (A.1+A.2)		4,479	0.44%																	
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY REGULATION																			
Activities not eligible for the Taxonomy regulation		1,018,068	99.56%																
TOTAL (A+B)																			
		1,022,547	100%																

Capex Indicators

Activity	Code	Turnover (€)	Turnover %	Substantial contribution: Climate Change: Mitigation	Substantial contribution: Climate Change: Adaptation	Substantial contribution: Water protect.	Substantial contribution: Circular eco.	Substantial contribution: Pollution	Substantial contribution: Biodiversity	DNSH: Climate Change: Mitigation	DNSH: Climate Change: Adaptation	DNSH: Water protect.	DNSH: Circular eco.	DNSH: Pollution	DNSH: Biodiversity	Minimum Safeguards	Turnover - Year-End N %	Turnover - Year-End N-1 %	Enabling (E) activity / Transitional (T) activity
A. ACTIVITIES ELIGIBLE FOR REGULATION TAXONOMY																			
A.1. ELIGIBLE AND ALIGNED ACTIVITIES																			
		0	0%	0%	0%	0%	0%	0%	0%		Y	Y	Y	Y	Y		Y	0%	E
Total A.1. Eligible and aligned activities		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y		Y	0%	0%	0%
A.2. ELIGIBLE AND NON-ALIGNED ACTIVITIES																			
Transport by motorbike, passenger car and light commercial vehicle	6.5	513	1.09%																
Installation, maintenance and repair of charging stations for electric vehicles inside buildings (and in car parks attached to buildings	7.4	50	0.11%																
Renovation of existing buildings	7.2	4,766	10.11%																
Acquisition and ownership of buildings	7.7	31,720	67.28%																
Total A.2. Eligible and non- aligned activities		37,049	78.58%																
Total (A.1+A.2)		37,049	78.58%																
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY REGULATION																			
Activities not eligible for the Taxonomy regulation		10,098	21.42%																
TOTAL (A+B)																			
		47,147	100%																

Indicators for opex

Activity	Code	Turnover (€)	Turnover %	Substantial contribution: Climate Change: Mitigation	Substantial contribution: Climate Change: Adaptation	Substantial contribution: Water protect.	Substantial contribution: Circular eco.	Substantial contribution: Pollution	Substantial contribution: Biodiversity	DNSH: Climate Change: Mitigation	DNSH: Climate Change: Adaptation	DNSH: Water protect.	DNSH: Circular eco.	DNSH: Pollution	DNSH: Biodiversity	Minimum Safeguards	Turnover - Year-End N %	Turnover - Year-End N-1 %	Enabling (E) activity / Transitional (T) activity
A. ACTIVITES ELIGIBLES AU REGLEMENT TAXONOMIE																			
A.1. ACTIVITES ELIGIBLES ET ALIGNEES																			
Research, development and market-driven innovation		0	0%	0%	0%	0%	0%	0%	0%		Y	Y	Y	Y	Y		Y	0%	E
Total A.1. Eligible and aligned activities		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y		Y	0%	0%	0,00%
A.2. ACTIVITÉS ÉLIGIBLES ET NON ALIGNÉES																			
Data driven solutions for reducing GHG emissions	8.2	2,922	44.63%																
Total A.2. Eligible and non- aligned activities		2,922	44.63%																
Total (A.1+A.2)		2,922	44.63%																
B. ACTIVITÉS NON ÉLIGIBLES AU RÈGLE																			
Activities not eligible for the Taxonomy regulation		3,625	55.37%																
TOTAL (A+B)																			
		6,547	100%																

3.3. Goal 1: Continue to grow

As key stakeholders, customers are considered very highly: The Group looks after its customer relations by responding to their needs in terms of deadlines, quality and cost.

Beyond the financial aspects, the SII Group maintains customer satisfaction by controlling 4 non-financial macro risks considered essential to sustain a long-lasting relationship based on trust:

- Responsible development,
- Fair practices,
- Innovation,
- Asset protection and confidentiality.

Responsible development

There can be no sustainable development without sustainable customer satisfaction. Customer relations are developed based on a structure and tools that validate its relevance in the long term. The SII Group's desire to place its clients at the heart of its concerns is illustrated by its listing policy and by the history and recurrence of these relationships. Thus, the non-financial macro risk "responsible development" is controlled through four issues:

- Customer satisfaction: maintaining customer satisfaction and loyalty by developing trust-based relationships;
- Subcontractors and suppliers: maintaining the chain of trust with our subcontractors and suppliers, using suppliers and service providers that meet corporate responsibility requirements;
- Competitiveness and brand image: ensuring a sound economic and financial model, maintaining current business, continuing to develop our activities, penetrating new markets, developing our customer portfolio, diversifying our activities, remaining competitive;
- International development: conquering new territories and supporting our existing customers in their international expansion.

Customer satisfaction

Ensuring customer satisfaction is very important for the Group. The Group's approach seeks customer loyalty in terms of volume and duration. SII strives to provide services with technological added value generating competitiveness and sustainability. This desire calls for our professionalism, innovation capacity and commitment.

We implement:

- Customer satisfaction surveys in France and in most of our subsidiaries;
- A dedicated customer complaints management process in France and in most of our subsidiaries.

Since 1992, SII has implemented a quality approach through continuous improvement. A methodology has thus been defined and enhanced over time through the adoption of new tools, reference documents, metrics and procedures.

SII has a quality system based on ISO 9001: 2015 and EN 9100: 2016 and the CMMI model.

This standardized framework:

- ensures first and foremost quality of work;
- promotes responsibility and personal commitment, within a clear and rigorous framework;
- facilitates the execution of projects: by detecting anomalies early and through documentation to help manage and execute projects;
- makes it easier to concentrate on the core of SII's mission: serving customers and satisfying their needs to the best of its ability (customer satisfaction surveys are conducted);
- promotes the SII brand image: by spreading our commitment to quality and demonstrating SII's know-how through exemplary achievements;
- ensures the sincerity of commercial messages.

A Lean Six Sigma approach, applied both internally and at customer sites, also enables us to constantly refine processes and propose efficient problem-solving methods.

In addition, the Group's application of the system is evaluated through internal and external audits:

- All SII France branches are ISO 9001 certified and all those involved in ASD (Aeronautics, Space, Defence) are EN 9100 certified.
- All of our subsidiaries are ISO 9001 certified (Belgium, Canada, Chile, Colombia, Czech Republic, Germany, India, Morocco, the Netherlands, Poland, Romania, Spain and the United Kingdom). Canada, Germany, India, the Netherlands and the United Kingdom are EN 9100 certified.

Subcontractors and suppliers

SII makes moderate use of subcontracting in situations where in-house skills are not available or do not match the desired profile, or if these profiles do not meet the group's employability criteria.

SII is a signatory of the inter-company charter, drawn up by the French credit mediator and the "Compagnie des Dirigeants et Acheteurs de France" (CDAF, French procurement organisation): it advocates a forward-looking approach with regard to suppliers and in particular small and medium-sized enterprises (VSE-SME). As a signatory of this charter, SII undertakes to exercise its responsibility within a framework of reciprocal trust with its suppliers.

Charte
RELATIONS FOURNISSEURS
RESPONSABLES

It has a dedicated process for subcontracting and supplier management. In addition to quality requirements, subcontractor and supplier selection includes financial, social and environmental criteria. Therefore, all contracts include social and environmental clauses. Likewise, by signing the Responsible Purchasing Charter, subcontractors and suppliers commit, in their relations with SII, their customers, and their own suppliers, to fair and ethical behaviour that complies with the basic principles of sustainable development. The Group's subcontractors and suppliers are continually monitored through audits and evaluations that include social and environmental criteria.

SII has a procurement policy that encourages the selection of suppliers and subcontractors committed to a responsible approach and which meet social and environmental criteria:

- selection of suppliers that promote the employment of people with disabilities (e.g. cleaners and maintenance technicians), including benefits for hours worked;
- a preference for eco-friendly purchases: recycled, recyclable, organic, fair trade or labelled products when their cost is financially bearable. This mainly concerns purchases of consumables (Ecolabel paper), maintenance services (local firms using environmentally friendly products) and electrical/IT equipment (Energy Star label, Green IT).

Our subsidiaries in Colombia, Germany, India, Poland, Romania, Spain and United Kingdom have deployed similar initiatives to promote responsible procurement.

Fair practices

Business development and conduct within SII are based on principles of integrity, exemplary behaviour and transparency. The Group is committed to promoting irreproachable business ethics in all the territories in which it operates. Accordingly, the Group strives to ensure exemplary governance, promote a responsible business model, ensure regulatory compliance and fiscal responsibility, promote transparency, and comply with competition law and human rights.

In accordance with law no. 2016-1691 of December 9, 2016 on transparency and the fight against corruption, known as the "Sapin II Law", the Group has undertaken to strengthen its internal procedures and to implement measures to prevent and detect corruption in a desire to be transparent and exemplary in this area. The SII Group is uncompromising on bribery and corruption: no form of it is tolerated. The Group has a robust ethical policy based on the eight measures prescribed by the "Sapin II law".

Overview of SII's ethical policy

Group Ethics Committee

The SII Group's Ethics Committee is the body in charge of managing SII's ethical approach. This committee has three members, one of whom is external and independent. The Chairman of the Management Board chairs the Ethics Committee. Its tasks are as follows:

- Examine and deal with reports from employees and external and occasional workers, as well as situations submitted by stakeholders, under conditions that ensure confidentiality,
- Monitor regulatory, legal and normative developments,
- Check that the SII Group's ethical approach is disseminated to the ethics contact persons in each subsidiary,
- Control the implementation of the SII Group's ethical policy in France and in the subsidiaries via the local Ethics Committees of each subsidiary,
- Inform all SII Group entities about compliance with the SII Group's ethical principles and the implementation of the SII Group's ethical policy,
- Check that employees are trained or made aware of SII's ethical policy.

Ethics Charter

The SII Ethics Charter is the key document setting out SII's and its (internal and external) stakeholders' ethical approach. This Ethics Charter supplements the SII Group's Internal Regulations and is intended for all employees. It does not replace laws and regulations applicable in the countries in which SII operates.

Code of Conduct

The SII Code of Conduct sets out the rules of good business conduct within SII. It complements the SII Ethics Charter and the SII Internal Regulations (in France).

Anti-Bribery and Corruption Code of Conduct

The Anti-Bribery and Corruption Code of Conduct sets out the fundamental rules and principles of good business practice. This guide develops the anti-bribery and corruption measures in the SII Ethics Charter, providing references and practical advice to help employees deal with risky situations.

Gift policy

The SII gift policy sets out the principles to be followed with respect to gifts to be consistent with the business ethics that SII wishes to follow. This applies to:

- gifts given and received,
- gifts given both internally and externally.

The implementation of this policy involves the intermediary filling in:

- a form declaring any gift given or received,
- where applicable, a gift policy waiver request form.

Responsible Purchasing Charter

By signing our Responsible Purchasing Charter, suppliers and subcontractors commit to fair and ethical behaviour in their relations with SII, their customers and their own suppliers in accordance with the basic principles of sustainable development.

Ethical alert system

As part of its ethical policy and in accordance with the "Sapin II law", the SII Group has set up an alert system. This is a secure external platform used to receive, in complete confidentiality, all reports of events and/or behaviour contrary to SII's ethical policy (including attempts). This platform is also a means of communicating with the members of the Group Ethics Committee in charge of ethical issues within the SII Group.

Corruption risk mapping

The SII Group has carried out corruption risk mapping to identify and prioritise corruption risks in accordance with SII's specificities (activities, geographic areas, etc.). Identified risks are subject to control measures. This mapping is reviewed annually at the same time as the Group's global risk review.

External evaluation procedure

To make our business relationships secure and get to know our partners better, a questionnaire for evaluating the ethics of external parties has been developed. This questionnaire is sent to a sample of our external parties.

Accounting control procedures

The SII Group has adapted its accounting control procedures to take into account legal anti-bribery and corruption requirements.

Disciplinary system

The disciplinary system applicable in the event of failures to comply with the principles of the Group's ethical policy is set out in the Internal Regulations (in France).

Internal control and evaluation

Internal control and evaluation is used to monitor the effectiveness of measures, identify discrepancies and define anti-bribery and corruption actions. It is carried out based on the annual review of the corruption risk mapping.

Training and awareness-raising

The SII Group has deployed a training program for the employees most exposed to bribery and corruption risks. With regard to SII's activities, the target population that corresponds to the notion of "most exposed employees" is all employees who are required to buy from or sell to third parties frequently and/or for significant amounts. These employees are required to attend face-to-face training sessions organised locally. At the same time, an awareness-raising system has been set up to inform all SII employees, regardless of their roles within the group, of the SII ethical policy. This awareness-raising is carried out by e-learning.

Fiscal responsibility

The tax practices adopted by SII comply with local laws and regulations in the countries where the Group operates. The Group has not established itself in any location for tax optimisation reasons; we invest in new geographic areas only as part of our customer support strategy.

Given its size, and despite a low level of intra-group transactions, the Group has implemented a transfer pricing policy aimed at ensuring the fair distribution of the operating margin between the various entities that make up the SII Group.

In addition, SII applies the highest level of tax transparency to all its transactions with third parties. Thus, each operation is taxed directly in the country in which it is carried out.

Finally, the SII Group is not established in any country classed as a "tax haven" by the French national authorities.

Innovation

As a "technology partner", innovation is central to the Group's activities. SII works daily to support its customers in continual innovation and in their digital transition. The SII Research unit aims to respond to the technological challenges facing our society by implementing innovative projects that not only consolidate SII's expertise but also give meaning to our work.

The SII Research unit federates its innovative projects within internal centres and laboratories spread across the branches. SII also participates in R&D projects coordinated by major industrial players and supported by the State to develop the competitiveness and excellence of our companies.

Through the SII Research unit, the Group highlights SII's expertise, invests in new technologies, promotes its consultants' expertise, and enhances its offerings. SII Research provides a structure for all the Group's R&D, in particular the management of internal and collaborative R&D projects, technology watch and intellectual property management. Research and innovation activities are driven by three goals:

- Anticipate tomorrow's technologies
- Coordinate the implementation of exploration projects
- Propose ways to exploit our value offers

This unit is organised into 4 transformation centres to address these issues:

- 2 international hubs
  - Transportation of the future: developing eco-responsible, accessible and autonomous transport systems
  - Future city: building more sustainable, intelligent and inclusive cities
- 2 technology centres serving our sectors
  - AI and Data
  - Modelling and simulation

In addition, many initiatives to promote and cultivate innovation are encouraged, such as the innovation challenges, ideation workshops offered to engineers and our partners to create our future projects together. SII also involves its partner schools and universities in its R&D projects, so that students can find out more about its businesses and give future talent their first taste of industry.

Finally, SII is also a loyal partner of the "HandiTech Trophy", which each year rewards French start-ups, schools and research labs developing inclusive technologies for disabled people or people with loss of autonomy, or for universal use (exoskeletons, connected objects, gene therapy, etc.).

Asset protection and confidentiality

The "Asset protection and confidentiality" macro risk is controlled through two non-financial issues:

- Data protection and confidentiality: protecting confidential information and personal data of employees and external stakeholders (customers, suppliers, etc.);
- Asset protection: protecting the group's tangible (equipment and material goods) and intangible (human capital, know-how, projects and brand image) assets and respecting the intellectual property of customers and the Group.

Data protection and confidentiality

Information security

Information security, whether this information is digital or not, and whether it belongs to the Group, employees, or customers, poses different types of issues for SII:

- National: government departments have assigned sensitive projects to the Group, for which a security breach would be detrimental to France;
- Industrial: SII works on strategic data and industrial secrets that are of paramount importance for its customers' business;
- Legal: the group is contractually bound to keep the confidentiality of data, processes, tools or know-how belonging to its customers or that the Group designs for them;
- Financial: through the loss of its customers or the application of penalties if the Group does not meet the requirements;
- Personal life: through implementing the General Data Protection Regulation (for personal data);
- Brand image: information security management contributes to customer confidence.

Over the years, the Group has integrated processes and procedures into its practices, its Information Systems Security Policy and its Information Security Management System (ISMS), to meet its information security requirements, as well as those of its customers, such as confidentiality agreements, an encryption procedure and an export control process.

Security is covered in each agency by an ISSO (Information System Security Officer). The ISSO is the representative of the ISSM (Information System Security Manager) for any matters related to information security.

Since 2016, French branches have obtained ISO 27001 certification. Our subsidiaries in Spain, Morocco, Poland and Romania are also certified ISO 27001.

In this context, internal and external audits of information security are regularly conducted.

Cyber security: the cyberlab SII

The Cyberlab provides a collection of technical resources and skills as well as a forum for discussion. It is designed to introduce, train and educate SII employees as well as our customers' employees.

For the past three years, the cyberlab has been hosting interns and work-study students from leading schools to give them a professional edge in their future cyber jobs. In addition, the cyberlab hosts R&D and innovation projects that address our customers' current issues when it comes to protecting and safeguarding their IT and industrial infrastructure.

In 2021, the SII Group, THALES, and ESEO joined forces to create the Cybersecurity Chair. Established at the start of the 2021–2022 academic year, this chair is primarily dedicated to students to develop a training programme adapted to current market challenges and provide the talents of tomorrow with a vision in line with both the business-specific dimension of the digital sector and the urgent need for a pragmatic, sovereign approach to the concepts of security in both software and hardware. In particular, the SII Group participates in student training and welcomes pupils to the Cyberlab to experience real-life situations that will prepare them for their future profession.

Our German subsidiary is also active on this issue since it is a member of the Alliance for Cyber Security.

General Data Protection Regulation (GDPR)

As a company in the digital sector, compliance with the General Data Protection Regulation (GDPR) is essential. As well as complying with its legal obligations with regard to the processing of personal data carried out internally and concerning its employees, it is also essential for its customers to be able to rely on a trusted technology partner.

GDPR is also an opportunity to demonstrate our strong commitment to the subject and to send a positive message about our level of IT security.

Compliance with the GPDR is managed at SII by the Data Protection Officer (DPO) team, which is in charge of managing internal compliance and is supported by a network of representatives in the SII branches. Raising awareness of data protection issues is included in the employee training programme.

Our European subsidiaries are also subject to GDPR and are therefore taking appropriate steps to ensure compliance.

Awareness-raising and training

Information security and data protection are strategic issues for SII and involve everyone. This is why employees are regularly trained in and made aware of the subject. The Group has its own platform for raising awareness and providing appropriate training for employees through the training organisation SII Learning. Depending on their role, employees attend awareness sessions or adapted training sessions (initial awareness, training dedicated to development processes, etc.). The session content focuses on good practices and rules of behaviour to adopt in terms of information security.

Asset protection

Information security also involves protecting the SII Group's assets, including the Group's intellectual property and its equipment and property. Our IT charter sets out the rules for the proper use of SII's IT resources and tools. All employees are required to be familiar with this charter, as are all people outside SII who have to use the Group's IT resources.

Indicators and Key Performance Indicators (KPIs)

MACRO RISK		RESPONSIBLE DEVELOPMENT				
Issues	Policies	Indicators	Units	3/31/2021	3/31/2022	3/31/2023
Customer satisfaction	SII Management Policy	Average customer satisfaction score	Score out of 20	15.9*	15.0*	15.0*
		Customer satisfaction rate	%	96.7*	94.3*	97.1*
		ISO 9001 certified entities	%	83	93	100
		EN 9100 certified entities	%	38	33	40
Subcontractors and suppliers	SII Management Policy and SII Responsible Purchasing Charter	Amount of subcontracting	€000	33,897*	38,045*	41,123*
		% subcontracting*	% of sales	10.8*	9.9*	9.6*
		Interim value*	€000	182*	297*	368*
		EcoVadis "Responsible Purchasing" score out of 100	Score	80	80	80

MACRO RISK		FAIR PRACTICES				
Issues	Policies	Indicators	Units	3/31/2021	3/31/2022	3/31/2023
Business ethics	SII Ethics Charter and SII Code of Conduct	Employees trained in business ethics and anti-corruption practices	Number	181* 1,093	185* 865	247* 1,431
		Employees made aware of SII's Ethics policy	%	72	80	95
		EcoVadis "Business Ethics" score out of 100	Score	70	70	70
Transparency	CSR strategy	**Sales in line with the Green Taxonomy**	%			0
		CAPEX and OPEX aligned with the Green Taxonomy				0 0

MACRO RISK		ASSET PROTECTION AND CONFIDENTIALITY				
Issues	Policies	Indicators	Units	3/31/2021	3/31/2022	3/31/2023
Data protection and confidentiality	SII Information Security Policy and SII IT Charter	**ISO 27001 certified entities**	%	27	100* 27	33
		Security audits (internal/external)	Number	11*	11*	12* 25

Key Performance Indicators (KPIs)

: This indicator is based on the SII France scope of operations

*** This indicator is based on SII France, SII Germany, SII Technologies (Germany), SII Spain, SII Poland and SII Romania, i.e. 91% of the scope of the SII Group at 31/03/2023*

3.4. Goal 2: By cultivating our DNA

At the same time as taking up the challenge of being competitive, the SII Group attaches huge importance to social responsibility for all its branches and subsidiaries. This is based on four non-financial macro risks around which its human resources policy is built:

- talent management,
- working conditions and quality of life at work,
- social relations,
- diversity and equal opportunities.

Given its international context, the Group pays the utmost attention to respect for fundamental human rights, in particular through:

- banning the use of child and forced labour and any degrading or inhumane treatment,
- taking measures against discrimination,
- respecting privacy and freedom of association.

Talent management

Human resources management is definitely a priority for the Group. Therefore, the “talent management” macro risk is controlled through three human resources issues:

- attracting and retaining talent: developing our ability to identify, attract and retain talent,
- offering stimulating professional development: fostering personal and professional development, valuing talent, encouraging professional mobility, enhancing employability and developing social innovation,
- current and future skills management: anticipating changes in jobs and skills to respond proactively to customer needs.

Attracting and retaining talent

Recruitment policy

To provide practical solutions to employment-related issues at our scale, maintain our growth and respond to new challenges, the SII Group has a recruitment policy based primarily on open-ended contracts.

Future employees are selected following a rigorous process based on their technical skills, ability to exercise the service profession and adherence to the company's culture. Theses recruitments serve to replace departing employees but also to ensure the Group's growth and development. The Group's recruitment process is based on an annual plan involving the monitoring and assessment of recruits, the aim being to measure the effectiveness of the process.

Our recruitment process consists in:

- identifying recruitment needs and developing the annual plan,
- recruiting,
- assessing recruitments and drawing up an annual report.

This process applies to all recruitments, be they permanent, fixed-term, work-study-contracts, internship agreements or temporary assignments.

This recruitment process is regularly audited internally and externally as part of our ISO 9001 and ISO 27001 certification.

Young talents

The SII Group maintains its partnership ties with schools and universities and attends recruitment fairs and forums. This enables us to open our vacancies to a large number of young graduates. By trusting them, the Group is keen to help them as much as possible in launching their careers. SII thus encourages the integration of interns and apprentices in France and abroad, for both training and recruitment purposes. In recent years, SII has strengthened its policy towards young talents and expanded the scale of its "junior" recruitment. Despite the economic downturn, the Group has continue to take on interns and apprentices. During the financial year, the Group has gone one-step further and offers applicants seeking internships the opportunity to choose their dream topic. Furthermore, in order to measure their satisfaction, the Group carries out an anonymous survey every year, jointly with the recruitment and quality-csr departments.

#fungénieur employer brand

The #fungénieur employer brand helps to strengthen the Group’s reputation and share SII’s values with job applicants. Innovation, challenge and expertise are the heart of this employer brand.

Cooptation

SII France promotes referral through challenges issued to our employees. Referral is an important driver as it represents almost a quart of the recruitment source. All referrers are thanked in a way defined by their branch. Certain branches have abolished the employer's trial period for any co-opted candidate. Referral is also practiced and promoted by several of our subsidiaries (Belgium, Canada, Chile, Czech Republic, Colombia, Germany, Poland, Spain and United-Kingdom).

Geographic mobility

Several entities have introduced measures to encourage the geographical mobility of candidates:

- abolition of the trial period
- help for spouses to find a job,
- help with finding accommodation,
- contributing to moving expenses,
- paying rental costs when they first arrive.

Remuneration

For the vast majority of employees, the remuneration policy means fixed salaries that are systematically above the agreed minimums. Remuneration is linked to competence, level of qualification, level of responsibility and individual performance. It is based on a principle of equity by maintaining equal pay between women and men. Transparency over pay rises is ensured through mandatory annual bargaining.

In addition to their fixed salary, SII staff (in France) receive:

- a vacation bonus in accordance with the terms of the collective agreement,
- a contribution from the company towards the cost of meals at the workplace.

To encourage individual and collective performance, some employees are part of a variable remuneration system: branch directors, sales managers, human resources teams, community leaders, consultants; a large part of the employees.

In addition to bonuses granted by law or collective agreement, such as on-call bonuses or bonuses for staggered working hours, employees may also receive “exceptional” bonuses, in particular for referrals, recruitment or exceptional performance.

A profit-sharing scheme and a company savings plan complete these arrangements and offer SII employees the possibility of building up a cash reserve with the tax and employee benefits linked to this form of collective savings.

A first amendment to the profit-sharing agreement signed on September 18, 2015 with the social partners modified the profit-sharing calculation to be more favourable for employees. A new amendment, signed on March 15, 2022, further improved the calculation formula for the benefit of employees.

As part of SII’s IPO in 1999, a special “SII Shares” fund was created so that employees could acquire shares in our company as part of the company savings plan.

Talent retention

The integration process is a key feature of retention. This is why SII believes that it is very important to successfully integrate its employees so that they acquire the know-how and interpersonal skills needed to be fully integrated and involved in the Group. Many initiatives are organised by the entities to facilitate integration by creating a special local relationship:

- "Welcome Day/Morning" (in-person or remote), including, depending on the site, activities, lunch, and visits to the premises to facilitate integration and meetings and to cultivate team spirit,
- new recruit's evening (games and meetings),
- specific discussion after the first 100 days.

This year, SII Poland also created a programme dedicated to new employees: the Buddy Programme. The aim of this programme is to link long-standing employees with new employees in a dynamic of mutual support and sharing at special times.

In addition to integration, the Group’s talent retention policy is supported by two complementary measures: the offer of a stimulating career path and an excellent working environment

Stimulating professional development

Training

Training is an essential component of the Group’s talent management and development policy. It enables the company to have the resources it needs to respond to new issues, but also to support its employees’ professional and personal development.

Training is therefore focused on two areas:

- integrating new consultants by training them in the company’s technical culture, particularly in integrated systems management;
- adapting, maintaining and developing all employees’ skills so that the company remains operational as new technologies emerge and it can support its customers in their technological projects.

Each year, the SII Group devotes a significant amount of its wage bill to train a very large proportion of its employees in various fields (technical, management, languages, communication, etc.). Individual skills development needs are identified through discussions between employees and their line managers or HR representatives during annual and/or career appraisals.

The training policy aims to:

- adapt people to their roles,
- ensure people develop and stay in their jobs,
- develop skills.

This is done through a combination of:

- internal training on transversal themes and on the processes used within the Group,
- external training on specific technical subjects,
- cross-functional training courses (languages, human capital development).

The majority of training courses are carried out externally by approved organisations and are also, for the most part, certificate courses. The Group is also developing in-house training adapted to its employees' needs and incorporating customer-specific features. Trainers are identified among the Group's talent and supported through dedicated training.

A tool has been deployed within the branches (SII France) to provide direct access to training. Any employee ca make a training request, which is processed directly by the training departments, offering responsiveness and efficiency. These requests are validated with management and implemented within optimal timeframes.

SII also has its own training organisation "SII Learning". This year, SII Learning was awarded the RNQ Qualiopi certification for the quality of its services.

This year, SII Learning was able to support the managers of SII France in team management. Identifying the levers of loyalty and maintaining the link with employees is essential in a sectoral market under pressure. This training has also enabled us to standardise skills management.

To complete the vocational training system, SII France has developed the following initiatives:

- provision of a Learning Management System platform allows employees to take training courses and construct modules to share skills within the group. Among other advantages, this model can improve the quality of teaching and memorisation processes;
- fitting out of rooms dedicated to employee training (SII Workshop);
- development of MOOCs (Massive Online Open Courses) offered as self-training tools to employees and paid for by some branches, as well as certifications taken as self-candidates.

Other specific training activities are undertaken each year (SII France):

- Validation of Acquired Experience (VAE) activities,
- skills assessments,
- professional training periods,
- operational preparation for employment (POEI/PEOC),
- group actions organized by the sector's vocational training body (Opco Atlas),
- support for employees' training requests as part of their CPF ("Compte Personnel de Formation" - Personal Training Account).

Exceptional features related to the health context

In the continuity of the year 2021, the year 2022 also allowed a strong development of the skills of our employees. In this sense, the group SII resorted to the devices set up by the state in order to train the employees without mission and/or to build programs of reconversion for some. Thus, SII has provided training to many employees thanks to the "FNE Formation".

Skills and Career Management

Skills management is a major issue as it helps ensure that employees have the right knowledge and expertise so that they stay with the company, are in the right job and that all services are provided with the right level of quality. The process implemented by the Group monitors skills at two levels:

- at the collective/company level: database of "generic" skills, control of gaps between medium-term needs and resources; focus on high-stake jobs for the company and focus on priority audiences.
- at the individual level: annual individual performance appraisals, career interviews (employability, professional development and career development).

Individual skills development needs are identified through discussions between employees and their line managers:

- their individual performance is appraised annually in an interview with their manager. This interview deals with training but also with the medium and long-term development goals envisaged by both parties,
- career interviews complete this system for employees who request it.

In addition, SII Poland has developed innovative tools for the skills and career management:

- "Job Changer" tool that lets employees make a 180-degree turn in their career without changing employers,
- "Workers Objectives", a professional development application that supports the process of assigning, monitoring and evaluating each employee's individual goals.

Internal mobility

SII supports internal mobility. The Group's structure with its national and international network is an asset and employees have the possibility to move from one region to another, from international to France or vice versa, as well as within France. It is a practice that is natural and even encouraged when the context allows it.

A dedicate software has been set up to simplify applications. Each application is processed by the Recruitment Department. Furthermore, the SII Group has a flexible structure: employees are always given the opportunity, especially during professional interviews, to express a desire for internal mobility.

Working conditions and quality of life at work

As it is aware of the correlation between the work environment and employee-well-being, the SII Group has developed a proactive approach to improving quality of work life in three areas:

- Health and safety: ensuring the health and safety of its employees;
- Well-being at work: providing pleasant working environments and contributing to work-life-balance;
- Employee-engagement: involving employees in the collective life of the company, in SII's culture and values, fostering entrepreneurship (bottom-up logic), developing talent, ...

The COVID-19 pandemic has imposed on the group the need to adapt. Despite these changes in working practices, SII has been able to pursue its ambitions in terms of the quality of life and well-being of its employees.

Health and safety

Staff health and safety is a priority for the SII Group. Actions carried out by all our French branches and some of our subsidiaries include:

- publication of detailed risk assessments in consolidated risk assessment documents,
- compulsory health check-ups for all employees within the framework of occupational medicine,
- provision of protective equipment for the employees concerned,
- having a dedicated committee in each French establishment (Social and Economic Committee) and in certain subsidiaries in accordance with legislation in force,
- an annual program of occupational risk prevention and improvement of working conditions (SII France),
- company-sponsored supplementary health insurance,
- preventive measures, particularly against stress, set out in our psychosocial risk prevention agreement,
- a confidential space for listening and professional and/or personal support,
- a remote consultation service offering the possibility of consulting a doctor 24/7 (France, Poland and United-Kingdom),
- rules for managing on-call duties and work outside normal working hours, including the addition of compensatory rest periods,
- relevant training courses (first aid at work, fire risk, electrical qualifications, etc.),
- many awareness-raising activities on the right to disconnect, noise risk, lighting, posture at work and active mobility,
- regular health and well-being activities: stress management workshops, sophrology workshop, vitamin breakfasts, cooking lessons, sports activities and nutritional advice,
- regular on-site massage or physiotherapy sessions at certain branches.

Internal measures are supplemented by presentations to employees on assignment of customer site risk prevention plans for the sites they are visiting.

Our health and safety policies also cover subcontractors working at our premises or at sites where we are providing services.

We have signed the following agreements:

- November 2006: Company-wide collective agreement on group health expenses and incapacity-disability-death insurance; new amendment signed on March 18, 2021,
- March 2014: Company collective agreement on psychosocial risk prevention,
- July 2017: Company collective agreement relating to professional equality between women and people and the quality of life at work, and amendment to revision n°2 signed on October 20, 2020,
- September 2020: Three-year company-wide collective agreement for the employment and retention of people with disabilities (2021–2023).

Here are some additional measures relating to the health and safety of employees at our various sites:

- SII Sud-Ouest has signed the PACTE (All Employer Cancer Action program) with the "Ligue Contre le Cancer" (League Against Cancer) and has agreed to carry out prevention and awareness-raising actions within the company.
- SII Nantes has entered into a partnership with "Jhô", a company based in Nantes, to highlight the problems associated with endometriosis and set up self-service dispensers of sanitary supplies in the workplace.
- Our subsidiary SII Spain has set up: training courses on stress management through mindfulness, regular "healthy talks", and a compulsory online training campaign for certain employees on prevention and protection measures.

- SII Colombia has set up a number of prevention programmes aimed at improving the health and safety of its employees, including active breaks, training in healthy lifestyle habits, tidiness and cleanliness, first aid training for the emergency brigade and a flu vaccination day.
- SII Poland offers employees the opportunity to participate in online events organised in cooperation with specialists, such as dietitians and psychologists.

Finally, our subsidiaries in Spain and Romania have an organisational system that has led to OHSAS 18001 / ISO 45001 health and safety certification.

Well-being at work

Working hours and work-life balance

Working time is organised in accordance with the regulations applicable in each country in which the SII Group operates.

In France, in accordance with the Act on the organisation and reduction of working hours, the company has signed a company-wide agreement on the organisation of working time. It provides for a collective work week of 37 hours for full-time employees, plus eleven additional rest days ("RTT days") per year, for an effective workweek of 35 hours.

In other countries, the length of the effective workweek depends on the applicable statutory working hours:

Country	Full-time workweek
France	35 hours
United Kingdom	37.5 hours
Belgium, Canada, Czech Republic, Germany, India, Poland, Romania, Spain, Sweden, The Netherlands	40 hours
Morocco, Ukraine	44 hours
Chile, Colombia, Switzerland	45 hours
Argentina	48 hours

Most employees working part-time have elected to do so and seldom account for less than 80 percent of a full-time schedule.

In addition, each employee is entitled to paid vacation in accordance with local legislation and practice:

Country	Number of working days of paid leave per year
Argentina	10
Chile, Colombia	15
Morocco	18
Belgium, Canada, Romania	20
Poland	23
Spain, Ukraine	24
France, Czech Republic, Sweden, Switzerland, United Kingdom	25
Germany, India, The Netherlands	30

The SII Group generally responds favourably to requests to facilitate work-life balance. SII employees have access to innovative initiatives:

- a new agreement on working from home (SII France) was signed in March 2022 by the SII Group management and representative trade unions. This agreement is in line with the company's desire to be socially innovative by improving its employees' quality of life and working conditions. Employees can choose between two forms of teleworking: regular teleworking with fixed days or occasional teleworking to respond to emergency or personal situations. Working days can be fixed or floating, and up to a maximum of 50% of working time.
- flexible working hours: employees adapt their working hours, in accordance with their contracts and the agreement on reduced working hours, to project constraints and to their personal and/or sporting constraints,
- our subsidiaries in Belgium, Canada, Chile, Colombia, Czech Republic, Germany, India, Morocco, Poland, Romania and United-Kingdom also allow a flexible form in the organisation of work (teleworking, and/or flexible working hours),
- a commitment to the right to disconnect: disconnection is a right, and it is also useful for everyone's work-life balance. Employees are not required to remain logged on outside working hours,
- parenting support: SII France has a partnership with a childcare network offering employees who are parents access to a network throughout France for regular or occasional childcare. Parenthood workshops are available for employees with children,
- the subsidiaries SII Germany and SII Spain also offer childcare options,

- a tutoring hotline accessible to all employees' children and fully funded by SII,
- adjustments to working hours on the first day of the school year for parents who wish to accompany their children

Work environment

The SII Group pays particular attention to the quality of its employees' work life by taking care of the work environment. Our branches and subsidiaries are committed to fostering a work environment that is conducive to well-being and productivity:

- environments adapted to different ways of working: collaborative and personal spaces enable dynamic and agile working methods,
- relaxation areas that promote social contact,
- premises that comply with accessibility rules,
- adapted premises for sporty employees: some branches and subsidiaries have showers so that employees can take part in sports activities at lunchtime. SII Atlantique even has a sports hall inside its premises. Other branches have a sports hall for use by all the companies in the building with access paid for (partially or totally) by the company and/or the works council.

During redevelopment or relocation projects, employees are asked to get involved. Focus groups and workshops are organised to determine the layout of premises and improve working environments.

Evaluation of well-being at work

To measure well-being at work, systems have been set up to monitor employee satisfaction on a regular basis. For example, SII France has integrated a mood barometer into the monthly time sheets filled out by employees.

In addition, each year the Group's entities carry out surveys to measure the level of employee satisfaction with their quality of work life.

SII Atlantique has set up a "Feel Good Letter" designed to promote, encourage, and boost well-being and civic engagement actions in the workplace.

Great Place To Work

The group uses the "Great Place To Work" institute to assess well-being at work within its entities. Several of them are "Great Place To Work" certified (Belgium, Canada, Chile, Colombia, Spain, India, Morocco, The Netherlands and Czech Republic) and some of them have been awarded the "Best Workplaces" label for companies where it is good to work.

- SII France obtained the label "Best Workplaces" 2023 by being positioned at the 3rd place of its category (more than 2,500 employees), for the fourth consecutive year in the top 3 in its category,
- SII Poland obtained the label "Best Workplaces" 2023 by being positioned at the 2nd place of its category (more than 500 employees), and also made in into the group of winners of the prestigious "Best Workplace in Europe" ranking, coming 2nd among the top-rated large companies (more than 500 employees),
- SII UK obtained the label "Best Workplaces" 2023 among medium-sized companies.

These awards demonstrate the SII Group's commitment to quality of life in the workplace, and were an opportunity to celebrate the event at the various sites and subsidiaries.

The "Great Place To Work" labelling process will continue in 2023-2024 for the subsidiaries of the SII Group.

The Great Place to Work survey is also an opportunity to identify areas where employees want to see improvement. In this sense, "Great Place to Work" communities are set up: these working groups, composed of volunteer employees, make it possible to mobilize collective intelligence in order to improve the quality of life at work for all.

Numeum Special price

In 2022, at the "Rendez-vous ESN & ICT" organised by our trade association, Numeum, the SII Group won the Jury's Special Prize for the first time. this "Coup de Cœur" award recognises the SII Group's dynamism and commitment, and in particular our initiatives in the areas of talent management, wealth sharing and CSR commitment.

Additional benefits

The Group's employees enjoy multiple benefits that also contribute to quality of work-life such as:

- The Social and Economic Committee (SII France): all employees can enjoy the employee benefits managed by this committee, which receives a subsidy from the employer amounting to 1% of the wage bill.

- Reimbursement of transportation costs for employees who use public transportation to get to work. SII France contributes 50% of public transportation costs with some branches even contributing 100%. SII Belgium, Canada, Germany, Morocco and Romania also contribute to their employees' public transportation costs.
- Implementation of the sustainable bicycle mobility package in France and similar initiatives in Canada (discount on self-service bicycle passes) and Belgium (mobility budget). SII Poland provides its cycling employees with access to a bicycle repair station equipped with a pump and basic repair tools, all in the vicinity of the bicycle parking facilities available at the workplace.
- Family mutual insurance cover with 57% of the premium paid (France). Our subsidiary in Belgium, Canada, Chile, Colombia, India, Poland, Romania, Spain, the Netherlands and United Kingdom also has such a system.
- A telemedicine service (France, Poland and United Kingdom).
- SII France offers employer loans: interest-free loans under the following conditions: trial period completed, maximum term of one year and maximum amount of 2,400 euros.
- The "1% housing" financing (France): employers are required to invest 0.45% of the wage bill to help employees gain access to housing. These subsidies are available to all SII employees under certain conditions within the limits of annual budgets.
- Long-service leave (France): depending on length of service in the company, the Syntec National Collective Agreement grants additional paid leave (from 1 day after 5 years' service to 4 days after 20 years' service).
- Annual leave ticket (France): once a year, employees can receive a reduction of 25% to 50% on SNCF tickets. This benefit also applies to the spouse and children.
- Delivery of fruit and vegetable boxes from Potager City as well as a community garden (Sud-Ouest). A similar measure is in place at headquarters and in Poland. A connected refrigerator offering fresh, local, zero-waste products has been installed at the Ouest branch.

Employee engagement / Meaning at work

Employee relations

Friendliness is an important concept in the Group. Throughout the year, many events are organised to bring employees together, helping to strengthen cohesion and unite employees. Events, team building, seminars, branch evenings, breakfasts, meals for newcomers and sporting challenges are all occasions where employees can forge social bonds and which foster a friendly atmosphere.

Communication tools

The SII Group has effective communication tools adapted to the various forms of work organisation so that all employees have access to information and can express their opinions, whether they work at home or at SII offices. Intranet, corporate social network, social media, web conferencing, etc. are all tools that help to maintain links.

Spaces named "the Desk" has been set up in several branches. It enables employees to discuss matters spontaneously with the HR department, Social and Economic Committee and IT department.

In addition, to improve social relations, some entities have appointed Happiness Managers and some branches have organised caring communication workshops.

Tour de France Comex and branch meetings

Every three to four months, a meeting is held in each branch where the manager presents the most important figures and the strategy to the entire staff of his institution.

Once a year, the Management Board meets the employees of each branch to present the results of the past financial year and the outlook for the Group. Through this, employees have direct access to the company's managers.

Agency meetings were sometimes offered in "YouTube live" format, with the option of asking questions by SMS or via our internal chat tool.

International Management Committee

The International Management Committee provides an opportunity for the Management Board and the various departments to discuss the results of each entity and to share the group's vision. These meetings help to enrich the group strategy implemented by the Management Board. They are also an opportunity to exchange best practices.

National Management Committee

The purpose of the National Management Committee is to create a forum of sharing between the Management Board and the branch managers. The purpose of the committee is to transmit the group's strategy and the means of implementation, and to provide feedback on the operational vision and results obtained by each branch.

Valuing talent

The SII Group supports and values its employees' professional and/or personal initiatives and achievements. Prises and gifts are regularly awarded to employees to reward their professional results. These awards are a source of motivation and recognition. SII also supports its employees' passions whether they are sporting or humanitarian. In this regard:

- For several years, SII France has had a Champions Academy whose aim is to support high-level athletes in their efforts, both financially and by adapting their working hours.
- SII Poland has set up a Passion Sponsorship program, to sponsor and support its employees' passions.

Aware that employees are the best spokespeople to talk about their work, the Group regularly invites its staff to speak to share their knowledge and expertise:

- The employees can become SII Ambassadors at major digital events such as "Devoxx", "Devfest", and "Agile Tour". They are invited to take part in the "Speak Up" program, which gives them the opportunity to share their knowledge through lectures or training sessions on technical or non-technical subjects. During this fiscal year 24 "Speak Up" has been organised.
- In its "FeelGoodLetter", SII Atlantique highlights its employees from the perspective of feedback through interviews.
- As part of the referral process, employees are asked to promote the Group and its jobs to their friends and family. Our employees' commitment to this has been proved over many years.
- SII offers its expert employees the opportunity to appear in the media on their behalf, with the support of a journalist and a press relations agency. These articles are published in major online media (Forbes, Le Journal du Net, Les Echos, ...).
- SII launched its podcast entitled "OK SII" allowing employees to share their knowledge and expertise on specific topics.

Attendance at such events is a real source of motivation and recognition for the employees concerned.

Social Dialogue (France)

A Social and Economic Committee (SEC) has been set up in each SII France branch along with a Central SEC (made up of representatives from each branch SEC). The SEC helps to promote health, safety and working conditions. The SEC also has the task of ensuring employees can express their views so that their interests can be taken into account at all times.

In particular, the Central SEC is consulted on:

- the company's strategic guidelines;
- the company's economic and financial situation;
- the company's social policy, working conditions and employment.

Collective bargaining is carried out through national bargaining meetings with representatives of the company's representative trade union organisations. Social dialogue is well founded and constructive, and covers both negotiations by law and non-mandatory negotiations. Management wishes to fully involve representative trade union organisations through negotiations.

The collective bargaining agreement applicable to all employees in France is the agreement for technical design offices, engineering consulting firms and consulting companies, commonly known as CCN Syntec. This agreement is supplemented by internal regulations, which cover in particular the legislation on sexual and moral harassment. It also deals with disciplinary procedures and sanctions as well as provisions relating to employees' rights of defence.

Similar representative bodies exist in Colombia, Germany, Poland, Romania and Spain.

Diversity and equal opportunities

The SII Group is convinced that diversity is a source of performance and that equal opportunities is an essential principle, so it is committed to making the most of all its talent. Therefore, the "diversity and equal opportunities" macro risk is controlled through two issues:

- Diversity and inclusion: better reflecting the diversity of the population in the Group's workforce and thus combating discrimination: integration of people with disabilities, employment and integration of young people and older people, social reintegration, promotion and support of female talent.
- Professional equality: promoting gender parity and equality in occupations, promoting equitable treatment of men and women.

Diversity

Diversity charter

By signing the Enterprise Diversity Charter in 2014, the SII Group has undertaken to condemn discrimination in the workplace and strives to promote diversity. The charter expresses the will to act to better reflect the diversity of the population in the workforce.

Gender diversity, diversity of origins, diversity of ages, integration of disabled people, and monitoring of elderly people or people whose jobs are at risk form the SII Group's sustainable development approach with regard to three major issues:

- Regulatory: preventing and prohibiting all unequal treatment,
- Social: encouraging access to employment and promotion for all employee categories,
- Economic: recruiting and ensuring we have the best skills.

In addition, our branches and subsidiaries are also committed locally:

- In 2022, SII Ouest signed an agreement with FACE (Fondation Agir Contre l'Exclusion), an organisation aiming to create lasting local synergies between community associations, government public services, businesses, and citizens to contribute to the social cohesion and economic development of our region. The partnership will facilitate access to education, training, and employment through job-shadowing placements. A contribution is planned for "WI-FILLES", a special programme to raise awareness and introduce young women to digital professions and skills.
- SII Spain is a signatory to the Diversity Charter and a sponsor of Cares, a foundation focused on providing dignified work for people with disabilities and/or at risk of social exclusion.
- SII Poland has signed the Diversity and Inclusion Declaration of the Association of Business Services Leaders.
- SII Canada organises "Lunch and learn" events so that employees can get to know each other and cultivate their differences.

Inclusion

Employment and integration of disabled people

Handicap agreement

SII is a company that welcomes people with disabilities. In France, the company has had a company-wide agreement since 2008. In 2020, SII's management and the trade unions signed the fifth agreement to promote employment for disabled workers, thus demonstrating their common will to continue the momentum gained over the last few years.

This agreement aim in particular to:

- continue the drive to recruit people with disabilities into the company,
- maintain employees recruited in this way in their jobs and manage their professional development through appropriate training,
- continue to raise awareness throughout the company of SII's social commitment.

Mission Handicap

Since 2015 and through its "Mission Handicap", SII has been stepping up its actions in this area by:

- working with a specialist firm,
- setting up an "Infos Conseil Handicap" (Disability Information and Advice) helpline: a free and anonymous call service available 24/7,
- a partnership with the GESAT network to promote the sheltered and supported employment sector. Our branches therefore use the services of "Etablissements et Services d'Aide par le Travail" (ESAT - Supported Employment Services and Institutions) and "Entreprises Adaptées" (EA - Disability-friendly Companies) in their local areas.
- the implementation of a plan for the integration of disabled employees with the identification of a disability referent in each branches.

Recruitment

"Mission Handicap SII" regularly offers innovative recruitment schemes, such as:

- Blind Datings: blind recruitment sessions that focus on the candidate's skills and personality.
- The SII Game' in Job: a 100% SII event for the recruitment of disabled people around video games.
- Sport2job: recruitment of candidates with disabilities during sporting events (crutch football, wheelchair volleyball, etc.).
- Cook2job: recruitment of candidates with disabilities (in a team with an SII employee) during a cooking competition.
- Talent and Inclusion Tuesdays: a local event to bring together the local disability contact and candidates with disabilities.

Training and integration

SII is strengthening its partnerships with training and integration organisations and schools to promote the integration of young people with disabilities:

- it sponsors teams following the "Handimanagement Training" on disability in the workplace,
- it is a partner and a member of the association @talentEgal supporting students with disabilities, and to facilitate their access to studies superior,

- it is involved in the HUGo (Handi yoU Go) project, which enables people with disabilities to obtain a diploma in computer engineering through study programs with work placements,
- it supports the Berger Capelle Chair for disability and diversity with INSA (National Institute of Applied Sciences) Toulouse,
- In October 2019, SII signed a partnership agreement with APF France handicap and Airbus to increase training and support of disabled workers in the aviation sector. The aim is to pool efforts to train the talent of tomorrow and offer workers with disabilities a sustainable professional career in jobs with high development potential,
- integration of the departmental "Les entreprises s'engagent" community (youth, inclusion, climate, etc...) by SII IDF,
- it takes part in dedicated forums and fairs (Hello Handicap, Talents Handicap).

Awareness

SII conducts disability awareness campaigns through local and national actions aimed at all employees. These actions are primarily aimed at understanding disability, in particular by drawing attention to “invisible” disability:

- creation of a web series “Le handicap selon SIImon” (Disability according to SIImon): humorous videos to break down preconceptions about disability involving SII employees, broadcast on social networks,
- creation of an internal newsletter “Mission Handicap: Action!”, 2 to 3 newsletters each year,
- raising awareness of procurement from the sheltered and supported sector in partnership with the GESAT network,
- actions to promote the professional integration of people with disabilities during European Disability Employment Week (EDEW). This week is also an opportunity for Mission Handicap SII to highlight its commitments and to carry out initiatives aimed at raising awareness, breaking down preconceived ideas and demystifying disability,
- Original and inspiring conferences honouring personalities with disabilities, such as Marie-Amélie Le Fur (reigning World Champion in the 400m and long jump, Paralympic champion at the Rio Games), Grégory Cuilleron (Chef), Marine Barnerias (director of the film ROSY and presenter on France Télévision) and Adda Abdeli (scriptwriter and actor, notably in the series "Vestiaire" on France 2).
- an episode of the "OK:SII" podcast was also produced on this theme in connection with the European Week for the Employment of People with Disabilities,
- a module to raise awareness of digital accessibility is available on the e-learning platform, particularly for people involved in creating communication content,
- articles are regularly posted on the Talenteo website.

Employment and integration of seniors

SII has set up measures to facilitate the integration and maintenance of seniors in employment:

- interviews for the second half of their career as well as a skills assessment,
- the possibility of end of career adjustments (adjustment of working hours, gradual retirement) with an improvement in working conditions and prevention of hardship,
- training courses to help prepare for retirement.

Social reintegration

Our branches assign their waste management to companies actively involved in protecting the environment while creating sustainable local jobs for people with integration difficulties or disabilities.

At SII, we believe in extraordinary career and life paths. This is why our Lille and Nantes branches are actively involved in the “Invest in Digital People” programme. This programme, in partnership with Pôle Emploi, offers people the opportunity to work in the field of digital technology on a permanent basis after a six-month intensive training course.

Our subsidiary SII Spain is part of CODEC, an association dedicated to integrating socially excluded people into the workforce.

Equality in the workplace and non-discrimination

SII France and some of its subsidiaries implement a proactive policy of non-discrimination and equality in the workplace:

- awareness-raising and training of managers and human resources staff involved in recruitment, training and monitoring of employees on non-discrimination and diversity,
- taking into account the diversity of society in each country,
- internal communication of the company’s commitments on non-discrimination and diversity,
- integration of non-discrimination, diversity and equality in the workplace goals in discussions with employee representative bodies,
- inclusion in the human resources report and agreement status reports of diversity and equality in the workplace actions and results. All these elements are shared with the employee representative bodies.

Gender equality

In France, the company, trade unions and social partners signed an agreement in July 2017 on gender equality in the workplace and quality of work life.

In this agreement, SII confirmed its commitment to equality in the workplace made in 2011 in the collective agreement on wages and reaffirmed in 2013 with the signature of the first agreement on gender equality in the workplace.

The monitoring of this agreement also demonstrates SII's commitment to equality in the workplace, a commitment accompanied by many significant measures:

- hiring, by increasing the recruitment of female staff in technical jobs and by implementing a non-discriminatory recruitment process;
- vocational training by ensuring equal access for women and men to vocational training;
- professional promotion, ensuring equal treatment;
- pay, by maintaining equal pay for men and women in all socio-professional categories;
- work/life balance, through an option for part-time work, which is sometimes taken up by employees with a high level of responsibility;
- parenthood, in particular through a scheme to support pregnant women before they go on maternity leave and on their return.

This proactive policy has enabled the signatories to this agreement to report that the company operates genuine gender equality in the workplace.

SII subsidiaries are also involved in this issue:

- SII Spain has an equality committee and an action plan for professional equality between women and men,
- Our subsidiaries (Belgium, Canada, Chile, Colombia, Germany, India, Poland, Romania, Spain and United Kingdom) have policies for gender equality and the prevention of sexual harassment,
- SII Poland has set up a group "Mothers in SII" allowing the exchange of experiences and ideas between working mothers.

The Group's goals are ambitious given the technical industry in which we operate, which attracts too little female talent. SII branches and subsidiaries are actively involved in attracting female talent to engineering and digital jobs:

- SII France is a partner of the "Elles Bougent" (They Move), an association that seeks to promote and support young women considering scientific training and engineering jobs. This initiative is boosted by a community of SII female sponsors who promote the movement in their areas of activity and take part in events initiated by the association such as the "Réseaux & Carrières au Féminin" (Networks & Career for Women) forum or the International Air Show at Le Bourget. An episode of the "OK:SII" podcast was also produced on this theme on the occasion of Women's Rights Day.
- Our subsidiary SII Poland is also active on this issue with Women in IT powered by SII Poland, a movement that brings together women with a passion for new technologies. The aim is to exchange views on their areas of expertise and create a women's network.

In addition, many awareness-raising activities are carried out to celebrate SII's women engineers and encourage women to consider such jobs.

Indicators and Key Performance Indicators (KPIS)

MACRO RISK		TALENT MANAGEMENT				
Issues	Policies	Indicators	Units	3/31/2021	3/31/2022	3/31/2023
Attracting and retaining talent	Recruitment process	**Hiring**				
		Hired on permanent contracts	Number	1,658	4,044	3,469
		Hired on fixed-term contracts	Number	541	356	715
		Trainees and work-placement students received	Number	197* 264	334* 566	319* 442
		Trainees and work placement students for whom a contract has been signed at the end of the internship or work placement	%	40* 40	61* 54	62* 58
		Departures				
		Resignations	Number	1,298	2,219	2,873
		End of fixed-term contract	Number	123	161	164
		Redundancies	Number	324	232	291
		Other departures	Number	297	280	341
		Employee initiated turnover	%	15.2	23.5	28.3
		Net job creation				
		Net job creation	Number	189	1,522	659
		Remuneration				
		Average annual pay by status*	K€ executives K€ non-executives	42.100* 27.701*	42.282* 26.465*	43.101* 27.160*
		Amount of profit share*	K€	0	2,656	4,232
		% profit share	% average monthly salary	0	17	23
		Absenteeism				
		Average absenteeism rate % working days	Germany	1.51	2.45	3.15
			Belgium	1.48	1.89	4.32
			Canada	0.65	0,59	1.09
			Chile	1.62	1.31	1.24
			Colombia	0.59	0.76	0.70
			Spain	2.21	3.08	3.41
			France	2.60	2.40	2.34
			Morocco	0.78	0.44	0.16
			Netherlands	2.82	3.15	3.72
			Poland	5.15	5.02	4.81
			Czech Rep.	0.98	1.19	1.34
			Romania	0.62	0.76	1.23
			SII Group	2.94	2.99	3.02
		Satisfaction				
		Employees asked to give measure of satisfaction	%	100* 96	100	100
		Employee satisfaction (Great Place to Work)	%	79*	83*	84*
		GPTW certification renewed	%	100	100	100
		Satisfaction of trainees and alternates	%	99*	98*	98*

MACRO RISK		TALENT MANAGEMENT				
Issues	Policies	Indicators	Units	3/31/2021	3/31/2022	3/31/2023
Stimulating professional development	Training process	**Training**				
		% employees with access to skills development training	%	100	100	100
		Hours of training	Hours	120,194**	99,947**	125,646**
		% staff trained	%	48.0*	41.9*	46.8*
		% wage bill devoted to training*	%	3.18*	2.56*	2.82*

MACRO RISK		WORKING CONDITIONS / QUALITY OF LIFE AT WORK				
Issues	Policies	Indicators	Units	3/31/2021	3/31/2022	3/31/2023
External certifications and assessments	SII CSR strategy Agreement on professional equality between men and women and quality of life at work Agreement on collective "Healthcare costs" and "Incapacity - Disability - Death" cover Agreement on the prevention of psychosocial risks	Entities with a health and safety policy justifying social management of human rights	%	100	100	79
		EcoVadis Social and Human Rights score out of 100	Score	80	80	80
Health and safety		Frequency rate of accidents at work and commuting accidents	%	3.21*	4.94*	3.16*
		Severity rate of accidents at work and commuting accidents	%	0.05*	0.08*	0.07*
		Accidents resulting in lost time [1]	Number	25***	50**	45
		Cases of occupational illness	Number	0*	0*	0*
Well-being at work	Agreement on the organisation and reduction of working hours Agreement on teleworking within SII	Employees working part-time	%Germany	26.3	32.4	36.7
			%Belgium	0.0	5.2	4.2
			%Canada	1.4	2.0	4.8
			%Chile	0.3	0.3	0.3
			%Colombia	0.0	0.0	0.0
			%Spain	4.9	4.9	5.1
			%France	2.7	2.4	2.5
			%Morocco	0.0	0.0	0.0
			%Netherlands	38.9	36.8	38.1
			%Poland	1.5	1.6	1.2
			%Czech Rep.	6.7	15.8	11.4
			%Romania	0.0	0.7	0.0
			%U.K.	-	-	8.8
			%SII Group	3.8	3.6	3.9
		Employees benefiting from teleworking	%	Not representative (Covid 19)		43
Employee engagement / Meaning at work	SII CSR strategy	**Group CSR events**	Number	-	-	2
		Employees made aware of CSR	%	100* 95**	93* 81**	55* 75
Constructive social dialogue	Collective agreements	Social and Economic Committee meeting	Number	3*	3*	5*
		Collective agreements signed	Number	5*	3*	0*

MACRO RISK		DIVERSITY AND EQUAL OPPORTUNITIES				
Issues	Policies	Indicators	Units	3/31/2021	3/31/2022	3/31/2023
Diversity, inclusion and professional equality	SII CSR strategy Amendment No. 2 to the agreement on professional equality between men and women and quality of life at work Agreement in favour of the employment of people with disabilities	**Diversity and professional equality**				
		Total workforce (as of 3/31)	Number	8,789	10,311	10,970
		Average headcount for the year	Number	8,488	9,434	10,835
		Breakdown of workforce by gender	% Women	27.9	28.8	29.7
			% men	72.1	71.2	70.3
		Breakdown of workforce by age group	% under 25	7.12	8.49	8.82
			% 25-30 years	27.38	27.84	27.51
			% 30-35 years	22.77	22.86	23.12
			% 35-40 years	17.11	16.06	16.09
			% 40-45 years	10.30	10.10	10.13
			% >= 45 years	15.33	14.65	14.33
		Breakdown of workforce by geographical area	% France	47.13	45.30	45.81
			% Poland	26.34	29.42	29.74
			% Spain	8.85	7.57	5.84
			% Germany	5.31	4.16	4.94
			% Romania	3.39	4.13	4.18
			% Chile	3.66	3.50	3.31
			% Colombia	1.44	1.50	1.64
			% Morocco	0.63	0.92	1.62
			% Belgium	0.43	0.93	0.66
			% U.K.	0.41	0.45	0.52
			% Czech Rep.	0.34	0.37	0.40
			% Canada	0.79	0.49	0.38
			% Netherlands	0.41	0.37	0.38
			% India	0.27	0.30	0.30
			% Ukraine	0.36	0.32	0.13
			% Sweden	-	-	0.10
			% Argentina	0.13	0.16	0.01
			% Switzerland	0.08	0.01	0.01
		Breakdown of workforce by category	%Executives	94.96*	94.67*	94.37*
			%Emp,Tech,Sup	5.04*	5.33*	5.63*
		Breakdown of workforce by status and gender	%female executives	19.97*	20.24*	20.99*
			%male executives	80.03*	79.76*	79.01*
			%female emp,tech,sup	39.90*	39.76*	39.22*
			%male emp,tech,sup	60.10*	60.24*	60.78*
		Employees with disability	Number	81* 148	71* 150	96* 189
		Employees with disability	% employees	1.96* 1.76	1.76* 1.59	1.89* 1.74
		Number of different nationalities	France Outside France	61 56	66 64	63 69
		Average age	Years	35.34	34.99	34.92
		Inclusion				
		Recruitment rate of women in the technical field (production staff)	% women	22.3	21.5	21.6
		Recruitment of people with disabilities	Number	6* 19	15* 40	39* 50

Key Performance Indicators (KPIs)

: This indicator is based on the SII France scope of operations

**: This indicator is based on the SII France, SII Poland, SII Spain and SII Romania scope of operations*

***: This indicator is based on the SII France, SII Poland and SII Spain scope of operations*

(1) Number of accidents at work excluding relapses

3.5. Goal 3: To develop a digital and sustainable world

Using our expertise to help customers' digital transition, being a major and recognised player in the digital ecosystem, promoting training and jobs in the sector, building a framework of trust in the digital world, controlling our environmental impact, acting in the general interest, etc.

The SII Group works on all these fronts to contribute to the development and influence of the areas where it is established, through four non-financial macro risks:

- Digital ecosystem,
- Innovation,
- Philanthropic commitment,
- Environmental impact.

Digital ecosystem

As a company specialising in digital services, the SII Group is strongly involved in the issues faced by its ecosystem:

- contributing to the development and influence of the digital sector, in conjunction with keys organisations;
- promoting digital training and careers.

Relations with trade association and technology expert groups

SII is a member of NUMEUM, the leading employers' organisation in the French digital ecosystem. In order to take an active part in the evolution of our profession and to defend its interests, SII is actively involved and at several levels within NUMEUM:

- Charles MAUCLAIR, member of the group's management board SII, has been a director of Numeum since 2023 and Chairman of the College of Engineering and Technology Consulting companies (ICT) since October 2021.
- SII business experts are present in various existing commissions (training, innovation, legal).

In addition, our involvement is reinforced locally by our participation in working groups relating to key market areas in the region. These groups provide at SII representation and skills related to the evolution of the digital sector.

As a board or association member, we pursue the following objectives:

- participate in the development of digital technology,
- promote training and digital and engineering jobs,
- encourage discussion and cooperation between training institutions and major sectors for digital jobs,
- think about innovative teaching methods.

SII sponsors and provides technical input to many groups of experts. These actions are a source of motivation and recognition for the employees who take part in them.

Promoting digital training and careers

SII supports young people through partnerships and exchanges with a large number of schools and universities to ensure educational curricula are in line with market requirements. We work with students to:

- promote digital and engineering jobs during presentations of SII jobs,
- financially support their initiatives (challenges, communications, etc.),
- offer internships and work placements, particularly at recruitment forums and job dating events,
- advise them as they look for jobs,
- offer mock interviews to future graduates,
- participate in school assessment panels.

In 2018, SII France renewed its patronage with INSA Toulouse for five years. The partnership responds to social, scientific and technological issues via the Berger-Capelle Chair for Disability & Diversity, which aims to promote diversity, social openness and inclusion of all groups, in particular through:

- a programme in conjunction with the @talentEgal association to support a disabled group of secondary school pupils,
- training of volunteer engineering students within the context of the Handi-manager label.

For the past three years, SII IDF participated in workshops with the EPIDE establishment in Bourges-Osmoy to allow young people in professional integration to work on their recruitment interviews by video.

SII also supports student projects and initiatives, thus forging strong links between the professional and academic spheres:

- Sponsor of a 4L Trophy crew,
- Sponsor of a "Handimanagement" team,
- Partner of the @talentEgal association supporting students with disabilities,
- Investment by SII Lille with the ITeach association, which offers educational workshops on computers and new technologies, to train, encourage vocations and equip children to facilitate their future integration into working life.
- Participation in partner school events (technical lunches and sports events bringing together SII employees and students, sports challenges for the disabled, etc.).

Philanthropic commitment

Commitment has always been and remains a strong value for SII. Thus, the group believes that as a committed player, it has a responsibility to participate in the societal issues that affect our communities. It is within this framework that the SII group and its employees mobilise throughout the year in favour of causes of general interest. Sponsorship and volunteer actions are regularly carried out to support mutual-aid associations and organisations.

The notion of commitment gained momentum with the creation of the SII Corporate Foundation in 2020, enabling the group to structure its philanthropic approach and its employees to obtain the necessary support for their personal commitments.

The Corporate Foundation SII

The SII Corporate Foundation meets this desire to take action for public-interest causes in our territories. In practice, this structure allows us to organise sponsorship in line with our Corporate Social Responsibility approach. We offer financial support and in-kind sponsorship, including making skills and technologies available. At the same time, we wish to support, promote, guide, and highlight our philanthropic commitment.

The SII Corporate Foundation also supports employees who wish to become involved in solidarity projects in a wide range of fields, such as:

- education and pedagogy;
- defence and dissemination of culture and heritage;
- protection of the environment and sustainable development;
- technological development;
- humanitarian, solidarity, and social action;
- health and medical research;
- professional integration; and
- dissemination and development of the principles of citizenship, non-discrimination, inclusion, equality, empowerment, social responsibility, and ethics.

We provide practical support by:

- funding and guiding projects selected by employees, partners, and/or organisations;
- making the know-how of our employees available;
- carrying out communication campaigns to promote the projects supported;
- making in-kind donations; and
- undertaking any other initiative to achieve the purpose of the Corporate Foundation.

The SII Group guides its customers in their digital transition. The SII Corporate Foundation is therefore naturally very mindful of projects related to this field. We thus wish to make this a factor of inclusion and solidarity. In particular, we prioritise projects led and supported by our employees.

We are proud of our support for four organisations in 2021:

La Guinée Verte: **Building a structure capable of holding around 15 m3 of water, to make it easily accessible to a large part of the village population**, supplied by an electric pump connected to solar panels.

Unimotion: Development and distribution of a **motor kit that can be fitted to manual wheelchairs to add electric mobility.**

Fans4all: **Integration of people with disabilities**, especially people with hearing or speech difficulties, in the aviation industry.

Association Ecole Nouvelle: Setting up educational projects to promote sustainable development (landscaping a garden, energy reduction initiatives, internal waste recycling).

A new call for applications will be launched in September 2023 to allow new projects to be supported.

Patronage

The multitude and diversity of technical, technological and human skills that our talent offers us are an undeniable asset for the Group but also for the world at large. SII thus gives its employees wishing to get involved in projects of general interest the chance to use their skills to support mutual aid associations and organisations in the geographic areas where we operate.

- several branches called on the start-up Kolabee, which offers skills sponsorship for innovation projects for the benefit of associations. 68 employees were involved in the last financial year.

- Patronage initiative have been carried out by employees of SII IDF, in partnership with the EPIDE association, to provide disadvantaged young people with the tools to build their employability through education in the digital field and to facilitate distance learning.

Our subsidiaries are also involved in sponsorship initiatives, such as SII Spain, which is taking part in a solidarity initiative led by the association CTecno. The aim of this association is to help students in digital and technological fields through a programme of study grants, and also to introduce them to the world of work through a mentoring programme run by professionals in the sector.

In addition to skill-sharing, SII is involved in civil society through financial patronage. Donations are also made:

- in the fight against cancer,
- for refugees,
- children.

In kind donations are also made, such as food, furniture, computer equipment and clothing (Restos du cœur, Emmaüs, ...).

Civic engagement

The way in which employees are encouraged to get involved in humanitarian or civic causes is always the same: it starts with a personal initiative by an employee and a positive response from management in the form of collecting donations or other ways. All these great initiatives are publicised via our communication tools.

Every year, employees get involved to support the Red Cross, blood donation and the Telethon. Various collections are organised in the branches and subsidiaries to support children, people with disabilities and people in need.

SII supports employees who make a personal commitment by taking part in sporting and/or charitable events. For example:

- In 2022, SII Siège and IDF participated in the Odysséa charity run that funds breast cancer research;
- SII Sud-Ouest participated in a sports challenge as part of 2022 "Octobre Rose" operation;
- SII Atlantique has coutinued its Olympiads operation for collectively support a local association selected by the agency's employees (this year: support for "Cale 2 l'île", a Nantes based association for the preservation of maritime and river heritage);
- SII Poland has set up the SII Power Volunteers program, which sponsors and supports its employees' personal projects, which may be technological, sporting or charitable.

Climate change

Aware of environmental challenges and the role it can play as a global company, the SII Group is committed to preserving the environment and complying with an increasingly demanding legislative framework. To achieve this, the Group is working to strengthen its resilience to the effects of climate change.

Carbon footprint / Decarbonisation

The digital sector currently accounts for 4% of global greenhouse gas emissions, and the sharp increase in usage suggests that this carbon footprint is set to double by 2025.

As a player in the digital sector, the SII Group has a responsibility to act to reduce its environmental footprint and combat climate change. This responsibility is reflected in the ambition to decarbonise SII's activities and its entire value chain in order to meet the challenge of carbon neutrality by 2050 recommended by the UN and the EU.

in 2022, we will be overhauling the way in which we collect and report our greenhouse gas emissions each year. To facilitate coordination of the method across the Group and internationally, we have switched from the ABC Bilan Carbone® methodology to the GHG Protocol.

GREENHOUSE GAS PROTOCOL

In this context, we joined the 1ère promotion of the Climate Accelerator of the Global Compact France Network, for a training course that ran from May to November 2022, spread over 6 months with an equivalent of 10 hours of training and practical cases, in order to consolidate and validate our methodology. This was based on an SBTi approach. It was monitored by a designated member of our CSR team.

UN GLOBAL COMPACT CLIMATE AMBITION ACCELERATOR

All SII's French branches are involved and have been taken into account for this assessment. The aim is to report all the carbon emissions generated by SII France's activities in France.

The consolidation method used is the operational control approach.

We have improved the reliability of our data collection and extended the items taken into account **across all 3 scopes.**

Exclusions :

- Scope 2: we have not included the **market-based approach** in our GHG emissions report because it is not significant at present (consumption of renewable kWh is still low in proportion, and the residual mix emissions factor is unreliable). It will be gradually incorporated in future years.
- Scope 3: for the reference year and the last 2 financial years, the **emissions associated with the waste** generated by our activities were not taken into account. Since then, we have drawn up a reporting table to consolidate and collect all the waste data from our French agencies, so that the associated emissions can be included in our GHG inventory tool from the 2022-2023 financial year.

  Emissions associated with the **purchase of IT equipment other than PCs and monitors were** deemed less significant given the volume of purchases, and are therefore excluded from the inventory.

  Within the emissions defined by financial ratios, only the most significant expenditure lines have been retained, i.e. representing at least 95% of the weight of expenditure within the scope (in accordance with SBTi recommendations). **Expenditure lines**, and therefore GHG emissions, **considered to be "negligible" have** been excluded.

All the emissions factors used to transform our primary data into CO eq are taken from Ademe's Empreinte® database.

BASE Empreinte®

Our emissions calculation tool incorporates the challenges of the GHG Protocol.

Reducing carbon emissions is a major challenge for the SII Group. We therefore took a further step in 2023 by drawing up our **SII France Decarbonisation Plan** to 2030 to commit to reducing :

- **By 45% in our Scopes 1 & 2 emissions**, with concrete actions on our vehicle fleet and its electrification (Scope 1), as well as the long-term management of an energy sobriety plan (Scope 2).
- **By 25% in Scope 3 emissions**, with concrete actions linked to our value chain and the cascade of our carbon reduction requirements, the optimisation of our IT equipment purchases, the definition and implementation of an ambitious Business Travel Policy and, lastly, support for our employees in decarbonising their home-work travel arrangements.

To define these reduction targets, we used the SBTi tool.

The reference year used by the Executive Committee to define the SII France Decarbonisation Plan is 2019-2020.

In line with this Decarbonisation Plan, actions have been planned to raise awareness among employees, encourage them to contribute and get them involved, so as to achieve the targets set.

These actions also illustrate the way in which the SII Group has chosen to take action to adapt to the consequences of climate change. Examples include:

- Implementing an energy efficiency plan (see 5.4.2.);
- The responsible purchasing drive, in particular with the support of the Group's new Responsible Purchasing Charter (see 3.1.2);
- Optimisation of work surfaces and IT equipment (see 5.3.2.);
- The use of telephone conferencing systems, videoconferencing and IP telephony are effective alternatives for avoiding the need to travel;
- The roll-out of teleworking in French branches and subsidiaries (Canada, Chile, Germany, India, Morocco, Poland, Romania, Spain and the United Kingdom);
- The deployment of Mobility Guides for the branches concerned;
- Deploying policies and guides for business and personal travel to promote sustainable modes of transport;
- Reimbursement of up to 100% of public transport costs in France, as well as in Germany, Belgium, Canada, Morocco and Romania;
- The electrification of the SII vehicle fleet in France and in Germany, Belgium and Spain;
- The introduction of infrastructure to support cycling: facilities for cyclists and/or dedicated recharging points for employees' vehicles (several French branches, Canada, Spain and Poland);
- The implementation of the sustainable mobility bicycle package in France and similar initiatives in Canada (discount on self-service bicycle passes) and Belgium (mobility budget). SII Poland also offers cycling employees a bicycle repair station equipped with a pump and basic repair tools, all close to the bicycle parking facilities available at the workplace. Some subsidiaries (e.g. Germany and Belgium) also provide bicycles for home-to-work or business trips;
- The Nantes branch's commitment to the FUB's Pro-Bike Employer label: training, awareness-raising, safety, repair workshop and tools, etc.

Reducing greenhouse gas emissions is also achieved through regular awareness-raising campaigns and actions to inform employees of the right behaviours to adopt.

Digital responsibility

Being digitally responsible means building a framework of trust in the digital world, encouraging innovation and the emergence of ecosystems of ethical and responsible values, while ensuring eco-responsibility.

The SII Group is aware of the sustainable development issues linked to its sector of activity. Digital technology has brought about a profound transformation of our societies, introducing both new opportunities for better management of social and environmental problems, and new associated issues such as data protection, respect for privacy, and the pollution generated (manufacture of numerous items of equipment, energy consumption, production of waste that can be recycled only to a limited extent).

Digital sobriety is a priority if we are to move towards a more responsible digital environment. This is why a structured approach has been introduced at Group level, through a dedicated Responsible Digital Unit. This approach is an integral part of the Group's CSR strategy, and is being implemented in 3 areas:

Green by Use: Raising awareness and promoting good everyday practice.

SII has developed and distributed several e-learning modules internally using the digital 360 Learning tool:

- a compulsory Digital Responsibility awareness-raising course for all employees, to help them discover the challenges and levers along the 3 paths of the Digital Responsibility approach,
- raising awareness of Responsible Communication, with ideas and recommendations for digital communication and events,
- Digital Accessibility awareness-raising, presenting and illustrating the RGAA 4 standard, aimed at developers, interface designers and creators of digital content.

For the third year running, the SII Group and several of its subsidiaries took part in Digital Clean Up Day, a digital clean-up operation aimed at raising employee awareness of the materiality and environmental impact of data transfer and storage. In 2023, more than 4,400 GB of data were deleted, and our employees in France and around the world were mobilised.

"OK:SII" podcast episodes are also produced on this theme, such as "What is eco-design?" and "Digital sobriety - The CSR approach", in order to raise awareness of these subjects among SII employees.

Green for IT: Monitoring the environmental impact of our IT resources.

Support has been provided to the IT teams at the various sites, to ensure reliable management of the IT equipment and to guide future purchases.

To achieve this, responsible purchasing and operating guides have been rolled out, with the aim of achieving 90% eco-labelled purchases for IIS screens and PCs (excluding customer constraints). Ecolabels have been chosen for their high standards and high profile: TCO-Certified, EPEAT (Gold or Silver).

Priority was given to PCs and monitors, based on the date of purchase during the year.

Because of their sheer number and the environmental cost of their manufacture, they account for most of the digital impact at SII.

The scope of this approach will be extended to other equipment in subsequent years (smartphones, servers, network equipment, etc.).

The end-of-life management of obsolete equipment (Waste Electrical and Electronic Equipment - WEEE) has also been improved (see "Awareness-raising and environmental prevention" on page 117), in order to encourage as far as possible the re-use of equipment, or where appropriate the recycling or appropriate disposal of components, taking into account the associated traceability issues.

Ecodesign: taking account of social and environmental issues in our business.

Ecodesign is a continuous improvement process that requires specific skills, and the implementation of indicators and measurement tools to manage it.

To prepare for the launch of our eco-designed projects in 2023-2024, a number of steps have been taken:

- development of 4 e-learning training modules on eco-design, from fundamental principles to operational implementation in projects,
- development of a software eco-design reference framework, based on recognised reference frameworks,
- definition of a dashboard to monitor the compliance of a service with the standards.

Lastly, the SII Group is also involved in working groups and circles of experts on the subject:

- It has joined the Planet Tech Care collective (https://planet-techcare.green/), which aims to accompany and support players committed to reducing the environmental footprint of digital technology. By becoming a signatory, the SII Group is working alongside players in the French digital ecosystem and committing itself to controlling environmental risks in order to move towards a more responsible digital sector,
- It is involved in Numeum's Responsible Digital programme,
- Since 19 July 2022, it has been a signatory to the *NR Charter* drawn up by the INR (Institut du Numérique Responsable).

https://charter.isit-europe.org/signataires-charte-nr/fiche-signataire/?lang=fr_FR&id=422

Circular economy

General environmental policy

For many years now, the SII Group has been implementing a proactive strategy in favour of the environment in the management of its activities. The Group's environmental management system is based on an environmental risk analysis and a continuous improvement approach. Most branches and subsidiaries have appointed a person to be officially responsible for environmental issues, and have defined formal policies for managing environmental issues and reducing the environmental impact of their activities.

The SII Group has set up an Integrated Management System, including the ISO 14001 reference system, for which management assumes responsibility for its effectiveness. This management system has multiple objectives. They reflect SII's challenges and meet the needs and expectations of its stakeholders:

- Economic: controlling and optimising our energy consumption and carbon footprint, recycling our waste through selective collection and preventing pollution;
- Competitive: communicating to our customers the evidence of our commitment to respecting the environment, to forge a differentiating image;
- Societal: enhancing the company's image and actions vis-à-vis all employees and applicants, as well as economic and institutional players;
- Regulatory: applying future regulations and standards to anticipate future developments;
- Managerial: uniting employees around a company project, by raising their awareness, training them and involving them in the environmental approach implemented.

These are the main commitments made by the agencies and subsidiaries in their environmental policy, which is ambitious but also pragmatic, realistic and part of the process of continuously improving their environmental performance.

These environmental objectives are subject to indicators, measurements and controls. The actions undertaken as part of this virtuous approach are reviewed and updated annually at the management review meeting.

In addition, international CSR events are organised on a regular basis (2 in the last financial year focused on environmental issues, during Mobility Week and Digital Clean Up Day), to involve subsidiaries in the Group's CSR challenges.

Our ISO 14001-certified sites are actively involved in a continuous improvement process: SII France (9 agencies and the head office), SII Spain, SII Romania and SII Technologies (Germany).

Environmental awareness and prevention

Most SII sites have formal procedures and operating methods for environmental practices, including waste management and recovery. The SII Group's subsidiaries and agencies are involved in recycling paper and cardboard, glass and plastic, ink cartridges, batteries and light bulbs, bio-waste and IT equipment (desktop and laptop computers, printers and screens), which can be donated to employees or associations, thereby extending their life cycle. Our sites are equipped with selective sorting bins and, in some cases, composters. Once sorted, waste is usually recovered through various sorting and recycling channels.

Measures have been introduced to reduce waste at source, particularly paper and plastic:

- Implementation of Electronic Document Management (EDM),
- Dematerialisation of internal documents,
- Setting printers and photocopiers to duplex mode and code printing,
- Devices to move towards zero plastic,
- Installation of a connected fridge offering fresh, local, zero-waste products (SII Ouest, SII Sud-Ouest).

Our environmental ambitions cannot be achieved without the support and involvement of our employees in our approach. In addition to the CSR awareness training provided on joining SII, awareness campaigns and actions are regularly carried out to promote responsible behaviour in terms of sustainable development:

- Display of recycling zones,
- Instructions for selective sorting,
- Reminders of good practice and raise awareness of ecological gestures,
- Dedicated actions and workshops: World Clean Up Day, Digital Clean Up Day, Green Marathon, European Week for Waste Reduction, environmental Speak-Ups or environmental education campaigns via waste collection days (SII Colombia).

With regard to waste management in particular, the year was marked by the introduction of a national procedure, clarifying the target organisation and roles and responsibilities, while taking account of recent regulatory developments.

With regard to Waste Electrical and Electronic Equipment (WEEE), a search was carried out to select a single service provider (for the French branches) in order to encourage as far as possible the re-use of equipment, or where appropriate the recycling or appropriate disposal of components, taking into account the associated traceability issues, and favouring a socially respectful and committed structure.

In addition, on the theme of biodiversity, one example is the Est agency's collaboration with "Un toit pour les abeilles" (A roof for bees). Thierry COLIN, a beekeeper from Alsace, has been a sponsor for two years now, with very significant results: in 2022, thanks to the SII agency and the other sponsors, Thierry has been able to turn his passion for beekeeping into his new profession. The jars of honey he produces also benefit the agency's teams. For inspiration, this action was the subject of a webinar in March 2022: https://www.youtube.com/live/SNfDYYR2ifQ?feature=share

Sustainable use of resources / Energy efficiency

In addition to the effects of climate change, which become more visible every year, there are the geopolitical consequences of the armed conflict in Eastern Europe. As a result, the energy crisis has become a tangible reality, with tangible repercussions that can be seen in our daily lives. In this context, energy sobriety is no longer an option: at a time when the French government has announced an unprecedented ambition to reduce final energy consumption by 10% within the next two years, we, the players in the economic world, have a major role to play and a collective responsibility in achieving this objective. The current crisis means that we need to take immediate steps to reduce our energy consumption, by immediately putting in place the collective sobriety measures that will enable us to make energy savings.

The SII Group, a key player in the French digital ecosystem, has called on its agencies and subsidiaries to take various measures, based on the proposals of the Convergences numériques collectives and the Government's Energy Sobriety Plan, compiled in an Energy Sobriety Plan.

Each site has appointed a sobriety coordinator to oversee deployment of the plan, who meets regularly to share best practice.

Here are a few examples of actions included in the SII Group's Energy Sobriety Plan:

- the choice of efficient, intelligent buildings that are more respectful of the environment and as close as possible to customers to limit employee travel;
- A commitment to monitoring and controlling its energy consumption, including more precise temperature settings, particularly during the summer and winter seasons;
- giving priority to renewable energies with a guarantee of origin;
- raising employee awareness of good practice in the use of electrical and electronic equipment in their possession;

- renewing equipment only if necessary, with priority given to the purchase of eco-responsible equipment (see "Digital responsibility" on page 115);
- raising employees' awareness of the benefits of choosing a soft mode of transport for their journeys.

The year 2022 was also an opportunity to improve the overall monitoring of energy consumption, particularly for the French branches. A tool for collecting energy consumption data is now in place, based on consumption data from invoices. This will enable us to monitor energy consumption more closely, and make better use of the effects of measures to reduce energy consumption.

Indicators and Key Performance Indicators (KPIs)

MACRO RISK		DIGITAL ECOSYSTEM				
Issues	Policies	Indicators	Units	3/31/2021	3/31/2022	3/31/2023
Reach of the digital sector	SII Management Policy	Entities with links to professional associations and technology expert groups	%	79	67	40
		Entities with school partnerships involved in promoting digital training and careers	%	71	60	20

MACRO RISK		PHILANTHROPIC COMMITMENT				
Issues	Policies	Indicators	Units	3/31/2021	3/31/2022	3/31/2023
Patronage and civic engagement	SII CSR strategy	Entities involved in philanthropic work	%	71	80	80

MACRO RISK		CLIMATE CHANGE				
Issues	Policies	Indicators	Units	3/31/2021	3/31/2022	3/31/2023
Carbon footprint / Decarbonisation	SII CSR strategy SII FR decarbonisation plan	CO2 emissions/FTE/year	T.eq.CO2/ FTE/year	Not representative Covid 19	3.89* (8)	3.78*
		Emissions by scope (1, 2, and 3)	T.eq.CO2	Not representative Covid 19	scp1*: 726 scp2*: 72 scp3*: 17,351 /	scp1*: 894 scp2*: 65 scp3*: 17,703 scp1 (3): 2,187 scp2 (3): 1,459 scp3 (3): /
Digital responsibility	SII CSR strategy SII FR decarbonisation plan	Entities committed to a responsible digital approach	%	50	73	73
		Purchasing eco-labelled IT equipment	%	N/A	N/A	93* 52.9 (4)
		Raising employee awareness of Responsible Digital Use	%	N/A	N/A	62 (5)

MACRO RISK		CIRCULAR ECONOMY				
Issues	Policies	Indicators	Units	3/31/2021	3/31/2022	3/31/2023
Certification and external assessments	Management Policy SII	**Ecovadis "Environment" score out of 100**	Score	70	70	70
		Iso 14001 certified entities	%	27	27	33
Environmental awareness and prevention	SII CSR strategy	Waste generated	T	Not available	Not available	82.1*
		Recycled waste	%	Not available	Not available	86.8*
Sustainable use of resources / energy efficiency	SII CSR strategy Energy efficiency plan SII	**Energy consumption**	kWh	Not representative Covid 19	1,284,128*	1,266,319* 4,937,856**
		Renewable energy	%	Not representative Covid 19	1.96*	2.8* 2.1**

Key Performance Indicators (KPIs)

** Indicator based on the SII France perimeter*

*** Indicator based on the SII France, SII Technologies (Germany), SII Belgium, SII Chile, SII Colombia, SII Spain, SII India, SII Morocco, SII Poland, SII Czech Republic and SII Romania scope of operations, i.e. 96.7% of the Group scope as of 3/31/2023.*

(3) Indicator based on the Group perimeter, on the basis of data reported by the various subsidiaries according to their access to data, with the exception of SII Canada and SII United Kingdom

(4) Indicator based on SII France, SII technologies (Germany), SII Belgium, SII Colombia, SII India, SII Poland, SII Romania, SII Spain and SII United Kingdom

(5) Indicator based on SII France, SII technologies (Germany), SII Colombia, SII India, SII Netherlands, SII Romania, SII Spain and SII United Kingdom

(8) Carbon inventory recalculated when the carbon footprint calculation method was changed (ADEME FR --> GHC Protocol).

3.6. Report of the independent third-party organisation on the consolidated non-financial statement included in the Group's management report

Year ended March 31, 2023

To the general meeting of SII S.A.,

In our capacity as a professional accountancy firm, appointed as a third party ("third party") independent of your company, SII S.A. ("entity") and accredited by the COFRAC (French Accreditation Committee; Cofrac validation/auditing accreditation No. 3-1861, scope of accreditation available on the website www.cofrac.fr), we completed the work necessary to provide a reasoned opinion expressing a moderate level of assurance on the historical and extrapolated information in the consolidated non-financial statement, prepared in accordance with the entity's procedures ("Reporting Criteria"), for the financial year ended March 31, 2023 (respectively, "Information" and "Statement"), presented in the group's management report pursuant to the provisions of Articles L.225-102-1, R.225-105, and R.225-105-1 of the French Commercial Code.

Preparation of the non-financial statement

The absence of a generally accepted and commonly used framework or established practices on which to base the assessment and measurement of the information allows for the use of different but acceptable measurement techniques that may affect comparability between entities and over time.

Therefore, the information should be read and understood with reference to the Reporting Criteria, the material elements of which are presented in the Statement.

Limitations inherent in the preparation of information related to the Statement

The information may be subject to the uncertainty inherent in the state of scientific knowledge and the quality of the external public data used (e.g. greenhouse gas emission factors and sectoral climate trajectories). Certain information is sensitive to the methodological choices, assumptions, and/or estimates made in preparing it and presented in the Statement (e.g. reporting scope, extrapolations made on energy consumption, and scope 3 greenhouse gases reported).

Responsibility of the company

The management board is responsible for:

- selecting or establishing appropriate criteria for the preparation of information;
- preparing a Statement in accordance with statutory and regulatory requirements, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied in view of these risks as well as the outcomes of these policies, including key performance indicators and the information provided for in Article 8 of Regulation (EU) 2020/852 (green taxonomy); and
- implementing such internal control as it determines is necessary to enable the preparation of information that is free from material misstatement, whether due to fraud or error.

The Statement was prepared by applying the entity's "Reporting Criteria" as mentioned above.

Responsibility of the Auditors

It is our responsibility, on the basis of our work, to provide a reasoned opinion expressing a conclusion of moderate assurance on:

- the compliance of the Statement with the provisions of Article R.225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to Article R.225-105 I(3) and II of the French Commercial Code, namely the outcomes of policies, including key performance indicators, and the measures implemented considering the principal risks, referred to below as 'Information'.

As it is our responsibility to form an independent conclusion on the information as prepared by management, we are not permitted to be involved in the preparation of this information, as this could compromise our independence.

However, it is not our responsibility to comment on:

- the entity's compliance with other applicable statutory and regulatory requirements (in particular, those relating to the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the due diligence plan, and efforts to combat corruption and tax evasion);
- the truthfulness of the information provided for in Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- the compliance of products and services with applicable regulations.

Regulatory provisions

Our work described below was carried out in accordance with the provisions of Articles A.225-1 *et seq.* of the French Commercial Code, defining how independent third parties carry out their assignments according to the audit programme.

Independence and quality control

Our independence is defined by the provisions of Article L.822-11-3 of the French Commercial Code and the Code of Ethics of the profession. In addition, we implemented a quality control system that includes documented policies and procedures designed to ensure compliance with applicable laws and regulations, rules of ethics, and professional guidelines.

Nature and scope of our work

We planned our work in consideration of the risks of material misstatement of the information.

In our opinion, the procedures we carried out in the exercise of our professional judgement enable us to provide a moderate level of assurance.

Our work is performed in accordance with an audit programme and the associated specified audit requirements.

- we reviewed the business activities of all entities in the scope of consolidation and the main risks;
- we assessed the suitability of the Reporting Criteria in view of their relevance, completeness, reliability, neutrality, and understandability with due consideration of industry best practices, where appropriate;
- we verified that the Statement covers each category of information required under Article L.225-102-1 (III) relating to corporate governance and the environment, as well as respect for human rights and efforts to combat corruption and tax evasion;
- we verified that the Statement presents the information required under Article R.225-105 (II) when it is relevant to the main risks and includes an explanation of the reasons for the absence of the information required by Article L.225-102-1 (III), second paragraph;
- we verified that the Statement presents the business model and a description of the main risks related to the activity of all the entities included in the scope of consolidation, including, where relevant and proportionate, the risks created by its business relationships, products, or services, as well as its policies, actions, and outcomes, including key performance indicators related to the main risks;
- we consulted documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the main risks as well as the consistency of the outcomes, including the key performance indicators used, in view of the main risks and the policies presented; and
  - corroborate the qualitative information (actions and outcomes) that we considered most important presented in Appendix 1. We performed our work at the level of the consolidating entity for certain risks and at the level of the consolidating entity and in selected entities for the other risks;
- we verified that the Statement covers the consolidated scope, namely all companies in the scope of consolidation in accordance with Article L.233-16, with the limits specified in the Statement;
- we examined the internal control and risk management procedures implemented by the entity and assessed the collection process aimed at ensuring the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered the most important presented in Appendix 1, we implemented the following:
  - analytical procedures to verify that the consolidation of the data collected was appropriate and the consistency of any changes in such data;
  - detailed testing, using sampling techniques, consisting in verifying the correct application of definitions and procedures and reconciling data with supporting documents. This work was performed with a selection of contributing entities, namely SII France, and covers between 31% and 100% of the consolidated data selected for these tests;
- we assessed the overall consistency of the Statement with our knowledge of all the businesses included in the scope of consolidation.

The procedures implemented for a moderate assurance engagement are less extensive than those required for a reasonable assurance engagement. A higher level of assurance would have required more extensive audit work.

Means and resources

Our work drew on the skills of two people and took place between January 2023 and July 2023 over a total of four weeks.

We called on our sustainable development and corporate social responsibility specialists to assist us. We conducted 11 interviews with those responsible for preparing the Statement.

Conclusion

Based on our implemented procedures, as described in the 'Nature and scope of our work' section, and on the information we obtained, nothing has come to our attention that causes us to believe that the non-financial statement is not in compliance with the applicable regulations and that the Information, taken as a whole, is not presented fairly in accordance with the Reporting Criteria.

Paris, July 22, 2023

The Independent third-party organisation

RSM Paris

Martine LECONTE

CSR Department Manager

Partner

Appendix 1: Lists of information we considered most important.

Qualitative and quantitative information (including key performance indicators):

Risk and Issues	Quantitative indicators	Qualitative indicators audited
Governance	Thinking ahead to 2024	- CSR Approach consulted during Global Performance Management Review
Responsible Development	**KPI:** - Customer satisfaction rate - EcoVadis Responsible Purchasing Score - Lost time accidents	- Subcontractors and suppliers are audited and assessed on the basis of social and environmental criteria
Fair practices and relations with stakeholders	**KPI:** - EcoVadis "Business Ethics" score	- Ethics awareness programme communicated regularly and presented to new arrivals
Innovation	Thinking ahead to 2024	- Initiatives such as innovation challenges and ideation workshops are offered to engineers and partners
Asset protection and confidentiality	**KPI:** - Percentage of entities certified ISO 27001	- IT charter applied to external Group users of IT resources
Talent management	**KPI:** - Net job creation - Employee satisfaction (Great Place to Work) - Rate of GPTW certification renewed - Number of hours of training	- Internship applicants can define the internship of their dreams themselves - Cooptation practised in foreign subsidiaries - Identification of trainers from among the Group's talent and support via dedicated training courses
Working condition / Quality of life at work	**KPI:** - EcoVadis "Social and Human Rights" score - Number of lost time accidents - Number of Group SCR events - Percentage of employees aware of CSR	- Application of a flexible form of work organisation in foreign subsidiaries
Diversity and equal opportunities	**KPI:** - Breakdown of workforce by gender - Number of different nationalities - Recruitment rate for women in technical sector (production staff) **Indicators:** - Average total workforce (FTE)	- Signature of an agreement between SII Ouest and the FACE association (Fondation Agir Contre l'Exclusion)
Digital ecosystem	Thinking ahead to 2024	- Partnership via the Berger Capelle Chair offering a programme in conjunction with @talentegal association and the training of student engineers as part of the Handi-manager label
Philanthropic commitment	Thinking ahead to 2024	- Helping customers make the digital transition
Climate change	**KPI:** - Emissions by scope (1, 2 and 3) - Percentage of purchases of eco-labelled IT equipment - Rate of employee awareness of digital responsibility	- Integration of the 1st promotion of the Climate Accelerator of the Global Compact France Network
Circular economy	**KPI:** - EcoVadis "Environment" score - Rate of ISO 14001 certified entities - Energy consumption	- Implementation of a national waste management procedure

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4.1. Consolidated financial statements for the year ended March 31, 2023

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSET (€000)	Note	3/31/2023	3/31/2022
NON-CURRENT ASSETS			
Goodwill	a.5	67,136	45,815
Right-of -use	a.7	56,857	45,576
Intangible assets	a.4	3,437	4,099
Tangible assets	a.6	22,324	18,444
Other intangible assets	a.11	558	558
Non-current financial assets	a.8	5,345	5,798
Deferred taxes assets	a.9	9,060	6,608
TOTAL NON-CURRENT ASSETS		164,717	126,898
CURRENT ASSETS			
Operating receivables	a.10	295,760	253,420
Receivables from tax authorities		3,599	2,973
Other current assets	a.11	11,433	9,779
Current financial assets	a.8	992	210
Cash and cash equivalents	a.13	196,546	159,137
TOTALCURRENT ASSETS		508,330	425,519
TOTAL ASSETS		**673,047**	**552,417**

LIABILITIES AND SHREHOLDERS' EQUITY (€000)	Notes	3/31/2023	3/31/2022
SHAREHOLDERS' EQUITY			
Issued capital	a.14	40,000	40,000
Other reserves and Own shares held in treasury [(1)]		145,999	120,196
Income of the year		80,460	59,377
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT		266,459	219,573
Non-controlling interests		74	-442
TOTAL SHAREHOLDERS' EQUITY		266,533	219,131
NON-CURRENT LIABILITIES			
Long-term financial liabilities and debt	a.15	12,416	18,669
Non-current lease liabilities	a.15	43,488	32,614
Long-term provisions	a.16	7,408	9,364
TOTAL NON-CURRENT LIABILITIES		63,312	60,647
CURRENT LIABILITIES			
Short-term financial liabilities	a.15	20,214	11,923
Current lease liabilities	a.15	16,251	15,478
Operating liabilities	a.17	175,889	150,574
Short-term provision	a.16	10	18
Taxes payables		7,769	6,841
Other current liabilities	a.18	123,069	87,805
TOTAL CURRENT LIABILITIES		343,202	272,639
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**673,047**	**552,417**

(1): The own shares held in treasury are detailed in the consolidated reserves and described in the note "Consolidated statement of changes in equity"

COMPREHENSIVE CONSOLIDATED INCOME STATEMENT

INCOME STATEMENT

(€000)	Notes	3/31/2023	3/31/2022
REVENUE		1,022,547	828,875
Purchases consumed		-263,220	-199,570
Payroll expenses	a.19	-552,681	-469,682
External expenses		-62,541	-46,383
Taxes and levies		-9,630	-7,454
Depreciation and amortization	a.20	-27,950	-23,991
Additions to provisions	a.21	-3,590	-1,504
Other operating revenue		3,644	2,920
Other operating expenses		-5,744	-4,146
CURRENT OPERATING INCOME		100,835	79,065
Other non-current operating expenses	a.22	-174	
OPERATING INCOME (LOSS)		100,661	79,065
Income from invested cash and marketable securities	a.23	211	138
Gross cost of debt	a.23	-2,244	-2,330
NET COST OF DEBT		-2,033	-2,192
Other financial income	a.23	9,008	2,481
Other financial expenses	a.23	-2,225	-1,205
Tax expenses	a.24	-24,944	-18,737
NET INCOME BEFORE INCOME FROM DISCONTINUED OR HELD-FOR-SALE OPERATIONS		80,467	59,412
NET INCOME		**80,467**	**59,412**
Net income attributable to owners of the parent		80,460	59,377
Non-Controlling interests		7	35
EARNINS PER SHARE (EUROS)	a.25	4.171	2.969
FULLY DILUTED EARNINGS PER SHARE (EUROS)	a.25	4.155	3.073

OTHER CONSOLIDATED INCOME ITEMS

(€000)	3/31/2023	3/31/2022
CONSOLIDATED NET INCOME	80,467	59,412
Total revenue items liable to be subsequently reclassified as net income (1)	-846	-488
Total revenue items liable that will not be subsequently reclassified as net income (2	669	234
COMPREHENSIVE INCOME	80,290	59,158
Attributable to owners of the parent	80,283	59,123
Non-controlling interests	7	35

(1) Exchange rate differences

(2) Actuarial gains and losses on retirement commitments

CONSOLIDATED CASH-FLOW STATEMENT

(€000)	Notes	3/31/2023	3/31/2022
COMPREHENSIVE CONSOLIDATED NET INCOME		80,467	59,412
+ Depreciation allowances and additions to provisions		28,710	25,059
- Net reversals of depreciation and provisions		-2,101	-1,672
+/ - Recognized revenue and expenses related to stock options and similar instruments		1,243	833
- Capital gains on sales of assets		-1,060	-238
+ Net book value of assets sold	a.4 & a.6	989	166
CASH AFTER NET COST OF DEBT AND TAXES		108,248	83,560
+ Net cost of debt	a.22	2,032	2,192
+/- Tax expenses (including deferred taxes)	a.23	25,012	18,737
CASH-FLOW BEFORE NET COST OF DEBT AND TAXES (A)		135,292	104,489
- Taxes paid		-20,150	-9,394
+/- Change in working capital		-15,603	-16,612
NET CASH-FLOW FROM OPERATIONS (D)		99,539	78,483
- Disbursements relating to purchases of property, plant, equipment and intangible assets	a.4 & a.6	-11,860	-9,287
+ Proceeds from sales of property, plant equipment and intangible assets		330	238
- Disbursements relating to purchase of financial assets	a.8	-15,172	-9,750
+ Proceeds from sale of financial assets	a.8	15,075	8,817
+/- impact of scope-of-consolidation changes		-18,167	-4,692
- Disbursements of loans and advances granted	a.8	-366	-323
+ Collections of loans and advances granted	a.8	360	271
NET CASH-FLOW FROM INVESTMENT TRANSACTIONS '€		-29,800	-14,726
+/- Purchases and sales of own shares held in treasury		78	-65
- Dividends paid to parent company shareholders		-10,670	-5,157
+ Proceeds from new debt	a.15	3,769	2,705
- Debt repayments	a.15	-4,744	-4,568
- Net interest expenses on debt (including capital leases)	a.23	-2,032	-2,192
- Lease payments	a.15	-18,195	-16,250
NET CASH-FLOW FROM FINANCING TRANSACTIONS (F)		-31,794	-25,527
+/- Impact of currency fluctuations (G)		-728	-20
CHANGE IN NET CASH H = (D + E + F + G)		37,217	38,210
CASH AT YEAR START (I)		159,137	120,927
CASH AT YEAR END (J)		**196,354**	**159,137**
Cash equivalents	a.13	90,095	64,463
Cash	a.13	106,451	94,674
Bank overdrafts	a.15	-192	
CASH AT YEAR END (J)		**196,354**	**159,137**

CONSOLIDATED STATEMENT OF CHANGES IN EQUIT

(€000)	Capital	Consolidated reserves & own shares (1)	Consol. Income (loss)	Total before minority interests	Non-controlling interests	Total shareholders' equity
AS OF 3/31/2021	40,000	116,421	24,930	181,351	-477	180,874
Net income of the period			59,377	59,377	35	59,412
Other comprehensive income (loss)		-254		-254		-254
Comprehensive income (loss)		-254	59,377	59,123	35	59,158
Appropriation of income		24,930	-24,930			
Share-based payments		833		833		833
Own share transactions		-41		-41		-41
Dividends		-5,157		-5,157		-5,157
Minority shareholder put options		-16,536		-16,536		-16,536
AS OF 3/31/2022	40,000	120,196	59,377	219,573	-442	219,131
Net income of the period			80,460	80,460	7	80,467
Other comprehensive income (loss)		-177		-177		-177
Comprehensive income (loss)		-177	80,460	80,283	7	80,290
Appropriation of income		59,377	-59,377			
Share-based payments		1,243		1,243		1,243
Own share transactions		104		104		104
Dividends		-10,670		-10,670		-10,670
Impact of changes in reporting entities					509	509
Minority shareholder put options		-24,080		-24,080		-24,080
Other changes		6		6		6
AS OF 3/31/2023	***40,000***	***145,999***	***80,460***	***266,459***	***74***	***266,533***

1): The own shares held in treasury are detailed in the consolidated reserves to the acquisition cost for-3,955 K€ (-1,422 K€ in nominal value) on March 2023 and for -4,132 K€ (-1,492 K€ in nominal value) on March 2022

a. Notes to the consolidated financial statements for March 31, 2023

a.1. Accounting principles

a.1.1. IFRS applicable as of March 31, 2023

SII SA's registered office is at 8 rue des Pirogues de Bercy, 75012 Paris. Its shares are listed on Euronext, Compartment B, under ISIN Code FR0000074122.

The company operates in the technology consulting an IT consulting and services areas and does business in several sectors, including aerospace, defence, telecommunications, banking, insurance, energy, distribution, health, automotive, transportation and services.

The consolidated financial statements for the fiscal year ended March 31, 2023 reflect the financial position of the company and its subsidiaries (the "SII Group").

The consolidated financial statements for the fiscal year ended March 31, 2023 included in this Financial Annual Report were validated by the Management Board at its meeting on June 6, 2023 and approved on July 27, 2023, for submission to the shareholders' meeting on September 21, 2023.

The SII Group's annual consolidated financial statements for the fiscal year ended March 31, 2023 are prepared in accordance with the International Financial Reporting Standards (IFRS) approved by the International Accounting Standards Board (IASB), in effect on that date, as adopted by the European Union.

The accounting principles used for the preparation of the consolidated financial statements at March 31, 2023 are those published in the Journal of the European Union before March 31, 2023 and available on the website of the European Commission.

New mandatory standards and interpretations with no material impact

- **Amendment to IAS 37:** "Costs to consider to determining whether a contract is onerous »;
- Decision of IFRIC IC on the costs implementation incurred in a cloud service contract.

New standards and interpretation published by the IASB but not applied early

The SII Group has not early adopted any standards, interpretations or amendments whose application is not mandatory on April 1, 2022.

a.2. Significant accounting methods

a.2.1. Presentation of the financial statements

The consolidated financial statements are presented in thousands of euros.

As prescribed by the IFRS, the Group's consolidated financial statements are prepared on a cost basis except for the following assets and liabilities which are measured at fair value: financial derivatives and financial instruments held for trading.

Current assets include those to be sold or consumed during the Group's normal operating cycle, and those maturing less than twelve months after the end of the period, as well as cash and cash equivalents. All other assets are recognized as non-current. Liabilities due during the Group's normal operating cycle or within twelve months of the end of the period are considered current liabilities. All other liabilities are considered non-current.

Non-current assets or groups of assets for sale are measured at the lowest of their book value and fair value, net of sales costs.

The accounting methods sets forth below have been applied on a permanent basis to all of the periods covered by the consolidated financial statements.

a.2.2. Consolidation principles

The consolidated financial statements include the financial statements of the parent company and those of the entities controlled by it, at the end of the period.

A subsidiary is an entity controlled by the Group. The Group is considered to control a subsidiary if it is exposed or entitled to fluctuating returns as a result of its ties to the entity concerned and has the ability to impact those returns by virtue of the authority it exercises over it.

Control is generally assumed to exist whenever the SII Group holds more than half of the controlled company's voting rights. The financial statements of material subsidiaries are included in the consolidated financial statements from the date of which effective control is transferred until such control ceases to be effective.

All intra-group transactions and balances are eliminated in consolidation.

a.2.3. Use of accounting estimates and judgments

In preparing the consolidated financial statements, management makes estimates and assumptions that affect the amounts reported in these statements. These estimates and assessments are made on an ongoing basis, using past experience and various other factors deemed reasonable.

The main estimates made by management in the preparation of the consolidated financial statements concern:

- the recognition of sales (note 4.a.2.5);
- the recoverable amount of property, plant and equipment and intangible assets, in particular goodwill (note 4.a.5);
- rights of use and lease liabilities (note 4.a.7); deferred taxes (note 4.a.9);
- employee benefits and provisions (note 4.a.16).

a.2.4. Financial risks factors

As a part of its internal control procedure, the SII Group reviewed the risks that could have a material impact on its business, financial position or income (or on its ability to reach its objectives) and considers that it is not exposed to any materiel risks other than those described below.

Client risk

For many large customers, several branches and/or subsidiaries of the SII Group enter into contracts with many different subsidiaries and/or sites of the same customer. The group's development strategy within major customers is coordinated by an account manager under the responsibility of a member of the management committee. Furthermore, almost all sales are made with "key account" customers. The risk of their non-payment is therefore limited. The change in the aged balance of customers and the DSO are periodically monitored in order to assess any risk of deviation as soon as possible.

Our customers' referencing policies aimed at limiting the number of selected suppliers are likely to affect the group's activity and therefore profitability in the event of a loss of referencing with a customer representing a significant share of revenue. In addition, our markets are directly tied to macroeconomic trends, particularly our customers' investment policies. The strategy implemented within the group aims to minimize these risks, but it is not possible to limit them completely.

Risk stemming from commitments to achieve specific results

A proportion of the Company's revenue (around 15 percent) is generated by so-called "turnkey" or "guaranteed results" projects, whose specifications have been set with a varying degree of precision and may change over time. The risk of failure to achieve a specific result and, in some cases, the potential obligation to pay a contractual penalty cannot be ruled out. However, SII manages this risk, which is extremely low in practice because it is constantly monitored:

- at the end of the pre-contract phase: the tender is reviewed before validating the final proposal;
- during the project: an ongoing quality assurance process is implemented with regular reviews. In addition, progress in analysed on a monthly basis with standard reports produced by the financial control teams.

Currency risk

SII does most of its business in France (42.5%) and more in the Eurozone (53%). Export sales include services provide to subsidiaries of SII's French customers in Eurozone countries (Belgium, Germany, Italy, Spain, etc.). However, SII Services billed in currencies other than euros in Poland (Zloty), Czech Republic (Korunas), Switzerland (Swiss francs), Morocco (Dirhams), Chile (Pesos), Romania (Leus), India (Rupees), Colombia (Pesos), Canada (Canadian dollars), United Kingdom (sterling) and Sweden (Swedish crown) currently account for approximately 47% of Group revenue, essentially reflected services provided within those countries.

However, there are euro-denominated intragroup loan agreements between SII France and the Group's subsidiaries which are exposed to exchange-rate fluctuations. Furthermore, certain transactions are billed in a different currency from that of the country where the service is performed.

Interest rate risk – Credit risk

The SII group has contracted several loans, mostly at fixed interest rate. The floating rates of other loans are, for the most part, tied to the one or three-month Euribor index. There are no major risks stemming from the current market interest-rate curve and its evolution over the short or medium term. The amount of debt carried by the SII Group also means that it could obtain additional facilities if needed.

Equity portfolio risk

As of March 31, 2023, SII held 710,955 of its own shares, of which 627,495 were accounted for as long-term security holdings. The average share price was €50 in March 2023 compared to the share's average purchase price of €5.56. No additions or reversals of provisions were recognized in the financial statements for the period. SII does not hold any other portfolio equities.

Liquidity risk

All cash is invested in financial instruments linked to the money market rate. Credit lines have been negotiated to finance some of the working capital requirements; this essentially concerns in Spain.

Given its current cash position, the Group is of the opinion that it will be able to meet its future commitments.

Environmental risks

As required by France's Act on New Economic Regulations, the Company represents that its business have no material impact on the environment.

Financial risks stemming from climate change – measures taken by the Company to mitigate them by implementing a low-carbon strategy

The Company's environmental policies are explained in section 3 of this Document.

a.2.5. Translation of the financial statements of foreign subsidiaries

The financial statements of foreign subsidiaries outside the euro zone, which use their local currency as their operating currency, are translated using the exchange rate at the end of the period for balance-sheet items other than shareholders' equity and the average monthly exchange rate for the period in the case of income-statements items, which represents the exchange rate in effect on the date of the transactions, in the absence of significant fluctuations.

Foreign exchange gains and losses resulting from the impact on balance-sheet items of the difference in the current and previous year-end exchange rates, as well as the impact on income-statements item of fluctuations in average monthly exchange rates, are recognised in consolidated equity under "Exchange rate differences".

a.2.6. Revenue recognition

Revenue is recognized if a contract exists between SII (the Group) and its customer. A contract is recognized if it is likely that SII will recover the payment to which it is entitled in consideration for the goods or services to be provided to the customer, the rights to the goods or services and the payment terms can be identified, and the parties to the contract have undertaken to perform their respective obligations. The revenue generated by contracts with customers is recognized through an asset on a contract or a trade receivable before the actual payment.

The method of recognizing revenue and costs depends on the nature of the contract services.

Contract for technical support, advisory, and work services invoiced according to time spent

Revenue from technical support, advisory, and work service contracts is recognized according to progress to the extent that the customer receives and consumes the benefits of the service as SII performs its service. It is recognized on the basis of the creation of the invoicing rights, and the amount to be invoiced corresponds to the value of the services provided to the customer to date.

The amount of the transaction price allocated to the service obligations is based on the billable time spent on the contract.

Costs related to these contracts are recognized as expenses when they are incurred.

Fixed-price service contracts

These contracts are characterized by a commitment in terms of price, compliance, and timeframe. Revenue from fixed-price service contracts is recognized according to progress and represents less of 15% of activity.

It is recognized on the basis of incurred costs to assess the degree of progress as of the date in question. The percentages of progress of projects are determined according to the quality procedures in force in the group.

The progress of a project is calculated in relation to the total estimate of costs based on the number of days remaining to be produced in relation to the number of days initially planned, allowing any loss on the project to be taken into account in full real time.

SII recognizes revenue according to progress but contractually acquires the right to invoice upon the achievement of specified milestones or the final acceptance of the performed services by the customer. The difference between the invoicing and the recognized revenue impacts the consolidated financial position as follows:

- services rendered that have not yet been partially invoiced are recorded in revenue and appear in the balance sheet as assets on customer contracts under "Operating receivables";
- services invoiced but not yet fully performed are deducted from the invoiced revenue and appear in the balance sheet as liabilities on customer contracts under "Other current liabilities".

Costs related to these contracts are recognized as expenses when they are incurred.

In the event that a fixed-price contract becomes loss-making, a provision to cover the loss at completion is established under "Provisions".

Costs of obtaining or performing a contract with a customer

IFRS 15 requires the capitalisation of costs of obtaining the contract if these costs are marginal, i.e. only if they are costs that the entity would not have incurred if it had not obtained the contract. Costs of obtaining a contract that are not marginal must be recognized in expenses unless they can be billed back to the customer, even if the contract is not obtained. Costs recognized in assets are amortized on a systematic basis corresponding to the provision to the customer of the services to which the asset relates.

If the costs of performing the contract are not covered by another standard, they are recognized as assets if all of the following conditions are met:

- these costs are directly related to an existing contract or an expected contract that SII can specifically identify;
- these costs provide the entity with new or increased resources that will be used to meet or continue to meet a "performance obligation" in the future;
- and if the entity expects to recover these costs.

Conversely, the costs of fulfilling a "performance obligation" that is satisfied or partially satisfied must be recognized in expenses when they are incurred. Capitalized contract costs are amortized on a systematic basis corresponding to how the services related to this asset are transferred to the customer.

Significant financing component

SII assesses whether a contract has a significant financing component, if the consideration is received more than one year before or after the transfer of services to the customer (for example, the consideration is prepaid or is paid after the provision of services). If the payment schedule agreed by the parties to the contract offers the customer or the supplier a significant financial advantage, the transaction price is adjusted to reflect this financing component. Interest generated by this financing component is recognized separately from the revenue.

a.2.7. Current operating income / Operating income

The SII Group has opted to report separately on certain revenue and expense items that have a material impact on operating income. Accordingly, current operating income corresponds to operating income before impairment of goodwill and subsidiaries' acquisition expenses.

a.2.8. Grants and subsidies

Government grants and subsidies are always accounted for in income over the periods required to apply them to the expenses they offset. Income-related grants are deducted from the corresponding expense whenever they are designed to cover identifiable outlays.

a.2.9. Impacts of Ukraine geopolitical crisis

The exposition of SII Group to the consequence of Ukraine geopolitical crisis is very small. SII group has an entity in Ukrainian employing 30 people, which has realized a turnover of €1,3K on March 31, 2023.

SII Group supports its Ukrainian teams, the security of these employees is the priority of the group and we bring all the help necessary.

a.3. Consolidated entities

a.3.1. List of the consolidated entities

The consolidated SII Group comprises 27 reporting entities (fully consolidated). The table below contains a complete list of those entities:

Company	Principal (registered) office	Percentage interests held	Percentage voting rights
SII	Immeuble "Sequana II" 87, quai Panhard et Levassor 75013 Paris (France) - Siren : 315 000 943	Parent company	
SII Sp.zoo	ul. Niepodlegosci 69 - 02-626 VARSOVIE (Poland)	70%	70%
SII Holding GmbH (sous palier)	Karl-Kurz StraBe 36 - D-74523 SCHWABISCH HALL (Germany)	100%	100%
SII Deutschland	Karl-Kurz StraBe 36 - D-74523 SCHWABISCH HALL (Germany)	79%	79%
SII Technologies GmbH (sous palier)	Am Mittleren Moos 53 - D-86167 Augsburg (Germany)	100%	100%
SII Precisions Parts GmbH	*Valentin-Heider-Str. 7 86167 Augsburg (Germany)*	*100%*	*100%*
SII Group Spain (sous palier)	Ciutat de la Justicia de Barcelona - Av. Carrilet, 3 -Edificio D, Pl.10- 08902 HOSPITALET DE LLOBREGAT (Barcelone - Spain)	83%	83%
Vanture	*Ciutat de la Justicia de Barcelona - Av. Carrilet, 3 -Edificio D, Pl.10- 08902 HOSPITALET DE LLOBREGAT (Barcelone - Spain)*	*100%*	*100%*
CVT Argentine	*Av. Colon 531 - 5500 Mendoza (Argentina)*	*100%*	*100%*
SII Belgium	Lenneke Marelaan, 12/1 - 1932 SINT-STEVENS-WOLUWE (Belgium)	97%	97%
SII IT&C Services SRL	4A Timisoara Blvd., AFI Park 4, 10th floor, District 6, 061328 BUCAREST (Romania)	80%	80%
SII s.r.o.	Michelska 1552/58 - 141 00 PRAHA 4 (CZech Republic)	90%	90%
SII Services s.r.o.	Michelska 1552/58 - 141 00 PRAHA 4 (Czech Rpublic)	90%	90%
SII Netherlands B.V.	Amsterdamsevaart 268 - 2032 EK HAARLEM (Netherlands)	100%	100%
SII Services Maroc	Bd Sidi Mohammed Ben Abdellah- Immeuble Crystal 3 - 20200 CASABLANCA (Morocco)	100%	100%
SII SA (sous palier)	Route des Acacias 48 - 1227 CAROUGE (Switzerland)	100%	100%
SII Services SA	*Route des Acacias 48 - 1227 CAROUGE (Switzerland)*	*100%*	*100%*
SII Group Chile	Av. Andres Bello 2777, Of. 701 - 7550000 Las Condes, SANTIAGO (Chile)	100%	100%
SII India & E.S.	Leela Landmark - 1st Floor - 07, 1st Cross, 3rd Main Ashwini Layout - Ejipura - BENGALURU 560 047 (India)	100%	100%
SII Inc Canada	2060 rue de la Montagne, unit 304 Montréal, QC, H3G 1Z7 (Canada)	90%	90%
SII Luxembourg	4, rue de Kleinbettingen - L8362 GRASS (Luxembourg)	100%	100%
SII Colombia	Av. Calle 40A No 13 - 09 Oficina 2102 BOGOTA (Colombia)	83%	83%
SII Services Limited	BTC - Bessemer Drive Stevenage SG1 2DX (United Kingdom)	100%	100%
SII Learning	153, avenue d'Italie - 75013 PARIS (France)	100%	100%
SII Sweden AB and Operations	Mäster Samuelsgatan 60 111-21 Stockholm (Sweden)	100%	100%
SII Ukraine	Velyka Arnauts'ka St, 72/74 65045 Odesa (Ukraine)	70%	70%
Metanext Partners	5, avenue de la Cristallerie 92310 Sèvres (France)	100%	100%

a.3.2. Changes in consolidation

The SII Group acquired Metanext Partners during the year to strengthen its cloud offering.

a.4. Intangible assets

As prescribed by the IAS 38, separately purchases intangible assets are measured at cost whenever it is probable that future economic benefits will flow to the entity and the benefits can be reliably measured. After they are initially recognised, their purchase cost is reduced by the accumulated depreciation and impairments allowances.

Intangible assets with a finite life are amortised on straight-line basis over their useful life. Impairment tests are performed if there are indications that their value has declined.

Depreciation is calculated on a straight-line basis over the useful life of assets, as follow:

Category	Depreciation	
	Mode	Term
Research and development	Straight-line	5 years
Software licenses	Straight-line	1 to 5 years

Intangible assets with an indeterminate life are not amortised. Impairments tests are performed annually, or if there are indications that their value declined, to compare their value in use and their book value. Losses of value are recognised in income statement.

Details of Intangible assets

(000)	4/01/2021	Additions	Reductions	Impact of changes in reporting entities	Other changes	Impact of exchange-rate fluctuations	3/31/2022
Goodwill	49,946	5,164				240	55,350
Research expenditures [1]	14,010					-1	14,009
Licenses, patents and other rights	9,458	1,076	196	1	35	-9	10,365
Other intangibles assets	7,643	156		1	-76		7,724
TOTAL GROSS VALUE	***81,057***	***6,396***	***196***	***2***	***-41***	***230***	***87,448***
Impairments	-9,295					-240	-9,535
Amortization	-25,820	-2,315	-130	-2		8	-28,001
TOTAL NET VALUE	***45,942***	***4,081***	***66***		***-41***	***-2***	***49,912***

(000)	4/01/2022	Additions	Reductions	Impact of changes in reporting entities	Other changes	Impact of exchange-rate fluctuations	3/31/2023
Goodwill	55,350	21,599	279			99	76,769
Research expenditures [1]	14,009		14,009				
Licenses, patents and other rights	10,365	709	796		6	-1	10,283
Other intangibles assets	7,724	1,852	4,895		-6	-9	4,666
TOTAL GROSS VALUE	***87,448***	***24,160***	***19,979***			***89***	***91,718***
Impairments	-9,535					-99	-9,634
Amortization	-28,001	-3,234	-19,699			25	-11,511
TOTAL NET VALUE	***49,912***	***20,926***	***280***			***15***	***70,573***

(1): In view of their future interest in terms of its business, SII Group Spain activates development costs relating to software applications developed in-house, provided that they be singled out and separated and that they generate future economic benefits mostly independently of the company's service business, and that costs incurred can be reliably attributed to a development stage of the project. For the most part, these developments concern Service One management software.

Other than the goodwill detailed in the note below, SII has no intangible assets with a unit value that is material under AMF position of January 9, 2008 on investment securities.

a.5. Goodwill

As prescribed by the amended IFRS 3 "Business combinations", on the acquisition date goodwill amounts to the aggregate of the consideration transferred and the non-controlling interests, less the net value (generally the fair value) of the identifiable acquired assets and assumed liabilities.

Goodwill is allocated to cash-generating units (CGU) or to group of CGU's deemed likely by the Group to benefit from synergies generated by business combinations. A CGU is the smallest identifiable unit that generates cash inflows independently of those generated by other assets or groups of assets. Goodwill impairment tests are performed at a CGU level determined on the basis of regional segmentation by country.

Goodwill from acquired subsidiaries is measured at cost, net of aggregate impairments.

As prescribed by IAS 36 "Impairment of non-financial assets", goodwill on the books is not amortized but is the subject of impairment tests at least once a year, or more frequently if there are indications of a loss of value, when estimating the CGU's recoverable value (the highest of fair value less costs of disposal and value in use, which corresponds to the discounted value of expected future cash flows from the use of the CGU). Estimates are based on a five-years projection.

An impairment is recognized if the recoverable value of a CGU is lower than its book value. That impairment is first applied to the goodwill of the CGU, then to reduce the book value of all the CGU's other assets, proportionately to their respective book values. Impairments of goodwill cannot be reversed.

Whenever a business is sold, the goodwill attributable to the entity concerned is taken into account when the proceeds from the sale are calculated.

Detail of Goodwill

(€000)	Gross value on 4/1/2022	Acquisitions	Disposals	Impairments	Impact of exchange-rate fluctuations	Others movements	Net value on 3/31/2023
SUIZ	3,304			-3,403	99		0
SPAIN	5,223			-2,454			2,769
GERMANY	10,157	1,066		-2,000			9,223
BELGIUM	6,997		279	0			6,718
FRANCE	2,616	20,483		-307		25,404	48,196
NETHERLANDS	1,469			-1,469			0
TOTAL	***29,766***	***21,550***	***279***	***-9,633***	***99***	***25,404***	***66,906***

Impairments tests have been conducted, once a year at the end of the period using the method of discounted cash flows.

A reclassification of 25,404 appears on the France's line in order to present a single line for the various French subsidiaries. Following our latest acquisition in November 2022, the provisional goodwill (pending final allocation) amounted to €20,483K at the date of entry.

The assumptions are the following:

Assumptions	Spain	Germany	Belgium	Netherlands	France
Discount rate	10.30%	9.30%	9.50%	9.40%	9.00%
Change in revenue	Decrease from 14,5% to 10,3%	Decrease from 21,9% to 4%	Increase from 12,5% to 5,7%	Decreasing from 42,4% to 8,9%	Increase
Gross margin	Increase from 13% to 15%	Constant	Increase from- 19% to 22%	Constant at 22%	Constant

Recoverable value is determined on the basis of the value in use of cash generating units. Future cash flows are projected for a five-year period on the basis of management approved budgets and financial forecasts. The growth rate used to extrapolate subsequent cash flow in 2 percent.

The impairment tests did not result in any additional write-downs during the year. Sensitivity tests were carried out using a discount rate of +1%, perpetual growth of 0 and a margin rate of -1%.

a.6. Tangible assets

As prescribed by IAS 16, plant, property and equipment is recognized in the balance-sheet on a cost basis, taking into account accumulated depreciation and impairments. Depreciation is calculated on a straight-line basis over the useful life of assets, as follows:

	Depreciation	
Category	Mode	Term
Transport equipment	Straight-line	3 to 5 years
Fixtures and improvements	Straight-line	1 to 10 years
Computer hardware	Straight-line	1 to 5 years
Office equipment	Straight-line	1 to 5 years
Office furniture	Straight-line	1 to 15 years

Detail of tangible assets

(€000)	4/01/2021	Additions	Disposals	Other changes	Impact of change in reporting entities	Impact of exchange-rate fluctuations	3/31/2022
Right to use	74,544	15,260	3,312	-561		-96	85,835
Buildings	87	34					121
Technical facilities, equipment tools	1,990	720					2,710
Fixtures and improvements	20,460	1,982	982	637	36	-43	22,090
Computer hardware	16,566	1,849	613	2,461	104	-23	20,344
Other tangible assets	469	55			5	1	530
Tangible assets in progress	239	3,421		-2,495		-5	1,160
Advances and down-payments	6			-6			
TOTAL GROSS VALUE	***114,361***	***23,321***	***4,907***	***36***	***145***	***-166***	***132,790***
Depreciations	-50,394	-21,718	-3,384	-4	-141	103	-68,770
TOTAL NET VALUE	***63,967***	***1,603***	***1,523***	***32***	***4***	***-63***	***64,020***

(€000)	4/01/2022	Additions	Disposals	Other changes	Impact of change in reporting entities	Impact of exchange-rate fluctuations	3/31/2023
Right to use	85,835	33,688	9,914	-65		-149	109,395
Buildings	121					-50	71
Technical facilities, equipment tools	2,710	979				-1	3,688
Fixtures and improvements	22,090	4,766	2,701	104	233	-115	24,377
Computer hardware	20,344	2,325	5,408	3,042		-53	20,250
Other tangible assets	530	50	5			-10	565
Tangible assets in progress	1,160	2,778		-3,078	161		1,021
TOTAL GROSS VALUE	***132,790***	***44,586***	***18,028***	***3***	***394***	***-378***	***159,367***
Depreciations	-68,770	-24,699	-13,180	-3	-124	230	-80,186
TOTAL NET VALUE	***64,020***	***19,887***	***4,848***	***0***	***270***	***-148***	***79,181***

a.7. Right-of-use and lease liabilities

IFRS 16 "Leases" provides a uniform model of lessees by recording all leases on the balance sheet of lessees with the recognition of an asset (representing the right to use the leased asset during the term of the lease) and a lease liability (present value of the remaining rents to be paid).

The depreciation expenses are recording in the current operating result and the interests expenses in the financial result. The fiscal impact on this consolidation retreatment is recorded by deferred tax.

During the life of the contract, the amount of the lease liabilities and the right-of-use can be adjusted due to events causing the revaluation or the modification to the increase or decrease of the duration and/or the amount of the leasing. At the beginning, the duration of the lease is define contract by contract and corresponding to the firm commitment and take in consideration the optional periods which are reasonably certain to be exercised.

- Exemptions

The Group has chosen to use the exemptions provides for in the standard:

- Leases with a term of less than 12 months;
- Low-value lease, less than €5,000.

- Discount rate

The discount rate applied by the SII group is the marginal borrowing rate when the implied rate of the lease in not known.

The amortization period of the capitalized assets has been aligned with the terms of the leases.

The type of leased property pertains to real estate assets, the vehicle fleet and computer equipment.

The SII Group leases buildings for its offices and the leases are negotiated on a case-by-case basis. Most of these leases are entered into a term of between 5 and 15 years.

The SII Group leases vehicles for some of its employees for a term of between 1 and 5 years.

To a lesser extent, the group also leases computer equipment for a term of between 2 and 5 years.

At the closing of the exercise, the SII Group owns 540 leases falling within the scope of IFRS 16, consisting of 397 vehicles leases, 121 property leases, and 22 other leases (computer equipment, office equipment).

Right of use

(€ 000)	Land, buildings	Vehicles	Computer equipment & other	Total
GROSS VALUE				
GROSS VALUE ON 3/31/2022	***79,048***	***5,641***	***1,145***	***85,834***
New contracts	15,973	1,505	112	17,591
Increase of duration / leasing and disposals	15,795	214	90	16,099
Decrease of duration / leasing and disposals	-8,583	-695	-636	-9,914
Other changes		-65		-65
Impact of exchange-rate fluctuations	-143	-6		-149
GROSS VALUE ON 3/31/2023	***102,090***	***6,594***	***713***	***109,396***
AMORTISATIONS				
AMORTISATION ON 3/31/2022	***-36,832***	***-2,861***	***-565***	***-40,258***
Additions	-15,888	-1,611	-248	-17,747
Reductions	4,394	619	339	5,352
Other changes		65		65
Impact of exchange-rate fluctuations	50			50
AMORTISATION ON 3/31/2023	***-48,276***	***-3,788***	***-474***	***-52,538***
NET VALUE ON 3/3/2023	***53,814***	***2,806***	***237***	***56,856***

Lease liabilities

(€000)	Land, buildings	Vehicles	Computer equipment & other	Total
GROSS VALUE ON 3/31/2022	***44,902***	***2,596***	***594***	***48,092***
New contracts	31,861	1,708	182	33,751
Decrease of duration / leasing and disposals	-4,189	-76	-297	-4,562
Other changes	-15,463	-1,745	-235	-17,443
Impact of exchange-rate fluctuations	-96	-3		-99
LEASE LIABILITIES ON 3/31/2023	***57,015***	***2,480***	***244***	***59,739***
CURRENT LIABILITIES	***14,864***	***1,262***	***125***	***16,251***
NON-CURRENT LIABILITIES	***42,151***	***1,218***	***119***	***43,488***

a.8. Other financial assets

As prescribed by IFRS 9, financial assets are measured based on the category to which they belong. When initially accounted for, financial assets are measured at fair value plus acquisition costs directly attributable to their purchase. The amortised cost value of financial assets is reduced whenever their book value falls below their estimated recoverable value.

Some financial assets whose present value is significantly affected by their applicable discount rate are measured on the basis of the present value of future cash flows discounted using the going market rate of interest.

The Group makes use of financial instruments to manage and reduce its exposure to risks stemming from fluctuations in interest and foreign-exchange rates. Financial derivatives are initially measured at fair value, on the date the contracts are entered into, and are subsequently revalued. The method used for recognising fair value gains and losses depends on the use made of the financial derivative as a hedge and, where applicable, on the nature of the hedged item.

(€000)	Gross Value on 4/01/2022	Additions	Disposals	Impairments	Other changes	Impact of change in reporting entities	Impact of exchange-rate fluctuations	Gross Value on 3/31/2023
Participations shares	149			-149				0
Loans	291	366	360					297
Security deposits and guarantees	3,670	1,195	1,045		-12	137	24	3,969
Other fixed financials assets	2,096	13,838	13,839	-49			25	2,071
TOTAL	***6,206***	***15,399***	***15,244***	***-198***	***-12***	***137***	***49***	***6,337***

Participation shares are those of Alianet valued €149k.

a.9. Deferred tax assets and liabilities

The table below shows deferred tax assets and liabilities, by type:

(€000)	Assets		Liabilities		Net	
	3/31/2023	3/31/2022	3/31/2023	3/31/2022	3/31/2023	3/31/2022
Employer "solidarity" social security contribution	36	32			36	32
Employee profit sharing	1,040	690			1,040	690
Public house contribution	74	58			74	58
Unrealized foreign-exchange gains or losses			62	33	-62	-33
Other non-deductible provision	2,997	1,717	189	56	2,808	1,661
Provision for post-employment benefits	739	784			739	784
Restatement of long-term contracts	216	256	76	86	140	170
Discounting of securities deposits	55	18			55	18
Revenue timing differences	176	130	235	138	-59	-8
Payroll timing differences	1,671	1,458			1,671	1,458
Customers depreciation	1,337	2,862			1,337	2,862
Change in inventories			41		-41	0
Used carry forward losses	2,456				2,456	0
Intragroup impairments			2,236	2,012	-2,236	-2,012
Fixed assets depreciation	341	294			341	294
Provision for share buyback plan			52	47	-52	-47
IFRS 16	814	682	1	1	814	682
Calculated deferred taxes	11,952	8,981	2,892	2,373	9,060	6,608
Offsetting by taxable entity	-2,892	-2,373	-2,892	-2,373	0	0
DEFERRED TAXES AFTER OFFSETTING	***9,060***	***6,608***	***0***	***0***	***9,060***	***6,608***

a.10. Operating receivables

Operating receivables are first measured at fair value, then at their amortised cost.

Doubtful receivables result in the recognition of an impairment of trade of receivables, determined on a customer by customer basis, or in some cases on the basis of individual receivables, taking into account maturities and the estimated risk of non-collection.

Assets on customer contracts, when they are impaired, are also assessed customer by customer to take into account the risk of non-recovery.

Impairments are recognised whenever an indication exists that the Group may not be able to collect receivables in their entirety, such as in the case of contested debts, failure or default on the due date.

(€000)	Gross Value	Impairment	Net value on 3/31/2023	Net value on 3/31/2022
Trade receivables	233,073	958	232,115	195,757
Assets on customer contracts	59,930	5,346	54,584	48,357
Raw material and other supply inventories	2,404		2,404	1,797
Receivables from social security	2,104		2,104	4,033
Receivables from the tax authority (exclusive of current taxes)	4,553		4,553	3,476
TOTAL	***302,064***	***6,304***	***295,760***	***253,420***

Assets on customer contracts (previously referred to as unbilled revenue) represent the portion of contract services performed but not yet invoiced following the implementation of IFRS 15 in the previous financial year. Details are presented in Note 11.

The continued high level of trade receivables on March 31, 2023 was attributable in part to the receivables from SII France, SII Poland, and SII Group Spain customers in its current operating cycle, as well as to the existence of pending work-in-progress by the Group's Spanish subsidiaries under contracts with the Autonomous Region of Catalonia.

As of March 31, 2023, "Trade receivables" included unbilled work-in-progress with an aggregate gross value of €59.8m, of which €6.3m related to Spain and had been covert in part by provisions of €5.3m due to the fact that they were more than one year old and, accordingly, were considered to represent a long-term billing risk.

Trade receivables outstanding broken down by due date:

(€000)	Balance on 3/31/2023	Balance not yet due	Payables due for Less than 30 days	Between 30 and 60 days	More than 60 days
Trade receivables	233,073	201,759	21,016	3,976	6,322
Assets on customers contracts (gross value)	59,930	59,930			
Impairments	6,304	5,346			958
TOTAL	***286,699***	***256,343***	***21,016***	***3,976***	***5,364***

Factoring

There is a contract in our subsidiaries SII Group Spain with the following characteristics:

- assignment of trade receivables to the factor, which handles their collection. The customer pays the factor, which pays the collected sums back to our subsidiaries;
- the non-recovery of receivables remains the responsibility of the factor;
- our subsidiaries receive cash advances on the amount of the assigned receivables;
- the factor requires a security deposit.

The analysis led to the following treatment:

- where the factor is liable for uncollected debts, the transferred receivables are reduced accordingly.

a.11. Assets and liabilities related to customer contracts

(€000)	Gross value on 3/31/2023	Gross value on 3/31/2022
Services in progress	131	413
Customers – unbilled revenue	59,799	58,366
TOTAL ASSETS ON CUSTOMER CONTRACTS	59,930	58,779
Advance payments received on orders	496	1,741
Customers – credit note to be issue	6,154	6,486
Deferred income	12,853	11,406
TOTAL LIABILITIES ON CUSTOMER CONTRACTS	***19,503***	***19,633***

The Gross Value of assets on customer contracts is €59,930K on March 31, 2023 and the Net Value is €54,584K.

The balance of unbilled revenue comprising the contracts assets corresponds to the amount already recognised in revenue for which the rights to receive a payment are conditional and unconditional.

a.12. Other current and non-current assets

The other current assets are measured at their face value, net of impairments reflecting effective collection probabilities. They are not discounted as none of them have maturities of more than one year.

(€000)	Gross value	Impairment	Net value on 3/31/2023	Net value on 3/31/2022
Advances and down payment on orders	1,088		1,088	1,277
Suppliers – Accrued credit	76		76	141
Other receivables	485		485	881
Expenses from other periods	13		13	2
Accrued expenses	10,329		10,329	8,036
TOTAL	***11,991***		***11,991***	***10,337***

The current part of other assets represents €11,433K and the non-current part represents €558K. (For the previous year the amounts were respectively €9,779K and €558K).

a.13. Cash and cash equivalents

Cash and cash equivalents include cash and bank balances as well as short-term, liquid investment securities readily convertible into a determinate amount of cash and whose value does not significantly fluctuate.

Short-term investment securities are measured at their market value at the end of each period. Changes in fair value are recognised in the income statement.

(€000)	Net value on 3/31/2023	Net value on 3/31/2022
Money-market funds	90,095	64,463
Cash	106,451	94,674
TOTAL	***196,546***	***159,137***

Investment securities consist of shares in money-market funds held with a short-term horizon.

a.14. Issued capital and reserves

Capital stock

On March 31, 2023, the company's capital stock of €40,000,000 was divided into 20,000,000 common shares with a nominal value of €2 each, fully paid up.

Own shares held in treasury

As prescribed by IAS 32, all own shares held in treasury by the Group are recognised at their purchase cost and excluded from shareholders' equity. Proceeds from disposals of own shares held in treasury are directly added to equity, so that any capital gains or losses on such disposals do not affect income for the period.

As of the value of March 31, 2023, the company holds 710,955 own shares for a gross value of €3,955K, compared with 746,093 shares for a gross value of €4,132K as of March 31, 2022.

Market-making agreement

	3/31/2022	Purchases	Sales	3/31/2023
Shares (number)	9,961	287,159	290,521	6,599
Cash (€000)	175	-13,276	13,355	254

Unallocated shares

As of March 31, 2023, SII held 76,861 of its own shares for use in connection with various plans.

Share award plans

IFRS 2 provides that benefits granted under stock option and share award plans must be measured and recognised as liabilities. In the case of equity-settled instruments, the fair value of individual options and shares is determined on their grant rate. That value is recognised over the vesting period in the income statement under "Payroll costs" (and gives rise to a corresponding increase in equity).

The fair value of the options and shares on their grant is determined on the basis of the share price, adjusted for the loss of potential dividends. This value remains unchanged over the term of the plan.

Details of share award plans during the exercise

	Plan 2020	Plan 2021	Plan 2022
Date of shareholders' meeting	9/19/19	9/19/19	9/19/19
Date of management board meeting	6/2/20	6/1/21	6/1/22
Total number of shares awarded	31,776	38,138	38,723
Grand date	6/2/20	6/1/21	6/1/22
Vesting date	6/2/22	6/1/23	6/1/24
Share price (€)	20.35	26.30	42.64
Dividend rate	0.01	0.01	0.01
Total expense (€)	646,642	1,003,029	1,651,149
EXPENSE FOR THE PERIOD (€)	***53,887***	***501,515***	***687,979***

In accordance with the laws at the time of the award decision by the executive board, the award of bonus shares is subject to a period of two years for the final award period without any additional holding period.

The ownership of awarded share is contingent on the effective presence of their recipients in the Group when the vesting period expires.

During the first half of fiscal 2022-2023, 31,776 shares were delivered to beneficiaries of the 2020 share award plan.

a.15. Financial liabilities and debt

The Group's financial liabilities reflect in part bank debt and lease financing agreements.
A distinction is made between current and non-current liabilities based on their maturities.

(€000)	4/01/2021	Increase	Decrease	Repayment	Impact of exchange-rate fluctuations	Change in Fair Value	3/31/2022	Current	Non-current
Bank debt	31,976	397	-4,554				27,819	9,643	18,176
Lease Liabilities	50,117	15,246	-15,767	-1,463	-41		48,092	15,478	32,614
Other financial liabilities	406	2,308	-15		-1		2,698	2,205	493
TOTAL OF BANK DEBT AND FINANCIAL LIABILITIES	82,500	17,951	-20,336	-1,463	-42		78,609	27,326	51,283
Derivative liabilities at fair value in income	184				2	-111	75	75	
Accrued interest not due	4		-4						
TOTAL OF OTHERS FINANCIAL LIABILITIES	188		-4		2	-111	75	75	
TOTAL	***82,688***	***17,951***	***-20,340***	***-1,463***	***-40***	***-111***	***78,684***	***27,401***	***51,283***

(€000)	4/01/2022	Increase	Repayment	Decrease	Impact of exchange-rate fluctuations	31/03/2023	Current	Non-current
Bank debt	27,819	3,769	-4,136			30,330	18,770	11,560
Lease Liabilities	48,092	33,752	-17,443	-4,562	-99	59,740	16,252	43,488
Other financial liabilities	2,698		-609		1	2,090	1,234	856
TOTAL OF BANK DEBT AND FINANCIAL LIABILITIES	78,609	37,521	-22,188	-4,562	-98	92,160	36,256	55,904
Bank overdraft		193				193	193	
Derivative liabilities at fair value in income	75		-75					
Accrued interest not due		16				16	16	
TOTAL OF OTHERS FINANCIAL LIABILITIES	75	208	-75			209	209	
TOTAL	***78,684***	***37,729***	***-22,263***	***-4,562***	***-98***	***92,369***	***36,465***	***55,904***

Derivative liabilities consist of interest-rate swaps.
The change in "Collections related to new loans" of €3,769 K in the consolidated cash flow statement corresponds to the increase in "Borrowings from credit institutions".

The change in "Loan repayments" of €4,744 K in the consolidated cash flow statement corresponds to the decreases in "Borrowings from credit institutions" for €4,136 K and "Other miscellaneous financial debts" for €609 K.

Analysis of financial debts by currency and by rate

(€000)	3/31/2023			3/31/2022		
	Floating rate	Fixed rate	Total	Floating rate	Fixed rate	Total
EURO	3,487	66,149	69,636	6,114	56,238	62,352
PLN		17,068	17,068		14,295	14,295
RON		4,192	4,192	36	13	49
MAD		836	836		992	992
CLP		198	198		336	336
CZK		55	55		111	111
SEK		82	82		107	107
Others		93	93		367	367
TOTAL	***3,487***	***88,673***	***92,160***	***6,150***	***72,459***	***78,609***

This table includes liabilities from IFRS-16 – "Lease debt".

a.16. Provisions

Provisions are liabilities whose due date or amount cannot be accurately determined. They are measured at their present value, which corresponds to the best estimate of the resources needed to extinguish the obligation concerned.

Provisions are recognised whenever the Group has a current obligation, resulting from a past event, which is liable to necessitate the use of resources than can be reasonably estimated. The amount recognised must be the best estimate of the cost extinguishing the obligation outstanding at the end of the period. It is adjusted in response to material changes whenever the maturity of the liability concerned exceeds one year.

Current provisions are those for liabilities due in one year or less. Non-current provisions are for liabilities maturing in more than one year.

(€000)	1/4/22	Additions	Reversals Used	Reversals Unused	Actuarial gains and losses	Change	3/31/2023
Long term							
- Labor relations risks	3,415	184	204	637			2,758
- Post-employment benefits	3,254	316		3	-903	1	2,947
- Other expenses	2,695	259		1,249		-2	1,703
SUBTOTAL	***9,364***	***759***	***204***	***1,889***	***-903***	-1	***7,408***
Short-term							
- Labor relations risks							
- Warranties given to customers	14			6			8
- Post-employment benefits	4			2			2
- Other expenses							
SUBTOTAL	***18***			***8***			***10***
TOTAL	***9,382***	***759***	***204***	***1,897***	***-903***	***-1***	***7,418***

The labour relations risk corresponds to provisions for litigations before the labour relations board. The litigation provision decreased from €3,415 K on March 31, 2022 to €2,758 K on March 31, 2023. During the period, provisions of €841 K were reversed, including of €637 K for disputes decided in our favour.

The other expenses are essentially provision on lease.

Provision for post-employment benefits

As prescribed by IAS 19 "Employee Benefits", the Group accounts for its defined-benefit post-employment plan obligations relating to which it is exposed to actuarial and investment risks. A provision is recognised for the excess of liabilities for such benefits over the reserves set aside to cover them.

Obligations in terms of post-employment benefits are measured using the cost-allocation method weighted to reflect length of service.

It takes into account the following factors:

- The estimated amount of future post-employment benefits at the time employment ends;
- The probability that these post-employment benefits will have to be paid;
- The discount rate.

The table below shows changes in post-employment benefit obligations:

(€000)	3/31/2022 Present value of obligations	Fair value of plan assets	Net liability
Present value of post-employment benefits obligations at the start of the year (4/1/2019)	4,834	1,660	3,174
Cost of benefits provided	673		673
Interest expenses	36		36
Actuarial gains and losses recognized in equity	-316		-316
Employer contribution		313	-313
PRESENT VALUE OF POST-EMPLOYMENT BENEFITS OBLIGATIONS AT THE END OF THE YEAR (3/31/2022)	***5,227***	***1,973***	***3,254***

(€000)	3/31/2023 Present value of obligations	Fair value of plan assets	Net liability
Present value of post-employment benefits obligations at the start of the year (4/1/2020)	5,227	1,973	3,254
Cost of benefits provided	439		439
Interest expenses	80		80
Actuarial gains and losses recognized in equity	-903		-903
Employer contribution		208	-208
Other changes	4		4
PRESENT VALUE OF POST-EMPLOYMENT BENEFITS OBLIGATIONS AT THE END OF THE YEAR (3/31/2022)	***5,130***	***2,181***	***2,949***

The following actuarial assumptions have been made:

	3/31/2023	3/31/2022
Discount rate	3.80%	1.60%
Rate of pay increase	2.50%	1.40%
Retirement age	64 years	62 years

a.17. Operating liabilities

Operating liabilities are first measured at fair value, then at their amortised cost. They are not discounted as none of them mature in more than one year.

(€000)	Total on 3/31/2023	Total on 3/31/2022
Trade payables	54,487	45,651
Payroll taxes and fringe benefits payables	80,385	70,988
Tax payables (other than current period's taxes)	41,017	33,931
TOTAL	***175,889***	***150,570***

a.18. Other current liabilities

Other current liabilities consist in particular of services invoiced but not yet performed and presented under "Liabilities on customer contracts".

The breakdown between current and non-current liabilities is based on whether the items they comprise have short or long maturities.

(€000)	Total on 3/31/2023	Total on 3/31/2022
Liabilities on customer contracts	19,504	19,632
Puts on Non-controlling interests	89,897	65,818
Other current liabilities	13,668	2,356
TOTAL	***123,069***	***87,806***

Non-controlling interests' put options

The Group may write put options to the holders of non-controlling interests in some of its subsidiaries. The price at which those options can be exercised is either fixed or based on a predefined formula.

The Group recognised as financial liabilities the put options of holders of non-controlling interests in the entities concerned. In accordance with the so-called "advance acquisition method", the Group does not recognise non-controlling interests in the case of non-controlling holdings covered by put options: they do not represent minority interests' share of income in the consolidated financial statements.

The liability is initially equivalent to the present value of the option's strike price. Its amount is adjusted at the end of each subsequent period based on the latest available update of the terms underlying the options.

Changes in fair value of put options after they have been initially accounted for are recognised in equity after non-controlling interests.

Financial liabilities are recognised in "Other non-current liabilities" or "Other current liabilities" depending on the maturity date of the put options.

Put options granted to non-controlling interests have been recognised with the respect to the following subsidiaries: SII Sp. Zoo (Poland), SII Deutschland (Germany), SII Group Spain, SII IT&C SRL (Romania), SII s.r.o. (Czech Republic), SII Colombia (Colombia) and SII Inc. (Canada).

a.19. Payroll expenses

(€000)	Period 3/31/2023	Period 3/31/2022
Wages and salaries	421,868	356,081
Payroll taxes and fringe benefits	125,543	110,112
Employee profit sharing	4,027	2,656
Share-based payments	1,243	833
TOTAL	***552,681***	***469,682***

Expenses relating to stock-options and share awards are accounted for under the heading "Share-based payments".

a.20. Depreciation and amortisation expenses

(€000)	Period 3/31/2023	Period 3/31/2022
Amortization of intangible assets	3,235	2,315
Depreciation of tangible assets	6,990	5,588
Amortization of capital leases	17,725	16,088
TOTAL	***27,950***	***23,991***

a.21. Additions to provisions

(€000)	Period 3/31/2023	Period 3/31/2022
Provisions on current assets	4,807	2,069
Provisions for litigation	-695	321
Provisions for warranties given to customers	237	-7
Provisions for other expenses	-759	-879
TOTAL	***3,590***	***1,504***

The provision of current assets essentially reflects the write-down performed by our SII Concatel (Spain) subsidiary, which has not yet billed due to the local geopolitical situation.

a.22. Other non-current operating expenses

Other non-current operating expenses totalling -174 K€ correspond to acquisition costs.

a.23. Net financial income

(€000)	Period 3/31/2023	Period 3/31/2022
Income from other receivables and investment securities	211	138
Interest income (expense)	-990	-1,084
Interest payables on capital leases	-1,254	-1,246
Net cost of debt	**-2,033**	**-2,192**
Foreign-exchange gains	3,083	1,812
Effect of discounting	-144	-81
Other income	6,069	750
Other financial income	**9,008**	**2,481**
Addition to financial provisions	0	0
Foreign-exchange losses	-492	-203
Interest expenses of employee benefit obligations	-81	-36
Other expenses	-1,652	-966
Other financial expenses	**-2,225**	**-1,205**
TOTAL	***4,750***	***-916***

a.24. Tax expenses

Income tax (positive or negative) includes tax payable as well as deferred taxes. Taxes are recognised in income unless they pertain items that are recognised in equity, in which case they are accounted for directly equity.

- the tax payables correspond to the estimate tax owed on taxable income for a period, determined using the tax rate in effect or likely to be in effect at the end of the period.
- deferred taxes are calculated and take into account for each tax entity. They reflect timing differences between the book value of assets and liabilities and their corresponding taxable base. The taxable base depends on tax regulations in effect in each country concerned.

However, deferred taxes are not recognised when they result from:

- temporary differences in the initial accounting for assets or liabilities, in the case of transactions which are not business combinations and which do not in any way affect the company's final income or loss;
- temporary differences relating to interests in subsidiaries, provided the Group is able to measure the time period of such temporary difference and repayment will probably not take place in the foreseeable future;
- temporary taxation differences relating to the initial recognition of goodwill.

Deferred tax assets and liabilities are measured using the tax rate expected to apply to the period in which the tax asset will be used or the liability settled, based on tax rates in effect or likely to be in effect at the end of the period.

Deferred tax assets and liabilities are set off at entities that are under the same single tax authority.

Deferred tax assets are recognised only if it appears probable that the group will have future taxable income from which unused tax losses can be deducted. Deferred tax assets are not generally recognised in the case of entities that reported losses in the last years. They may be recognised, however, if there is a sufficient likelihood of recovery.

Accounting treatment of the Business Value-Added Tax (CVAE)

The CVAE is considered by the SII Group to satisfy the IAS 12 definition of an income tax and is accordingly accounted for as such.

(€000)	Period 3/31/2023	Period 3/31/2022
Tax payables	27,548	20,020
Deferred taxes	-2,603	-1,283
TOTAL	***24,944***	***18,737***

Deferred reconciliation of tax expense and income before tax:

	3/31/2023			3/31/2022		
(€000)	Base	Rate	Tax	Base	Rate	Tax
Income before tax	105,397	25.83%	27,224	78,150	28.41%	22,201
Non-deductible expenses	22,884	25.83%	5,911	10,740	28.41%	3,051
Non-taxable revenue	-19,177	25.83%	-4,953	-18,166	28.41%	-5,160
Abatement of social contribution on income (3.3% of corporate tax no excess €763 K)	-763	3.30%	-25	-763	3.30%	-25
Tax rate differentials with foreign subsidiaries Poland-Switzerland-Chile-Spain-Germany-Belgium-Romania-Czech Republic	79,106	between - 9,17 % and 9,83%	-4,774	47,826	between - 4,59% and 12,41%	-4,193
Other – Restatements not subject to tax	-5,154	25.83%	-1,331	1,917	28.41%	544
Unused losses carried forward	5,066	25.83%	1,309	65	28.41%	18
Used losses carried forward	-464	25.83%	-120	2,562	28.41%	728
Net impact of the CVAE business value-added tax			1,703			1,573
EFFECTIVE TAX EXPENSE			***24,944***			***18,737***

a.25. Earnings per share

Earnings per share are calculated on the basis of the average number of shares outstanding during the period.

Fully diluted net earnings per share are calculated on the basis of the average number of shares outstanding during the period and the number of shares that would result from the exercise of stock options and shares awards granted, net of the number of own shares held in treasury.

(€000)	Period 3/31/2023	Period 3/31/2022
Net income after non-controlling interests (€000)	80,460	59,377
Number of common share outstanding	20,000,000	20,000,000
Dilutive impact of stock-options and share awards	76,861	69,914
Anti-dilutive impact if the own shares' exclusion	-710,955	-746,093
NET EARNINGS PER SHARE (€)	***4.171***	***2.969***
FULLY DILUTED EARNINGS PER SHARE (€)	***4.155***	***3.073***

a.26. Segment reporting

On prescribed by IFRS 8 on operating segments, the Group is required to disclose financial information by segment, based on internal company data used by Management for the purpose of assessing the performance of each segment and allocating resources accordingly.

The information reported internally to the chairman of the Management Board is included under a single operating segment.

The Group's internal organisation systems and management structure divide the Group along geographical lines between France and the rest of the world.

	3/31/2023		3/31/2022	
(€000)	France	Outside	France	Outside
Net revenue	434,149	588,398	383,389	445,486
Depreciation and amortizations	-10,345	-17,605	-9,801	-14,190
OPERATING INCOME	***31,139***	***69,522***	***26,969***	***52,096***
Net cost of debt	-291	-1,742	-321	-1,871
Other financial revenue	1,074	7,934	338	2,143
Other financial expenses	-584	-1,641	-197	-1,008
Income tax	-9,264	-15,680	-10,265	-8,472
NET INCOME	***22,074***	***58,393***	***16,524***	***42,888***
Group's share of net income	22,074	58,386	16,524	42,853
Non-controlling interests		7		35

a.27. Off-balance sheet commitments

Commitments made

- Long-term leases

(€000)	Off-balance sheet value 3/31/2023	Amount payable by period less than 1 year	1 to 5 years	more than 5 years
Premises	22,796	4,953	14,557	3,286
Vehicles				
Equipment	801	373	428	
TOTAL	***23,597***	***5,326***	***14,985***	***3,286***

The amount of "Premises" commitments largely corresponds to contracts for collaborative workspaces and services for France and Poland in the amount of €12.5k.

- Sureties endorsement and guarantees

Not applicable, to the best of the company's knowledge.

- Pledge of company shares by it in registered accounts

Table showing pledged shares

Name	Beneficiary	Effective date	Expiration	Release condition	Number of shares	% of capital
Eric Matteucci	Bank	January 2020	February 2027	N/A	200,000	1%
Eric Matteucci	Bank	October 2020	September 2027	N/A	448,718	2%
TOTAL					***648,718***	***3%***

Commitment received

In connection with its acquisition of Feel Europe, SII received warranties on assets and liabilities covering several years. SII gave no warranties relating to this acquisition.

a.28. Information concerning related-party transactions

Compensation of principal officers

The gross compensation and benefits of all kinds paid to the members of the management board and the supervisory board by SII and the companies controlled by it totalled €1,431,823 for the period:

- Short-term benefits: €1,431,823
- Post-employment benefits: None
- Other long-term benefits: None
- Severance compensation: None
- Share-based payments: 38,723 shares awarded

a.29. Events subsequent to the end of the period

No known event has a significant impact on the account closed on March 2023.

a.30. Average headcount

	31/03/2023	31/03/2022
France	4,919	4,408
Poland (included Sweden and Ukraine)	3,300	2,720
Spain (included Argentina)	739	792
Germany	467	412
Romania	442	341
Chile	361	308
Colombia	176	136
Morocco	130	81
Belgium	87	63
Canada	50	46
United-Kingdom	50	36
Czech Republic	41	32
The Netherlands	35	32
India	34	25
Switzerland	4	2
TOTAL	***10,835***	***9,434***

a.31. Auditors' fees

	2022/2023
Auditors' fees for certifying the financial statements	381
Auditors' fees for other services	129
TOTAL DES HONORAIRES D'AUDIT	***510***

4.2. Auditors' report on the consolidated financial statements

Fiscal year ended March 31, 2023

To the SII S.A. Shareholders' meeting

Opinion

In accordance with the terms of our appointment by your shareholders' meeting, we have audited the consolidated financial statements of SII S.A. for the fiscal year ended March 31, 2023, as attached to this report.

We hereby certify that the consolidated financial statements, based on the IFRS adopted by the European Union, are consistent and fair and present a true picture of the results of the past year's transactions and the financial position and assets at the end of the period, for the group comprising the consolidated persons and entities.

The above opinion is consistent with our report to the Supervisory Board in its capacity as audit committee.

Grounds for our opinion

Audit standards

We have performed our audit in accordance with the standards of our profession applicable in France. We believe that the information collected offers sufficient and adequate grounds for our opinion.

Our responsibilities under these standards are spelled out in the section "Auditors' responsibilities with respect to the audit of the consolidated financial statements" of this report.

Independence

We have performed our audit in accordance with the independence rules applicable to us, in the period from April 1, 2022 to the date on which our report was issued. We have not provided any services prohibited by article 5 (1) of Regulation (EU) 537/2014 or by the Auditors' Professional Code of Conduct.

Basis for our assessments – Key audit issues

This is in this complex and evolving context, and as prescribed by articles L.823-9 and R.823-7 of the Commercial Code concerning the basis for our assessments, we hereby notify you of the key audit issues relating to the risk of material misstatements, which, in our professional opinion, were most significant in the audit of the consolidated financial statements for the fiscal year, along with the manner in which we treated those risks.

The assessments made in this connection must be considered in the context of the audit of the consolidated financial statements taken as a whole and the expression of our opinion above. We do not express an opinion on isolated aspects of these consolidated financial statements.

Valuation of goodwill

Identified risk

In the course of its development, the Group has carried out targeted acquisitions, resulting in several instances in the recognition of goodwill.

As of March 31, 2023, the balance sheet included goodwill with a net book value of €67,136k, or 10 percent of total assets. This goodwill corresponds to the aggregate of the consideration paid and non-controlling equity held, less the net book value (generally the fair value) of the identified acquired assets and assumed liabilities. It is ascribed to Cash Generating Units (CGU) which the Group considers likely to benefit from synergies from business combinations. The CGU level selected to test the value of goodwill relies on a country-based geographic breakdown.

Goodwill arising on acquisitions is measured at cost, less any accumulated impairment losses.

Goodwill in the books is not amortised but undergoes impairment tests at least once a year, or more frequently if there are indications of a loss of value, as indicated in note 4.1.a.5 to the financial statements ("Goodwill").

Management verifies each year that goodwill is not exposed to the risk that its book value may be impaired and fails to exceed its recoverable value. The recoverable value of a CGU (the higher of the fair value net of selling costs and its value-in-use, which is the present value of estimated future cash flows expected to be generated by the CGU) is measured on the basis of a discounted five-year projection of future net cash flows.

The manner in which impairment tests are performed by the CGUs and the underlying assumptions are detailed in note 4.1.a.5 ("Goodwill"):

Future cash flows are projected over 5 years on the basis of financial budgets approved by management for each CGU. Cash flows beyond 5 years are extrapolated using a perpetual growth rate of 2%.

We have considered the valuation of goodwill as a key issue in our audit because of the importance of management's judgment in making assumptions regarding cash flow, discount rates and infinite growth rates, as well as the sensitivity of values-in-use to these assumptions, as well as because of their material amount.

Audit tests and procedures performed in response to this risk

As part of our audit, we have examined the compliance of the methods used by the Group with applicable accounting standards.

We have also examined the manner in which the impairment tests were carried out by the Group and have verified the following, including at the level of the principal CGUs:

- the consistency and reasonable nature of the revenue, gross profit and gross margin projections in terms of the CGU's past performance and the economic and financial environment in which it operates taking into account the general environment referred previously;
- the reasonable nature of the discount and infinite growth rates applied to the expected cash flows, by comparing them to the rates used by comparable companies;
- the sensitivity of value-in-use calculations by the Group to changes in the main underlying assumptions;
- lastly, the appropriateness of the information provided in note 4.1.a.5 ("Goodwill") to the consolidated financial statements.

Specific verifications

In accordance with the professional standards applicable in France, we also carried out the specific verifications required by the applicable laws and regulations on information relating to the group as provided in the management report of the management board.

We have no comments to make on the fair presentation of that information or on its consistency with the consolidated financial statements.

We certify that the consolidated statement of non-financial performance provided for in Article L.225-102-1 of the French commercial code appears in the information relating to the group given in the management report. In accordance with the provisions of Article L.823-10 of this code, the information contained in this statement has not been verified by us for fair presentation or consistency with the consolidated financial statements and must be the subject of a report by an independent third party.

In application of the law, we inform you that the declaration of extra-financial performance does not include information relating to the share of turnover, investment expenses and operating expenses related to activities eligible for the Taxonomy. European Union, information required by 2 of article 8 of the rule (EU) 2020/852.

Other verifications and information provided pursuant to other legal and regulatory obligations

Presentation format of consolidated accounts intended for inclusion in the annual financial report

We also proceeded, in accordance with the professional standard on the due diligence of the statutory auditor relating to the annual and consolidated financial statements presented according to the single European electronic information format, to the verification of compliance with this format defined by the European regulation. Delegate No. 2019/815 of December 17, 2018 in the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in I of Article L.451-1-2 of the Monetary and Financial Code, prepared under the responsibility of the Chairman of the Board. With regard to consolidated accounts, our due diligence includes checking that the mark-up of these accounts conforms to the format defined by the aforementioned regulation.

Based on our work, we conclude that the presentation of the consolidated accounts intended to be included in the annual financial report complies, in all material respects, with the single European electronic information format.

It is not our responsibility to verify that the consolidated financial statements which will actually be included in the annual financial report filed with the AMF correspond to those on which we carried out our work.

Appointment of the auditors

We were appointed as the auditors of SII S.A. by your shareholders' meeting on July 13, 1999, in the case of KPMG S.A., subsequent to the acquisition of a firm, and on September 20, 2018 in the case of RSA.

As of March 31, 2023, KPMG S.A. had served an uninterrupted term of 24 years while RSA had served a term of 5 years.

RSM Salustro Reydel, a member of the KPMG International network, served previously as auditor of the entity from 1999 to 2011.

Responsibilities of management and the persons in charge of corporate governance relating to the consolidated financial statements

Management is tasked with preparing consolidated financial statements that give a true picture as prescribed by the IFRS adopted in the European Union, and with putting in place such internal controls as it deems necessary to issue consolidated financial statements free of material misstatements, whether caused by fraud or error.

When preparing the consolidated financial statements, management is required to assess the company's ability to continue operating and, where applicable, to include information in the financial statements relating to its capacity as a going concern, as well as to apply the going concern accounting standard, unless the company is expected to be liquidated or to cease operating.

The Supervisory Board, acting as the audit committee, is responsible for monitoring the preparation of financial reporting and to verify the effectiveness of internal controls and risk management procedures and, where applicable, the internal audit process, as these pertain to the procedures relating to the preparation and processing of accounting and financial information.

The consolidated financial statements have been approved by the Management Board.

Responsibilities of the auditors regarding the audit of the consolidated financial statements

Audit purpose and method

Our assignment includes the preparation of a report on the consolidated financial statements. Our objective is to obtain a reasonable assurance that the consolidated financial statements, taken as a whole, are free of material misstatements. Reasonable assurance is a high level of assurance but it does not guarantee that an audit performed in accordance with professional standards systematically detects any material misstatement. Misstatements may be caused by fraud or result from errors and are considered material whenever it can reasonably be expected that they could, individually or in combination, influence the business decisions that users of the financial statements make based on those financial statements.

As specified in article L.823-10-1 of the Commercial Code, our certification of the financial statements does not amount to a guarantee of your company's viability or the quality of its management.

In an audit performed in accordance with the professional standards applicable in France, the auditors of the financial statements use their professional judgment throughout the course of the audit.

In addition:

- they identify and assess the risks that the consolidated financial statements may contain material misstatements, whether these result from fraud or errors, set out and implement audit procedures to deal with those risks, and collect the information they deem sufficient and relevant to form an opinion. The risk of failing to detect a material misstatement resulting from fraud is higher than in the case of a material misstatement caused by an error, as fraud may involve collusion, falsification, intentional omissions, misrepresentations or the circumvention of internal controls;
- they review the internal controls relevant to the audit for the purpose of determining what audit procedures may be appropriate under the circumstances, without expressing an opinion on the effectiveness of internal controls;
- they assess the appropriateness of the accounting methods used and the reasonable nature of the financial estimates made by management, as well as the information concerning them disclosed in the consolidated financial statements;
- they evaluate the appropriateness of the application by management of the accounting principle of going concern and, depending on the data collected, determine whether or not a material uncertainty exists relating to events or circumstances liable to cast doubt on the company's ability to continue operating. This assessment relies on information collected up to the date of the auditors' report, keeping in mind that subsequent circumstances or events could cast doubt on the notion of going concern. If they conclude that a material uncertainty exists, they call to the attention of their report's readers the information provided in the consolidated financial statements concerning this uncertainty or, if the information is not disclosed or is not relevant, they issue a qualified certification or refuse to certify the financial statements;
- they assess the general presentation of the consolidated financial statements and determine whether the consolidated financial statements reflect the transactions and underlying events in a manner that provides a true picture;
- concerning the financial information about the persons or entities included in consolidation, they collect the data they deem sufficient and appropriate to form an opinion on the consolidated financial statements. They are responsible for the management, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed regarding those financial statements.

Report to the Supervisory Board acting as the audit committee

We submit a report to the Supervisory Board, acting as the audit committee, which includes a description of our audit's scope and the completed assigned program, as well as the conclusions of our work. Where applicable, we also notify it of such material weaknesses in internal controls as we may have identified regarding the procedures relating to the preparation and processing of accounting and financial information.

The information contained in the report to the Supervisory Board acting as the audit committee includes the risks of material misstatements considered by us to have been the most significant in the audit of the consolidated financial statements for the year and which, accordingly, represent key audit issues that we must describe in this report.

We further provide to the Supervisory Board acting as the audit committee the statement required by article 6 of Regulation (EU) 537-2014 confirming our independence, within the meaning of the rules applicable in France, as stated, inter alia, in articles L.822-10 to L.822-14 of the Commercial Code and in the Auditors' Professional Code of Conduct. If necessary, we meet with the Supervisory Board acting as the audit committee to review the risks affecting our independence and the protective measures applied in this respect.

The Auditors

Paris La Défense and Paris, July 28, 2023

KPMG S.A.	RSA
Geoffroy Muselier	**Arnaud Devoucoux**
Partner	Partner

4.3. Company financial statements for the year ended March 31, 2023

BALANCE SHEET ASSETS

(€000)	Gross Value	Accumulated depreciation and amortization	Net value on 3/31/2023	Net value on 3/31/2022
Capital subscribed, not called				
INTANGIBLE ASSETS				
Start-up costs				
Research and development costs				
Licenses, patents and similar rights	6,527	5,388	1,139	1,346
Goodwill	30,769	1,783	28,986	28,999
Other intangible assets				
Down payments on intangible assets				
PROPERTY, PLANT AND EQUIPMENT				
Land				
Buildings				
Technical facilities, tools and equipment	5	5		
Other property, plant and equipment	19,354	11,040	8,314	8,236
Assets in progress	330		330	
Advances and down payments				
FINANCIAL ASSETS				
Equity-method investments				
Other equity investments	38,556	5,159	33,397	12,929
Receivables from subsidiaries				
Other long-term investment holdings	3,652		3,652	3,852
Loans	8,331		8,331	154
Other financial assets	2,292		2,292	2,105
NON-CURRENT ASSETS	109,816	23,375	86,441	57,621
INVENTORIES AND WORK IN PROGRESS				
Raw materials and supplies				
Goods in progress				
Services in progress	131		131	413
Semi-finished and finished products				
Goods				
Advances and down-payments paid	523		523	383
RECEIVABLES				
Trade receivables	149,277	149	149,128	130,978
Other receivables	34,542	8,655	25,887	34,419
Capital subscribed and called, not paid				
OTHER ASSETS				
Investments securities *(including own* shares held in treasury: 446,355)	17,147	465	16,682	5,817
Cash	45,547		45,547	56,641
ACCRUALS AND DEFERRALS				
Accrued expenses	4,316		4,316	3,571
CURRENT ASSETS	251,483	9,269	242,214	232,222
Debt issue costs attributable to other periods				
Bond discounts				
Unrealized foreign-exchange losses	6		6	
GRAND TOTAL	***361,304***	***32,644***	***328,661***	***289,844***

LIABILITIES AND SHAREHOLDERS' EQUITY

(€000)	3/31/2023	3/31/2022
Capital stock of which, paid: 40,000,000	40,000	40,000
Other paid-in capital		
Excess of restated value of assets over cost		
Legal reserve	4,000	4,000
Mandatory or contractual reserves		
Regulated reserves	5	5
Other reserves	117,000	100,000
Retained earnings	597	710
INCOME OF THE YEAR	29,221	24,602
Investment grants		
Regulated provisions	1,123	1,109
SHAREHOLDRES' EQUITY	191,946	170,426
Proceeds from equity issues		
Contingent advances		
PROVISIONS		
Contingency provisions	2,773	3,476
Expenses provisions	1,647	2,856
PROVISIONS	4,420	6,331
LIABILITIES AND DEBT		
Convertible bond debt		
Other bond debt		
Bank debt		502
Other debt		
Advances and down payments received or orders in progress	366	1,025
OPERATING LIABILITIES		
Trade payables	15,448	13,131
Taxes and contributions suppliers	89,905	82,293
OTHER LIABILITIES		
Trade payables to fixed-assets suppliers	785	411
Other liabilities	15,830	6,402
ACCRUALS AND DEFERRALS		
Deferred revenue	9,961	9,301
LIABILITIES	132,295	113,065
Unrealized foreign-exchange gains		22
GRAND TOTAL	***328,661***	***289,844***

INCOME STATEMENT

(€000)	France	Exportation	3/31/2023	3/31/2022
OPERATING REVENUE				
Sales of goods				
Production of goods sold				
Services sold	425,994	3,018	429,012	382,656
REVENUE	425,994	3,018	429,012	382,656
Change in product inventories			-282	377
Production of own assets				
Operating grants			1,276	1,749
Reversals of depreciation, impairments and provisions, transfers of expenses			2,651	4,539
Other revenue			465	636
OPERATING REVENUE			433,122	389,956
OPERATING EXPENSES				
Purchase of goods				
Change in inventories (goods)				
Purchase of raw materials and other supplies				
Change in inventories (raw materials and other supplies)				
Other purchases and external expenses			76,303	66,037
Taxes and levies			10,557	8,675
Wages and salaries			222,373	202,062
Payroll taxes and employee benefits			89,407	80,429
OPERATING ALLOWANCES				
On non-current assets:				
- Additions to provisions			3,227	3,137
- Impairment allowances			12	12
On current assets: impairment allowances			939	2,980
Additions to provisions			335	789
Other expenses			830	762
OPERATING EXPENSES			403,983	364,884
OPERATING INCOME (LOSS)			***29,139***	***25,072***

Note:

Including transfers of expenses of € 150K, reflecting

INCOME STATEMENT (continued)

(€000)	3/31/2023	3/31/2022
FINANCIAL INCOME		
Income from equity investments	7,061	5,340
Income from other equity and debt holdings		
Other interest income	1,329	505
Reversals of impairments and provisions, transfers of expenses	161	53
Foreign-exchange gains	2	
Net proceeds from sales of investment securities		
FINANCIAL INCOME	8,553	5,897
FINANCIAL EXPENSES		
Amortizations, and impairment advances, additions to provisions	470	161
Interest expenses	14	21
Foreign-exchange losses		
Net losses on sales in investment securities	36	
FINANCIAL EXPENSES	520	182
NET FINANCIAL INCOME (LOSS)	8,033	5,715
INCOME BEFORE EXTRAORDINARY ITEMS AND TAXES	37,172	30,788
EXTRAORDINARY GAINS		
Extraordinary gains on operating transactions		
Extraordinary gains on financing transactions	202	263
Reversals of impairments and provisions, transfers of expenses	130	228
EXTRAORDINARY GAINS	332	491
EXTRAORDINARY EXPENSES		
Extraordinary expenses on operating transactions	75	109
Extraordinary expenses on financing transactions	520	371
Non-recurring depreciation, impairment and provisions expenses	14	
EXTRAORDINARY EXPENSES	609	480
NET EXTRAORDINARY GAINS (LOSSES)	-277	11
Employee profit sharing	4,027	2,656
Corporate income tax	3,647	3,540
TOTAL REVENUE	442,007	396,344
TOTAL EXPENSES	412,786	371,742
NET INCOME	***29,221***	***24,602***

b. Notes to the financial statements for March 31, 2023

b.1. Highlights

The geopolitical crisis in Ukraine has no impact on the SII France accounts.

SII France has acquired 100% of the capital of Metanext on 21/11/2022. With this acquisition, SII is accelerating its development in France in the Cloud sector.

b.2. Accounting rules and methods

The financial statements for the period from 4/1/2022 to 3/31/2023 have been prepared and are presented in accordance with generally applicable accounting principles and in compliance with the prudential principle.

Assets at the end of the year totalled €328,661 K and the income statement showed:

- total revenue of €442,007 K
- total expenses of €412,786 K
- resulting in income of €29,221 K

b.2.1. Accounting principles

The annual financial statements have been prepared in accordance with regulation 2014-03 of the French Accounting Standards Authority (Autorité des Normes Comptables), approved by a government decision of September 8, 2014 relating to the General Chart of Accounts (Plan Comptable Général).

The general accounting prescriptions have been applied in accordance with the basic assumptions of:

- going business;
- consistent accounting methods;
- matching principle.

The basic method used to measure items in the books is the historic cost method. No changes have been made in valuation methods.

The principal methods use are as follows:

b.2.2. Non-current assets

Non-current assets are measured at their purchase or production cost.

Licenses, patents and other rights

Category	Amortisation	
	Mode	Term
Software	Straight-line	1 to 5 years

Research and development expenditures

Research and development expenses for the year were not capitalised as in previous year.

Goodwill

As prescribed by ANC Regulation 2015-06, business intangibles undergo annual impairments tests. Under the rule, no impairment maybe subsequently reversed.

The useful life of business intangibles is indeterminate.

Any excess value of an acquired company's shares over the net book value of its assets is recognised in business intangibles.

Property, plant and equipment

Depreciation is calculated on a straight-line basis over the useful life of the assets.

Category	Depreciation	
	Mode	Term
Transportation equipment	Straight-line	5 years
Fixtures and improvements	Straight-line	10 years
Computer hardware	Straight-line	3 to 5 years
Office equipment	Straight-line	5 years
Office furniture	Straight-line	10 years

Financial assets

On March 31, 2023, impairments tests were performed on the basis of discounted cash flows adjusted for net debt. Depending on the country in which the subsidiaries are located, the discount rate used varied between 8% and 15%. The balance-sheet value is calculated by projecting future cash flows over a 5-year period, based on management-approved financial and budget forecasts. A 2% growth rate was assumed when extrapolating cash flow beyond the period.

Investments in subsidiaries

The gross value of equity holdings is measured at cost, including expenses directly attributable to the purchase of the securities concerned.

Whenever the balance-sheet value falls short of the gross value, an impairment is recognised in the amount of the difference.

Acquisition expenses incurred in connection with the purchase of shares were included in the cost of those shares.

For tax purposes, acquisition expenses are amortised over a-five-year period, which accounts for the recognition on of accelerated amortisation.

Transactions in foreign currencies

Whenever assets are purchased and paid in a foreign currency, their price is translated at the exchange rate in effect on acquisition date or, where applicable, the hedge rate occurred prior to the transaction.

On the balance sheet, the value of liabilities, receivables and cash in foreign currencies are translated at the year-end exchange rate.

Difference resulting from the use of that rate to translate liabilities and receivables are recognised in equity as unrealised foreign-exchange gains and losses.

A provision is recognised for unrealised foreign-exchanges losses.

The foreign-exchange gains and losses are include in the operating income for the trade receivables and in the financial income for the other transactions.

Own shares held in treasury

The company's own shares held by it in excess of those distributed under share awards are recognised in "Other non-current assets". The 627,495 shares purchased under the buyback program had an aggregate value of €3,322K.

Whenever their market value is less than their gross value, an impairment allowance is recognised for the difference. Market value is the average share price during the last month of the period.

Market making agreement

SII held 6,599 of its own shares on 3/31/2023 in connection with a market agreement. These shares are accounted for in "Other investment holdings – Own shares held in treasury market making agreement" for a total value of €329K.

Any cash balance under the agreement is accounted for under "Other investment holdings – Receivable from market making agreement".

All securities trade are recognised in extraordinary gains and losses.

Inventories and work-in-progress

In the case of cost-plus successive-performance contracts, work performed and not billed is accounted for as accrued invoices and work billed but not yet performed gives rise to the recognition of deferred revenue.

Individual assessments are made of fixed-price contracts at the end of the period. They are recognised on a percentage of completion basis and work-in-progress is measured at cost of production.

In the case of a foreseeable loss on completion, a provision is recognised in the amount of estimated loss.

Receivables and liabilities

Receivables and liabilities are recognised at their face value.

Were applicable, the book value of receivables is reduced to reflect collection problems liable to affect them.

Cash

Cash on hand and in banks is measured at face value, as are investment securities consisting of shares of money-market OEICs.

The face value of money-market investments (shares of investment companies and funds) was €16,701K. Their corresponding market value of €16,343 K on 3/31/2023.

The share buyback program has resulted in the ownership of 704,356 shares being recognised in the balance sheet under "Financial assets" and "Investment securities". The 76,861 shares accounted for as "investment securities" with an aggregate value of €303K are those used in connection with share award plans.

A loss provision of €202K on those treasury shares was recognised on 3/31/2023.

	Number of shares	Entry price	Value	Impairment	Provision
Shares unused					
2021 Share award plan	38,138	€3.94	€150,301		€137,776
2022 Share award plan	38,723	€3.95	€152,956		€63,732
Shares used	**76,861**	**€3.95**	**€303,257**		**€201,508**
Total	***76,861***	***€3.95***	***€303,257***		***€201,508***

The main features of the current plans are as follows:

A total of respectively 38,723 and 38,138 shares were awarded in fiscal 2022-2023 and the previous period.

In order for stock options and share awards to vest, their recipients must remain with the company. A loss provision is spread on a straight-line basis over the vesting period. For the purpose of the 20-percent payroll tax, the shares are measured at fair value.

Provisions

The provision for customer warranties is reassessed annually based on statistical date on the time set aside for warranties over the period.

Other provisions are recognised at the end of the period whenever it is probable or certain that an obligation of a third-party will require the use of founds in favour of that third-party, without equivalent goods or services being provided by it.

During the period, reversals of contingency and loss provisions totalled €841,390, of which only €40,606 was used, the balance being considered unused.

Extraordinary gains and losses

- Extraordinary net income of €-277 K where recognised for the fiscal year ended on March 31, 2023.

Non-recurring income and expenses mainly relate to the purchase and sale of SII shares under the liquidity contract, and to the disposal of fixed assets.

Tax consolidation

SII has opted for tax consolidation with its SII Learning subsidiaries. The tax consolidation agreements between the parent company and the subsidiaries are strictly identical and provide for the repayment by the subsidiary to the parent company of a portion of the corporate income tax that they would have had to pay if they have been taxed separately.

SII is jointly and severally liable for the full booked amount of corporate tax.

Auditors' fees

The independent auditors' fees amounted to €200 K for the year ended March 31, 2023 for the mandatory audit of the annual financial statements.

Recognition of revenue

Technical support, consulting, and work services billed by time spent

Production is reviewed at each closing of the accounts:

- Services rendered not yet or partially billed are valued based on the contractual sale price and the billable time spent. They are recorded in revenue and appear in the balance sheet under "Unbilled revenue".
- Services billed but not yet fully performed are deducted from the billed revenue and appear in the balance sheet as liabilities under "Deferred revenue".

Services covered by a fixed price contract

These contracts are characterised by a commitment in terms of price, compliance, and timeframe. The services corresponding to this type of contract are recorded according to the percentage-of-completion method as follows:

- Revenue is recognised as the work progresses.
- Progress is calculated on the basis of the costs still to be incurred to complete all the work, taking into account the completion bond where applicable. Unbilled revenue or deferred revenue is recording when the billing is not in line with the progress of the work.
- The percentages of progress of projects are determined according the quality procedures in force in the company. The progress of a project is calculated based on the number of days still to be produced relative to the number of days initially planned, allowing any loss of the project to be taken into account in full real time.

Sales from fixed-price service contracts account for less than 15% of business.

Off-balance-sheet commitments

Commitments made

Long-term leases

(€000)	In less than1 year	Between1 to 5 years	In more than 5 years	TOTAL
Leases (premises)	7,184	26,470	11,304	44,958
Leases purchases (vehicles)	683	750		1,433
Other long-term obligations (equipment)	90	82	5	177
TOTAL	***7,957***	***27,302***	***11,309***	***46,568***

Pledge of company shares in registered accounts

Name	Beneficiary	Effective date	Expiration	Release condition	Number of shares	% of capital
Eric Matteucci	Bank	January 2020	February 2027	n/a	200,000	1.00%
Eric Matteucci	Bank	October 2020	September 2027	n/a	448,718	2.24%
Total					**648,718**	**3.24%**

Sureties, endorsements or guarantees

Bank sureties: €854,990

Pledge of company assets

No security interest has been created on any type of assets (property, plant and equipment, intangible or financial assets).

Severance compensation obligations

On November 5, 2021, the French Accounting Standards Authority modified its recommendation no. 2013-02 concerning the methods for estimating pension commitments continued to a decision by the IFRIC in May 2021 on the same subject. The application of this recommendation has no impact on the calculation of the company's retirement commitments March 31, 2023.

The company's obligations in terms of severance benefits are covered in part by an insurance policy benefits purchased on April 1, 1999. The theoretical accumulated rights of each employee as of March 31, 2023 has been calculated using the following assumptions:

- Official mortality tables prescribed by the insurance Code [TH.0002 (men) and TF.002 (women)];
- Discount rate: 3.8% (1.60% last year);
- Annual pay increases: 2.5% (1.4%last year);
- Payroll taxes and benefits: 45%;
- Retirement age: 64;
- Retirement terms: at the employee's discretion;
- Unlimited horizon.

The excess over the reserve set aside and the theoretical accumulated rights of employees is treated as an off-balance-sheet commitment.

As on March 31, 2023, reserves under the insurance amounted to €2,181 K and off-balance-sheet commitment totalled €2,379 K, representing aggregate severance compensation of €4,560 K (last year the reserves under the insurance amounted to €1,973 K and off-balance-sheet commitment totalled €3,000 K, representing aggregate severance compensation of €4,973 K)

Commitment received

As part of the acquisition of Feel Europe Group and its subsidiaries, SII secured a long-term seller's warranty. No commitment was made by SII.

Developments subsequent to the end of the fiscal year

No event has a significant impact in the account of March 2023.

b.3. NON-CURRENT ASSETS

(€000)	Gross value on 4/1/2022	Changes during the period Additions	Disposals	Gross value on 3/31/2023
Start-up and research and development costs				
Other intangible assets	37,634	424	762	37,296
TOTAL INTANGIBLE ASSETS	37,634	424	762	37,296
Land				
Buildings on own land				
Buildings on third-party land				
Plant, facilities, improvement and fixtures				
Technical facilities, equipment and tools	5			5
General facilities improvements	8,310	959	350	8,919
Transportation equipment				
Office equipment, computer hardware, furniture	10,380	1,871	1,816	10,435
Returnable containers and others				
Fixed assets in progress		330		330
Advances and down payments				
TOTAL TANGIBLE ASSETS	18,695	3,160	2,166	19,688
Equity method investments				
Other equity investments	18,088	20,468	0	38,556
Other security holdings	3,852	13,276	13,476	3,652
Loans and other financial assets	2,259	22,156	13,792	10,623
TOTAL FINANCIAL ASSETS	24,199	55,900	27,268	52,831
TOTAL	***80,528***	***59,484***	***30,196***	***109,816***

b.4. AMORTISATION AND DEPRECIATION

(€000)	04/01/2022	Allowances	Reversals	31/03/2023
Start-up and research and development costs				
Other intangible assets	5,519	631	762	5,388
TOTAL AMORTIZATIONS OF INTANGIBLES	5,519	631	762	5,388
Land				
Buildings on own land				
Buildings on third-party land				
Plant, facilities, improvement and fixtures	5			5
Technical facilities, equipment and tools				
General facilities improvements	3,298	985	219	4,064
Transportation equipment				
Office equipment, computer hardware, furniture	7,156	1,610	1,790	6,976
Returnable containers and others				
TOTAL AMORTIZATIONS OF TANGIBLES	10,459	2,595	2,009	11,045
TOTAL	***15,978***	***3,226***	***2,771***	***16,433***

b.5. PROVISIONS ET IMPAIRMENTS

(€000)	01/04/2022	Additions	Reversals	31/03/2023
Mine and oil depletion allowances				
Investment provisions				
Provisions for inflation				
Accelerated depreciation including 30% supplementary allowances	1,109	14		1,123
Foreign operations prior to 1/1/1992				
Foreign operations from 1/1/1992				
Provisions for installation loans				
Other regulated provisions				
REGULATED PROVISIONS	1,109	14		1,123
Provisions for litigations	3,415	185	841	2,759
Provisions for customer warranties	14		6	8
Provisions for losses on completion	46		46	
Provisions for fines and penalties				
Provisions for foreign-exchange losses		6		6
Provisions for post-employment benefits				
Provisions for taxes				
Provisions for assets replacements				
Provisions for major maintenance and repairs				
Provisions for taxes and contributions payable on vacation pay				
Other contingency and loss provisions	2,856	150	1,359	1,647
CONTINGENCY AND LOSS PROVISIONS	6,331	341	2,252	4,420
Impairment of intangible assets	1,770	13		1,783
Impairment of property, plant and equipment				
Impairment of equity-method investments				
Impairment of equity holdings	5,159			5,159
Impairment of other financial assets				
Impairment of inventories and work-in-progress				
Impairment of trade receivables	324	75	250	149
Other impairments	7,951	1,330	161	9,120
IMPAIRMENTS	15,204	1,418	411	16,211
TOTAL	**22,644**	**1,773**	**2,663**	**21,754**
Operating allowances and reversals		1,288	2,502	
Financial allowances and reversals		471	161	
Extraordinary allowances and reversals		14		

The other provisions for risks and charges mainly consist of provisions for premises.

The other impairments mainly consist of current account impairments.

b.6. RECEIVABLES AND LIABILITIES

STATEMENT OF RECEIVABLES	Gross value	1 year or less	More than 1 year
Receivables from subsidiaries and associates			
Loans	8,331		8,331
Other financial assets	2,292	690	1,602
Doubtful and disputed receivables	178		178
Other trade receivables	149,098	149,098	
Receivables from loaned shares			
Receivables from employees	164	164	
Receivables from social security and insurance	965	965	
Receivables from government: corporate income tax	2,282	2,282	
Receivables from government: valued-added tax	2,836	2,836	
Receivables from government: other taxes and levies			
Receivables from government: other receivables	619	619	
Receivables from Group and related parties	27,600	308	27,292
Other receivables	76	76	
Accrued expenses	4,316	4,316	
TOTAL RECEIVABLES	***198,757***	***161,354***	***37,404***
Loans granted during the year	366		
Loans repayment received during the year	360		
Loans and advances made to related parties			

STATEMENT OF LIABILITIES	Gross value	1 year or less	1 to 5 years	More than 5 years
Convertible bond debt				
Other bond debt				
Liabilities and debt w. original maturities of up to 1 year				
Liabilities and debt w. original maturities of more to 1 year				
Other liabilities and debt				
Trade payables	15,448	15,448		
Payables to employees	30,320	30,320		
Payroll taxes and contribution payable	23,493	23,493		
Government: corporate income tax payables				
Government: value-added tax payable	28,748	28,748		
Government: guaranteed obligations				
Government: other taxes and levies	7,345	7,345		
Payables to fixed-assets suppliers	785	785		
Group and related parties	1	1		
Other liabilities	15,830	15,830		
Borrowed shares				
Deferred revenue	9,961	9,961		
TOTAL LIABILITIES	***131,931***	***131,931***		
Loans contracted during the period				
Loans repaid during the period	502			
Debt contracted with related parties				

b.7. GOODWILL

Items	Net Value
Acquired goodwill	267
Goodwill from Ovéo acquisition	1,606
Goodwill from Feel Europe Régions (FER)	1,832
Goodwill from Feel Europe Régions	2,937
Goodwill from Feel Europe IDF (FEI)	6,585
Goodwill from Feel Europe IDF	6,132
Goodwill from Feel Europe Groupe	9,651
TOTAL	***29,010***

The FER merger loss €1,832K came from the merger by take over of FEEL EUROPE RÉGIONS by SII.

The €2,937 K FER loss represents the merger losses observed by Feel Europe RÉGIONS during these various previous mergers.

The FEI merger loss €6,585 K came from the merger by take over of FEEL EUROPE IDF by SII.

The €6,132 K FEI merger loss represents the merger losses observed by Feel Europe IDF during these various previous mergers.

The €9,651 K FEG merger loss represents the merger loss associated with the merger with SII.

b.8. ACCRUED REVENUE

(€000)	3/31/2023	3/31/2022
TRADE RECEIVABLES	40,799	30,952
Customer: invoices to be issued	40,799	30,952
OTHER RECEIVABLES	1,095	2,213
Suppliers: accrued credits	74	122
Employees: receivables	43	311
Social security: health insurance, sick pay allowances	670	476
Social security: other receivables		1,202
Government: other receivables		
Accrued interest on SII France's loans to subsidiaries	308	102
Other revenue receivable		
BANKS AND FINANCIALS INSTITUTIONS	223	7
Other accrued interest receivable	41	
Accrued interest of time deposits	142	
Accrued interest on bond	40	7
TOTAL	***42,117***	***33,172***

b.9. EXPENSES OUTSTANDING

(€000)	3/31/2023	3/31/2022
FINANCIAL LIABILITIES AND DEBT		
Accrued interests on loan		
TRADE PAYABLES	2,567	718
Suppliers : invoices not received	2,567	718
PAYABLES TO FIXED-ASSET SUPPLIERS		
Asset suppliers : invoices not received		
TAXES AND CONTRIBUTIONS PAYABLE	43,403	41,520
Employees : expenses outstanding	25,487	24,576
Social security : taxes outstanding	11,448	11,199
Government: tax outstanding	6,468	5,745
OTHER LIABILITIES	5,614	6,129
Customer : credits outstanding	5,614	6,129
Others expenses outstanding		
TOTAL	***51,584***	***48,367***

b.10. ACCRUED EXPENSES

(€000)	3/31/2023	3/31/2022
OPERATING EXPENSES	4,316	3,571
Accrued expenses	4,316	3,571
TOTAL	***4,316***	***3,571***

b.11. DEFERRED REVENUE

(€000)	3/31/2023	3/31/2022
OPERATING REVENUE	9,961	9,301
Deferred revenue	9,961	9,301
TOTAL	***9,961***	***9,301***

b.12. CHANGES IN SHARELORDERS' EQUITY

(€000)	At 31/03/2022	Change	Income approbation 2020-2021	Dividends 2020-2021	At 31/03/2023
Capital stock	40,000				40,000
Legal reserve	4,000				4,000
Regulated reserves	5				5
Other reserves	100,000		17,000		117,000
Retained earnings	709		-112		597
Income for the year	24,602	29,221	-16,888	-7,714	29,221
Regulated provisions	1,109	14			1,123
TOTAL	***170,425***	***29,235***	***0***	***-7,714***	***191,946***

The company has issued capital of €40,000,000, divided into 20,000,000 shares with a nominal value of €2 each.

Regulated provisions consist of accelerated depreciation and expenses related to the acquisition of subsidiaries.

b.13. OFFICERS' COMPENSATION

Aggregate compensation paid to members of the governing bodies in fiscal 2022-2023 amounted €48,931.

Aggregate compensation paid to members of management in fiscal 2022-2023 amounted €60,000.

b.14. BREAKDOWN OF CORPORATE INCOME TAX

Breakdown	Income before tax	Tax owed	Net income after tax
Income before extraordinary items and tax	37,172	9,602	27,570
Extraordinary items	-277	-72	-205
Employees profit sharing	-4,027	-1,040	-2,987
Tax credits		-4,830	4,830
Tax impact of non-deductible expenses and non-taxable revenue		109	-109
Abatement of social security tax on income		-25	25
Impact of change in tax rate		-97	97
ACCOUNTING INCOME	***32,868***	***3,647***	***29,221***

The effective tax rate is 25.83%

b.15. DIFERRED TAX ASSETS AND LIABILITIES

PREPAID TAX ON :	3/31/2023	3/31/2022
Employers' solidarity social security contribution	138	126
Employee profit sharing	4,028	2,671
Public housing contribution	239	224
Unrealized capital gains on investment securities	107	61
Losses on completion		46
Accrued expenses	4,508	
TOTAL TAX RELIEF	9,020	3,126
NET DEFERRED TAX BALANCE	**-9,020**	**-3,126**

b.16. AVERAGE HEADCOUNT

Average Headcount	2022/2023	2021/2022
Engineers and managers	4,512	4,176
Technicians and foremen	260	219
TOTAL	**4,772**	**4,395**

TABLE OF SUBSIDIARIES AND AFFILIATES

Company name Registered office	Capital Equity	% ownership Div.Collected	Share gross value Share net value	Loans, advances, Guarantees	Revenue Income
SII Sp ZOO	86	70%	74		405,479
WARSAVWA-POLAND	172,865	6,664	74		55,273
SII SRO	113	90%	90		5,347
PRAHA-CZECH REPUBLIC	2,716		90		441
SII Services Maroc	273	100%	973	112	7,610
CASABLANCA-MOROCCO	1,644		973		643
SII SA-sous palier	150	100%	95	3,134	1,309
GRAND LANCY-SWITZERLAND	-2,996		0		62
SII Luxembourg	700	100%	700	254	183
GRASS-LUXEMBOURG	-120		0		-17
SII Concatel-sous palier	416	100%	7,264	8,131	31,474
BARCELONA-SPAIN	-7,660		3,544		-10,920
SII Chile	321	100%	2,106		17,687
SANTIAGO-CHILE	3,771		2,106		1,680
SII Belgium	62	97%	3,181	5,050	12,765
SINT STEVENS WOLUVE-BELGIUM	2,251		3,181		198
SII India IT & Engineering Services	424	100%	499		1,007
BENGALURU-INDIA	582				187
SII IT&C Service	58	80%	121		32,773
BUCAREST-ROMANIA	8,497	397	121		3,338
SII Canada	508	90%	471		10,689
MONTREAL -CANADA	3,195		471		804
SII Netherlands	73	100%	145	2,956	3,289
HARLEM -NETHERLANDS	-2,078				117
SII Colombie	104	83%	422		4,407
BOGOTA-COLOMBIA	1,029		422		410
SII Holding Gmbh -sous palier	1,855	100%	1,855	10,525	52,106
SCHWABISCH HALL-GERMANY	-967		1,855		2,288
SII Service UK	114	100%	129	1,993	4,997
LONDON-UNITED KINGDOM	-268		129		-6
SII Learning	40	100%	40	3,267	1,978
IVRY SUR SEINE-FRANCE	-895		40		-406
SII Sweden	5	100%	1		2,732
STOCKHOLM-SWEDEN	-905		1		-99
SII Services SRO	4	90%	4		20
PRAHA-CZECH REPUBLIC	-34		4		-36
Metanext	7,000	100%	20,386		4,269
SEVRE-FRANCE	122		20,386		-294

Loans, advances and endorsements include those to and by shareholders.

4.4. Auditors' report on the annual financial statements

Fiscal year ended March 31, 2023

To the SII S.A. Shareholders' meeting

Opinion

In accordance with the terms of our assignment by your shareholders' meeting, we have audited the annual financial statements of SII S.A. for the fiscal year ended March 31, 2023, as attached to this report.

We hereby certify that the annual financial statements based on French accounting rules and principles are consistent and fair and present a true picture of the results of the past year's transactions and the financial position and assets of the company at the end of the period.

The above opinion is consistent with our report to the Supervisory Board acting as the audit committee.

Grounds for our opinion

Audit standards

We have performed our audit in accordance with the standards of our profession applicable in France. We believe that the information collected by us offers sufficient and proper grounds for our opinion.

Our responsibilities under these standards are indicated in the section "Auditors' responsibilities with respect to the audit of the annual financial statements" of this report.

Independence

We have performed our audit in compliance with the independence rules provided by the French Commercial Code and by the Code of Ethics of the profession of statutory auditors, over the period from April 1, 2022 to the date on which our report was issued. We have not provided any services prohibited by article 5 (1) of Regulation (EU) 537/2014 or by the Auditors' Professional Code of Conduct.

Basis for our assessments – Key audit issue

This is in this complex and evolving context that, as prescribed by articles L.823-9 and R.823-7 of the French Commercial Code pertaining to the basis for our assessments, we hereby notify you of the key issue in our audit relating to the risk of material misstatements which, in our professional opinion, was most significant in the audit of the annual financial statements for the fiscal year, along with the manner in which we have treated those risks.

The assessments made in this connection must be considered in the context of the audit of the annual financial statements taken as a whole, approved by the management board in the conditions recalled previously, and the expression of our opinion above. We do not express an opinion on the isolated aspects of these annual financial statements.

Valuation of equity investments

Identified risk

Equity investments are one of the largest items on the balance sheet as of March, 31 2023, with a net value of €k33,397. They are recorded at acquisition cost and depreciated on the basis of their book value.

As indicated in notes "b.2. Accounting rules and methods - b.2.2 Fixed assets - Financial fixed assets" to the annual financial statements, at each year-end the company estimates the book value of each of its investments in order to determine whether they are below the net book value and whether an impairment loss should be recognised.

Estimating the book value requires the company to exercise its judgement in selecting the items to be considered, which may correspond to forecast items.

In this context, and because of the uncertainties inherent in certain factors, and in particular the probability of forecasts being realised, we considered that the correct valuation of equity investments was a key point in the audit.

Audit tests and procedures performed in response to this risk

In order to assess the reasonableness of the estimates of the carrying amounts of investments in subsidiaries and affiliates, based on the information provided to us, our work mainly consisted, with the involvement of our valuation specialists, in verifying that the estimates of these values, determined by the company, were based on an appropriate justification of the valuation method and the figures used and, depending on the investments concerned, in:

- Become familiar with and assess the process implemented by the company to perform impairment tests;
- Obtain cash flow and operating forecasts for the businesses of the entities concerned, prepared by their operating divisions, and assess their consistency with the forecast data, prepared under the supervision of their senior management for each of these businesses and approved, where appropriate, by the Executive Board;
- Assessing the consistency of the assumptions used with the economic environment at the balance sheet and accounts preparation dates;
- Assess the consistency of cash flow projections with the management estimates presented to the Executive Board;
- Comparing forecasts for previous periods with the corresponding actual figures, in order to assess whether past objectives have been achieved;
- Check that the value resulting from the cash flow forecasts has been adjusted by the amount of the debt of the entity in question;
- Finally, we checked that the information provided in the notes to the financial statements was appropriate.

Specific verification

We have also performed the specific verifications required by law, in accordance with the standards of our profession applicable in France.

Information disclosed in the management report and other documents provided to the shareholders, concerning the financial position and the annual financial statements

We have no matters to report as to the truthfulness and the consistency with the annual financial statements of the information given in the management report of the management board and in the other documents on the financial position and the financial statements provided to the shareholders.

It is our opinion that the information relating to payment terms mentioned in Article D.441-4 of the French Commercial Code is truthful and consistent with the annual financial statements.

Report on corporate governance

We certify that the Supervisory Board's report on corporate governance contains the information required by article L.225-37-3, L.22-10-10 and L.225-10-9 of the French Commercial Code.

Concerning the information reported pursuant to article L.22-10-9 of the French Commercial Code on officers' and directors' compensation and benefits as well as on commitments made to them, we have verified that it is consistent with the financial statements or with the data used to prepare the financial statements and, where applicable, the information received by your company from companies which control your company or which are controlled by it. Based on our examination, we certify that the information is accurate and fair.

Other information

As required by law, we have ascertained that the information pertaining to the identity of the holders of shares and voting rights is provided to you in the management report.

Information provided pursuant to other legal and regulatory obligations

Presentation format of annual financial statements intended for inclusion in the annual financial report

We also proceeded, in accordance with the professional standard on the due diligence of the statutory auditor relating to the annual and consolidated financial statements presented according to the single European electronic information format, to the verification of compliance with this format defined by the European regulation. Delegate No. 2019/815 of December 17, 2018 in the presentation of the annual financial statements intended to be included in the annual financial report mentioned in I of Article L.451-1-2 of the Monetary and Financial Code, prepared under the responsibility of the Chairman of the Board. With regard to consolidated accounts, our due diligence includes checking that the mark-up of these accounts conforms to the format defined by the aforementioned regulation.

Based on our work, we conclude that the presentation of the annual financial accounts intended to be included in the annual financial report complies, in all material respects, with the single European electronic information format.

It is not our responsibility to verify that the consolidated financial statements which will actually be included in the annual financial report filed with the AMF correspond to those on which we carried out our work.

Appointment of the auditors

We were appointed as the auditors of SII S.A. by your shareholders' meeting on July 13, 1999, in the case of KPMG S.A., subsequent to the acquisition of a firm, and on September 20, 2018 in the case of RSA.

As of March 31, 2023, KPMG S.A. had served an uninterrupted term of 24 years while RSA had served a term of 5 years, including 24 and 5 years respectively since the company's shares were admitted to trading on a regulated market.

RSM Salustro Reydel, a member of the KPMG International network, served previously as auditor of the entity from 1999 to 2011.

Responsibilities of management and the persons in charge of corporate governance relating to the annual financial statements

Management is tasked with preparing annual financial statements that give a true picture as prescribed by the French accounting rules and principles, and with putting in place such internal controls as it deems necessary to issue annual financial statements free of material misstatements, whether caused by fraud or error.

When preparing the annual financial statements, management is required to assess the company's ability to continue operating and, where applicable to include information in the financial statements relating to its capacity as a going concern, as well as to apply the going concern accounting standard, unless the company is expected to be liquidated or to cease operating.

The Supervisory Board, acting as the audit committee, is responsible for monitoring the preparation of financial reporting and to verify the effectiveness of internal controls and risk management procedures and, where applicable, the internal audit process, as these pertain to the procedures related to the preparation and processing of accounting and financial information.

The annual financial statements have been approved by the Management Board.

Responsibilities of the auditors regarding the audit of the annual financial statements

Audit purpose and method

Our assignment includes the preparation of a report on the annual financial statements. Our objective is to obtain a reasonable assurance that the annual financial statements, taken as a whole, are free of material misstatements. Reasonable assurance is a high level of assurance but it does not guarantee that an audit performed in accordance with professional standards systematically detects any material misstatement. Misstatements may be caused by fraud or result from errors and are considered material whenever it can reasonably be expected that they could, individually or in combination, influence the business decisions that users of the financial statements make based on those financial statements.

As specified in article L.823-10-1 of the Commercial Code, our certification of the financial statements does not amount to a guarantee of your company's viability or the quality of its management.

In an audit performed in accordance with the professional standards applicable in France, the auditors of the financial statements use their professional judgment throughout the course of the audit. In addition:

- they identify and assess the risks that the annual financial statements may contain material misstatements, whether these result from fraud or errors, set out and implement audit procedures to deal with those risks, and collect the information they deem sufficient and relevant to form an opinion. The risk of failing to detect a material misstatement resulting from fraud is higher than in the case of a material misstatement caused by an error, as fraud may involve collusion, falsification, intentional omissions, misrepresentations or the circumvention of internal controls;
- they review the internal controls relevant to the audit for the purpose of determining what audit procedures may be appropriate under the circumstances, although not for that of expressing an opinion on the effectiveness of internal controls;
- they assess the appropriateness of the accounting methods used and the reasonable nature of the financial estimates made by management, as well as the information concerning them disclosed in the consolidated financial statements;
- they evaluate the appropriateness of the application by management of the accounting principle of going concern and, depending on the data collected, determine whether or not a material uncertainty exists relating to events or circumstances liable to cast doubt on the company's ability to continue operating. This assessment relies on information collected up to the date of the auditors' report, keeping in mind that subsequent circumstances or events could cast doubt on the notion of going concern. If they conclude that a material uncertainty exists, they call to the attention of their report's readers the information provided in the annual financial statements concerning this uncertainty or, if the information is not disclosed or is not relevant, they issue a qualified certification or refuse to certify the financial statements;
- they assess the general presentation of the annual financial statements and determine whether the annual financial statements reflect the transactions and underlying events in a manner that provides a true picture.

Report to the Supervisory Board acting as the audit committee

We submit a report to the Supervisory Board, acting as the audit committee, which includes a description of our audit's scope and the completed assigned program, as well as the conclusions that result from our work. Where applicable, we also notify it of such material weaknesses in internal controls as we may have identified regarding the procedures relating to the preparation and processing of accounting and financial information.

The information contained in the report to the Supervisory Board acting as the audit committee includes the risks of material misstatements considered by us to have been the most significant for the audit of the annual financial statements for the year and which, accordingly, represent key audit issues that we must describe in this report.

We further provide to the Supervisory Board acting as the audit committee the statement required by article 6 of Regulation (EU) 537-2014 confirming our independence, within the meaning of the rules applicable in France, as stated, inter alia, in articles L.822-10 to L.822-14 of the French Commercial Code and in the Auditors' Professional Code of Conduct. If necessary, we meet with the Supervisory Board, acting as the audit committee, to review the risks affecting our independence and the protective measures applied in this respect.

The Auditors

Paris La Défense and Paris, July 28, 2023

KPMG S.A.	RSA
Geoffroy Muselier	**Arnaud Devoucoux**
Partner	Partner

4.5. Pro-forma information

None.

Information concerning the Company and its capital

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5.1. Capital stock

Amount and composition

The Company's capital stock is forty million euros, divided into twenty million shares, fully paid up, with a nominal value of two euros each. Shares are freely transferable. They may be held in registered or bearer form, at the shareholder's discretion.

Unissued authorised capital: several financial delegations relating to capital increases have been granted to the Management Board, and are described in section 2.4.

Potential capital: under the delegations listed below, the Management Board is authorised to carry out one or more cash capital increases of up to an aggregate of 200,000 shares or 1% of those outstanding.

Other equity securities: none.

Securities with specific rights attached: none

Delegations in effect as of March 31, 2023

See section 2.4.

Table showing changes in capital stock over the past five years

Date	Type of transactions	Change in capital	Number of shares issued/retired	Capital stock	Corresponding number of shares outstanding
		None			

5.2. Principal shareholders

Ownership of capital and voting rights as of March 31, 2023

(article L.223-13 of the French Commercial Code)

			Theoretical voting rights		Exercisable voting rights	
Shareholders	**Number of shares**	**% of capital**	**Number of rights**	**% of rights**	**Number of rights**	**% of rights**
Huvé Family	8,671,397	43.36	8,671,397	43.36	8,671,397	44.96
o/w:						
Bernard Huvé	2,721,997	13.63	2,721,997	13.63	2,721,997	14.11
Alexia Slape	1,999,800	9.99	1,999,800	9.99	1,999,800	10.37
Arnaud Huvé	1,999,800	9.99	1,999,800	9.99	1,999,800	10.37
Alban Huvé	1,949,800	9.75	1,949,800	9.75	1,949,800	10.11
Fidelity Investments (FMR)	1,959,806	9.80	1,959,806	9.80	1,959,806	10.16
Eric Matteucci	1,627,926	8.14	1,627,926	8.14	1,627,926	8.44
Employee and employee investment fund (FCPE)	261,367	1.31	261,367	1.31	261,367	1.35
Treasury shares	710,955	3.55	710,955	3.55		
Public	6,768,549	33.84	6,768,549	33.84	6,768,549	35.09
o/w:						
directly registered	1,523,843	7.62	1,523,843	7.62	1,523,843	7.90
bearer	5,244,706	26.22	5,244,706	26.22	5,244,706	27.19
TOTAL	20,000,000	100.00	20,000,000	100.00	19,289,045	100.00

In donations dated on November 30, 2020, M. Bernard Huvé granted his three children disaggregated donations under Article 787 B of the French General Tax Code.

Details of the participation and voting rights of the HUVÉ family:

	Shares held					Theoretical voting rights (OGSM)				Theoretical voting rights (EGSM)	
						appropriation of income		excluding appropriation of income			
Shareholders	Full ownership	Bare ownership	Usufruct	Total	% of capital	Number	%	Number	%	Number	%
Bernard Huvé	2,721,997		3,069,800	2,721,997	13.63	5,791,597	28.96	2,721,997	13.63	2,721,997	13.63
Alexia Slape	989,900	1,009,900		1,999,800	9.99	989,900	4.95	1,999,800	9.99	1,999,800	9.99
Arnaud Huvé	989,900	1,009,900		1,999,800	9.99	989,900	4.95	1,999,800	9.99	1999,800	9.99
Alban Huvé	900,000	1,049,800		1,949,800	9,75	900,000	4.50	1,949,800	9.75	1,949,800	9.75
Huvé Family	***5,601,797***	***3,069,800***	***3,069,800***	***8,671,397***	***43.36***	***8,671,397***	***43.36***	***8,671,397***	***43.36***	***8,671,397***	***43.36***

(1): The voting right will belong to the usufructuary for decisions on appropriation of income. For all other decisions, the voting right will belong to the bare owner of the shares thus split (Article 787 B of the French General Tax Code). In this context, Bernard Huvé will have 5,791,597 voting rights, Alexia Slape and Arnaud Huvé will each have 989,900 voting rights and Alban Huvé will have 900,000 voting rights.

To the best of the Company's knowledge, no other shareholder holds more than 5% of the capital or voting rights, either directly or indirectly, alone on jointly with other shareholders. The Company does not seek to identify the holders of bearer shares.

SII S.A. is majority owned by members of the Huvé Family. The Company's legal structure (management board and supervisory board) and the presence of independent members of the supervisory board limit the risk that control might be misused.

Changes in stock ownership

	Situations as of March 31, 2021			Situations as of March 31, 2022			Situations as of March 31, 2023		
	Number of shares	% of capital	% of voting rights	Number of shares	% of capital	% of voting rights	Number of shares	% of capital	% of voting rights
Huvé Family	8,674,457	43.37	45.18	8,674,457	43.37	45.05	8,671,397	43.36	44.96
Fidelity Investments (FMR)	2,025,000	10.13	10.55	2,198,527	10.99	11.42	1,959,806	9.80	10.16
Eric Matteucci	1,607,432	8.04	8.37	1,620,913	8.10	8.42	1,627,926	8.14	8.44
Employee and FCPE	295,853	1.48	1.54	296,836	1.48	1.54	261,367	1.31	1.36
Treasury shares	801,419	4.01	0.00	743,540	3.72	0.00	710,955	3.55	0.00
Public	6,652,410	33.26	34.36	6,465,838	32.34	33.57	6,768,549	33.84	35.09

Stock ownership reporting thresholds crossed in the previous two fiscal years

In a letter received on August 2, 2021, Mr. Eric Matteucci declared, by way of regularisation, to have crossed upwards, on October 20, 2020, the thresholds of 5% of the capital and voting rights, and to hold 1,607,432 SII shares (Notice AMF 221C1964).

In a letter received on August 31, 2021, Mr. Bernard Huvé declared, by way of regularisation, having individually crossed downwards, on October 20, 2020, the thresholds of 1/3 and 30% of the capital and voting rights, and to hold individually 3,264,457 SII shares in full ownership and 2,530,000 SII shares in usufruct. On this occasion, the Huvé family group did not cross any threshold and stated that it held 8,724,457 SII shares (AMF Notice 221C2276).

Stock ownership reporting thresholds crossed in the fiscal year ending March 31, 2023

In a letter received on December 12, 2022, the company Fidelity Management & Research, declared that it had individually crossed downwards on December 12, 2022, the thresholds of 10% of the capital and voting rights. On this occasion, FMR LCC did not cross any threshold and held, as of December 12, 2022, directly, through the companies it controls, 1,959,806 SII shares (AMF Notice 221C2675).

Employee stock ownership

Employee stock ownership as of March 31, 2023 (shares held collectively, via a PEE company saving plan and a dedicated fund).

Number of shares held: 58,145, i.e. 0.29% of the Company's capital.

Number of owners: 1,399.

Source: BNP Paribas Épargne & Retraite Entreprises - FCPE SII

Market-making agreement

A market-making agreement, which complies with the code of conduct of the French Association of Securities Industry and Financial Market Professionals (AMAFI), was entered into on September 1, 2005 by the issuer with the CIC-Securities brokerage firm. The agreement is for one-year-term, automatically renewable.

Stock buyback program

Number of own shares bought and sold by the Company during the fiscal year ended March 31, 2023:

Under the stock buyback program authorised by the shareholders' meeting of September 16, 2021 and September 22, 2022, between the first and last day of the past fiscal year the Company traded in its own shares as follows:

- Number of shares bought: 287,159
  Average purchase price: €46.25
- Number of shares sold: 290,521
  Average selling price: €45.86

Number of treasury shares at the end of fiscal year: 710,955, i.e. 3.55% of the company's capital.

Purchase value: €3,954,932

Nominal value: €1,421,910

Reason for purchase	Number of shares	% of capital
Market making	287,159	1.44%
Employee stock ownership	0	0.00%
Acquisitions	0	0.00%
Retirement	0	0.00%

Reason for sale	Number of shares	% of capital
Market making	290,521	1.45%
Retirement	0	0.00%

Shares held by the Company used during the fiscal year:

	Employee stock ownership	Acquisitions	Retirement
Shares used (number)	31,776 (*)	0	0

(*): Awards of existing shares.

The shares held by the Company have not been reallocated for any other purpose since the last authorisation granted by the shareholders' meeting.

Proposal to renew the authorisation allowing the Company to buy back its shares

We remind you that the annual shareholders' meeting of September 22, 2022 renewed the authorisation granted to the Management Board to buy back Company shares. Under this authorisation, the maximum price at which shares can be purchased was set at €65 and the buyback program was capped at €130 million. Shares may not be bought back while a public offering is in effect. The authorisation has been used as described above.

The authorisation was granted for 18 months only; at the next shareholders' meeting, the shareholders will be asked to replace the authorisation granted last year with a new authorisation for an 18-month period, subject to the following terms and conditions:

To purchase, in one or more transactions, a number of shares representing up to 10% of the shares outstanding, if necessary adjusted to reflect any increases or reductions in capital during the term of the program.

Shares may be bought back for the following purposes:

- promoting trading in the secondary market or making a market in SII shares through the intermediary of an investment service provider under a market-making agreement that complies with the AMAFI code of conduct, approved by the AMF (the French financial markets regulator);
- for delivery under stock option plans and other share allocation programs for employees and/or officers and directors, in accordance with the law, including through a profit-sharing plan, a PEE company savings plan, or share awards;
- retiring repurchased shares, in accordance with the authorisation given by the eighteenth resolution of the special shareholders' meeting on September 22, 2022;
- facilitating investments or financing transactions by exchanging shares or using shares as payment in connection with acquisitions, provided that shares bought back for this purpose do not exceed 5% of those outstanding.

Shares may be bought back by any means, including block trades, at such times as the Management Board may choose, within the limits of applicable regulations.

Shares may not be bought back while a public offering is in effect.

The Company does not intend to invest in options of financial derivatives.

The maximum purchase price of shares would be seventy five euros per share. In the event of any financing transaction such as stock split or reverse splits, the above amounts would be adjusted accordingly. The share buyback program is capped at €150 million.

Description of the share buyback program

As required by article 241-2 of the AMF General Regulation and European Regulation no. 2273/2003 of December 22, 2003, the purpose of this section is to describe the purpose, terms and conditions of the program under which the Company may buy back its own shares. The shareholders will be asked to authorise the program at the shareholders' meeting of September 21, 2023.

1. Number of equity securities held as of June 30, 2023

Number of securities held directly and indirectly: 671,726 shares representing 3.36% of the Company's capital.

Allocation of shares according to purpose

Reason for purchases	Number	Nominal value
Market making	5,508	€11,016
Acquisitions	506,341	€1,012,682
Employee stock ownership	93,985	€187,970
Retirement	65,892	€131,784

2. New share buyback program

Authorisation granted by: the shareholders' meeting of September 21, 2023.

Length of program: 18 months from the shareholders' meeting of September 21, 2023, i.e., until March 20, 2025.

Securities concerned: common shares.

Maximum percentage of shares the Company is allowed to buyback: 10 % of those outstanding (i.e. 2,000,000 shares as of today). Note that this limit will be determined on each date shares are bought back in order to factor in any capital increases or reductions that have taken place while the program is in effect. The number of shares to be taken into consideration when calculating this limit is the number of shares bought back, less the number of shares resold during the program in connection with the market-making objective.

As the Company is no longer authorised to own more than 10% of its capital, and given that it already holds 671,726 treasury shares (i.e. 3.36% of the capital), the maximum number of shares that can be bought is 1,328,274 shares (i.e. 6.64% of the capital), unless shares already held are disposed of or retired.

Buyback procedure: purchases, sales and transfers may be carried out by any means, on the stock exchange or over-the-counter, including by means of block trades; it should be noted that the resolution to be put to the shareholders does not place any limitation on the purchase of blocks of securities.

Shares may not be bought back while a public offering is in effect.

The objectives, maximum purchase price and aggregate limit of the program are stipulated in section above.

5.3. Articles of incorporation and bylaws (statuts)

Availability of legal documents

The articles of incorporation and bylaws (hereinafter "the articles and bylaws"), minutes of shareholders' meeting and other corporate documents may be examined at the Company's principal office.

Corporate purpose (article 2 of the articles and bylaws)

The purpose of the Company is:

- the provision of all IT-related services;
- the lease of all premises, the acquisition or disposal of leases;
- the direct or indirect involvement, by any means, in any transaction relating to its corporate purpose through the creation of new companies, capital contributions, the subscription or purchase of securities or interests in companies, mergers or any other transactions, the formation, acquisition, rental or lease-management of any businesses or business operations; the acquisition, purchase, exploitation or disposal of any processes or patents relating to these activities;
- and, as a general matter, any industrial, commercial, financial or non-commercial operations involving real or movable property that may be directly or indirectly related to its corporate purpose or any other similar or related purpose.

Shareholder identification procedure (article 8 of the articles and bylaws)

The shares are registered or bearer, at the choice of the shareholder. They give rise to registration in account, in accordance with the terms and conditions set out in the provisions in force.

The company may in particular request at any time, in the legal and regulatory conditions in force, against remuneration at his expense, the information provided for by the law relating to holders of bearer securities conferring, immediately or in the future, the right to vote in its shareholders' meetings, as well as the quantity of securities held by each of them and, where applicable, the restrictions to which said titles may be subject.

The company is also entitled to request within conditions set by the French Commercial Code the identity of the owners of securities when it considers that certain holders whose identity is revealed to him are owners of securities on behalf of third parties.

Double voting rights (article 9 of the articles and bylaws)

Each share gives the right to vote and to be represented at general meetings under legal and statutory conditions.

Fully paid-up shares for which registered registration for at least two years, in the name of the same shareholder, **do not benefit from double voting rights**.

In the event of a division of share ownership, the voting right shall be allocated as follows:

Where the usufructuary and/or bare owner benefit, as a result of their shares, from provisions relating to partial exemption under article 787 B of the French General Tax Code, and they have stated this in the account where their rights are registered, the voting right shall belong to the usufructuary for decisions concerning the allocation of profits, and to the bare owner for all other decisions;

In other cases, the voting right shall belong to the usufructuary in Ordinary General Meetings and to the bare owner in the Extraordinary General Meetings.

Note: Double voting rights were abolished by the special shareholders' meeting of July 20, 2018.

Management Board: appointment, term of office, compensation (article 10 of the articles and bylaws)

1. The Company is managed by a Management Board, which operates under the oversight of the Supervisory Board.

   The Management Board is composed of at least two and no more than seven members, appointed by the Supervisory Board.

2. Members of the Management Board are appointed for six-year terms, and may be re-appointed.

   No person over 65 may be appointed to the Management Board. Serving members of the Management Board who exceed this age limit will be deemed to have automatically resigned.

   Members of the Management Board may be removed from office by the annual shareholders' meeting or the Supervisory Board.

   In the case of Management Board members employed by the Company, their removal from the Management Board does not result in termination of their employment.

3. The Supervisory Board sets the Management Board members' compensation, and appoints one of them as chairman.

   The members of the Management Board meet whenever it is in the Company's interest for them to do so, and at least once every three months; meetings are called by the chairman or by one-half of the members and are held at the venue stated in the notice of meeting. Meetings may be called by any means, including by word-of-mouth.

   The chairman of the Management Board chairs the meetings.

   At least half of the Management Board's members must be present for it to validly transact business.

   Decisions must be approved by a majority of the members present; voting by proxy is prohibited.

   In the event of a tie, the chairman of the meeting has the casting vote.

Management Board: powers and duties (article 11 of the articles and bylaws)

1. The Management Board shall be vested with the broadest powers to act under any circumstances on behalf of the Company, within the limit of the corporate purpose and subject to those expressly conferred by law on the Supervisory Board and shareholders' meetings. It shall establish guidelines for the Company's activity and ensure that they are implemented in accordance with its social interests, taking into account the social and environmental issues surrounding its activity.

   In dealings with third parties, the Company will be bound by the actions of the Management Board that are ultra vires, unless it can show that the third party was aware that the action was ultra vires or could not have been unaware of it under the circumstances; publication of the articles and bylaws alone will not be accepted as sufficient evidence thereof.

   However, as an internal rule that is not binding on third parties, except in the cases provided for by law, the sale of tangible real property, the transfer or partial transfer of equity interests, the granting of security interests, including collateral, guarantees and endorsements, the lending of funds, the borrowing of funds, the purchase, exchange or sale of businesses, the purchase or exchange of buildings, the incorporation of companies, capital contributions to existing or future companies, and any acquisition or disposal of interests, require the prior authorisation of the Supervisory Board whenever the aggregate amount exceeds €250,000.

   In addition to the foregoing, the Management Board is authorised to grant loans or advances to employees, subject to individual and aggregate limits to be determined by the Supervisory Board.

   The Management Board convenes shareholders' meetings, sets the meetings' agendas and implements their resolutions.

2. The Management Board must present a report to the Supervisory Board at least every quarter. Within three months of the end of each fiscal year, it must submit the annual financial statements to the Supervisory Board for verification and audit, together with the consolidated financial statements, if applicable.

3. The chairman of the Management Board represents the Company in dealings with third parties.

   The Supervisory Board may also authorise one or more members of the Management Board to represent the Company in the same way, by appointing them as executive officers.

   All documents binding the Company with regard to third parties must be signed by the chairman of the Management Board, one of the executive officers or any duly authorised representative.

Supervisory Board: appointment, term of office, compensation (article 12 of the articles and bylaws)

1. The Supervisory Board is composed of at least three and no more than 18 members, subject to the exceptions allowed by law.

   Members, who must be shareholders and may be either individuals or legal entities, are appointed by the annual shareholders' meeting. In the event of a merger or split-up, members may be appointed by a special shareholders' meeting.

   Supervisory Board members may not at the same time be members of the Management Board.

2. Supervisory Board members are appointed for six-year terms, expiring at the close of the annual shareholders' meeting called in the year in which their term expires to approve the financial statements for the previous fiscal year.

   They may be re-appointed. They may be removed from office at any time by the annual shareholders' meeting.

   No more than one-third of the serving members of the Supervisory Board may be aged 85 or older.

3. Each member of the Supervisory Board must hold five shares of the Company's stock.

   Members of the Supervisory Board who do not hold the requisite number of shares on the day of their appointment or who cease to hold the requisite number during their term of office will be deemed to have automatically resigned unless they remedy the situation within six months.

4. If, at the end of a fiscal year, the employees of the Company and its affiliates (within the meaning of article L.225-180 of the French Commercial Code) hold more than 3 percent of the shares outstanding, subject to the provisions of article L.225-102 of the Code (shares held collectively on behalf of employees or to which they do not have free access), a member of the Supervisory Board will be appointed by the annual shareholders' meeting to represent employee shareholders, in accordance with the applicable regulations and these articles and bylaws.

   Candidates to represent employee shareholders on the Supervisory Board are nominated as follows:

   a) When the voting rights attached to shares held by employees or employee investment funds are exercised by members of the investment funds' Supervisory Boards, the candidates are nominated by the Supervisory Board.

   b) When the voting rights attached to the shares held by employees or by employee investment funds are directly exercised by the employees, the candidates are nominated in the manner described in article L.225-106 of the French Commercial Code, i.e., by a meeting of employee shareholders held specifically for that purpose or by a written poll.

   The terms and conditions relating to the nomination of candidates that are not defined in the applicable laws and regulations or these articles and bylaws are determined by the chairman of the Supervisory Board,

including the timetable for nominating candidates.

A list of all validly nominated candidates is drawn up. It must contain at least two names. The list of candidates is appended to the notice of the shareholders' meeting called to appoint the member of the Supervisory Board representing employee shareholders.

The member of the Supervisory Board who represents employee shareholders is appointed by the annual shareholders' meeting in accordance with the terms and conditions applying to all appointments of Supervisory Board members, with the exception of the member's term of office.

The Supervisory Board submits the list of candidates to the shareholders' meeting in order of preference. The candidate who receives the most votes from the shareholders present or represented at the annual shareholders' meeting will be appointed as the Supervisory Board member representing employee shareholders.

This member is not included when calculating the maximum number of members of the Supervisory Board pursuant to article L.225-69 of the French Commercial Code.

Members of the Supervisory Board representing employee shareholders are appointed for three-year terms. However, their term of office automatically ends and they are deemed to have automatically resigned in the event they cease to be employed by the Company (or an affiliated company or economic interest group within the meaning of article L.225-180 of the French Commercial Code) or cease to be a shareholder. The Supervisory Board may continue to meet and validly transact business until the member representing employee shareholders is appointed or re-appointed.

In the event the employee shareholder representative's seat on the Board falls vacant, irrespective of the reason, the representative will be replaced in accordance with the procedure described above and will be appointed by the next shareholders' meeting for a three-year term.

The provisions relating to this article will cease to apply whenever, at the end of a fiscal year, the shares held by the employees of the Company and its affiliates within the meaning of above-mentioned article L.225-180, as provided for in above-mentioned article L.225-102, amount to less than 3 percent of those outstanding, in which case the Supervisory Board member's appointment in accordance with this article will end upon the expiration of his or her term of office.

The provisions of paragraph 3 of this article do not apply to the employee shareholder representative. However, the representative must hold, either individually or through an employee investment fund governed by article L.214-40 of the French Monetary and Financial Code (Code monétaire et financier), at least one share or a number of units in said fund corresponding to at least one share.

5. Under article L.225-79-2 of the Commercial Code, the Supervisory Board also includes one or more employee representatives.

   Two Board members shall represent employees where the number of Board members appointed in accordance with the procedures referred to in article L.225-75 I is greater than eight, and one where the number is equal to or less than eight.

   Where the number of Board members appointed in accordance with the procedures referred to in article L.225-75 I of the French Commercial Code exceeds eight, a second member of the Board representing the employees shall be appointed in accordance with the previous below, within six months after co-optation by the board or appointment by the General Meeting of the new Board member.

   Where the number of members of the Board appointed in accordance with the procedures referred to in article L.225-75 I of the French Commercial Code becomes less than eight, this reduction shall not affect the term of office on any employee representatives on the Board, who shall serve their normal term.

   The employee representative(s) on the Supervisory Board is/are appointed for a six-year term by the company's works' council.

   In the event an employee representative on the Supervisory Board's seat on the Board falls vacant, irrespective of the reason, the representative shall be replaced as provided by article L.225-34 of the French Commercial Code.

   As an exception to the rule stated in article 12, paragraph 3 of these articles and bylaws for Supervisory Board members appointed by the shareholders' meeting, employee representatives on the Supervisory Board are not required to own a minimum number of shares.

6. The Supervisory Board elects a chairman and vice-chairman from among those of its members who are individuals. They are responsible for calling board meetings and overseeing the proceedings. They are elected to terms equal in length to their terms on the Supervisory Board. The board determines their compensation, if any.

7. The board meets whenever it is in the Company's interest for it to do so. Meetings may be called by any means, including by word of mouth. Meetings are held at the Company's principal office or any other venue stipulated in the meeting notice.

   However, the chairman of the Supervisory Board must call a meeting, to be held within no more than 15 days, whenever at least one member of the Management Board or at least one-third of the members of the Supervisory Board submit a reasoned request for a meeting to be held.

   Members of the Supervisory Board may authorise another member to represent them at a Board meeting by any means, providing evidence can be produced thereof.

At least half of the members must be physically present for the Supervisory Board to validly transact business.

Decisions are taken by a majority of the votes of the members present or represented; each member present or represented has one vote and each member present may act as proxy for only one other member.

In the event of a tie, the chairman of the meeting has the casting vote.

The chairman of the Supervisory Board may decide that members may participate in a meeting by means of video conference or any other telecommunication methods that allow them to be identified and guarantee that they can effectively take part in the meeting; use of such measures is prohibited when the purpose of the board meeting is to verify and audit the annual and consolidated financial statements.

Supervisory Board: powers and duties (article 13 of the articles and bylaws)

The Supervisory Board supervises the management of the Company by the Management Board at all times.

At any time of the year it may carry out the checks and controls it considers appropriate, and may request and obtain any documents it considers necessary to perform its duties.

It appoints the members of the Management Board and determines their compensation; it may also remove them from office.

It designates the chairman of the Management Board and, if applicable, the executive officers.

It convenes shareholders' meetings if the Management Board fails to do so.

As an internal measure that is not binding on third parties, it grants the Management Board prior authorisation to perform the transactions referred to in article 11 above.

It submits to the annual shareholders' meeting its observations on the Management Board's report and the financial statements for the fiscal year.

The transfer of the registered office to French territory maybe decided by the Supervisory Board subject to ratification by the next Ordinary General Meeting.

The Supervisory Board may grant special powers to one or more of its members for one or more specific purposes.

Shareholders' meetings (article 16 of the articles and bylaws)

Shareholders' meetings are convened in accordance with the law; meetings are held at the Company's principal office or any other venue stated in the meeting notice.

All shareholders may participate in shareholders' meetings, irrespective of the number of shares they hold.

Subject to the legal provisions, all members of the shareholders' meeting are entitled to a number of votes corresponding to the number of shares they hold or represent.

Shareholders may be represented by any individual or legal entity of their choice, in accordance with the applicable regulations.

Shareholders who are legal entities may attend shareholders' meetings through their legal representatives or any representative specifically appointed for that purpose.

Shareholders may vote by mail using a vote-by-mail ballot; the information to be included on the ballot is specified in the applicable regulations.

The ballot form may be part of the same document as the proxy form.

The mail ballot and the proxy form must be signed by the shareholder concerned, if necessary using a secure digital signature process within the meaning of Decree no. 2001-272 of March 30, 2001 implementing article 1316-4 of the French Civil Code (Code Civil), or a digital signature process approved by the Management Board and consisting of the use of a reliable identification process that guarantees that it is linked to the instrument to which it is attached.

Shareholders may use the remote electronic voting form or proxy form available on the Company's website, provided the document is received by the Company no later than 3 p.m. (Paris time) on the day before the shareholders' meeting. The electronic form must be digitally signed, as indicated in this article.

Participation in shareholders' meetings, in any manner whatsoever, shall be contingent on the shares being deposited in accounts in accordance with the conditions and at the time required by applicable regulations.

The Supervisory Board may accept ballots and proxy forms that are received by the Company after the deadline set in the applicable regulations.

Shareholders' meetings are chaired by the chairman of the Supervisory Board or, in his absence, by the vice chairman of the Supervisory Board or a member of the Supervisory Board to whom authority is specifically delegated for that purpose by the Board. Failing that, the meeting will appoint a chairman.

Annual and special shareholders' meetings, voting in accordance with the respective quorum and majority requirements applicable to them, exercise those powers determined by law.

Appropriation and distribution of income (article 18 of the articles and bylaws)

Whenever the financial statements for the fiscal year, as approved by the shareholders' meeting, show income available for distribution, as defined by law, the shareholders' meeting allocates such income to one or more reserve accounts for a specific appropriation or use, allocates it to retained earnings, or distributes it.

The shareholders' meeting may resolve to give shareholders the choice of receiving some or all of any distributed dividend or interim dividend in either cash or shares, in accordance with the law.

Modification of shareholders' rights

Shareholders' rights may be modified in accordance with the applicable laws and regulations.

Crossing of mandatory thresholds

Shareholders are not required to report that they have crossed ownership thresholds.

Changes in capital

Capital stocks and the rights attaching to shares may be modified in accordance with the law, to the extent that the company's articles and bylaws do not contain more restrictive provisions.

Provisions which could delay, defer or prevent a change in control

The articles and bylaws do not contain any provisions which could delay, defer or prevent a change in control.

5.4. Information on and history of the Company's legal existence during the period

Name and principal office

SII

8, rue des Pirogues de Bercy – 75012 Paris.

Tel: +33 (0)142 848 222

Date of incorporation and term

SII was incorporated on February 21, 1979 for 99 years, subject to extension or early dissolution pursuant to a resolution adopted at a special shareholders' meeting.

The Company was initially incorporated as a limit liability company (société à responsanilité limitée), and was transformed into a corporation (société anonyme) on June 13, 1985. As a French corporation, the Company initially had a board of directors until December 20, 2007, when it switched to a management board and a supervisory board.

Place of registration and registration number

SII is registered in the Paris Trade and Companies Register under number 315 000 943.

Its business code (NAF code) is 6202A "IT systems and software consulting services".

Governing law

The Company is governed by French law.

Legal form

A French corporation (société anonyme) with a management board and a supervisory board.

Fiscal year

The fiscal year begins on April 1st and ends on March 31st of each year.

5.5. Information on equity investments

The equity investments of SII S.A., the Group's parent company, are described in section 1.2.2. (Organisation chart) and note 4.a.3. to the consolidated financial statements (Consolidated entities).

5.6. Regulated agreements

No regulated agreement was entered into during the period.

No regulated agreement previously entered into remained in effect during the period.

Auditors' special report on regulated agreements

Shareholders' meeting to approval the financial statements of the fiscal year ended on March 31, 2023

To the Shareholders meeting of SII S.A.,

In our capacity as your company's auditors, we hereby submit to you our report on regulated agreements.

Based on the information provided, we are required to report on the main terms and conditions of agreements that have been disclosed to us or that we have discovered in the course of our assignment, without expressing an opinion on their relevance or substance. We do not have an obligation to determine whether any other agreements exist. Pursuant to article L.225-58 of the French Commercial Code (*Code de commerce*), it is your responsibility to determine whether the agreements are appropriate and should be approved.

When applicable, we are also required to provide you with the information governed by L.225-58 of the French Commercial Code on the performance during the past fiscal year of agreements previously approved by the shareholders' meeting.

We have performed the procedures that we considered necessary relating to this assignment, in accordance with the professional standards of the French National Society of Financial Auditors (*Compagnie Nationale des Commissaires aux Comptes*). These procedures consisted of verifying that the information given to us was consistent with that contained in source documents.

Agreements requiring approval by the shareholders' meeting

Authorised agreements concluded during the year

We have not been informed of any agreement authorised during the past fiscal year which requires approval by the shareholders' meeting pursuant to article L.225-86 of the French Commercial Code.

Agreements already approved by the shareholders' meeting

We have not been informed of the continued performance over the past fiscal year of any agreement previously approved by the shareholders' meeting.

The Auditors

Paris La Défense and Paris, July 28, 2023

KPMG S.A.	RSA
Geoffroy Muselier	**Arnaud Devoucoux**
Partner	Partner

5.7. Employees

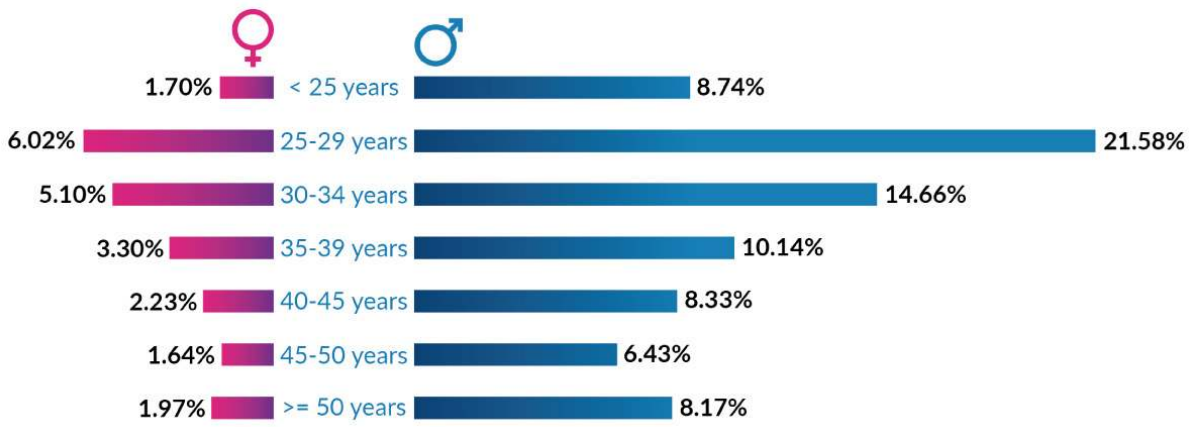
The information contained in this section pertains exclusively to SII S.A., the Group's parent company, which is based in France.

The equivalent information concerning all SII Group entities can be found in section 3.3 of part 3.

Breakdown of employees by type of employment contract (March 31, 2023)

	Women	Men	Total
Permanent contract	1,058	3,762	4,820
Fixed-term contract	3	1	4
Internship contract	1	5	6
Apprenticeship	10	44	54
Total	1,072	3,812	4,884

Breakdown of employees by age (March 31, 2023)

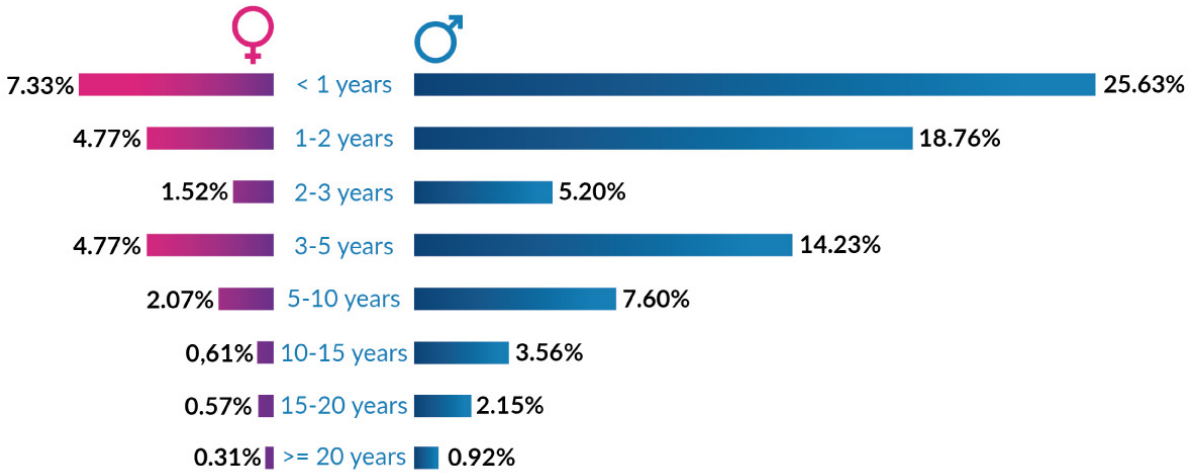


The average age of SII employees was 35.39 years as at 3/31/2023; (35.67 years as at 3/31/2022)

Breakdown of employees by category (March 31, 2023)

In %	Women	Men	Total
Executives	19.82%	74.57%	94.39%
Employees, technicians and supervisors	2.13%	3.48%	5.61%
Total	21.95%	78.05%	100.00%

Breakdown of employees by length of service (March 31, 2023)



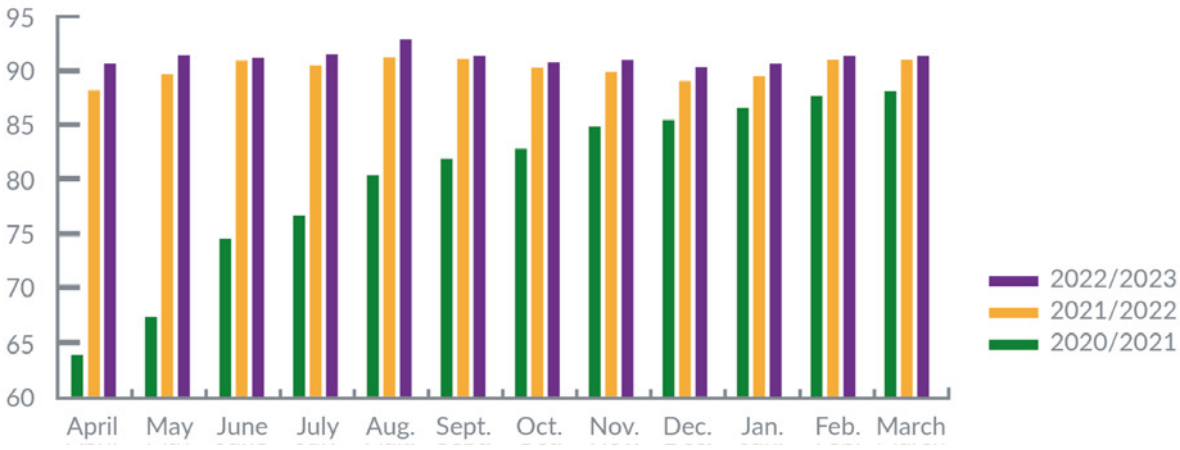
The average length of service SII employees was 3.29 years as at 3/31/2023; (3.50 years as at 3/31/2022)

Changes in the ratio of indirect employees (annual average)

So-called "indirect" employees are "non-billable" employees.

Billable Hours Ratio (exclusive of paid leaves)

This is one of the main operating parameters for a service company. This parameter is the "ratio of billable employees billed to total billable employees". The ratio is calculated every month on the basis of activity reports. It is an adjustment variable between responsiveness (availability of employees with ad hoc skills) and profitability (the cost of employees remains constant whether or not they are billed).



The average ratio for the year was 91.01 percent, increased by 0.96 points from the previous year, when it was 90.05 percent.

Hiring and job creation

In fiscal year 2022-2023:

- the company hired 1,837 new employees;
- turnover, calculated on the basis of voluntary employee departures to the year's average headcount, was 28.0%;
- 226 jobs were created.

Outsourcing and temporary staff

The Company makes moderate use of outsourcing.

In fiscal year 2022-2023:

- outsourcing represented €41,123k (9.6% of total revenue);
- the cost of temporary staff was €368k.

Layoff or job protection plan

None.

Organisation of working time

Company-wide agreement on reduced working time, based on the sector-wide collective agreement (Syntec):

- system 1: 3,145 employees;
- system 2: 1,555 employees,
- system 3: 117 employees,
- employees not covered by the reduce working time agreement: 67 employees.

Part-time work

- 50% or less: 5 employees;
- More than 50%: 118 employees.

Internship

- Number of hours' training: 71,762 hours.
- Cost as a % of payroll: 2.82 %.

Works' council and service projects

The budget allocated to the various works' councils corresponds to 1% of payroll, plus 0.22% for operating expenses, for a total of €2,598k in fiscal 2022-2023.

Profit-sharing

Since the 2015/2016 fiscal year, SII has had a profit-sharing agreement that shares more profit than is legally required. A new amendment was signed on 3/15/2022 for improve the participation calculation a second time. These agreements is part of the PEE company savings plan and allows employees to select an investment vehicle from among six funds, including an employee investment fund that invests in SII shares and to so-called "socially responsible" funds.

Fiscal year	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Profit-sharing (€000)	2,103	998	0	2,656	4,027
Average monthly salary	17%	8%	0%	17%	23%

Employment and integration of workers with disabilities

As of 3/31/2023, the Company employed 96 people with disability. SII has signed, on September 18, 2020, its fifth company-wide agreement on the employment of workers with disabilities for a period of three years.

Employee satisfaction survey

The annual survey contains a dozen questions, three of which (listed below) are used to measure "employee satisfaction"

	Nov. 2021	Nov. 2022
SII is the same as or better than other IT services companies	92%	92%
Satisfaction with branch office management	81%	81%
Responsiveness and sales follow-up	84%	84%

5.8. Five Year financial summary

Fiscal year-end date	3/31/2023	3/31/2022	3/31/2021	3/31/2020	3/31/2019
Length (months)	12	12	12	12	12
CAPITAL AT YEAR END					
Capital stock	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000
Share outstanding					
- common	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
- preferred					
Maximum number of shares to be created					
TRANSACTIONS AND RESULTS					
Net revenue	429,011,959	382,655,629	313,690,573	346,355,760	308,489,245
Income before tax, employee profit sharing, depreciation and provisions	37,880,505	33,362,043	9,669,455	22,526,492	26,889,216
Corporate income tax	3,646,637	3,540,363	-1,990,781	3,865,711	5,977,365
Employee profit sharing	4,027,139	2,656,442		998,259	2,103,043
Depreciation allowances and provisions	985,947	2,563,156	8,883,331	4,583,264	2,230,420
Net income	29,220,781	24,602,082	2,776,905	13,079,259	16,578,388
Distributed earnings (1)	10,000,000 (*)	8,000,000	3,000,000	2,000,000	4,000,000
EARNINGS PER SHARE (€)					
Income before tax, employee profit sharing, depreciation and provisions	1.51	1.36	0.58	0.88	0.94
Income after tax, employee profit sharing, depreciation and provisions	1.46	1.23	0.14	0.65	0.83
Dividend per share	0.50 (*)	0.40	0.15	0.10	0.20
EMPLOYEES					
Average headcount	4,788	4,395	4,073	3,812	3,334
Total payroll	222,372,583	202,062,318	172,483,078	180,917,889	148,356,762
Fringe benefits (social security, employee benefits, etc.)	89,407,201	80,429,469	72,080,806	72,084,921	63,612,212

(*): dividend proposal to the shareholders' meeting of September 21, 2023

(1): including dividends earned by treasury shares, not paid out and added to retained earnings

Additional information

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6.1. Person responsible for the annual financial report

Person responsible for the annual financial report

Mr. Eric Matteucci – Chairman of the Management Board.

Person responsible for information

Mr. Eric Matteucci.

Tel.: +33 (0)142 848 222 – e-mail: ematteucci@sii.fr

Declarations by the person responsible for the annual financial report

I certify that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair picture of the assets and liabilities, financial position and income of the Company and all entities included in the consolidation, and that the management report (see Cross-reference table in section 8.1) presents an accurate view of changes in the business, results and financial position of the Company and all entities included in the consolidation, together with a description of the main risks and uncertainties they face.

Paris, July 31, 2023

Chairman of the Management Board Eric MATTEUCCI

6.2. Independent auditors

Persons responsible for auditing the financial statements

Principal auditors

RSA	KPMG S.A.
11-19, avenue de Friedland	Tour Eqho
75008 Paris92066	2, avenue Gambetta
Represented by Mr. Arnaud Devoucoux	Paris La Défense Cedex
Partner	Represented by Mr. Geoffroy Muselier
	Partner

Date of appointments

Reappointed at the annual shareholders' meeting of 9/16/2021	Reappointed at the annual shareholders' meeting of 9/19/2017

Term of office and expiration

From 9/16/2021 to the shareholders' meeting called to approve the financial statement for the fiscal year ended March 31, 2027.	From 9/19/2017 to the shareholders' meeting called to approve the financial statement for the fiscal year ended March 31, 2023.

Alternate auditors

None

Auditors' fees

	K.P.M.G.		RSA	
	2021/2022	2022/2023	2021/2022	2022/2023
Audit				
- Auditors				
- Audit and certification of financial statements				
Group's parent company	119,348	121,293	94,750	85,909
Subsidiaries	26,831	29,602		
Other assignments	None	None	None	None
Other services				
- Legal, tax, labour relations				
- Data processing	None	None	None	None
- Internal audit				
- Other services				
TOTAL	146,179	150,895	94,750	85,909

Most services provided by the auditors concerned the audit of financial statements.

6.3. Information provided by third parties, expert opinions and declarations of interest

None.

6.4. Public documents

All the documents in the list below may be consulted on physical support at the registered office of SII S.A. France – (8 rue des Pirogues de Bercy – 75012 Paris):

- The Articles of Association of the Company (statuts);
- All reports, letters and other documents, historical financial information, evaluations and statements prepared by an expert at the request of the issuer, part of which is included or referred to in the registration document;
- The historical financial information of the Group for each of the two financial years preceding this publication.

All of the Company's press releases and its Annual Financial Report are available on the SII website at: http://www.sii-group.com in section "Investors – Regulated information".

Scheduled dates of financial statements

Financial announcements pertaining to the SII Group	Date (*)	Negative windows(**)
Fiscal 2023-2024 first quarter revenue	8/10/2023 after close of trading	from 7/26/2023 to 8/10/2023
Shareholders' meeting called to approve the financial statements for the fiscal year ended March 31, 2023	9/21/2023	
Fiscal 2023-2024 second quarter revenue	11/14/2023 after close of trading	from 10/30/2023 to 11/14/2023
Fiscal 2023-2024 first-half results	11/29/2023 after close of trading	from 10/30/2023 to 11/29/2023
SFAF Financial analysts meeting – first half results	11/30/2023	
Fiscal 2023-2024 third quarter revenue	2/13/2024 after close of trading	from 1/29/2024 to 2/13/2024
Fiscal 2023-2024 annual revenue	5/14/2024 after close of trading	from 4/29/2024 to 5/14/2024
Fiscal 2023-2024 annual results	6/10/2024 after close of trading	from 5/11/2024 to 6/10/2024
SFAF Financial analysts meeting – annual results	6/11/2024	
Shareholders' meeting called to approve the financial statements for the fiscal year ended March 31, 2024	9/20/2024	

(*) Tentative timetable subject to changes or deferrals.

(**) The Code of Ethics established by the company in accordance with AMF recommendation no. 2016-08 of September 5, 2016 has defined negative windows during which insiders (including company representatives) are required to refrain from all transactions in the Company's securities.

Shareholders' meeting of September 21, 2023

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7.1. Grounds for the resolutions

The explanation below of the grounds for resolutions is the section of the Management Board's report which deals with the resolutions that will come before the annual and special shareholders' meeting of September 21, 2023.

- The Shareholders will be asked to approve the company financial statements for the year ended March 31, 2023, which show net income of €29,220,781 and non-deductible expenses of €176,181 (consisting of non-deductible lease payments on private vehicles), and the consolidated financial statements for the year ended March 31, 2023, which show net income after minority interests of €80,458,938.

When combined with the previous balance of retained earnings of €597,064, the company's net income for the year ended March 31, 2023 brings total distributable earnings to €29,817,845. It is accordingly suggested:

- €10,000,000 be distributed as dividends in the form a gross dividend of 0.50 euros per share, in line with the company's policy. The dividend payment date would be September 29, 2023 and the shares would trade ex-dividend from September 27, 2023;
- €19,500,000 be allocated to "other reserves", in order to bring the "other reserves" account to €136,500,000
- The balance of €317,845 be allocated to retained earnings.

A required by article 243bis of the French General Tax Code (CGI), we further remind you that the following dividends were paid out over the course of the past three fiscal years:

For the fiscal year ended	Income eligible for a tax abatement		Income not eligible for a tax abatement
	Dividends	*Other income distributed*	*a tax abatement*
3/31/2020	€2,000,000 (*) or €0.10 per share	-	-
3/31/2021	€3,000,000 (*) or €0.15 per share	-	-
3/31/2022	€8,000,000 (*) or €0.40 per share	-	-

(*):including the unpaid dividends on treasury shares, allocated to retained earnings

(First through third resolution)

- The shareholders will be asked to note the absence of new agreements in the auditors' special report. *(Fourth resolution)*
- The mandate of KPMG SA as statutory auditor expiring at the end of the meeting and cannot be renewed, the meeting will be asked to decide on the appointment of his replacement. *(Fifth resolution)*
- In accordance with articles L.22-10-26 II of the French Commercial Code, the compensation policy pertaining to the chairman of the Management Board, the other members of the Management Board, the chairman of the Supervisory Board and the other members of the Supervisory Board, will be submitted to the shareholders' meeting for approval. This compensation policy is set forth in a report in subsection 2.3 of the 2022-2023 Annual Financial Report. *(Sixth to Ninth resolutions)*
- In accordance with article L.22-10-34 I of the French Commercial Code, the meeting shall be asked to approve the compensation paid or allocated to the members of the Management Board and the Supervisory Board for the year ended March 31, 2023. These compensations are described in the subsection 2.2.1 and 2.2.2 of the 2022-2023 Annual Financial Report. *(Tenth resolutions)*
- In accordance with article L.22-10-34 II of the French Commercial Code, all the elements of the compensation due or paid, for the fiscal year 2022-2023, to all the members of the Management Board and all the members of the Supervisory Board, will be submitted to the shareholders' meeting for approval. All these elements are described in subsection 2.2.1 and 2.2.2 of the 2022-2023 Annual Financial Report. *(Eleventh to sixteenth resolutions)*
- Regarding financial matters, the shareholders will be asked to:
  - extend, for an additional eighteen months, the authority delegated to the Management Board to purchase up to ten percent of the company's shares outstanding, for up to €75 per share, or a maximum of €150,000,000, for the purpose of: making a market in the shares, financing acquisitions, offering shares to employees, meeting the needs arising from the conversion of securities or the exercise of options and warrants, possibly retiring shares (in accordance with the authorisation given by the eighteenth resolution of the special shareholders' meeting on September 22, 2022), within the limits and on the terms and conditions set by the regulations. *(Seventeenth resolution)*

Acknowledgements

The Management Board invites the shareholders to vote in favour of the resolution submitted to them.

The Management Board

7.2. Resolutions before the annual shareholders' meeting of September 21, 2023

Agenda

- Approval of the annual financial statements for the fiscal year ended March 31, 2023, approval of non-deductible expenses;
- Approval of the consolidated financial statements for the fiscal year ended March 31, 2023;
- Appropriation of income and declaration of a dividend;
- Auditors' special report on regulated agreements – Absence of new agreements;
- Appointment of RSM Paris as statutory auditor;
- In accordance with the article L.22-10-26 II of the French Commercial Code, approval of the policy of compensation allocated to the chairman of the Management Board;
- In accordance with the article L.22-10-26 II of the French Commercial Code, approval of the policy of compensation allocated to the other members of the Management Board;
- In accordance with the article L.22-10-26 II of the French Commercial Code, approval of the policy of compensation allocated to the chairman of the Supervisory Board;
- In accordance with the article L.22-10-26 II of the French Commercial Code, approval of the policy of compensation allocated to the other members of the Supervisory Board;
- In accordance with the article L.22-10-34 I of the French Commercial Code, approval of the compensation elements paid or granted to all the officers of the company for the fiscal year ending on March 31, 2023;
- Approval of the compensation elements paid or granted to Management Board chairman Eric Matteucci for the fiscal year ended March 31, 2023;
- Approval of the compensation elements paid or granted to Management Board member Didier Bonnet, from September 8, 2022 for the fiscal year ended March 31, 2023;
- Approval of the compensation elements paid or granted to Management Board member François Goalabré for the fiscal year ended March 31, 2023;
- Approval of the compensation elements paid or granted to Management Board member Antoine Leclercq for the fiscal year ended March 31, 2023;
- Approval of the compensation elements paid or granted to Management Board member Charles Mauclair for the fiscal year ended March 31, 2023;
- Approval of the compensation elements paid or granted to Supervisory Board chairman Bernard Huvé for the fiscal year ended March 31, 2023;
- Authorisation to the Management Board to have the Company buy back its own shares, as provided for in article L.22-10-62 of the French Commercial Code (Code de commerce), validity of the authorisation, purpose, terms and conditions, ceiling;
- Power for formalities.

Draft resolutions

First resolution – Approval of the annual financial statements for the fiscal year ended March 31, 2023, approval of non-deductible expenses

The Shareholders, having heard the reports by the Management Board, the Supervisory Board and the auditors concerning the fiscal year ended March 31, 2023, approve the annual financial statements for that period, as submitted to them, showing net income of €29,220,781.

The Shareholders specifically approve the total expenses of €176,181 governed by article 39-4 of the French Tax Code (*Code Général des Impôts*), and the corresponding tax.

Second resolution – Approval the consolidated financial statements for the fiscal year ended March 31, 2023

The Shareholders, having heard the reports by the Management Board, the Supervisory Board and the auditors concerning the fiscal year ended March 31, 2023, approve these financial statements, as submitted to them, showing net income after minority interests of €80,458,938.

Third resolution – Appropriation of income and declaration of a dividend

Voting on a proposal by the Management Board, the shareholders' meeting resolves to appropriate income for the fiscal year ended March 31, 2023 as follows:

Source	
Income for the 2022-2023 fiscal year	€29,220,781
Retained earnings	€597,064
Income available for distribution	€29,817,845
Appropriation	
Dividends (*1)	€10,000,000
Other reserves (*2)	€19,500,000
Retained earnings	€317,845

*(*1): The Shareholders note that the total gross dividend per share is €0.50.*

It should be noted that dividends paid out to individuals who are French tax residents are subject to a flat-rate tax of 30 percent, unless those individuals elect to include such dividends in income subject to progressive income tax, in which case all payments received qualify for the 40-percent allowance provided by article 158 3(2) of the General Tax Code.

*(*2): In order to bring the account "Others reserves" to €136,500,000.*

The ex-dividend date will be September 27, 2023.

The dividend payment date will be September 29, 2023.

The Shareholders note that if the Company holds treasury shares on the ex-dividend date, the amounts corresponding to dividends not paid on those shares will be allocated to retained earnings.

As required by article 243 bis of the General Tax Code (CGI), the table below shows the dividends and other earnings distributed the previous three years, as well as, where applicable, their eligibility for the 40-percent allowance provided by article 158 3(2) of the General Tax Code, to which individuals residing in France are entitled.

For the fiscal year ended	Income eligible for the allowance provided by article 158 3(2) of the CGI		Income not eligible for the allowance provided by article 158 3(2) of the CGI	
	Dividends	Other income distributed	Dividends	Other income distributed
3/31/2020	€2,000,000 (*)or €0.10 per share	-		-
3/31/2021	€3,000,000 (*)or €0.15 per share	-		-
3/31/2022	€8,000,000 (*)or €0.40 per share	-		-

(*):including the unpaid dividends on treasury shares, allocated to retained earnings

Fourth resolution – Auditors' special report on regulated agreements – Absence of new agreements

The Shareholders, having heard the auditors' special report indicating the absence of agreements governed by article L.225-86 et seq. of the French Commercial Code, acknowledge this fact.

Fifth resolution – Appointment of RSM Paris as statutory auditor

Voting on a proposal by the Supervisory Board, the Shareholders appoint RSM Paris, to replace KPMG S.A., whose term expires at the end of this meeting, to serve as statutory auditor for a term of six years, either until the end of the annual Ordinary Shareholders' Meeting to be held in 2029 to approve the financial statements for the financial year ended March 31, 2029.

Sixth resolution – In accordance with the article L.22-10-26 II of the French Commercial Code, approval the policy of compensation allocated to the chairman of the Management Board

The Shareholders, having reviewed the Board's report on corporate governance and in accordance with articles L.22-10-26 II of the French Commercial Code, approve the policy of compensation allocated to the chairman of the Management Board, as reported in subsection 2.3 of the Annual Financial Report 2022-2023.

Seventh resolution – In accordance with the article L.22-10-26 II of the French Commercial Code, approval the policy of compensation allocated to the other members of the Management Board

The Shareholders, having reviewed the Board's report on corporate governance and in accordance with articles L.22-10-26 II of the French Commercial Code, approve the policy of compensation allocated to the other members of the Management Board, as reported in subsection 2.3 of the Annual Financial Report 2022-2023.

Eighth resolution – In accordance with the article L.22-10-26 II of the French Commercial Code, approval the policy of compensation allocated to the chairman of the Supervisory Board

The Shareholders, having reviewed the Board's report on corporate governance and in accordance with articles L.22-10-26II of the French Commercial Code, approve the policy of compensation allocated to the chairman of the Supervisory Board, as reported in subsection 2.3 of the Annual Financial Report 2022-2023.

Ninth resolution – In accordance with the article L.22-10-26 II of the French Commercial Code, approval the policy of compensation allocated to the other members of the Supervisory Board

The Shareholders, having reviewed the Board's report on corporate governance and in accordance with articles L.22-10-26 II of the French Commercial Code, approve the policy of compensation allocated to the other members of the Supervisory Board, as reported in subsection 2.3 of the Annual Financial Report 2022-2023.

Tenth resolution – In accordance with the article L.22-10-34 I of the French Commercial Code, approval of the compensation elements paid or granted to all the officers of the company for the fiscal year ending of March 31, 2023

The Shareholders, having reviewed the Board's report on corporate governance and in accordance with article L.22-10-34 I of the French Commercial Code, approve the information mentioned in the article L.22-10-9 I of the French Commercial Code related to the compensation allocated or granted to the officers of the company for the fiscal year ended on March 31, 2023, as reported in subsection 2.2.1 and 2.2.2 of the Annual Financial Report 2022-2023.

Eleventh resolution – Approval of the compensation elements paid or granted to Management Board chairman Eric Matteucci for the fiscal year ended March 31, 2023

The Shareholders, having reviewed the Board's report on corporate governance and in accordance with article L.22-10-34 II of the French Commercial Code, approve the fixe, variable and special elements of the total compensation and benefits of all kinds allocated or granted to Eric Matteucci, chairman of the Management Board, for the fiscal year ended on March 31, 2023, as reported in subsection 2.2.2 of the Annual Financial Report 2022-2023.

Twelfth resolution – Approval of the compensation elements paid or granted to Management Board member, from September 8, 2022, Didier Bonnet for the fiscal year ended March 31, 2023

The Shareholders, having reviewed the Board's report on corporate governance and in accordance with article L.22-10-34 II of the French Commercial Code, approve the fixe, variable and special elements of the total compensation and benefits of all kinds allocated or granted to Didier Bonnet, member of the Management Board from September 8, 2022, for the fiscal year ended on March 31, 2023, as reported in subsection 2.2.2 of the Annual Financial Report 2022-2023.

Thirteenth resolution – Approval of the compensation elements paid or granted to Management Board member François Goalabré for the fiscal year ended March 31, 2023

The Shareholders, having reviewed the Board's report on corporate governance and in accordance with article L.22-10-34 II of the French Commercial Code, approve the fixe, variable and special elements of the total compensation and benefits of all kinds allocated or granted to François Goalabré, member of the Management Board, for the fiscal year ended on March 31, 2023, as reported in subsection 2.2.2 of the Annual Financial Report 2022-2023.

Fourteenth resolution – Approval of the compensation elements paid or granted to Management Board member Antoine Leclercq for the fiscal year ended March 31, 2023

The Shareholders, having reviewed the Board's report on corporate governance and in accordance with article L.22-10-34 II of the French Commercial Code, approve the fixe, variable and special elements of the total compensation and benefits of all kinds allocated or granted to Antoine Leclercq, member of the Management Board, for the fiscal year ended on March 31, 2023, as reported in subsection 2.2.2 of the Annual Financial Report 2022-2023.

Fifteenth resolution – Approval of the compensation elements paid or granted to Management Board member Charles Mauclair for the fiscal year ended March 31, 2023

The Shareholders, having reviewed the Board's report on corporate governance and in accordance with article L.22-10-34 II of the French Commercial Code, approve the fixe, variable and special elements of the total compensation and benefits of all kinds allocated or granted to Charles Mauclair, member of the Management Board, for the fiscal year ended on March 31, 2023, as reported in subsection 2.2.2 of the Annual Financial Report 2022-2023.

Sixteenth resolution – Approval of the compensation elements paid or granted to Supervisory Board chairman Bernard Huvé for the fiscal year ended March 31, 2023

The Shareholders, having reviewed the Board's report on corporate governance and in accordance with article L.22-10-34 II of the French Commercial Code, approve the fixe, variable and special elements of the total compensation and benefits of all kinds allocated or granted to Bernard Huvé, chairman of the Supervisory Board, for the fiscal year ended on March 31, 2023, as reported in subsection 2.2.1 of the Annual Financial Report 2022-2023.

Seventeenth resolution – Authorisation to be given to the Management Board to have the Company buy back its own shares, as provided for in article L.22-10-62 of the French Commercial Code

The Shareholders, having heard the Management Board's report, authorize the Management Board, for a period of eighteen months, in accordance with article L.22-10-62 et seq. of the Commercial Code, to buy back Company shares, in one or more transactions and at such times as it sees fit, up to a limit of 10% of those outstanding, adjusted where applicable to reflect capital increases or reductions during the course of the buyback program.

This authorisation supersedes and replaces the authorization given to the Management Board by the annual shareholders' meeting of September 22, 2022 in its fifteenth resolution.

Shares may be bought back for the following purposes:

- promoting trading in the secondary market or making in SII Shares through the intermediary of an investment services provider under a market-making agreement that complies with the AMAFI code of conduct, approved by the Financial Markets Authority (AMF);
- keeping the shares bought back and subsequently using them in exchange or as payment for acquisitions, provided that shares bought back for this purpose may not exceed 5% of those outstanding;
- delivering shares under stock option and/or share award plans (or similar programs) for the group's employees and/or officers, as well as any allocation of shares under a PEE company savings plan or Group savings plan (or similar plan), or under a profit-sharing plan, and/or any other allocations of shares to the group's employees and/or officers;
- using shares in connection with the exercise of rights to shares attached to Company securities, in accordance with the applicable regulations;
- engaging in such market practices as may become permitted by the AMF and, as a general matter, performing any other transactions, subject to applicable regulations;
- where applicable, retiring shares bought back, in accordance with the authorisation given by the eighteenth resolution of the special shareholders' meeting on September 22, 2022.

Shares may be bought back by any means, including block trades, at such times as the Management Board may choose.

However, shares may not be bought back while a public offering is in effect.

The Company does not intend to invest in options or financial derivatives. Shares may not be purchased for more than €75 per share. In the event of financing transactions such as stock splits or reverse splits, or the distribution of bonus shares, the above amounts will be adjusted proportionately (multiplied by a factor equal to the ratio of the number of shares outstanding prior the transaction and their number after the transaction).

The share buyback program is capped at €150 million.

The Shareholders grant full powers to the Management Board to carry out these transactions, set the terms and conditions, enter into any agreements and complete all formalities.

Eighteenth resolution – Power for formalities

Full powers are hereby granted to the bearer of a copy or extract of these minutes for the purpose of all filing and registration procedures required by law.

7.3. Other auditors' report

None.

Cross-reference tables

8.1 Cross-reference table between the financial report and the management report prepared in accordance with the French Commercial Code 206

8.2 Additional documents 209

8.1. Cross-reference table between the financial report and the management report prepared in accordance with the French Commercial Code

In order to facilitate the reading of the annual financial report and management report prepared in accordance with the French Commercial Code, the thematic table below helps locate the required information in this registration document.

Items	Information for	Sections	Pages
1. COMPANY FINANCIAL STATEMENTS	**AFR**	4.3	156
2. CONSOLIDATED FINANCIAL STATEMENTS	**AFR**	4.1	124
3. MANAGEMENT REPORT			
3.1 Information concerning the company's business			
Report on the business and results of the company, each subsidiary and the group Art. L.232-1, L.233-6, R.225-102 and/or L.233-6, L.233-26 of the French Commercial Code		1.4	40
Analysis of changes in the company's and the group's revenue, income and financial position (including debt) Art. L.233-26, L.225-100 (3), L.225-100-1 and/orL.225-100-2 of the French Commercial Code	**AFR**	1.4	40
Foreseeable development of the company and/or the group Art. L.232-1, R.225-102 and/or L.223-26, R.225-102 of the French Commercial Code		1.4.4	44
Company's and group's key financial and non-financial indicators Art. L.225-100 (3) and (5), L.225-100-1, L.223-26 and/orL.225-100-2 of the French Commercial Code	**AFR**	1.1.1 & 1.4.3	10 & 42
Events subsequent to the end of the fiscal year, at the company and the group Art. L.232-1 and/or L.233-26 of the French Commercial Code		1.4.4	44
Indications concerning the use of financial instruments, including the financial risks and the price, credit, liquidity and cash risks they entail for the company and the group Art. L.225-100 (6), L.225-100-1, and/or L.225-100-2, L.223-26 of the French Commercial Code	**AFR**	1.6.2	51
Principal risks and uncertainties to which the company and the group are exposed Art. L.225-100 (4) and (6), L.225-100-1 and/or L.225-100-2 (2) and (4), of the French Commercial Code	**AFR**	1.6.1 & 1.6.2	50 & 51
Information on R&D by the company and the group Art. L.232-1 and/or L.233-26 of the Commercial Code		1.3.2	39
3.2 Company legal, financial and tax information			
Choice of one of the two management forms in case of change Art. R.225-102 of the French Commercial Code		N/A	N/A
Ownership of shares and changes therein Names of the controlled companies which hold shares in the company and percentage of capital held by them Art. L.233-13 of the French Commercial Code		5.2	179
Material acquisitions of interests during the fiscal year in companies with their principal office in France Art. L.233-6 (1) of the French Commercial Code		1.2.2 & 5.5	36 & 188
Notices of ownership interests in excess of 10 percent of another corporation; disposals of cross ownerships Art. L.233-29, L.233-30 et R.233-19 of the French Commercial Code		1.2.2 & 5.5	36 & 188
Trading by the company in its own shares (share buybacks) Art. L.225-211 of the French Commercial Code	**AFR**	5.2	179

Items	Information for	Sections	Pages
Status of employee share ownership Art. L.225-102 (1), L.225-180 of the French Commercial Code		5.2	179
Description of factors liable to have an impact in the event of a takeover attempt: Art. L.225-100-3 of the French Commercial Code	**AFR**		
Company's capital structure		5.1	178
Restrictions in the articles and bylaws concerning the voting and transfer of shares or the agreement clauses of which the company has been notified in accordance with article L.223-11 of the French Commercial Code		5.3	183
Direct or indirect ownership of company shares of which it has been notified in accordance with articles L.233-7 and L.223-12 of the French Commercial Code		5.2	179
List of the holders of securities with special controlling rights and description thereof		5.2	179
Control mechanisms provided for in the event of an employee share ownership system, whenever voting rights are not exercised by those employees		5.2	179
Shareholder agreements of which the company is aware and which could place restrictions on the transfer of shares and the exercise of voting rights		5.2	179
Rules applicable to the appointment of management board members and amendments to the company's articles and bylaws		5.3	183
Management board's authority, in particular to issue or buy back shares		2.4 & 5.3	68 & 183
Agreements entered into by the company which would be amended or terminated in the event of a change in the company's control, except where this disclosure (other than in the case of a legal disclosure obligation) could seriously harm its interests		N/A	N/A
Agreements providing for compensation for management board members or employees if they resign or are terminated without just cause, or if their employment ends due to a takeover bid		2.2	60
Summary table of delegations of authority by the shareholders' meeting currently in effect concerning capital increases Art. L.225-100 (7) of the French Commercial Code	**AFR**	2.4	68
Indication of adjustments, if any:			
Concerning securities with rights to shares and stock options in the event of share buybacks		5.2	179
Concerning securities with rights to shares in the event of financing transactions Art. R.228-90, R.225-138 and R.228-91 of the French Commercial Code		5.2	179
Amount of dividends distributed for the past three fiscal years Art. 243bis of the French General Tax Code		1.4.7 & 7.2	46 & 202
Amount of expenses not tax deductible Art. 223quater of the French General Tax Code		1.4.6	45
DPO, DSO and balance of trade receivables and payables by maturity Art. L.441-6-1, D.441-4 of the French Commercial Code		1.4.3	42
Administrative orders or financial penalties for practices in restraint of trade Art. L.464-2 I (5) of the French Commercial Code		1.6.4	52

Items	Information for	Sections	Pages
Agreements entered with a subsidiary by a company officer, director or shareholder holding more than 10 percent of voting rights (other than in the ordinary course of business) Art. L.225-102-1 (13) of the French Commercial Code		5.6	189
3.3 Information concerning company officers and directors			
List of all offices and positions in any company held during the fiscal year by each officer and director Art. L.225-102-1 (4) of the French Commercial Code		2.1.2	56
Compensation and benefits of any kind paid to each officer and director during the fiscal year by the company, companies under its control or the company that controls it Art. L.225-102-1 (1), (2) and (3) of the French Commercial Code		2.2	60
Obligations relating to appointments, terminations or transfers Art. L.225-102-1 (3) of the French Commercial Code		2.2	64
If stock options are granted, information about whether management has decided to:		2.2	64
- Bar officer and directors from exercising their options before the end of their term of office; or			
- Require them to keep some or all of the shares for which options are exercised in registered form until the end of their term of office (indicating the portion of shares concerned). Art. L.225-185 (4) of the French Commercial Code			
Summary statement of trading in company shares by officers, directors and related individuals Art. L.621-18-2, R.621-43-1 of the Monetary and Financial Code; Art. 223-22 and 223-6 of the AMF General Regulations		2.1.3	57
In the case of share awards, information about whether management has decided to:		2.2	64
- Bar officers and directors from disposing of the awarded shares prior to the end of their term of office; or			
- Require them to keep a portion of their shares in registered form until the end of their term of office (indicating the portion concerned) Art. L.225-197-1-II (4) of the French Commercial Code			
3.4 Corporate social responsibility information			
Consideration given to the impact of the business on society and the environment and corporate commitments in favour of sustainable development, the fight against discrimination and the promotion of diversity Art. L.225-102-1 (5) to (8), R.225-104, R.225-105 and R.225-105-2-II of the French Commercial Code		3	72
Information on hazardous operations Art. L.225-102-2 of the French Commercial Code		N/A	N/A
4. STATEMENT BY THE INDIVIDUALS IN CHARGE OF THE ANNUAL FINANCIAL REPORT	**AFR**	6.1	196
5. AUDITORS' REPORT ON THE COMPANY FINANCIAL STATEMENTS	**AFR**	4.4	171
6. AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS	**AFR**	4.2	151

8.2. Additional documents

The cross-reference table below lists the information which is contained in the registration document and which accordingly does not have to be disclosed separately:

Information	Sections	Pages
Description of the share buyback program	5.2	180
Notice concerning the independent auditors' fees	6.2	197
Policy governing the compensation of the members of the Management and Supervisory Boards	2.3	65
Supervisory Board's report on corporate governance	2	54

Contacts

FRANCE

SII Aix-en-Provence
Parc de l'Escapade – Bât. B
203, avenue Paul Julien
13100 Le Tholonet
Tel.: +33 (0)442 912 850

SII Bordeaux
3, impasse Rudolf Diesel
33700 Mérignac
Tel.: +33 (0)557 291 340

SII Bourges
Bâtiment C
14, allée Charles Pathé
18000 Bourges
Tel.: +33 (0)248 251 036

SII Brest
Le Venise
200, rue Benoite Groult
29490 Guipavas

SII Cannes
4, allée des Cormorans
ZI La Frayère Space Camp
06150 Cannes La Bocca

SII Genneviliers
Le Signac
1/5, avenue du Général de Gaulle
92230 Gennevilliers

SII Grenoble
Centre Cemoi – Bât. A
12, rue Ampère
38080 Grenoble
Tel.: +33 (0)476 709 426

SII Île-de-France
104, avenue du Président Kennedy
75016 Paris
Tel.: +33 (0)153 923 700

SII Lannion
Espace Volta
1, rue Ampère
22300 Lannion
Tel.: +33 (0)296 486 385

SII Le Mans
25, boulevard Marie et Alexandre Oyon
72100 Le Mans
Tel.: +33 (0)243 853 562

SII Lille
Immeuble Zone B
40, rue de la Vague
59650 Villeneuve d'Asq
Tel.: +33 (0)328 325 100

SII Lyon
Immeuble Le Danica
17-23 avenue Georges Pompidou
69003 Lyon
Tel.: +33 (0)472 841 530

SII Montpellier
Immeuble Le 610
rue Louis Breger
34830 Jacou
Tel.: +33 (0)499 532 210

SII Nantes
Immeuble Ilink
10, rue Magdeleine
44200 Nantes
Tel.: +33 (0)240 052 828

SII Niort
27, rue des Prés Faucher
79000 Niort
Tel.: +33 (0)549 258 579

SII Rennes
Immeuble Le Newton
3 bis, avenue Belle Fontaine
35510 Cesson Sévigné
Tel.: +33 (0)299 125 710

SII Saint Contest
14, rue Martin Luther King
14280 Saint Contest
Tél. : +33 (0)231 066 005

SII Sophia Antipolis
Immeuble Nova
291, rue Albert Caquot
06560 Valbonne
Tel.: +33 (0)492 968 899

SII Strasbourg
10, boulevard de Dresde
67000 Strasbourg
Tel.: +33 (0)390 236 262

SII Tours
1, passage du Palais
37000 Tours
Tel.: +33(0)246 655 955

SII Toulouse
Immeuble Stairway
5, rue Paulin Talabot
31100 Toulouse
Tel.: +33 (0)534 615 959

Immeuble Périsud
13, rue André Villet
31400 Toulouse
Tel.: +33 (0)534 615 959

SII Vélizy
Immeuble Le Crysalys
6, avenue Morane Saulnier
78140 Vélizy Villacoublay
Tel.: +33(0)175 601 668

SII Six-Fours
64, chemin de la Capellane
83140 Six-Fours-Les-Plages

SII Rouen
57, allée de l'Arc en ciel
76230 Bois Guillaume

SII Learning
153, avenue d'Italie
75013 Paris
Tel.: +33 (0)156 593 300

Metanext
5, avenue de la Cristallerie
92310 Sèvres
Tél. : +33 (0)142 312 670

17, avenue Georges Pompidou
69003 Lyon

SII Headquarter – Paris
8, rue des Pirogues de Bercy - 75012 Paris - France
Tel.: +33 (0)142 848 222
http://www.sii-group.com

Contacts

ARGENTINA

CVT Argentina
Mendoza
Piso 3, Oficina 2
Av. Colon 531
5500 Mendoza
Tel.: +54 261 429 10 83

CVT Argentina
Buenos Aires
Av. del Libertador, 1002
1638, Buenos Aires

BELGIUM

SII Belgium
Bruxelles
Lenneke Marelaan, 12/1
B-1932 Sint-Stevens-Woluwe
Tel.: +32 271 365 00

SII Belgium
Gand
Poortakkerstraat 41E
9051 Sint-Denijs-Westrem
Tel. :+32 9 282 98 50

CANADA

SII Canada
Montréal
2060 rue de la Montagne, unit 304
Montréal, (Québec), H3G 1Z7
Tel.: +1 514 416 34 91

SII Canada
Toronto
51 Wolseley Street, ON, M5T 1A4
Toronto
Tel.: +1 647 231 25 51

CHILE

SII Group Chile
Santiago
Av. Andres Bello 2777, Of.2103
75500 Las Condes, Santiago
Tel.: +56 29 644 40 90

COLOMBIA

SII Colombia
Bogota
Av. Calle 40A 13-09, Of. 1804
Bogota
Tel.: +57 1 300 10 59
Tel.: +57 1 467 33 43

CZECH REPUBLIC

SII République Tchèque
Praha
Michelska 1552/58
141 00 Praha 4
Tel:+420 230 233 872

GERMANY

SII Holding GmbH
Karl-Kurz Straße 36
D-74523 Schwäbisch Hall
Tel.: +49 79 193 110-0

SII Deutschland GmbH
Headquarter
Schwäbisch Hall
Karl-Kurz Straße 36
D-74523 Schwäbisch Hall
Tel.: +49 79 193 110-0

SII Deutschland GmbH
Donauwörth
Dr. Ludwig-Böhlkow-Straße 1
D-86609 Donauwörth
Tel.: +49 906 705 706-90

SII Deutschland GmbH
Gilching
Friedrichshafener Straße 5
D-82205 Gilching
Tel.: +49 810 527 290-0

SII Deutschland GmbH
Hambourg
Schellerdamm 26
D-21079 Hambourg
Tel.: +49 40 300 865-0

SII Deutschland GmbH
Munich
Beichstraße 5
D-80802 Munich
Tel.: +49 89 632 878-0

SII Deutschland GmbH
Rostock
Industriestraße 14
D-18069 Rostock
Tel.: +49 381 1217 195-11

SII Technologies GmbH
Headquarter
Augsburg
Am Mittleren Moos 53
D-86167 Augsburg
Tel.: +49 82 144 485-0

SII Technologies GmbH
Donauwörth
Cooperation Center
Dr. Ludwig Bölkow Straße 1
D-86609 – Donauwörth
Tel.: +49 906 705 744-0

SII Technologies GmbH
Dresden
Am Brauhaus 12
D-01099 – Dresden
Tel.: +49 351 207 81 58-0

SII Technologies GmbH
Gaimersheim
Neuhartshöfe 3
D-85080 – Gaimersheim

SII Technologies GmbH
Heimsheim
Allemannenstraße 9, 19-23
D-71296 – Heimsheim

SII Technologies GmbH
Neutraubling
Neugablonzerstraße 19
D-93073 – Neutraubling
Tel.: +49 940 191 31 97-0

SII Precision Parts GmbH
Augsburg
Valentin Heider Straße 7
D-86167 – Augsburg
Tel.: +49 821 299 90-0

SII Systems GmbH
Augsburg
Valentin Heider Straße 7
D-86167 – Augsburg
Tel.: +49 821 299 90-0

INDIA

SII INDIA IT & Engineering
Services Pvt. Ltd
Bengaluru
Leela Landmark 1st Floor
07, 1st Cross, 3rd Main
Ashwini Layout – Ejipura
560047 Bengaluru
Tel.: +91 80 67 65 11 11

MOROCCO

SII SERVICES Maroc
Casablanca
Bd Sidi Mohammed Ben Abdellah
Immeuble Crystal 3 – Etage n°4
20200 Casablanca
Tel.: +212 522 43 83 90

Contacts

POLAND

SII POLSKA
Headquarter
Varsovie
Al. Niepodleglósci 69
02-626 Warszawa
Tel.: +48 224 863 737

SII POLSKA
Bialystok
Marjanskiego 3
15-402 Bialystol

SII POLSKA
Bydgoszcz
Plac Kóscieleckich 3
85-033 Bydgoszcz
Tel.: +48 422 392 960

SII POLSKA
Cracovie
Ul. Tischnera 8
30-418 Kraków
Tel.: +48 123 906 170

SII POLSKA
Czestochowa
Ul. Jasnogórska 79
42-217 Czestochowa
Tel.: +48 326 614 191

SII POLSKA
Gdansk
Olivia Prime A
Al. Grunwaldzka 472E
80-309 Gdańsk
Tel.: +48 587 704 402

SII POLSKA
Gliwice
Ul. Zygmunta Starego 24B lok.
44-100 Gliwice
Tel.: +48 326 614 191

SII POLSKA
Katowice
Al. Rozdzienskiego 1a
40-100 Katowice
Tel.: +48 326 610 453

SII POLSKA
Lodz
Ul. Kopcińskiego 79
90-033 Łódź
Tel.: +48 422 391 874

SII POLSKA
Lublin
Nord, Building B
Ul. Szeligowskiego 6B
20-883 Lublin
Tel.: +48 814 546 888

SII POLSKA
Pila
Kasztanowa Office
64-920 Pila
Tel.: +48 616 397 680

SII POLSKA
Poznan
Ul. Królowej Jadwigi 43
61-871 Poznań
Tel.: +48 616 397 680

SII POLSKA
Rzezów
Al. Tadeusza
Rejtana 20
35-310 Rzezów
Tel.: +48 172 838 315

SII POLSKA
Wroclaw
Sky Tower
Ul. Gwiaździsta 66
53-413 Wroclaw
Tel.: +48 717 582 293

ROMANIA

SII Romania
Bucharest
AFI Park 4
4A Timisoara Blvd
District 6
061328 Bucharest
Tel.: +40 213 202 310

SPAIN

SII SPAIN
Barcelona
Ciutat de la Justicia de Barcelona
Av. Carrilet, 3
Edificio D, Pl.10
08902 Hospitalet de llobregat
Tel.: +34 93 567 97 10

SII SPAIN
Madrid
Parque Empresarial La Finca
Paseo del Club Deportivo, 1
Bloque 11 – 1° Izq, Officina 2
28223 Pozuelo de Alacón
Tel.: +34 91 372 93 55

SII SPAIN
Palma de Mallorca
C. Eusebio Estada
35. Primer Piso
07004 Palma de Mallorca
Tel.: +34 90 219 83 25

SII SPAIN
Valence
C/ Botiguers 3
Planta 4, Oficina H
Edificio Onofre.
Parque Empresarial Tactica
46980 Paterna
Tel.: +34 90 287 92 29

SWEDEN

SII Sweden AB
Stockholm
Mäster Samuelsgatan, 60
111 21 Stockholm

SWITZERLAND

SII SERVICES Suisse
Genève
Route des Acacias 48
1227 Carouge
Tel.: +41 228 702 70

THE NETHERLANDS

SII Netherlands
Amsterdam
Amsterdamse Vaart 268
2032 EK Haarlem
Tel.: +31 23 53 07 300

UKRAINE

SII Ukraine
Odessa
Velyka Arnauts'ka St, 72/74
65045 Odessa
Tel.: +38 048 712 35 30

UNITED KINGDOM

SII Services Limited
Londres
Cody Technology Park
Ively Road
Farnborough GU14 0LX
Tel.: +44 1438 7

Design and Production

POMELO PARADIGM

pomelo-paradigm.com/pomdocpro/

SII headquarter
8 rue des Pirogues de Bercy
75012 PARIS
+33(0)142.848.222
sii-group.com

linkedin.com/company/sii facebook.com/GroupeSII @GroupeSII