The world is how we shape it

sopra steria

2023

Universal Registration Document

Including the Annual Financial Report

The Universal Registration Document is an English translation of a reproduction of the official version of the «Document d'enregistrement universel» which was produced in xHTML and is available on our website.

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Elements of the Annual Financial Report are identified by the logo /AFR/

2023 Universal Registration Document

INCLUDING THE ANNUAL FINANCIAL REPORT AND MANAGEMENT REPORT INCLUDING COMPONENTS OF THE STATEMENT OF NON-FINANCIAL PERFORMANCE

The original French-language version of the Universal Registration Document was filed on 15 March 2024 with the Autorité des Marchés Financiers (AMF) in its capacity as competent authority in respect of Regulation (EU) 2017/1129, without prior approval in accordance with Article 9 of said regulation.

The original French-language version of the Universal Registration Document may be used for the purposes of an offer to the public of financial securities or the admission of financial securities to trading on a regulated market if it is supplemented by a securities note and, if applicable, a summary and any amendments made to the Universal Registration Document. The resulting combined document is approved by the AMF in accordance with Regulation (EU) 2017/1129.

The information included in both of those registration documents, other than the information mentioned above, has been replaced and/or updated, as applicable, by the information included in this Universal Registration Document.

This document is a free translation into English of the original French "Document d'enregistrement universel", referred to as the "Universal Registration Document". It is not a binding document. In the event of a conflict of interpretation, reference should be made to the French version, which is the authentic text.

Chairman's message

Sopra Steria's ambition is to become a compelling alternative to global providers for major European clients

Pierre Pasquier

Chairman and Founder of Sopra Steria Group

We are living at a time of considerable upheaval that is affecting all aspects of our lives: political, international, social, environmental, and societal. The development of digital technology is one of the key drivers of this change and heralds yet more major change to come.

As a major player in the European tech sector, Sopra Steria plays an important role in the development of digital technology. Our mission is to guide our clients, partners and employees towards bold choices, building a positive future by making digital work for people. Drawing on our founding values and corporate culture, we have adopted a responsible approach to digital technology that takes into account its impacts on all our stakeholders. That means digital ethics and sovereignty are priorities. We strive to continuously improve our environmental footprint by reducing our emissions. We are committed to work every day to uphold workplace gender equality, inclusion and diversity.

The strategic review we kicked off at the end of the public health crisis highlighted the need to speed up our internal transformation to adapt the Group to the environment in which it now operates. We are firmly committed to this process.

We have begun to streamline our range of services and solutions so that we can serve our clients even more effectively as they navigate the digital transition. In particular, we are expanding our consulting business and upgrading our operating model to better leverage our tech expertise.

Our external growth strategy is aimed at consolidating our position in markets we see as strategic for Sopra Steria in Europe. Through acquisitions over the past two years, we have significantly expanded our presence in Benelux and considerably strengthened our position in defence and security as well as securing a promising new foothold in the space segment.

Thanks to the changes that are underway, Sopra Steria's ambition is to become a compelling alternative to global providers for major European clients, particularly in the public sector and in defence, aeronautics and financial services.

As we look ahead to the rest of 2024, I am confident the Group will be able to continue with its development. Sopra Steria is poised to leverage future growth in the digital space to continue gradually ramping up our performance towards the highest industry standards.

Key figures for 2023

Sopra Steria, a major player in the European tech sector recognised for its consulting, digital services and software development, helps its clients drive their digital transformation and obtain tangible and sustainable benefits.

It provides end-to-end solutions to make large companies and organisations more competitive by combining in-depth knowledge of a wide range of business sectors and innovative technologies with a fully collaborative approach.

Sopra Steria places people at the heart of everything it does and is committed to putting digital to work for its clients in order to build a positive future for all.

Revenue

€5.8bn

€5.1 bn Digital Services
€0.7 bn Banking Software & Other Solutions

6.6% organic growth[1]

Operating profit on business activity
€548.2m
9.4% of revenue

Net profit attributable to the Group
€183.7m
3.2% of revenue

Basic earnings per share
€9.08

Dividend per share
€4.65 [2]

Equity
€1.9bn

Net financial debt
€946.0m
Slightly below 1.5x 2023 pro forma EBITDA before the impact of IFRS 16

Market capitalisation at 31/12/2023
€4.1bn

Number of employees
55,883

Number of locations
164

Number of countries
30

TOP 13
Digital services companies operating in Europe

1_Alternative performance measures are defined in the glossary of this document.
2_Dividend proposed for approval at the General Meeting of 21 May 2024

See Chapter 5 for more information

History and corporate plan

More than 50 years of continuous growth and transformation

IT services to drive and support modernisation

Financial performance at the heart of our strategy

Driving digital transformation

A new strategic plan to promote expansion and competitiveness

Sopra Steria: Birth of a European leader in digital transformation

1968-99

1968 Sopra founded

1969 Steria founded

1990 Sopra's IPO on NYSE Euronext Paris

1999 Steria's IPO on NYSE Euronext Paris

2000-13

2005 Acquisition of Mummert Consulting

2007 Acquisition of Xansa, BPO expert

2011 Axway's IPO

2012 Launch of Sopra Banking Software

2013 Joint venture SSCL's contract with the UK government

2014-19

2014 Sopra Steria founded, launch of Sopra HR Software

2015 Acquisition of CIMPA

2017 Acquisitions of Cassiopae, Kentor, 2MoRO and Galitt

2018 Acquisitions of BLUECARAT and it-economics in Germany, O.R. System and Apak by Sopra Banking Software

2019 Acquisitions of SAB and SFT (JV with Sparda) Launch of the Consulting brand: Sopra Steria Next

2020-22

2020 Acquisition of Sodifrance (France), cxpartners (UK) and Fidor Solutions for Sopra Banking Software

2021 Acquisitions of EVA Group specialised in cybersecurity (France), EGGS Design and Labs (Norway)

2022 Acquisition of Footprint, specialising in environmental and sustainability consultancy (Norway)

2023+

2023 Acquisitions of CS Group (France), Tobania (Belgium) and Ordina (Netherlands)

Acquisition of the 25% stake in SSCL held by the UK Cabinet Office

Key features of the corporate plan

Independent model

Independent model built on long-term vision and business performance, upholding the Group's responsibilities to the environment and to its stakeholders as a good corporate citizen.

Entrepreneurial culture

Agility, rapid decision-making and speed of execution are hard-wired into Sopra Steria's DNA. Our ethos is predicated on an unwavering focus on customer service, autonomous decision-making, collective endeavour and respect for others.

Importance of human capital

Rigorous human resources policy focused on talent who offer expertise along with a strong collective mindset, and on employee skills development.

See **Chapter 1** for more information

A core shareholder backing the corporate plan

33.6%
International institutional investors

0.8%
Treasury shares

6.8%
Other

8.7%
Individual investors

21.4%
French institutional investors

28.4% (42.1%)
Controlling shareholders and investments managed on behalf of employees

Sopra GMT
19.6% (30.0%)
Founders & Managers
2.6% (3.9%)
Investments managed on behalf of employees
6.5% (8.2%)

20,547,701 listed shares.
26,371,884 exercisable voting rights.
XX.X% = Percentage of share capital held.
(XX.X%) = Percentage of exercisable voting rights held.
TPI survey of identifiable owners of shares at 31/12/2023 – Ownership threshold of over 1,000 shares

See **Chapter 7** for more information

Our mission and values

Our mission

Technology serves as a gateway to infinite possibilities. As fascinating as this never-ending stream of innovations is, it also raises questions as to what is actually behind the frantic race for novelty and change.

Solutions are never straightforward or obvious, and there is certainly never just one way of doing things.

At Sopra Steria, our mission is to guide our clients, partners and employees towards bold choices to build a positive future by putting digital technology to work in service of humanity.

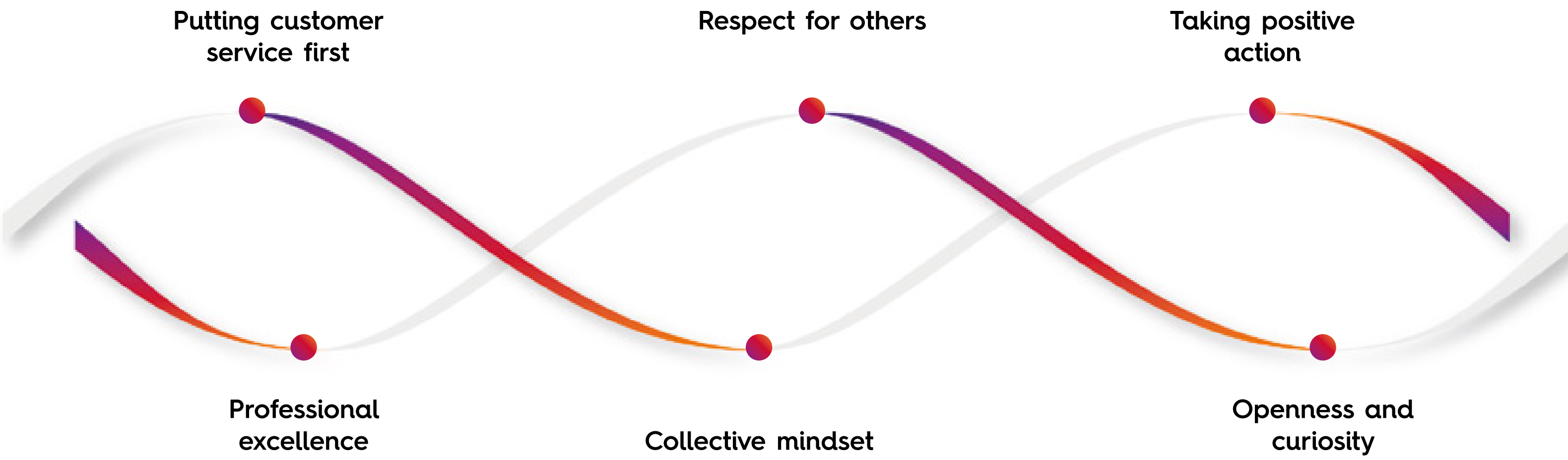
Beyond technology, we set great store by collective intelligence, in the firm belief it can help make the world a better place.

Together, we are building a highly promising future by delivering tangible benefits: sustainable solutions with positive impacts that take full account of interactions between digital technology and society. There's still so much more we can achieve together.

Dare together

At Sopra Steria, we strive to create a stimulating, group-oriented environment inspiring free thinkers to engage in open, frank discussions. Our goal is to foster the development of skills and entrepreneurship in a community driven by a desire for collective success.

Values that bring us together



Putting customer service first

We make a commitment to our clients over the long term to enhance their performance and enable them to reach the next level by leveraging our specialised knowledge of their business sector and innovative technologies.

Respect for others

Our core belief is that our collective endeavour makes us stronger, and that by working together we can find the best solutions. That's why we always listen carefully to and forge close relationships with our clients, partners and employees.

Taking positive action

We want to make innovation deliver results for as many people as possible and offer sustainable solutions with a positive impact that responsibly and ethically shape interactions between digital technology and society.

Professional excellence

We offer our visionary, integrated approach and our broad range of expertise to help guide our clients, partners and employees towards bold choices and convert opportunities into tangible, sustainable results.

Collective mindset

We believe collective intelligence, harnessing team spirit and each individual's talents, can help drive positive change and make the world a better place in a sustainable manner, exceeding what technologies alone can do.

Openness and curiosity

We encourage a bold, curious and accountable approach to explore new avenues and employ innovative new technologies that can deliver transformative changes for everyone's benefit.

Business model and...

Our vision

The digital revolution has triggered a radical transformation in our environment.

It is speeding up changes in our clients' business models, internal processes and information systems

In this fast-changing environment, we bring our clients new ideas and support them in their transformation by making the most effective use of digital technology

Our business

Sopra Steria provides end-to-end solutions to address the core business needs of large companies and organisations, helping them remain competitive and grow, supporting them throughout their digital transformation in Europe and around the world.

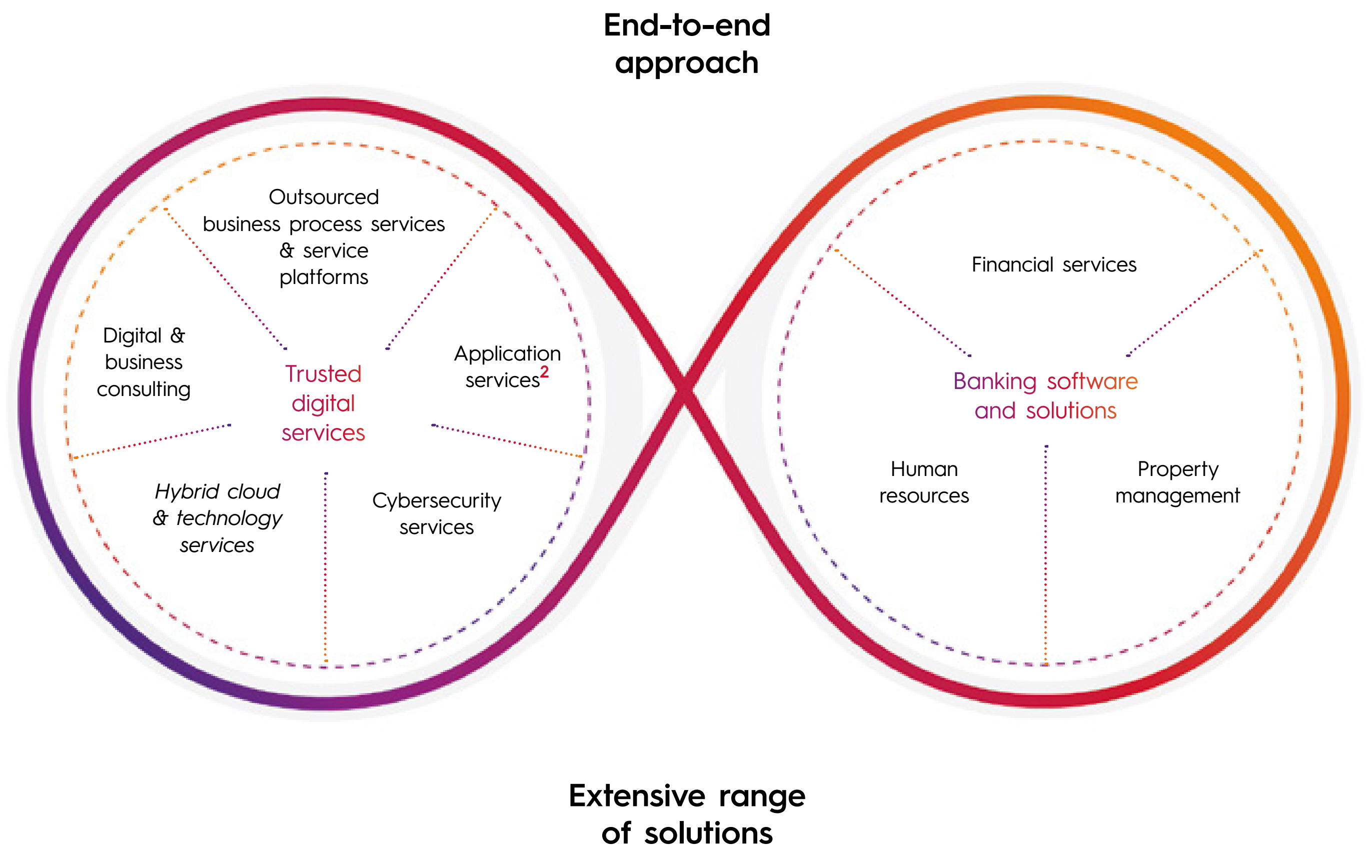
Our market

Spending on digital services in Western Europe: $362bn in 2023[1]

A market that is expected to grow between 8% and 10% per year between 2024 and 2027[1]

Sopra Steria ranks among the top 13 digital services companies operating in Europe (excluding hyperscalers and software vendors)[1]

Our solutions



1_ Source: Gartner – IT services 2021-2027, updated Q4 2023, at constant US dollars

2_ Systems integration and third-party application maintenance

...The value creation chain

Sopra Steria's DNA

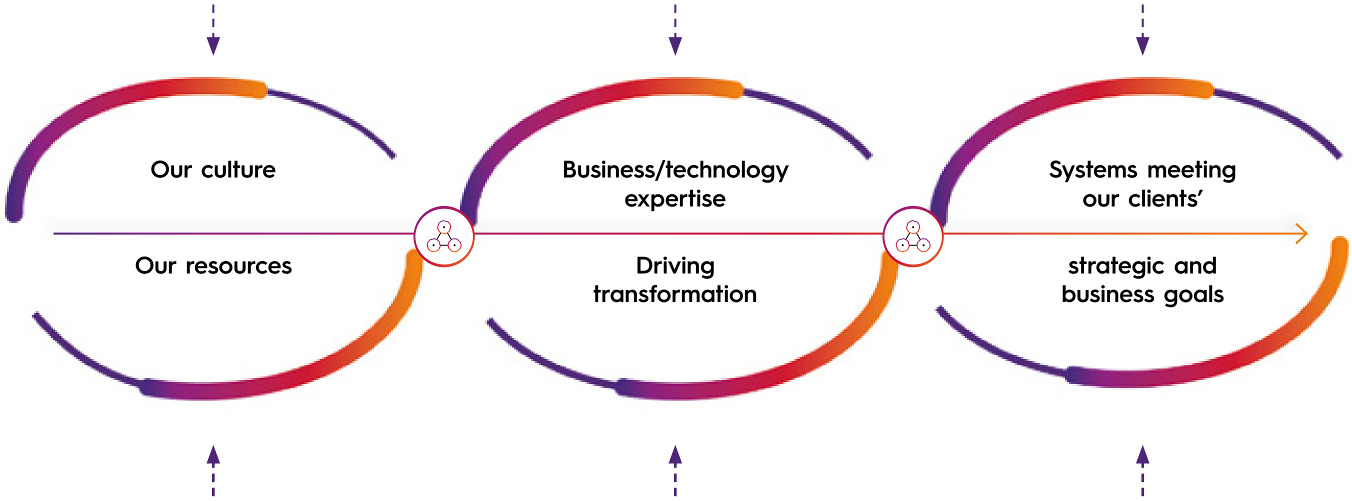
Entrepreneurial culture, close customer relationships, sense of commitment, corporate responsibility

Innovation & Technology

Cloud, Data, AI[1], Blockchain, Cybersecurity, Mobility, 5G, IoT[2]

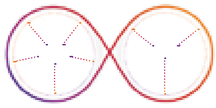
Imagining and building the future
Enhancing what's already there

Transforming our clients' business models, processes and systems
Link between legacy and digital



Employees, strategic partners, subcontractors, startups, suppliers, business/engineering schools and universities

End-to-end approach



Extensive range of solutions

Focus on major clients

8 priority verticals
Targeted business areas

Sample value creation performance measures in 2023 for our main stakeholders

Employees

- 77% of employees say Sopra Steria is a great place to work – GPTW survey[3]
- 34 hours of training on average per employee
- 100% of employees take part in a training session at least once a year
- Attrition rate: 14%

Clients

- Over 80% of 100 strategic clients satisfied according to the Customer Voice survey
- 6.6% organic revenue growth

Shareholders

- Annual change in share price: Up 39.39% in 2023
- €4.65 dividend proposed for financial year 2023
- Ranking by non-financial rating agencies (cf. page 11)

Society

- 63.6% reduction in absolute GHG[4] emissions from Scopes 1 and 2 in 2023 (baseline: 2019)
- 9.8% reduction in absolute GHG emissions from Scope 3 in 2023 (baseline: 2019)
- 20% reduction in office energy consumption at Group level relative to 2021
- A List: CDP ranking
- Top 1% Platinum: EcoVadis

1_ AI: Artificial intelligence
2_ IoT: Internet of things
3_ GPTW: Great Place To Work
4_ GHG: Greenhouse gas

See **Chapters 1 and 4** for more information

Governance

Board of Directors

Pierre Pasquier
Chairman

18 Members

15 Directors
appointed by shareholders at the General Meeting

3 Directors
representing the employees and employee shareholders

40% — **Female Directors**[1]

60% — **Male Directors**[1]

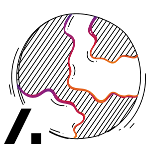
67% — **% Independent Directors**[2]

2/3 Committees chaired by women

Directors' attendance rate

98%	97%	98%	97%
Board of Directors	Audit Committee	Compensation Committee	Nomination, Governance, Ethics and Corporate Responsibility Committee

63
Average age of Directors



4
Nationalities

Members at 21 February 2024

1_ 6/15 women - 9/15 men

2_ 10 out of 15 Board members qualify as independent based on the AFEP-MEDEF Code's requirements

See **Chapter 3** for more information

It is a top priority for the Board of Directors to have a diverse range of skills. The Company has identified ten key competencies that it would like to be represented within the Board of Directors. These skills and areas of experience are as follows:

61% — Knowledge of consulting, digital services, software development, ability to promote innovation

50% — Knowledge of one of the Group's main vertical markets

44% — Entrepreneurial experience

33% — CEO of a major group

56% — Finance, risk management and control

44% — CSR – Human resources and labour relations

39% — CSR – Environmental and social issues

61% — International teams and organisations

33% — Knowledge of Axway Software

44% — Operational experience with in Sopra Steria Group

Governance

Executive bodies

Cyril Malargé
Chief Executive Officer

The Group is made up of a corporate function and a number of operational divisions.

The Executive Management team is supported by the Executive Committee (ExCom) and the Management Committee.

Executive Committee

The Executive Committee has 18 members. It supervises the Group's organisation, management system, major contracts and support functions and entities. It is involved in the Group's strategic planning and implementation. 3 of its members are women.

17%
of Executive Committee members are women

18 Members

- Cyril Malargé
  Chief Executive Officer
- Laurent Giovachini
  Deputy Chief Executive Officer, Defence & Security
- Éric Pasquier
  Strategy, Software and Solutions
- Fabrice Asvazadourian
  Sopra Steria Next
- Yvane Bernard-Hulin
  Legal
- Éric Bierry
  Sopra Banking Software
- Pierre-Yves Commanay
  Continental Europe
- Dominique Lapère
  Industrial Approach
- Axelle Lemaire
  Corporate Responsibility
- Jo Maes
  Benelux
- Béatrice Mandine
  Communications
- Louis-Maxime Nègre
  Human Resources
- John Neilson
  United Kingdom
- Xavier Pecquet
  Key Accounts and Partnerships, Aeroline
- Kjell Rusti
  Scandinavia
- Mohammed Sijelmassi
  Technology
- Étienne du Vignaux
  Finance
- Grégory Wintrebert
  France

Management Committee

The Management Committee consists of the Executive Committee members and 44 operational and functional managers. 9 of its members are women.

See Chapter 1 for more information

Strategy & Ambitions

Strategy

Sopra Steria's strategy is built around its independent corporate plan focused on sustainable value creation for its stakeholders. This Europe-wide corporate plan is underpinned by expansion through organic and acquisition-led growth. Its goal is to generate substantial added value by leveraging a comprehensive range of end-to-end[1] solutions. Our ambition is to be the partner of choice in Europe for major public administrations, financial and industrial operators and strategic businesses, when they are looking for support with driving the digital transformation of their activities (business and operating model) and their information systems, and preserving their digital sovereignty.

Strategic levers

Focus strategy

100 European key accounts

8 preferred verticals, including several strategic verticals

- Financial Services
- Aeronautics & Space
- Defence & Security
- Public Sector

Specific business areas

Commercial strategy

End-to-end approach

Strengthening of consulting

Tech & Digital

- Cloud, Cyber, AI, Data, Blockchain

Solutions

- Banking
- Human Resources
- Property Management

Digital and industrial production model

Industrial Approach

DevOps and Asset-based platforms

X-shore

Cloud centres of excellence – Data – AI

Medium-term ambitions

Sopra Steria plans to expand its development of digital services and solutions in Europe and focus its investments on consulting and digital technology in its strategic verticals: financial services, defence & security, aeronautics, space and the public sector.

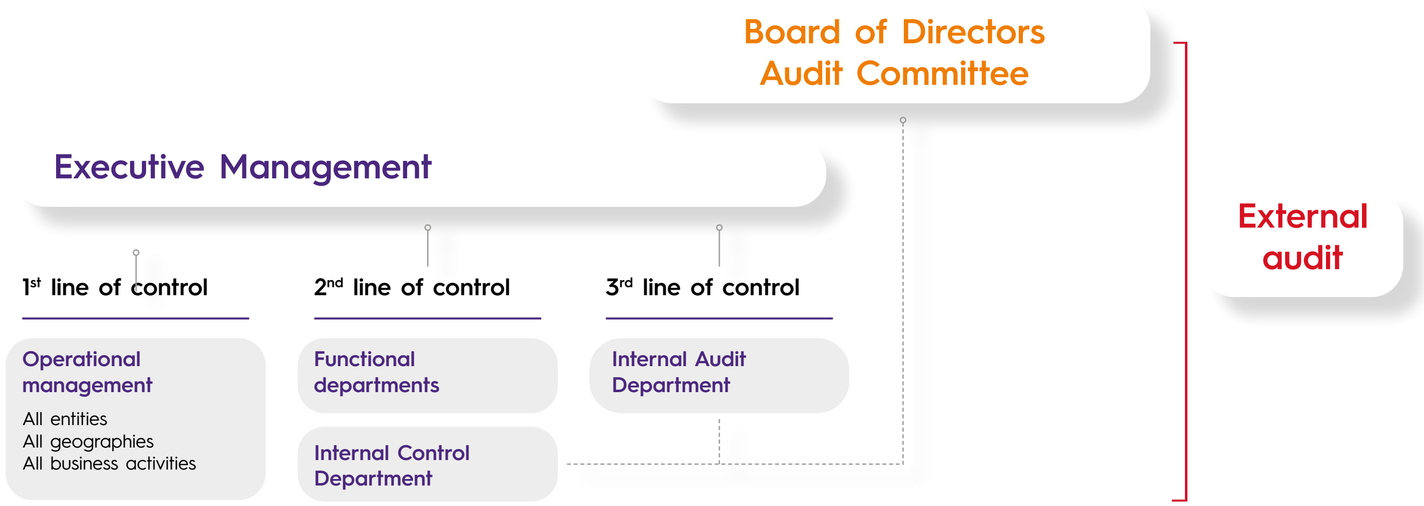
The Group's ambition is to become a compelling European alternative to global providers, particularly with regard to issues of digital sovereignty, for major European clients in its strategic verticals.

Sopra Steria's corporate plan is set within an upbeat market for digital services in the medium term, boosted by demand for digital transformation on the part of businesses and institutions looking to optimise their processes and increase their resilience.

See **Chapter 1** for more information

Risk management

Participants in internal control and risk management



Identification of the Group's main risks

The most material risks specific to Sopra Steria are set out below by category and in decreasing order of criticality (based on their probability of occurrence combined with the estimated severity of their impact), taking account of the mitigation measures already implemented. This presentation of residual risks is not intended to show all of Sopra Steria's risks.

The internal control system and risk management policies implemented by the Group aim to lower the probability of occurrence of these main risk factors and their potential impact on the Group.

Each of these risk management policies is described in detail in the "Risk factors and internal control" chapter of this document.

The table below shows the results of this assessment in terms of residual materiality on a scale of three levels, from most material (● ● ●) to least material (●).

Risks related to strategy and external factors

- Ability to offer appropriate, adapted solutions
  ●●●
- Acquisitions
  ●●
- Loss of business from a major client or vertical
  ●
- Attacks on reputation
  ●

Risks related to operational activities

- Repercussions of major external crises
  ●●●
- Cybersecurity, protection of systems and data
  ●●
- Pre-sales and delivery of managed/operated projects and services
  ●●

Risks related to human resources

- Attracting talent – SNFP*
  ●●
- Development of skills and retention of key personnel – SNFP*
  ●●

Risks related to regulatory requirements

- Compliance – SNFP*
  ●

SNFP* This risk also relates to the regulatory requirements set out in Articles L. 225-102-1 III and R. 225-105 of the French Commercial Code, which cover the Company's Statement of Non-Financial Performance

Corporate responsibility

"To rise to the immense challenges posed by the societal and environmental transformations currently underway, we are working and moving forward with all our stakeholders: our employees, who constitute our core strength and ability to take action; our clients, who are the reason why we seek to innovate and reinvent ourselves; our partners, with whom we develop technology solutions to help build a more sustainable world; our suppliers, who share our commitment; and our shareholders, whose support enables us to pursue our corporate plan."

Cyril Malargé, Chief Executive Officer

Three ESG priorities

Helping combat climate change

Reducing the carbon footprint of our business activities along our entire value chain

- Reduce absolute GHG[1] emissions from Scopes 1 and 2 (baseline: 2019) by 54% by 2030 (*near-term goal*) and by 90% by 2040 *(long-term goal)*[2]
- Reduce absolute GHG emissions from Scope 3 (baseline: 2019) by 37.5% by 2030 (*near-term goal*) and by 90% by 2040 (*long-term goal*)[2]
- Integrate environmental sustainability into the services and solutions we offer

-63.6%

Reduction in absolute GHG emissions from Scopes 1 and 2 (baseline: 2019) [43.7% reduction in 2022]

-9.8%

Reduction in GHG emissions from Scope 3 (baseline: 2019) [14.1% reduction in 2022]

Increase the number of female Group employees

Firm commitment to promoting workplace gender equality and combating all forms of discrimination

- Continuous increase in the number of women in the Group's workforce through recruitment and promotion
- Continue to increase the proportion of women in the 10% most senior positions
- Target for 2025: Women to make up 30% of the EXECUTIVE COMMITTEE

21.5%

% Women in the 10% most senior positions in 2023 [vs 20.4% in 2022]

33.5%

% Women in the Group in 2023 [vs 33.1% in 2022]

Embedding digital sustainability into our value proposition

Promoting digital ethics, environmental sustainability and digital sovereignty

- Through its subsidiary CS Group, Sopra Steria is involved in a number of projects run by Copernicus, the EU's Earth observation programme, using geospatial data to promote environmental conservation efforts. CS Group's contributions include the processing of data from very high-resolution images and calibration work for Earth observation equipment.
- Developed by Sopra Steria, Green For IT (G4IT), is a tool used to measure the environmental impact of digital services, operating across three levels of assessment: physical equipment, virtual equipment and applications. The tool is ISO 14040- and ISO 14044-compliant and available via a SaaS platform.
- As part of its strategic partnership with NumSpot, a sovereign cloud provider based in France, Sopra Steria offers its clients a secure, agile solution that complies with the highest standards required by public-sector organisations and operators of vital importance (OIV in French).

Sopra Steria, founding partner

Sopra Steria, strategic partnership

Recognition of ESG commitments by the leading rating agencies in 2023

Non-financial ratings agencies	MSCI ESG	Sustainalytics	S&P Global	ISS ESG	ISS QualityScore Governance	CDP – Climate Change	EcoVadis
Rating scale	AAA to CCC	Negligible risk = 0 to Severe risk = 40+	Percentile out of 280 companies in sector	A+ to D-	1 (best) to 10 (worst)	A to D-	out of 100
Score Category	7.9/10 AA Leader	14.8/100 Low Risk	88/100	C+ Prime	6/10	A List	86/100 Top 1% Platinum

1_ GHG: Greenhouse gases

2_ SBTi Net-Zero targets validated in 2023 – SBTi: Science Based Targets initiative

See **Chapter 4** for more information

Corporate responsibility

Our direct and indirect contribution to the 17 Sustainable Development Goals (SDGs) of the United Nations

Six major commitments aligned with the business model drive the Group's strategy with respect to Corporate Responsibility:

Commitments to employees

- Being a leading employer that attracts the best talent and promotes positive labour relations, equal opportunity and diversity

· **9,629** new hires within the Group

· **34** hours of training on average per employee

· **77%** of our employees say Sopra Steria is a great place to work – GPTW

Environmental commitments

- Mitigating the impact of the Group's activities on the environment and helping combat climate change, drawing on all the links in our value chain

· Developing an SBTi Net-Zero strategy based first and foremost on achieving a **90%** reduction in greenhouse gas emissions by 2040

· Group-wide office energy consumption reduced by **20%** in 2023 relative to 2021, exceeding our original target of a 10% reduction

· Maintaining the responsible purchasing programme, selecting suppliers committed to environmental sustainability

Commitments to society

- Acting ethically in the Group's day-to-day operations and across all its business activities
- Being a long-lasting partner for clients, meeting their needs as effectively as possible by providing them with the best technology as part of a responsible and sustainable value-creating approach
- Promoting digital trust by developing digital sovereignty in Europe, cybersecurity and AI through an ethical, safe approach to technology
- Supporting local communities by stepping up community initiatives, particularly in the field of digital inclusion

· **93%** of the Group's employees trained in preventing corruption and influence peddling

· **Over 80%** of 100 strategic clients satisfied according to the Customer Voice survey

· **205 community outreach projects**

· **886 non-profits** and schools supported, of which 148 for high-impact projects

· **Over 1,960** volunteers on **community outreach** programmes

1_ GHG: Greenhouse gas

Aligning with the CSRD

The materiality analysis, which helps identify and prioritise the most relevant material and non-financial issues for the Company, was updated in 2023. With the entry into force of the Corporate Sustainability Reporting Directive (CSRD) with effect from 1 January 2024 (Order 2023-1142 of 6 December 2023 on the disclosure and certification of sustainability information), in-depth analysis is underway to define a new double materiality matrix encompassing both financial materiality and impact materiality. This entails a change of approach, with the new matrix determining both external (environmental and social) impacts on the Group's performance and the business's impact on its economic, social and natural environment.

Alignment of information related to the Group's non-financial performance with the Principal Adverse Impact (PAI) indicators set out in the EU's Sustainable Finance Disclosure Regulation (SFDR)

Topic	PAI indicators	Information for Sopra Steria
Greenhouse gases (GHG)	Greenhouse gas emissions	See Chapter 4, Section 3.2.2, "Summary of greenhouse gas emissions by scope", 3.4.1, "Direct activities" and 3.4.2, "Indirect activities"
	Carbon footprint	
	Greenhouse gas emissions intensity	
	Exposure to the fossil fuel sector	No exposure
	Share of non-renewable energy consumption and production	See Chapter 4, Section 3.4, "Optimising resource consumption and reducing greenhouse gas emissions", 3.4.1, "Direct activities" and 3.4.2, "Indirect activities"
	Energy consumption intensity	
Biodiversity	Activities negatively affecting biodiversity-sensitive areas	See Chapter 4, Section 3.4.1, "Working to promote biodiversity"
Water	Water usage	172,169 m^3 – See Chapter 4, Section 3.4.1, "Direct activities"
Waste	Hazardous waste ratio	Sopra Steria does not produce any hazardous waste according to the RoHS and REACH definitions. In 2023, the portion of hazardous WEEE not given a second life stood at 0.16% of the total amount of WEEE and paper, cardboard, plastic and metal waste. See Chapter 4, Section 3.4.2, "Indirect activities".
Social and employee matters	Violations of the UN Global Compact Principles or the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises	No violations
	Absence of a monitoring system or processes to ensure compliance with the UN Global Compact Principles and the OECD Guidelines for Multinational Enterprises	See Chapter 4, Section 4.1.1, "Governance and organisation"
	Unadjusted gender pay gap	Score of 39/40 for the "Pay gap" criterion of the French professional gender equality index, equating to a difference of less than 1% in favour of men.
	Board gender diversity	40% of members of the Board of Directors were women at 31/12/2023
	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	No exposure

Dialogue with investors

Factsheet

Listing	Market	ISIN	Ticker symbol	Main indices
Euronext Paris	Compartment A	FR0000050809	SOP	SBF 120, CAC ALL-TRADABLE, CAC ALL SHARES, CAC MID & SMALL, CAC MID 60, CAC TECHNOLOGY, EURONEXT DEVELOPED MARKET, NEXT 150, EURONEXT FAS IAS, CAC SBT 1.5°, EURONEXT EUROZONE ESG LARGE 80, EURONEXT EUROZONE 300, EURONEXT VIGEO EUROPE 120, EN CDP ENVIRONMENT ESG FRANCE EW

Eligible for Share Savings Plan (PEA)
Eligible for Deferred Settlement Service

2024 financial calendar

22 February 2024 before market open	26 April 2024 before market open	21 May 2024	28 May 2024	30 May 2024	24 July 2024 after market close	31 October 2024 before market open
2023 full-year revenue and earnings[1]	Q1 2024 revenue[2]	Annual General Meeting	Ex-dividend date	Dividend payment	2024 half-year revenue and earnings[1]	Q3 2024 revenue[2]

1_ The full-year and half-year results are published in press releases and are presented at meetings, which are also made available as bilingual webcasts in French and English.
2_ Q1 and Q3 revenue is published in press releases and presented on bilingual (French and English) conference calls.

Meetings with investors in 2023

The Investor Relations Department engages in dialogue with the financial community throughout the year. It endeavours to meet with all shareholders, investors and financial analysts in the world's main financial marketplaces during roadshows or conferences, as well as on the release of annual and interim financial reports and presentations, and at the General Meeting of Shareholders.

551 Individuals met

261 Institutions met

13 Conferences

14 countries

25 cities

44 roadshows

Contacts

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Individual Shareholder Relations
Phone: +33.1.40.67.68.26
Email: investors@soprasteria.com

Awards

Sopra Steria received an award from the Technical Committee of the *2023 Transparency Awards**

Winner of a 2023 Transparency Award in the "Universal Registration Document" category

Sopra Steria ranks among the top 3 companies nominated for the Grand Prix for all categories, the Universal Registration Document and website

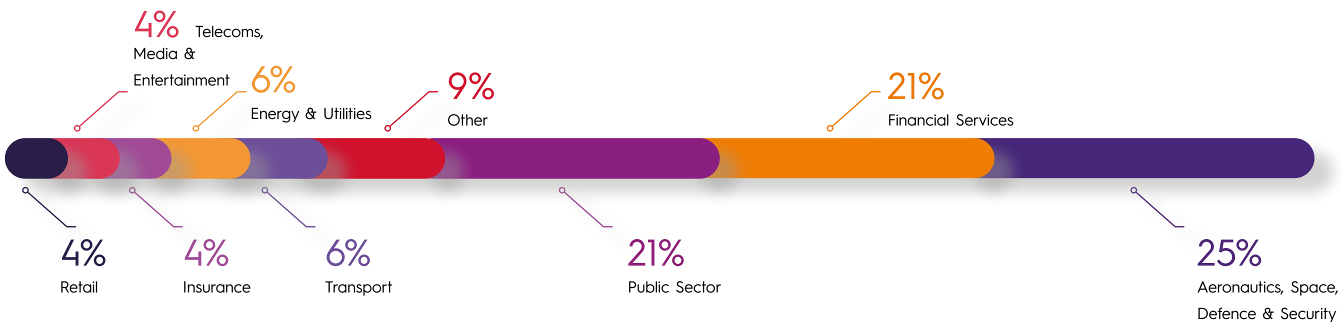
2nd place

in the Transparency Awards for regulated information

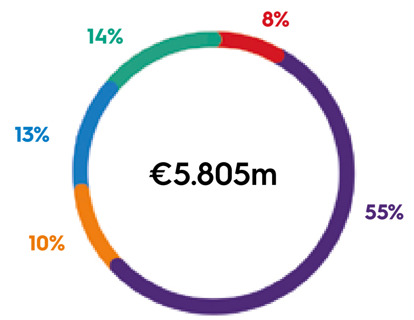
* Technical Committee of the *Transparency Awards* organised by Labrador

Breakdown of revenue and the workforce

Group revenue by vertical market

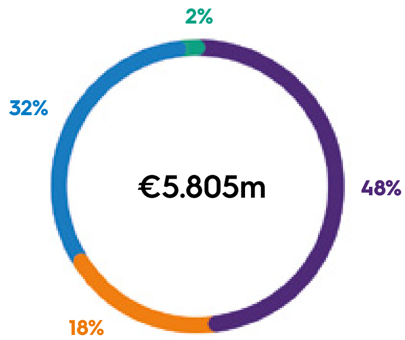


Group revenue by business line



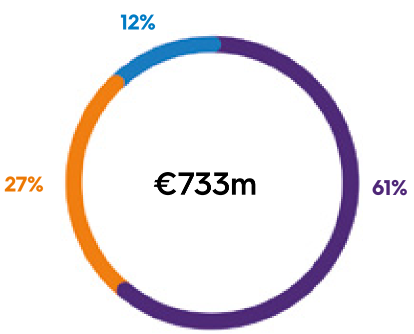
8% Consulting
55% Systems Integration
10% Hybrid Cloud & Technology Services
13% Banking Software & Other Solutions
14% Business Process Services

Group revenue by geographic region



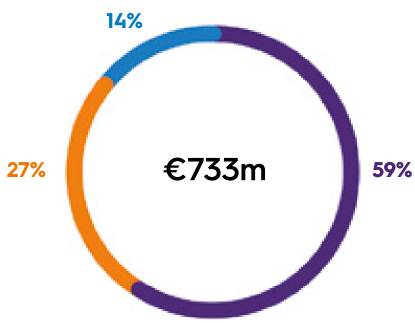
48% France
18% United Kingdom
32% Other Europe
2% Rest of the World

Solutions revenue by product



61% Sopra Banking Software
27% Sopra HR Software
12% Property Management Solutions

Solutions revenue by geographic region



59% France
27% Rest of Europe
14% Rest of the World

Workforce

Group
55,833
Employees

France
21,758

United Kingdom
7,779

Other Europe
16,534

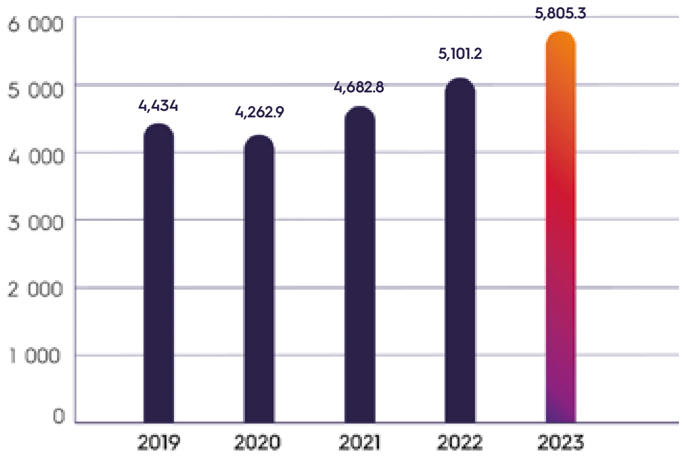
Rest of the World
560

International Service Centres
9,202
(India, Poland, Spain and North Africa)

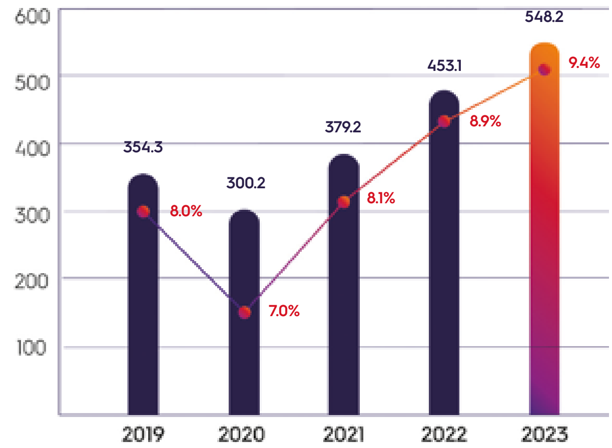
See **Chapter 5** for more information

Financial performance

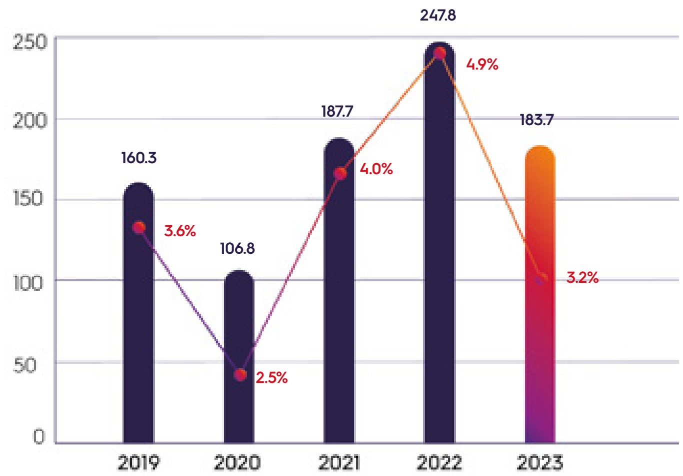
Revenue
in millions of euros



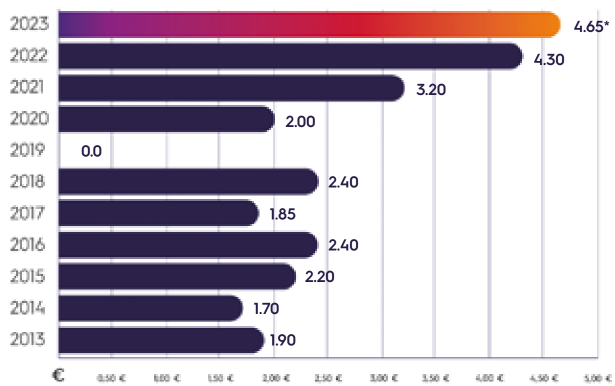
Operating profit on business activity
in millions of euros and % of revenue



Net profit attributable to the Group
in millions of euros and % of revenue

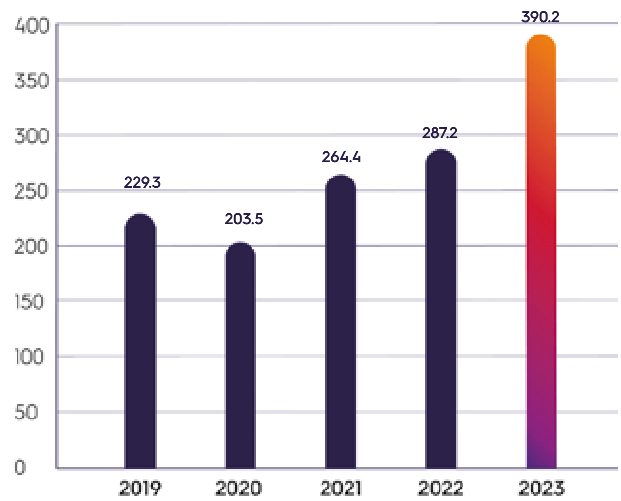


Dividend in euros
per share

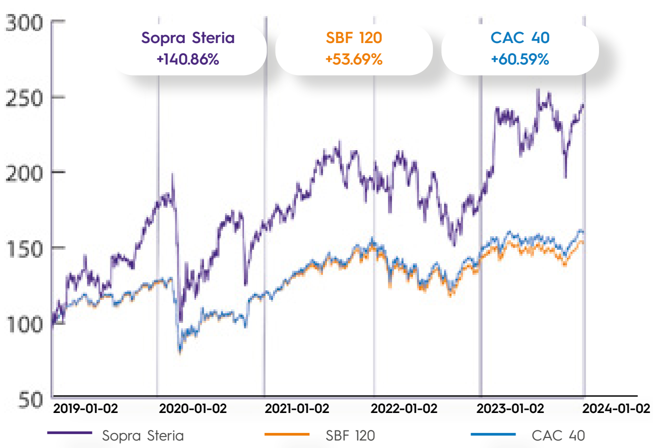


(*) Amount proposed at the General Meeting of 21 May 2024

Free cash flow
in millions of euros



Sopra Steria share price
over 5 years* compared to performance of SBF 120 and CAC 40



(*) Rebased 100 at 2 January 2019 (Source: Euronext Paris)

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https://www.soprasteria.com

Investors
https://www.soprasteria.com/investors

Sustainable Development & Corporate Responsibility
https://www.soprasteria.com/about-us/corporate-responsibility

https://twitter.com/soprasteria

https://www.facebook.com/soprasteria

https://www.linkedin.com/company/soprasteria

https://www.youtube.com/user/SteriaGroup

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1. Sopra Steria Group at a glance

Corporate name: Sopra Steria Group

Until 2 September 2014, the name of the Company was "Sopra Group". As a result of the successful public exchange offer made by Sopra Group for the shares of Groupe Steria SCA (see press release dated 6 August 2014), the Board of Directors met on 3 September 2014, with Pierre Pasquier presiding, and recorded the entry into effect of several resolutions conditionally adopted at the General Meeting of 27 June 2014.

Among the consequences of the implementation of these resolutions was the change in the corporate name from "Sopra Group" to "Sopra Steria Group".

Registered office: PAE Les Glaisins, Annecy-le-Vieux, 74940 Annecy – France. Phone: +33(0)4 50 33 30 30.

Executive Management: 6 avenue Kléber, 75116 Paris – France. Phone: +33(0)1 40 67 29 29.

Legal form: French *société anonyme*.

Company website: https://www.soprasteria.com

Date of incorporation: 5 January 1968, with a term of fifty years as from 25 January 1968, renewed at the General Meeting of 19 June 2012 for a subsequent term of ninety-nine years.

Country where the entity is incorporated: France

Country where registered office is located: France

Name of the parent company: Sopra Steria Group

Name of the controlling company: Sopra Steria Group

Principal entity: Sopra Steria Group

Corporate purpose: *"The Company's purpose is:*

To engage, in France and elsewhere, in consulting, expertise, research and training with regard to corporate organisation and information processing, in computer analysis and programming and in the performance of customised work.

The design and creation of automation and management systems, including the purchase and assembly of components and equipment, and appropriate software.

The creation or acquisition of and the operation of other businesses or establishments of a similar type.

And, generally, all commercial or financial transactions, movable or immovable, directly or indirectly related to said corporate purpose or in partnership or in association with other companies or persons" (Article 2 of the Articles of Association).

Commercial registration: 326 820 065 RCS Annecy

Place where legal documents may be consulted: Registered office.

ISIN: FR0000050809

Legal Entity Identifier (LEI): 96950020QIOHAAK9V551

Financial year: From 1 January to 31 December of each year.

Explanation of the changes to the name of the entity presenting the financial statements after the end of the previous reporting period: N/A

Appropriation of earnings according to the Articles of Association

"An amount of at least five per cent shall be deducted from the profit for the financial year, reduced by prior losses, if any, in order to constitute the statutory reserve fund. Such deduction shall cease to be mandatory when the amount in the statutory reserve fund is equal to one-tenth of the share capital.

Profit available for distribution comprises the profit for the year less any losses carried forward and amounts allocated to reserves, pursuant to the law and the Articles of Association, plus retained earnings.

The General Meeting may deduct from this profit all amounts that it deems appropriate for allocation to all optional, ordinary or extraordinary reserves, or to retained earnings.

The balance, if any, is apportioned at the General Meeting between all shareholders in proportion to the number of shares that they own.

The General Meeting may also decide to distribute amounts deducted from the reserves at its disposal, expressly indicating the reserve items from which the deductions are made. However, dividends shall first be withdrawn from the profits for the financial year." (Excerpt from Article 37 of the Articles of Association).

2. History of Sopra Steria Group

A LONG HISTORY OF ENTREPRENEURSHIP

Backed by our strong entrepreneurial culture and our sense of collective purpose, we work every day to deliver a range of solutions to our clients' information systems, from consulting to systems integration. We aim to be the benchmark partner for large public authorities, financial and industrial operators, and strategic companies in the main countries where we operate. We focus on being relevant at all times and ensuring that our impact is a positive one, both for society and from a business perspective.

2014-2023

A new strategic plan to promote expansion and competitiveness

The acquisition of CIMPA in October 2015 boosts Sopra Steria's presence in the product lifecycle management (PLM) market. Following the acquisition of software developer Cassiopae, finalised in January 2017, three new companies joined the Sopra Steria Group in 2017: Kentor, 2MoRO and Galitt.

In 2018, the Group acquires the German IT services company BLUECARAT to strengthen its position in Germany and offer new growth opportunities for its local subsidiary, as well as Apak to expand its range of lending solutions. In 2019, Sopra Steria takes two important steps forward in the core banking market: the acquisition of SAB, finalised on 7 August 2020. At the end of 2019, Sopra Steria also bolsters its operations and consolidates its strategy by launching its new digital transformation consulting brand, Sopra Steria Next. With the acquisition of Sodifrance in 2020, the Group created a market leader in digital services for insurers and social security providers. In the United Kingdom, Sopra Steria acquired cxpartners, bolstering its expertise in user experience and ergonomic design. Lastly, Fidor Solutions, the software subsidiary of next-generation bank Fidor Bank specialising in digital banking solutions, joined the Group on 31 December 2020. With this acquisition, Sopra Banking Software has significantly accelerated the pace of its development, in particular by augmenting user features as part of its SBP Digital Banking Suite.

In 2021, Sopra Steria was bolstered by the acquisition of French cybersecurity firm EVA Group. This acquisition was a key step toward positioning Sopra Steria as one of the top players in the French cybersecurity market.

The Group also acquired two other companies in 2021: EGGS Design, which specialises in digital service design and has locations in Norway's four biggest cities (Oslo, Bergen, Trondheim and Stavanger) as well as in Denmark (Copenhagen), and Labs, a Norwegian user experience consulting firm.

In 2022, the Group acquired Footprint, a Norwegian consulting firm specialising in environmental and sustainability issues.

In 2023, Sopra Steria acquired Tobania in Belgium, CS Group in France and Ordina in the Netherlands. On 6 November 2023, Shared Services Connected Ltd (SSCL) became a wholly-owned subsidiary of Sopra Steria following the acquisition of the 25% stake in the SSCL joint venture held by the UK Cabinet Office.

Today, the Group ranks as a major player in Europe's digital transformation market, having earned a reputation for providing end-to-end solutions to address the core business needs of large companies and organisations, helping them remain competitive and grow.

2014

Birth of a new European leader in digital transformation

Complementing each other in business strengths, strategic verticals and geographies while sharing a similar corporate culture, Sopra and Steria merge to give birth to Sopra Steria Group.

2000-2014

Driving digital transformation

In 2001, the Internet bubble bursts accelerating market changes. Clients are looking for global players capable of assisting them in transforming their businesses.

Steria rises to these challenges by completing major strategic acquisitions, including Bull's IT services business in Europe in 2001, Mummert Consulting in Germany in 2005 and the business process outsourcing (BPO) expert Xansa in 2007.

1985-2000

Financial performance at the heart of strategy

Given the maturity of the IT services market, Sopra reexamines its fundamentals and refocuses on systems integration and software development. Sopra completes its initial public offering in 1990. Steria prioritises the rationalisation and industrialisation of processes to reorganise its functional structure. After landing a number of major deals, Steria proceeds with its initial public offering in 1999.

Sopra combines internal and external growth to consolidate its European expansion and its areas of expertise: consulting, systems integration and solutions development. Axway, a subsidiary formed by bringing together the Group's software infrastructure divisions, is floated in 2011.

1968-1985

IT services as a key linchpin in society's process of modernisation

Sopra and Steria are two distinct entities, making their way forward in the emerging IT services industry. They both strive to meet the needs of major clients with innovative products and services. Sopra invests in software development and opens new locations in various markets. At the same time, Steria racks up several contract wins in the public sector.

3. Digital services market

3.1. Main markets – Competitive environment of the digital services sector

In 2023, the digital services market in Western Europe was worth an estimated $362 billion [(1)], up 7.1% [(2)]. For 2024, Gartner predicts growth of 8.3% (at constant US dollars).

DIGITAL SERVICES MARKET IN WESTERN EUROPE (EXCLUDING HARDWARE AND SOFTWARE)

Country *(in billions of dollars)*	**2023 estimates**
France	46.1
United Kingdom	102.5
Germany	62.2
Rest of Europe	150.8
TOTAL	**361.6**

Source: Gartner – IT services 2021-2027, updated Q4 2023, at constant US dollars.

Three countries (the United Kingdom, Germany and France) account for 58% of IT services spending [(1)].

According to market research, in 2023 the market [(1)] grew by 6.5% [(2)] in France, 6.6% in Germany and 6.8% in the United Kingdom. For 2024, growth is expected to continue, amounting to 7.5% in France, 7.5% in Germany and 8.2% in the United Kingdom.

Gartner expects this trend to continue over the next few years, with market growth in Western Europe estimated at around 8% to 10% per year between 2024 and 2027.

DIGITAL SERVICES MARKET IN WESTERN EUROPE (EXCLUDING HARDWARE AND SOFTWARE)

Business *(in billions of dollars)*	**2023 estimates**
Consulting	82.9
Development and systems integration	102.8
Outsourced IT and cloud infrastructure services	135.2
Business process outsourcing	40.7
TOTAL	**361.6**

Source: Gartner – IT services 2021-2027, updated Q4 2023, at constant US dollars.

In terms of business segments, according to Gartner, consulting was up 7.6% [(2)] in 2023 and implementation services grew by 6.8%. The Group's other activities also experienced a year of growth: Outsourced infrastructure and cloud services were up 6.9%, with business process outsourcing up 7.2%.

For 2024, Gartner predicts growth of 10.4% in consulting, 7.0% in implementation services and 8.1% in outsourced infrastructure and cloud services. Business process outsourcing is expected to grow by 8.4%.

Furthermore, the IT services market remains fragmented despite some consolidation, with the leading player in the European market holding a 6% share. Against this backdrop, Sopra Steria is one of the 13 largest digital services companies operating in Europe (excluding software) with an average market share of just under 2%. In France (third in the market) and Norway (fourth in the market), the Group's market share is over 5%. In the other major European countries, its market share is around 1%.

Sopra Steria's main competitors in Europe are: Accenture, Atos, Capgemini, CGI, DXC and IBM, all of which are present worldwide. It also faces competition from Indian groups, chiefly in the United Kingdom (such as TCS, Cognizant, Wipro and Infosys), and local companies with a strong regional presence (Indra in Spain, Fujitsu in the United Kingdom, Tietoevry in Scandinavia, etc.).

(1) Source: Gartner – IT services 2021-2027, updated Q4 2023, at constant US dollars.

(2) Growth calculated at constant US dollars.

4. Sopra Steria's activities

4.1. Major European player in digital transformation

Sopra Steria, a major actor in Europe's consulting, digital services and solutions market, helps its clients drive their digital transformation and obtain tangible and sustainable benefits, thanks to one of the most comprehensive portfolios of offerings on the market, encompassing consulting and systems integration, industry- and technology-specific solutions, hybrid cloud and technology services, cybersecurity and business process services.

The Group provides end-to-end solutions to make large companies and organisations more competitive by combining in-depth knowledge of a wide range of business sectors and innovative technologies with a fully collaborative approach: from strategic analysis, programme definition and implementation, and IT infrastructure transformation and operation, to designing and implementing solutions and outsourcing business processes.

For Sopra Steria, helping clients succeed in their digital transformation means breaking down their strategic and business challenges into digital initiatives through an exclusive end-to-end offering. Thanks to very close relationships with its clients and its multi-disciplinary teams, the Group is able to continually innovate to guarantee that its offerings remain relevant to the strategic challenges of each of its vertical markets.

Sopra Steria's teams are trained in new microservices platforms, DevOps and cloud computing. They are also adopting new methods of designing, delivering and embedding teams. Sopra Steria is therefore able to offer the two key ingredients for successful digital transformation: speed of execution and openness to external ecosystems.

Sopra Steria Group is also the preferred partner of Axway Software, whose exchange and digital enablement platforms play an important role in modernising information systems and opening them up to digital technology.

Sopra Steria is an independent Group whose founders and managers control 22.2% of its share capital and 33.7% of its theoretical voting rights. With 56,000 employees in nearly 30 countries, it pursues a strategy based on European key accounts.

4.1.1. CONSULTING AND SYSTEMS INTEGRATION – 63% OF 2023 REVENUE

a. Consulting – 8% of 2023 revenue

Sopra Steria Next, the Group's consulting brand, is a leading consulting firm. Sopra Steria Next has over 40 years' experience in business and technological consultancy for large companies and public bodies, with nearly 4,000 consultants in France and Europe. Its aim is to accelerate the development and competitiveness of its clients by supporting them in their digital transformation while addressing their sustainability challenges in keeping with our clients' Corporate Responsibility policies. This support involves understanding clients' business issues using substantial sector-specific expertise, and then working to design transformation roadmaps (business processes, data architecture, change management, etc.) to make the most of new digital technologies such as data and AI. It involves supporting the IT departments of our clients, grasping their new challenges and assisting them with their overall transformation projects as well as the modernisation of their legacy systems.

b. Systems integration – 55% of 2023 revenue

Systems integration is Sopra Steria's original core business and covers all aspects of the information system lifecycle and major transformation programmes. Sopra Steria is equipped to address the full range of its clients' software asset needs:

Design and integration

Sopra Steria's teams help their clients implement agile and industrial-scale projects. The Group undertakes to design and deliver systems in line with business requirements that are flexible and adapted to the new requirements of digital transformation as well as sector-specific regulatory constraints. This is made possible by working closely with the Sopra Steria Next teams.

Performance and transformation

In addition to standard information systems maintenance, Sopra Steria takes a continuous transformation approach to these systems to guarantee optimised operational efficiency for its clients, suited to changes in their business. The transformation approach includes a well-equipped and documented procedure making it possible to combine the issues involved in reducing the time to market with improved competitiveness and continuity of service.

A world of data

Once the systems and technologies are implemented, the information system gives access to reliable, relevant and critical data and services, offering better analysis of user satisfaction and optimisation of business performance.

With the increasing number of diverse data sources relating to fundamental changes in use, data is more valuable to the company than ever. To increase the value of this data, Sopra Steria has developed specific know-how and expertise to manage the exponential growth in data volumes and associated skills (AI, data science, smart machines, automation, artificial intelligence) by integrating them into a global solution, securing the data regardless of its origin (mobile devices, smart objects, data privacy, the cloud, multimodal and multichannel systems, etc.) and using the data by means of contextualised algorithms, taking into account associated ethics.

The Group's systems integration offering thus meets the challenges posed by both the obsolescence and modernisation of information systems, ensuring optimal flexibility and value creation.

Product Lifecycle Management (PLM)

CIMPA provides comprehensive expertise via its PLM offering, which covers all the various facets of PLM services:

- PLM strategy creation or optimisation;
- deployment of strategy-related tools, processes or methods;
- user training and support.

4.1.2. HYBRID CLOUD & TECHNOLOGY SERVICES – 10% OF 2023 REVENUE

With over 30 years' experience and a team of over 6,500 experts around the world, Sopra Steria is a partner of choice for a controlled, secure and responsible information system transformation. A leader in the hybridisation of information systems and a major player in digital transformation, we offer solutions tailored to our clients and backed by our Service Centres in Europe and India. Our expertise, which spans Hybrid Cloud management to the transformation of infrastructures and operational models, encompasses end-to-end consulting, transformation projects and outsourcing. We are committed to simplifying operations and strengthening the performance and resilience of information systems, while also enhancing business agility and transparency.

Our area of expertise covers two business lines that are essential to support information system transformation for our clients:

- our **Dynamic Operations Platform** facilitates alignment with client business lines, bringing together flexibility and the best in technology, agile business models and organisational structures to achieve optimum resilience, performance and innovation in IT systems;
- our **Dynamic Support Experience** offers fully user-centric support focused on the user's business context. Our personalised approach helps them develop autonomy in managing their day-to-day challenges and increase their productivity.

Sopra Steria's expertise in legacy applications, its close working relationship with its clients and its DNA as a sovereign and responsible company are all valuable elements that enable it to address the challenges faced by organisations.

4.1.3. CYBERSECURITY SERVICES

With over 2,200 experts and several state-of-the-art cybersecurity centres in Europe and worldwide, Sopra Steria has an international reach as a European leader in protecting critical systems and sensitive information assets for major institutional and private clients.

We have developed a portfolio of services that enable our clients to address their strategic challenges as they face the threat of increasingly frequent and sophisticated attacks.

This range of services covers **the entire cybersecurity value chain,** from risk prevention and the safeguarding of sensitive information to detection and response:

- **prevention:** drawing up a cybersecurity strategy that is adapted to the risks of the business and complies with the regulations in force, and spreading a culture of security within the organisation;
- **protection:** ensuring the continuous monitoring of assets by securing multi-cloud and hybrid environments, end-to-end encryption of applications and sensitive data;
- **detection and response:** adopting an overall defence strategy that mobilises all stakeholders to work together (detection, response, cyber threat intelligence, investigation, vulnerability management, etc.) towards a shared goal – recognising attackers and countering cyberattacks.

With the acquisition of **CS Group in 2023**, Sopra Steria further enhanced its portfolio of sovereign solutions, including hardened operating systems, digital trust services and event correlation tools.

Lastly, we have developed specific offerings designed to address our clients' current priority concerns: Crisis management and cyber resilience, cloud security and industrial security.

Sopra Steria's **business model** based around value centres and products is designed to maximise the cyber value of the services delivered by the Group. It can be rolled out locally, through service centres (in France, nearshore in Poland and offshore in India) or in hybrid form, with a **"follow-the-sun" capability** to help our clients at all times.

4.1.4. DEVELOPMENT OF BUSINESS SOLUTIONS – 13% OF 2023 REVENUE

Sopra Steria offers its business expertise to clients via packaged solutions in three areas: banks and other financial institutions via Sopra Banking Software, human resources via Sopra HR Software, and real estate owners and agents with its property management solutions. The Group offers its clients the most powerful solutions, in line with their objectives and representing the state of the art in terms of technology, know-how and expertise in each of these three areas.

Sopra Banking Software: Solutions developer for the financial services industry

Drawing on its technologies and the strength of its commitment, Sopra Banking Software, a wholly-owned subsidiary of the Group, supports its clients – financial institutions – all over the world on a daily basis.

Customer experience, operational excellence, cost control, compliance and risk reduction are among the key transformation priorities for:

- banks in Europe and Africa: from direct- and branch-based retail banks and private banks to microfinance companies, Islamic financial institutions and centralised payment or credit factories;
- financing and lending institutions around the world: serving individuals and companies, the automotive and capital goods sectors, as well as equipment and real estate leasing and even market financing.

With over 4,000 experts worldwide, Sopra Banking Software addresses its clients' challenges across all geographies and in all business areas, covering issues such as communicating new offerings, the quality of customer relationships, production, accounting integration and regulatory reporting.

Solutions

Sopra Banking Software offers two services: Sopra Banking Platform, intended to respond to banks' day-to-day needs, and Sopra Financing Platform, which specialises in managing financing:

- Sopra Banking Platform is a banking processing platform that relies on an architecture of independent and pre-integrated business components. It makes it possible to manage all banking operations (deposits and savings, management of the loan lifecycle, payments, reporting) and offers innovative features in a digital and mobile environment.
- Sopra Financing Platform is a flexible, robust financing management platform able to deal with all types of financing tools within the framework of advanced process automation.

These solutions can be used either on-site at the client's premises, on the cloud (public or private) or in SaaS mode.

Services

An end-to-end provider, Sopra Banking Software offers solutions as well as consulting, implementation, maintenance and training services. This means that financial institutions are able to maintain their day-to-day operations while shifting towards greater innovation and agility, with the aim of securing sustainable growth. Through its market-leading solutions backed by more than 50 years of experience in its field, Sopra Banking Software is committed to working with its clients and staff to build the financial world of the future.

Sopra HR Software: a market leader in human resource management

Sopra Steria Group also develops human resource management solutions via Sopra HR Software (a wholly-owned subsidiary of Sopra Steria). Sopra HR Software is present in 10 countries, providing comprehensive HR solutions perfectly suited to the needs of human resources departments. Sopra HR Software currently has a workforce of 2,000 people and manages the payrolls of 900 clients with over 12 million employees.

Sopra HR Software is a partner for successful digital transformation of companies and anticipates new generations of HR solutions.

Solutions

The solutions offered by Sopra HR Software are based on the most innovative business practices and cover a wide range of functions, including core HR, payroll, time and activity tracking, talent management, employee experience and HR analytics. The offering is based on two product lines, HR Access® and Pléiades®, aimed at large and medium-sized public or private organisations in any sector and of varying organisational complexity, irrespective of their location. In response to new hybrid working patterns, the new generation of Sopra HR 4YOU solutions offers a fully digital HR space that helps businesses stay closely connected with their employees and optimise HR performance and the quality of HR services.

Within Sopra HR Lab, Sopra HR anticipates the emergence of innovative HR solutions.

Services

Sopra HR Software, a comprehensive service provider, offers a number of services linked to its solution offering and its HR ecosystem. Sopra HR Software supports its clients throughout their projects, from consulting through to implementation, including staff training, maintenance and business process services (BPS).

Sopra HR Software implements its own solutions either on-premise or in the cloud and also offers a wide range of managed services.

Sopra Real Estate Software: Driving digital transformation in the real estate market

Sopra Real Estate Software is the leading developer, distributor, integrator, and service manager of property management software in France. Sopra Steria offers major public and private sector real estate players (institutional investors, social housing operators, property management firms, property managers and major users) comprehensive business software solutions providing a huge range of functionality.

Sopra Real Estate Software's 650 real estate experts help our 400 clients realise their digital transformation so as to boost their return on assets, optimise practices and strengthen relationships with tenants and service providers.

Sopra Real Estate Software also offers a technical real estate asset management solution that is particularly well suited to helping our clients better understand their assets and manage their energy performance.

Solutions

From property management to building information management, we offer a range of solutions built around providing digital real estate services to tenants and partners.

Services

Sopra Real Estate Software supports its clients with an end-to-end service offering based on its solutions, from consulting to integration and managed services.

4.1.5. BUSINESS PROCESS SERVICES – 14% OF 2023 REVENUE

Sopra Steria offers a full range of business process services (BPS) solutions: consulting for the identification of target operating models, development of transition and transformation plans, and managed services. The Group delivers innovation with purpose, combining its longstanding experience in BPS and end-to-end digital expertise – including next-generation technologies such as artificial intelligence (AI), robotics, and natural language processing (NLP).

Sopra Steria manages two of Europe's largest shared services organisations: Shared Services Connected Limited (SSCL) and NHS Shared Business Services (NHS SBS). SSCL was formed originally as a joint venture between Sopra Steria and the UK Cabinet Office in 2013, and became a wholly owned subsidiary of Sopra Steria in Q4 2023. NHS Shared Business Services is a joint venture between Sopra Steria and the Department for Health and Social Care that provides support services to NHS trusts and UK health bodies. Together with these shared-service powerhouses, Sopra Steria provides a full range of business support services to major government departments, the police and UK government agencies.

The Group's BPS offering goes hand in hand with digital transformation and a host of high-potential next-generation technologies. Sopra Steria is at the forefront of utilising AI technology to revolutionise how its customers' business operations and user experiences are delivered. In 2023 we were successful at NS&I Bank in winning two major contracts to deploy AI to transform and manage all aspects of business and citizen contact to meet the demands of an increasingly demanding customer base. At the UK's Home Office Border Force, the Group's subsidiary SSCL won a recruitment management contract that will see it using AI to transform the candidate experience and recruitment outcomes. Whether through AI, robotics, chatbots or natural language processing, the Group streamlines the execution of processes, empowering workforces and driving new approaches for its clients every day through the application of cutting-edge digital solutions.

Sopra Steria is a trusted integrator, bringing together its own platforms with offerings from a dynamic network of global BPS partners, and, through its open innovation expertise, the niche, highly coveted capabilities of startups and SMEs to deliver best-in-class solutions to its customers.

To deliver sustainable transformation, the Group puts people before processes and tools. Sopra Steria's change management experts work alongside clients to help engage their workforce as co-beneficiaries of transformation. The Group's ability to approach change from a human and business perspective allows it to support our clients wherever their digital journey takes them, driving purposeful, future-proof business outcomes.

4.2. Business expertise at the heart of our strategy

Sopra Steria has chosen eight major vertical markets that constitute its areas of excellence and make up 91% of revenue. The Group has a comprehensive offering in each of these fields, meeting the specific challenges of its clients.

4.2.1. FINANCIAL SERVICES – 21% OF 2023 REVENUE

The banking and financial services sector has entered a new era, that of Open Banking. Client demands and regulatory pressures are constantly increasing and new market entrants (fintech companies, the "Big Four" tech companies, retail and telecoms players, etc.) are helping to accelerate transformations in this ecosystem, moving it toward greater openness, a paradigm shift often referred to as the Open Banking revolution.

In view of these new challenges, Sopra Steria aims to be a partner for banks, helping to facilitate and accelerate this transformation.

With three core areas of expertise – understanding of the banking sector, its clients and the most innovative technologies, from AI to cybersecurity – the Group offers powerful and agile software solutions, as well as their application by means of value-added use. The Group and its subsidiary Sopra Banking Software provide comprehensive solutions and turn changes in the banking world into opportunities for their clients, whether in risk management, data protection, improving customer experience, optimising performance, delivering differentiation or identifying new sources of income, while ensuring compliance and a high level of security.

4.2.2. PUBLIC SECTOR – 21% OF 2023 REVENUE

Faced with new expectations from civil society and businesses, the need to optimise their expenditure, the obligation to keep up with regulatory changes and driven by a wave of reforms, public sector entities are continuing the broad-based transformation of their activities, organisations and the services offered to their users.

When digital technology is a force for change, Sopra Steria provides solutions in two main categories: (i) the digitalisation of government services, the re-engineering of processes and, more generally, the modernisation of business-specific information systems via digital transformation programmes, and (ii) the pooling of support functions for central government agencies, local authorities, and key providers in the health and welfare sectors.

As a result, public sector organisations can ensure that they meet their targets and priorities at the lowest cost, while giving their information system the agility it requires to meet the high expectations from civil society and agents.

4.2.3. AERONAUTICS, SPACE, DEFENCE & SECURITY – 25% OF 2023 REVENUE

a. Aeronautics

The aeronautics sector is a particularly fertile ground for innovation. It is subject to constraints regarding reliability, availability, security and performance, which require suppliers to have full command of the technologies and processes implemented, as well as a thorough understanding of their different clients' core businesses.

For optimal service, companies operating in this sector must align their capacities with the pace of production and optimise their processes and information systems while also improving profitability. Digital continuity and the ability to manage the product lifecycle, from design to manufacture and after-sales services, are crucial. Sopra Steria's acquisition in 2015 of CIMPA, a specialist in product lifecycle management, makes total sense in this context particularly as it was followed in 2017 by the acquisition of 2MoRO, extending the Group's offering in aerospace maintenance activities.

To meet these challenges, Sopra Steria's expertise comes into play through the Aeroline vertical in such critical areas as industrial efficiency, manufacturing and particularly the shop floor, supply chain, on-board systems and air traffic control.

b. Space

Following the 2023 acquisition of CS Group, with its 40 years' experience in the space industry, Sopra Steria is now a major player in the European digital space technology arena. Its technology solutions and business lines address the entire added value chain:

- from space engineering services through to integration of onboard and ground-based turnkey systems that meet resilience and safety requirements;
- from space mission analysis through to operation and use;
- from spacecraft command and control through to processing the large amounts of data generated;
- from advanced forecasting algorithms through to decision support systems.

This positioning enables the Group to be involved in space programmes that are high on the global agenda in terms of sustainability and security and to address a market which, having historically been supported by government funding, is now changing fast. Rapid technological progress is unlocking new capacity, encouraging commercial funding of space projects and making space more accessible to nations and the private sector.

This democratisation of access to space is fostering a dynamic and innovative ecosystem with an evolving business model (on-demand access) while guaranteeing safety both in space and on the ground.

In response to these challenges, Sopra Steria has introduced the Smart Space concept, helping foster a continuum between feedback from legacy players and the capacity to innovate so as to create new and secure high-performance products and services that deliver on the priorities of space programmes.

c. Defence

In a tense geopolitical context, marked by the rise of new threats to states (high-intensity major conflicts, cybercrime, terrorism, etc.), defence departments face numerous challenges and must improve their effectiveness while taking into account budgetary constraints. It has become essential to ensure information superiority, data interoperability and critical operational systems security.

With over 40 years' experience in supporting the military in Europe, Sopra Steria combines pragmatism and innovation, thanks to tailored technological and process solutions:

1. reliability and interoperability of operational information and communication systems;
2. efficiency and overall effectiveness of the armed forces;
3. efficiency of the military supply chain (supply chain management);
4. control over costs and the complexity of ensuring compliance for information systems.

As a company specialising in digital services, Sopra Steria does not engage in the manufacture, maintenance or marketing of controversial defence equipment.

d. Security

Sopra Steria supports public authorities in meeting the challenges of homeland security. The Group operates in 24 countries, serving many different organisations: police, emergency services, border control, justice, customs and homeland security services.

Sopra Steria carries out large-scale, complex and critical projects on behalf of these organisations, concerning:

- survey management and information processing;
- road safety;
- automation of command-and-control solutions;
- management of identity documents, security credentials, and civil and criminal biometrics;
- modernisation of court- and prison-related administration;
- intelligent, distributed computer systems;
- infrastructure security;
- mobile technologies to optimise operations on the ground.

In addition, the Group has developed innovative solutions specific to the security sector, to meet the challenges and requirements of clients in this field (biometrics, mobile technology, fingerprint and genetic footprint search engines, implementing secure cloud solutions etc.).

4.2.4. ENERGY AND UTILITIES – 6% OF 2023 REVENUE

The energy sector in Europe and in France is in the midst of its most radical transformation since the end of the Second World War. Public institutions, civil society and the private sector have taken into account Europe's decision to achieve carbon neutrality by 2050, with the recent energy crisis in Europe sparking an increase in investment decisions.

Becoming carbon-neutral will require a thorough overhaul of the energy sector's value chain, from production to marketing, with electricity replacing fossil fuels, and biogas and hydrogen acting as complementary forces, particularly for industry.

For energy providers, this raises a number of specific challenges:

- **in production:** striving for excellence in the field of low-carbon (especially nuclear) and renewable energy production, while mastering the technological, financial and societal challenges associated with accepting the many projects to be launched in the various regions;
- **in transmission and distribution:** spearheading a wave of investment in response to the need to scale up renewable energy production, connect production facilities to the grid, and operate those facilities under optimum conditions by modernising and digitalising management of the grid;
- **in marketing:** optimising the customer experience and creating offers that combine energy and services to retain and win over new customers, and to respond to new usage patterns (electric mobility, self-consumption, etc.).

Against this backdrop, Sopra Steria supports energy suppliers and utilities in their strategic responses to trends affecting a number of areas:

- **experience and client acquisition:** reinventing customer relations and designing new services;
- **digital continuity of engineering:** helping our major clients achieve their ambitions in developing new carbon-free, nuclear and renewable energy production sites;
- **power grid modernisation:** ramping up the decentralisation and digitalisation of energy transmission and distribution grids;
- **modernisation and optimisation of information systems** to enable energy transition investments;
- **transformation and resilience of organisations:** facilitating changes in organisations and business lines to promote agility.

4.2.5. TELECOMS, MEDIA & ENTERTAINMENT – 4% OF 2023 REVENUE

The telecoms, media and entertainment sector is at the centre of the digital revolution, for three reasons:

- it supports the digitalisation of all the other verticals, in particular by feeding the data collected from billions of objects to algorithms;
- it also serves as the testing ground for the implementation of new technologies and uses as part of a platform-based business model;
- lastly, it plays a key role in ensuring economies are resilient, as demonstrated during the Covid-19 pandemic.

Sopra Steria serves the transformation goals of its clients in relation to the following main challenges:

- **deployment of new infrastructures:** fibre and 5G to help meet countries' industrial requirements by providing them with very high-speed fixed and mobile connectivity;
- **infrastructure management:** moving from a configurable to a programmable approach for essential infrastructure, such as the cloud, SDN/NFV and most recently 5G;

- **automation:** so that the company is able to interact in real time, in particular thanks to AI, with all members of its ecosystem (customers, suppliers, partners, employees, infrastructures);
- **greater business agility:** making it easier to readapt, readjust and realign the company and its organisational structures to better seize new opportunities and also to further improve the engagement of managers and their teams in service of clients;
- **digitalisation of services:** laying down the fundamentals of the platform-based business, thus moving to fully digital and end-to-end solutions, from client to infrastructure;
- **core media business:** taking up new models, such as SVOD, AVOD, content aggregation, targeted advertising and 4K;
- **core gaming business:** customer retention and churn, fraud reduction and control over cash flows, compliance with regulations, digitalisation of distribution channels.

4.2.6. TRANSPORT – 6% OF 2023 REVENUE

Given that the transport sector accounts for 30% [1] of GHG (greenhouse gas) emissions, all players in the sector will have to undergo major changes in the short- to medium-term to reduce their footprint. Meanwhile, mobility and logistical needs are constantly changing and must contend with new challenges: increased international traffic and interoperability, the development of platforms to facilitate access to mobility services in urban areas, the upgrading of infrastructure both in terms of capacity and modernity, and new approaches to urban logistics as the volume of goods driven by e-commerce explodes and last-mile services in densely populated areas require new approaches.

Faced with these major challenges, the transport industry needs to implement strategies, investments and services to encourage travellers to choose the most environmentally friendly solutions by facilitating access to services, using "door-to-door" methods, offering seamless Intermodality, integrating micro-mobility, and developing new payment and customer experience models. Transporters, infrastructure managers and logisticians progressively update their operating and supervision models to integrate the new functionalities made possible by data and predictive models. Advances in autonomous driving and vehicles are a key issue in urban areas.

The energy crisis is also set to accelerate changes that were already underway in relation to optimising processes, reducing energy consumption at industrial properties, continuing to develop clean transportation and developing green hydrogen solutions.

Sopra Steria Group is a leading partner of choice to major players in the transport industry to help them achieve their digital transformation goals in three key areas of their value chain: transformation of the urban and multimodal experience; platformisation of operating and command-and-control systems, operational supervision and traffic management; and excellence of industrial operations and asset management.

The Group also aims to be a recognised player in mobility ecosystems: MaaS platforms, autonomous shuttles/vehicles, and smart cities.

Its expertise in the digital domain is recognised in the transport industry, particularly in relation to business consulting, digital expertise (Big Data, AI, IoT, etc.), cloud migration from consulting through to migration factory, integration of specialist solutions, and cybersecurity.

Sopra Steria is one of Europe's top 10 digital services companies in business and information system transformation for major clients in the rail sector, transport authorities, urban operators, motorway concessions groups, postal services, aviation and logistics.

4.2.7. INSURANCE – 4% OF 2023 REVENUE

The insurance sector is fiercely competitive due to the increasing standardisation of offers, high interest rates and the escalating regulatory burden. At the same time, clients are exhibiting new behaviours, with a shift in expectation toward the hyper-personalisation of products and services.

In this increasingly competitive global context, leading insurers continue to look to consolidation and transformation as the way forward in order to be comprehensive insurers and open their distribution models. To set themselves apart, they are developing extended services and are taking into account the new risks associated with use (as opposed to ownership) of property, the rise of service business models, the sharing economy and cybersecurity.

Sopra Steria offers its clients a comprehensive solution for the implementation of new business models, support for strategic plans and digital transformation, helping in particular to open the business and its information system to new partnerships and services across an extended value chain.

4.2.8. RETAIL – 4% OF 2023 REVENUE

Retailers face a challenging business environment as well as profound and continual changes in the shopping habits of customers, who increasingly use digital technology. To remain competitive, transformation is essential. The aim is to secure and better manage retail business practices by offering a real ability to innovate to meet consumer demand for immediate and flexible services while respecting environmental issues.

Sopra Steria assists retailers with their digital transformation and has developed knowledge and experience in multi-channel commerce, optimisation of logistics chains and understanding customer experiences.

4.3. Research and development in solutions

The Group has continued its R&D efforts, investing €122 million [2] in 2023 (versus €114 million in 2022) in developing and expanding its business solutions. These are gross amounts and do not take into account funding related to the French R&D tax credit (CIR).

(1) *Report on the state of the environment in France: https://www.statistiques.developpement-durable.gouv.fr/sites/default/files/2022-10/datalab_108_bilan_annuel_transports_2021_octobre2022.pdf*

(2) *After taking into account the impact of changes in scope.*

5. Strategy and objectives

5.1. Strong, original positioning in Europe

Sopra Steria's ambition is to be a European leader in digital transformation. Its high value-added solutions, delivered by applying an end-to-end approach to transformation, enable its clients to make the best use of digital technology to innovate, transform their models (business as well as operating models), and optimise their performance.

The Group's aim is to be the benchmark partner for large public authorities, financial and industrial operators and strategic companies in the main countries in which it operates.

To achieve this aim, Sopra Steria continues to strengthen its key competitive advantages:

- leading positions in priority verticals (Financial Services, Aerospace, Defence & Security, Public Sector);
- very close relationships with its clients, thanks to its roots in the regions where it operates and its ability to meet core business requirements;
- a strong European footprint with numerous locations in many of the region's countries which, when combined with these close relationships, raises its profile among large public authorities and strategic companies throughout Europe as a trusted and preferred partner for all projects involving digital sovereignty;
- business software solutions which, when combined with the Group's full range of services, make its offering unique.

Lastly, the Group's mission statement – formally adopted in 2019 – reflects both its values and its desire to help meet the Sustainable Development Goals of the Company and its stakeholders: "Together, building a positive future by making digital work for people."

5.2. Confirmed objectives and priority action areas

5.2.1. DEVELOPMENT OF CONSULTING ACTIVITIES

In order to position itself even more securely with client decision-makers at the business department level, the Group is continuing its move up the value chain in consulting, and confirms its medium-term target of continuing to develop its activities in this area. To do this, it is gradually developing a range of consulting services and capacity in all of the regions in which it operates, using a model that favours synergies with the Group's other business lines. The Group's plan is to establish and develop a European consulting capability specialising in business transformation through technology. The Group aims to help its clients define and deliver on the promises they make to their own clients and employees by seizing opportunities offered by the ongoing digital, environmental and social transitions, in support of the Group's strategy. The Group's ambition is to be a powerful and widely recognised European consulting firm at the cutting edge of innovation in technology and management, where business and technology intersect, offering tailored solutions designed to address specific business issues while honouring its clients' culture and ESG policy [1]. The consulting business mainly operates in three segments: IT consulting; operational consulting, with a focus on Group clients' core business; and strategy consulting, with a focus on digital services and associated marketing, innovation and data use.

The prominence of the Sopra Steria Next brand, created in 2019 to promote the Group's digital transformation consulting expertise, has benefited from this. In France, it is also bolstered by the Group's decision to integrate its CSR mission into its consulting activities. This mission, built around the idea of digital ethics, is backed by a dedicated communications plan.

5.2.2. ACCELERATION IN DIGITAL TECHNOLOGY

Sopra Steria has successfully completed numerous digital projects. Its experience has allowed it to offer a holistic approach to digital transformation to the market, based on a series of best practices.

To step up its commitment to digital technology, the Group is continuing to invest with the goal of:

- being at the cutting edge of the market in all of its services and business models;
- strengthening its technology assets;
- transforming its operating models;
- educating all of its employees in digital culture, practices and skills;
- keeping an eye on the market in order to clarify its digital strategy and target the best digital partners.

Digitalisation of offerings and business model adaptation

The Group is adapting its software to factor in advances in digital technology in a number of key areas, such as the customer/user experience, analytics, AI, APIs, etc., and to take account in their architecture of changes in client needs, such as growing use of the (hybrid) cloud, increasing demand for Software-as-a-Service and the gradual adoption of the platform company model (particularly in the financial sector).

The same approach is being applied for each of the Group's service activities – Consulting, Application Services (Build and Application Management), Infrastructure Management, Cybersecurity, Business Process Services – with the following Group objectives:

- using the potential of new technologies – analytics, smart machines, blockchain, IoT, augmented/virtual reality etc. – to benefit its clients through innovative applications, with a particular focus on AI, and in particular generative AI, through a large-scale programme launched in 2023 across all the Group's geographies and involving all its business lines;
- driving its clients' transformation from its current position: for example, the Application Management offering has evolved to encompass the end-to-end transformation of processes and the corresponding modernisation of existing IT systems, including connecting digital technologies with legacy systems and migrating all or some of the IT system to the cloud;
- promoting new end-to-end approaches combining consulting and software: providing IT strategy support for large companies and public authorities, implementing digital continuity in industrial value chains, building service platforms, overseeing the cloud-based and digital transformation of information systems, etc.

(1) Environmental, Social and Governance.

The digitalisation of solutions and services and, more broadly speaking, changing client expectations, have led the Group to adapt its business models. The Group will thus be selling more and more solutions operated on behalf of clients and, in services, increasingly leveraging intellectual property (reusable components, implementation accelerators, etc.). It will thus generate more recurring revenue through its solutions, with less of a direct connection to the size of its workforce in services.

Technology assets

The Group is continually investing in the exploration of new ideas and expertise in architectures, and in emerging digital, cloud and AI technologies and uses, relying on its teams of "digital champions" (experts led by the Group's Chief Technology Officer).

At the same time, all necessary resources are being designed and put in place to rapidly develop and operate digital solutions on behalf of the Group's clients that are natively designed to function in hybrid cloud environments:

- the Digital Enablement Platform (DEP), the technical foundation for building or modernising IT systems (designed to be able to interact with components of Amplify, Axway's hybrid integration platform), an industrial DevOps chain and an environment to capitalise on and search for reusable software components, a private cloud that can be extended to the main public clouds;
- implementation accelerators for new digital technologies (smart machines, AI/machine learning, blockchain, IoT, etc.);
- digital factories to enable service offerings combining consulting and software (e.g. migrating information systems to the cloud).

In early 2023, the Group launched a massive initiative supporting the adoption of advances brought about by generative AI. The rAIse® programme aims to use AI to transform the Group's practices by creating an end-to-end client offering and systematically building AI into its technology assets over the long term.

Transformation of operating models

The Group is gradually changing the operating model for its services and R&D activities (by integrating its aforementioned technology assets):

- extensive experience with agile projects (including many in collaboration with offshore and nearshore centres);
- roll-out of processes and resources (software and digital factories) for industrialisation, automation, AI use and reusable components developed to boost productivity and quality for IT services and R&D activities.

In particular, this involves greater use of smart machines (robotic process automation, intelligent automation, virtual assistants, generative AI) in the Group's recurring service activities (in connection with its Business Process Services, Infrastructure Management, Application Management and Support offerings) as well as expanding the reuse of existing technology- or industry-specific software components (IP blocks, open source) and the use of low-code/no-code development platforms for building solutions:

- transformation in line with the production model of each activity (distribution of roles between the onshore production teams, the service centres, and the offshore and nearshore R&D teams).

Skills development

To accompany its transformation, the Group is making a considerable effort to train its employees and managers:

- strengthening its training offering: introductory and more advanced courses on all digital/cloud technologies, training on new digital practices and new industrial environments, training on the digital services and solutions offered by the Group;
- digitalisation of training resources: virtual training rooms, in-house e-learning and access to MOOC-style learning platforms.

Innovation

Numerous initiatives are being encouraged to promote and enhance innovation, such as the Group's digital champions keeping an eye on technology advances and uses, innovation imperatives assigned to project teams, internal innovation competitions to develop new digital uses, hackathons open to clients and partners, as well as platforms for digital demonstrations, brainstorming, co-design, rapid development and technology intelligence open to clients, employees and partners (DigiLabs at all the Group's major locations and a Next centre at its registered office), etc.

The rAIse® programme encourages the Group as a whole to experiment with the advances brought about by AI, and in particular generative AI. All entities are working towards being able to offer their clients AI-powered solutions, incorporating AI into their everyday practices and training all employees.

Ecosystem of partners

Special efforts are being made to establish targeted partnerships with leading players in the digital ecosystem by vertical and by major technology area (startups and niche players, institutions of higher education and research laboratories, top software development companies, tech giants, etc.). It is within this framework that a strategic partnership has been forged with Axway.

In order to ensure effective market intelligence, a collaborative startup observatory is made available to the Group's teams of digital champions and all its managers.

In certain very specific cases relating to its digital strategy, the Group may directly or indirectly take equity stakes (through specialised funds) in young startups that it considers the most innovative in the market, applying a corporate venturing approach.

5.2.3. TARGETING OF SPECIFIC VERTICALS

Focused business development

To support its positioning goals, the Group is continuing its policy targeting specific vertical markets, key accounts and business areas in all countries where it operates.

There are eight priority verticals that currently account for the majority of revenue: Financial Services; Public Sector; Aeronautics, Space, Defence & Security; Energy & Utilities; Telecoms, Media & Entertainment; Transport; Insurance; Retail.

For each vertical, the Group selects a small number of key accounts (fewer than 100 at Group level), focuses on a few different business areas in which it aims to secure a leading position and implements an inter-entity coordination system for the different countries and subsidiaries concerned.

Some of these verticals are considered particularly strategic. The Group has very clear strengths in several countries (broad position, IT and business expertise, replicable experiences etc.). The transformation needs of businesses, public authorities and ecosystems in place are considerable and rely on similar solutions from one country to the next. These verticals (Financial Services, Aerospace, Defence & Security, Public Sector) are eligible for corporate investment or external growth transactions.

End-to-end vertical offerings

In order to achieve its leadership objective in its targeted verticals and business areas, the Group mobilises the development efforts of its various entities to build end-to-end value propositions as well as offerings of business solutions designed to address the business challenges faced by its major clients. As an example, the Group applies this approach to meet digital continuity challenges in the aerospace value chain.

5.2.4. DEVELOPMENT OF SOLUTIONS

The Group confirmed its target to continue growing its development activities in human resource management and property management (Sopra HR Software and Sopra Real Estate Software) as well as its activities in solution integration. Efforts will continue to be focused on enriching the Group's solutions, adapting them to cloud systems, leveraging API-based access to data and services, integrating new digital technologies, developing managed services, and expanding operations into new geographic markets.

Management at the Group's software entities confirmed the benefits of mapping out a Software Project that goes beyond merely setting up a reporting and control hub.

5.2.5. ACQUISITION STRATEGY

The Group makes regular targeted acquisitions in order to enhance its offering and expertise or strengthen its position in certain regions. In this context, it will be able to carry out larger acquisitions.

5.2.6. INTEGRATING THE GROUP'S CSR AMBITIONS INTO ITS STRATEGY

Sopra Steria has long been committed to corporate responsibility. The Group's progress in the area of sustainability is underpinned by a holistic approach that takes into account the impact of its activities on the environment and society and includes the following:

- an employee policy that positions the Group as a leading employer by focusing on diversity, equity and inclusion;
- a rigorous environmental trajectory to mitigate the impact of our activities on the environment and help combat climate change;
- an ethical approach in our day-to-day operations and across all our business activities;
- support for local communities through community initiatives focused on education and digital inclusion.

The Group's workforce-related, environmental, ethical and inclusive commitments are applied across its entire value chain, with suppliers being held accountable. Digital technology is harnessed to enable the Group to offer more responsible services and solutions that deliver lasting value.

The Group's commitments are guided by three key priorities, which are broken down into qualitative and quantitative targets and regularly reviewed to ensure they take into account advances in scientific knowledge, changes in the external environment and societal challenges:

- helping combat climate change by enacting two complementary strategies:
  - mitigating the environmental footprint (both that of the Group, through our Net-Zero strategy, and that of our clients through assessing and optimising the environmental impact of digital solutions offered, built or operated by the Group on their behalf), and
  - adapting to the challenges posed by the ecological transition (by developing innovative solutions, tools, services and projects in support of the environment and the climate);
- proactively putting more women into management roles and fostering an environment conducive to workplace gender equality and equal opportunity;
- embedding responsible, sustainable digital technology issues into the Group's different business lines and our value proposition with regard to stakeholders, in particular clients and suppliers.

5.3. Medium-term strategic objectives

Sopra Steria plans to expand its development of digital services and solutions in Europe and focus its investments on consulting and digital technology in its strategic verticals: financial services, defence & security, aeronautics, space and the public sector. The Group's ambition is to become a compelling European alternative to global providers, particularly with regard to issues of digital sovereignty, for major European clients in its strategic verticals.

Its corporate plan is set within an upbeat market for digital services in the medium term, boosted by demand for digital transformation on the part of businesses and institutions looking to optimise their processes and increase their resilience.

6. 2023 Full-year results

6.1. Comments on 2023 performance

Cyril Malargé, Chief Executive Officer of Sopra Steria Group, commented:

"Thanks to the commitment of our 56,000 employees, who work hard every day to advance their clients' digital transformation, Sopra Steria performed very well in financial year 2023. I'd like to commend all our teams on the results they achieved.

We comfortably achieved the financial targets we had set for ourselves.

We made significant headway with a range of transformative initiatives: developing our Consulting business, shifting our technology solutions further up the value chain, gradually adjusting our operating model, reinforcing our human resources policy and boosting our operational efficiency. We plan to keep scaling up our efforts in these areas over the coming quarters.

In the first half of 2023, we launched rAIse®: a large-scale programme to embrace generative AI, which will feed into everything our business consulting teams do, our internal development tools and our partnership strategy.

With the acquisition of CS Group, we have considerably strengthened our positions in Defence & Security and established a presence in the Space segment, which has substantial growth potential. The purchases of Tobania and Ordina have given us a key presence in the Benelux market, with over 4,000 employees and around €700 million in revenue over the full year.

Lastly, I'm very proud to share that Sopra Steria has once again made the CDP [(1)] A List – recognising the world's most transparent and most proactive companies in the fight against climate change – for the 7th year in a row.

Our priorities for 2024 are clear: successfully integrate the companies we have acquired, execute the recently announced plan to dispose of our banking software activities, speed up our internal transformation initiatives and boost our performance."

DETAILS ON 2023 OPERATING PERFORMANCE

Consolidated revenue totalled €5,805.3 million, an increase of 13.8%. Changes in scope had a positive impact of €420.6 million, and currency fluctuations had a negative impact of €74 million. At constant exchange rates and scope of consolidation, revenue growth was 6.6%.

Operating profit on business activity came to €548.2 million, up 21.0% relative to 2022. The operating margin on business activity increased by 0.5 points to 9.4% (8.9% in 2022).

The **France reporting unit** (41% of the Group total), revenue grew sharply (16.9%) to €2,384.3 million. CS Group was consolidated in Sopra Steria's accounts for ten months and contributed €257.4 million in revenue, posting 10.2% growth. Excluding changes in scope, organic growth came to 5.0%. Growth continued – albeit at a slower pace – in the fourth quarter, with organic growth running at 2.3%. The year's best-performing vertical markets overall were defence, aerospace and transport. The operating margin on business activity came to 9.6% (10.0% in 2022). As expected, the consolidation of CS Group had a dilutive effect on the operating margin on business activity for the financial year. The benefits of operational synergies are expected to show up from 2024.

Revenue for the **United Kingdom (**16% of the Group total) was €940.9 million, representing organic growth of 7.7%, driven by the aerospace, defence and security sector, which posted growth of 23.1%, as well as by NHS SBS and SSCL, the two business process services platforms for the public sector, which posted growth of 9.7% and 15.3%, respectively. The private sector posted full-year growth of 2.4%. The reporting unit's operating margin on business activity improved by 0.5 points to 11.0%.

The **Other Europe reporting unit** (30% of the Group total) posted organic revenue growth of 18.6% to €1,746.9 million. At constant scope and exchange rates, revenue grew 8.8%. The fastest growth was seen in Scandinavia and Spain, which both posted double-digit growth. Following the consolidation of Ordina in the final quarter of 2023, Benelux contributed €309.7 million to full-year revenue, representing organic growth of 5.3%. The reporting unit's overall operating margin on business activity was 8.7%, up 2.5 points from 2022 (6.2%).

Revenue for **Sopra Banking Software** (8% of the Group total) came to €445.1 million, representing organic growth of 4.8%, driven in particular by the digital solutions offered by Sopra Banking Platform and Sopra Financing Platform. This resulted in a 9.8% increase in subscription revenue. Software revenue was up 4.2% while services revenue grew 5.8%. The operating margin on business activity came to 5.4%, as anticipated, equating to a moderate decline from 6.5% in 2022.

The **Other Solutions** reporting unit (5% of the Group total) posted revenue of €288.2 million, representing organic growth of 5.9%. The Human Resources Solutions business grew by 6.7%. Property Management Solutions posted a 4.1% increase in revenue. The operating margin on business activity grew 0.7 points to 13.7% (13.0% in 2022).

6.2. Comments on the components of net profit attributable to the Group and financial position at 31 December 2023

Profit from recurring operations came in at €467.2 million, equating to growth of 17.5%. It included a €43.0 million share-based payment expense, the increase in which was largely due to increases in the Sopra Steria share price in financial year 2023. It also included a €38.0 million amortisation expense on allocated intangible assets.

(1) Every year, nearly 21,000 companies and organisations around the world provide details on their environmental performance to CDP for independent assessment against its scoring methodology for the benefit of investors, purchasers and other stakeholders

Operating profit came to €329.9 million (compared with €361.3 million in 2022), after a net expense of €137.4 million for other operating income and expenses (€36.3 million in 2022), which included an €89 million asset impairment charge on Sopra Banking Software. This non-recurring charge has no impact on cash or on the dividend proposed in respect of financial year 2023.

Net interest expense was €35.9 million (versus €14.4 million in 2022), driven by the increase in financial debt relating to financing for acquisitions and higher interest rates.

The tax expense totalled €111.7 million, for an effective tax rate of 38.0%. Restated for non-recurring items, the normative tax rate for 2023 is estimated at 25%.

Net profit from associates amounted to profit of €6.7 million (compared with an expense of €14.7 million in 2022).

Minority interests totalled €5.4 million. Since SSCL is wholly owned following the acquisition of the 25% interest previously held by the UK Cabinet Office, no minority interests were recognised.

Net profit attributable to the Group came to €183.7 million (€247.8 million in 2022).

Adjusted to exclude the impairment charge on Sopra Banking Software, net profit attributable to the Group would have been €272.7 million in 2023, 10.0% higher than in 2022.

Basic earnings per share came to €9.08 (€12.23 in 2022). Adjusted to exclude asset impairment, basic earnings per share would have been €13.48.

Free cash flow was very strong, at €390.2 million, in particular due to a 21.2% increase in EBITDA, strict management of the average payment period of trade receivables and early net inflows.

Net financial debt totalled €946.0 million. It included the impact of outflows related to the acquisitions of CS Group, Tobania, Ordina and SSCL. As at end-December 2023, it was equal to 49.1% of equity and 1.5x pro forma EBITDA for 2023 before the impact of IFRS 16 (with the financial covenant stipulating a maximum of 3x).

6.3. Proposed dividend in respect of financial year 2023

At the next General Meeting of Shareholders, Sopra Steria will propose the payment of a dividend (1) of €4.65 per share vs €4.30 per share in respect of financial year 2022.

6.4. Workforce

At end-December 2023, the Group's **net headcount** came to 55,833 employees, compared with 49,690 employees at year-end 2022. A total of 9,202 staff were employed at international service centres.

The **workforce attrition rate** was 14.0%, compared with 17.0% in 2022.

6.5. Social and environmental footprint

Sopra Steria sees its contribution to society as **sustainable, human-focused and purposeful**, guided by the firm belief that making digital work for people is a source of opportunity and progress.

With regard to the environment, CDP confirmed in February 2024 that Sopra Steria had made its A List – recognising the world's most transparent and most proactive companies in the fight against climate change – for the 7th year in a row. This recognition notably reflects the Group's new Net-Zero target (2) of achieving a 52% reduction in its greenhouse gas emissions from Scopes 1 & 2 and a 37.5% reduction for Scope 3 by 2030. As at end-December 2023, the Group had achieved a 63.6% reduction in Scope 1 & 2 emissions and a 9.8% reduction in Scope 3 emissions. The Group's energy consumption, for example, was reduced by 20% relative to 2021.

In the social arena, progress was made on the Group's gender equality policy in 2023, with a 0.4-point increase in the proportion of women in the workforce (33.5%), a higher proportion of women hired and promoted, and a 1.1-point increase in the proportion of women in the 10% most senior positions (21.5%).

With regard to human resources, the annual Great Place To Work survey conducted in 2023 found that 77% of employees say Sopra Steria is a great place to work, making the vast majority of the Group's entities eligible for Great Place to Work® certification.

6.6. Targets for 2024

- Compound annual organic revenue growth of between 2% and 4%, including a relatively stable Q1;
- Operating margin on business activity of between 9.5% and 10.0%, including a dilutive effect of around 0.2 points related to recent acquisitions;
- Free cash flow in excess of €350 million

6.7. External growth transactions and acquisitions in financial year 2023

During financial year 2023, Sopra Steria announced the following key transactions:

- **CS Group** – On 28 February 2023, Sopra Steria Group SA acquired a controlling stake in CS Group. This acquisition followed the acquisition of a main block comprising 29.73% of the company's share capital as well as the fulfilment of commitments made on 27 July 2022 to sell stakes comprising 29.15% and 6.38% of the company's share capital. Following these acquisitions, and taking into account the 9.80% stake already held in the company, the Group held a controlling interest of 75.06% at 28 February 2023. The Group subsequently carried out a simplified public tender offer and a delisting offer. All of these transactions were carried out on the basis of a unit price of €11.50 per ordinary share. The Group held 100% of CS Group's share capital at 31 December 2023.

(1) General Meeting to be held on Tuesday, 21 May 2024. The ex-dividend date will be 28 May 2024. The dividend will be payable as from 30 May 2024.

(2) Target approved by the Science Based Targets initiative (SBTi) on 16 June 2023 and aligned with the aim of limiting the increase in the average global temperature to 1.5°C (reduction targets baseline: 2019).

CS Group is a benchmark player in designing, integrating and operating critical systems in the fields of defence, security, space and nuclear energy. It also strengthens the Group's positions in France in cybersecurity and aeronautics, as well as digital sovereignty and digital trust. It is part of the "France" cash-generating unit.

- **Tobania** – On 2 March 2023, the Group completed the acquisition, through its subsidiary Sopra Steria Benelux, of 100% of the share capital of Assua NV and its operating subsidiaries Tobania NV and Python Predictions BV in Belgium. This business combination enables the Group to expand its coverage of digital services in the Belgian market and double its market share to become one of its main players. The companies acquired are part of the "Benelux" cash-generating unit.
- **Ordina** – Following the public tender offer launched on 19 July 2023, the Group acquired a controlling interest in Dutch digital services company Ordina on 4 October 2023. At 31 December 2023, it held 100% of the shares in this company. Ordina has operations in the Netherlands, Belgium and Luxembourg. Together with the Group's businesses in Belux and those acquired from Tobania in Belgium, this combination creates a premier digital services partner in the Benelux region. The businesses and markets served by Ordina are very similar to those served by the Group. The Benelux region is now overseen from the Netherlands. Ordina belongs to the Benelux cash-generating unit.
- **Connectiv-IT** – In France, on 4 April 2023, the Sopra Steria Group SA wholly acquired Connectiv-IT, a French software developer specialising in supply chain management and ensuring operational readiness of equipment in the aeronautics and defence sectors.
- **Marin IT** – Sopra Steria AS, a Norwegian subsidiary of the Group, wholly acquired Marin IT in September. The company had previously been the IT services subsidiary of the Norwegian companies DOF Group ASA and Austevoll Seafood ASA.
- **Sopra Steria Ré 2** – On 21 December 2023, Sopra Steria Group SA acquired Sopra Steria Ré 2, a reinsurance company.

6.8. Infrastructure and technical facilities

A total of €54.1 million was invested in 2023 in infrastructure and technical facilities, as against €55.3 million in 2022.

Investments in facilities comprised the following:

- land and buildings: €0.1m;
- fixtures, fittings and furniture: €36.3m;
- IT: €17.7m.

7. Subsequent events

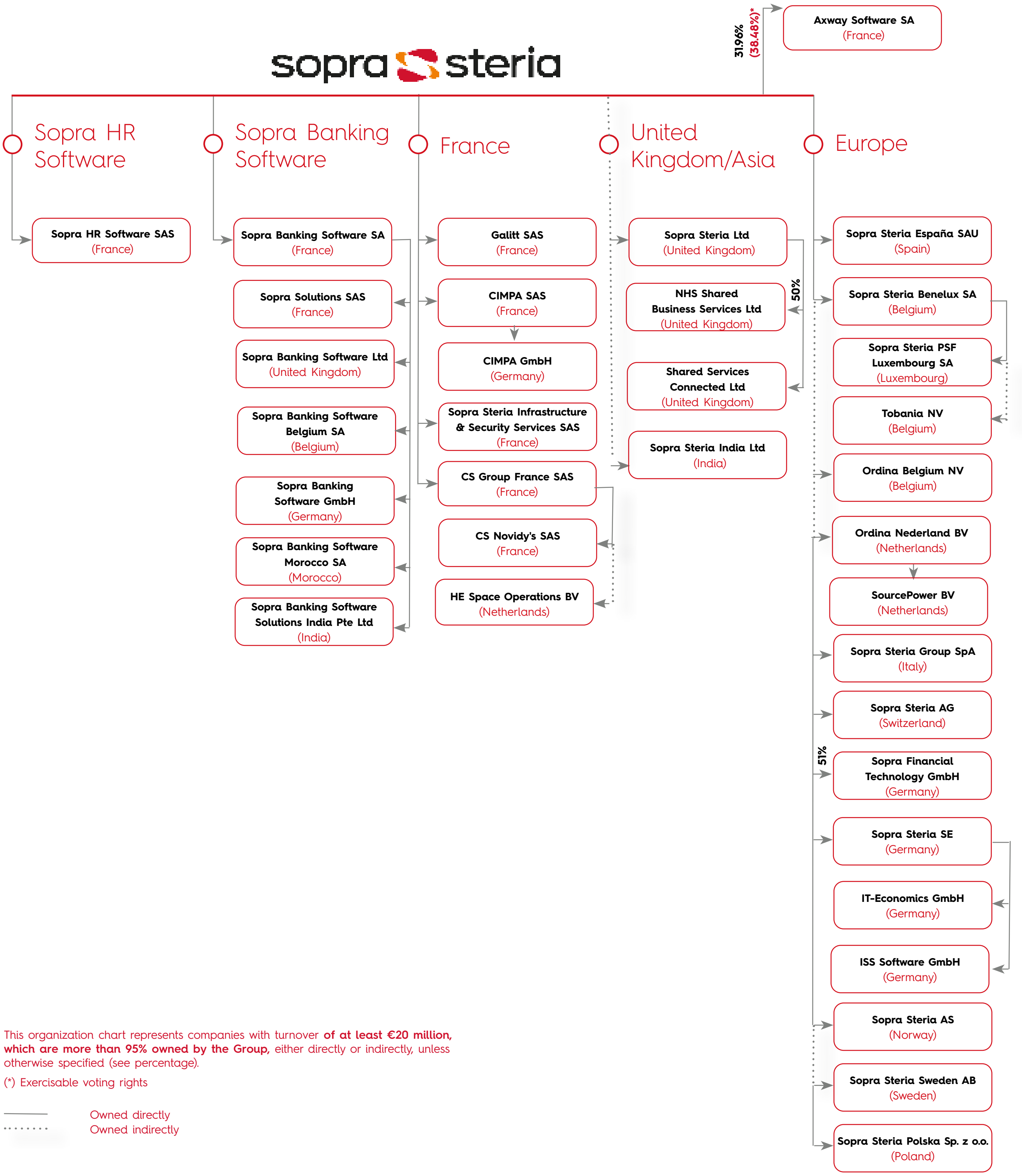
- At 6:15 pm on 21 February 2024 – Sopra Steria announced the plan to sell to Axway Software most of Sopra Banking Software's activities, which generate around €340 million in revenue, for an enterprise value of €330 million. Concurrently, the plan is to sell to Sopra GMT 3.619 million Axway shares previously held by Sopra Steria. The price tag for the sale will be €95.9 million or €26.5 per share.

  Sopra Steria's business model is focused on independence and sustainable value creation for its stakeholders. As such, the Group is clarifying its strategy with the announcement of the plan to dispose of its banking software activities.

  The objective is to complete these transactions by the end of the second quarter of 2024 or during the third at the latest. These transactions will be subject to the requisite regulatory approvals, including a decision by the AMF not requiring a public offer to be filed, and the AMF's approval of the prospectus to be filed by Axway in connection with its rights issue.

No other subsequent events occurred after the end of financial year 2023.

8. Simplified Group structure at 31 December 2023



This organization chart represents companies with turnover **of at least €20 million, which are more than 95% owned by the Group,** either directly or indirectly, unless otherwise specified (see percentage).

(*) Exercisable voting rights

9. Group organisation

Sopra Steria Group's governance consists of a Board of Directors, Chairman and Chief Executive Officer.

The organisation is supported by a permanent operational and functional structure as well as temporary structures for the management of particular deals and projects.

Sopra GMT, the holding company that takes an active role in managing the Group, takes part in conducting Group operations through:

- its presence on the Board of Directors and the three Board committees;
- a tripartite assistance agreement entered into with Sopra Steria and Axway, concerning services relating to strategic decision-making, coordination of general policy between Sopra Steria and Axway, and the development of synergies between these two companies, as well as consulting and assistance services, particularly with respect to finance and control.

9.1. Permanent structure

The Group's permanent structure is composed of four operational tiers and their associated functional structures.

9.1.1. LEVEL 1: EXECUTIVE MANAGEMENT AND THE EXECUTIVE COMMITTEE

Cyril Malargé has served as Chief Executive Officer since 1 March 2022.

The Executive Committee (ExCom) is led by the Chief Executive Officer and consists of the heads of the main operating and functional entities.

The 18 members of Sopra Steria Group's Executive Committee supervise the Group's organisation, management system, major contracts and support functions and entities. The Executive Committee is involved in the Group's strategic planning and implementation. Three of its members are women.

Members of the Sopra Steria Executive Committee:

- Cyril Malargé, Chief Executive Officer
- Laurent Giovachini, Deputy Chief Executive Officer, Defence & Security
- Éric Pasquier, Strategy, Software and Solutions
- Fabrice Asvazadourian, Sopra Steria Next
- Yvane Bernard-Hulin, Legal
- Éric Bierry, Sopra Banking Software
- Pierre-Yves Commanay, Continental Europe
- Dominique Lapère, Industrial Approach
- Axelle Lemaire, Corporate Responsibility
- Béatrice Mandine, Communications
- Jo Maes, Benelux
- Louis-Maxime Nègre, Human Resources
- John Neilson, United Kingdom
- Xavier Pecquet, Key Accounts and Partnerships, Aeroline
- Kjell Rusti, Scandinavia
- Mohammed Sijelmassi, Technology
- Étienne du Vignaux, Finance
- Grégory Wintrebert, France

The Group Management Committee consists of the members of the Group Executive Committee, together with 44 operational directors and functional directors. Nine of the Group Management Committee's members are women.

9.1.2. LEVEL 2: SUBSIDIARIES OR COUNTRIES

These are the main operating entities. Their scope corresponds to one of the following:

- a specific line of business (consulting and systems integration, development of business solutions, infrastructure management and cloud services, cybersecurity services and business process services);
- geographic area (country).

These entities are managed by their own Management Committee, comprising in particular the Director and management of Tier 3 entities.

9.1.3. LEVEL 3: DIVISIONS

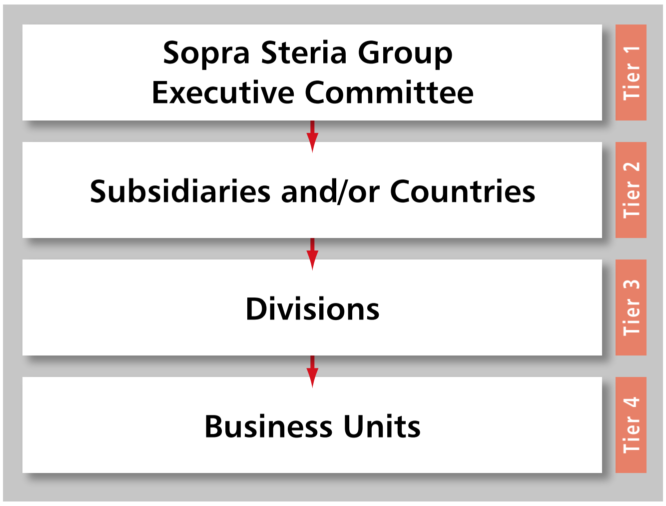
Each country or subsidiary is made up of divisions based on two criteria:

- vertical market;
- geographic area (region).

9.1.4. LEVEL 4: BUSINESS UNITS

Each division is made up of business units, which are the organisation's primary building blocks. They operate as profit centres and enjoy genuine autonomy. They have responsibility for their human resources, budget and profit and loss account. Management meetings focusing on sales and marketing strategy and human resources are held weekly, and the operating accounts and budget are reviewed on a monthly basis.

The diagram below illustrates the four main tiers of the ongoing structure:



9.1.5. OPERATIONAL SUPPORT FUNCTIONS

The operational organisation is strengthened by operational support entities responsible for managing major transformations:

- the Key Accounts and Partnerships Department (DGCP), responsible for promoting the Key Accounts policy and developing relations with partners. The role of this department is to coordinate the commercial and production approaches for our major clients, particularly when different entities are involved;
- the Digital Transformation Office (DTO), responsible for designing and managing the Group's digital transformation. It also manages the Group's innovation approach;
- the Industrial Department, responsible for industrialising working methods and organising subcontracting on X-shore platforms. It also checks that projects are properly executed.

9.1.6. FUNCTIONAL STRUCTURES

The Group's functional divisions are the Human Resources Department, the Communications and Marketing Department, the Corporate Responsibility and Sustainable Development Department, the Internal Control Department, the Finance Department, the Legal Department, the Real Estate Department, the Purchasing Department, and the Information Systems Department.

These centralised functions ensure Group-wide consistency. Functional managers transmit and ensure commitment to the Group's core values, serve the operational entities and report directly to Executive Management.

The Group's functional structures standardise management rules (information system resources, IT systems, financial reporting, etc.) and monitor the application of strategies and rules. In this manner, they contribute to overall supervision and enable the operational entities to focus on business operations.

9.1.7. SOLID, EFFICIENT INDUSTRIAL ORGANISATION

Sopra Steria manages complex and large-scale programmes and projects in a market where delivery commitments are increasing and becoming globalised. The Group has an increasingly wide range of skills to support multi-site projects that generate strong gains in productivity with delivery models that guarantee clients an optimal cost structure.

Sopra Steria applies an industrial production approach, supported by five levers:

- production culture: passing on know-how and expertise in the field;
- choice of personnel: human resources are central to the approach, providing training, support and improved skills for each employee;
- organisation: the Industrial Department and its representatives in the business units control production quality and performance, identify and manage risks, support project managers and roll out industrialised production processes;
- state-of-the-art industrial-scale foundation: the Delivery Rule Book (DRB), the Digital Enablement Platform (DEP) and the Quality System across the Group's various entities;
- global delivery model: rationalising production by pooling resources and expertise within service centres, with services located based on the needs of each client (local services and skill centres in various entities, shared service centres nearshore in Spain and Poland, and offshore shared service centres in India).

9.2. Temporary structures for specific deals and projects

The Group's organisation must retain flexibility in order to adapt to changes in its markets and ensure the successful completion of projects.

These are handled by temporary teams:

- within the entities;
- under the authority of a pilot entity, established to leverage synergies across several entities.

Each project is organised and carried out in order to meet fundamental objectives: customer service, business success and contribution to the overall growth of the Group.

Depending on their particularities (size, area of expertise, geographic area covered), large-scale projects can be managed at the business unit, division, subsidiary/country or Executive Management level. Certain large projects requiring the resources of several business units may involve the creation of a division.

2. Risk factors and internal control

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1. Risk factors

1.1. Risk identification and assessment

Within the Group, risk management plays an integral part in business management processes at all levels, from project units to the corporate level. Risks are first managed at a local level, in areas where they are likely to occur, before being considered on a global basis, in cases where they are managed at Group level, depending on the Group's ability to take corrective action or to accept them. In any event, the level of risk must remain consistent with the Group's plans, support its position and help it to achieve its medium-term growth objectives. Taking risks that potentially extend beyond the control of the entity concerned requires approval from a higher level. For example, in the case of business opportunities, local management must seek the Group's opinion and support if the amounts involved, the lack of sufficient resources, the scale of the investment, the maturity and organisational framework of the client and/or changes to the business model are likely to have repercussions on the Group's performance and/or reputation. The engineering methodologies used by the Group's business lines are predicated on the risk-based approach, helping disseminate this culture of risk management.

Risks are therefore identified and the implementation of associated mitigation plans assessed and monitored on an ongoing basis by the various operational and functional units via the risk management system. This system, a pillar of the Group's risk management system, is based on regular weekly, monthly and annual cycles that are followed at every level of the organisation, corresponding to monthly, annual and multi-year planning horizons (see description in Section 3.3.2 of this chapter, page 48). These cycles help the Group maintain an overall view that takes into account opportunities and risks at every level (strategy, market, operations, social, compliance, etc.). They are synchronised so as to facilitate higher-level consolidation.

Every year, when the annual cycles take place, information gathered at Group level is used to update the general mapping of risks. This exercise, coordinated by the Internal Control Department, consists of identifying the risks that could limit Sopra Steria's ability to achieve its objectives and complete its corporate plan, as well as assessing their likelihood of occurrence and their impact.

Risks are assessed on a scale of four levels: low, medium, high, very high, in terms of likelihood; and minor, moderate, major, severe for impact. In terms of impact, several aspects are taken into account: the financial impact on operating profit, the level of operational disruption and the extent of reputational repercussions. As of this financial year, the time frame used is three years, instead of five years as was previously the case.

This analysis is based on contributors' expertise, analysis of historical and forecast data and monitoring of changes in the external environment. The Group's main operational and functional managers are involved through individual interviews and group validation workshops. The results are discussed in detail by the Group Executive Committee and then presented by the Internal Control Department to the Audit Committee of the Board of Directors.

The risk mapping covers all internal and external risks and includes both financial and non-financial issues. Non-financial risks are handled in the same way as other risks. Specific mapping for corruption and influence-peddling risks and risks relating to duty of vigilance are used in this general risk mapping.

<u>The most significant risks specific to Sopra Steria are set out below by category and in decreasing order of criticality</u> (based on the crossover between likelihood of occurrence and the estimated extent of their impact), <u>taking account of mitigation measures implemented</u>. As such, this presentation of <u>residual risks</u> is not intended to show all Sopra Steria's risks. The assessment of this order of materiality may be changed at any time, in particular due to the appearance of new external factors, changes in operations or a change in the effects of risk management measures.

For each risk, a description is provided explaining in what ways it could affect Sopra Steria as well as the key risk management measures put in place, such as specific governance, policies, procedures, checks and action plans.

1.2 Summary overview of risk factors

The table below shows the results of this assessment in terms of residual materiality on a scale of three levels, from least material (•) to most material (•••).

Category/Risk	Residual materiality	Page
Risks related to strategy and external factors		
Ability to offer appropriate, adapted solutions	•••	P. 41
Acquisitions	••	P. 42
Loss of business from a major client or vertical	•	P. 42
Attacks on reputation	•	P. 42 - 43
Risks related to operational activities		
Repercussions of major external crises	•••	P. 43
Cybersecurity, protection of systems and data	••	P. 43 - 44
Pre-sales and delivery of projects and managed/operated services	••	P. 44 - 45
Risks related to human resources		
Attracting talent /**SNFP**/ (1)	••	P. 45
Development of skills and retention of key personnel /**SNFP**/ (1)	••	P. 45 - 46
Risks related to regulatory requirements		
Compliance /**SNFP**/ (1)	•	P. 46

(1) /SNFP/ This risk also relates to the provisions of Articles L. 225-102-1 and R. 225-105 of the French Commercial Code, which cover the Company's Statement of Non-Financial Performance.

1.3. Detailed presentation of risk factors

1.3.1. RISKS RELATED TO STRATEGY AND EXTERNAL FACTORS

ABILITY TO OFFER APPROPRIATE, ADAPTED SOLUTIONS

Residual materiality: ●●●

Risk description

Due to rapid changes in technologies and ecosystems, it is important for the Group to transform and adapt itself at the right time so as to offer relevant solutions meeting the expectations of clients in the area of digital transformation. Clients are seeking to become more agile, and to do so they are frequently reinventing their business models, organisational structures and resources. These developments concern all of the Group's businesses.

If the Group is unable to anticipate and adapt to these developments, an unsuitable positioning and/or difficulties in implementing its services and solutions strategy could significantly impact its financial performance and image, and ultimately call into question its strategy.

Risk management measures

The management of this risk is integrated into the development of the Group's strategy as well as its effective implementation. Each year, the Group conducts a strategy review and/or update, under the supervision of the Strategy Department, the Chairman and the Chief Executive Officer, with the assistance of the Group's Executive Committee, covering some or all business lines and markets in which it operates. This exercise, which draws both on external studies and internal feedback from stakeholders in contact with clients, leads the Group to take a certain number of decisions, in particular involving the transformations to be undertaken and the acquisitions strategy. These decisions are applied, on the one hand, by the corporate functions, responsible in particular for investing on behalf of the entire Group in support of the planned transformations and, on the other hand, by all Group entities (countries and subsidiaries) as part of the updating of their three-year strategic plans. The Chairman, the Chief Executive Officer and the Strategy Department, in liaison with the Group's Executive Committee, regularly monitor the Group-wide implementation of the transformations initiated by the central functions as well as the progress made on each entity's strategic plan.

By way of illustration, the following were subject to in-depth review and/or monitoring in 2023:

- transforming the Group's integration services and solutions, in particular those related to the cloud, artificial intelligence, data and application services;
- Sopra Banking Software's strategic plan and the structuring of the Software division;
- strengthening priority verticals, particularly the Financial Services vertical;
- the implementation of strategic reviews in cybersecurity and infrastructure management;
- developing consulting activities within the Group;
- the Group's industrial policy;
- developing human resources;
- acquisitions.

ACQUISITIONS

Residual materiality: ●●

Risk description

The Group's development strategy is based in part on its ability to identify potential acquisition targets and integrate them into all the services and solutions it offers, whether to supplement or improve them. Any major difficulty in integrating companies, generating the expected synergies, retaining staff of acquired entities or achieving a return on these acquisitions in future could have a negative impact on the Group's financial results and outlook.

Risk management measures

Proposed acquisitions in the process of being identified, assessed or negotiated are reviewed on a regular basis by a dedicated committee. Due diligence procedures are implemented for all proposed acquisitions in order to identify the inherent risks of the potential deal. These audits – carried out in collaboration with external advisors – concern both financial aspects and the valuation of the target, as well as operating, legal and taxation aspects, human resources, governance, compliance and business ethics. All procedures associated with this upstream process are included in the "M&A Playbook", which applies to M&A and corporate venture deals.

All acquisitions are then subject to an integration programme, making it possible to anticipate and then monitor all key stages of the process from a strategic, operating, financial and human perspective.

LOSS OF BUSINESS FROM A MAJOR CLIENT OR VERTICAL

Residual materiality: ●

Risk description

In general, the uncertain economic situation in Europe as well as possible consolidation within the various business sectors of Sopra Steria's customers, or a slowdown in the business activity of a specific client or major sector, could have a negative impact on the Group. A downward trend in macro-economic indicators, high inflation leading to higher interest rates, and rising energy costs all contribute to increasing this risk.

To cope with these budgetary pressures, a major client or even the entire sector could be forced to curtail IT investment projects, resulting for the Group in the loss of associated revenue and requiring the reassignment of the teams in place, a risk all the more difficult to manage if the downward fluctuations could not have been predicted.

Main clients include Airbus Group, Banque Postale, BNP Paribas, CNAM, Crédit Agricole, the UK Department for Work and Pensions, EDF, the UK Home Office, the UK Metropolitan Police, the French Ministry of the Economy, Finance and Industrial and Digital Sovereignty, the French Ministry of the Interior and Overseas Territories, the French Ministry of Justice, the French Ministry of the Armed Forces, the UK Ministry of Defence, the UK Ministry of Justice, the UK National Health Service, Orange, SNCF, Société Générale and Sparda Banken.

In 2023, the Group's top client accounted for 8.7% of revenue, the top five clients represented 21.1% and the top ten contributed 31.4%.

Risk management measures

The Group's policy is to maintain a multiclient and multisector portfolio across multiple geographical operations and sites, in particular to avoid any uncontrolled concentration risk.

The Group's strategy relating to key accounts is reviewed each year in accordance with country, business line and vertical-specific strategic reviews in order to adapt this strategy to market developments. This is the object of a dedicated exercise with all concerned parties. A regular review at periodic steering committee meetings is also organised within the Group to monitor market developments.

Furthermore, swiftly implemented action plans help mitigate, if necessary, some of the effects of a reduction in business activity, such as transferring projects to the affected employment areas, reskilling of employees and limiting subcontracting.

ATTACKS ON REPUTATION

Residual materiality: ●

Risk description

Given its size, multiple geographical locations and positioning in projects at the heart of the clients' information systems and visible projects for end clients (e.g. platform activities in the United Kingdom, major public sector transformation projects, payroll outsourcing activities), the Group could become increasingly exposed to the circulation of negative, unsubstantiated information in the media, potentially amplified by external or internal stakeholders in the press or on social media.

If the Group were to be the object of harmful media coverage or negative messages, this could have an adverse impact on its image and attractiveness and have repercussions on its financial performance.

Risk management measures

The Group has set up a media monitoring system in order to be informed as soon as possible of any publications about it and be able to react. If any criticism of or allegations against the Group spread widely, crisis communication procedures may also be activated with the support of specialist agencies, without being able to fully guarantee that the negative effects of such attacks can be fully neutralised.

1.3.2. RISKS RELATED TO OPERATIONAL ACTIVITIES

REPERCUSSIONS OF MAJOR EXTERNAL CRISES

Residual materiality: ●●●

Risk description

The Group may need to deal with the consequences of major external crises that could potentially disrupt its operations. This could be a systemic event such as a political or social crisis profoundly changing business conditions in one or more countries in which the Group operates, a major public health crisis, natural phenomena relating to climate change, whose frequency will surely increase, a global cyberattack or a major incident making the Group's physical and/or IT and communication infrastructures widely unavailable.

Failings in prevention plans and/or crisis management processes or an inappropriate response to the crisis could have very major repercussions on an economic and operational level and seriously damage the Group's reputation.

Risk management measures

All risk prevention systems help to control crisis management. This concerns in particular those relating to human resources, management of projects and services and protection of IT systems and infrastructures. The Covid-19 pandemic has served as an opportunity to put the Group crisis management systems into effect. These are based on swiftly adapting the Group's operations, with impetus provided at the highest level, in this case the adoption of dedicated governance with the aim of defining, coordinating and permanently monitoring remediation and crisis communication measures. These unified crisis management systems are also based on permanent interaction with entities' management teams, who are in the front line in each country in which the Group operates, in order to react and quickly adapt the measures implemented by the Group. Despite this, the impact of a major external crisis of the same or a different nature, which is typically rapid and severe, remains a significant risk for the Group on a three-year horizon.

More specifically, as regards the business continuity plans to ensure our ability to meet our commitments to clients and internal operating requirements, definition of the policy and choice of implementation of the Group's production sites depend on these factors. A redundancy principle for critical infrastructures and system components is applied to internal systems managed by the Group's IT Department. In the event of outsourcing or subcontracting, the same level of service is demanded of our suppliers. The Group has strict prevention and security procedures covering areas such as physical security, power cuts at critical sites, and data storage and backups. These procedures and technical measures are re-evaluated on a regular basis in order to adapt corrective measures.

CYBERSECURITY, PROTECTION OF SYSTEMS AND DATA

Residual materiality: ●●

Risk description

A phishing campaign or the exploitation of a security flaw in the technical infrastructures or solutions used by Sopra Steria are examples of cyberattacks. They could result in a breakdown or impairment of essential systems for activities contractually agreed with clients and/or for the Group's internal operations, or the loss, corruption or disclosure of data. A cyberattack on a client, even if indirectly caused by a service provided by the Group, could also have major repercussions for Sopra Steria.

This risk inevitably increases in the context of accelerated digital transformation (including services hosted in the cloud and mobile technologies). Widespread changes in work models since the public health crisis are also a factor that increases cyberthreats. Cyberattacks by malicious actors (hackers, criminal organisations and state-backed organisations) have increased steadily. The use of artificial intelligence could affect how often they occur and how sophisticated they become through dedicated illegal marketplaces. This trend is likely to increase in the future. The stakes were also raised by heightened geopolitical tensions and increased attacks on global infrastructure by cyber activists.

These risks are significant in terms of both their probability and their impact and are at the heart of Sopra Steria's strategic concerns. Their potential impacts include the financial implications of client claims relating to contractual commitments, the interruption of internal operations, high incident recovery costs and regulatory non-compliance as well as reputational damage for the Group and the potential loss of future contracts.

Risk management measures

Sopra Steria has established an information security policy in line with international standards and has put in place solid governance for this purpose, which is coordinated at the Group's highest level.

The team leading the Group's efforts in this area, which is coordinated and supervised by the Security Department, includes personnel from the Group's Information Systems Department, along with cybersecurity experts from its Security Operations Centre (SOC), Computer Emergency Response Team (CERT) and chief information security officers (CISO) within entities. This organisational structure with its correspondents within entities, meeting different countries' regulatory requirements and client needs as closely as possible, allows for in-depth knowledge of areas of risk and business demands. It is aimed at anticipating, preventing and managing cyber risks in relation to information systems, including both internal systems and those used for projects and services delivered, operated or managed on behalf of the Group's clients.

The Group is continually investing in security awareness and training programmes covering employees (e-learning modules, phishing simulation campaigns, videos, on-site and remote training), as well as in the constant improvement of protection, surveillance and detection systems and to expand the involved teams. The organisation therefore regularly reviews its procedures in terms of cyber threat monitoring, around-the-clock security event management, as well as vulnerability management, follow-up actions on computer emergency response team (CERT) reports, system obsolescence management, and the siloing and tightening of systems, as well as rapid, controlled network disconnection capabilities.

Sopra Steria ensures the reliability of existing systems by way of preventive control plans and regularly conducts penetration tests to assess the resilience of new systems put into service during the year. The entire system is verified on a regular basis, in particular by way of the annual audit programme and the certification audits for ISO 27001 and ISAE 34-02 covering the Group's strategic and sensitive areas of operations. The Group reviews its policies and procedures, organisation and investments at least once a year, or as required whenever a security incident occurs, to adapt to changes in the context and risks, as despite everything these remain significant for the Group in view of the escalation in threats.

PRE-SALES AND DELIVERY OF MANAGED/OPERATED PROJECTS AND SERVICES

Residual materiality: ●●

Risk description

For fixed-price projects and managed or operated services, lack of quality or failure to meet the standards expected of services and defined in contracts may give rise to various risks for Sopra Steria, such as additional costs, contractual penalties, client complaints, claims for damages, non-payment, early contract termination and reputational risk. These types of projects and services account for more than two-thirds of the Group's consolidated revenue.

In the current environment, clients' demands are becoming increasingly complex due to speed of execution, the agility required and the technical nature of solutions, as well as due to regulated environments, for example for the financial sector. These demands increasingly factor in corporate responsibility, particularly in terms of reducing the environmental impact of information systems developed or managed.

A poor assessment of the scale of the work to be done, an underestimate of the cost of providing the service or an incorrect estimate of the technical solutions to be implemented can lead to estimated costs being exceeded or contractual deadlines not being met. This delay can, in itself, result in penalties and/or budget overruns, resulting in additional costs and potentially impacting operating margins.

Risk management measures

Managing clients' demands and maintaining production quality are central priorities for the Group. In order to ensure the quality of management and execution of services, the Group has developed a series of methods, processes and controls. In particular, the Group uses the Delivery Rule Book, which defines a set of mandatory and essential rules that apply to our operations throughout the Group. It covers the full lifecycle of operations: pre-sales, initialisation and renewals, project management, delivery cycle and closing.

The selection of Project Directors and of Project Managers responds to specific requirements and criteria according to the level of risk and project complexity. Particular attention is paid before any appointment is made. Project managers receive specific training. These courses are regularly updated to include issues meriting special attention and warnings relating to risks. In addition to project and line management, Industrial Managers under the authority of business unit/subsidiary managers and reporting functionally to the Group Industrial Department are responsible for monitoring all projects as well as the application of the production rules.

The review of proposals and contracts by line management, but also by the Industrial Department, the Legal Department and the Finance Department, is an integral part of the Group's controls implemented to fulfil its commitments. Indicators known as pre-sales KPIs are used throughout the Group to monitor these milestones and ensure that they are achieved. In addition, projects are reviewed on a regular basis, at key phases in their production life cycle. These reviews, which are organised by the Industrial Department or by its local representatives, provide an external perspective on the status and organisation of the delivery. The achievement of milestones laid down in the Delivery Rule Book for the production cycle is notably measured via compliance reviews based on various checklists. Depending on its outcome, a compliance review may be supplemented by a more in-depth review of the project in question.

Monthly steering meetings facilitate an overview of quality at all levels, the monitoring of established annual quality targets and the determination of the appropriate action plans to continuously improve production performance and the quality of Sopra Steria products and services. The effective implementation of actions agreed during steering meetings, audits and reviews is checked by the Industrial Department.

As regards industrialisation, the Group has continued to invest heavily in the resources required to rapidly develop and operate digital solutions for its clients, designed to run in the cloud environment: the Digital Enablement Platform (DEP); implementation accelerators based on the build-to-reuse/reuse-to-build approach, which, as well as improving efficiency and productivity, aim to reduce the environmental impact of development; and digital factories to deliver services combining consulting and software (e.g. cloud migration and modernisation of information systems). The rAIse global transformation programme centred around artificial intelligence, launched in 2023, aims to systematically build AI into our technology assets over the long term.

1.3.3. RISKS RELATED TO HUMAN RESOURCES

ATTRACTING TALENT

Residual materiality: ●●

Risk description

Sopra Steria Group places its employees at the centre of its corporate plan. Its growth objectives must be achieved against the backdrop of scarcity of expertise and increased demands of applicants and employees in terms of quality of life at work, work-life balance, and responsible commitments and sustainability, particularly to limit the environmental impact of operations. This trend is also supported by the development of digital technology (connectivity, collaborative platforms, etc.), which transforms uses and minimises a certain number of constraints, in particular geographical constraints or in relation to physical proximity.

Being unable to optimise recruitment systems as much as is required could compromise our ability to attract the talent we need and could result in the Group's strategy, growth and financial performance not being achieved as intended.

Risk management measures

Sopra Steria Group's employees are the motor fuelling its growth and value creation. Being able to recruit talent at the cutting edge of digital technologies (cloud, digitalisation, artificial intelligence, etc.) is a major focus of our HR policy and involves the following priorities:

- a sustained, pragmatic recruitment drive, based on the principles of equal opportunity and non-discrimination, with recruitment numbers remaining strong (9,629 new hires in 2023) following an exceptional number of recruitments the previous year to catch up after the Covid-19 pandemic (13,073 in 2022);
- an employer brand that conveys the image of an engaged and supportive Group with a singular and responsible collective ambition brought to life through iconic projects (HandiTutorat, Prix Étudiants awarded by Fondation Sopra Steria – Institut de France, etc.). The employer brand is underpinned by four pillars: working together, reaching one's potential, being enterprising and innovative, and having a shared sense of purpose;
- closer relationships with universities, with a focus on educational activities (classes, academic chairs, technology talks and presentations on business topics);
- a continuously improving candidate experience together with an optimised recruitment process and organisation, and a revamped recruitment platform designed to increase recruiter productivity, foster collaboration between recruitment teams and improve the candidate experience, from sourcing to hiring.

More information on the Group's HR policies can be found in Chapter 4, Section 2, "Social responsibility: A committed and responsible Group" (pages 119 to 136) of this document.

DEVELOPMENT OF SKILLS AND RETENTION OF KEY PERSONNEL

Residual materiality: ●●

Risk description

Developing the skills of our employees and managers and being able to retain key talent are essential factors in adapting the Group to its business challenges. They also help to make the Group more resilient and competitive in the face of current and future changes.

Difficulties in providing training that is both aligned with the needs of our clients and on a pragmatic level adapted to the necessary adjustment of our organisation and systems could call into question the Group's ability to serve its strategy and economic targets. The same would apply if the Group had to deal with excessively high, unmanaged employee turnover.

Risk management measures

To strengthen its balance and support its growth, Sopra Steria Group implements a human resources strategy centred on skills development, employability and the engagement of all employees. In 2023, the turnover rate remained in line with the usual levels (14.0%, down slightly from 2022 at 17.0%). This strategy has several pillars:

- a regularly updated Core Competency Reference Guide, providing a shared framework for understanding the Group's businesses, for employee evaluation, and for career development;
- a performance appraisal based on open communication between managers and their team members, shared with the human resources function and resulting in an individual development plan;
- a "people dynamics" approach, which involves identifying transformations in the Group's businesses over a time frame of one to three years (emerging occupations, sustainable jobs, sensitive jobs, areas in which job offers exceed the number of applicants) and drawing up human resources action plans to integrate, maintain and develop the necessary current and future skills;
- a proactive training policy, whose objectives are reviewed and approved by the Group's Executive Committee, supported by a Sopra Steria Academy training organisation committed to best practices, with adjustments made to its structure (governance, creation of specific Group and business line academies) as well as the services and solutions it offers (more streamlined and international, management and leadership programme). A total of 1,654,050 hours of training were delivered in 2023, up 7.6% from 2022;
- regular checks on employee engagement, with a new edition of the Group survey in 2023 in partnership with Great Place to Work, with a stable level of participation and overall perception compared to 2022, respectively 82% and 77%, and the implementation of action plans jointly developed with employees;
- an ongoing effort to support employees, including remote working agreements, local support for managers, mechanisms for listening to employees and monitoring risks associated with work-related stress, etc.;
- a special focus on well-being at work, through the Group's preventive approach to occupational risks, for example.

More information on the Group's HR policies can be found in Chapter 4, Section 2, "Social responsibility: A committed and responsible Group" (pages 119 to 136) of this document.

1.3.4. RISKS RELATED TO REGULATORY REQUIREMENTS

COMPLIANCE

Residual materiality: ●

Risk description

The Group operates in many countries, serving customers with international presences, and is therefore subject to various constantly changing laws and regulations. These may be regulations concerning data protection, anti-corruption laws, competition law, international sanctions, employment law or employee health and safety obligations, environmental regulations within the framework of combating climate change, and tax reforms.

The Group's activities and operating profit might be affected by significant changes in laws or regulations, or by decisions taken by authorities. The Group is also exposed to the risk of breaches of regulations by employees who are not well enough informed or negligence or fraud by the employees.

Risk management measures

In order to support the Group's development and respond to new regulatory requirements, the Internal Control Department, which covers business ethics and compliance, internal control and risk management, is supported in part by the network of Compliance Officers (who are also responsible for internal control) throughout the Group's various geographical operations, the network of local representatives and local teams, as well as the expertise of functional divisions depending on their scope, in particular the Legal Department, the Human Resources Department and the Finance Department. Developments in legislation and case law are monitored on a regular basis so as to plan ahead for any upcoming changes. Internal control rules and procedures are updated regularly to reflect these developments. The code of ethics, the code of conduct and the code of conduct for stock market transactions aim to prevent any activity or practices that do not comply with requirements (see Section 4.1, "Putting our values into effect and ensuring the compliance of our actions" in Chapter 4, "Corporate responsibility" of this Universal Registration Document, pages 167 to 172).

2. Insurance

The Group's insurance policy is closely linked to its risk prevention and management practices, in order to ensure coverage for its major risks. The Group's Legal Department is responsible for the centralised management of its insurance programme.

The aim of Sopra Steria Group's international insurance programmes is to provide, in compliance with local regulations, uniform and adapted coverage of the risks facing the company and its employees for all Group entities at reasonable and optimised terms. With this in mind, the Company set up its own captive reinsurance company in late 2021.

The scope and coverage limits of these various insurance programmes are reassessed annually in light of changes in the size of Sopra Steria Group, developments in its business activities as well as changes in the insurance market and based on the results of the most recent risk mapping exercise. The insurance programmes provide sufficient coverage for risks with high financial stakes.

All Group companies are insured with leading insurance companies for all major risks that could have a material impact on its operations, business results or financial position. Companies acquired during 2023 have been included in these programmes.

The most significant insurance programmes are:

- premises and operations liability and professional indemnity insurance:
  - this programme covers all of the Group's companies for monetary consequences arising as a result of their civil and professional liability in connection with their activities, due to bodily injury, material or non-material damage caused to its clients and third parties;
- property damage and business interruption insurance:
  - this programme covers all of the Group's sites for the direct material damage to property they may suffer as well as any consequential losses in the event of reduced business activity or business interruption occasioned by the occurrence of an insured event.

Other insurance programmes have also been put in place to cover, among other things, cyber risks, fraud, employer liability and civil liability of senior executives, company officers and employees on business trips.

3. Internal control and risk management

This section of the report outlines Sopra Steria's internal control and risk management systems. These systems are based on the reference framework issued by the AMF. A specific subsection addresses the preparation of accounting and financial information.

The management control system is one of the fundamental components of internal control at Sopra Steria Group. It supports risk management and the internal dissemination of information as well as the various reporting procedures and the implementation of controls.

3.1. Objectives and framework for the internal control and risk management system

3.1.1. OBJECTIVES OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

In order to address the identified risks presented in the preceding chapter, Sopra Steria has adopted a governance approach as well as a set of rules, policies, procedures and checks together constituting its internal control and risk management system.

In accordance with the AMF reference framework, the internal control and risk management system, which is under the responsibility of the Group's Chief Executive Officer, is designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- compliance with laws and regulations;
- implementation of instructions, guidelines and rules set forth by Executive Management;
- proper functioning of the Company's internal processes, particularly those intended to safeguard its assets;
- quality and reliability of financial and accounting information.

The risk management system is designed to identify, analyse and manage the Company's main risks.

More generally, the Group's internal control and risk management system contributes to the control of its business activities, the effectiveness of its operations and the efficient use of its resources.

This system is updated on a regular basis, in application of a continuous improvement process, in order to best measure the level of risk to which the Group is exposed as well as the effectiveness of the action plans put in place to mitigate risks.

Nevertheless, the internal control and risk management system cannot provide an absolute guarantee that the Company's objectives will be achieved and that all risks will be eliminated.

3.1.2. REFERENCE FRAMEWORK AND REGULATORY CONTEXT

The Sopra Steria Group refers to the reference framework issued by the Autorité des Marchés Financiers (AMF, the French securities regulator).

3.2. Scope

The internal control and risk management system applies across the entire Group, i.e. the parent company Sopra Steria Group, together with all companies controlled by the Group.

3.3. Components of the internal control and risk management system

3.3.1. ENVIRONMENT

Sopra Steria's internal control and risk management system is founded upon the Group's four-tier operational organisation as well as its centralised functional organisation. Each tier of the operational organisation is directly involved in the implementation of internal control and risk management practices. To this end, the Group has put in place a set of operating principles and rules, along with the appropriate delegations of authority. It is the responsibility of all Group employees to familiarise themselves with these rules and to apply them. For more information on the Group's organisation, see Section 9, "Group organisation" of Chapter 1, "Business overview and strategies" of this Universal Registration Document (pages 36 to 37).

3.3.2. SHARED MANAGEMENT CONTROL SYSTEM

The management control system is designed not only to manage the dissemination of information, upwards to Executive Management and downwards to the operational and functional units, but also to guide, control and support the Group's employees at every level. It involves steering meetings held at each of the different organisational levels, including the Group's Executive Committee.

The management control system is the backbone of risk management within the Group, ensuring that risks are identified, assessed and managed at the right level of the organisation, ranging from specific contracts or projects to the overall issues affecting the Group, followed by the implementation of procedures to track progress on the related action plans.

These cycles are governed by specific standards (reporting timetable, participants, agenda, documents to be presented at the beginning and end of the meeting) and are supported by the management reporting system. Meetings are held according to a calendar, dependent on the organisational level and timeframe objectives:

- weekly meetings for the current month: Priority is given to the monitoring of sales, production and human resources;
- quarterly meetings for the current year: In addition to the topics covered at the weekly meetings, additional emphasis is placed on financial indicators (entity performance for the previous month, update of annual forecasts, actual vs. budget, progress report on actions in line with the medium-term strategy);
- annual meetings, looking ahead several years: The medium-term strategy and the annual budget process for the entities are discussed in the context of the Group's overall strategic plan.

The implementation of this system at all operational and functional entities is a highly effective vehicle for cohesiveness, the sharing of values and practices throughout the Group, and control.

3.3.3. TOOLS

The Group's communication and management applications are designed to standardise the documents produced by the Group. The production tools used or developed by the Group allow for the industrialisation of project delivery and of managed or operated services by improving the quality of deliverables.

3.3.4. SHARED FRAMEWORK FOR GROUP RULES

a. Code of Ethics, Anti-Corruption Code of Conduct and Code of conduct for stock market transactions

The aims of the Group's Code of Ethics, which is based on its core values, are to ensure compliance with international treaties, laws and regulations in force in all countries where Sopra Steria operates, and to reaffirm the Group's ethical principles. This Code of Ethics is supplemented by a code of conduct for stock market transactions whose main aim is to reiterate the rules regarding insider information and the management of the company's shares. In addition, the Anti-Corruption and Influence-Peddling Code of Conduct sets out the rules and behaviours to be adopted to prevent corruption and influence peddling. For more details on the Anti-Corruption and Influence-Peddling Code of Conduct, see Section 4.1, "Putting our values into effect and ensuring the compliance of our actions" in Chapter 4, "Corporate responsibility" of this Universal Registration Document, pages 167 to 172.

b. Group rules, policies and procedures

The framework of internal control rules, known as the Group Rules, constitutes the common core of operating rules applicable to all entities and is rolled out as early as possible in the integration process whenever a new company is acquired. With the aim of continuously improving internal control and better managing risks identified through the Group's various risk mapping exercises, the Group Rules are regularly reviewed to ensure they remain relevant and supplemented to take into account, in particular, segment-specific developments, regulatory changes and internal audit findings.

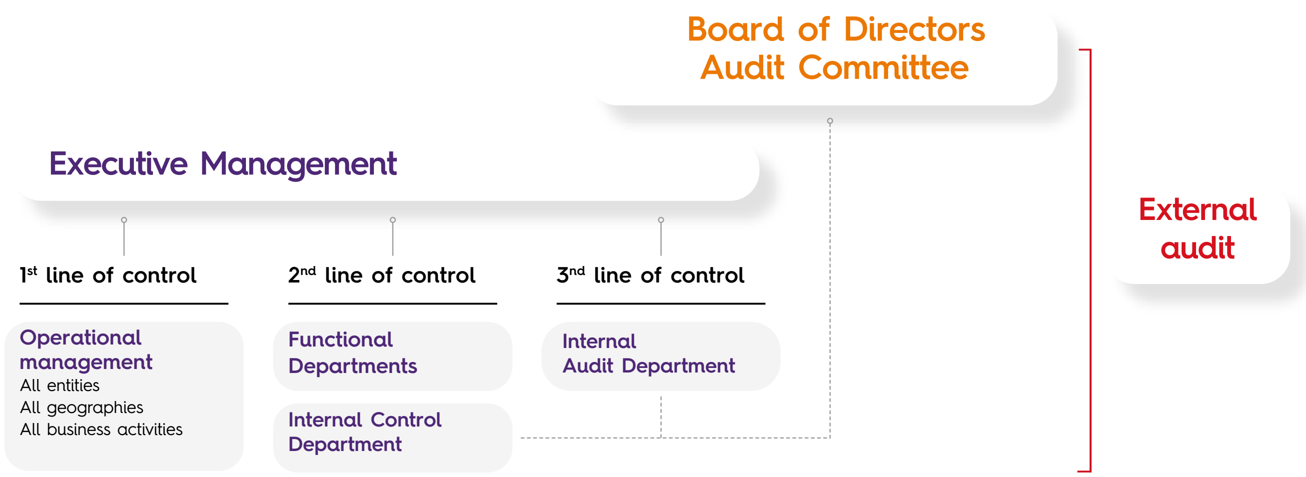
The Group Rules include 164 items covering 14 areas corresponding to Group processes: governance and steering, human resources, pre-sales and contracting, production, information systems security, site management and security, purchasing, finance, legal structure of entities, insurance, mergers and acquisitions, corporate responsibility, marketing communications, and compliance. These rules may be adapted to suit the Group's different geographies and subsidiaries provided they remain consistent with the framework laid down.

These fundamental rules are then broken down for each area in the form of detailed policies and procedures (e.g. Delivery Rule Book, Human Resources Policy, Information Security Policy, Purchasing Procedure, M&A Playbook, etc.). They are available on the Group's intranet and are reinforced through the Group's various training and communications initiatives.

As regards the production front, Sopra Steria's Delivery Rule Book defines all the pre-sales, production, quality assurance and security processes required to successfully manage projects. The primary goal is to contribute effectively to producing the expected level of service that meets clients' needs in line with time and budget constraints. It defines project management practices and processes suited to various environments and at different levels of management and supervision, as well as software engineering practices and processes. The Delivery Rule Book sits above all the Group's quality systems. All quality systems in use within the Group are compatible with the Delivery Rule Book. The basic principles of the Quality Systems are described in a Quality Manual supplemented by procedural guides and operating manuals.

3.4. Participants in internal control and risk management

Everyone in the Group has a part to play in risk management and internal control, from the governance bodies and senior management to the employees of each Group company.



EXECUTIVE MANAGEMENT

The internal control and risk management system is approved and overseen by Executive Management, thus at the Group's highest level. As the top level of authority and responsibility for the internal control and risk management system, it monitors the system's continuing effectiveness and takes any action required to remedy identified shortcomings and remain within acceptable risk tolerance thresholds. Executive Management ensures that all appropriate information is communicated in a timely manner to the Board of Directors and to the Audit Committee.

AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

The Group's Audit Committee is regularly informed of the main features of and changes to the internal control and risk management procedures selected and implemented by Executive Management to manage risks, including the organisation, roles and functions of the key actors, the approach, structure for reporting risks and monitoring the effectiveness of control systems. It has access to the elements necessary to reach an overall understanding of the procedures relating to the preparation and processing of accounting and financial information (presented in the following chapter).

Each year, the Audit Committee reviews the results of the Group's risk mapping exercise and holds regular meetings with the Internal Control Department to monitor the implementation and adaptation of the Group's rules and the internal control process.

The Audit Committee also monitors the activity of the Internal Audit Department through the following actions:

- approval of the annual internal audit plan;
- meeting with its Director once a year in the presence of the Statutory Auditors, but without the presence of management;
- biannual review of the results of internal audit assignments and follow-up on the implementation of action plans resulting from recommendations;

Three lines of control

In accordance with the AMF reference framework, the internal control and risk management system put in place by Sopra Steria Group is structured around three lines of control, as presented below:

- First line of control: Front-line staff and operational management.

  The first line of control for the internal control and risk management system consists of:

  - operational management, tasked with implementing the system defined at Group level for the area under its responsibility. This line of control makes sure that the internal control rules and procedures are effectively implemented, fully understood and consistently applied within its scope of operations,
  - the Group's employees, who take due note of and apply all of the rules set out within the organisation;
- Second line of control: Risk management and internal control.

  The aim of the second line of control is to monitor the internal control and risk management system on an ongoing and continuous basis to verify its effectiveness and coherence as well as the proper application of its rules and procedures.

  - Internal Control Department and network of Compliance Officers at the entities.

The internal control and risk management system is steered and coordinated by the Internal Control Department at Group level. In the context of risk management, it takes charge of the annual general risk mapping exercise, first by consolidating the information received from operational entities and functional departments and then by coordinating the necessary adjustments at the Group's highest level. It monitors the action plans implemented as part of the Group's risk management process, paying particular attention to those relating to its key risks. The integration of specific risks with the Group's general risk mapping process (for example, corruption and influence-peddling risks, information systems security risks, risks relating to the duty of vigilance) and ensuring the overall consistency of the mapping process are also among its responsibilities in this area.

With regard to the risks that have been identified and assessed, the Internal Control Department defines and adapts the internal control system's various components. In carrying out these duties, it works closely with all the Group's functional and operational departments. The Corporate Internal Control Department consists of a team of four people.

The Group also has a network of Compliance Officers, appointed in each of the Group's subsidiaries and entities. In 2023, there were 16 Compliance Officers. In the largest entities, they are assisted by a deputy, which is the case, for example, in France, the United Kingdom and Germany. Working alongside the Director of the subsidiary/entity, the Compliance Officer has a comprehensive overview of the main risks and the internal control systems within their entity. They are responsible for adapting the guidelines and rules defined at Group level. In particular, they are tasked with making sure that all components of the internal control and risk management system as well as those of the Group's compliance programme are effectively implemented, fully understood and consistently applied. They are also responsible for raising alerts in the event of difficulties encountered in the implementation of any of these components for their scope. In addition, they are authorised to assess internal control issues, ensuring that they are taken into account where necessary by the operational and functional departments concerned. They are also responsible for making decisions and/or ensuring that decisions are made by the appropriate parties, if necessary, and for determining priorities. They perform this role on a part-time basis, devoting between 15% and 30% of their time depending on the size of the entity, alongside their main role. Their appointment is subject to approval by Executive Management. Seniority and in-depth knowledge of the entity's operational activities feature among the selection criteria.

The Internal Control Department, supported by entity-level compliance officers, oversees monitoring activities of Group rules to ensure that they remain relevant and that any corrective action identified is properly implemented. Risk assessment campaigns are organised on a regular basis at the level of operational entities and functional departments, applying a methodological approach that combines self-assessment via questionnaires with joint assessments carried out in conjunction with the Internal Control Department.

- Functional departments

The functional departments are key participants in the coordination of the internal control and risk management system. They assist the Internal Control Department in updating internal control guidelines specific to the processes under their responsibility.

Alongside the self-assessment and control procedures implemented by operational managers at every level, functional departments play a special role in the application of the rules for delegations of authority in force within the Group. They support operational staff in the area of risk management and, from a preventive standpoint, they may serve in an advisory capacity or perform ex-ante or detective controls on the application of rules.

The Finance Department is entrusted with specific responsibilities in the context of financial controls and the Industrial Department is responsible for control procedures relating to the management of its Quality System.

- Finance Department

Financial Controlling falls under the responsibility of the Finance Department. Its main responsibilities include the consolidation and analysis of monthly results produced by the internal management system, controlling the consistency of quarterly forecasts, verifying the application of Group rules within their scope, assisting operational managers, training management system users, and performing the reconciliation between the internal management system accounts and the general ledgers.

As part of their control responsibilities, Financial Controllers identify and measure risks specific to each operational unit. In particular, they ensure that contractual commitments and project production are aligned with the revenue recognised. They raise alerts for projects that present technical, commercial or legal difficulties. They check that revenue is recognised in line with Group accounting rules as well as analysing any commercial concessions applicable and verifying their treatment in the operating accounts of the operational unit. They also ensure that the project and structure costs for the operational unit are completely and accurately recognised.

Financial Controllers devote particular attention to unbilled revenue and contractual milestone payments, and check that invoices issued are paid. In coordination with the manager at the relevant entity, they trigger payment collection, which is managed directly by the Finance Department. They check any credit notes issued.

Financial Controllers assess the organisation and administrative functions of operational units. They monitor compliance with deadlines in particular.

- Industrial Department

Delivery operations are supervised by the Industrial Department (ID). Its main duty is to monitor the quality of the services delivered, with particular emphasis placed on projects involving commitments, the level of operating margin generated by these services and the management of the associated operational risks. The ID provides the methods and industrial tools required to complete projects in accordance with the applicable standards. It also ensures that key personnel are appointed to oversee the management control system for services.

Sopra Steria's Industrial Department is independent of the project management and delivery operations. As such, it offers external quality assurance monitoring for projects with the objectives of assuring production and cost controlling, overseeing associated human resources, verifying production conformity and compliance with quality assurance procedures, and monitoring the plan's effectiveness.

Industrial managers under the authority of business unit/subsidiary managers and reporting functionally to the Group Industrial Department are responsible for monitoring the Quality System and all projects.

Reviews are performed so as to verify the application and effectiveness of the Quality System among the Group staff members concerned (management, sales, operational quality unit). Projects are reviewed on a regular basis, at key phases in their life cycle. Depending on how critical the projects are or the situation of the subsidiaries, they are organised either by the Group's ID or by its quality structure's local representatives. These reviews provide an external perspective on the status and organisation of projects.

Monthly steering meetings facilitate an overview of quality at all levels, the monitoring of annual quality targets established during management reviews and the determination of the appropriate action plans to continuously improve production performance and the quality of Sopra Steria products and services.

The effective implementation of actions agreed during steering meetings, audits and reviews is checked by the Industrial Department.

The Group has put in place a certification policy, covering all or a portion of its operations, depending on market expectations. This policy relates to the following standards or frameworks: ISO 9001, TickIT Plus, ISO 27001, ISO 22301, ISO 14001, ISO 20000, CMMI and TMMi.

- Third line of control: Assessment of the internal control system.
  - Internal Audit Department.

Under the internal audit charter adopted by the Group, the Internal Audit Department has the following tasks:

- independent, objective evaluation of the effectiveness of the internal control system via a periodic audit of entities;
- formulation of all recommendations to improve the Group's operations;
- monitoring the implementation of recommendations.

The work of the Internal Audit Department is organised with a view to covering the "audit universe" (classification of key processes) reviewed annually by the Audit Committee.

Internal Audit covers the entire Group over a cycle of a maximum of four years. They are performed more frequently for the main risks identified. To this end, Internal Audit carries out field audits and can use self-assessment questionnaires for areas of lesser importance.

By carrying out work relating specifically to fraud and corruption, the Internal Audit Department has identified processes that are potentially concerned, associated risks, control procedures to be adopted (prevention and detection) and audit tests to be carried out. These are integrated into internal audit programmes.

Internal Audit, which reports to the Chairman of the Board of Directors and operates under the direct authority of Executive Management, is responsible for internal control and monitors the system in place. It submits its findings to Executive Management and the Audit Committee. The Internal Audit Department consisted of a team of seven people at end-2023.

The Chairman of the Board of Directors validates the audit plan, shared with Executive Management, notably on the basis of risk information obtained using the risk mapping procedure, the priorities adopted for the year and the coverage of the "audit universe". This plan is presented to the Audit Committee for review and feedback. Recommendations are monitored and compiled in a report provided to Executive Management and the Audit Committee.

The Internal Audit Department carried out 18 assignments in financial year 2023.

- External monitoring system

Furthermore, the internal control and risk management system is also monitored by the Statutory Auditors and the quality certification inspectors for the Quality System.

Statutory Auditors

As part of their engagement, the Statutory Auditors obtain information on the internal control system and the procedures in place. They attend all Audit Committee meetings.

The Statutory Auditors are engaged throughout the year across the Group. Their involvement is not limited to interactions with the accounting department. To gain a more in-depth understanding of how operations and transactions are recorded in the accounts, the Statutory Auditors are in regular contact with operational managers, who are best placed to explain the Company's business activity. These meetings with operational staff are structured around business unit, division or subsidiary reviews, during which the Statutory Auditors examine the main ongoing projects, progress made and any difficulties encountered by the business unit or subsidiary.

Quality certification inspectors

The audit procedure aims to ensure that the Quality System is both in compliance with international standards and is applied to the entire certified scope of operations.

Each year, quality certification inspectors select the sites to be depending upon an audit cycle and relevance of the activity in relation to the certification.

3.5. Assessment and continuous improvement process

The purpose of this audit process is to identify ways in which the quality management system might be improved in order to ensure continuous improvement.

The internal control system and its operation are subject to internal and external assessments to identify areas for improvement. These may lead to implementation of action plans to strengthen the internal control system, under the oversight of the Group's Audit Committee.

4. Procedures relating to the preparation and processing of accounting and financial information

4.1. Coordination of the accounting and finance function

4.1.1. ORGANISATION OF THE ACCOUNTING AND FINANCE FUNCTION

Limited number of accounting entities

By keeping the number of legal entities, and therefore accounting entities, relatively low, the Group can drive reductions in operating costs and minimise risks.

Centralised coordination of the accounting and finance function

The activities of Sopra Steria's accounting and finance function are overseen by the Group's Finance Department, which reports directly to Executive Management.

The responsibilities of the Group Finance Department mainly include the production of the accounts, financial controlling, tax issues, financing and cash management, and participation in financial communications.

Each subsidiary has its own finance team that reports functionally to the Group's Finance Department.

Supervision of the accounting and finance function by Executive Management and the Board of Directors

The Finance Department reports to the Group's Executive Management. As with all other Group entities, it follows the management reporting and controlling cycle described above: weekly meetings to address current business activities, monthly and quarterly meetings devoted to a detailed examination of figures (actual and forecast), the organisation of the function and the monitoring of large-scale projects.

Executive Management is involved in the planning and supervision process as well as in preparing the period close.

The Board of Directors is responsible for the oversight of accounting and financial information. It reviews and approves for publication the interim and annual financial statements. It is supported by the Audit Committee, as described in Section 1.3.3, "Committees of the Board of Directors" of Chapter 3, "Corporate governance" of this Universal Registration Document (pages 84 to 87).

4.1.2. ORGANISATION OF THE ACCOUNTING INFORMATION SYSTEM

Accounting

The configuration and maintenance of the accounting and financial information system are centralised at Group level. Central teams manage access permissions, and update them at least once a year. The granting of these permissions is validated by Finance teams at the subsidiaries.

All Group companies prepare, at a minimum, complete quarterly financial statements on which the Group bases its published quarterly revenue figures and interim financial statements.

Monthly cash flow forecasts for the entire year are regularly prepared for all companies and consolidated at Group level.

Accounting policies and presentation

The accounting policies applied within the Group are presented in the notes to the consolidated financial statements in this document. At each balance sheet date, the Audit Committee ensures that these policies and presentation have been applied by the Finance Department and the Statutory Auditors.

The proper use of the percentage-of-completion method to value ongoing projects is monitored on a permanent basis jointly by the Industrial Department and by the Finance Department (Financial Controllers).

4.2. Preparation of the published accounting and financial information

4.2.1. RECONCILIATION WITH THE INTERNAL MANAGEMENT SYSTEM ACCOUNTING DATA

All Group entities prepare a monthly budget, a monthly operating statement and revised quarterly forecasts.

The budget process, which is short in duration, takes place in the last quarter of the year. This is a key stage. It provides an opportunity to apply the strategy approved by the Group's Executive Committee, to adapt the organisation to developments in business segments and market demand, and to assign quantitative and qualitative objectives to all Group entities. Budgets, including detailed monthly operating forecasts, are prepared by each unit at this event.

Each Group entity prepares a monthly operating statement closed every month. Management indicators (utilisation rate, selling prices, average salary, indicators relating to human resources, invoicing and receipts, etc.) are also reviewed on a monthly basis.

Finally, a revised operating statement prepared each quarter includes the results of the previous months and a revised forecast for the remaining months of the current year.

Sales metrics (prospects, contracts in progress, signings, etc.), client invoicing and cash receipts are analysed at the management meetings organised by the management control system described above.

The results derived from the management reporting documents are verified by Financial Controllers reporting to the Finance Department, who also reconcile this data with the quarterly accounting results in the general ledgers.

4.2.2. PROCEDURES FOR THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

Every quarter, each company establishes financial statements and prepares a consolidation pack.

For each of the companies falling within the scope of the audit of consolidated financial statements, the Statutory Auditors examine the interim and annual consolidation packs. Once approved, they are used by the Group Finance Department and the consolidated financial statements are examined by the Group's Statutory Auditors.

4.2.3. PROCEDURE FOR SIGNING OFF THE FINANCIAL STATEMENTS

The interim and annual consolidated financial statements are presented to Executive Management by the Finance Department.

As part of their annual accounts close-out at 31 December, the financial statements of Sopra Steria Group and its subsidiaries undergo a legal audit by the Statutory Auditors in order to be certified. A limited review is also performed on 30 June.

As part of its assignment to monitor the statutory audit of the financial statements, the Audit Committee takes note of the Statutory Auditors' work and conclusions during the review of the interim and annual financial statements.

The Audit Committee examines the financial statements, notably in order to review the Company's exposure to risks, verify that the procedures for gathering and controlling information guarantee its reliability, and ensure that accounting policies have been applied consistently and appropriately. It gathers comments from the Statutory Auditors.

The Group's financial statements are then presented to the Board of Directors for approval.

4.2.4. FINANCIAL COMMUNICATIONS

The Financial Communications and Investor Relations Department, which is supervised by the Chairman of the Board of Directors, manages the Group's financial communications.

The Group communicates financial information via several different means, notably:

- press releases;
- the Universal Registration Document and the various reports and disclosures that it contains;
- the presentation of the interim and annual financial statements.

The Group's website has a dedicated "Investors" section that presents all of the aforementioned items as well as other regulatory or informative items.

3. Corporate governance

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This chapter describes the organisation and operation of governance as well as the compensation policy for company officers and its application during financial year 2023. It lists and explains any points of divergence from or partial compliance with the recommendations of the AFEP-MEDEF Code. [(1)]

1. Organisation and operation of governance

1.1. Executive company officers

1.1.1. SEPARATION OF THE ROLES OF CHAIRMAN OF THE BOARD OF DIRECTORS AND CHIEF EXECUTIVE OFFICER

On 19 June 2012, the Board of Directors decided to separate the roles of Chairman and Chief Executive Officer. It confirmed this decision in 2018 and 2021. It believes that this separation of roles remains the best way of addressing the Group's strategic and operational priorities. Given the close relationship between the Chairman of the Board of Directors and the Chief Executive Officer, there is close collaboration and an ongoing dialogue between them. In summary, the current framework contributes to fluid and flexible governance arrangements. It means that the Group is able to act as quickly as needed and ensures decisions are taken with due care, while taking into account strategic priorities.

1.1.2. ROLE OF THE EXECUTIVE COMPANY OFFICERS

The Chairman is tasked with managing strategy, while the Chief Executive Officer is responsible for operations.

The Chairman:

- guides the implementation of the Group's strategy and all related matters, including mergers and acquisitions;
- assists Executive Management with the transformation of the Group;
- oversees investor relations and manages the Board's relations with shareholders.

The Chief Executive Officer:

- works with the Chairman to formulate strategy;
- supervises the implementation of decisions adopted;
- ensures the operational management of all Group entities.

1.1.3. SUCCESSION PLAN FOR EXECUTIVE COMPANY OFFICERS

The Nomination, Governance, Ethics and Corporate Responsibility Committee conducts an annual review of the succession plan for the Chairman of the Board of Directors and the Chief Executive Officer so any unforeseen vacancies can be dealt with appropriately. As part of this process, it meets with the Chairman of the Board of Directors. It makes sure the plan covers existing requirements and the Group's culture. It assesses the relevance of the proposed changes. It approves the actions laid down in the short- to medium-term plan.

1.1.4. OVERVIEW OF THE ACTIVITIES OF THE CHAIRMAN OF THE BOARD OF DIRECTORS IN 2023

Pierre Pasquier is currently serving as Chairman of the Board of Directors.

The Chairman of the Board of Directors carried out activities on a full-time basis throughout the year. This involved steering the work of the Board and other assignments entrusted to him.

The Chairman's assignments include the governance of strategy, acquisitions and the Board of Director's shareholder relations. He is involved in several key areas that will shape the Group's future and transformation (HR, digital and industrial transformation; key organisational and operating principles; employee share ownership; promotion of Group values and compliance). These matters were approved by the Chief Executive Officer at the beginning of the year.

The Chairman is responsible for maintaining balance between the Group's various stakeholders: shareholders, employees and the community. He ensures that the social and environmental implications of the Group's business activities are suitably taken into account.

In crisis situations, the ability to rank priorities, uphold the Group's values, and consider its options from a longer-term perspective thanks to the commitment provided by the core shareholder is absolutely critical.

The various matters placed under the Chairman's responsibility require a perfect knowledge of operational realities. Close relations with the Chief Executive Officer and the Executive Committee foster information flows between them. It facilitates effective coordination on:

- decisions required for the delivery of the medium-term strategic plan;
- monitoring of the implementation of such decisions over the long term.

The separation of the roles of Chairman and CEO is based on:

- the roles defined in the internal rules and regulations of the Board of Directors;
- compliance with the respective prerogative powers of the Chairman and the Chief Executive Officer;
- a trust-based relationship established over the long term;
- a very good fit between the holders of the two positions.

(1) *The AFEP-MEDEF Code is the code to which the Company refers pursuant to Article L. 22-10-10 of the French Commercial Code. It is available on the website of France's Haut Comité de Gouvernement d'Entreprise (www.hcge.fr).*

1.1.5. AGREEMENT WITH SOPRA GMT, THE HOLDING COMPANY THAT MANAGES AND CONTROLS SOPRA STERIA GROUP

In carrying out all of his assignments, the Chairman seeks out advice from former executives and may draw on certain resources across the Group. He is supported by a permanent team at Sopra GMT, the holding company that manages and controls the Group.

a. The Sopra GMT team

Of the four Sopra GMT employees, three of them have spent much of their careers with Sopra Steria Group. This team therefore has knowledge of the Group, its main managers and its organisational structure that an external service provider could not have. Its position within Sopra GMT means this team has an outside perspective and greater independence. These resources enhance the Board of Directors' ability to oversee the smooth running of the Company.

The team was initially formed when Axway Software was spun off. It performs duties for Sopra Steria Group and Axway Software, in which Sopra Steria Group holds an ownership of approximately 32%. Sopra GMT provides both companies with its support and ensures synergies and best practices are implemented.

The members of this team carry out duties not undertaken by Sopra Steria Group: oversight of acquisitions, corporate secretarial affairs for the Board of Directors and its Committees. They may also assist the Sopra Steria Group's functional divisions. They are also active participants in various steering committees (acquisitions, corporate responsibility, internal control, internal audit, employee share ownership). They may join working groups tackling key issues for the Company. They provide the benefit of their technical expertise and an independent opinion.

b. Invoicing principles

The costs rebilled by Sopra GMT comprise the portion of payroll and related personnel costs allocated to the assignments performed for Sopra Steria Group. They also comprise, under the same conditions, any external expenses incurred by Sopra GMT (such as specialised advisors' fees). As such, this organisational method does not increase the expenses borne by Sopra Steria Group. If the assignments handled by Sopra GMT's employees were not entrusted to them, they would need to be reallocated within Sopra Steria Group.

Pierre Pasquier's compensation at Sopra GMT reflects his oversight of the assignments performed by the Sopra GMT team for Sopra Steria Group and Axway Software. It is not rebilled to these two companies.

Sopra Steria Group charges Sopra GMT fees for providing premises, IT resources, and assistance from the Group's functional divisions as well as provision of appropriate expertise for Sopra GMT's assignments.

The work performed by this team and the principle for the rebilling to the Company of the costs incurred are covered in a framework agreement for assistance. The General Meeting approved the implementation of this related-party agreement. The Board of Directors reviews it annually.

Around 85% of Sopra GMT's total operating expenses are rebilled. The remaining 15% comprises the expenses arising from Sopra GMT's own internal operations. Expenses are rebilled on a cost-plus basis including a 7% margin. By definition, Sopra GMT generally records a small operating loss. The annual breakdown varies according to the respective needs of Sopra Steria Group and Axway Software. On average, since 2011, two thirds of the rebilling have concerned Sopra Steria Group.

c. Implementation of the agreement in 2023

Sopra Steria Group recorded the following income and expenses under this agreement in 2023:

- expenses: €1,874 thousand;
- income: €165 thousand.

The Board of Directors reviewed the implementation of this agreement at its meeting on 25 January 2023. It unanimously agreed to maintain the previously granted authorisation for the current financial year. The members of the Board of Directors associated with Sopra GMT (Pierre Pasquier, Eric Pasquier, Kathleen Clark) did not take part in the discussion or vote on this decision and all other directors were present.

1.1.6. EXECUTIVE MANAGEMENT

Cyril Malargé has served as Chief Executive Officer since 1 March 2022.

Cyril Malargé has been with the Company for almost 20 years. He first served as Managing Director of the France reporting unit. For the 18 months prior to his appointment as Chief Executive Officer, Cyril Malargé also served as the Group's Chief Operating Officer. He has been a member of the Executive Committee since 2015.

The Chief Executive Officer has authority over the entire Group. He directs, administers and coordinates all of its activities. To this end, he is supported by Executive Management, the Executive Committee and the Management Committee. These Committees comprise the Chief Executive Officer, Deputy Chief Executive Officer and other key operational and functional managers from Sopra Steria Group and its subsidiaries.

The Chief Executive Officer has the broadest possible powers to act in all circumstances in the name of Sopra Steria Group SA, the parent company of Sopra Steria Group. He/she represents the Company in its dealings with third parties.

Certain decisions relating to strategy implementation and internal organisation require prior approval by the Board of Directors or its Chairman. Decisions "that are highly strategic in nature or that are likely to have a significant impact on the financial position or commitments of the Company or any of its subsidiaries" are defined in the internal rules and regulations of the Board of Directors (see Chapter 8, "Additional information" of this Universal Registration Document, pages 330 to 336).

1.1.7. AGREEMENT WITH ÉRIC HAYAT CONSEIL

Éric Hayat Conseil is a company controlled by Éric Hayat, a Director of Sopra Steria Group.

This agreement relates to the provision to Executive Management of consulting and assistance services. These services are provided in connection with strategic deals connected with business development among other areas. They are charged at a per diem rate of €2,500 (excluding taxes). The duties performed under this agreement are distinct from those performed by virtue of Éric Hayat's directorship. For example, this may involve but is not limited to the following, in consultation with the Group's operational managers:

- taking part in top-level market meetings;
- maintaining contacts with civil society;
- taking part in high-level meetings with certain key clients in France and abroad;
- preparing for and participating in delegations of corporate executives to priority countries for the Group.

This enables the Company to benefit from the experience and knowledge of the Group gained by Éric Hayat throughout his career. This knowledge extends to its environment and some of its major clients. Éric Hayat was a co-founder of Steria. He also previously chaired the digital sector employers' organisation and subsequently the broader "Fédération Syntec", and is a former member of MEDEF's Executive Committee. His skills and experience are thus particularly well suited to the responsibilities entrusted to him, which mainly relate to major business opportunities.

This means that the number of Directors on the Board that are directly involved in addressing the Group's priorities in terms of strategic and commercial positioning is increased, thus enriching the Board's debates. Éric Hayat, in his capacity as a member of the Compensation Committee and the Nomination, Governance, Ethics and Corporate Responsibility Committee, provides these committees with the benefit of the knowledge of the Group's operational managers accumulated and maintained in the course of these assignments. Lastly, he has access to information channels within the Company that are helpful for feeding information back to the Board of Directors and its Committees.

Sopra Steria Group recorded expenses under this agreement in 2023.

- expenses: €175 thousand.

The Board of Directors reviewed the implementation of this agreement at its meeting on 25 January 2023. It unanimously agreed to maintain the previously granted authorisation for the current financial year. The Director affected by this decision - Éric Hayat - did not take part in either the discussion or the vote, and all other directors were present.

1.2. Board of Directors

1.2.1. MEMBERS OF THE BOARD OF DIRECTORS

On the date at which this Universal Registration Document was published, the Board of Directors had 18 members with the right to vote. The General Meeting directly nominated 15 Directors and 3 Directors represent the employees and employee shareholders.

The renewal of five current terms of office will be proposed at the General Meeting to be held on 21 May 2024 (see the summary of resolutions, Chapter 9 "General Meeting" of this Universal Registration Document (page 344). The Directors concerned are:

- Marie-Hélène Rigal-Drogerys;
- Pierre Pasquier;
- Éric Pasquier;
- Éric Hayat;
- and Sopra GMT, represented by Kathleen Clark.

Collectively, the members of the Board of Directors and the Chief Executive Officer hold around 20% of the Company's share capital and 30% of its voting rights.

SUMMARY PRESENTATION OF THE BOARD OF DIRECTORS

	Personal information					Position on the Board				Attendance at meetings in financial year 2023			
Name	Age*	Gender	Nationality	Number of shares	Number of directorships at listed companies (excluding Sopra Steria Group)	Independent Director	Start of current term	End of current term	Years of service on the Board*	Board of Directors	Audit Committee	Nomination, Governance, Ethics and Corporate Responsibility Committee	Compensation Committee
Pierre Pasquier Chairman of the Board of Directors	88	M	FRA	108,113	1		12/06/2018	AGM 2024	55	100%		100%	
Éric Pasquier Vice-Chairman of the Board of Directors	52	M	FRA	4,366	0		12/06/2018	AGM 2024	9	100%	89%		
Sopra GMT, represented by Kathleen Clark Chairwoman of the Nomination, Governance, Ethics and Corporate Responsibility Committee	56	F	USA/FRA	4,035,669	1		12/06/2018	AGM 2024	9	100%		100%	100%
Éric Hayat Vice-Chairman of the Board of Directors	82	M	FRA	37,068	0		12/06/2018	AGM 2024	9	89%		100%	88%
Sonia Criseo Director	52	F	IRL	10	0		24/05/2023	AGM 2025	-	100%			
Pascal Daloz Director	55	M	FRA	25	1	Yes	24/05/2023	AGM 2026	-	100%			
André Einaudi Director	68	M	FRA	100	0	Yes	09/06/2020	AGM 2026	3	100%			
Michael Gollner Director	65	M	USA/GBR	100	1	Yes	01/06/2022	AGM 2027	4	100%	100%		
Noëlle Lenoir Director	75	F	FRA	101	0	Yes	01/06/2022	AGM 2026	3	100%		100%	
Jean-Luc Placet Chairman of the Compensation Committee	71	M	FRA	100	0	Yes	12/06/2018	AGM 2024	11	100%		100%	100%
Sylvie Rémond Director	60	F	FRA	152	0	Yes	09/06/2020	AGM 2027	8	100%	100%		100%
Marie-Hélène Rigal-Drogerys Chairwoman of the Audit Committee	53	F	FRA	100	1	Yes	12/06/2018	AGM 2024	9	100%	100%		
Jessica Scale Director	61	F	FRA/GBR	10	0	Yes	09/06/2020	AGM 2027	7	100%		100%	100%
Yves de Talhouët Director	65	M	FRA	10	1	Yes	01/06/2022	AGM 2025	1	78%		75%	
Rémy Weber Director	66	M	FRA	10	1	Yes	24/05/2023	AGM 2025	-	100%			
Astrid Anciaux Director representing employee shareholders	58	F	BEL	1,812	0		26/05/2021	AGM 2025	9	100%			
Hélène Badosa Director representing the employees	65	F	FRA	0	0		23/09/2020	AGM 2024	5	100%			100%
David Elmalem Director representing the employees	41	M	FRA	0	0		23/09/2020	AGM 2024	3	100%			

Age as at 31/12/2023, rounded down to the nearest year.
F: Female M: Male.
N/A: Not applicable.

CHANGES IN THE BOARD OF DIRECTORS AND ITS COMMITTEES SINCE THE START OF FINANCIAL YEAR 2023

	Departures	Appointments	Reappointments
Board of Directors		Sonia Criseo (24/05/2023) Pascal Daloz (24/05/2023) Rémy Weber (24/05/2023)	Michael Gollner (24/05/2023) Sylvie Rémond (24/05/2023) Jessica Scale (24/05/2023)
Audit Committee			Michael Gollner (24/05/2023)
Nomination, Governance, Ethics and Corporate Responsibility Committee		Yves de Talhouët (26/01/2023)	Jessica Scale (24/05/2023)
Compensation Committee			Sylvie Rémond (24/05/2023) Jessica Scale (24/05/2023)

1.2.2. SELECTION PROCESS FOR MEMBERS OF THE BOARD OF DIRECTORS

The Nomination, Governance, Ethics and Corporate Responsibility Committee plays a central role throughout the four phases of the selection process for Independent Directors. The same process applies to Directors who are not independent as defined by the AFEP-MEDEF Code from Phase 3 as set out below.

a. Selection process phases

Phase 1. This is the needs analysis phase. The Committee identifies the end dates of Directors' terms of office and explores the possibility of renewing them. It takes into account the objectives of the diversity policy and the skills required. It accommodates imperatives arising from compliance with the law and with the Code of Corporate Governance. This analysis is undertaken for the Board of Directors itself and its committees. It focuses on the needs due to arise first and makes projections for the years ahead.

Phase 2. A list of potential candidates is drawn up based on the needs identified. This list is made up of the following:

- names put forward:
  - by members of the Nomination, Governance, Ethics and Corporate Responsibility Committee,
  - and by members of the Board of Directors more generally;
- names put forward by recruitment firms;
- names proposed by Executive Management;
- unsolicited applications received by the Company.

The Chairwoman of the Nomination, Governance, Ethics and Corporate Responsibility Committee decides on the list of potential candidates. A file is put together based on publicly available information about the candidates.

After reviewing this file, the Nomination, Governance, Ethics and Corporate Responsibility Committee decides which candidates to contact and meet.

Phase 3. Members of the Nomination, Governance, Ethics and Corporate Responsibility Committee arrange meetings with the selected candidates. At their meetings, the Committee's members compare their opinions. For each candidate, the Committee endeavours to assess the depth of their experience and how closely it fits the Company's needs. What they would bring to the Board from a diversity perspective and their motivation are also considered. Lastly, the Committee checks their availability, whether they have any conflicts of interest, and whether they meet the independence criteria in the Code of Corporate Governance. Additional actions are agreed upon as necessary to complete the list of candidates.

Phase 4. The Board of Directors:

- is made aware of the findings of the previous phases;
- discusses the candidates put forward by the Nomination, Governance, Ethics and Corporate Responsibility Committee;
- decides which candidates will be put to the vote at a General Meeting of Shareholders.

b. Directors representing the employees and employee shareholders

In the specific case of Directors representing the employees and the Director representing employee shareholders, the Company decided to launch an extensive call for applications across the Group.

The Sopra Steria Group Works Council designates the Directors representing the employees.

The General Meeting of Shareholders elects the Director representing employee shareholders from among the candidates put forward by employee shareholders. After reviewing the candidates, the Nomination, Governance, Ethics and Corporate Responsibility Committee may recommend that the Board of Directors support an appointment resolution to be put to the shareholders at a General Meeting. The candidate elected is the one whose appointment resolution gains the required majority and the most votes, in the event of multiple candidacies.

1.2.3. DIVERSITY POLICY APPLICABLE TO THE BOARD OF DIRECTORS

The goal of the Board of Directors' diversity policy is to bring together the perspective, skills and experience required for effective collective decision-making. It aims to meet the needs and reflect the characteristics of the Group while assembling a reasonably sized team. Each of its members must show good judgement and foresight, and uphold the standards of ethical conduct expected of a Director.

The impact on diversity and the integration of future Directors is considered every time a proposal is made to appoint Directors. The Nomination, Governance, Ethics and Corporate Responsibility Committee plays a key role in this regard.

Diversity is often assessed using measurable indicators related to gender equality, age and nationality.

With regard to gender equality, the Company aims to continue moving toward gender equality to the greatest extent possible. Each gender should account for at least 40% of the Directors. It is actively seeking to achieve gender equality in its Board committees.

Women currently account for six of the fifteen appointments made at the General Meeting (40%). Two of the three committees are chaired by a female Director. The four female Independent Directors are members of at least one committee.

The targets for increasing the proportion of women in senior management positions, set with reference to the AFEP-MEDEF Code, are presented in Section 2.7.1, "Promoting gender equality" of Chapter 4, "Corporate responsibility" of this Universal Registration Document (pages 129 to 131). They were reviewed and discussed at several meetings of the Nomination, Governance, Ethics and Corporate Responsibility Committee and adopted by the Board of Directors. They take into account the Group's proactive approach to corporate social responsibility, its management needs, and the proportion of women in its business sector and at the Company. On Executive Management's recommendation, the Board of Directors has approved targets, an action plan and practical arrangements that will make a real difference. They focus on delivering far-reaching action over the long term. The proportion of women in senior management positions forms part of those quantifiable targets on which the Chief Executive Officer's variable compensation is based.

Age is not a criterion that is considered. The Company has not set a minimum or maximum age requirement for directorships. However, the Articles of Association (Art. 14) limit the proportion of Directors aged over 75 to one third. The average age of the members of the Board of Directors is 62 (at 31/12/2023). Three out of 18 Directors are over 75 years old.

Given the international dimension of the Group's business, it is considered desirable to have foreign nationals sitting on the Board of Directors. As far as possible, Directors who are foreign nationals come from or live in countries in which the Group operates or is seeking to develop business. To attract Directors living outside France, the internal rules and regulations of the Board of Directors permit Directors to take part in meetings using videoconferencing or conference call systems, and the Company can make payments to cover their travel costs. Furthermore, an adjustment to the method used to apportion compensation among Board members has been agreed to better reflect the constraints on foreign Directors. This consists of adding an additional 20% weighting to attendance at meetings of the Board and its committees for Directors living outside France. This does not apply to Directors who carry out their work within the Group. Five out of 18 Directors have at least one other than French nationality.

1.2.4. SKILLS REQUIRED FOR THE BOARD OF DIRECTORS

It is also a priority for the Board of Directors to have a diverse range of skills. The Company has identified ten key competencies that it would like to be represented within the Board of Directors. These skills and areas of experience are as follows:

- **knowledge of consulting, digital services, software development and the ability to promote innovation**: This expertise will have been gained at a digital services company, software vendor or consulting firm, or in an industry sector focused on innovation in B2B services;
- **knowledge of one of the Group's key vertical markets**: Ideally, this expertise will have been gained working for a client of the Group or one of its competitors. It may also be acquired through long sales experience in this market. It should be accompanied by knowledge of the services sector;
- **entrepreneurial experience**: Entrepreneurial experience will have been gained by starting up or taking over an industrial or commercial business and through contact with the various stakeholders (clients, employees, lending shareholders, suppliers, authorities);
- **CEO of a major group**: This presupposes past or current experience as a non-salaried executive company officer (Chairman, CEO or Deputy CEO) of a company established in more than one country or that employed more than 25,000 people;
- **finance, control and risk management**: This expertise requires professional experience gained in finance, audit or internal control or while holding a corporate office;
- **CSR – Human resources and labour relations**: This expertise requires professional experience gained in human resources, either in a company or as an external consultant, in institutions, industry bodies, trade unions or public benefit organisations or while holding a corporate office.
- **CSR – Environmental and social issues**: This expertise presupposes familiarity with institutions, industry bodies, trade unions or public benefit organisations, or expertise in handling climate-related, environmental and social issues from a business perspective;
- **international dimension**: This indicates skills in cross-cultural management combined with being versed in more than one culture, working as an expatriate or holding corporate office in an international group;
- **Knowledge of Axway Software**: Knowledge of Axway Software will have been gained through professional experience or corporate office at Axway Software or experience as a client or partner of Axway Software;
- **Operational experience within the Sopra Steria Group**: This experience presupposes longstanding current or past service within the Sopra Steria Group, as an employee or equivalent, and in-depth knowledge of the Group, its working practices and its management. A corporate office of at least four years in a company recently acquired by the Group may also be taken into consideration.

Each of these 10 key areas of expertise and experience are currently represented on the Board of Directors by several Directors (see table below):

Expertise	Knowledge of consulting, digital services, software development, ability to promote innovation	Knowledge of one of the Group's main vertical markets	Entrepreneurial experience	CEO of a major group	Finance, risk management and control	CSR – Human resources and labour relations	CSR – Environmental and social issues	International teams and organisations	Knowledge of Axway Software	Operational experience within the Sopra Steria Group
Astrid Anciaux					✓	✓	✓	✓		✓
Hélène Badosa	✓		✓			✓				✓
Kathleen Clark Sopra GMT representative	✓						✓	✓	✓	✓
Sonia Criseo		✓						✓		✓
Pascal Daloz	✓			✓	✓			✓		
André Einaudi			✓	✓	✓	✓				
David Elmalem	✓	✓								✓
Michael Gollner			✓		✓			✓	✓	
Éric Hayat	✓	✓	✓	✓		✓	✓	✓		✓
Noëlle Lenoir					✓		✓	✓		
Éric Pasquier	✓	✓		✓	✓	✓		✓	✓	✓
Pierre Pasquier	✓	✓	✓	✓	✓	✓		✓	✓	✓
Jean-Luc Placet	✓	✓	✓			✓	✓			
Sylvie Rémond		✓			✓			✓		
Marie-Hélène Rigal-Drogerys	✓				✓		✓		✓	
Jessica Scale	✓	✓	✓				✓	✓		
Yves de Talhouët	✓		✓						✓	
Rémy Weber		✓		✓	✓	✓				
REPRESENTATION OF KEY COMPETENCIES	●●●	●●	●●	●	●●●	●●	●●	●●●	●	●●

● = *Competency represented by at least one third of the Directors with expertise*
●● = *Competency represented by between one third and half of the Directors*
●●● = *Competency represented by at least half of the Directors*

In addition to these ten key areas of expertise and experience, and given Sopra Steria Group's ownership structure, the Nomination, Governance, Ethics and Corporate Responsibility Committee also considers experience of corporate governance within family-owned listed companies to be of benefit to potential Board members. Such experience promotes the use of key strengths and harnesses an understanding of the challenges faced by family-owned companies in pursuit of sustainable and profitable growth. It is primarily gained through serving as a corporate officer or senior manager in a company – either listed or with a broad shareholder base – whose main shareholder is either an individual or a family. This main shareholder holds at least 10% of the voting rights and either runs the company or has the ability to choose who runs it.

1.2.5. DIRECTORS REPRESENTING THE EMPLOYEES AND REPRESENTATION OF EMPLOYEE SHAREHOLDERS

- Two Directors representing the employees were designated on 23 September 2020 by the Sopra Steria Group Works Council. They are namely Hélène Badosa, a member of the Compensation Committee, and David Elmalem.
- A Director representing employee shareholders, Astrid Anciaux, was elected at the General Meeting of Shareholders held on 26 May 2021.

1.2.6. INDEPENDENT DIRECTORS

The Nomination, Governance, Ethics and Corporate Responsibility Committee also monitors the proportion of Independent Directors on the Board.

Ten Directors are considered independent by the Board of Directors. They account for around 67% of Directors appointed by the shareholders at a General Meeting.

A procedure has been laid down for selecting Independent Directors (see Section 1.2.2 of this chapter, page 60).

Every year, the Nomination, Governance, Ethics and Corporate Responsibility Committee and then the Board of Directors review the status of each member of the Board of Directors with respect to the requirements for Independent Directors set out in Article 10 of the AFEP-MEDEF Code of Corporate Governance for Listed Companies:

Requirement 1: Employee or executive company officer in the past five years

Must not have been at any time over the preceding five years and must not currently be:

- an employee or executive company officer of the Company;
- an employee or executive company officer or Director of a company that the Company consolidates;
- an employee, executive company officer or Director of the parent company or of a company consolidated by that parent company.

Requirement 2: Cross-directorships

Must not be an executive company officer of a company in which the Company directly or indirectly holds a directorship, or in which an employee appointed as such or an executive company officer of the Company (currently serving or having served within the preceding five years) holds a directorship.

Requirement 3: Material business relationships

Must not be a customer, supplier, commercial banker, corporate banker or consultant:

- of material importance to the Company or Group;
- or a material portion of whose business is transacted with the Company or Group.

The Board considers the materiality of the relationship with the Company or its Group. The quantitative and qualitative criteria used to formulate its opinion (continuity, economic reliance, exclusivity, etc.) are stated explicitly in the Annual Report.

Requirement 4: Family ties

Must not have close family ties with a company officer.

Requirement 5: Statutory Auditor

Must not have been a Statutory Auditor during the preceding five years.

Requirement 6: Term of office of over 12 years

Must not have been a Director of the Company for more than 12 years. Directors lose their Independent Director status on the 12th anniversary date of their appointment.

Requirement 7: Non-executive company officer

A non-executive company officer may not be considered independent if they receive their variable compensation in cash, shares or any other payment linked to the performance of the Company or the Group.

Requirement 8: Major shareholder

Directors representing major shareholders of the Company or its parent company may be considered independent if these shareholders do not have full or partial control of the Company. However, if the relevant major shareholders hold more than 10% of the share capital or of voting rights, the Board, based on a report by the Nomination, Governance, Ethics and Corporate Responsibility Committee, considers as a matter of course the Directors' independent status with regard to the composition of the Company's share capital and any potential conflicts of interest.

Requirements (1)		**Pascal Daloz**	**André Einaudi**	**Michael Gollner**	**Noëlle Lenoir**	**Jean-Luc Placet**	**Sylvie Rémond**	**Marie-Hélène Rigal-Drogerys**	**Jessica Scale**	**Yves de Talhouët**	**Rémy Weber**
Requirement 1:	*Employee or executive company officer in the past five years*	✓	✓	✖	✓	✓	✓	✖	✓	✖	✓
Requirement 2:	*Cross -directorships*	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Requirement 3:	*Material business relationships*	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Requirement 4:	*Family ties*	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Requirement 5:	*Statutory Auditor*	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Requirement 6:	*Term of office of over 12 years*	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Requirement 7:	*Non-executive company officer*	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Requirement 8:	*Major shareholder*	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

In this table, ✓ represents an independence requirement that is satisfied and ✖ an independence requirement that is not satisfied.

Comments and clarifications

Requirement 1

Like Sopra Steria Group, Axway Software is fully consolidated by Sopra GMT. According to the Nomination, Governance, Ethics and Corporate Responsibility Committee, a current term of office on Axway Software's Board of Directors does not call into question the status of Independent Director:

- Sopra Steria Group's Board of Directors is regularly informed of Axway Software's operational and financial position. However, it does not discuss Axway's routine operations and investments;
- the procedure for handling potential conflicts of interest applies to the consideration of any matters related to Axway Software;
- the Independent Directors present on both Sopra Steria Group's and Axway Software's Boards of Directors ensure that opinions independent of the core shareholder are heard on issues concerning both companies and their strategy.

The Directors in question are Marie-Hélène Rigal-Drogerys, Michael Gollner and Yves de Talhouët. Sopra Steria Group's Board of Directors came to similar conclusions as the Nomination, Governance, Ethics and Corporate Responsibility Committee.

Requirement 3

Members of the Board of Directors may hold an office or have an interest in companies that have potential business relationships with the Sopra Steria Group or its core shareholder. The Board of Directors shall assess whether the nature, purpose and significance of this affiliation may affect their standing as Independent Directors. It will draw, in particular, on the prior work done by the Nomination, Governance, Ethics and Corporate Responsibility Committee.

In the case of a business relationship, its significance is inferred by reference to various criteria, including in particular the following:

- whether the service provided is of a strategic nature;
- whether there is reciprocal dependence;
- the volume of business transacted (particularly where this equates to more than 1% of annual revenue);
- the selection procedure used and how often the business is put out to tender;
- whether the Director is involved in the business relationship.

A real estate investment trust held by André Einaudi owns the premises occupied by the Company for a number of years at its Aix-en-Provence site. The Board of Directors considers that these circumstances do not constitute a material business relationship. In reaching this conclusion, the Board took into account the age, term and amount of the lease, signed prior to André Einaudi's appointment as a Director. It also noted that it is customary for the Group to rent its premises: apart from in exceptional circumstances, the Group does not own its premises. Lastly, the Board confirmed that no dependency is created for the lessor in relation to this lease.

The Company identified no other business relationships with Independent Directors.

1.2.7. SENIOR INDEPENDENT DIRECTOR

The roles of Chairman of the Board of Directors and Chief Executive Officer have been separated. The Chairman of the Board of Directors is not regarded as independent under the AFEP-MEDEF Code. A change to the Board of Directors' internal rules and regulations was proposed in July 2022 to appoint a Senior Independent Director responsible for handling conflicts of interest. The independent members of the Nomination, Governance, Ethics and Corporate Responsibility Committee unanimously voted against the Company's proposal. They adopted this position on the grounds that conflicts of interest rarely arise within the Board of Directors. They also found that there have been no difficulties in managing any such conflicts. That said, the Committee has reserved the option of reviewing this proposal again in the future, in particular if the situation changes. The Board of Directors has endorsed its recommendation.

The the Nomination, Governance, Ethics and Corporate Responsibility Committee and the Board of Directors will re-examine the possibility of appointing a Senior Independant Director with broader competencies with a view to preparing the transition of the Board of Director's Chairmanship.

The Chairman of the Board of Directors is responsible for the Board's shareholder relations.

1.2.8. DETAILED PRESENTATION OF THE MEMBERS OF THE BOARD OF DIRECTORS

PIERRE PASQUIER

Chairman of the Board of Directors

Number of shares in the Company owned personally: **108,113** (1)

- Member of the Nomination, Governance, Ethics and Corporate Responsibility Committee

Business address:
Sopra Steria Group
6 avenue Kléber
75116 Paris – France

Nationality: French **Age:** 88

Date of first appointment: 1968 (date Sopra was founded)

Date term of office ends: General Meeting to approve the financial statements for the year ended 31/12/2023

Main positions and appointments currently held	Appointments: Outside the Group	Outside France	Listed company
■ Chairman of the Board of Directors of Sopra Steria Group			✓
■ Chairman of the Board of Directors of Axway Software	✓		✓
■ Chairman and CEO of Sopra GMT	✓		
■ Executive company officer, Director or permanent representative of Sopra GMT at Sopra Steria Group subsidiaries (direct and indirect)			
■ Company officer of direct and indirect subsidiaries of Axway Software			

Autres mandats et fonctions exercés au cours des cinq dernières années

- Sans objet

Biography

Pierre Pasquier has more than 50 years' experience in digital services and management of an international business. He and his associates founded Sopra Group in 1968, and he chairs the Board of Directors.

After graduating in mathematics from the University of Rennes, Pierre Pasquier began his career at Bull before focusing on starting up Sogeti, which he left to found Sopra. Recognised as a pioneer in the sector, he has always affirmed the entrepreneurial spirit of the company, which aims to serve key account clients by drawing on innovation and shared success.

Pierre Pasquier oversaw Sopra's expansion in its vertical markets and internationally. The 1990 IPO, successive growth phases and the transformational 2014 tie-up with Groupe Steria have secured the company's independence in a changing market.

In 2011, Pierre Pasquier oversaw the IPO of subsidiary Axway Software, whose Board of Directors he continues to chair.

Pierre Pasquier served as Chairman and Chief Executive Officer of Sopra Group until 20 August 2012. Since then, the roles of Chairman and CEO have been separated.

Pierre Pasquier is also Chairman and Chief Executive Officer of Sopra GMT, the holding company for Sopra Steria Group and Axway Software.

(1) The Pasquier family group holds 68.5% of the share capital of Sopra GMT (the holding company that takes an active role in managing Sopra Steria Group and Axway Software). Shares held directly or indirectly through Sopra GMT by the Chairman in a personal capacity or by the Chairman's family group make up more than 10% of the Company's share capital (see Chapter 7, Section 2 ("Share ownership structure"), on page 319 of this Universal Registration Document).

ÉRIC PASQUIER

Vice-Chairman of the Board of Directors

Number of shares in the Company owned personally: **4,366** (1)

- Member of the Audit Committee

Business address:
Sopra Banking Software
6 avenue Kléber
75116 Paris – France

Nationality: French **Age:** 52

Date of first appointment: 27/06/2014
Date term of office ends: General Meeting to approve the financial statements for the year ended 31/12/2023

Main positions and appointments currently held	Appointments: Outside the Group	Outside France	Listed company
■ Head of Strategy, Sopra Steria Group			
■ Managing Director and member of the Board of Directors of Sopra GMT	✓		
■ Chairman and CEO of Sopra GMT			
■ Chairman of the Board of Directors of Sopra Banking Software			
■ Company officer of direct and indirect subsidiaries of Sopra Steria Group			

Other directorships and offices held during the last five years

- Not applicable

Biography

Éric Pasquier, Head of Strategy, has been with the Group for over 20 years. He is also Vice-Chairman of Sopra Steria Group's Board of Directors and Managing Director of Sopra GMT, the holding company for Sopra Steria Group and Axway Software.

After graduating from the EPITA IT engineering school, Éric Pasquier began his career in 1996 at the Altran group, where he managed IT projects on behalf of several key account customers.

He joined Sopra in 1999, where he began to broaden his experience in the operational management of major projects, notably in telecommunications. With telecommunications undergoing rapid change at the dawn of the new millennium, Éric Pasquier gained key experience at this time.

In 2004, Éric Pasquier was given responsibility for setting up the Group's first nearshore industrial service centre in Spain and thus acquired experience in the coordination of multi-country operations, in this case involving Spain and France.

He was named CEO of Sopra's Spanish subsidiary in 2008. Thanks to his managerial skills and guided by his long-term vision, this subsidiary was able to deliver strong growth and withstand the 2008/2009 financial crisis, despite having many banking clients. The subsidiary subsequently recovered to deliver strong financial performance in the early 2010s.

Éric Pasquier returned to France in 2014 to serve as Deputy CEO of Sopra Banking Software and became its Chief Executive Officer in 2016. In this position, he guided many financial players in Europe, the Middle East and Africa through their digital transformation. He oversaw Sopra Banking Software's corporate plan in both specialist financing and retail banking. Following this, he was appointed as head of the Software division for the entire Group, coordinating the activities of Sopra Banking Software, Sopra HR Software and Sopra Steria's Real Estate line.

In carrying out his various responsibilities, he draws on his wealth of experience in the field and his particular focus on human resources, qualities he has brought to his work as a member of Sopra Steria's Board of Directors since 2014.

(1) The Pasquier family group holds 68.5% of the share capital of Sopra GMT (the holding company that takes an active role in managing Sopra Steria Group and Axway Software). Shares held directly or indirectly through Sopra GMT by the Chairman in a personal capacity or by the Chairman's family group make up more than 10% of the Company's share capital (see Chapter 7, Section 2 ("Share ownership structure"), on page 319 of this Universal Registration Document).

SOPRA GMT
KATHLEEN CLARK

Number of shares in the Company owned personally: **4,035,669**

Permanent representative of Sopra GMT

- Chairwoman of the Nomination, Governance, Ethics and Corporate Responsibility Committee
- Member of the Compensation Committee

Business address:
Sopra Steria Group
6 avenue Kléber
75116 Paris – France

Nationality: American and French **Age:** 56

Date of first Sopra GMT appointment: 27/06/2014
Date term of office ends: General Meeting to approve the financial statements for the year ended 31/12/2023

Main positions and appointments currently held	Appointments: Outside the Group	Outside France	Listed company
■ Director of Corporate Development of Sopra Steria Group			
■ Vice-Chairwoman of the Board of Directors of Axway Software	✓		✓
■ Deputy Director of Sopra GMT			
■ Director or permanent representative of Sopra GMT at Sopra Steria Group subsidiaries (direct and indirect)			

Other directorships and offices held during the last five years

- Not applicable

Biography

Kathleen Clark has worked at Sopra Steria Group for over 25 years. She is currently Director of Corporate Development.

After graduating with a Master's degree in arts and literature from the University of California (Irvine), she began her career in teaching in the United States. In 1998, she left Silicon Valley for France, where she joined Sopra's Communications Department. She served as Director of Investor Relations from 2002 to 2015. In that role, she forged solid relationships between the Group's executive bodies and a range of increasingly international shareholders.

Kathleen Clark was also involved in the successful spin-off of Axway, which generates half of its revenue in the United States. She joined Axway's Board of Directors in 2011 and has served as its Deputy Chairman since 2013. This role therefore promotes strategic harmonisation between the two groups.

As Deputy Director of Sopra GMT since 2012, she made a significant contribution to the success of the merger between Sopra and Steria in 2014. In 2015, she was appointed Director of Corporate Development for the new Group, where she oversees acquisition opportunities to complement the business portfolio in line with the Group's strategy. She is also involved in a number of the Group's corporate initiatives, in particular those addressing issues of fairness, anti-corruption measures, ethics and employee share ownership.

Kathleen Clark was first appointed to the Board of Directors in 2012. She was named as the permanent representative of Sopra GMT in 2014 and has chaired the Nomination, Governance, Ethics and Corporate Responsibility Committee ever since. In this role, her long experience within the Group and its governing bodies, her knowledge of the financial markets, her commitment to social and societal issues and her communication skills all contribute to the sound governance of Sopra Steria.

ÉRIC HAYAT

Number of shares in the Company owned personally: **37,068**

Vice-Chairman of the Board of Directors

- Member of the Compensation Committee
- Member of the Nomination, Governance, Ethics and Corporate Responsibility Committee

Business address:
Sopra Steria Group
6 avenue Kléber
75116 Paris – France

Nationality: French **Age:** 82

Date of first appointment: 27/06/2014
Date term of office ends: General Meeting to approve the financial statements for the year ended 31/12/2023

Main positions and appointments currently held	Appointments: Outside the Group	Appointments: Outside France	Appointments: Listed company
■ President of Éric Hayat Conseil	✓		
■ Chairman of the public interest group Modernisation des Déclarations Sociales (MDS GIP)	✓		

Other directorships and offices held during the last five years

- Not applicable

Biography

Éric Hayat has been Vice-Chairman of the Board of Directors of Sopra Steria Group since 2014. He co-founded Groupe Steria in 1969 and served as its Deputy Chief Executive Officer. He was the group's Chairman at the time of the tie-up with Sopra in 2014.

A graduate in engineering from the École Nationale Supérieure de l'Aéronautique, Mr Hayat is a seasoned professional in the digital world. He contributed to the expansion of Groupe Steria both internationally and in a wide range of vertical markets, notably in the public sector. In 2014, Groupe Steria generated three quarters of its revenue outside France.

Alongside his professional career, Éric Hayat is recognised for his commitment to representing the digital sector. As Chairman of the Syntec Informatique employers' organisation from 1991 to 1997 and of Fédération Syntec from 1997 to 2003, he led key projects such as the implementation of the collective bargaining agreement and the 35-hour working week.

As a member of the Executive Committee of MEDEF from 1997 to 2005, Éric Hayat chaired the committee tasked with negotiating the R&D tax credit.

He has served as Chairman of the French public interest group for the "Modernisation of Payroll Reporting" since 2000. In this capacity, he brings together public sector bodies, collective pension organisations, chartered accountants and software vendors to boost the digital transformation of social protection. As an example, the group contributed to the success of France's new pay-as-you-earn tax system. Through his close working relationships with a wide range of stakeholders, Éric Hayat is a Vice-Chairman particularly focused on current far-reaching changes affecting society.

SONIA CRISEO

Number of shares in the Company owned personally: **10**

Independent Director

Business address:
Allianz Trade France
1 place des Saisons
92048 Paris La Défense Cedex – France

Nationality: Irish **Age:** 52

Date of first appointment: 24/05/2023
Date term of office began: 24/05/2023
Date term of office ends: General Meeting to approve the financial statements for the financial year ended 31/12/2024

Main positions and appointments currently held	Appointments: Outside the Group	Appointments: Outside France	Appointments: Listed company
■ Commercial Director at Allianz Trade for Multinationals (formerly Euler Hermes)			
Other directorships and offices held during the last five years			
■ Director of CS Group			✓

Biography

After training as a bilingual assistant, Sonia Criseo started her career at law firm Linklaters & Paines. She then joined the US firm Baker McKenzie, where she was assistant to the firm's then Chair Christine Lagarde. In 2005, she became Christine Lagarde's personal assistant at the French Ministry of Foreign Trade. In 2007, she continued to work for Christine Lagarde as her Deputy Chief of Staff at the French Ministry for the Economy, Finance and Industry, with responsibility for special affairs. In 2012, she was appointed Chief of Staff to the Chairman of Moët Hennessy. In 2013, she joined credit insurer Euler Hermes France (which in 2022 became Allianz Trade) in the newly created post of Head of International Development. She has served as Commercial Director at Allianz Trade for Multinationals since 2017.

PASCAL DALOZ

Independent Director

Number of shares in the Company owned personally: **25**

Business address:
Dassault Systèmes
10 rue Marcel Dassault
78140 Vélizy-Villacoublay

Nationality: French **Age:** 54

Date of first appointment: 24/05/2023
Date term of office began: 24/05/2023
Date term of office ends: General Meeting to approve the financial statements for the year ended 31/12/2025

	Appointments		
Main positions and appointments currently held	**Outside the Group**	**Outside France**	**Listed company**
■ CEO, Dassault Systèmes	✓		✓
■ Company officer of direct and indirect subsidiaries of Dassault Systèmes	✓		
■ Director of the PSL Foundation			
■ Honorary Co-Chair of Alliance Industrie du Futur			
Other directorships and offices held during the last five years			
■ Company officer of direct and indirect subsidiaries of Dassault Systèmes	✓		
■ Director of the Nantes Institute for Advanced Studies			
■ Director of Fondation Mines-Télécom			

Biography

Pascal Daloz has served as CEO of Dassault Systèmes since January 2024. He served as Chief Operating Officer and Head of the Operations Executive Committee from 2020 to 2023 and Deputy CEO in 2023.

After gaining experience in strategy and technology innovation management with investment banks and consultancy firms, Pascal Daloz joined Dassault Systèmes in 2001 as Vice President Research, Strategy and Market Development. He became Vice President, Strategy and Business Development (2003), then Executive Vice President, Strategy and Marketing (2007). In 2010, he was put in charge of all the group's brands as Executive Vice President, Corporate Strategy and Market Development, and then Executive Vice President, Brands and Corporate Development in 2014. In 2018, Pascal Daloz became Head of Corporate Finance and Strategy.

As Deputy CEO, he orchestrated the transformation of the company's strategic functions with the aim of making it a market leader in three key areas of the economy: manufacturing industries, life sciences and healthcare, and infrastructure and urban development.

Guided by the conviction that technological breakthroughs and societal change go hand in hand, Pascal Daloz helped Dassault Systèmes make pioneering investments in new fields, particularly in life sciences and health, resulting in the unique scope of the group's activities today. With his ability to seize emerging trends and bring together unique talents, he began to develop the business along interdisciplinary lines, powered by a combination of business knowledge, technological expertise and acquisition strategy.

Pascal Daloz has served as a Director of Dassault Systèmes since 2020. He is Chairman and Chief Executive Officer of Medidata, a global leader in clinical trials, and Chairman of 3DS Outscale, a cloud services company founded by Dassault Systèmes. He represents Dassault Systèmes within the Alliance Industrie du Futur set up by the French Government. He has been made a Knight of France's National Order of Merit.

ANDRÉ EINAUDI

Independent Director

Number of shares in the Company owned personally: **100**

Business address:
c/o ORTEC EXPANSION
550, rue Pierre Berthier,
Parc de Pichaury
13100 Aix-en-Provence – France

Nationality: French **Age:** 68

Date of first appointment: 09/06/2020
Date term of office ends: General Meeting to approve the financial statements for the year ended 31/12/2025

Main positions and appointments currently held	Appointments – Outside the Group	Appointments – Outside France	Appointments – Listed company
■ Chairman and CEO of Ortec group	✓		
■ Director of Crédit Mutuel Equity (SA)	✓		
■ Chairman of La Cave de la Bargemone	✓		
■ Company officer of direct and indirect subsidiaries of Ortec group	✓		
■ Manager of SCIs	✓		

Other directorships and offices held during the last five years

- Not applicable

Biography

André Einaudi is the Founding Chairman and CEO of Ortec Group, an international integrator of construction and engineering solutions, with locations on four continents.

An engineer and graduate of the IAE Aix-en-Provence business school, André Einaudi has spent his entire career in business services. He joined a group of service companies in south-eastern France in 1980 as a project engineer. He built the company's Service, Organisation and Methods Department from the ground up to meet the needs of its client Total. In 1985, he was named to head the Industrial Agencies Department, managing a team of 300 people.

In 1987, he became Chairman of the Executive Board of an entity bringing together the industrial engineering firm Buzzichelli and the activities Industrial Maintenance and Environment Department, which under his aegis took the name Ortec. The new combined entity is called Ortec.

Backed by a team of senior managers, André Einaudi led the leveraged management buy-out of Ortec in 1992. Newly independent, the young firm expanded into the fields of waste management and the decontamination of industrial sites. Through a series of successful acquisitions, André Einaudi has guided Ortec's continuing development with a focus on diversification, with respect to both client sectors and business activities.

Widely recognised as a business leader, André Einaudi created O. Forum in 2000, an annual event for decision makers across industries. Each year, he brings together a panel comprised of participants from various backgrounds, to exchange ideas, share the transformations and challenges that will be faced by industry in the future.

MICHAEL GOLLNER

Number of shares in the Company owned personally: **100**

Independent Director

- Member of the Audit Committee

Business address:
Operating Capital Partners
6075 Laurel St
New Orleans, Louisiana USA

Nationality: American and British

Age : 65

Date of first appointment: 12/06/2018
Date term of office ends: General Meeting to approve the financial statements for the financial year ended 31/12/2026

	Appointments		
Main positions and appointments currently held	**Outside the Group**	**Outside France**	**Listed company**
Director of Axway Software	✓		✓
Managing Partner of Operating Capital Partners	✓		
Other directorships and offices held during the last five years			
Executive Chairman of Madison Sports Group	✓		
Director of Levelset	✓		

Biography

Michael Gollner is an experienced entrepreneur, investor and member of several boards of directors. His expertise spans the media and technology sectors and the field of business transformation. Holder of an MA in international studies from the University of Pennsylvania and an MBA from the Wharton School, Michael Gollner began his career in investment banking. He worked at Marine Midland Bank from 1985 to 1987, Goldman Sachs from 1989 to 1994 and Lehman Brothers from 1994 to 1999.

With a passion for technology and media – sectors little understood by the market at the time – in 1999 he joined Citigroup Venture Capital (which later became Court Square Capital) as its Managing Director, Europe.

He founded investment firm Operating Capital Partners in London in 2008. As Managing Partner, Michael Gollner supports the development of a portfolio of companies in around 20 countries, mostly in the technology, media and cable sectors. He has extensive experience with issues relating to data processing and business model transformation.

Michael Gollner founded Madison Sports Group in 2013 and served as its Executive Chairman. He was also the founding shareholder of Levelset in 2012 and a Director. Michael Gollner sold his investments in these two companies in 2021.

Michael Gollner has been a member of the Board of Directors of Axway Software since 2012 and of the Board of Directors of Sopra Steria since 2018, where he brings the perspective of a business financing specialist from the English-speaking world who is closely involved in the operational aspects of the companies he manages or supports.

NOËLLE LENOIR

Number of shares in the Company owned personally: **101**

Independent Director

- Member of the Nomination, Governance, Ethics and Corporate Responsibility Committee

Business address:
Noëlle Lenoir Avocats
28, boulevard Raspail
75007 Paris – France

Nationality: French **Age** : 75

Date of first appointment: 09/06/2020
Date term of office ends: General Meeting to approve the financial statements for the year ended 31/12/2025

Main positions and appointments currently held	Appointments: Outside the Group	Appointments: Outside France	Appointments: Listed company
■ Avocate à la Cour chez Noëlle Lenoir Avocats			
■ Vice-Chairwoman of the International Chamber of Commerce (French delegation)			
■ Chairwoman of the Legal Commission of "Grand Paris/Île de France"			
■ Member of the Académie Française des Technologies			
■ Director of Cluster Maritime de France			
■ Director of HEC			
Other directorships and offices held during the last five years			
■ Director of Valéo and Compagnie des Alpes	✓		✓
■ Chairwoman of the Science and Ethics Committee of Parcoursup			
■ Chairwoman of the Ethics Committee of Radio-France			

Biography

Noëlle Lenoir is a lawyer, former judge and politician, with expertise in ethics, professional conduct and European affairs.

A graduate of the Institut d'Études Politiques de Paris, she earned her law degree from the Université de Paris and began her career at the French Senate in 1972 (as an administrator on the Law Committee), then joined the CNIL (the French Data Protection Authority) in 1982 as the Chief Legal Officer. Noëlle Lenoir joined the Conseil d'État (France's highest administrative court) in 1984 as a *maître de requêtes* (master of petitions). She later served there as Government Commissioner (now known as Public Rapporteur). She then became head of the French Minister of Justice's office, before being appointed by the Prime Minister to carry out an investigation into bioethics law. Her report was used as the basis for drawing up the first law on bioethics in France.

She was the first woman and the youngest person ever to be appointed to France's Constitutional Council (1992 to 2001). She chaired UNESCO's International Bioethics Committee (1991 to 1998) and was Chairwoman of the European Bioethics Group on Science and New Technology at the European Commission (1994 to 2001).

She later taught law at Columbia University in New York and University College London and was appointed Minister for European Affairs upon her return to France in 2002. In this position, she notably took part in negotiations with accession countries in Central and Western Europe to prepare their integration into the European Union. She was also tasked with overseeing the drafting of the constitutional treaty.

Currently practising as a lawyer at the Paris bar, she set up her own firm in 2020 after working for US law firms. She specialises in digital and data protection law, CSR and environmental law, internal and international investigations, compliance and anti-corruption, European law, public and constitutional law, criminal law and arbitration. She also served as Chief Ethics Officer of France's National Assembly from 2012 to 2014, reviewing statements of interest submitted by members and drafting initial recommendations based on the members' code of conduct.

Since then, she has chaired the Ethics Committee at Radio France and the Science and Ethics Committee for the Parcoursup platform, further expanding her expertise relating to social issues.

Noëlle Lenoir has contributed many articles to law journals and is the author of several books and numerous reports. She has hosted programmes and moderated debates notably on BFM Business and France 24, and has been a columnist for France Culture and a regular columnist and contributor to L'Express and La Tribune. She has taught at a range of prestigious schools and universities. She is Chairman of the "Cercle des Européens", a forum for decision-makers to engage in dialogue with European leaders.

Noëlle Lenoir is also the Vice-Chairwoman of ICC France and the Chairwoman of the Legal Commission of "Grand Paris/Île de France", responsible for formulating proposals on the region's appeal as a legal centre, a member of the French Academy of Technologies and a HEC Business School Director. She also chairs the Law and Public Debate Committee, whose role is to comment on current developments from a legal perspective.

JEAN-LUC PLACET

Independent Director

Number of shares in the Company owned personally: **100**

- Chairman of the Compensation Committee
- Member of the Nomination, Governance, Ethics and Corporate Responsibility Committee

Business address:
Bret Consulting
5 rue Malar
75007 Paris

Nationality: French **Age** : 71

Date of first appointment: 19/06/2012
Date term of office ends: General Meeting to approve the financial statements for the year ended 31/12/2023

Main positions and appointments currently held	Appointments: Outside the Group	Outside France	Listed company
Chairman of Bret Consulting	✓		

Other directorships and offices held during the last five years

- Member of the Conseil Économique, Social et Environnemental (CESE)
- Chairman of Fédération Syntec
- Member of the Statutory Committee of MEDEF
- Chairman of EPIDE
- Chairman of IDRH SA

Biography

Jean-Luc Placet has spent much of his career as a management, organisation and human resources consultant for large organisations.

After graduating from the ESSEC business school, he began his career at Saint-Gobain's marketing department before joining the marketing department of monthly business magazine L'Expansion. He joined consulting firm IDRH in 1981 and became its Chairman and CEO in 1992. Ever since then, he has overseen IDRH's expansion at the same time as being heavily involved in employers' organisations (MEDEF and Syntec Informatique) as well as France's Economic, Social and Environmental Council (CESE).

IDRH joined PwC in 2016, retaining Jean-Luc Placet as its Chairman, acting as a PwC partner.

In his role as Chairman and CEO of IDRH, Jean-Luc Placet has supported numerous ministries and French multinationals, defending the art of harnessing the power of people to transform organisations. By putting employee commitment at the heart of the corporate plan, he helps fuel Sopra Steria Group's strategic thinking in this area. Compensation and governance have also been key areas of focus during his career.

His elected duties on various Syntec bodies, including chairing Fédération Syntec (2011-2014) and European federation Feaco (2007-2012), give him a broad overview of the social challenges posed by business transformation at the international level. He has also contributed to the work of France's Economic, Social and Environmental Council on labour relations and new forms of management.

As a member of the Executive Committee and subsequently the Statutory Committee of MEDEF, Jean-Luc Placet also gained further expertise in the governance and operation of executive bodies. He draws on the full range of this expertise in his role as Chairman of Sopra Steria Group's Compensation Committee.

SYLVIE RÉMOND

Independent Director

Number of shares in the Company owned personally: **152**

- Member of the Compensation Committee
- Member of the Audit Committee

Business address:
Sopra Steria Group
6, avenue Kleber
75116 Paris – France

Nationality: French **Age :** 60

Date of first appointment: 17/03/2015
Date term of office ends: General Meeting to approve the financial statements for the financial year ended 31/12/2026

Main positions and appointments currently held	Appointments Outside the Group	Appointments Outside France	Appointments Listed company
Director of Boursorama (Société Générale Group)	✓		
Director of Sogécap (Société Générale Group)	✓		
Director of Banque Degroof Petercam, Belgium	✓	✓	

Other directorships and offices held during the last five years

- Group Chief Risk Officer, Société Générale Group

Biography

Sylvie Rémond has over 35 years' experience in customer relations, structured finance and risk management, acquired during her time with the Société Générale group. She was appointed to the Executive Committee in 2011, and served as Group Chief Risk Officer from 2018 until her departure in 2021.

After graduating from the ESC Rouen business school, Sylvie Rémond joined Société Générale in 1985. She held a number of positions in the Individual Client division, where she gained an understanding of retail banking. In the Large Corporate division, she developed a flair for customer relations, with a heavily international focus.

She joined the Structured Finance Department in 1992, where she helped numerous businesses fulfil their strategic plans by structuring acquisition finance and leveraged deals.

In 2000, Sylvie Rémond was appointed Head of Corporate and Acquisition Finance Syndication, a role in which she developed her knowledge of international financial and debt markets.

In 2004, she was appointed Head of Credit Risk for the Corporate and Investment Banking business. Supported by a large team of experts, she was involved in signing off all financing deals where the bank was lead arranger. After being appointed Deputy Group Chief Risk Officer in 2010, she was responsible for managing the impact of the financial crisis on the bank's lending book.

In 2015, she moved back to the commercial side of the business as Global Co-Head of Coverage and Investment Banking, overseeing a broad range of activities from financing to equity.

Sylvie Rémond was appointed Group Chief Risk Officer in 2018. She managed all of the group's credit, market and operational risks so that senior management can focus on transforming the bank in a way that is both profitable and resilient, in response to the challenges posed by increasingly strict regulations.

She has also served on the risk and audit committees of a number of French and foreign subsidiaries of Société Générale Group, bolstering her experience of corporate governance in listed and unlisted companies.

Since 2022, Sylvie Rémond has served as a Director for Banque Degroof Petercam in Belgium.

MARIE-HÉLÈNE RIGAL-DROGERYS

Number of shares in the Company owned personally: **100**

Independent Director

- Chairwoman of the Audit Committee

Business address:
Sopra Steria Group
6, avenue Kleber
75116 Paris – France

Nationality: French **Age :** 53

Date of first appointment: 27/06/2014
Date term of office ends: General Meeting to approve the financial statements for the year ended 31/12/2023

Main positions and appointments currently held	Appointments: Outside the Group	Appointments: Outside France	Appointments: Listed company
Director of Axway Software	✓		✓
Member of the Board of Directors of Chapter Zero France			

Other directorships and offices held during the last five years

- Expert member of the Advisory Board, Institut Mines-Télécom (IMT) Albi-Carmaux
- Adviser to the President, École Normale Supérieure de Lyon

Biography

A trained scientist, Marie-Hélène Rigal-Drogerys has a sound understanding of the world of higher education, research and innovation, and of the public sector more generally, which she combines with an operational and executive approach to strategy and organisation.

Marie-Hélène Rigal-Drogerys has a PhD in mathematics and a DEA postgraduate degree in theoretical physics. She began her career as a lecturer and researcher at the University of Montpellier and subsequently at the École Normale Supérieure de Lyon. In 1998, she moved into the world of financial audit. In this field, she worked for key accounts in industry, services and the public sector and faced new and specific challenges. As a Senior Manager with the Mazars Group, she managed the financial audit of Sopra until 2008.

She then moved into consulting, joining Ask-Partners as a Consulting Partner and subsequently serving as Adviser to the President at Ecole Normale Supérieure de Lyon. She recently joined Grant Thornton's Sustainable Transformation team as a Director, with particular responsibility for development in Lyon and the Grand Est region of eastern France. Whether internally or externally, since 2009 she has been helping businesses and organisations transition to new models within fast-changing ecosystems.

In her role as Chairwoman of Sopra Steria's Audit Committee, Marie-Hélène Rigal-Drogerys strives to integrate the strategic, business and human dimensions, while maintaining a constant focus on taking into the account the far-reaching transformation the Group is currently undergoing.

She also draws on these skills as a Director of Axway Software and a member of the Audit Committee, and as Vice-Chairwoman of Chapter Zero France, a climate forum for business leaders.

JESSICA SCALE

Independent Director

Number of shares in the Company owned personally: **10**

- Member of the Compensation Committee
- Member of the Nomination, Governance, Ethics and Corporate Responsibility Committee

Business address:
Sopra Steria Group
6, avenue Kleber
75116 Paris – France

Nationality: French **Age** : 61

Date of first appointment: 22/06/2016
Date term of office ends: General Meeting to approve the financial statements for the financial year ended 31/12/2026

	Appointments		
Main positions and appointments currently held	**Outside the Group**	**Outside France**	**Listed company**
■ Chairwoman of digitfit	✓		
■ Independent consultant specialising in the challenges posed by the digital transformation			

Other directorships and offices held during the last five years

- Not applicable

Biography

Jessica Scale founded digifit, a hub that provides strategy consulting for senior executives, in 2014. She helps companies grow by taking advantage of the opportunities offered by the digital, social and environmental transitions.

A graduate of Sciences Po Paris and holder of a PhD in political science, she has taught strategy at Sciences Po Paris since 1990.

Jessica Scale began her career in strategy consulting (at Bossard and PwC) working for key account clients in a wide range of industry sectors.

In 2002, she moved into the tech sector, where she worked for major players, first as Transformation Director at IBM Global Services and then as Vice-President of Sales and Marketing at Unisys Europe, which she joined in 2005. She took on further international responsibilities in 2008, when she became Director of Global Outsourcing at Logica-CGI, where she was later appointed Global Client Director. As Director, France at Logica-CGI from 2010 to 2013, she also gained in-depth experience of issues connected with governance, ethics and labour relations.

Jessica Scale has written numerous articles and books, including in particular *Bleu Blanc Pub: Trente Ans de Communication Gouvernementale en France*, which remains a landmark work for anyone seeking to understand major public communication campaigns.

She has long been involved in international entrepreneurship networks, with a particular focus on promoting women in business. She is keenly interested in the issue of the raison d'être of companies.

Jessica Scale's multicultural and operational experience dealing with digital, strategic and social issues at the international level enriches strategic thinking on Sopra Steria Group's Board of Directors.

YVES DE TALHOUËT

Number of shares in the Company owned personally: **10**

Independent Director

- Member of the Nomination, Governance, Ethics and Corporate Responsibility Committee

Business address:
TABAG
39, rue Boileau
75016 Paris

Nationality: French **Age :** 65

Date of first appointment: 01/06/2022
Date term of office began: 01/06/2022
Date term of office ends: General Meeting to approve the financial statements for the financial year ended 31/12/2024

	Appointments		
Main positions and appointments currently held	**Outside the Group**	**Outside France**	**Listed company**
Director of Axway Software	✓		✓
Director of Kwerian (formerly Twenga)	✓		
CEO of Tabag	✓		
Non-Voting Director of Castillon	✓		
Director of Tinubu	✓		
Chairman of Faïenceries de Gien	✓		
Director of Cartan SAS	✓		

Other directorships and offices held during the last five years

- Director of Devoteam

Biography

Yves de Talhouët was appointed Chairman of Faïencerie de Gien in 2014. He previously served as Managing Director of HP EMEA from May 2011, and prior to that as Managing Director of HP France from 2006. He served as Vice-President, Southern Europe, Middle East and Africa at Schlumberger SEMA from 1997 to 2004. He then joined Oracle France as Chairman and CEO from 2004 to 2006. He also served as Chairman of Devotech, which he founded.

Yves de Talhouët is a graduate of École Polytechnique, École Nationale Supérieure des Télécommunications and Institut d'Études Politiques de Paris.

RÉMY WEBER

Appointment as Independent Director

Number of shares in the Company owned personally: **10**

Business address:
Sopra Steria Group
6, avenue Kléber
75116 Paris

Nationality: French

Age : 66

Date of first appointment: 24/05/2023
Date term of office began: 24/05/2023
Date term of office ends: General Meeting to approve the financial statements for the financial year ended 31/12/2024

	Appointments		
Main positions and appointments currently held	**Outside the Group**	**Outside France**	**Listed company**
■ CEO of Suka Conseil	✓		
■ Chairman of the Supervisory Board of Kereis group	✓		
■ Chairman of the Supervisory Board of Empruntis group	✓		
■ Director of Vicat	✓		✓
■ Director of Groupe Betrand			
■ Member of the Supervisory Board of CDC Habitat	✓		
■ Member of the Supervisory Board of Primonial group	✓		
Other directorships and offices held during the last five years			
■ Chairman of the Executive Board of La Banque Postale	✓		
■ Company officer of direct and indirect subsidiaries of La Banque Postale	✓		
■ Chairman of the Board of Directors of the Opéra de Lyon	✓		

Biography

Rémy Weber began his career at the Large Corporates Department of Banque Française du Commerce Extérieur. He then joined the French Treasury as a project manager in the International Affairs Department.

He joins Financière BFCE in 1990 as Deputy Director with responsibility for investment operations, mergers and acquisitions.

In 1993, Rémy Weber joined the CIC Crédit Mutuel group. After holding various management positions, he became Chairman and CEO of CIC Lyonnaise de Banque, a position he held from 2002 to 2013. During this period, he was also a member of the CIC group's Executive Board and then of its Executive Committee.

In 2013, Rémy Weber became Chairman of the Executive Board of La Banque Postale, and Deputy CEO and Head of Financial Services at La Poste.

CEO of Suka Conseil since 2020, Rémy Weber joined the Board of Directors of Vicat in 2021. He chairs the Audit Committee and sits on the Compensation Committee. He is also Chairman of the Supervisory Board of Kereis group (a European leader in omnichannel insurance brokerage) since November 2021 and Chairman of the Supervisory Board of Empruntis group since May 2022. As a member of the Supervisory Board of CDC Habitat, he also sits on the Strategy Committee and the Audit Committee. Rémy Weber has been a member of the Supervisory Board of Primonial group since December 2022.

Rémy Weber is a graduate of Sciences Po Aix and the HEC business school.

ASTRID ANCIAUX

Number of shares in the Company owned personally: **1 812**

Director representing employee shareholders

Business address:
Sopra Steria Benelux
le Triomphe,
avenue Arnaud Fraiteur 15/23
1050 Bruxelles – Belgique

Nationality: Belgian **Age :** 58

Date of first appointment: 27/06/2014
Date term of office ends: General Meeting to approve the financial statements for the financial year ended 31/12/2024

	Appointments		
Main positions and appointments currently held	**Outside the Group**	**Outside France**	**Listed company**
■ Chief Finance Officer of Sopra Steria Benelux			
■ Company officer of direct and indirect subsidiaries of Sopra Steria Group		✓	
■ Member of the Supervisory Board of the Sopra Steria Actions company mutual fund (FCPE)			
Other directorships and offices held during the last five years			
■ Director of Sopra Steria Group			✓
■ Director of Soderi			

Biography

As Chief Financial Officer of Sopra Steria Benelux, Astrid Anciaux works across Belgium, the Netherlands and Luxembourg. She has been with the Group for over 30 years. She became a member of the Board of Directors when Sopra and Groupe Steria completed their tie-up in 2014 (term of office ended at the close of the 2020 General Meeting).

Astrid Anciaux is a graduate of the EPHEC business school in Brussels. In 2017, she also gained the Director qualification issued by Sciences Po and the IFA.

After gaining experience with an accounting firm, she joined the finance department at Steriabel, Steria's first Belgian subsidiary, in 1987. Over the years, she has played a part in the financial aspects of the business's growth as well as its functional and cultural integration into the Group.

Since 2014, as well as serving as Chief Financial Officer, Astrid Anciaux has also been responsible for central support functions serving Belgium, Luxembourg and the Netherlands. She serves as a company officer for a number of subsidiaries of Sopra Steria Group.

Astrid Anciaux has extensive experience in employee share ownership.

A former director of Soderi, Chairwoman of the Supervisory Board of the Groupe Steriactions company mutual fund (FCPE) and member of the Supervisory Board of the Sopra Steria Actions FCPE, she also deals on a day-to-day basis with the question of how to motivate and attract talent – a key priority for the Group.

She also brings to the Group's Board of Directors her vast experience in the field, gained both as a senior executive and as a management representative within employee representative bodies (in Belgium and Luxembourg).

HÉLÈNE BADOSA

Director representing the employees

Number of shares in the Company owned personally: **None**

- Member of the Compensation Committee

Business address:
Sopra Steria Group
6, avenue Kleber
75116 Paris – France

Nationality: French **Age :** 65

Date of first appointment: Works Council meetings on 27-28/09/2018
Date term of office began: 23/09/2020
Date term of office ends: General Meeting to approve the financial statements for the year ended 31/12/2023

Main positions and appointments currently held	Appointments: Outside the Group	Appointments: Outside France	Appointments: Listed company
Lead Engineer at Sopra Steria Group			
Member of the Board of Directors of the Traid-Union trade union	✓		
Manager of SCIs (Property Investment Companies)	✓		

Other directorships and offices held during the last five years

- Not applicable

Biography

Hélène Badosa has worked at Sopra Steria Group for nearly 23 years. Alongside her professional role, she has also long experience of employee representative bodies.

With a master's degree in information systems, Hélène Badosa began her career running a department at EDS's data processing centre and went on to become a SAP ERP consultant.

She joined Sopra Steria Group in 2001, heading up numerous engineering projects in France and abroad. She is currently a testing specialist for one of Sopra Steria's key account clients. Thanks to her experience in a broad range of roles, she has in-depth knowledge of issues in the field and the technological environment.

Keen to ensure that employees' voices are heard amid the digital business transformation, Hélène Badosa has also held various corporate offices over the course of her career. As employee representative at EDS and subsequently Sopra Steria, trade union representative on the Lyon and Aix-en-Provence Health, Safety and Working Conditions Committees, member of the Auvergne-Rhône-Alpes Regional Economic Committee and member of the Board of Directors of Traid-Union, she is resolutely committed to employee representation. In particular, the tie-up between Sopra and Steria involved significant work with employees to ensure that the two companies' cultures merged successfully.

Hélène Badosa joined Sopra Steria's Board of Directors in 2018 as Director representing the employees. She brings her vision as an employee with a keen eye for synergies between the company's and employees' development.

DAVID ELMALEM

Director representing the employees

Number of shares in the Company owned personally: **None**

Business address:
Sopra Steria Group
37, chemin des Ramassiers
31770 Colomiers – France

Nationality: French **Age :** 41

Date de première nomination : 23/09/2020
Date de début de mandat : 23/09/2020
Date d'échéance du mandat : Assemblée générale appelée à statuer sur les comptes de l'exercice clos le 31/12/2023

Main positions and appointments currently held	Appointments Outside the Group	Appointments Outside France	Appointments Listed company
■ Business Analyst at Sopra Steria Group			
Other directorships and offices held during the last five years			
■ Not applicable			

Biography

David Elmalem joined Sopra Steria Group in 2008.

He successively served in testing, business analysis and project management roles as an integrator for complex air traffic control systems.

David Elmalem holds an engineering degree from the ENAC civil aviation academy, and has a passion for aeronautics and new technologies.

With a constant focus on putting the Group's strategy into action, he has built up a dual set of business line and IT expertise that makes him highly attuned to the needs of aeronautics clients, helping them make their digital transformation a success. As an example, he took part in the SESAR (Single European Sky ATM Research) programme to modernise Europe's air traffic management systems, coordinating input from major players in this field, including a number of Sopra Steria clients (such as Airbus, Thales and Eurocontrol).

A true believer in putting people first, he takes a proactive role in the professional development of his team and his colleagues, leads a community of aeronautics enthusiasts within his business unit, and is an impassioned advocate of digital services professions for engineering students. Since 2021, he has played a role in the company's aerospace vertical, making an active contribution to its dedicated sustainable aviation programme. His efforts have helped establish Sopra Steria as a recognised player in this field.

Elmalem joined Sopra Steria's Board of Directors in 2020 as a Director representing the employees.

Owing to their professional experience as well as activities pursued outside the Company, the members of the Board of Directors have all acquired expertise in the area of management and some of them also have gained expertise in the Company's industry sector.

In addition, to the best of the Company's knowledge, none has:

- any conflict of interest affecting the exercise of their duties and responsibilities;
- any family relationship with another member of the Board of Directors, with the exception of Éric Pasquier, who is related to Pierre Pasquier;
- any conviction during the last five years in relation to fraudulent offences;
- been incriminated and/or been the focus of an official public sanction issued by statutory or regulatory authorities, nor barred by a court from serving as a member of a supervisory board, board of directors or other management body of an issuer or from taking part in the management or conduct of an issuer's business affairs at any point during the past five years;
- been involved in any bankruptcy proceedings or been subject to property sequestration during the last five years as a member of a board of directors, a management body or a supervisory board.

Furthermore, there are no service agreements binding the members of governing and management bodies to the issuer or to any one of its subsidiaries that provide benefits upon the termination of such agreements.

1.3. Preparation and organisation of the work of the Board of Directors

1.3.1. REGULATORY FRAMEWORK GOVERNING THE BOARD OF DIRECTORS, ITS ORGANISATION AND ITS WORKING PROCEDURES

The organisation and working procedures of the Board of Directors are governed by law, the Company's Articles of Association and the Board's own internal rules.

a. Legal provisions

Articles L. 225-17 et seq. and L. 22-10-2 et seq. of the French Commercial Code govern the working procedures of the Board of Directors.

The principal mission of the Board of Directors is to determine the strategic directions to be followed by the Company and to oversee their implementation.

b. Provisions in the Articles of Association

The rules governing the organisation and working procedures of the Board of Directors are set forth in Articles 14 to 18 of the Articles of Association. The Articles of Association are available on the Group's website (*Investors* section).

c. Internal rules and regulations of the Board of Directors

The internal rules and regulations of the Board of Directors were last amended on 27 July 2022. The aim was to clarify the scope of the confidentiality obligation incumbent on a legal entity's permanent representative.

The internal rules and regulations define the roles of the Board of Directors, its Chairman and the Chief Executive Officer. They specify the conditions under which their prerogatives may be exercised. They also provide that prior approval by the Board of Directors is required for certain decisions "that are highly strategic in nature or that are likely to have a significant impact on the financial position or commitments of the Company or any of its subsidiaries". The internal rules and regulations are available on the Group's website (*Investors* section).

They also set out the purpose, composition and main provisions applicable to the three standing committees tasked with preparing certain matters for the Board of Directors:

- the Audit Committee;
- the Nomination, Governance, Ethics and Corporate Responsibility Committee;
- the Compensation Committee.

The internal rules and regulations allow for the possibility that these committees, in performing their respective duties and after having informed the Chairman, may:

- hear matters brought to them by the Group's senior managers;
- call upon the services of outside experts at the Company's expense.

They also provide that the Board of Directors may create one or more "ad hoc" committees.

The internal rules and regulations also address the following issues: summary of powers under applicable law and the Articles of Association, meetings, information received by the Board of Directors, training of its members, evaluation of the Board, travel expenses, Non-Voting Directors, Works Council representatives, confidentiality, discretionary obligations, including the specific case of permanent representatives of legal entities, and other ethical obligations, in particular regarding conflicts of interest, related-party agreements or stock exchange transactions. A procedure for assessing routine agreements has been added as an appendix. Each of the permanent Board Committees has adopted its own operating charter approved by the Board of Directors. The selection procedure for Directors (independent and other) is appended to the Nomination, Governance, Ethics and Corporate Responsibility Committee's Charter.

1.3.2. MEETINGS OF THE BOARD OF DIRECTORS

a. Number of meetings held during the financial year

The annual work schedule, which is drawn up for the financial year, may be changed where justified by special events or deals. The Board of Directors met nine times in 2023, of which two meetings were not on the annual schedule.

b. Directors' attendance

Financial year 2023	Board of Directors	Audit Committee	Nomination, Governance, Ethics and Corporate Responsibility Committee	Compensation Committee
Number of meetings	9	9	5	8
Attendance rate	98%	97%	97%	98%

The Board of Directors' attendance rate in 2023 was 98% (with only three absences, one of which was for a meeting not scheduled in the annual calendar).

All members of the Board of Directors agree to devote the time and attention necessary to fulfil their duties. Directors are required to be present at every meeting of the Board of Directors as well as those of its committees on which they serve, unless they are unable to attend due to an emergency situation or other legitimate reason.

All Board members also agree to resign from their positions should they feel they are no longer able to fully assume their responsibilities. They must inform the Chairman of the Board of Directors of any change in their professional situation that might affect their availability.

In accordance with the policy approved by shareholders at the General Meeting, the compensation stated in Article L. 225-45 of the French Commercial Code is allotted in full based on actual attendance at meetings of the Board of Directors and its committees.

c. Items of business

The Board of Directors was kept regularly informed of the activities of the three standing committees. Their respective Chairmen presented reports on the work performed between the meetings of the Board of Directors.

The main items of business in 2023 were:

- Strategy and investment:
  - the Group's strategy (seminar),
  - the strategy-related human resources policy,
  - various external growth transactions;
- Accounting and financial information:
  - approval of the financial statements for the year ended 31 December 2022,
  - approval of the interim financial statements for the first half of 2023,
  - 2023 budget,
  - selection of a Statutory Auditor,
  - funding policy;
- Corporate governance, CSR:
  - multi-year CSR priorities,
  - the policy on workplace and pay equality and the targets for bringing more women into management positions,
  - preparations for the General Meeting,
  - composition of the Board of Directors and its Committees,
  - working procedures of the Board of Directors, based on the formal assessment of the Board of Directors and its committees,
  - decisions regarding share ownership programmes for employees and company officers:
    - performance share plan (LTI),
    - "We Share 2023" employee share ownership plan,
  - compensation of company officers:
    - compensation policy for company officers,
    - targets set by the Chief Executive Officer,
  - an opinion from the Works and Environmental Council opinionson the Company's strategic priorities;
- Control and prior authorisations:
  - monitoring of routine agreements,
  - continuation of previously authorised agreements,
  - authorisation to guarantee commitments by subsidiaries controlled by the Group.

1.3.3. COMMITTEES OF THE BOARD OF DIRECTORS

a. The Audit Committee

The composition and functioning of the Audit Committee are governed by the Board of Directors' internal rules and regulations and by a charter that is reviewed at regular intervals by the Committee and was approved by the Board of Directors on 28 July 2021.

Its current members are:

- Marie-Hélène Rigal-Drogerys, Chairwoman (Independent Director);
- Michael Gollner (Independent Director);
- Éric Pasquier;
- Sylvie Rémond (Independent Director).

The Committee possesses the necessary expertise, including financial, accounting and risk management skills. The Committee also has knowledge of the Group and its businesses that is critical for a clear understanding of its activities, plus information security expertise. Three of the Committee's four members are independent. They have spent all or part of their career in investment banking (Michael Gollner), universal banking (Sylvie Rémond) or as a Statutory Auditor (Marie-Hélène Rigal-Drogerys). The Committee members developed expertise in financing and risk management in the process. The individual skills of each member of the Committee are set out in Section 1.2.4, "Skills required for the Board of Directors" of this chapter, pages 61 to 62. Their professional experience is summarised in Section 1.2.8, "Detailed presentation of the members of the Board of Directors" of this chapter, pages 65 to 82.

The Committee meets seven times a year on average and in any event no fewer than four times a year. They generally break down as follows:

- one meeting to review the interim financial statements and two for the annual financial statements, respectively;
- three meetings to monitor internal control and risk management systems and review internal audit;
- one meeting to review external audit.

Without prejudice to the expertise of the Board of Directors, the Audit Committee elucidates decisions through its work and recommendation and approves the provision of services other than the certification of the accounts. In the performance of its duties, the Committee may:

- receive any internal documentation necessary for its purposes;
- hear any person affiliated with or external to the Company;
- where applicable, retain the services of independent experts to assist it, at the Company's expense;
- expedite an internal audit with the consent of the Chairman of the Board of Directors.

The Audit Committee Charter gives a precise definition of the Committee's remit and explicitly states the principal matters excluded from that remit.

The Committee's main responsibilities cover:

- internal control and risk management, especially the review of the three risk mapping exercises (overall exercise, mapping of the risk of corruption and influence peddling and mapping of risk relating to CSR risks – duty of vigilance);
- monitoring the preparation of the accounting and financial information;
- monitoring the preparation of non-financial information;
- critically examining management decisions and assessments relating to the Company's financial statements, performance analyses and interim reports before they are submitted to the Board for approval and, where applicable, making recommendations to ensure their integrity;
- financial policy;
- internal audit;
- the Statutory Auditors;
- the green taxonomy;
- any one-off assignments and areas for attention identified by the Board.

The Committee met nine times in 2023. Two meetings were added to the annual work schedule, with one of these meetings spent considering the tender launched ahead of the mandatory switch from Mazars to another Statutory Auditor at the 2024 General Meeting. One single absence was recorded. Except in specific cases, the Statutory Auditors, the Chief Financial Officer and his deputy, the Director of Internal Audit and the Director of Internal Control are invited to and attend all meetings as a matter of course.

Its meeting on the annual financial statements is held at least twenty-four hours before that of the Board of Directors. To prepare for this meeting, two preparatory sessions are held beforehand to address issues of methodology or specific points on the preparation and presentation of the financial statements as well as risk exposure, including social and environmental risks.

In 2023, the Audit Committee decided to +deepen its knowledge of some of the Company's activities in relation to risks related to strategy. To this end, it met with members of the Group Executive Committee.

The main items of business in 2023, dealt with either at the Company's initiative or at the request of the Committee, were as follows:

- with regard to monitoring the procedure for preparing accounting and financial information and financial policy:
  - review of cash-generating units and asset impairment testing for 2022,
  - approval of the financial statements for the year ended 31 December 2022,
  - presentation by the Statutory Auditors of the results of the statutory audit, interim reviews and the accounting options adopted,
  - review of the 2023 interim financial statements,
  - off-balance sheet commitments and guarantees given under the delegated authority of the Board of Directors,
  - Group funding;
- with regard to monitoring the procedure for preparing non-financial information:
  - Green taxonomy: changes in reporting, organisation of teams and reliability of data;
- with regard to monitoring the procedure for preparing accounting and financial information and financial policy:
  - With regard to the Internal Control Department:
    - review of the organisation and work by the department in charge of internal control and risk management procedures,
    - overall risk mapping,
    - mapping of risk of corruption and influence peddling,
    - mapping of risk relating to CSR risks – duty of vigilance,
    - overall risk management principles (presentation by Pierre Pasquier, Chairman of the Board of Directors and founder of the Group),
    - review of the presentation of risk exposure, including social and environmental risks, for the draft Universal Registration Document,
    - system for implementing second-level controls,
    - significant changes in the Company's legal environment;
    - presentation of the Group's insurance programme;
  - With regard to the Internal Audit Department:
    - organisation of the internal audit function and the work programme for 2023,
    - presentation of changes to the audit environment, (terminology used for the Group's key processes),
    - 2023 audit plan,
    - findings of internal audit reports,
    - checks on the exhaustiveness of the internal audit function's coverage of the Group,
    - follow-up on implementation of recommendations from internal and external audit assignments,
    - revision of the internal audit charter;
  - With regregard to knowledge of the business:
    - presentation of the systems integration business line,
    - presentation of Business Process Services in the United Kingdom;
- with regard to the management of the statutory audit of the financial statements:
  - statutory audit engagement (scope, work schedule, fees for the past year, budget),
  - the independence of the Statutory Auditors,
  - the tender process for the mandatory rotation away from Mazars at the 2024 General Meeting:
    - interviewing candidates,
    - formulating a recommendation to the Board of Directors,
  - prior authorisation for services other than the certification of the accounts;
- with regard to the Committee's own organisation and activities:
  - overview of the Audit Committee's activities and confirmation that all its responsibilities are adequately covered in 2023,
  - key priorities for 2023,
  - the annual work schedule,
  - formal assessment by the Committee.

The members of the Committee heard the Statutory Auditors, with no members of management in attendance. The same was true of the Director of Internal Audit.

Minutes are prepared after every meeting and are then approved at the beginning of the following meeting.

When requests by the Audit Committee cannot be satisfied immediately, they are subject to a formal follow-up procedure in order to ensure that they are addressed in full at the meetings scheduled throughout the year. Thirteen specific requests were formulated using this approach in 2023 and were, or will be, added to the meeting agendas established on the basis of the Committee's annual work plan.

b. The Nomination, Governance, Ethics and Corporate Responsibility Committee

The Board's internal rules and regulations and an operating charter govern the composition and functioning of the Nomination, Governance, Ethics and Corporate Responsibility Committee. The operating charter has been reviewed at regular intervals by the Committee and was approved by the Board of Directors on 25 February 2021. Its current members are:

- Kathleen Clark, permanent representative of Sopra GMT – Chairwoman;
- Éric Hayat;
- Noëlle Lenoir (Independent Director);
- Pierre Pasquier;
- Jean-Luc Placet (Independent Director);
- Jessica Scale (Independent Director);
- Yves de Talhouët (Independent Director).

The Chairman of the Board of Directors sits on the Nomination, Governance, Ethics and Corporate Responsibility Committee. The Committee hears the Chief Executive Officer on the items of business as necessary.

The Committee has no decision-making powers of its own, but rather submits its findings and recommendations to the Board of Directors in support of the Board's decisions. In the performance of its duties, the Committee may:

- receive any internal documentation necessary for its purposes;
- hear any person affiliated with or external to the Company;
- where applicable, retain the services of independent experts at the Company's expense to assist it.

Minutes are prepared after every meeting and are then approved at the beginning of the following meeting.

The Committee's main responsibilities are as follows:

- Nominations and governance:
  - selecting and preparing appointments of members of the Board of Directors, in accordance with the selection process, and of executive company officers,
  - proposing and managing changes it deems beneficial or necessary to the procedures or composition of the Board of Directors,
  - carrying out the annual review of the succession plan for unforeseen departures by the Chairman of the Board of Directors and the Chief Executive Officer,
  - evaluating the Board of Directors and the effectiveness of corporate governance,
  - verifying that good governance rules are applied at the Company and its subsidiaries,
  - assessing whether Board members may be deemed independent in view of deliberations by the Board of Directors on this subject;
- Business ethics and corporate responsibility (CSR):
  - verifying that the Group's values are observed, defended and promoted by its company officers, executives and employees,
  - checking that there are rules of conduct which address competition and ethics,
  - ensuring that the anti-corruption framework operates effectively and that the Company's Code of Conduct, training, whistleblowing framework and disciplinary system as provided for in French Law No. 2016-1691 of 9 December 2016 on transparency, the fight against corruption and modernisation of business life are all fit for purpose,
  - assessing Company policy on sustainable development and corporate responsibility and its alignment with the Sopra Steria Group's commitments to human rights, international labour standards, the environment and the fight against anti-corruption,
  - ensuring health and safety at work,
  - ensuring the effective management and safety of human capital within the Group,
  - ensuring that the Company has implemented an anti-discrimination and diversity policy:
    - preparing for the Board of Directors' annual review of the Company's policy on workplace and pay equality,
    - reviewing Executive Management's proposed objectives, action plan and arrangements for increasing the proportion of women in management positions and tracking progres.

The Committee met five times in 2023. The attendance rate stood at 97%, with one single absence recorded. The Committee addressed the following points:

- Appointments and governance:
  - the composition of the Board of Directors and the process used to select candidates for positions as Directors presented to the Annual General Meeting,
  - the composition of the Committee,
  - review of the draft Universal Registration Document: report on corporate governance,
  - conclusions and recommendations set out by market bodies (Autorité des Marchés Financiers, Haut Comité de Gouvernement d'Entreprise, Institut Français des Administrateurs),
  - the conclusions of the formal assessment process by the Board of Directors;
- Ethics and corporate responsibility:
  - the Company's policy on workplace and pay equality, and the diversity policy,
  - the main findings of the annual Great Place To Work survey,
  - review of the draft Universal Registration Document: statement of non-financial performance,
  - review of multi-year strategic priorities in terms of social responsibility, in particular:
    - human resources,
    - environment,
    - business ethics and outreach.

c. The Compensation Committee

The composition and functioning of the Compensation Committee are governed by the Board's internal rules and regulations and by a charter that is reviewed at regular intervals by the Committee and was approved by the Board of Directors on 25 February 2021. Its current members are:

- Jean-Luc Placet, Chairman (Independent Director);
- Hélène Badosa (Director representing the employees);
- Kathleen Clark, permanent representative of Sopra GMT;
- Éric Hayat;
- Sylvie Rémond (Independent Director);
- Jessica Scale (Independent Director).

The Committee has no decision-making powers of its own, but rather submits its findings and recommendations to the Board of Directors in support of the Board's decisions.

In the performance of its duties, the Committee may:

- receive any internal documentation necessary for its purposes;
- hear any person affiliated with or external to the Company;
- where applicable, retain the services of independent experts at the Company's expense to assist it.

The Committee's main responsibilities are as follows:

- recommending to the Board of Directors compensation policies applicable to company officers;
- verifying the application of rules determined for the calculation of variable components of compensation;

- where applicable, offering recommendations to Executive Management on the compensation of the company's principal executives;
- obtaining an understanding of pay policy and ensuring that this policy is in line with the Company's interests and enables it to reach its objectives;
- preparing decisions related to employee share ownership and employee savings plans;
- preparing the policy for awarding performance shares;
- verifying the quality of the information communicated to shareholders concerning compensation, benefits in kind, and options received by executive company officers, and compensation in accordance with Article L. 225-45 of the French Commercial Code.

The Committee hears the executive company officers at the start of its meetings for general information and on each item of business as necessary.

Minutes are prepared after every meeting and are then approved at the beginning of the following meeting.

The Committee met eight times in 2023, including three unscheduled meetings. The attendance rate stood at 98%, with one single absence recorded. The Committee addressed the following points:

- the compensation policy for company officers (Chairman of the Board of Directors, Chief Executive Officer, members of the Board of Directors);
- the recommendations to the Board of Directors concerning compensation paid to the Chairman of the Board and the Chief Executive Officer in respect of financial years 2022 and 2023;
- review of plans to give managers and employees a stake in the Group's capital (LTI and We Share plans) and any performance conditions;
- review of the draft Universal Registration Document, in particular the report on the compensation of company officers;
- incorporation of policies and the conclusions from the Company's dialogue with the main shareholders and proxy voting agencies.

1.3.4. ORGANISATION AND ASSESSMENT OF THE BOARD OF DIRECTORS

a. Access to information for members of the Board of Directors

Dissemination of information – preparatory materials

Article 9 of the internal rules and regulations states

- Each member of the Board shall receive all information required in the performance of his/her mission and is authorised to request any documents deemed pertinent.
- In advance of each meeting of the Board, a set of preparatory materials shall be addressed to members presenting the items on the agenda requiring special analysis and preliminary reflection. This material shall be sent out whenever confidentiality requirements permit;
- The members of the Board shall also receive, in the intervals between meetings, all pertinent and critical information concerning events or operations that are significant for the Company. This information shall include copies of all press releases disseminated by the Company.

The members of the Board of Directors receive a monthly summary report on Sopra Steria Group's share performance. This report describes and analyses developments in the share price and trading volumes. It puts this information into perspective by highlighting the main trends in macroeconomic and financial market data as well as comparisons with the largest companies in the industry.

Board members receive all press releases intended for investors. They are also sent certain internal publications.

They are invited to presentations of the annual and half-year results. They are also invited to the beginning-of-the-year meeting held for Group management.

Dedicated electronic platform for Directors

An electronic platform is used to provide secure access to documentation. Members of the Board of Directors can view or download items made available for them. This platform was set up following the findings of the formal assessment of the Board of Directors undertaken in 2016. Its installation was made possible by the availability of a high-performance cloud solution offering a sufficiently robust guarantee that access to stored data – even by the Company's technical staff – would be strictly controlled.

Additional information at meetings

The Chief Executive Officer and the Chief Financial Officer are invited to Board meetings, subject to certain exceptions. Thanks to their participation, additional information that may be useful to discussions is made available. They do not take part in the consideration of matters that involve the Chief Executive Officer.

Depending on the items of business before a given Board meeting, other operational managers or outside consultants may be invited to attend. This is the case, in particular, for strategic presentations and discussions of external growth transactions.

The Audit Committee systematically includes in its annual work programme several presentations by operational managers giving it a deeper understanding of a risk factor from various angles and giving it more extensive knowledge about an issue within its realm of responsibility. Dialogue with these occasional discussion partners represents a channel for reporting information independently of management.

Training

Article 5 of the internal rules and regulations states: "Any member of the Board may, on the occasion of their appointment or at any point during their term in office, engage in training they feel is necessary for the performance of their duties".

Following the appointment of the Directors representing the employees, a specific training plan is implemented to orientate new Directors. The Board of Directors approves the content and format of this orientation training after consultation with the individuals concerned and with the Nomination, Governance, Ethics and Corporate Responsibility Committee.

This training was delivered by the Company or outside bodies, depending on Directors' wishes and targets. In 2023, the Directors also updated their knowledge by attending meetings and seminars held by the various industry organisations (consulting firms, observatories, non-profits).

All Chairmen of Board Committees are members of the IFA (French Institute of Directors), as is the Secretary of the Board of Directors.

b. Preventing conflicts of interest

Duty of disclosure and abstention

Directors are required to notify the Board of any conflict of interest, whether actual or potential. They shall refrain from taking part in any discussions and participating in the vote on corresponding topics.

Monitoring of related-party agreements

Monitoring of related-party agreements is governed by law, the Company's Articles of Association and the Board's own internal rules. Proposed new agreements are reviewed prior to being signed. In addition, at the beginning of each financial year the Board of Directors reviews the purpose and application of agreements that will remain in effect. The Board of Directors checks whether these agreements still meet the criteria on which their initial approval was based.

No new agreements were authorised during financial year 2023.

Nature	Framework agreement for assistance with Sopra GMT	Service agreement with Éric Hayat Conseil
Subject	Advisory and assistance services in the areas of strategy, finance and control	Business development advisory and assistance services to Executive Management (strategic operations)
Detailed description	Section 1.1.5	§ 1.1.7
Income (financial year under review)	€165 thousand	€0 thousand
Expense (financial year under review)	€1,874 thousand	€175 thousand
Relevant Members of the Board of Directors	Pierre Pasquier, Éric Pasquier, Kathleen Clark	Éric Hayat
Purpose of the agreement	Resources assigned to the Chairman of the Board of Directors to fulfil the role set out for him under the internal rules and regulations in a totally independent manner. Greater independence of the Board of Directors.	Use of expertise and an independent channel of information for the Board of Directors
Significance for the company	Non-material expense. If the assignments handled by Sopra GMT's employees were not entrusted to them, they would need to be reallocated within the Group at the same cost.	Non-material expense.
Agreement already approved at a General Meeting	Yes	Yes

Monitoring of routine agreements entered into at arm's length

The Board of Directors regularly assesses whether agreements pertaining to routine transactions entered into at arm's length meet the necessary criteria.

The procedure adopted by the Board calls for the following in particular:

- arrangements for identifying agreements subject to prior review by the Board of Directors;
- the assessment by the Board of Directors of agreements that have not been subject to such controls – any persons directly or indirectly affected by such an agreement may not take part in this assessment.

The Board has adopted the principle of annual assessments.

c. Assessment of the Board of Directors and its committees

In accordance with the recommendations of the AFEP-MEDEF Code in this area:

- each year, at least one discussion by the Board of Directors is devoted to its operating procedures and ways in which they might be improved;
- at least every three years, a formal assessment is carried out.

The Board of Directors thus conducted a formal assessment of its operations at end-2022, overseen by the Nomination, Governance, Ethics and Corporate Responsibility Committee. The previous such assessment took place in 2019.

The Nomination, Governance, Ethics and Corporate Responsibility Committee proposed that the Board of Directors proceed with a self-assessment based on a questionnaire, with responses to be collected anonymously. To this end, the Committee drew up a draft questionnaire containing 35 items divided into five sections:

- members of the Board of Directors;
- information provided to Directors;
- meeting procedures and content;
- relations between the Board of Directors and its committees;
- assessment of individual contributions.

In particular, the aims of this questionnaire were to:

- evaluate to what extent the composition of the Board of Directors actually represents all shareholders and allows it to fulfil its role and responsibilities efficiently. The questionnaire also focused on the Directors' contributions to meetings, any conflicts of interest, their complementarity, independence and level of commitment, as well as their understanding of the Company's business activities, and the manner in which they update and refresh their skills and knowledge;
- ascertain the quality of the information made available to members of the Board of Directors and that discussions about issues are organised by the Chairman;
- check their level of satisfaction with the responses provided to their questions and the handling of their requests;
- identify potential opportunities for improvements relating to the work procedures and encompassing all aspects, from the annual work schedule to the minutes of meetings;
- evaluate the preparation of discussions by the Board's committees and the contribution of their work to the quality of exchanges at Board meetings.

After the questionnaire was approved by the Board of Directors, an overview of its findings was reviewed and discussed by the Nomination, Governance, Ethics and Corporate Responsibility Committee. The Committee also discussed an overview of its own self-assessment and the concurrent self-assessments undertaken by the Compensation Committee and the Audit Committee. It reported on its work to the Board of Directors at the Board meeting of 26 January 2023.

The Audit Committee has conducted its own self-assessment for a number of years using a questionnaire that covers its composition and its working procedures, the way in which its work is organised and its ability to fulfil its responsibilities. The Committee compares its procedures with the best practices established by similar bodies in other companies. Lastly, it familiarises itself with any changes in the regulatory environment. It takes into account the conclusions of this work to improve its own working procedures.

Self-assessment by the Board of Directors and its committees has identified opportunities for improvement, notably relating to its composition, and consideration of CSR (Corporate Social Responsibility) by the Board of Directors and its committees. Practical solutions were found to the areas requiring improvement that had been identified. These were then presented to the Board of Directors, which approved them. The process concluded with a meeting on 26 January 2023.

2. Compensation of company officers

2.1. General principles

While paying particular attention to the stability of the principles used to determine and structure compensation for executive company officers, the Board of Directors re-examines their compensation packages on an annual basis to verify their fit with the Group's requirements. In particular, the Board checks that compensation policy:

- continues to be in keeping with the Company's best interests;
- contributes to the Company's long-term success, takes into account its social and environmental priorities;
- is in keeping with the Company's business strategy.

The Board also checks that compensation policy complies with the recommendations laid down in the AFEP-MEDEF Code. To this end, it is supported by the Compensation Committee, which helps it prepare its decisions in this area.

The Board of Directors considers that applying the compensation recommendations laid down in the AFEP-MEDEF Code of Corporate Governance protects the Company's interests and encourages executives' contribution to business strategy and the Company's long-term success.

The Compensation Committee usually meets three to five times between October and February to help the Board prepare its decisions.

The Board of Directors generally discusses the strategic approach over the same period; this discussion has taken into account social and environmental issues associated with the Company's business. For the past several years, the Group has been pursuing an independent, value-creating plan that combines growth and profitability. Priorities are adjusted each year based on the current state assessment undertaken at the end of the previous year.

The Committee reviews the current compensation policy applicable to company officers. It is then informed of estimates of how far the Chief Executive Officer has achieved their targets. These forecasts are refined in the course of the Committee's various meetings. At the beginning of the year, the Compensation Committee determines the extent to which quantifiable targets set for the previous financial year have been achieved. It assesses the extent to which qualitative targets have been met. To this end, it meets with the Chairman of the Board of Directors and familiarises itself with any information that might be used in this assessment.

The Committee also takes into consideration the Group's compensation policy and decisions on fixed and variable compensation payable to the members of the Group Executive Committee. It takes into account comparisons with other companies made available to it. However, sector consolidation has significantly reduced the number of companies allowing for a direct and relevant comparison.

The Committee also considers ways in which employees may be given a stake in the Company's financial performance. It assesses the suitability of share ownership plans for all employees and long-term incentive plans for managers of the Company and its subsidiaries. The Board of Directors considers that employee and executive share ownership makes a lasting contribution to the Company's priority focus on independence and value creation. It provides extra motivation and ensures that employees' and executives' interests are fully aligned with those of the Company's shareholders.

The Board of Directors has not, to date, fixed the number of shares that must be held and registered in the name of the Chairman of the Board of Directors who co-founded the Company. Shares held directly or indirectly through Sopra GMT by the Chairman in a personal capacity or by the Chairman's family group make up more than 10% of the Company's share capital.

The Board of Directors has laid down two obligations for the Chief Executive Officer :

- to retain 50% of the performance shares actually awarded to him during his term of office;
- to raise the value of shares he holds in the company to the equivalent of 50% of his annual fixed compensation by 2026.

When the Board of Directors reviews the budget for the current financial year, the Company's quantitative targets are a known quantity. The Compensation Committee takes them into account when determining the Chief Executive Officer's quantitative targets for the financial year. It holds a further meeting with the Chairman of the Board of Directors to discuss potential qualitative targets.

The Compensation Committee then presents its recommendations to the Board of Directors, which deliberates without the interested parties in attendance. These recommendations relate to the Chief Executive Officer's variable compensation for the previous financial year, fixed compensation payable to the Chairman of the Board of Directors, and the Chief Executive Officer's fixed and variable compensation for the current financial year. The Committee also presents its observations on how compensation is apportioned among the Directors and any proposed adjustments. The total amount of the compensation referred to in Article L. 225-45 of the French Commercial Code subject to approval by the shareholders is agreed when the Board of Directors meets to prepare for the General Meeting of Shareholders.

As regards variable compensation, the Compensation Committee proposes the quantifiable criteria to be taken into account together with any qualitative criteria, as the case may be. It makes certain that the criteria adopted are mainly quantifiable and that criteria are precisely defined. As regards quantifiable criteria, it generally determines:

- a threshold below which variable compensation is not paid;
- a target level at which 100% of compensation linked to the criterion in question becomes payable; and
- where applicable, an upper limit if there is the possibility that a target may be exceeded.

Performance is assessed by comparing actual performance with the target broken down into thresholds and targets, as the case may be. This assessment is carried out without compensation between targets. Where, by exception, compensation may exceed the target level, the extent to which it may do so is capped.

Based on the targets adopted, an amount equivalent to 60% of the annual fixed compensation cannot be exceeded. Even so, in the event of an outstanding performance relative to the quantitative targets, the Board of Directors may, after consulting the Compensation Committee, authorise the integration of targets being exceeding, subject to the cap on annual variable compensation set at 100% of annual fixed compensation. Effective payment of the Chief Executive Officer's variable compensation will, in any event, be subject to shareholder approval at an Ordinary General Meeting.

Conversely, the Board of Directors may consider that the Group's performance does not merit payment of variable compensation in respect of the financial year in question. That being the case, it does not take into account the extent to which qualitative targets have been met. It proposes to the shareholders that no variable compensation be paid in respect of that financial year.

Lastly, in the event of exceptional circumstances (such as an exogenous shock) leading to the suspension of the normal system of variable compensation for employees and Executive Committee members, the Compensation Committee would review the situation of the Chief Executive Officer. It could recommend to the Board of Directors that it ask the shareholders at the General Meeting to approve an improvement to the Chief Executive Officer's variable compensation if that would serve the Company's interests, subject to an upper limit of 60% of his annual fixed compensation.

Long-term incentive plans are based on awarding rights to shares. They are subject to the condition of being with the company over a period of time and performance conditions. The targets are set in the same way as for variable compensation.

Independently of the compensation policy, the company covers or reimburses company officers' travel expenses (transportation and accommodation).

The Nomination, Governance, Ethics and Corporate Responsibility Committee and the Compensation Committee have four members in common. This overlap ensures that decisions are consistent between the two Committees.

The procedure for determining compensation policy applicable to executive company officers and the timing of that procedure are intended to ensure that all worthwhile information is taken into account when recommendations are drawn up and when the Board of Directors makes its final decision. This ensures that such decisions are consistent among themselves and aligned with the Company's strategy.

The compensation policy applies to newly appointed company officers. However, in exceptional circumstances, such as to enable the replacement or appointment of a new executive company officer, the Board of Directors may waive application of the compensation policy. Such waivers must be temporary, aligned with the Company's interests and necessary to secure the Company's long-term success or viability. Furthermore, this option may only be adopted where there is consensus among the members of the Board of Directors as to the decision to be taken (i.e. no votes against). This may result in the awarding of components of compensation currently defined in the compensation policy as not applicable (severance pay, non-compete payment, supplementary pension plan). These matters would be put to the vote at the following General Meeting.

2.2. Executive company officers

The Compensation Committee made recommendations concerning the compensation policy for executive company officers, which was reviewed by the Board of Directors at its meeting on 21 February 2024.

Prior approval at the General Meeting must be obtained for the compensation policy and the payment of variable and exceptional components of compensation.

2.2.1. COMPENSATION OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

Compensation policy for the Chairman of the Board of Directors subject to approval at the General Meeting

ITEMS OF COMPENSATION FOR THE CHAIRMAN OF THE BOARD OF DIRECTORS

Items of compensation	Comments
Annual fixed compensation	Determination by the Board of Directors, acting on a recommendation by the Compensation Committee
Annual variable compensation	Not applicable
Variable deferred compensation	Not applicable
Multi-year variable compensation	Not applicable
Deferment periods; option of asking for variable compensation to be returned	Not applicable
Exceptional compensation	Possible, by decision of the Board of Directors, but contingent upon very specific circumstances with substantial consequences on the role and activity of the Chairman of the Board of Directors Payment subject to shareholder approval of all items of compensation at an Ordinary General Meeting and in all circumstances capped at 100% of annual fixed compensation
Share options, performance shares and any other long-term items of compensation	Not applicable
Compensation referred to in Article L. 22-10-14 of the French Commercial Code	Application of Directors' compensation policy
Any other benefits	Company car
Severance pay/benefit payable upon change of duties	Not applicable
Non-compete payment	Not applicable
Supplementary pension plan	Not applicable

Decisions made in 2024

The Board of Directors decided, on the recommendation of the Compensation Committee, not to make any changes to the compensation policy applicable to the Chairman of the Board of Directors, or to his annual fixed compensation.

2.2.2. COMPENSATION OF THE CHIEF EXECUTIVE OFFICER

Compensation policy for the Chief Executive Officer subject to approval at the General Meeting

These principles shall also be applicable for any Deputy Chief Executive Officers.

COMPENSATION ITEMS FOR THE CHIEF EXECUTIVE OFFICER

Items of compensation	Comments
Annual fixed compensation	Determination by the Board of Directors, acting on a recommendation by the Compensation Committee (taking into account the responsibilities held, experience, plus internal and external benchmarking)
Annual variable compensation	Amount: ■ 60% of annual fixed compensation if targets are met; ■ capped at 100% of annual fixed compensation; ■ criteria: ▪ minimum of 70% based on one or more quantifiable targets, ▪ maximum of 30% based on meeting one or more precisely defined qualitative targets consistent with the Group's strategy and organisation, its corporate responsibility policy (CSR) and/or the assessment of the company officer's performance; ■ payment subject to shareholder approval of all items of compensation at an Ordinary General Meeting.
Variable deferred compensation	Not applicable
Multi-year variable compensation	Not applicable
Deferment periods; option of asking for variable compensation to be returned	Not applicable
Exceptional compensation	Applicable, by decision of the Board of Directors, in case of very specific circumstances (spin-off and listing of a subsidiary, merger, etc.) Payment subject to shareholder approval of all items of compensation at an Ordinary General Meeting and in all circumstances capped at 100% of annual fixed compensation
Share options, performance shares and any other long-term items of compensation	Eligibility for long-term incentive plans set up by the Group for its senior managers (capped at 100% of annual compensation if targets are met per plan) These plans are subject to continued employment and to strict performance conditions based on targets that are at least equal to any guidance targets disclosed to the market. Vesting period of at least three years Obligation to hold 50% of the shares that will vest under these plans for the entire duration of the recipient's term of office Commitment not to engage in any hedging transactions with respect to performance shares held until the expiry of these plans or of the applicable holding period
Compensation referred to in Article L. 22-10-14 of the French Commercial Code	Not applicable (except in case of appointment by the Board of Directors of the Company. Appointments held at Group subsidiaries do not give rise to any compensation).
Any other benefits	Company car; contribution to the GSC unemployment insurance for executives.
Severance pay/benefit payable upon change of duties	Not applicable
Non-compete payment	Not applicable
Supplementary pension plan	Not applicable

Decisions made in 2024

The Board of Directors decided, on the recommendation of the Compensation Committee, not to make any changes to the compensation policy applicable to the Chief Executive Officer, or to his annual fixed compensation.

As no changes were made to the compensation policy, annual variable compensation will again be structured as follows:

Criteria	Type	% of AVC*	% of AFC*
One or more targets	Quantifiable	70% min.	42% min.
One or more targets	Qualitative	30% max.	18% max.
TOTAL		**100%**	**60%**

**AVC: annual variable compensation; AFC: annual fixed compensation.*

Quantifiable targets may, in particular, relate to the operating margin on business activity, organic revenue growth or free cash flow. The portion linked exclusively to the achievement of qualitative targets reflects a desire to take into account medium-term targets (relating to the Group's governance and organisation and the social implications of its business activities) and long-term targets (environmental implications of its business activities). With regard to CSR, quantifiable indicators and associated targets help the Group check every year that it remains on course to achieve its goals. Although these are medium- and long-term objectives, progress towards them can be tracked at the end of each financial year.

The specific financial performance values are not disclosed for the current financial year for confidentiality reasons and so as not to interfere with financial communications. Targets are set at levels that are designed to be both demanding and motivating. They aim to help the Group meet – and if possible exceed – its targets. Considering the planned divestment of Sopra Banking Software's software products to Axway Software, at its meeting on 21 February 2024, the Board of Directors decided to postpone the setting of the Chief Executive Officer's objectives for the financial year 2024 until a future meeting. They will be published under the usual conditions as soon as they have been set.

2.3. Other company officers

2.3.1. COMPENSATION OF DIRECTORS OF THE PARENT COMPANY

The compensation policy for members of the Board of Directors is submitted for approval at the General Meeting of Shareholders. According to this policy, the compensation referred to in Article L. 225-45 of the French Commercial Code shall be apportioned among the members of the Board of Directors and its committees as follows:

- 60%: Board of Directors;
- 20%: Audit Committee;
- 10%: Compensation Committee;
- 10%: Nomination, Governance, Ethics and Corporate Responsibility Committee.

The total amount of this compensation is apportioned:

- among those members attending meetings of the Board and its committees (Directors and Non-Voting Directors);
- in proportion to their actual attendance at such meetings, whether in person or remotely.

Additional weightings are applied based on attendance, as follows:

- a coefficient of 2.0 applied to attendance by Chairmen at meetings of the committees they chair (each meeting attended counts double);
- a coefficient of 1.2 applied to attendance by Directors who live outside France and are not French tax residents at meetings of the Board and its committees. However, this extra weighting does not apply to Directors who are employees of a Group company.

The compensation policy for members of the Board of Directors is attendance-based. It encourages participation in one or more committees. It aims to compensate the increased burden placed upon Directors who live outside France. It compensates the additional work undertaken by Committee Chairmen as well as their responsibility to the Board of Directors. They organise and oversee the work of their committees and report on it to the Board of Directors.

2.3.2. COMPENSATION OF DIRECTORS OF SUBSIDIARIES

Directorships held at Company subsidiaries are not compensated.

3. Standardised presentation of compensation paid to company officers

3.1. AFEP-MEDEF Code tables

OVERVIEW OF COMPENSATION, OPTIONS AND SHARES GRANTED TO PIERRE PASQUIER, CHAIRMAN OF THE BOARD OF DIRECTORS (TABLE 1 – AFEP-MEDEF CODE OF CORPORATE GOVERNANCE FOR LISTED COMPANIES, DECEMBER 2022)

	2022	2023
Compensation awarded in respect of the financial year	€532,591	€547,649
Value of stock options granted during the financial year	-	-
Value of performance shares granted during the financial year	-	-
Value of other long-term compensation plans	-	-
TOTAL	**€532,591**	**€547,649**

STATEMENT SUMMARISING THE COMPENSATION OF PIERRE PASQUIER, CHAIRMAN OF THE BOARD OF DIRECTORS (TABLE 2 – AFEP-MEDEF CODE OF CORPORATE GOVERNANCE FOR LISTED COMPANIES, DECEMBER 2022)

	2022		2023	
	Amount awarded	Amount paid	Amount awarded	Amount paid
Fixed compensation	€500,000	€500,000	€500,000	€500,000
Annual variable compensation	-	-	-	-
Exceptional compensation	-	-	-	-
Compensation allotted in respect of directorship (L. 22-10-14)	€26,891	€27,192	€35,679	€26,891
Benefits in kind	€5,700	€5,700	€11,970	€11,970
TOTAL	**€532,591**	**€532,892**	**€547,649**	**€538,861**

Pierre Pasquier is the Chairman and CEO of Sopra GMT, the holding company for Sopra Steria Group. In respect of these duties (leading the Sopra GMT team and chairing the Board of Directors), he received compensation of €130,000 in 2023. In addition, he received compensation under Article L. 225-45 of the French Commercial Code in the amount of €14,824 in respect of financial year 2023. This compensation was paid by Sopra GMT and was not rebilled to Sopra Steria Group (see Section 1.1.4, “Overview of the activities of the Chairman of the Board of Directors in 2023” of this chapter, page 56).

As Chairman of the Board of Directors of Axway Software, as indicated in its Universal Registration Document, Pierre Pasquier also received fixed compensation from that company in the amount of €138,000 and compensation in respect of Article L. 22-10-14 of the French Commercial Code of €22,462

OVERVIEW OF COMPENSATION, OPTIONS AND SHARES GRANTED TO CYRIL MALARGÉ, CHIEF EXECUTIVE OFFICER (TABLE 1 – AFEP-MEDEF CODE OF CORPORATE GOVERNANCE FOR LISTED COMPANIES, DECEMBER 2022)

	2022	2023
Compensation awarded in respect of the financial year	€705,000	€801,983
Value of stock options granted during the financial year	-	-
Value of performance shares granted during the financial year	€435,150	€483,660
Value of other long-term compensation plans	-	-
TOTAL	**€1,140,150**	**€1,285,643**

STATEMENT SUMMARISING THE COMPENSATION OF CYRIL MALARGÉ, CHIEF EXECUTIVE OFFICER (TABLE 2 – AFEP-MEDEF CODE OF CORPORATE GOVERNANCE FOR LISTED COMPANIES, DECEMBER 2022)

	2022		2023	
(in millions of euros)	**Amount awarded**	**Amount paid**	**Amount awarded**	**Amount paid**
Fixed compensation	€450,000	€377,080	€500,000	€500,000
Annual variable compensation	€245,700	-	€290,000	€245,700
Exceptional compensation	-	-	-	-
Compensation allotted in respect of directorship (L. 22-10-14)	-	-	-	-
Benefits in kind	€9,300	€9,300	€11,983	€11,983
TOTAL	**€705,000**	**€386,380**	**€801,983**	**€757,683**

The relative proportions of fixed and variable compensation in the annual compensation awarded to the Chief Executive Officer (excluding benefits in kind) were 63% and 37%, respectively.

CALCULATION OF 2023 ANNUAL VARIABLE COMPENSATION

Criteria	Type	Potential amount as % of AVC (1)	Potential amount in €	Threshold	Target	Achieved	Amount awarded in €
Consolidated operating margin on business activity	Quantifiable	50.0%	€150,000	8.9%	9.3%	9.4%	€150,000
Consolidated revenue growth	Quantifiable	10.0%	€30,000	3.0%	6.0%	6.6%	€30,000
Proportion of women in senior management positions at the Group (% women in the two highest echelons of the organisation N5 & N6)	Quantifiable	5.0%	€15,000	19.0%	20.0%	> 20.0%	€15,000
Criterion Reduction in direct GHG(2) emissions per employee (SBTi III)(3) (tCO2e)	Quantifiable	5.0%	€15,000	0.74 $teqCO_2$	0.69 $teqCO_2$	< 0.69 $teqCO_2$	€15,000
Qualitative target related to the requirements of the strategic plan and operational organisation	Qualitative	30.0%	€90,000			Target around 90% achieved	€80,000
TOTAL		**100%**	**€300,000**				**€290,000**

(1) AVC: Annual variable compensation.
(2) GHG: Greenhouse Gas.
(3) Science Based Targets Initiative.

The Compensation Committee determined that the quantifiable targets set by the Board of Directors for the CEO had been 100% achieved and that the qualitative targets had been 90% achieved. Accordingly, the Board of Directors set Cyril Malargé's variable compensation in respect of financial year 2023 at €290,000.

Performance criteria were applied as anticipated at the time they were determined on 15 March 2023. No compensation is due at the threshold; the amount due is calculated on a linear basis between the threshold and the target.

Total compensation is in keeping with the compensation policy and contributes to the Company's long-term performance. It provides an incentive to drive profitable growth based on shifting the Group's services toward higher-value offerings.

Qualitative targets have incentivised the Chief Executive Officer to focus his efforts on priorities arising from the strategic plan and on operational organisation.

The Nomination, Governance, Ethics and Corporate Responsibility Committee, noted that the Company is on track to achieve its targets in relation to greenhouse gas emissions (see Section 3.4, "Optimising resource consumption and reducing greenhouse gas emissions" of Chapter 4, "Corporate responsibility" of this Universal Registration Document, pages 145 to 151) and that it has already achieved its 2025 goal of increasing the proportion of women in management positions (% women at the two highest management levels) (see Section 2.7.1, "Promoting gender equality" of Chapter 4, "Corporate responsibility" of this Universal Registration Document (pages 129 to 131). This has been duly noted by the Compensation Committee.

STATEMENT OF COMPENSATION RECEIVED BY NON-EXECUTIVE COMPANY OFFICERS (TABLE 3 – AFEP-MEDEF CODE OF CORPORATE GOVERNANCE FOR LISTED COMPANIES, DECEMBER 2022)

	2022		2023	
(amounts rounded to the nearest euro)	Amount awarded	Amount paid	Amount awarded	Amount paid
Astrid Anciaux (appointed by the shareholders at the General Meeting of 26 May 2021)				
Compensation allotted in respect of directorship	€20,134	€8,876	€26,471	€20,134
Other compensation	-	-	-	-
Hélène Badosa				
Compensation allotted in respect of directorship (reversion to a trade union)	€27,277	€26,266	€36,652	€27,277
Other compensation	-	-	-	-
Sonia Criseo (appointed by the shareholders at the General Meeting of Wednesday, 24 May 2023)				
Compensation allotted in respect of directorship	-	-	€8,824	-
Other compensation	-	-	-	-
Pascal Daloz (appointed by the shareholders at the General Meeting of Wednesday, 24 May 2023)				
Compensation allotted in respect of directorship	-	-	€8,824	-
Other compensation	-	-	-	-
André Einaudi				
Compensation allotted in respect of directorship	€16,107	€20,710	€26,471	€16,107
Other compensation	-	-	-	-
David Elmalem				
Compensation allotted in respect of directorship	€20,134	€20,710	€26,471	€20,134
Other compensation	-	-	-	-
Michael Gollner				
Compensation allotted in respect of directorship	€44,953	€48,581	€64,778	€44,953
Other compensation	-	-	-	-
Éric Hayat				
Compensation allotted in respect of directorship	€34,034	€34,599	€41,649	€34,034
Other compensation	-	-	-	-
Noëlle Lenoir				
Compensation allotted in respect of directorship	€23,526	€25,340	€35,681	€23,526
Other compensation	-	-	-	-
Éric Pasquier				
Compensation allotted in respect of directorship	€39,936	€37,659	€50,925	€39,936
Other compensation	-	-	-	-
Jean-Luc Placet				
Compensation allotted in respect of directorship	€41,177	€42,006	€56,045	€41,177
Other compensation	-	-	-	-
Sylvie Rémond				
Compensation allotted in respect of directorship	€37,178	€28,117	€64,163	€37,178
Other compensation	-	-	-	-
Marie-Hélène Rigal-Drogerys				
Compensation allotted in respect of directorship	€59,738	€60,258	€81,492	€59,738
Other compensation	-	-	-	-
Jessica Scale				
Compensation allotted in respect of directorship	€34,034	€34,599	€45,843	€34,034
Other compensation	-	-	-	-
Sopra GMT				
Compensation allotted in respect of directorship	€40,791	€41,080	€55,073	€40,791
Other compensation	-	-	-	-
Yves de Talhouët				
Compensation allotted in respect of directorship	€6,041	-	€26,115	€6,041
Other compensation	-	-	-	-
Rémy Weber (appointed by the shareholders at the General Meeting of Wednesday, 24 May 2023)				
Compensation allotted in respect of directorship	-	-	€8,824	-
Other compensation	-	-	-	-
Other terms of office ended before 2023	-	-	-	-
Compensation allotted in respect of directorship	€28,049	€44,007	-	-
Other compensation	-	-	-	-
TOTAL	**€473,109**	**€472,808**	**€664,321**	**€473,109**

The difference between the total amount of compensation stated in Article L. 225-45 of the French Commercial Code to be allocated for financial years 2022 (€500,000) and 2023 (€700,000) and the totals shown in the table above is due to the amount awarded to Pierre Pasquier in respect of his directorship (€26,891 in 2022 and €35,679 in 2023). These amounts are shown in Table 2, "AFEP-MEDEF Code of Corporate Governance for Listed Companies, December 2022".

It should also be noted that:

- as regards Sopra GMT, a legal entity serving as a Director, the implementation of the tripartite framework agreement for assistance entered into between Sopra GMT, Sopra Steria Group and Axway Software in 2011 resulted in the invoicing to Sopra Steria Group by Sopra GMT of a net amount of €1,709,394 excluding VAT (see Section 1.1.5 of this chapter page 57 and the Statutory Auditors' special report on related-party agreements provided at the end of Chapter 6, "2023 parent company financial statements" of this Universal Registration Document (pages 315 to 316);
- Éric Hayat Conseil, a company controlled by Éric Hayat, provided consulting services for business development in strategic operations, billed in the amount of €175,200 excluding VAT under an agreement renewed in October 2018 (see Section 1.1.7 of this chapter pages 57 to 58 and the Statutory Auditors' special report on related-party agreements provided at the end of Chapter 6, "2023 parent company financial statements" of this Universal Registration Document (pages 315 to 316).

SHARE SUBSCRIPTION AND PURCHASE OPTIONS GRANTED TO EACH EXECUTIVE COMPANY OFFICER DURING THE FINANCIAL YEAR (TABLE 4 – AFEP-MEDEF CODE OF CORPORATE GOVERNANCE FOR LISTED COMPANIES, DECEMBER 2022)

None.

SHARE SUBSCRIPTION AND PURCHASE OPTIONS EXERCISED BY EACH EXECUTIVE COMPANY OFFICER DURING THE FINANCIAL YEAR (TABLE 5 – AFEP-MEDEF CODE OF CORPORATE GOVERNANCE FOR LISTED COMPANIES, DECEMBER 2022)

None.

PERFORMANCE SHARES AWARDED TO EACH EXECUTIVE COMPANY OFFICER DURING THE FINANCIAL YEAR (TABLE 6 – AFEP-MEDEF CODE OF CORPORATE GOVERNANCE FOR LISTED COMPANIES, DECEMBER 2022)

Name of executive company officer	Number and date of plan	Number of Sopra Steria Group shares in awards granted during the year	Value of shares according to the method used for the consolidated financial statements	Vesting date	Availability date	Performance conditions
Cyril Malargé	24/05/2023	3,000	€483,660	01/07/2026	01/07/2026	1) Sopra Steria Group's consolidated revenue growth in financial years 2023, 2024 and 2025 2) Consolidated operating profit on business activity as a percentage of the Sopra Steria Group's revenue in financial years 2023, 2024, and 2025 3) Sopra Steria Group's consolidated free cash flow for financial years 2023, 2024, and 2025 4) Proportion of women in senior management positions
TOTAL	**-**	**3,000**	**€483,660**	**-**		**-**

The performance share plan put in place by the Group in 2023 has the following features:

- for all recipients, the granting of shares is subject to the condition of continued employment at the end of the three-year vesting period. However, depending on the circumstances, this condition may be waived in whole or in part, in derogation of the foregoing and on an entirely exceptional basis (in practice fewer than 3% of departures under previous plans);
- the performance condition is based on three criteria, equally weighted at 30% each: organic consolidated revenue growth, consolidated operating profit on business activity (expressed as a percentage of revenue) and consolidated free cash flow;
- strict targets were set over the entire plan period (the year of allotment and the two following years). These targets were at least equal to any publicly disclosed guidance or, for targets expressed as a range, at least the minimum level of the guidance range disclosed. The average annual level of achievement of targets will determine the number of free shares to which recipients are entitled;

- an additional condition, focused on corporate responsibility and weighted at 10% of total vesting conditions, relates to the proportion of women in the Group's senior management positions (defined as the two highest echelons, levels 5 and 6), which must reach 20% by 31 December 2025.

The Chief Executive Officer, Cyril Malargé, was subject to the same rules as all the other recipients under the 2023 plan. He was also required to retain at least 50% of the shares acquired under this plan throughout his entire term of office. Cyril Malargé undertook not to hedge his performance shares until the holding period had expired.

PERFORMANCE SHARES NO LONGER SUBJECT TO A HOLDING PERIOD DURING THE FINANCIAL YEAR FOR EACH EXECUTIVE COMPANY OFFICER (TABLE 7 – AFEP-MEDEF CODE OF CORPORATE GOVERNANCE FOR LISTED COMPANIES, DECEMBER 2022)

None.

RECORD OF SHARE SUBSCRIPTION OR PURCHASE OPTIONS GRANTED – INFORMATION ON SHARE SUBSCRIPTION OR PURCHASE OPTIONS (TABLE 8 – AFEP-MEDEF CODE OF CORPORATE GOVERNANCE FOR LISTED COMPANIES, DECEMBER 2022)

None.

OVERVIEW OF PERFORMANCE SHARE GRANTS – INFORMATION ON PERFORMANCE SHARES (TABLE 9 – AFEP-MEDEF CODE OF CORPORATE GOVERNANCE FOR LISTED COMPANIES, DECEMBER 2022)

See Section 5.4 "Share-based payments" of Chapter 5, "2023 Consolidated Financial Statements" and Section 4.2.2 "Free share award plan" of Chapter 6, "2023 Parent Company Financial Statements" of this Universal Registration Document (on pages pages 236 to 238 and 290, respectively).

The plan fixed on 26 May 2021 will expire on 30 June 2024. The performance conditions established for fiscal years 2021 to 2023 were as follows:

2021						
Sopra Steria Group performance targets and criteria	Threshold	Target	Profit or loss	% Achieved	Weighting	% Achieved (Year)
Organic revenue growth	3.0%	5.5%	6.4%	100%	10%	
Operating profit on business activity as % of revenue	7.7%	8.0%	8.1%	100%	10%	100.00%
Free cash flow	€130m	€170m	€264.4m	100%	10%	
2022						
Sopra Steria Group performance targets and criteria	Threshold	Target	Profit or loss	% Achieved	Weighting	% Achieved (Year)
Organic revenue growth	4.0%	6.0%	7.6%	100%	10%	
Operating profit on business activity as % of revenue	8.5%	9.0%	8.9%	80%	10%	93.33%
Free cash flow	€230m	€270m	€287,2m	100%	10%	
2023						
Sopra Steria Group performance targets and criteria	Threshold	Target	Profit or loss	% Achieved	Weighting	% Achieved (Year)
Organic revenue growth	3.0%	7.0%	6.6%	90%	10%	
Operating profit on business activity as % of revenue	8.9%	9.6%	9.4%	71%	10%	87.14%
Free cash flow	€270m	€320m	€390.2m	100%	10%	
2021-2023 CSR condition (increasing the proportion of women in senior management positions)	**17.0%**	**18.0%**	**20.1%**	**100.0%**	**10%**	**100,00%**
						% Achieved (Plan)
TOTAL PLAN 2021					**100%**	**94,14%**

The performance conditions for the 2021 plan were achieved at 94.14%. The 2022 and 2023 plans' economic performance conditions are identical to those shown in the table above.

STATEMENT SUMMARISING THE MULTI-YEAR VARIABLE COMPENSATION OF EACH EXECUTIVE COMPANY OFFICER (TABLE 10 – AFEP-MEDEF CODE OF CORPORATE GOVERNANCE FOR LISTED COMPANIES, DECEMBER 2022)

None.

EMPLOYMENT CONTRACTS, SUPPLEMENTARY PENSION PLANS, ALLOWANCES OR BENEFITS DUE ON THE CESSATION OF DUTIES OR A CHANGE IN DUTIES, NON-COMPETE CLAUSES (TABLE 11 – AFEP-MEDEF CODE OF CORPORATE GOVERNANCE FOR LISTED COMPANIES, DECEMBER 2022)

	Employment contract		Supplementary pension plan		Allowances or benefits due or likely to fall due as a result of the cessation of duties or a change in duties		Allowances for a non-compete clause	
Executive company officers	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
Pierre Pasquier Chairman Term of office began: 2018 Term of office ends: 2024		✓		✓		✓		✓
Cyril Malargé Chief Executive Officer Term of office began: 2022 Term of office ends: Indefinite	✓			✓		✓		✓

Cyril Malargé was appointed Chief Executive Officer with effect from 1 March 2022. He does not hold any position as a company officer outside the Group. By way of an exception to the AFEP-MEDEF Code, his employment contract was not terminated and remains in abeyance.

Cyril Malargé has spent much of his career with the Company, which he joined in September 2002. The criteria used to determine and structure his variable compensation remain similar to those used for the Company's senior managers.

At present, no commitments have been entered into by the Company with regard to termination benefits, a non-compete payment or a supplementary pension plan for Cyril Malargé. Cyril Malargé is not a member of the Board of Directors.

In light of his career within the Group, his length of service, his circumstances, his significant contributions and the components of his compensation, the decision not to terminate his employment contract still seems to be in the best interests of the Company. Any decision to terminate his employment contract would necessitate compensation (contractual termination pay). On the other hand, any disadvantages of holding Cyril Malargé's employment contract in abeyance until his term of corporate office expires have not been identified. Should his contract be reinstated, he would be entitled to claim retirement bonuses or termination benefits, as applicable. It should be noted that as of 31 December 2023, based on Cyril Malargé's length of service, termination benefits laid down in the Syntec collective bargaining agreement are estimated at approximately seven months' fixed and variable compensation (one third of a month per year of service). The employment contract in abeyance is a standard Sopra Steria Group employment contract identical to that signed by Group employees. It is governed by the Syntec collective bargaining agreement with no special provisions or notice period adjustment, even concerning termination or a change in position. No special payments are provided for. As things stand, only standard legal rights (droit commun) would apply upon termination of the employment contract.

OTHER COMPANY OFFICERS

	Employment contract (permanent)	Company	Supplementary pension plan		Allowances or benefits due or likely to become due as a result of the cessation of duties or a change in duties		Allowances for a non-compete clause		
Other company officers	**Yes**		**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Amount paid in 2023**
Astrid Anciaux	✓	Sopra Steria Benelux		✓		✓		✓	€187,866
Hélène Badosa	✓	Sopra Steria Group		✓		✓		✓	€53,235
David Elmalem	✓	Sopra Steria Group		✓		✓		✓	€65,897
Éric Pasquier	✓	Sopra Banking Software		✓		✓		✓	€680,386

Board members may be linked to the Company or any of its subsidiaries by an employment contract if the link in question was established before the Board member became a company officer. It is mandatory for Directors representing the employees and for Directors representing employee shareholders.

3.2. Pay ratios

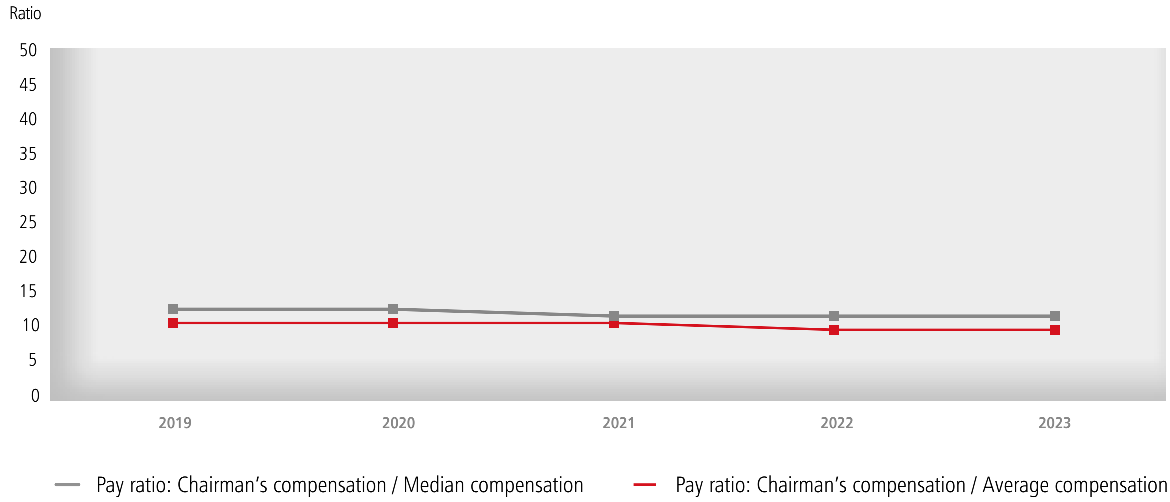
3.2.1. CHAIRMAN OF THE BOARD OF DIRECTORS

The average amount of annual compensation paid to the Chairman of the Board of Directors has not changed since 2011. In accordance with the recommendations of the AFEP-MEDEF Code, the full amount of this compensation has been fixed since 2017.

The chart below shows how the pay ratios provided for by French Order 2019-1234 of 27 November 2019 have varied over time. It is the ratio of the Chairman of the Board of Directors' compensation to the average and median compensation of employees across the extended scope (average 88% of the workforce in France over the period).

CHAIRMAN - PAY RATIO

Ratio based on average compensation = Chairman's compensation / Average compensation	**Ratio based on median compensation =** Chairman's compensation / Median compensation



3.2.2. CHIEF EXECUTIVE OFFICER

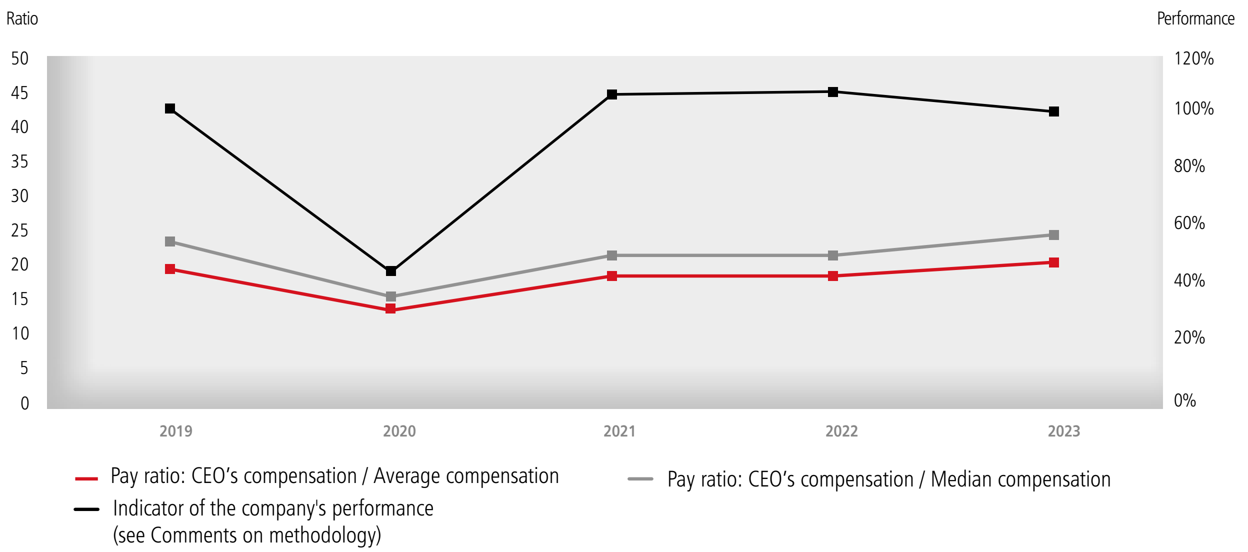
The position of Chief Executive Officer was held by Vincent Paris for the financial years 2019 to 2021 and then by Cyril Malargé as of 1 March 2022.
The Board of Directors decided on three performance share plans in 2016, 2017 and 2018 based on the authorisation given at the General Meeting of 22 June 2016. Vincent Paris was awarded 9,000 of the 325,500 rights allocated to all other recipients of these plans. These 9,000 rights resulted in the allocation of 5,794 shares. The vesting periods for the three plans were extended over about five years, from 24 June 2016 to 31 March 2021.
On 12 January 2022, the Board of Directors decided to appoint Cyril Malargé as Chief Executive Officer of the Sopra Steria Group effective 1 March 2022. Cyril Malargé's annual fixed compensation for this appointment was set at €450,000 as part of his assumption of duties, then increased to the same level as his predecessor, i.e. €500,000, effective 1 January 2023.
The Board of Directors decided on three performance share plans in 2021, 2022 and 2023. The Chief Executive Officer (Vincent Paris, then Cyril Malargé) was awarded 9,000 of the 560,230 rights allocated to all recipients of these plans. The vesting periods for the three plans are extended over about five years, from 26 May 2021 to 1 July 2026.
The chart below shows how the pay ratios provided for by French Order 2019-1234 of 27 November 2019 have varied over time. It presents:

- the change in the Company's performance, with the extent to which the quantifiable targets used to determine the Chief Executive Officer's variable compensation (financial performance of the Company) have been met serving as a proxy for the Company's performance;
- the change in the amount and composition of the Chief Executive Officer's total compensation;
- ratios calculated relative to the average and median compensation of employees across the extended scope (average 88% of the workforce in France over the period).

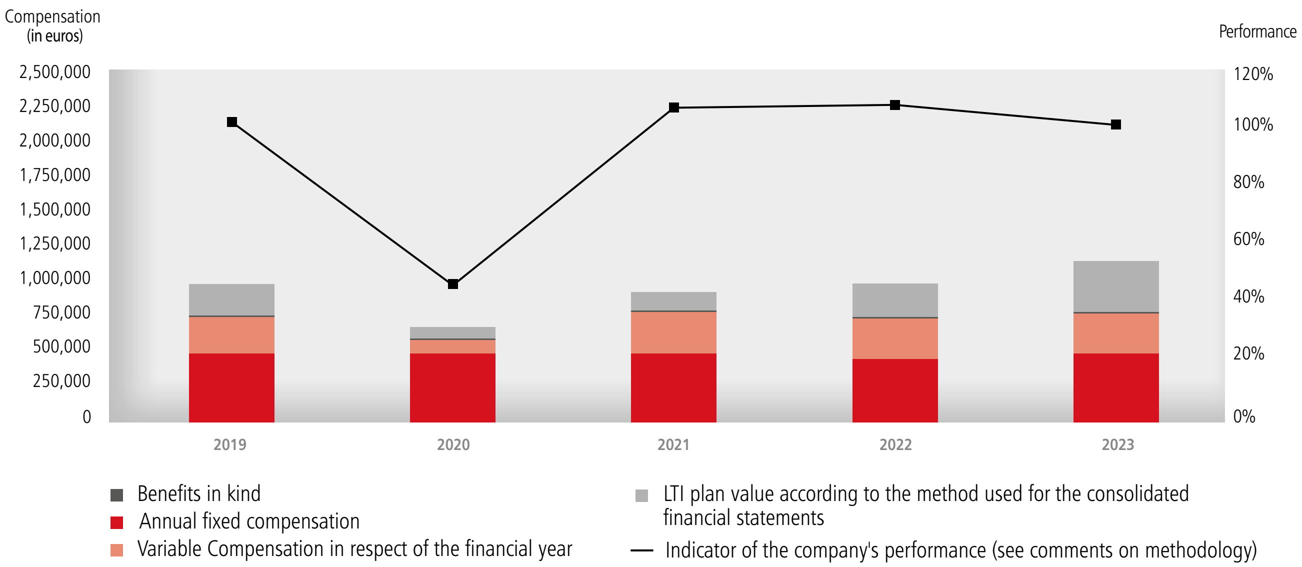
CHIEF EXECUTIVE OFFICER – PAY RATIO

The chart has been prepared using the ratio calculated across the extended scope.

Ratio based on average compensation = $\frac{\text{Chief Executive Officer's compensation}}{\text{Average compensation}}$	**Ratio based on median compensation =** $\frac{\text{Chief Executive Officer's compensation}}{\text{Median compensation}}$



CHANGE IN THE PERFORMANCE AND COMPENSATION OF THE CHIEF EXECUTIVE OFFICER



The apparent change in performance in 2020 was partly due to a methodology bias. One of the two quantitative targets (revenue growth) only had a target level, without a threshold. As such, it could not be partly achieved. Its value is 0, with a weighting of 50% in the performance assessment.

3.2.3. PAY RATIO TABLE

	2019	2020	2021	2022	2023
Chairman's compensation	€535,880	€533,644	€532,892	€532,591	€547,649
Chief Executive Officer's compensation	€1,004,548	€692,946	€947,335	€1,009,075	€1,173,075

Extended scope	**2019**	**2020**	**2021**	**2022**	**2023**
Average annual compensation	**€49,833**	**€50,388**	**€50,287**	**€53,460**	**€55,513**
Pay ratio: Chairman's compensation/Average compensation	11	11	11	10	9
Pay ratio: Chief Executive Officer's compensation/Average compensation	20	14	19	19	9
Median annual compensation	**€42,595**	**€42,611**	**€43,285**	**€45,872**	**€47,528**
Pay ratio: Chairman's compensation/Median compensation	13	13	12	12	11
Pay ratio: Chief Executive Officer's compensation/Median compensation	24	16	22	22	11

Sopra Steria Group SA	**2019**	**2020**	**2021**	**2022**	**2023**
Average annual compensation	**€49,063**	**€49,719**	**€49,477**	**€52,448**	**€54,647**
Pay ratio: Chairman's compensation/Average compensation	11	11	11	10	9
Pay ratio: Chief Executive Officer's compensation/Average compensation	20	14	19	19	9
Median annual compensation	**€42,017**	**€42,072**	**€42,622**	**€45,025**	**€46,683**
Pay ratio: Chairman's compensation/Median compensation	13	13	13	12	11
Pay ratio: Chief Executive Officer's compensation/Median compensation	24	16	22	22	11

Company performance	**2019**	**2020**	**2021**	**2022**	**2023**
Level of quantifiable targets achieved by the CEO	**104%**	**47%**	**109%**	**110%**	**103%**
Consolidated operating margin on business activity	8.0%	7.0%	8.1%	8.9%	9.4%
Organic consolidated revenue growth	6.5%	-4.8%	6.4%	7.6%	6.6%
Free cash flow	€229.3m	€203.5m	€266.4m	€287.2m	€390.2m

Comments on methodology:

Numerators of ratios

The Chairman's compensation corresponds to the amounts awarded as shown in the AFEP-MEDEF tables.

The Chief Executive Officer's compensation corresponds to the amounts awarded as shown in the AFEP-MEDEF tables. Performance shares effectively delivered or deliverable subject to being with the Company at the end of the vesting period are redistributed over each of the financial years covered by the plan, depending on the extent to which the applicable performance conditions are met. For 2023, 94% of the rights attributable to the financial year in the outstanding plans were therefore counted at fair value at the time of the allocation. The rights taken into account were those allocated to Vincent Paris until 2021 and to Cyril Malargé from 2022.

Denominators of ratios

Average and median annual compensation paid to employees has been calculated on the basis of a population representing on average 88% of employees in France over the period. Temporary exclusions from the scope are due to technical difficulties in processing data over all of the past five financial years. For employees, compensation taken into account includes fixed and variable compensation and bonuses of any kind paid in the financial year as well as incentives and profit-sharing. For methodological reasons, it does not include performance share plans or matching employer contribution shares in connection with employee share ownership plans.

Company performance

The extent to which the quantitative targets used to determine the Chief Executive Officer's variable compensation have been met is used as a proxy for the Company's performance. These targets concern the Company's financial performance (operating profit on business activity and organic growth). The performance level is calculated relative to the target bestowing the right to 100% of variable compensation for the target achieved without taking account of the trigger thresholds used to calculate variable compensation (i.e. actual level/target level). The weighting of each of these criteria within the overall performance level is the same as the weighting used for the variable compensation of the Chief Executive Officer. Other data representative of performance are published data prepared in accordance with applicable standards at the time of publication.

N.B. The Chief Executive Officer's variable compensation is linked not only to the Group's financial performance, but also to its non-financial performance. Section 2.7.1, "Promoting gender equality" and Section 3.4, "Optimising resource consumption and reducing greenhouse gas emissions" concerning actions to protect the environment, in Chapter 4, "Corporate responsibility" of this Universal Registration Document (on pages 129 to 131 and 145 to 151, respectively), report on the Group's performance in terms of corporate responsibility. This performance is also reflected in the compensation paid to the Chief Executive Officer through one or more targets.

4. Result of the shareholder consultation on the compensation of executive company officers (General Meeting of 24 May 2023)

RESULT OF THE SHAREHOLDER CONSULTATION ON THE COMPENSATION OF PIERRE PASQUIER, CHAIRMAN OF THE BOARD OF DIRECTORS

		For		Against		Abstain
Resolution	Ordinary General Meeting	Votes	%	Votes	%	Votes
5	Approval of the fixed, variable and exceptional items of compensation making up the total compensation and benefits of any kind paid during financial year 2022 or allotted in respect of that period to Pierre Pasquier, Chairman of the Board of Directors	21,236,044	95.41%	1,020,544	4.59%	9,887
8	Approval of the compensation policy for the Chairman of the Board of Directors in respect of financial year 2022	20,728,288	95.25%	1,031,270	4.74%	506,648

RESULT OF THE SHAREHOLDER CONSULTATION ON THE COMPENSATION OF CYRIL MALARGÉ, CHIEF EXECUTIVE OFFICER

		For		Against		Abstain
Resolution	Ordinary General Meeting	Votes	%	Votes	%	Votes
7	Approval of the fixed, variable and exceptional items of compensation making up the total compensation and benefits of any kind paid during financial year 2022 or allotted in respect of that period to Cyril Malargé, Chief Executive Officer (from 1 March to 31 December 2022)	20,486,294	94.14%	1,274,815	5.86%	505,097
9	Approval of the compensation policy for the Chief Executive Officer	20,134,416	90.44%	2,128,353	9.56%	3,706

RESULT OF THE SHAREHOLDER CONSULTATION ON THE COMPENSATION OF VINCENT PARIS, CHIEF EXECUTIVE OFFICER UNTIL 28 FEBRUARY 2022

		For		Against		Abstain
Resolution	Ordinary General Meeting	Votes	%	Votes	%	Votes
6	Approval of the fixed, variable and exceptional items of compensation making up the total compensation and benefits of any kind paid during financial year 2022 or allotted in respect of that period to Vincent Paris, Chief Executive Officer (from 1 January to 28 February 2022)	14,432,301	66.87%	7,148,897	33.13%	685,004

Resolution 6 – "Approval of the fixed, variable and exceptional items of compensation making up the total compensation and benefits of any kind paid during financial year 2022 or allotted in respect of that period to Vincent Paris, Chief Executive Officer" – was passed with 66.87% of votes in favour. As a reminder, the ex-ante vote on the compensation policy for the Chief Executive Officer at the previous General Meeting was 91.62% in favour.

This voting result reflects at least to some degree reservations on the decision to maintain the rights to performance shares awarded on 26 May 2021 to Vincent Paris, beyond the prorated proportion over the vesting period elapsed until the end of his term of office as Chief Executive Officer. The Board of Directors will reassess whether it is necessary to adapt the provisions of the regulations for future LTI plans.

5. Departures from the guidelines set forth in the AFEP-MEDEF Code

At its meeting of 21 February 2024, the Board of Directors noted the following departures from the guidelines set forth in the AFEP-MEDEF Code presented in the table below after hearing the report of the Nomination, Governance, Ethics and Corporate Responsibility Committee.

Recommendations in the AFEP-MEDEF Code	Sopra Steria Group practices and rationale
Operation of the Board of Directors	
Recommendation 11.3. *It is recommended that at least one meeting be held each year without any executive company officers present.*	During financial year 2023, no Board meetings were held fully in the absence of the Chief Executive Officer. The Chief Executive Officer is not a Director. He does not take part in discussions on the evaluation of his performance, the setting of his targets or his compensation in general.
Status of and compensation payable to company officers	
Recommendation 24. *The Board of Directors shall set a minimum number of shares that executive company officers must hold in registered form until the end of their term of office.*	The Board of Directors has not, to date, fixed the number of shares that must be held and registered in the name of the Chairman of the Board of Directors who co-founded of the Company. Shares held directly or indirectly through Sopra GMT by the Chairman in a personal capacity or by the Chairman's family group make up more than 10% of the Company's share capital.
Recommendation 23.1. *When an employee becomes an executive company officer, it is recommended to terminate his or her employment contract with the company or with a group company. The employment contract can be terminated either through contractual termination or resignation.*	■ By way of an exception to the AFEP-MEDEF Code, the Chief Executive Officer's employment contract was not terminated. This contract will remain in abeyance until the end of his term of corporate office. ■ Cyril Malargé, who was appointed as Chief Executive Officer on 1 March 2022, has been with the Group for almost 20 years. In light of his career within the Group, his length of service, his circumstances, his significant contributions and the components of his compensation, the decision not to terminate his employment contract still seems to be in the best interests of the Company. Any decision to terminate his employment contract would also necessitate compensation. On the other hand, any disadvantages of holding Cyril Malargé's employment contract in abeyance until his term of corporate office expires have not been identified. Should his contract be reinstated, he would be entitled to claim retirement bonuses or termination benefits, as applicable. It should be noted that as of 31 December 2023, based on Cyril Malargé's length of service, termination benefits laid down in the Syntec collective bargaining agreement are estimated at approximately seven months' fixed and variable compensation (one third of a month per year of service). The employment contract in abeyance is a standard Sopra Steria Group employment contract identical to that signed by Group employees and governed by the Syntec collective bargaining agreement with no special provisions or notice period adjustment, even concerning termination or a change in position. No special payments are provided for. As things stand, only standard legal rights (droit commun) would apply upon termination of the employment contract.

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Message from the Chief Executive Officer

"When it comes to corporate responsibility, Sopra Steria holds itself to the highest standards and is acutely aware of its impact on society, the environment and the living world."

Cyril Malargé

Chief Executive Officer

When it comes to corporate responsibility, Sopra Steria holds itself to the highest standards. I am acutely aware of our role with respect to our employees, clients, partners and suppliers, and of our impact on society, the environment and the living world.

As a human collective, a business grows, evolves and interacts within a wider ecosystem of shared interdependencies and responsibilities. In 2023, the world was marked by escalating crises: regional conflicts with global repercussions, repeated severe climate shocks caused by rising temperatures, growing social inequality giving rise to serious tensions, and increasingly polarised thinking. These factors have prompted us to step up our corporate responsibility commitments so as to embed sustainable development at every level of the organisation. Sopra Steria's strong regional ties, our extensive presence across Europe and the collective strength of our workforce all contribute to our resilience.

The advent of the Corporate Sustainability Reporting Directive has ushered in an era of "double materiality", when financial performance and sustainability both play equally important roles in guiding a business. This regulatory shift is consistent with Sopra Steria's values and the things that deeply inspire us, from executive decisions all the way down to day-to-day operational activities. We are working hard to be ready to implement this key regulation, which will highlight the consistency and integrity of all we are doing.

This report sets out our major commitments and key achievements. In 2023, the new decarbonisation targets for our business activities were validated by the Science Based Targets initiative (SBTi). Sopra Steria's employee and environmental policy is guided by a philosophy of continuous improvement, so it was important to us to seek this kind of independent external validation.

As regards the workforce, we have continued to pursue initiatives that uphold workplace gender equality, inclusion and diversity in our recruitment and career development practices. We have further expanded our employee training in relation to these societal issues. And, in terms of community engagement, our people have passionately engaged with the most underprivileged populations across all relevant geographies through our education and inclusion programmes.

Among our achievements, the Energy Savings Plan rolled out to all Group entities has exceeded the targets set for it, and we are also proud to have secured *Numérique Responsable* (responsible digital technology) certification. Meanwhile, we are running more and more projects that directly help our clients adapt to climate change.

Lastly, it is clear that digital technology is playing an increasingly dominant role as a catalyst for both the onset of crises and the emergence of solutions. 2023 was the year when generative artificial intelligence burst onto the scene in the day-to-day lives of businesses. This technology heralds major changes for our clients and our business lines, and we are once again duty-bound by our positioning as a major player in the European tech sector to strive for digital technology that is ethical, environmentally friendly and respectful of human rights. That's why we support our clients over the long term by helping them incorporate their own sustainability and responsibility challenges into their transformation programmes.

But we want to continue with our efforts to contribute to the transition towards a sustainable economic model that brings benefits for everyone and is more mindful of the planet. That is our responsibility both as a corporate citizen and as an employer.

Foreword

For this fifth annual Statement of Non-Financial Performance (SNFP), Sopra Steria is publishing in its Universal Registration Document (formerly known as the Registration Document) a Corporate Responsibility Report including information relevant to the key non-financial risks to which the Group is exposed (workforce-related, environmental and social information and information relating to human rights and the prevention of corruption and tax evasion). In addition to the information that is required to be included as a mandatory part of the SNFP, this document voluntarily includes all useful and important workforce-related, environmental and social information under the banner of Sopra Steria's corporate responsibility programme. A description of the Group's business model is set out in the "Business model and value chain" section of the integrated presentation of Sopra Steria that forms part of this Universal Registration Document (pages 6 to 7). Key risks, methodology and policies, procedures and actions associated with managing and controlling those risks, including non-financial risks, are set out in Chapter 2 of this Universal Registration Document (pages 39 to 53).

1. Sopra Steria's corporate responsibility strategy

Sopra Steria's corporate responsibility strategy and associated programme of actions are rooted in the Group's values and convictions and underpinned by a high level of commitment from executive management and all Group managers and employees.

Our aim is to help create a more sustainable world by working together with all of the Group's stakeholders.

Our corporate responsibility approach is underpinned by the mission Sopra Steria set for itself: "Together, building a positive future by making digital work for people".

We firmly believe that digital technology can create opportunity and progress for all. When closely linked to humanity, it creates a virtuous circle that benefits society as a whole. Sopra Steria has chosen to be a "contributor" company involved in building a more sustainable world in which everyone has a part to play.

We see our contribution as sustainable, human-centred and guiding.

Sustainable: Sopra Steria sees its actions – whether in running its businesses or helping with the digital transformation of its clients – as part of a long-term approach. Our approach in support of a more sustainable world encompasses all of the Group's social, environmental, ethical and inclusive commitments.

Human-centred: Our activities are focused on implementing projects that foster digital inclusion, equal opportunity and social open-mindedness. For a number of years now, we have been committed to education for young people, inclusion for people with disabilities and professional development for women.

Guiding: Our contribution is rooted in our ability to anticipate, understand and translate the challenges posed by digital technology so as to be able to better assess their impacts on everyday life. We are thus able to help the Group's clients meet their own sustainability challenges. We work with our stakeholder community and contributing to the debate on the impact of digital technology on society in order to inform work on the responsible use of digital technology.

This strategy is based on our commitment to the United Nations Global Compact and on the materiality analysis that we use to assess the Group's sustainability priorities.

1.1. Sopra Steria's corporate responsibility approach: Strategic commitments aligned with the United Nations Sustainable Development Goals (SDGs)

Drawing on the Group's business model (see the "Integrated presentation of Sopra Steria" section of this Universal Registration Document on pages 6 to 7) and the changing expectations of its stakeholders, Sopra Steria has defined six key corporate responsibility commitments in respect of its materiality matrix, updated in 2023:

1. Being a leading employer that attracts the best talent and promotes positive labour relations, equal opportunity and diversity.
2. Mitigating the impact of the Group's activities on the environment and helping combat climate change by drawing on all components of its value chain.
3. Acting ethically in the Group's day-to-day operations and across all its business activities.
4. Being a long-lasting partner for the Group's clients, meeting their needs as effectively as possible by providing them with the best technology as part of a responsible and sustainable value-creating approach.
5. Working towards digital trust by developing digital sovereignty in Europe, cybersecurity and AI through an ethical approach to technology.
6. Supporting local communities by stepping up community initiatives, particularly in the field of digital inclusion.

The 10 Principles of the Global Compact and the Sustainable Development Goals

We place great importance on making sure Sopra Steria's actions are part of a broader approach of engaging with economic agents in support of a more sustainable world. That is why we, alongside 9,500 international companies that have signed the UN Global Compact, have taken care to ensure that our corporate responsibility approach and the related initiatives are fully aligned with the UN Compact's Principles and with the Sustainable Development Goals.

As a signatory of the United Nations Global Compact since 2004 and an ambassador for Global Compact Network France, where Sopra Steria is headquartered, we support the commitments given in relation to human rights and international labour standards (promoting and upholding human rights, upholding freedom of association and the right to collective bargaining, contributing to the effort to eliminate forced and compulsory labour, eliminating discrimination in respect of employment and occupation), the environment (adopting the precautionary approach, promoting greater responsibility, working to support the development of environmentally friendly technologies) and combating corruption in all its forms.

The Group also directly and indirectly contributes to the United Nations' 17 Sustainable Development Goals (SDGs), and more specifically:

- SDGs 7, 9, 11, 12, 13 and 16 through its core business activities;
- SDGs 1, 2, 3, 4, 5, 6, 8, 10, 14, 15 and 17 through its voluntary initiatives (see "Integrated presentation of Sopra Steria", page 13).

In addition to its key strategic commitments, in 2023 the Group defined three ESG priorities as part of its roadmap. The related policies and their main results achieved are presented in the corresponding sections of this Universal Registration Document.

1.2. Corporate responsibility governance: Structured, robust organisation aligned with the Group's strategic goals

A dedicated governance structure coordinates implementation of policy and associated improvement plans.

The Chief Executive Officer, in conjunction with the Chairman of the Board of Directors, oversees the Group's corporate responsibility strategy, notably in relation to social, environmental and ethical issues. He chairs the Group's Executive Committee, which lays down operational guidelines in these areas. The Chief Executive Officer's compensation takes into account several criteria linked to corporate responsibility.

The Deputy Chief Executive Officer oversees the Group's corporate responsibility programmes. He represents the Group in dealings with major government and industry bodies touching on these issues and on key committees overseeing corporate responsibility. That being the case, he chairs the Corporate Responsibility Committee and the Corporate Responsibility Advisory Board, both of which are described later in this document. In conjunction with the Corporate Responsibility and Sustainable Development (CR&SD) Director, he oversees analysis of risks and opportunities relating to corporate responsibility issues. See Chapter 2, "Risk factors" (pages 39 to 53).

The CR&SD Director acts as the Group's Chief Sustainability Officer. As a member of the Group's Executive Committee, she manages the Group's corporate responsibility programme and her compensation takes into account targets linked to performance under this programme. Governance of corporate responsibility is structured around this Group department and four interdependent units: Workforce, Environment, Market and Community.

1.2.1. GROUP CORPORATE RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT (CR&SD) DEPARTMENT

Reporting directly to Executive Management, the Corporate Responsibility and Sustainable Development (CR&SD) Department implements the framework governing the Group's corporate responsibility strategy, drawn up with Executive Management. It coordinates action plans, manages reporting, and analyses and assesses performance. It is supported by the relevant departments and divisions and a network of representatives within each entity.

Its role is, in particular, to help entities take account of corporate responsibility goals and manage risks so as to:

- structure policies;
- define shared indicators to improve the consistency and coordination of the corporate responsibility strategy.

Each year, the strategy, issues and key achievements relating to corporate responsibility are presented for discussion to the Nomination, Governance, Ethics and Corporate Responsibility Committee of the Board of Directors.

The corporate responsibility governance structure aims to be:

- aligned with strategy and coordinated at the Group's highest level;
- rolled out internationally across all business lines;
- tailored to local and business-line-specific needs;
- coordinated to ensure that Group policies gain appropriate local buy-in.

1.2.2. CORPORATE RESPONSIBILITY ADVISORY BOARD (CR ADVISORY BOARD)

The purpose of the Corporate Responsibility Advisory Board is to provide external feedback on the various components of the Group's corporate responsibility approach. It consists of five external experts and key Group managers with responsibility for business units and major issues. This Board met twice in 2023.

Topics discussed in 2023 include the following: how to put gender equality and equal opportunity into practice at a tech firm, how to strengthen communications on the Company's environmental approach and how to promote and recognise employee engagement.

In 2023, the Advisory Board's membership included the following five independent experts:

Patrick Bourdet

Nationality: French

Biography: Patrick Bourdet, former founder and Chairman and CEO of Areva Med, an executive consultant and coach working with educational and child welfare bodies.

Jan Corfee-Morlot

Nationality: American

Biography: Dr Jan Corfee-Morlot is an expert in environmental and climate issues. Having previously headed up the OECD's environment and climate development programme and served as lead author for the Intergovernmental Panel on Climate Change (IPCC), Dr Jan Corfee-Morlot is now a Senior Advisor to the New Climate Economy project at the World Resources Institute (WRI) and editor of the journal *Climate Policy*.

Mark Maslin

Nationality: British

Biography: Mark Maslin, Professor of Climatology at University College London (UCL), is an expert in climate change who has authored numerous academic papers and books on the climate crisis.

Frédéric Tiberghien

Nationality: French

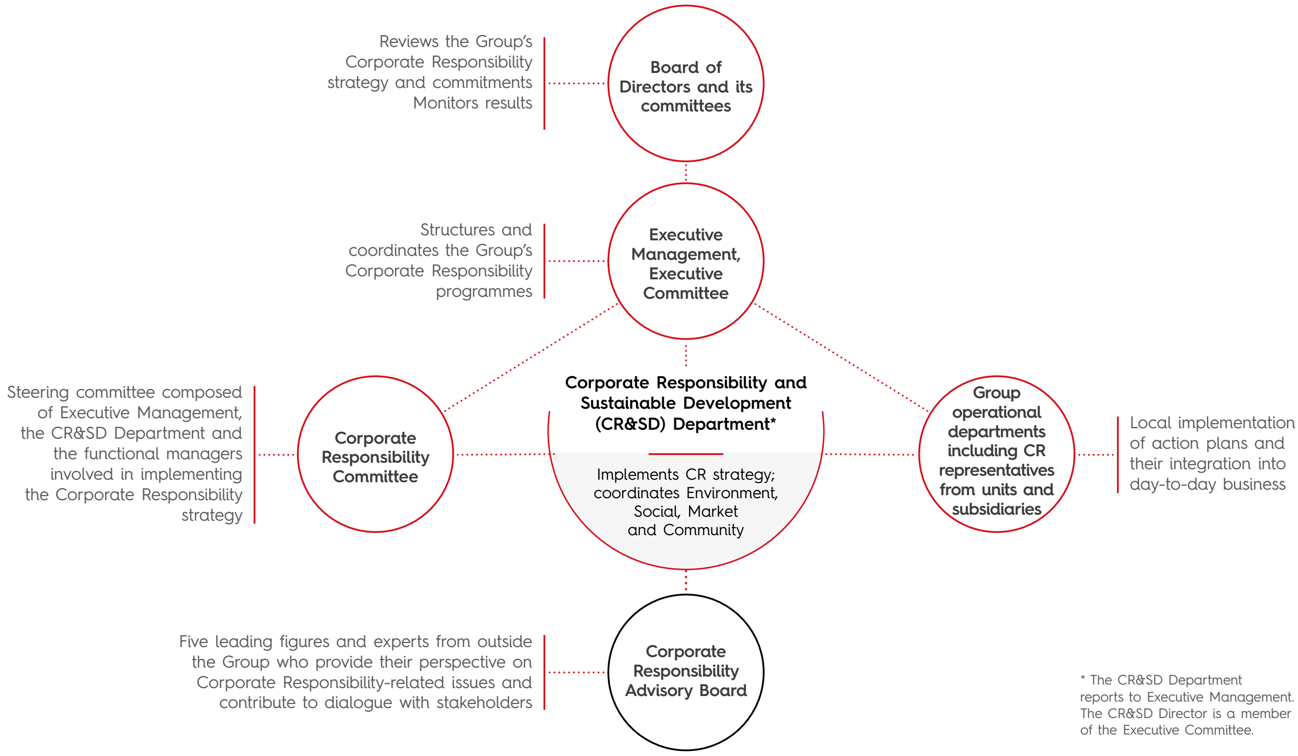
Biography: Frédéric Tiberghien, an honorary member of France's Council of State, Chairman of FAIR (formerly Finansol; merged with Impact Investment Lab in June 2021) and Honorary Chairman of ORSE, a French CSR think tank. He is a member of the AMF's Consultative Commission on Retail Investors.

Marie-Ange Verdickt

Nationality: French

Biography: Marie-Ange Verdickt, the former Director of Research and Socially Responsible Investment at La Financière de l'Échiquier, is a company director working with institutions that champion social development.

1.2.3. CORPORATE RESPONSIBILITY GOVERNANCE STRUCTURE

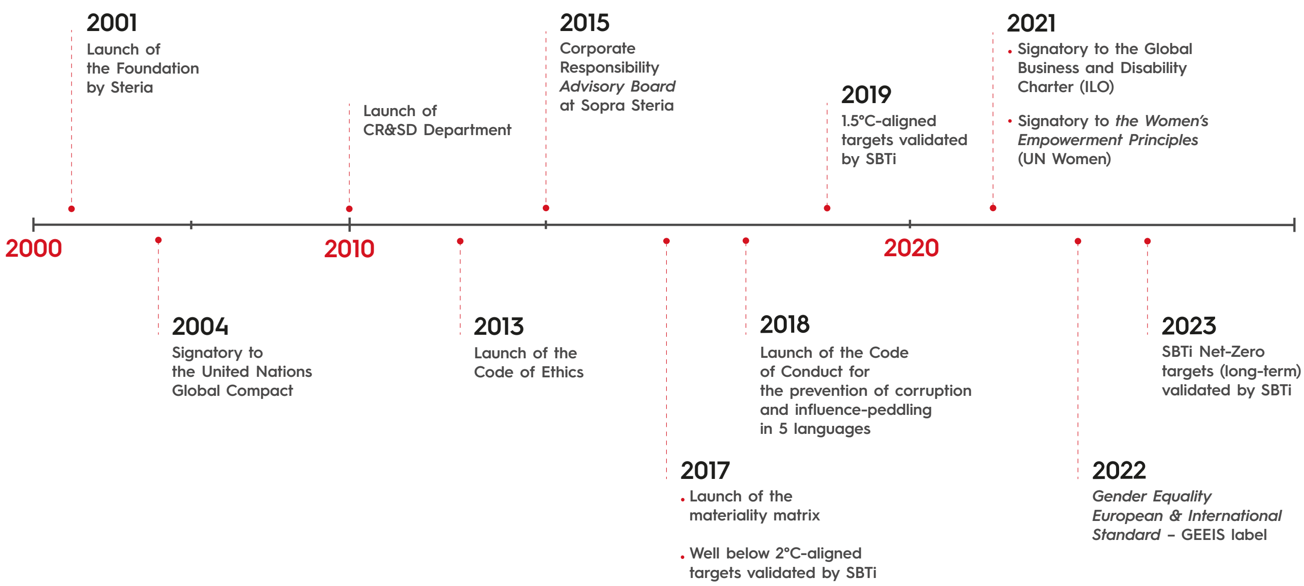


The Chief Executive Officer's variable compensation is linked to achievement of the Group's ESG goals. On social and environmental issues, quantifiable targets ensure that the Group is moving closer to its medium- and long-term goals each year. Achievements are measured against the defined trajectory towards these goals.

In addition, the Chief Executive Officer and some of the Group's senior managers are eligible for three-year performance share plans, which are also linked to achievement of an ESG target.

1.2.4. LONG-STANDING COMMITMENT

The Group's commitment to strengthening its various corporate responsibility programmes each year goes back nearly 20 years.



1.3. Approach enriched through ongoing dialogue with our stakeholders

1.3.1. BROAD ECOSYSTEM OF STAKEHOLDERS

To boost its appeal, the Group needs to show all of its stakeholders (which include its customers, current and prospective employees, shareholders, investors, partners, suppliers and civil society) that its corporate responsibility commitments are central to its business strategy and to everything it does. It thus works to develop relationships of trust and transparent, open and inclusive dialogue with its stakeholders and to involve them in its commitments and action programmes.

1.3.2. TOOLS AND APPROACHES SUPPORTING DIALOGUE WITH OUR STAKEHOLDERS

CLIENTS	■ Annual Customer Voice survey: interviews with over 600 customers from almost 100 of the Group's strategic accounts ■ Regular project reviews ■ Client account reviews ■ Responding to client ESG questionnaires in connection with listings, calls for tender and new projects ■ Responding to questionnaires from ESG analysts at the request of our clients: EcoVadis, Acesia, IntegrityNext, Hellios ■ Commitments entered into through contracts and charters

EMPLOYEES
JOB APPLICANTS
	Employees:
	■ Fourth "Group People Survey" with Great Place To Work
	■ Labour relations: 364 agreements in force
	■ Employee training, for example:
	  ▪ Five mandatory e-learning modules forming part of the "Prevention Passport"
	  ▪ Digital accessibility: Awareness raised among 2,100+ employees in 2023
	  ▪ 3,790+ employees trained on digital environmental sustainability in 2023
	  ▪ Deployment of new awareness-raising modules: Climate Fresk, Digital Collage, Atelier 2 Tonnes workshop
	■ Employees volunteered to support environmental causes through the Green Light network (France)
	■ Three community outreach platforms for employees, covering both voluntary work and skills sponsorship initiatives (France, United Kingdom, Germany)
	Candidates:
	■ 988 school initiatives (vs 604 in 2022)
	■ *Prix Entreprendre pour Demain* (Entrepreneurship for tomorrow) awards (see pages 181-182)

SHAREHOLDERS
INVESTORS
	■ Dedicated investor relations team
	■ Investor Relations website featuring all relevant information for shareholders and investors
	■ Investors and financial analysts are provided with commented reports on earnings and sales via:
	  ▪ Bilingual webcast meetings (for the presentations of the annual and half-year results)
	  ▪ Bilingual conference calls (quarterly)
	■ Regular meetings with investors in 2023: 555 individuals met, 44 roadshows, 13 talks and meetings with 261 institutions covering 14 countries and 25 cities
	■ Responses to questionnaires from investors and non-financial rating agencies: MSCI ESG, Sustainalytics, S&P Global, ISS QualityScore, Gaïa Index and CDP Climate Change

PARTNERS	■ Partnerships with leading market vendors to increase added value for our clients. Strategic partners: Axway, Dassault Systèmes, IBM-Red Hat, Microsoft, Oracle, SAP; Leading players in cloud computing: AWS, Google, OVH; major technology players: Informatica, Orange, Pega, Talend, Salesforce, ServiceNow, UIpath ■ Partnerships with universities and research institutes to pursue innovation-related projects, in the Group's key geographies. Sopra Steria contributes to work in education and research, involves researchers in its projects and develops innovative solutions (artificial intelligence; virtual, augmented and mixed reality; Internet of Things; data) and sponsors several academic chairs. ■ Digital sustainability: INR certification ■ Digital sovereignty: Member of Gaia-X Digital ethics: Digital ethics awareness seminars ■ Startups added to the Group's value proposition under the Sopra Steria Ventures programme

SUPPLIERS	■ Account reviews ■ Tender processes that take into account all ESG requirements ■ Webinars to raise supplier awareness of ESG priorities and the EcoVadis assessment (ESG questionnaire and carbon module) ■ Signing of the code of conduct for suppliers and partners to reaffirm commitments ■ Ensuring suppliers are committed to meeting compliance requirements: Documents collected through Provigis in France or other methods in other geographic areas ■ EcoVadis assessment of target suppliers ■ Inclusive purchases made in France via STPA (comprising sheltered workshops and other organisations that specifically employ people with disabilities) ■ Streamlined access provided to suppliers applying equal opportunity and diversity criteria, and to small and medium-sized enterprises (SMEs) ■ In the CDP Supplier Engagement Leaderboard (A), for the 4th year in a row
CIVIL SOCIETY	■ 205 projects supporting local communities and regions ■ Over 1,960 volunteers on community outreach programmes ■ *Sopra Steria-Institut de France* Foundation, which supports projects by non-profits ■ *Prix Entreprendre pour Demain* awards, which support projects by students and young entrepreneurs ■ Sopra Steria serves as an ambassador for Global Compact France ■ Communication on Progress (CoP) submitted each year to the UN Global Compact ■ Review of key strategic corporate responsibility themes with the CR Advisory Board ■ Financial or technological support for research, innovation and training (chairs, scholarships, start-ups), conferences

1.4. Our corporate responsibility roadmap

The corporate responsibility roadmap is guided by two complementary approaches:

- Group-wide risk mapping, which includes non-financial risks (see page 41);
- materiality analysis of ESG priorities.

The Group is also careful to ensure that its ESG priorities are aligned with the Sustainable Development Goals (SDGs).

Taken together, these two approaches help determine the hierarchy of non-financial issues for the Group and its stakeholders.

1.4.1. MATERIALITY ANALYSIS

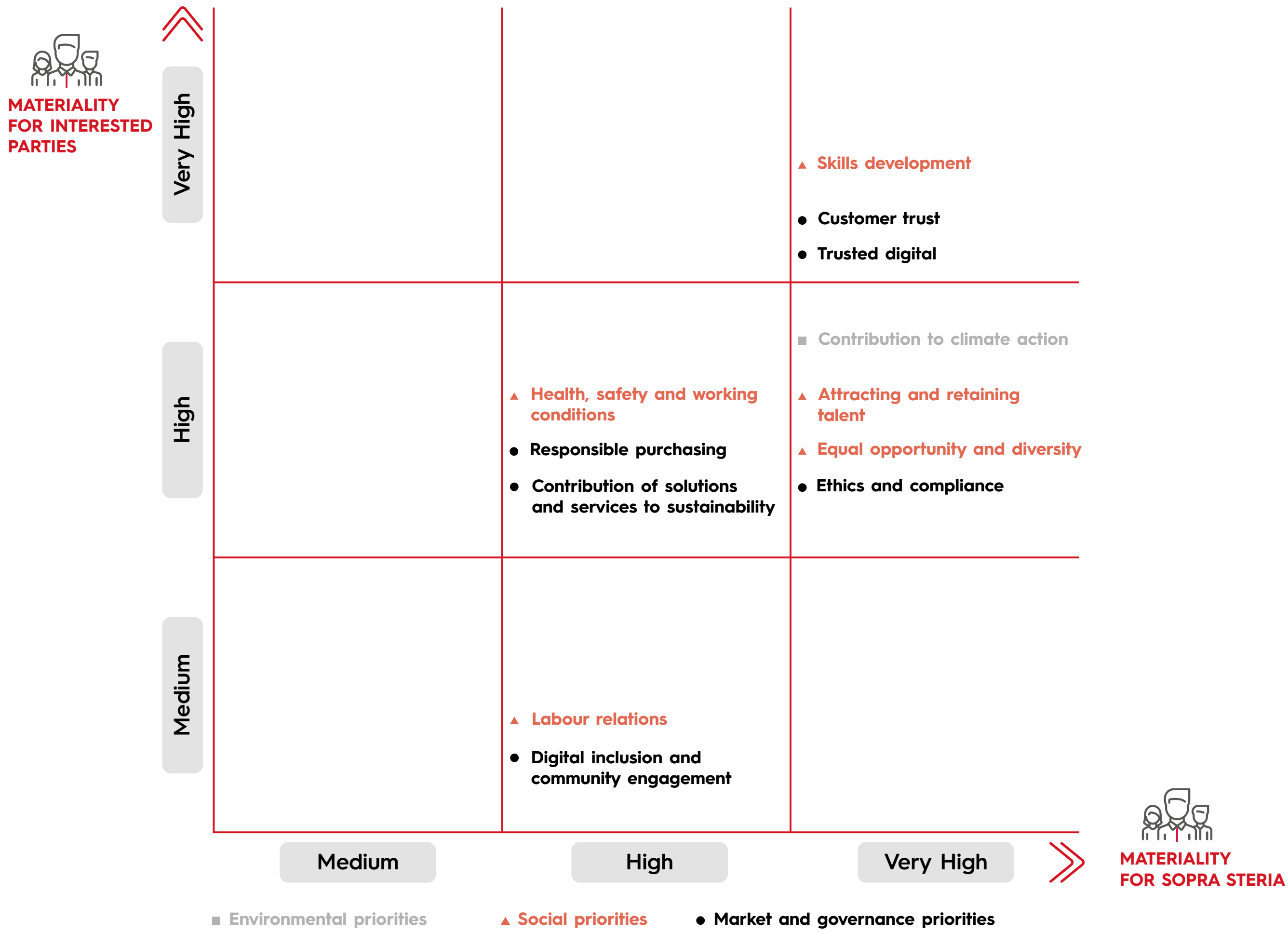
As in previous years, the materiality analysis, which helps identify and prioritise the most relevant material and non-financial issues for the Company, was updated. It should be noted that, in light of the entry into force of the Corporate Sustainability Reporting Directive (CSRD) with effect from 1 January 2024 (and Order 2023-1142 of 6 December 2023 on the disclosure and certification of sustainability information sustainability and the social, environmental and corporate governance obligations incumbent on commercial companies), in-depth analysis is underway to define a new double materiality matrix encompassing both financial materiality and impact materiality. This entails a change of approach, with the new matrix determining both external (environmental and social) impacts on the Group's performance and the business's impact on its social, natural and economic environment. The European Sustainability Reporting Standards (ESRS) that apply to the Group have been identified and work to update sustainability indicators and gather associated data is in progress, together with integration of a dedicated monitoring tool. This alignment with the requirements of CSRD means we can review the Group's sustainability action plans and objectives, building not only risks and opportunities but also internal and external impacts into our processes and activities and working with our suppliers to embed them throughout our value chain. For the time being, however, this report will highlight our materiality matrix in the form of the Statement of Non-Financial Performance (SNFP), which measures the importance of various non-financial issues for both the Group and its stakeholders:

- The materiality matrix ranks the Group's priority social, environmental, economic and outreach issues both in light of the Group's strategy and from the perspective of internal and external stakeholders (customers, employees, job applicants, shareholders, investors, partners, suppliers and civil society).
- It is based on AFNOR standard NF X30-029 ("Social responsibility – Materiality analysis – Prioritisation of issues and stakeholders according to the guidelines of ISO 26000").

In line with the Group's business priorities, strategy and corporate responsibility policy, materiality analysis helps identify relevant key issues that could impact the company's performance and prioritise them according to their potential impact on business performance and the Group's ecosystem.

To update its materiality matrix, the Group uses existing channels to dialogue with its key stakeholders, notably including the annual Customer Voice survey of key accounts, the annual Great Place To Work survey of all its employees, external studies with target students and interns, regular meetings with non-financial analysts and reviews with suppliers.

In 2023, 12 priorities were identified as being aligned with the Group's strategy.



NB: The order of presentation of the materiality matrix issues in each segment is not linked to their level of importance/materiality. They are presented in the following order: environmental priorities, social priorities then market and governance priorities, then in alphabetical order.

The materiality matrix priorities are set out in the overview of our corporate responsibility roadmap in section 1.4.3. of current chapter.

1.4.2. OUR CORPORATE RESPONSIBILITY ROADMAP

The Group's corporate responsibility approach consists of seven key commitments in relation to the workforce, the environment and society, related to its materiality matrix priorities.

Every year, Executive Management identifies three ESG priorities underpinned by:

- issues that are highly material in light of the Group's business;
- short-, medium- and long-term actionable levers, both direct and indirect;
- a proactive policy with strong commitments aligned with the Group's values.

Three ESG priorities for the Group:

1. Helping combat climate change;
2. Ambitious policy of bringing more women into the management team;
3. Embedding responsible digital technology issues into our value proposition.

Sopra Steria's six commitments are illustrated in the overview below as responses to material issues. They are formalised in Group policies and translated into action plans.

The overview also includes KPIs related to the Group's three ESG priorities.

1.4.3. OVERVIEW OF OUR CORPORATE RESPONSIBILITY ROADMAP

Commitments/SDGs	Materiality matrix priorities	KPI	2023 performance	Target	Change versus 2022
Commitments to employees					
Commitment: Being a leading employer that attracts the best talent and promotes positive labour relations, equal opportunity and diversity **ESG priority:** Ambitious policy of bringing more women into the management team **SDGs** 3, 4, 5, 8, 9, 10 and 17 See pages 119-136	**Attracting and retaining talent** As a leading tech employer and digital transformation leader, attract the top professionals and offer them a career path that will enable them to fulfill their potential	■ Number of new hires	■ 9,629	■ 11,000	■ -26.9% ■ The number of new hires in 2023 reflects steady growth in operations, despite coming in slightly lower than the initial target
	Skills development Develop employees' expertise and strengthen their skills to respond to market developments, improve performance, boost employability and promote long-term engagement	■ Average number of training hours per employee (average FTE) ■ Average number of training hours per female employee (average FTE) ■ Average number of training hours per male employee (average FTE)	■ 34 hours ■ 37 hours ■ 33 hours	■ Improvement in results	■ **+1 hour** (vs 33 hours in 2022) ■ **+4 hours** (vs 33 hours in 2022) ■ **No change** (vs 33 hours in 2022)
	Equal opportunity and diversity Promote equal opportunity to boost attractiveness, innovation and performance and combat discrimination in all its forms	■ Proportion of women on the Executive Committee ■ Proportion of women in the 10% most senior positions ■ Proportion of women in the 3% most senior positions ■ Proportion of women in the Group's workforce	■ 16.7% ■ 21.5% ■ 20.1% ■ 33.5%	■ 2025: 30% ■ Improvement in results ■ Improvement in results ■ Improvement in results	■ **-3.3 points** (vs 20% in 2022) ■ **+1.1 points** (vs 20.4% in 2022) ■ **+1 point** (vs 19.1% in 2022) ■ **+0.4 points** (vs 33.1% in 2022)
	Health, safety and working conditions Promote employee fulfilment and safeguard against occupational risks by protecting employees' and subcontractors' health and safety	■ GPTW satisfaction survey participation rate	■ 82%	■ Slight decrease	■ **-2 points** (vs 84% in 2022)
	Labour relations Build and maintain constructive dialogue between management and employees to support the long-term corporate plan	■ Number of agreements in force	■ 364	■ Improvement in results	■ **+4** (vs 360 in 2022)

Commitments/SDGs	Materiality matrix priorities	KPI	2023 performance	Target	Change versus 2022
Environmental commitments					
Commitment: Mitigating the impact of the Group's activities on the environment and helping combat climate change by drawing on all components of its value chain **ESG priority:** Helping combat climate change **SDGs** 6, 7, 8, 9, 11, 12, 13, 14, 15 and 17 See pages 137-166	**Net-zero emissions** Continue along the SBTi-approved trajectory for reducing greenhouse gas emissions according to the new criteria laid down in SBTi's Net-Zero	■ Reduction in Scope 1 and 2 emissions relative to 2019	■ -63.6% tCO_2e (baseline: 2019)	■ New SBTi Net-Zero targets validated in 2023 ■ -54% tCO_2e by 2030 (baseline: 2019; SBTi Net-Zero near-term target) ■ -90% tCO_2e by 2040 (baseline: 2019; SBTi Net-Zero long-term target)	■ New indicator for 2023
		■ Reduction in Scope 3 emissions relative to 2019	■ -9.8% tCO_2e (baseline: 2019) ■ GHG emissions from waste, commuting and remote working: 32,939 tCO_2e in 2023	■ New SBTi Net-Zero targets validated in 2023 ■ -37.5% tCO_2e by 2030 (baseline: 2019; SBTi Net-Zero near-term target) ■ -90% tCO_2e by 2040 (baseline: 2019; SBTi Net-Zero long-term target)	■ New indicator for 2023 ■ -3,145 tCO_2e (1) (vs GHG emissions from waste, commuting and remote working: 36,084 tCO_2e in 2022)
		■ UN Climate Neutral Now programme: Offset unavoided carbon emissions from our direct activities through afforestation	■ 100% in 2023	■ New SBTi Net-Zero targets validated in 2023 ■ Improvement in results	■ = (vs 100% in 2022)
		■ Scope 1 GHG emissions in tCO_2e (fugitive emissions included)	■ 2,140 tCO_2e in 2023		■ -1,167 tCO_2e (vs 3,307 tCO_2e in 2022)
		■ Scope 2 GHG emissions in tCO_2e	■ 252 tCO_2e in 2023		■ -146 tCO_2e (vs 398 tCO_2e in 2022)
		■ GHG emissions – Scope 3 (full coverage, in tCO_2e)	■ 345,303 tCO_2e in 2023		■ +16,407 tCO_2e (1) (vs 328,896 tCO_2e in 2022)
		■ Actions to promote digital environmental sustainability	■ Digital sustainability and sustainable design training ■ Digital environmental sustainability training: 3.790+ employees participated in 2023 ■ Digital collage	■ Improvement in results	■ Strengthening training curricula: overhauled content and introduced new modules ■ 3,790+ employees (Digital environmental sustainability)

(1) As the Covid-19 pandemic ended, 2022 saw a greater number of purchases of goods and services and increased business travel. The return to in-person working naturally decreased remote working and increased employee commuting.

Commitments/SDGs	Materiality matrix priorities	KPI	2023 performance	Target	Change versus 2022
Commitments to society					
Commitment: Acting ethically in the Group's day-to-day operations and across all its business activities **SDGs** 3, 5, 8, 9, 10, 11, 16 and 17 See pages 167-174	**Ethics and compliance** Put the Group's corporate culture and ethical principles at the heart of its relationships with stakeholders and ensure all activities comply with applicable regulations	■ Percentage of employees trained in preventing corruption and influence peddling	■ 93% of employees	■ Maintain a rate of over 90%	■ =
		■ Compliance defects	■ Not found guilty of corruption or influence peddling at any time in the last five years		■ =
	Responsible purchasing Work with suppliers and service providers fully aligned with the Group's workforce-related, ethical and environmental priorities	■ EcoVadis assessment	■ Group: 730 target suppliers [1] assessed (€850m+, representing 73%+ of 2023 target expenditure [2])	■ Carry out assessments of target suppliers accounting for annual expenditure of €850 million in 2023 ■ Continue to roll out EcoVadis CSR assessments with the aim of covering €1,000m in supplier expenditure by end-2024	■ +127 target suppliers assessed ■ +€113m of expenditure assessed (vs in 2022: Group: 603 target suppliers assessed (+€737m, representing 85% of 2022 target expenditure)
Commitment: Being a long-lasting partner for clients, meeting their needs as effectively as possible by providing them with the best technology as part of a responsible and sustainable value-creating approach **SDGs** 5, 7, 8, 9, 10, 11, 13, 16 and 17 See pages 174-177	**Client trust** Develop lasting relationships of trust with the Group's clients that enhance their performance and help make its ecosystem's value chain more resilient	■ Organic revenue growth	■ 6.6%	■ Improvement in results	■ vs 7.6% in 2022
		■ Customer Voice survey (nearly 100 strategic clients surveyed)	■ 4th survey: over 80% customer satisfaction		■ positive change
	Contribution of solutions and services to sustainable development Work with an innovative ecosystem and support the Group's clients through their digital transformation by offering solutions and services that contribute both to sustainable development and to clients' workforce-related, ethical and environmental priorities	■ Contribution of solutions and services to sustainable development	■ Recognised among the best in class in consulting and IT services related to sustainable development in Europe in the PAC Innovation Radar 2023	■ Improvement in results	■ New initiatives in 2023
Commitment: Working towards digital trust by developing digital sovereignty in Europe, cybersecurity and AI through an ethical approach to technology **SDGs** 3, 4, 5, 7, 8, 9, 10, 11, 12 and 17 See pages 177-179	**Digital trust:** Be a leading player in Europe in terms of safeguarding digital sovereignty, strengthening cybersecurity and developing trustworthy AI through an ethical approach to technology	■ Actions to build digital trust	■ AI: Launch of the rAIse programme ■ Digital sovereignty: member of Gaia-X, strategic partner of NumSpot, co-leader of the InfrateX consortium	■ Improvement in results	■ New initiatives in 2023
Commitment: Supporting local communities by stepping up community initiatives, particularly in the field of digital inclusion **SDGs** 1, 2, 3, 4, 5, 6, 7, 8, 10, 12, 16 and 17 See pages 179 -182	**Digital inclusion and community engagement** Act as a responsible corporate citizen, make digital technology as widely accessible as possible and support disadvantaged populations in regions and countries where the Group operates	■ Impact of community initiatives	■ 886 non-profits and schools supported ■ 57,000 children supported in India)	■ Improvement in results	■ 207+ non-profits and schools (vs in 2022: 679 non-profits and schools supported; ■ 4,000+ children (vs in 2022: 53,000 children supported in India)
		■ Actions to promote digital inclusion	■ 2,100+ employees made aware of digital accessibility issues in 2023	■ Improvement in results	■ 2,100+ employees made aware of digital accessibility issues

(1) Target suppliers: suppliers with more than 26 employees representing annual expenditure of over €150k.
(2) Target expenditure: expenditure with target suppliers.

1.4.4. 2023 HIGHLIGHTS

November:

- Launched the fourth "Great Place To Work" employee satisfaction survey.

October:

- Axelle Lemaire joins Sopra Steria as Group Executive Director of Sustainability and Corporate Responsibility.

September:

- Sopra Steria is included in the Great Place To Work® Top 20 Best Workplaces in Europe 2023™.

July:

- Sopra Steria secures *Numérique Responsable* (responsible digital technology) certification issued by France's Institut du Numérique Responsable (INR).

June:

- Approval of the Group's SBTi (Science-Based Targets initiative) Net-Zero (long-term) targets.

May:

- EcoVadis: Winner of a platinum medal and in the top 1% for the fifth year running, with a score of 86 out of 100 in the areas of social issues and human rights, environment, ethics and responsible purchasing.
- Sopra Steria recognised as a global leader in Cyber Resiliency Services by Nelson Hall [(1)].
- Inclusion and diversity: 2023 nomination campaign for LGBT+ role models and allies alongside L'Autre Cercle.

April:

- Sopra Steria recognised as a leader in the CDP Supplier Engagement Leaderboard ranking for 2022.

February:

- Sopra Steria launches We Share 2023, a new employee share ownership plan.
- Sopra Steria recognised as best in class in consulting and IT services related to sustainable development in Europe in the PAC Innovation Radar 2023.

January:

- Sopra Steria joins the Euronext CAC SBT 1.5°C index.
- Expansion of the leave donation scheme whereby leave can be donated to a solidarity fund and used by employees who need it.
- A sustainable mobility allowance is introduced, contributing to environmentally friendly travel costs.

(1) Sopra Steria, recognised for its consulting, digital services and software development activities, is ranked as one of the "leaders" in the 2022 NEAT Cyber Resiliency Services report published by NelsonHall.

1.4.5. CHANGE IN NON-FINANCIAL RATINGS

CONTINUOUS IMPROVEMENT IN ESG SCORES

Non-financial ratings agencies	Agency rating scale	Track record	2020	2021	2022	2023
MSCI ESG	AAA to CCC	AA since 2019	7.4/10 AA Leader	7.9/10 AA Leader	7.6/10 AA Leader	**7.9/10** **AA *Leader***
Sustainalytics ESG Risk ratings	Negligible risk = 0 to Severe risk = 40+	Low risk since 2020	19.2/100 Low risk	15.1/100 Low risk	15.3/100 Low risk	**14.8/100** **Low risk**
ISS ESG	A+ to D-	Medium since 2019	C+ Medium	C+ Medium	C+ Medium	**C+ Medium**
ISS QualityScore Governance	1 (best) to 10 (worst)		3/10	3/10	6/10	**6/10**
S&P Global	Percentile out of 280 companies in sector	1st contribution in 2022	-	-	88/100	**89/100**
Gaïa	Out of 100	Part of the Gaïa Index for over 10 years	68/100	76/100	75/100	**81/100**
CDP						
■ **Climate Change**	A to D-	On the A List for the seventh year running in 2023	A List	A List	A List	**A List**
■ **Supplier Engagement Rating**	A to D-	In the CDP Supplier Engagement Leaderboard (A), for the 4th year in a row	Supplier Engagement Leaderboard (A)	Supplier Engagement Leaderboard (A)	Supplier Engagement Leaderboard (A)	**Supplier Engagement Leaderboard (A)**
EcoVadis	Out of 100	In the top 1% for the 5th year running in 2023	74/100 Gold	78/100 Platinum	80/100 Platinum	**86/100** **Platinum**

2. Social responsibility: a committed and responsible Group

The Group adheres to the principles and fundamental entitlements of the Universal Declaration of Human Rights adopted by the United Nations General Assembly in 1948 and to the European Union's Charter of Fundamental Rights. It abides by the eight fundamental conventions of the International Labour Organization (ILO) and is committed to:

- complying with European Community and domestic labour law, and collective bargaining agreements in each country where the Group operates or, if necessary, putting in place measures intended to improve labour relations;
- upholding, in particular, freedom of association and the right to collective bargaining in each relevant country, the elimination of forced or compulsory labour and the effective abolition of child labour.

Furthermore, the Group firmly condemns modern slavery and human trafficking as well as discrimination in respect of recruitment and employment, notably through its code of ethics (for more information, see the Section 4.1 "Ethics and compliance" on pages 167-172).

It meets the United Nations Sustainable Development Goals (SDGs) and directly or indirectly contributes to SDGs 3, 4, 5, 8, 9, 10 and 17.

In keeping with these commitments, it pursues a corporate responsibility policy aimed at safeguarding the health and safety of each of its employees and ensuring that everyone is treated with dignity and respect at work. The goal is to foster a caring work environment where everyone feels recognised and valued irrespective of origin, gender, age or disability.

2.1. Governance

All matters relating to talent management, employee training, diversity and equal opportunity are managed by the Group Human Resources Director, supported by a network of country and/or subsidiary Human Resources Directors, in liaison with the Corporate Responsibility and Sustainable Development Director at Group level.

Regarding matters related to health and safety and labour relations, each country and/or subsidiary is subject to its own local legislation. Health and safety committees in each country ensure that specific processes and measures are implemented at the local level. These measures cover, in particular, buildings (security of premises, furnishings, heating and air conditioning, etc.) and food (canteen, water, etc.). Dialogue between management and employees is driven by regular (weekly, monthly and annual) steering meetings attended by the various companies' HR directors. The goal of these meetings is to exchange ideas and ensure that the approach to labour relations is consistent with Group policy.

The Group Human Resources Director and the Corporate Responsibility and Sustainable Development Director are members of the Executive Committee and report directly to Sopra Steria's Executive Management.

2.2. Social responsibility priorities

The digital sector is a key sector of the economy. The digital transformation has gathered pace over the past three years as a result of the Covid-19 pandemic, affecting many areas of day-to-day life. Teaching, healthcare and the service sector have been very quick to adopt digital technology. Digital technology is a real necessity at a time when the Company must reinvent itself while also maintaining a responsible long-term vision.

Sopra Steria Group is transforming itself to meet clients expectations by addressing their business challenges, combining its various service offerings as part of an end-to-end approach and incorporating digital technology at every level. It seeks to continually develop the abilities of its teams, to ensure that they can constantly adapt to technological and market changes.

The Group's five main social responsibility priorities are as follows:

- **attracting and retaining more talent** to support the Group's development;
- **maintaining and developing skills** to boost employees' skills to proactively meet clients' current and future needs;
- **diversity and equal opportunity** to address challenges of public interest and prevent all forms of discrimination, with a particular focus on access to employment for people with disabilities and young people. As well as equality at workplace regarding gender identity or expression and sexual orientation;
- **labour relations** to work with employee representatives to maintain constructive dialogue and negotiations in order to plan ahead for and support the major changes affecting the Group;
- **health, safety and working conditions** to offer an environment conducive to quality of life at work.

Given the nature of the Group's business, not all the social responsability priorities set out above constitute key risks as defined in the Statement of Non-Financial Performance. Only the priorities related to attracting and retaining talent and maintaining and developing skills are key risks for the Group, and are treated as such in the "Risk factors" section. The relevant information is set out in Section 1. "Risk factors", of Chapter 2 of this Universal Registration Document (pages 40-46).

In addition, the Group will be implementing gradually the necessary changes to its reporting system starting with the next financial year, in line with the requirements and key priorities of the CSRD.

Policies, actions and achievements associated with these five priorities are described below.

As part of its commitment to collective responsibility, Sopra Steria presents its **roadmap** for achieving its 2025 targets announced in 2021:

Priorities	Targets for 2025	2022 Results	2023 Results
1. Attracting and retaining more talent	Boost visibility of actions and gain more followers on social media	544,580 LinkedIn followers	630,016 LinkedIn followers
	Give all employees a more meaningful stake in the Company's performance	6.4% interest managed on behalf of employee shareholders (company mutual fund/trust) We Share 2022 plan	6.5% interest managed on behalf of employee shareholders (company mutual fund/trust). We Share 2023 plan
	Increase the % of employees under 30 (1)	21.6%	23.7%
2. Maintaining and developing skills	**Increase the proportion of training hours** devoted to innovation and digital transformation to **20%** (2)	15.6% 98.3% of scope: Africa, Asia, Europe	15.4% 100% of scope
	100% of employees attend at least one training every year	100%	100%
	Management & Leadership programme **fully rolled out** at Group level	89.3% of scope: Africa, Americas, Asia and Europe	100%
3. Diversity and equal opportunity	**Increase the proportion of women** in the Executive Committee	20.0%	16.7%
	Increase the proportion of women in the **3%** most senior positions (Level 5 and up)	19,1%	20.1%
	Increase the proportion of women in the **10%** most senior positions (Level 4 and up)	20.4%	21.5%
	Increase the proportion of female managers (Level 3 and up)	25.3%	26.0%
	Increase the proportion of employees with disabilities to **3.3%** (scope: France)	3.3%	3.6%
	All employees have access to a non-discrimination training module	100%	100%
4. Health, safety and working conditions	**All employees** to have access to a workplace well-being programme (3)	100%	100%
5. Labour relations	Maintain high-quality labour relations and successfully implement collective bargaining agreements	72.1% of scope: Group	78.5% of scope: Group

(1) Performance indicator relating to key risks set out in the Statement of Non-Financial Performance: ***2019-2021, renewed for 2022-2025.***
(2) Performance indicator relating to key risks set out in the Statement of Non-Financial Performance: ***rebased for 2022-2025.***
(3) The workplace well-being programme includes training in the form of talks and workshops on issues relating to health and work-life balance.

2.3. Employment policy for professional excellence

For many years, the Group's growth has been backed by a proactive employment policy of recruiting talented individuals and developing employees' skills. This policy, along with a working environment that favours professional development and employee well-being, help to attract and retain talent.

External growth is also a strong driver of the Group's development and increased business volumes. Thanks to the various acquisitions completed in 2023, the Group can offer a comprehensive response to its clients' needs in terms of transformation and competitiveness.

At 31 December 2023, the Group employed 56,000 people of 119 different nationalities from 30 countries, forming a network of multicultural, multiskilled teams. This increase in the headcount compared with 2022 is due in part to acquisitions completed during the year. Permanent contracts remain the most common form of contract. This confirms the Group's longstanding commitment to offer stable jobs while promoting access to employment for young people on permanent contracts and work-linked training (100% of fixed-term contracts were for work-linked training students, vs 94.8% in 2022).

2024 recruitment targets:

- 9,700 new hires across the Group;
- 4,400 new hires in France.

Employees are mainly based in the following countries: France, Germany, India, Norway, Spain and the United Kingdom. These countries accounted for 94.0% of the Group's total workforce in 2023, vs 88.8% in 2022.

Group-level employee turnover decreased by 3 points, continuing to reflect buoyant business. Most departures were voluntary (83.7%, of which 31.4% women). Non-voluntary departures accounted for 16.3% (5.5% women) of total employees leaving the Group.

In France, most departures were voluntary (88.6%, of which 25.2% women). Non-voluntary departures accounted for 11.4% (3.4% women) of total employees leaving in France.

Key employment figures	2020	2021	2022	2023
Total workforce (acquisitions included)	45,960	47,437	49,690	55,833
Total FTE (excluding interns)	43,989	45,852	48,391	48,959
Permanent contracts	96.7%	97.0%	96.8%	96.5%
Temporary contracts	2.9%	2.5%	2.7%	2.9%
Full-time workforce	93.9%	93.6%	94.0%	94.1%
Part-time workforce	6.1%	6.4%	6.0%	5.9%
New arrivals	6,133	10,636	13,073	9,629
Turnover (excluding new arrivals in last 6 months)	13.6%	16.0%	17.0%	14.0%
Average length of service for employees on permanent contracts (in years)	7.7	7.5	7.2	7.3

The decline in the average length of service of employees on permanent contracts reflects, in particular, the resumption of recruitment activity across all populations combined.

Average age and headcount by age group* – Employees on permanent contracts	2020	2021	2022	2023
Average age (years)	38.7	38.8	38.7	38.9
<30	27.4%	26.9%	28.3%	29.1%
30-50	56.1%	55.8%	54.0%	53.0%
>50	16.5%	17.2%	17.7%	17.9%

**Percentages have been amended and calculated based on the number of employees on permanent contracts and the 30-50 age groups in the age pyramid.*

The average age of employees on permanent contracts has been relatively stable since 2020.

2.4. Boosting the positive local and regional impact of the Group's activities

The Group is a benchmark employer. It has a significant impact on regions and communities, given its size and its local roots. It is also a major recruiter in regions where it operates (see Section 2.3, "Employment policy for professional excellence", page 121).

Sopra Steria also ensures that, in developing its business, it takes into account the economic, workforce-related and environmental challenges faced by the countries in which the Group operates. As a responsible company, the Group takes action to support, in particular, struggling and highly vulnerable populations, drawing on the whole of its stakeholder community. The Group also participates in local and regional charitable efforts every year in support of digital inclusion and access to education, employment and water. For more information about this programme, see Section 4.5, "Promoting digital inclusion and community engagement", on pages 179-182.

Highlight: In France, Sopra Steria has been a partner of the Defense since 2017, having signed an agreement supporting the military reserve policy. This commitment to the national defence effort is also consistent with Sopra Steria's support for academic research into national security issues, including in particular emerging digital sovereignty issues.

2.5. Attracting and retaining skilled and committed talent to support growth for the Group and its clients

As a leading tech employer and digital transformation leader, the Group aims to attract the top professionals and offer them a career path that will enable them to fulfill their potential. Employee engagement, motivation, expertise and skills are key factors in the Group's success, which depends on its ability to attract and retain talent over the long term.

Constantly on the lookout for new talent amid a tight labour market, the Group has continued to develop and strengthen its employer brand, recruitment, development, retention and compensation policies.

These policies form part of a long-term strategy aimed at ensuring the transparency of the Group's HR practices. They are broken down as follows:

- our **employer brand policy** is delivered through communications activities aimed at promoting and boosting the appeal of the employer promise or the Group's Employee Value Proposition (EVP). This employee value proposition is underpinned by four pillars: working together, reaching one's potential, being enterprising and innovative, and having a shared sense of purpose;
- our **recruitment policy** is based on the principles of equal opportunity and non-discrimination. Recruitment policy is aligned with new uses for digital technology and the transparency sought by today's jobseekers. This proactive policy contributes to the effort to foster access to employment for young people by taking on young graduates, students, interns and work-linked training students, and through retraining programmes in the digital field with the promise of employment on permanent contracts. These tailored retraining paths are offered to people in long-term unemployment. Part of this recruitment activity also targets experienced professionals to strengthen the workforce in roles requiring rare skills that are in short supply;
- our **retention policy** seeks to meet employees' expectations and needs by offering a supportive work environment where everyone can flourish, be in control of their career and feel able to be themselves;
- our **compensation policy** is a management tool based on recognising each individual's contribution to the Group's performance. It is based on the principle of fair treatment and supported by a system of personalised performance appraisals for each employee. The compensation on offer is in line with local regulations. It exceeds the minimum wage (where one exists) in countries in which the Group is present.

  Furthermore, some employee benefits are granted to full-time or part-time employees depending on the country: these include healthcare, incapacity and invalidity cover, parental leave, supplementary pension provision etc.

The policies described above have translated into the following actions and achievements:

Employer brand and recruitment: In 2023, the Group continued to roll out innovative projects aimed at making its employer brand more visible to prospective employees (events, publicity campaigns, a new tool for managing applications and career pages, etc.).

Actions	2023 achievements
Attracting and recruiting staff: Ensure that we hire a diverse range of people	9,629 new hires (vs 13,073 in 2022), in a context of slowed market growth. 57.7% of new hires under 30 (vs 60.7% in 2022), in a context of slowed market growth. New hires in the Group spanned 85 different nationalities (21 European and 64 non-European) **Highlights:** **"Free in my job" employer brand campaign:** Rolled out within the Group to highlight Sopra Steria's entrepreneurial DNA as well as opportunities for employees to take charge of their career and build a career path that suits them **Recruitment programme in Norway:** 273 young people recruited under a graduate programme and given 3 years of personalised support. The programme begins with 2 to 3 weeks' technical training and continues with training throughout their entire last year of study. **Summer internships in France, Norway and the United Kingdom (SBS):** 108 third- and fourth-year engineering students undertook a four-to-six-week summer internship including project immersion, an introduction to the Group's business lines, and team spirit (team building events, buddies in Norway).
Strengthening relationships with universities: Promoting jobs in the digital field to attract more young people, bring in more interns and work-linked training students, etc.	1,312 interns (vs 1,381 in 2022) (78.8% of scope: Africa, North America, Europe) 1,463 work-linked training students (vs 801 in 2022) (95.7% of scope: Asia, Europe) 988 school initiatives (vs 604 in 2022): This increase reflects the resumption of on-campus face-to-face school events. (95.7% of scope: Africa, Europe, India) **Highlights:** **Series of exclusive talks in Benelux, Spain and France** given by Group experts to students at partner schools. 100 talks took place, showcasing our employees' technical expertise and strengthening local relationships. **The Group once again ran a roadshow across six dates on the campuses of several *grandes écoles* and in cities across France.** Employees met face to face with more than 1,730 students at an immersive stand fully decked out in Sopra Steria's colours (vs meetings with over 3,000 students during 10 events in 2022).

Actions	2023 achievements
Exploring new recruitment channels: Numerous sourcing campaigns on social media, etc.	**Glassdoor** – Diversity and Inclusion score: 4/5 (up 0.2 points from 2022). **LinkedIn:** 630,016 followers (vs 544,580 in 2022 – up +14%) **Potential Park:** 7th place in the overall French ranking (down two places from 2022) and fifth in the social media category (up 22 places from 2022) **Happy Candidates:** Happy Candidates accreditation and among the top five in France **Happy Trainees:** Happy Trainees accreditation – 3rd place (up 5 places from 2022). 88.7% of interns and work-linked training students recommend Sopra Steria for an internship (score: 3.98 out of 5, vs 3.94 out of 5 in 2022). Sopra Steria is the top-ranked digital services company in this category (10,000+ interns and work-linked training students). **Universum:** ranked 63rd in France (up 27 vs. 2022), in the top three in the "teamwork" and "access to continuing education" categories and fifth in the "IT students" ranking in Norway. **Highlight in France, Spain, India and Poland:** rolled out the "Speak Up" programme to turn employees into ambassadors and expand the Group's external influence.
Fostering international mobility: Offering students [(1)] and employees opportunities to broaden their career paths	40 international job moves to 14 different destinations in Africa, Asia and Europe (vs 62 moves in 2022).
Encouraging more women to join us to help increase the proportion of women working in the digital sector, at all echelons (see Section 2.7, "Ensuring equal opportunity and promoting diversity and inclusion." (pages 129-134).	Proportion of women among new hires: 35% (vs 34.3% in 2022). See Section 2.7, "Ensuring equal opportunity and promoting diversity and inclusion." (pages 129-134).

Retention: key performance issue hinging, in particular, on working conditions which must be conducive to employee fulfilment and on attractive and motivating career development opportunities.

Actions	2023 achievements
Managing induction and follow-up of new recruits through "Immediate Boarding", a two-day welcome and induction course tailored to inductees' seniority Immersive, innovative remote learning event	All new Group employees have access to a welcome and induction seminar. "Get on Board" induction programme (France) and country-specific programmes: 2,022 participants in France (vs 5,263 in 2022) 98.3% of scope: Africa, Asia, Europe **Highlight in France:** In addition to the innovative and immersive remote learning event, face-to-face induction sessions are held for senior managers.
Maintaining employability: With an ongoing career and skills performance assessment and development process	All Group employees undergo a performance appraisal in keeping with the framework set out in the Group's Core Competency Reference Guide, at the same frequency and underpinned by the same principles of collegiality and equal treatment.
Strengthening relationships: With a local management system and additional mentoring available to each and every employee	All employees receive local management support covering both project performance assessment and career development. More than 23,500 employees received additional mentoring to support them in their career development. 62.1% of scope: Africa, Asia, Europe, Oceania In 2024: Consolidate and continue phased roll-out of additional mentoring to other geographies
Providing training programmes to position the Group as a "learning company"	See Section 2.6, "Developing employees' expertise and expanding their skills to support career development" (pages 125-128). Employees can access over 15,000 digital resources via a web portal and a mobile app, relating in particular to the following areas: Group Fundamentals, Management, Strategy & Offerings, Sales, Quality & Methods, Technology, etc.
Measuring employee satisfaction through regular surveys	Ran international GPTW survey again in 2023; 82% of employees took part (vs 84% in 2022).
Promoting work-life balance	Hybrid working rolled out across all geographies: 2 to 3 days' remote working per week depending on the country and the context 100% of scope
Findings of the Great Place To Work survey	87% (vs 87% in 2022) of employees responding to the survey felt that "New employees are given a good welcome".

Great Place To Work

Employee engagement and satisfaction are key drivers of development and performance. They help make us more innovative and better able to meet our clients' expectations. That's why the Group has continued with its overall transformation process, launching its fourth Great Place To Work survey of all employees worldwide at the end of 2023. A total of 51,787 employees were asked to take part. The priority goal is to evaluate employee engagement, satisfaction and quality of life at work through employees' key relationships with management, colleagues and work itself.

Actions implemented

Once the findings of the end 2023 survey had been analysed, an improvement plan was developed jointly by employees and management as a whole. This Group-wide plan is structured around three key priorities:

- taking action at Group level: Getting employees involved in the We Share employee share ownership programme to develop collective motivation and strengthen corporate culture. Setting in motion a proactive policy of promoting and recognising employees at annual HR Committee meetings;
- taking action on the front lines: Putting in place a decentralised structure. Each country has appointed a team leader with responsibility for identifying and rolling out a specific action plan (e.g. introducing interactive communications via live events hosted by managers to share recent developments, highlighting HR systems and processes through a range of media, testimonials, etc.);
- coordinating progress: Creating a dedicated Group-level unit to help countries implement action plans and share best practice.

This action plan takes a long-term view and may be amended depending on how the survey findings evolve.

Survey findings and rankings

As regards the findings of the end 2023 survey, the high participation rate of 82% once again highlights the fact that employees are committed to the improvement and transformation process instigated by the Group. 77% of them think Sopra Steria is a great place to work.

Key strengths identified in this year's survey are as follows:

- respect for others: Sopra Steria is one of the top performers in the Great Place To Work ranking in terms of fair treatment ("People here are treated fairly regardless of their origin": 93%; "People here are treated fairly regardless of their sexual orientation": 93%);
- teamwork: People care about each other (83%) and new recruits are made to feel welcome (87%);
- integrity: Management is honest and ethical in its business practices (84%);
- engagement: Employees feel they make a difference to the organisation (78%) and are willing to give extra to get the job done (80%).

The main areas for improvement are around the need to continue standardising our management principles and corporate culture and to clarify management's expectations and fairness in relation to promotion and recognition.

Thanks to these strong results, the Group is part of the Best Workplace ranking of global companies. In 2023, based on the findings of the 2022 survey, Sopra Steria ranked as follows:

- 16th out of the 25 Best Workplaces in Europe™ 2023.

Targets for 2023-2030

- Keep Sopra Steria in the European and global Great Place to Work rankings.
- Exceed 80% satisfaction on the five criteria relating to respect, fairness, pride of belonging, confidence and employee empowerment.

Distinctions included, but were not limited to, the following:

Silver award in the "International Learning" category at "U-Spring – Le Printemps des Universités d'Entreprise" in 2023: International event for HR directors and the professional training community. The awards go to businesses that have adopted the most innovative and effective practices in the areas of human resources and skills development. Prizes are awarded by a panel of experts including heads of HR and professional training programmes.

European Cyber Woman Award – Nuno Filipe award for European Cyberwomenday 2022. This event is organised by Cefcys (Cercle des femmes de la cybersécurité, a group representing women in cybersecurity) and sponsored by French Energy Minister Agnès Pannier-Runacher and Chiara Corazza, a member of the G7's Gender Equality Advisory Council and France's private sector representative on G20 EMPOWER.

Top 10 in the 2022 Agires Synergie awards for the "Best school/business relationships": This award is given in recognition of the quality of working relationships as well as the impact, innovation and vitality of relations between higher education institutions and businesses.

First prize in the 2022 Tunisia HR Awards, won by Sopra HR Software for HR best practice (digitalisation, recruitment policy, training policy, talent management, career prospects, etc.). Ninth year of this annual awards ceremony, organised by ARFORGHE and KAS.

Compensation: a driver of recognition

The guidelines pertaining to the components of compensation and its progression are common to the entire Group and are structured around:

- fixed compensation, determined according to the level of responsibility, consistent with the Group's Core Competency Reference Guide;
- variable compensation to encourage individual and collective performance for some employees, particularly managers, sales staff and experts;
- an international Group employee share ownership programme to give all employees a more meaningful stake in the company's performance.

Compensation offered exceeds the minimum wage (where one exists) in countries in which the Group is present. The pay ratios set out below are the fruit of a policy aimed at harmonising HR processes so as to promote fair treatment across all countries in which the Group operates:

- pay ratio with respect to the top 1% highest salaries in the Group: 98.6% of employees work in a country where the average of the top 1% highest salaries is less than 4.5 times the average salary in the country;
- senior executive pay ratio, detailed in Section 3.2, "Pay ratios" in Chapter 3, "Corporate governance" of this Universal Registration Document (pages 100-102).

Pay ratio: Average top 1% of salaries/Average annual salary	% in 2021 (1)	% in 2022 (2)	% in 2023 (3)
Under 4.5	86.89%	98.63%	98.62%
4.5 ≤ x ≤ 5	11.70%	0.00%	0.00%
Over 5	1.40%	1.37%	1.38%

(1) 99.8% of the Group workforce (excluding Cassiopae Tunisia, interns and acquisitions).
(2) 99.9% of the Group workforce (excluding interns and acquisitions). Data recalculated in 2022.
(3) 89.6% of the Group workforce (excluding interns and acquisitions).

Employee share ownership

At 31 December 2023, all the investments managed on behalf of employees accounted for 6.5% of the share capital (vs 6.4% at 31 December 2022) and 8.2% of voting rights (vs 8.1% at 31 December 2022).

Under the We Share 2023 plan agreed by the Board of Directors on 11 January 2023, participating employees acquired 189,750 shares (with one free share awarded for each share purchased).

This new plan was implemented in the first half of 2023 under the same conditions as the previous We Share plans, given their success. Under this new plan, employees received a matching contribution of one free share for every share purchased. The plan was limited to a total of 200,000 shares: 100,000 shares purchased by employees and 100,000 matching free shares granted by Sopra Steria. Under these plans, employees must purchase their shares on the market.

These plans are in keeping with Sopra Steria's continuing aim to give employees the opportunity to share in the success of the Group's corporate plan and performance over the long term. They help recognise the commitment of Sopra Steria employees to the goals set by the Group. In addition to their motivational power, employee share ownership plans help foster a sense of belonging and inclusion, since around 96% of the total workforce is eligible for these Group-wide programmes.

Achievements: 2022–2025 performance indicator

Target and achievements	2021	2022	2023
Workforce aged under 30 in post throughout the year	21.3%	21.6%	23.7%
Increase the % of employees under 30	-4.5 points	+0.3 points	+2.1 points

2022-2025 performance indicator target: Increase the % of employees under 30.

2.6. Developing employees' expertise and expanding their skills to support career development

The digital revolution, the widespread adoption of hybrid work models inspired by the persistent rise in remote working, the expectations of younger generations and today's uncertain environment all mean that we must constantly strengthen our employees' skills. The accelerating pace of technological innovation can result in significant disruption, one example being the breakthrough in generative artificial intelligence in 2023. Such developments quickly permeate the digital sector, creating a constant flow of new opportunities. It is estimated that nearly 85% of jobs that will exist in 2030 have yet to be invented. [1]

In order to respond to these challenges, it is important for the Group to work towards being a learning company. This model includes maintaining and developing skills as part of the corporate culture while anticipating changes in the industry.

Efforts to maintain and develop employees' skills are underpinned by two key policies: human resources and training. These policies serve the corporate plan and strategic direction, with the goal of ensuring that the Group has access to the appropriate skills at all times and in all places, particularly as project cycles accelerate. If the company is to deliver on its corporate plan, it is essential that all employees undertake ongoing training.

Backed by these policies, the Group Core Competency Reference Guide provides a shared framework for understanding the Group's professions, appraising employees and supporting career development. These two policies and the Core Competency Reference Guide are among the Group's key skills development tools and are designed to meet four challenges:

- constantly improve our ability to meet client expectations and serve the Group's strategy;
- maintaining and developing skills at the leading edge of technological and business expertise;
- maintaining employability;
- maintaining a shared culture of purpose that strengthens relationships within the Sopra Steria community.

(1) Source: "Emerging technologies' impact on society and work in 2030", Dell Technologies and Institute for the Future.

To illustrate the trend towards learning, the following table shows selected key figures for training hours in 2023 (excluding work-linked training students and interns):

Training hours	2020		2021		2022		2023	
Total number of hours and average hours per employee	1,207,065	27	1,219,922	27	1,537,505	33	1,654,050	34
Total number of hours and average hours per female employee	374,536	26	378,547	27	499,332	33	581,205	37
Total number of hours and average hours per male employee	832,528	27	841,375	27	1,038,173	33	1,072,845	33

Group training expenditure in 2023 was 4.8% of total payroll expenses (vs 4.1% in 2022) across 88.2% of the relevant scope (Africa, Europe, Asia and the Americas, vs 82.6% in 2022: Africa, EU and India).

In France, training expenditure was 6.6% of total payroll, vs 5.2% in 2022.

Maintaining and developing skills: 2023 saw an increase in efforts to pool resources and streamline processes, with the availability of a range of structured training courses and a strengthened learning organisation model.

Actions	2023 achievements
Managing future operational risk by rolling out the People Dynamics approach,	**Rolled out to all geographies**
Broken down into three key actions: **1) Identify far-reaching changes affecting our businesses** over the next one to three years (emerging jobs where there is positive pressure, and/or that are sustainable or sensitive)	**Planning for business transformation** All business areas are covered by professional development paths to track employee skills development and their career development. In addition to professional development paths, à la carte training is available in some business areas and at some levels. The Academy regularly creates new professional development paths and overhauls existing development paths. This approach is designed to offer employees training that supports long-term skills development as they progress from level to level within their business area. Training paths are designed using a project-based approach with its own dedicated organisational structure (with a sponsor, an internal project owner and in-house business line specialists involved in designing modules and delivering training). These paths also make use of digital platforms to provide additional training materials. The content of the training offering takes into account the findings of the "people dynamics" approach in 2023, particularly in relation to medium-term skills requirements. This change relates to the following objectives: ■ boosting the development of technical skills and certifications (agility, cloud computing, AI data, responsible digital technology, green IT, accessibility, SAP); ■ continuing to roll out technical training courses (solution-building, ARC), with adjustments as needed to support individual projects and intakes; ■ continuing to develop business and industry expertise; ■ continuing to identify new skills to maintain employability.
2) Draw up HR action plans for acquiring, maintaining and developing required current and future skills	**Supporting employee growth** 6,327 employees promoted, 35.0% of them women (vs 6,935 employees promoted in 2022, 33.3% of them women) The number of promotions represents 13.2% of the permanent contract workforce who were with the Group throughout the year (vs 14.0% in 2022).
3) Providing a common performance appraisal system based on ongoing dialogue between employees and their managers and resulting in an individual development plan Plus a HRIS to facilitate oversight and decision-making.	**Highlights in 2023: The Academy finalised and rolled out a number of new professional development paths** ■ Consulting: Modules for directors and senior directors were developed in 2022 and rolled out in 2023. ■ Sales: Rolling out a training path designed to provide individual support to sales managers. This path measures drivers of sales performance and effectiveness. ■ Project Management: redeployed a course aimed at improving project delivery skills. ■ Architecture: "Experienced Solutions Architect" training path. ■ Business Analysis: Redeployed the training path to support business analysts. ■ Solution Builders: overhauled the Software Craftsmanship course to enable it to be rolled out more quickly to a broader target audience and rolled out the new SB3 Springboard to support employees making the transition to management roles. ■ Engineering: created and rolled out a springboard course targeted at all new graduate employees working in production areas. This course provides an opportunity to embed industrial software development practices and support employees making the transition to management roles. 100% of scope

Actions	2023 achievements
Supporting both short-term performance and the corporate plan, with two key priorities: **1) Internationalising the offering:** instil a shared corporate plan, fundamentals (values, basics and governance principles) and compliance rules across the Group and carry over the business line and technical training paths	**The training offering has been rolled out internationally, with 5,820 sessions (excluding country-specific sessions) a year, broken down as follows:** Training in English: 720 sessions per year, i.e. 60 sessions per month and 79,500 hours – Target for 2023: 70 to 80 sessions per month Training in French: 5,100 sessions per year, i.e. 425 sessions per month and 415,000 hours **Highlights:** ■ designed and rolled out international certificate courses targeted at Architects; ■ rolled out a course targeted at Project Managers; ■ rolled out a vocational course targeted at Sales staff.
	The Management & Leadership programme aims to develop a shared leadership culture and help managers understand the Group's strategic priorities
2) Management & Leadership programme rolled out to all Group managers (launched in France in 2021 and gradually rolled out Group-wide in 2022 and 2023)	**Highlights:** ■ ran the first dedicated new technology seminar targeted at all senior executives; ■ designed and rolled out skills development courses targeted at High-Fliers; ■ rolled out motivational management training in France, India, Spain, Poland and Norway; ■ rolled out "Embodying Group values in day-to-day management" course in France targeted at middle management.
Driving sustainable performance by promoting self-directed learning, knowledge-sharing, experimentation and on-the-job learning Help employees continuously refresh their knowledge to boost their employability and meet clients' demands Gaining and passing on knowledge must become a key part of our day-to-day activity	Knowledge transfer (both behavioural and technical) is supported by, inter alia, training events led by in-house trainers who embody the Group's values and promote the highest standards of professional excellence. 15.4% of training hours in "Innovation and digital transformation" modules, vs 15.6% in 2022 207,819 hours of professional training in our business lines. **Highlights for the Group:** ■ achieved a 50% increase in the number of cloud-related certifications across the three major solutions in the market (AWS, Microsoft Azure and Google Cloud Platform); ■ rolled out an AI training course for employees in the Consulting business line. This course will be rolled out to all employees in 2024; ■ designed and rolled out a new Digital Sustainability course to French-speaking employees. The English version of this course will be rolled out in 2024; ■ revised the application security training offering to run on a specialist digital platform. To boost the number of employees taking this course, the Group will invest in 50% more licences in 2024; ■ 4,000 licences available on the digital programming language and technology learning platform. **Learning World Tour**: for its third outing, this event, aimed at all employees, brought together 2,300 learners from 16 countries to explore the topic "Skills for a greener future". **Learning month:** a new event offering employees daily micro-learning sessions over a period of one month. Over 3,600 employees completed training in three strategic areas: technologies, teamworking and leadership, and personal development (soft skills). **Peer Learning Week:** a new event designed to promote skills transfer between colleagues via daily webinars aimed at in-house trainers, focusing in particular on the educational use of AI, and a video challenge for all employees. 100% of scope: Group

2022-2025 performance indicator targets

- Increase number of hours' training in "Innovation and digital transformation" modules from 14% to 20% of total training hours.
- Boost the proportion of professional training for our business lines: increase from 160,000 to 200,000 hours (i.e. +25%)
- Deploy the Group's Management & Leadership programme to all entities and countries (launched in 2022)

2.7. Ensuring equal opportunity and promoting diversity and inclusion

The Group reaffirms its commitment to combat discrimination, based on the principle of equal opportunity. The Group is keen to create a caring environment where everyone works together to foster inclusion and well-being. As such, it endeavours to recruit employees from a diverse range of backgrounds and to treat everyone fairly.

This approach is underpinned by five inclusive policies:

- a gender equality policy aimed at increasing the proportion of women and expanding their representation at every level of the organisation;
- a disability policy aimed at recruiting and keeping people in employment irrespective of their disabilities;
- an intergenerational policy aimed at attracting talented young people while promoting knowledge transfer between generations;
- a policy promoting diversity and access to employment for young people from disadvantaged and rural areas, aimed at diversifying our recruitment, fostering social openness and Sopra Steria's positive impact;
- an LGBT+ policy aimed at ensuring that everyone has the same opportunities to flourish and succeed within the Company, irrespective of gender identity, appearance or sexual orientation.

The Group's commitment to non-discrimination is reflected in its having signed a number of national and international charters and corporate giving agreements it considers high-priority to support a proactive approach and work to promote diversity:

Topic	Charters signed
Workplace gender equality	UN Global Compact Women's Empowerment Principles (2021-2023 corporate giving agreement) in partnership with UN Women France Corporate Parenthood Charter created by the Observatoire de la Qualité de Vie au Travail (OQVT) signed in 2022 GEEIS (Gender Equality European & International Standard) accreditation secured in 2022 (valid for four years and reaudited after two years) New UNI:PdR 125 gender equality certification secured in Italy in 2023 Numeum ethical AI charter [(1)] signed in 2022.
Recruiting and promoting people with disabilities	Member of the ILO Global Business and Disability Network since 2021
Diversity and social openness	Diversity Charter: ■ Germany, France and Norway: signed in 2021 and renewed annually; ■ United Kingdom: signed in 2018 and renewed annually; ■ Belgium: signed in 2022 and renewed annually. Manifesto for greater diversity and inclusion in the cybersecurity profession, supported by the Cyber Centre of Excellence, signed in 2022.
Non-discrimination against LGBT+ people at work	L'Autre Cercle charter in France, signed for 2021-2023, with a target of establishing a framework for combating workplace discrimination based on sexual orientation or identity Signed up to the Employers for Equality programme in Germany in 2022 Parks Liberi e Uguali: Joined in Italy in 2022

2.7.1 PROMOTING GENDER EQUALITY

The Group's **gender equality policy** is designed to ensure fair treatment and support women in their career development at every level of the Company. To promote workplace gender equality within the Group, the Executive Management:

- sets quantitative targets,
- gender is taken into account within human resources processes,
- training and awareness campaigns are implemented,
- specific actions have been put in place with the ultimate aim of ensuring that women and men are equally represented at all levels of the Company's organisation.

Ensuring equal pay to women and men for work of equal value

As regards compensation, specific measures aimed at preventing and correcting unjustified pay gaps have been put in place across the Group. Systematic verifications of fair treatment are performed by entities' management teams, and monitored directly by the Human Resources Department, in liaison with the Corporate Responsibility Department, in the form of biannual and/or annual pay reviews carried out to ensure that men and women receive equivalent compensation for roles with equal levels of responsibility. To ensure fair compensation, the Group applies a methodology for analysing gender pay gaps that is signed off by representatives of management and staff. This analytical approach is supported by systems that facilitate oversight and decision-making.

In France, Act 2018-771 of 5 September 2018 on the "freedom to choose one's professional future" introduced a score out of 100 ("index") consisting of five criteria relating to gender equality gaps and the steps taken to eliminate them. The five criteria are as follows: pay gaps; differences in the rate of individual salary increases excluding promotion; differences in the rate of promotion; percentage of employees receiving a pay rise during the year in which they returned from maternity leave; and number of employees of the least represented gender among the top ten highest-paid employees. The French Ministry of Labour has been publishing these scores on its website annually since 2019 and the detailed results are also updated and available on the Group's website.

(1) Numeum: Numeum is the trade union and industry body representing France's digital ecosystem.

On the first criterion, the Group scored 39 out of 40, equating to a difference of less than 1% in favour of men. The Group achieved the maximum possible score on the second, third and fourth criteria (salary increases, promotions, and equal treatment for women returning from maternity leave). The total score in 2023 was 89 out of 100 for the economic and employee unit (UES), equivalent to the 2022 score with an extended scope.

Additional quantitative indicators for the proportion of women in the Group's workforce are also monitored by Executive Management. Improvements were recorded across all criteria, with the exception of those relating to the proportion of women in senior management positions. Corrective measures will be implemented in this area. The proportion of women in the Group's workforce was slightly up, at 33.5% in 2023 compared with 33.1% in 2022. Women held 33.5% of engineering, consulting and project management positions, compared with 30.0% in 2022. It remains higher than the overall proportion of women in scientific careers (27%).

Proportion of women in the Group	2020	2021	2022	2023
Women on the Board of Directors	42.0%	42.0%	42.0%	40.0%
Women on the Executive Committee	12.0%	17.6%	20.0%	16.7%
Women in the 3% most senior positions*	15.5%	17.7%	19.1%	20.1%
Women in the 10% most senior positions**	18.6%	19.4%	20.4%	21.5%
Women recruited	34.0%	33.0%	34.3%	35.1%
Women in the workforce	32.5%	32.4%	33.1%	33.5%

** corresponds to women in level 5 and 6 positions*
*** corresponds to women in level 4, 5 and 6 positions*

Increasing the proportion of women in the workforce and in management positions

The Group has implemented a gender equality programme backed by Executive Management, "Together For Greater Balance", with the aim of identifying and highlighting their practices. This long-term programme is helping raise awareness of the need to increase the proportion of women in the digital sector, where they are significantly under-represented. It also aims to promote initiatives and success stories, which are gathered and shared throughout the year. They are made available via a dedicated platform accessible to all employees. The goal of sharing initiatives in this way is to inject fresh momentum by inspiring people and encouraging interaction between countries.

THE SIX TYPES OF INITIATIVES COLLECTIVELY IDENTIFIED AND IMPLEMENTED ARE AS FOLLOWS:

Actions	2023 achievements
1) **Setting quantitative targets** to track progress in the proportion of women in the workforce and in management positions (proportion of women recruited, in the workforce, promoted)	**Slight increase in the proportion of women:** Women now account for 33.5% of the workforce (vs 33.1% in 2022) **Increase in female new hires:** 35.1% of new recruits were women (vs 34.3% in 2022) **Digital skills retraining:** 35.0% of new recruits following retraining were women, vs 33.3% in 2022 (44.8% of scope: France and Tunisia) **Balanced ratio of men and women promoted within the Group:** 14.0% of women promoted (vs 12.8% of men) Of those promoted, 35.0% were women (vs 33.3% in 2022) **More women in the 10% most senior positions** (level 4, 5 and 6)**:** 21.5% were held by women (vs 20.4% in 2022) **More women in the 3% most senior positions** (level 5 and 6): 20.1% were held by women (vs 19.1% in 2022).
2) **Launching Group awareness campaigns** under the "Together for Greater Balance" banner, backed by Executive Management, to reaffirm the Group's commitment to gender equality	Annual Group **"Together for Greater Balance"** awareness campaign: 18,480 participants (vs 10,796 in 2022) **Highlight for the Group:** Launched live international "Inspiring Women by Sopra Steria" talks on the LinkedIn Live platform in 2022 and continued them in 2023. These talks are given by female Sopra Steria employees on topics such as defence and security, inclusive finance, cloud computing and artificial intelligence. In-house webinars are also run by male and female employees. They covered feedback on mentoring, initiatives by gender equality-focused networks and the impact of role models.
3) **Training employees at every level** to drive the cultural and behavioural changes needed to ensure women can advance (addressing the impact of stereotypes on decision-making processes, sexual harassment, sexism, etc.)	4,920 participants in training on gender equality-related topics (vs 3,514 in 2022) 96.1% of scope: Europe, Asia, Africa, Americas. **Highlights for the Group: Together for Gender Equality Tour** with multicultural sessions in five languages: 115 employees trained and first session aimed at 14 European and Indian CEOs in 2023 "Taking action to prevent sexual harassment and sexist behaviour": 4,092 employees trained since 2022. 81.2% of scope: Europe, Asia, Africa.
4) **Supporting career development** for women through mentoring programmes	Programmes supporting women to more quickly increase the proportion of women in management positions: in total, 298 women mentored (vs 171 in 2022) 94.0% of scope: Europe and India **Highlight in the United Kingdom:** Sopra Steria ranked one of the best places to work for women (Best Workplaces for Women).

Actions	2023 achievements
5) Promoting role models to inspire career choices through testimonials, talks, webinars, and internal and external multimedia campaigns involving inspiring women in the Group	**Highlight for the Group: "Together For Greater Balance" platform** promoting women with inspiring careers at Sopra Steria. Media campaign: #WomenWhoInspire in Spain; videos of inspiring women in Belgium
6) Promoting gender equality-focused networks to raise women's and girls' awareness of and attract them to the digital sector through events, in particular at schools (primary, secondary and beyond)	Over 4,000 members of gender equality-focused networks (Europe and India) working for greater gender equality in the digital sector by including more men in the approach Ongoing initiatives run by the Passer'Elles in-house network in France aimed at promoting gender equality in science and digital technology. **Highlight in the United Kingdom:** Signed up for the National Cyber Security Centre's CyberFirst programme. This programme is aimed at inspiring and encouraging students from all backgrounds to consider a STEM degree and/or a career in cybersecurity and to apply for a CyberFirst scholarship. Sopra Steria partnered with a girls' school to deliver IT classes and mentoring by female Sopra Steria employees.
Findings of the Great Place To Work survey	87% of employees (vs 88% in 2022) responding to the survey felt that "Staff are treated fairly irrespective of gender".

Increasing the proportion of women in senior management positions

Increasing the proportion of women in senior management positions is one of the Group's top three ESG priorities. In accordance with requirements laid down in the AFEP-MEDEF code, Executive Management has drawn up Group targets and put in place an operational governance structure.

The target population comprises:

- Group Executive Committee;
- "Upper management", corresponding to roughly the 3% of employees on permanent contracts belonging to the top two echelons (potential future Executive Committee members).

Actions	2023 achievements
Promoting female talent to identify them and facilitate their access to the highest levels of the organisation	15.5% of those promoted at the highest echelons (level 5 and 6) of the organisation were women, in line with the overall proportion of women in the workforce.
A recruiting plan to help meet the targets for female representation at the levels concerned alongside internal promotion procedures	35.8% of female new hires were recruited into positions in the highest echelons (level 5 and 6) in France.
Adjustments to HR and management practices to promote gender equality	Implemented recruitment targets Targets for bringing more women into senior management positions included in the criteria used to determine the variable component of management compensation.
Initiatives aimed at supporting and promoting female talent to encourage them and secure their move into senior management positions by setting up specific training, coaching and mentoring programmes	Put in place a mentoring scheme (298 women mentored) **Highlight in the United Kingdom: Introduction of the Women in Leadership programme** to help talented women rise to the very top of the organisation.

2021-2025 performance targets

The main aim is to ensure that women and men are equally represented at all levels of the Company's organisation, particularly in leadership roles and among senior executives involved in decision-making processes relating to key strategic issues for the Company's supervision and management. Due to the continuing implementation of France's "Rixain" law, which aims to more rapidly achieve financial and professional gender equality, the Company will soon be required to revise the targets set across the organisation and their achievement dates in order to factor in challenges relating to recruitment in the sector, without scaling back the Group's long-term goals. The Company has published detailed results regarding the gaps in representation between men and women among senior executives and members of management bodies under the "Rixain" law on its website.

At a meeting held on 28 January 2021, the Group's Board of Directors set the following targets to be achieved across the Group by 31 December 2025 at the latest:

- At least 30% of Executive Committee positions to be held by women by 2025;
- At least 20% of senior management positions (level 5 and 6 representing the 3% most senior positions) to be held by women by 2025.

The target of 20% of level 5 and 6 positions being held by women has been exceeded: at 31 December 2023, 20.1% of these positions were held by women. Executive Management suggested to the Board that this target be revised and set at 22% by 31 December 2025. On the recommendation of the Nominations, Governance, Ethics and Corporate Responsibility Committee, the Board unanimously approved this target.

Highlight: In 2022, Sopra Steria secured Gender Equality European & International Standard (GEEIS) accreditation, developed by ARBORUS and audited by Bureau Veritas Certification. This is an international standard that is recognised around the world. It is used to evaluate HR policies from a gender equality perspective based on a shared framework covering all business types and geographies. This accreditation recognises the Group's progress on gender equality over a period of many years.

In 2023, Italy also secured a new UNI:PdR 125 gender equality certification.

2.7.2. FOSTERING EMPLOYMENT AND RETENTION OF PEOPLE WITH DISABILITIES

The disability policy implemented within the Group aims to favour the recruitment and retention of people with disabilities through innovative initiatives in the areas of hiring, adapting the work environment, training and awareness.

The Group is committed to complying with local legislation, regulations and recommendations regarding employment of people with disabilities. As a member of the ILO Global Business and Disability Network, an initiative run by the International Labour Organization (ILO), the Group also takes part in the sharing of best practices to improve the recruitment and induction of employees with disabilities around the world.

Differences in how disability is defined from country to country mean we were not able to collect consistent and comparable data at Group level in 2023.

Actions	2023 achievements
Fostering access to employment for people with disabilities	1,190 employees with a disability 93.5% of scope: Africa, Europe and India In France, the Group had 697 employees with disabilities of which 284 women (40.7%) and 151 people with disabilities were recruited over 2021-2023. **Highlight in France: :** following the 2021-2023 company-level agreement promoting the employment of workers with disabilities, a further agreement was signed for the 2024-2026 period. Percentage of employees with a disability: 3.60% (vs 3.30% in 2022) 43.5% of scope: France.
Supporting employees with disabilities	Year-round plan to attend to the needs of employees with disabilities. More than 2,119 employees are currently receiving assistance in France. In 2023, over 740 employees with disabilities received support from *Mission Handicap*, the Group's disability task force.
Delivering training and awareness-raising to foster access to employment for people with disabilities	8,528 participants in training on disability-related topics 91.8% of scope (Europe, Asia, Africa) 11,915 participants in training and awareness-raising initiatives 93.3% of scope (Europe, Asia, Africa) 100% of recruiters trained in taking disability into account during the recruitment process 53 disability officers appointed by the joint committee to act as local representatives of *Mission Handicap*, the Group's disability task force.
Facilitating access to higher education for secondary school and university students	Supported 62 secondary school students as part of the HandiTutorat academic tutoring programme (more than 450 students have received support since 2013). 31 grants awarded to students with disabilities (annual programme) All grant applications received were approved.
Supporting the development of the sheltered employment sector	Facilitated inclusive purchasing: ■ procedure for purchasing from sheltered employers; ■ catalogue of suppliers in the sheltered employment sector; ■ partnered with the national UNEA network of sheltered employers; ■ all buyers trained in inclusive purchasing.
Encouraging innovation to make day-to-day life easier for people with disabilities	Challenge Innovation Awards: Two projects selected for the 2022 awards and led by employees Employees took part in fostering the emergence of solutions that improve day-to-day life and increase independence for people with disabilities

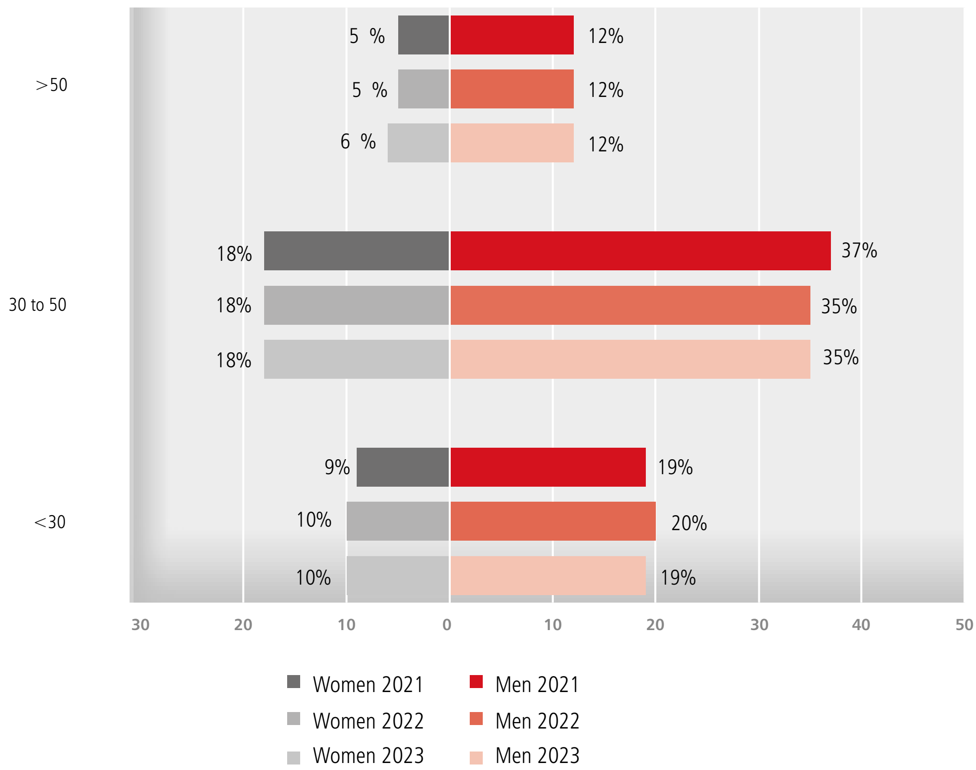
2021-2025 performance indicator target: Increase the proportion of employees with disabilities from 2.96% to 3.30%. **Target exceeded.**

New 2022-2025 performance indicator target: Increase the proportion of employees with disabilities from 3.30% to 3.50%. **Target exceeded.**

2.7.3. ENSURING INTERGENERATIONAL DIVERSITY WITHIN THE GROUP

The intergenerational policy in place within the Group aims to attract talented young people while ensuring that different generations continue to be represented. The Group promotes knowledge and skills transfer – a key component of its intergenerational policy – by appointing a mentor for every new recruit aged under 30. The age pyramid illustrated below shows a breakdown of the Group's workforce (excluding acquisitions) by age. The distribution by age bracket is evenly balanced between under-30s and over-50s across the Group. Local differences chiefly reflect the nature of the Group's main activities in each country.

AGE PYRAMID: 2021-2023 (EXCLUDING ACQUISITIONS)



Actions	2023 achievements
Maintaining a balanced age representation	29.1% of the workforce was under 30 years of age (compared with 30.0% in 2022) and 17.9% was over 50 (compared with 17.3% in 2022)
Facilitating the transition to retirement	Introduced a phased retirement system to facilitate the transition to retirement Retirement information sessions: 930 participants 43.5% of scope: France

2.7.4. PROMOTING DIVERSITY AND ACCESS TO EMPLOYMENT FOR YOUNG PEOPLE

The diversity and youth employability policy implemented within the Group aims to ensure access to education for all and integrate young graduates into the world of work. This policy is in line with the principle of equal opportunity. It is geared towards recruiting and developing young talent. The Group has undertaken the specific actions set out below, with a particular focus on young people from disadvantaged and rural areas.

Actions	2023 achievements
Providing career guidance: inform students about our business as soon as they enter secondary school	129 secondary school students from disadvantaged areas hosted for their fourth-year job shadowing experience (vs 547 in 2022) to learn about jobs in the digital sector and demystify algorithms, in partnership with the non-profit organisation Tous en Stage in France (43.5% of scope). **Highlight in India:** Guidance, mentoring and academic support is available to students, as is help in preparing for exams.
Reaching out and building relationships: help young people of secondary school age familiarise themselves with the business world	141 mentors and sponsors to provide secondary school students with year-round support in France and India (55.7% of scope).
Fostering inclusion and access to employment: Foster inclusion and reintegration into employment for young people in long-term unemployment	249 young people helped back into work through tailored training focused on working in the digital sector. (220 in France and 29 in Tunisia) 37.3% women (commitment under the Numeum France "Manifesto for retraining women to work in the digital sector") 44.8% of scope: France and Tunisia.
Training and awareness-raising in non-discrimination	29,717 participants in training on non-discrimination-related topics in 2023 (vs 20,845 in 2022) 98% of scope: Africa, South America, Europe 100% of staff involved in recruitment in France trained in non-discrimination: participation in a mandatory module and awareness sessions on non-discrimination for operational recruiters.
Findings of the Great Place To Work survey	**93%** of employees (vs 93% in 2022) responding to the survey felt that "Staff are treated fairly irrespective of ethnic origin".

The Group runs **digital skills retraining programmes** tailor-made to help people in long-term unemployment back into work.

The Group has for many years undertaken a range of annual digital skills retraining campaigns aimed at people in long-term unemployment in France. These annual campaigns are run in partnership with employment support organisations such as Ensemble Paris Emploi Compétences (EPEC), the Pôle Emploi public employment centres and, more recently, non-profit organisation Diversidays. This organisation created the *Déclics Numériques* programme. This digital skills retraining programme is aimed at people in long-term unemployment from disadvantaged and rural areas. Sopra Steria participates in this programme by providing testimonials and offering permanent contract positions.

Highlight: Since 2018, the Group has been running a four-year retraining programme for jobseekers in Tunisia. Candidates recruited hold bachelor's degrees or equivalent and receive help towards obtaining a postgraduate engineering degree. They are put on permanent contracts at the outset of the programme and have access to individual support. The programme is mainly focused on providing scholarships to fully cover study costs and personalised mentoring to ensure successful integration. This approach is rounded out by a dedicated training plan.

In 2023, the first intake successfully completed the programme, with 29 engineers graduating, 44.8% of them are women.

Goal for 2023: Rerun initiatives and strengthen momentum at Group level.

2.7.5. PROMOTING AN INCLUSIVE WORKPLACE FOR LGBT+ EMPLOYEES

The **LGBT+ policy** in place within the Group is designed to ensure that every individual's uniqueness is respected. Specifically, the policy covers the following commitments:

- preventing all forms of discrimination linked to sexual orientation or gender identity;
- ensuring that all employees are free to be themselves and don't need to hide their sexual orientation or gender identity while at work;
- ensuring that all employees are treated equally irrespective of their sexual orientation and gender identity. Supporting employees who are victims of discriminatory speech or actions.

Actions	2023 achievements
Training and awareness-raising	Ran an in-house awareness campaign; set up a dedicated intranet space
Fostering in-house networks	In France, LGBT champions are on the lookout for instances of "LGBT phobia" In-house networks rolled out in Norway (146 members) and the United Kingdom (375 members)
Findings of the Great Place To Work survey	**94%** of employees responding to the survey felt that "Staff are treated fairly irrespective of sexual orientation"

2.8. Guaranteeing a quality working environment for our employees

Sopra Steria Group places people at the heart of everything it does. The Group's **workplace health and safety policy** aims in particular to safeguard the health and safety of each of its employees and ensure that everyone is treated with dignity and respect at work. This policy complies with regulatory requirements in each country where the Group is present. It forms part of a preventive approach to occupational risks. It is also aimed at protecting employees' and subcontractors' health and safety as well as improving their working conditions. It contributes to workplace well-being at Group sites, client sites and remotely, and to work-life balance.

This policy of prevention and support is based on a systematic approach underpinned by an action plan and specific achievements:

Actions	2023 achievements
Training and awareness-raising to identify and safeguard against occupational risk and promote well-being at work	17,538 employees trained in health and safety issues as part of the TechCare programme (vs 18,042 in 2022) 78.5% of scope (Europe)
Providing employees with a psychological counselling and support unit that is independent and can be accessed anonymously, confidentially and free of charge at any time	Listening, support and psychological well-being unit rolled out accross 94.0% of scope (Europe and India)
Providing employees (including expatriates) with protection covering travel and repatriation insurance	Global business travel assistance programme for employees, including expatriates. 100% of scope
Forming a network of stakeholders working in the field: social workers, nurses, occupational health staff, ergonomics specialists, advisors, managers, staff representatives, etc.	Stakeholder network: 100% of scope
Ensuring employees are satisfied with their pace of work	Remote working in place in all geographies: 2 to 3 days' remote working per week depending on the context Voluntary part-time working: 5.9% (vs 6.0% in 2022) Part-time working is never obligatory.
Managing teams supportively and valuing day-to-day work	Training programme to support managers (hybrid working) and available tools (practical guides, coaching, etc.)
Findings of the Great Place To Work survey	**95%** (vs 95% in 2022) of employees responding to the survey felt that "Safety conditions are appropriate". **88%** (vs 88% in 2022) of employees responding to the survey felt that "I can take leave when I consider it necessary".

The training and awareness-raising programme TechCare aims to prevent accidents, improve health and safety and promote workplace well-being and work-life balance. This multimodal programme (consisting of virtual classes, e-learning, webinars, guides, etc.) is tailored to various target audiences (recruiters, employees, managers, psychosocial contacts, assistants, etc.). It is structured around three key areas:

- **health and safety** to safeguard against physical and psychological risks: Fire safety, what to do in the event of an accident, screen work, preventing psychosocial risks, etc.;
- **well-being at work** to guarantee a healthy work environment, encourage employees to engage in physical activity and sport, take care of themselves and others, and manage their emotions through a range of offerings, from relaxation, ergonomics and yoga workshops to webinars on ways to protect themselves from stress, sedentary behaviours, screen time and repetitive movements, as well as guidance on learning how to switch off;
- **supporting new hybrid working patterns**: Remote management, managing employees on-site, etc.

This programme has been strengthened in France with the addition of the "*Prevention passport*", which consists of five e-learning courses on identifying and preventing high-risk situations. The five topics covered are road safety, screen work, fire safety, risk prevention and psychological risks.

Highlight 2023: Sopra Steria participates in the *Working with Cancer* initiative and is committed to supporting employees facing illness. The goal is to foster a healthy and supportive working environment where those facing serious illness feel able to talk about their situation, if they so wish, to enable the Group to better support them. Sopra Steria adopts a proactive stance in this area and has taken preventive steps and action to support employees with solutions tailored to their needs.

Group Indicators	2020	2021	2022	2023
Absenteeism rate (%)	N/A*	2.7	2.8	2.4
Lost time injury frequency rate (LTIFR)	N/A*	0.12	0.15	0.27
Total recordable injury frequency rate (TRIFR)	N/A*	0.21	0.41	2.95

**N/A: Not available.*
81.1% of scope: Germany, Belgium, Côte d'Ivoire, Denmark, United Arab Emirates, Spain, France, Morocco, Norway, Poland, United Kingdom, Senegal, Switzerland, Tunisia.

Indicators: France	2020	2021	2022	2023*
Absenteeism rate (%)	2.5	2.7	3.1	2.5
Occupational illnesses (number)	2	2	1	1
Frequency rate of workplace accidents	1.26	0.89	1.24	2.62
Severity rate of workplace accidents	0.013	0.013	0.017	0.047

**43.5% of scope: France*

Target for 2024: Continue to roll out the TechCare programme.

2.9. Maintaining constructive labour relations

Labour relations are a key driver of performance for an economy in support of an inclusive collective underpinned by the Group's values. The Group's adhesion to the UN Global Compact is in keeping with its commitment to uphold freedom of association and recognise the right to collective bargaining, in line with the principles of the ILO's eight fundamental conventions.

Sopra Steria seeks to implement measures intended to improve professional relations between the company and its employees even in countries that do not have an institutional framework governing the recognition of employee representatives' status. Non-discrimination policies and procedures are implemented with regard to employee representatives.

Against this backdrop and in accordance with legislation in force in each country where the Group operates, Sopra Steria is committed to establishing constructive dialogue with employee representatives regarding labour relations. This dialogue covers matters relating to corporate strategy and the company's business, financial and employee policy.

In the event of a reorganisation project, Group companies place a priority on taking responsible action to support change and guide transformation, in collaboration with employee representatives. Along these lines, companies can put in place a range of support and professional development measures, including mobility and training opportunities.

The initiatives brought about by collective bargaining increase employees' sense of belonging and improve working conditions, ensuring that all staff are committed to the corporate plan and that the challenges posed by digital transformation are met.

The Group supports and advocates these principles in its code of ethics, available on the Group website and thus accessible to all stakeholders.

Responsibility for labour relations in each country lies with the Chief Executive Officer and the HR Director. They are responsible for:

- holding regular updates with representatives of management and staff to respond to employee expectations;
- putting in place all bodies required by legislation in force in their country.

Collective agreements	2023 achievements
Agreements signed (number)	36 foundational labour agreements signed and implemented in 2023 (vs 48 in 2022).
Agreements in force (number)	364 agreements in force in 2023 (vs 360 in 2022).
Scope covered by a company-wide agreement	78.5% of employees in 2023 (vs 72.1% in 2022).

In Europe, agreement was reached in 2022 to create a European Works Council (EWC) for the Group. The EWC was set up in 2023 as a strategic forum for employee representatives and labour relations at the European level. Its goal is to ensure that employees in European Union and European Economic Area countries receive the information to which they are entitled and are duly consulted on issues of a cross-border nature. It met twice in 2023.

Target for 2024: Maintain momentum on constructive labour relations to support the Group's development, successfully implement new agreements and establish the European Works Council, appointing members from each eligible country.

3. Environmental responsibility: Taking action by drawing on our value chain and ecosystem

Climate change is one of the biggest challenges facing humanity. As such, governments, businesses and civil society must work together to protect future generations.

The European Union has responded to the United Nations appeal aimed at keeping global warming below 1.5°C by passing a law that includes a requirement to achieve a net-zero emissions economy by 2050.

As a European group and major player in the digital and tech sectors, over the past ten years Sopra Steria has focused its environmental policy and programme of action on protecting the environment. This programme covers reducing greenhouse gas emissions, contributing to the circular economy, taking account of biodiversity and engaging with stakeholders along the Group's entire value chain. Sopra Steria aims to ensure that environmental best practice is integrated into the Group's operations, services delivered to clients and supply chain. The Group has for several years been a leader on climate action and environmental protection.

Sopra Steria is committed to making climate action and environmental sustainability part of its standard behaviour and actions, using digital technology as a catalyst for the development of solutions capable of playing a proactive role in creating a sustainable world for all.

Through our environmental roadmap, we are directly or indirectly contributing to the following SDGs: 6, 7, 8, 9, 11, 12, 13, 14, 15 and 17.

3.1. Environmental strategy

Sopra Steria endorses UN objectives and those set by the EU supporting the transition to a net-zero emissions economy by 2050. The Science Based Targets initiative (SBTi) validated the Group's medium- and long-term targets for reducing GHG emissions from direct activities. Results against these targets are independently audited every year. The Group is also a participant in the UN's Climate Neutral Now programme in relation to its direct activities (offices, data centres and business travel) and achieved Climate Neutral Now certification for this scope.

3.1.1. KEY MILESTONES IN THE GROUP'S ENVIRONMENTAL POLICY

2012	**Certified offsetting** of GHG emissions from **business travel**
2013	First listed company in France to be awarded a CDP Climate Change score of 100A
2015	**Certified offsetting of GHG emissions from direct activities** arising from business travel, offices and on-site data centres
2017	Group greenhouse gas emissions reduction targets aligned with 2°C **approved by SBTi**
2019	Group greenhouse gas emissions reduction targets aligned with 1.5°C **approved by SBTi**
2020	Joined the **UN's Climate Neutral Now programme Certified offsetting of greenhouse gas emissions** from the Group's office and data centres via afforestation projects with a positive impact on biodiversity and local development
2021	Integration of business travel offsets into the **UN's Climate Neutral Now programme.** Offsetting of GHG emissions from offices, data centres and business travel through afforestation projects
2022	**CDP Climate Change A List for the sixth year running** **SBTi Net-Zero 2040** targets submitted to SBTi for approval in accordance with the new long-term standard
2023	Approval of the Group's new SBTI Net-Zero 2040 targets. Energy Savings Plan: reduction of energy consumption in offices by 20% in 2023 compared with 2021, exceeding the original target of -10%. **CDP Climate Change A List for the seventh year running.**

3.1.2. ADOPTION OF TCFD AND CDSB RECOMMENDATIONS AND SCENARIO ANALYSIS

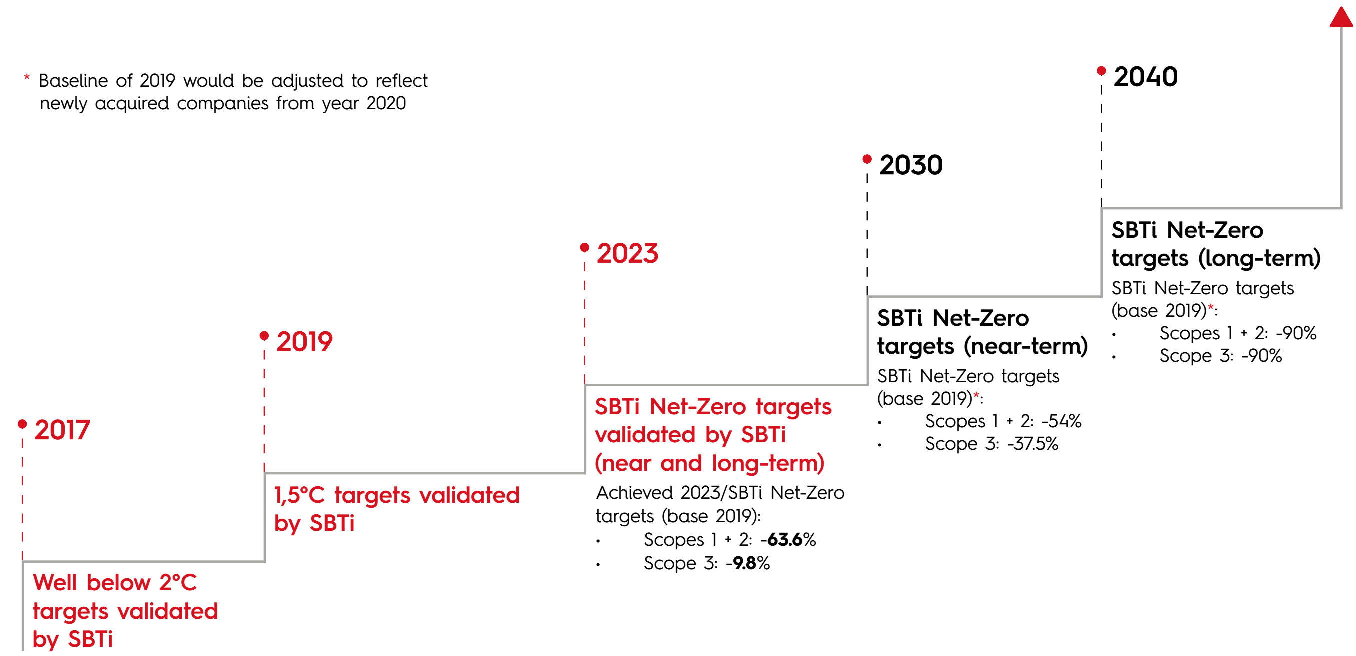
Sopra Steria continues to improve its environmental disclosures, reporting on its governance, strategy, risk management (including both risks and opportunities) and its policy's metrics/targets, in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Sopra Steria uses the framework developed by the CDSB (Climate Disclosure Standards Board, recently consolidated into the International Financial Reporting Standards Foundation) to demonstrate compliance with TCFD recommendations. This information is set out in the SDG/Global Compact/GRI/TCFD-CDSB cross-reference table (pages 185-187).

Sopra Steria has analysed the consequences of two climate scenarios, in both qualitative and quantitative terms: the Sustainable Development Scenario (SDS) developed by the International Energy Agency (IEA), which is aligned with the Paris Agreement; and the RCP 8.5 "business as usual" scenario developed by the Intergovernmental Panel on Climate Change (IPCC).

3.1.3. PROGRESS TOWARDS MEETING THE LONG-TERM TARGET OF NET-ZERO EMISSIONS

TRAJECTORY TOWARD NET-ZERO EMISSIONS

Key milestones on the way to achieving SBTi's long-term net-zero emissions targets.



For over 10 years, Sopra Steria has worked on reducing emissions from its direct activities (offices, data centres and business travel). Since 2017, Sopra Steria's programme of actions has covered its entire value chain (Scope 3 including purchases of goods and services – a category that accounts for over 80% of all emissions in this scope).

SBTi unveiled its first Net-Zero Standard at COP26 in Glasgow in late 2021. Sopra Steria was one of the companies invited to test the new standard. Since being actively involved in this testing, in 2022 the Group submitted its long-term 2040 net-zero emissions target, covering its entire value chain (with a maximum capped at 10% carbon offsets in 2040), to SBTi for approval. Sopra Steria will also continue to participate in the UN's Climate Neutral Now programme in relation to its direct activities (offices, data centres and business travel). In 2022, the Group achieved Climate Neutral Gold status for the "Measure" and "Reduce" steps and Silver status for the "Contribute" step. The Group's objectives and targets are summarised below:

TARGETS

SBTi trajectory	2019	2021	2022	2023	2030	2040
	Results				Targets	
Target 1*: Reduce absolute GHG emissions from Scopes 1 and 2 (baseline: 2019)			-43.7%	-63.6%	-54%	-90%
Past target: Reduce GHG emissions per employee (Scopes 1, 2, 3-6 and 3-8) (baseline: 2015)	-36.7%	-83.5%	-75.7%	-74.5%		-85%
Target 2: Reduce absolute GHG emissions from Scope 3 (baseline: 2019)			-14.1%	-9.8%	-37.5%	-90%

** The annual reduction in emissions intensity is the same for the new SBTi Net-Zero targets as it was for the previous SBTi targets.*

SBTi targets set and validated in 2019 (long-term, 1.5°C-aligned): Reduce Scope 1 and 2 emissions per employee in Categories 6 (business travel) and 8 (upstream leased assets: off-site data centres) by 85 % and Scope 3 emissions per employee in Categories 6 (business travel) and 8 (upstream leased assets: off-site data centres) by -85 % by 2040 (baseline: 2015).

SBTi Net-Zero targets validated in 2023

- **Short-term targets:**
  - reduce absolute emissions from Scopes 1 and 2 (offices and on-site data centres) by 54% by 2030 (baseline: 2019),
  - reduce absolute Scope 3 emissions (business travel, off-site data centres, supply chain, etc.) by 37.5% by 2030 (baseline: 2019).
- **Long-term targets:**
  - reduce absolute emissions from Scopes 1 and 2 (offices and on-site data centres) by 90% by 2040 (baseline: 2019),
  - reduce absolute Scope 3 emissions (business travel, off-site data centres, supply chain, etc.) by 90% by 2040 (baseline: 2019),
  - reduce the remaining 10% of emissions from across the entire value chain by offsetting carbon emissions to achieve the Net-Zero target in 2040.

The following activities within the Group’s environmental programme are aimed at achieving the above targets at a high level:

ACTION PLANS

Action plans	Scope 1	Scope 2	Scope 3					
			3-1	3-3	3-5	3-6	3-7	3-8
			(Products and services purchased)	(Fuel- and energy-related activities) + 3-13 (Tenants)	(Waste: WEEE, paper, cardboard, plastic, metal, water)	(Business travel)	(Commuting and remote working)	(Leased assets: Off-site data centres)
Energy efficiency of buildings and data centres	x	x		x				x
Energy performance of IT equipment and extending equipment life/Use of collaborative tools	x	x		x				x
Climate Neutral Now certification of offices, data centres and business travel	x	x	x			x		x
Renewable energy (direct green tariff, Guarantees of Origin, I-RECs and REGOs) and renewable energy production (1)		x	x	x				x
Recycling of paper and cardboard waste and WEEE					x			
Internal shadow carbon price for all business travel, particularly flights and personal cars						x		
Fleet including electric and hybrid vehicles							x	
Sustainable mobility allowance to promote cycling and carpooling/Bicycle mileage allowance/Bicycle shelters/Carpooling/Reserved carpool parking							x	
Training purchasing staff in engagement and collaborative working: Developping dedicated training plans (webinar series) to train buyers in the Group's sustainable purchasing methodology			x					
Planning of specific measures to address the highest-emission categories of purchases			x					
Developping approaches to systematically take into account sustainability when selecting suppliers and making purchasing decisions			x					
Selecting equipment and software providers in relation to opportunities to work together on lowering carbon emissions			x					
Using purchasing instruments (contract terms, action plans, supplier roadmaps) to make suppliers accountable for lowering carbon emissions			x					
Engaging suppliers (webinar, EcoVadis carbon module): Involving key suppliers (representing around 50 % of residual emissions from the Group's supply chain) in the carbon reduction effort by disclosing their emissions			x					
Improving the measurement of actual emissions data from the supply chain			x					
Sustainability Linked Loan Facility (2)	x	x				x		x

(1) *Solar energy injected into the grid (India)*

(2) *Sustainability Linked Loan Facility: Sopra Steria Group’s revolving credit facility (RCF), secured in 2022, with a margin that is linked to the annual KPI on GHG emissions reduction per employee. The bonus which the bank pays if the KPI is achieved, and the penalty that Sopra Steria must pay if it is not, are allocated to technology projects that serve to reduce the carbon footprint of one or more activities.*

3.2. Seven priority areas of action

3.2.1. SEVEN PRIORITY AREAS OF ACTION: ENVIRONMENTAL POLICY

The Group's environmental strategy is supported by a policy broken down into seven priority areas of action:

1. Rolling out ISO 14001 certification of the implementation of the Environmental Management System (EMS), which provides a framework for the Group's policy and environmental priorities;
2. Optimising the use of resources – especially energy – in our operations and contributing to the circular economy by extending equipment lifespans and through improved waste management, notably for waste electrical and electronic equipment (WEEE);
3. Increasing the proportion of renewable energies in the electricity we use, with the aim of having at least 95% of electricity use covered by renewables;
4. Reducing direct greenhouse gas emissions from offices, data centres and business travel, as well as reducing indirect emissions;
5. Committing to protect biodiversity, transparently report on the impact of the Group's activities on biodiversity, take the necessary steps to protect biodiversity whenever possible in the course of the Group's business, help raise awareness of this issue, advise public- and private-sector bodies and work with local communities on tangible projects;
6. Ensuring the involvement and contribution of the entire value chain (employees, clients, suppliers, partners, etc.) in the continuous improvement process;
7. Embedding environmental concerns into the value proposition (digital environmental sustainability, sustainable IT, development of products, solutions and services reducing the impact of business activities on the environment and/or fostering the emergence of new, more sustainable development models).

To strengthen its policy and the associated continuous improvement process, Sopra Steria has chosen to work with top-tier international organisations whose aim is to mobilise businesses, states, NGOs and civil society to take action to prevent climate change.

3.2.2. SUMMARY OF GREENHOUSE GAS EMISSIONS BY SCOPE

The following table summarises the Group's GHG emissions by scope and category. The table also sets out the reasons why some categories are not applicable.

SUMMARY OF GREENHOUSE GAS EMISSIONS BY SCOPE

		2015	2019		2021		2022		2023	
Scope	Category	Emissions (tCO_2e)	%	Emissions (tCO_2e)[3]	%	Emissions (tCO_2e)	%	Emissions (tCO_2e)	%	Emissions (tCO_2e)
Scope 1 (Offices and on-site data centres)	Diesel, gas	2,237	0.79%	2,664	0.84%	2,526	0.59%	1,952	0.35%	1,216
	Direct fugitive emissions	N/A	0.60%	2,048	0.38%	1,124	0.41%	1,355	0.27%	924
Scope 2 (Offices and on-site data centres)	Electricity, district heating	15,724	0.51%	1,724	0.21%	627	0.12%	398	0.07%	252
Scope 3	3-1. Purchases of goods and services (upstream)	N/A	65.28%	221,311	86.46%	259,011[1]	81.13%	269,837[2]	82.25%	285,988[2]
	3-3. Emissions arising from energy not included in Scopes 1 and 2 (upstream)	N/A	1.61%	5,464	1.48%	4,439	1.36%	4,539	1.10%	3,822
	3-5. Waste: WEEE, paper and cardboard, plastic, metal, water (upstream)	N/A	0.02%	78	0.01%	42	0.01%	45	0.01%	44
	3-6. Business travel (upstream)	32,005	10.12%	34,310	2.32%	6,957	4.16%	13,826	5.29%	18,406
	3-7. Employee commuting and remote working (upstream)	N/A	19.70%	66,778	7.25%	21,716	10.84%	36,039	9.46%	32,895[5]
	3-8. Off-site data centres (upstream)	1,227	0.37%	1,250	0.05%	141	0.06%	191	0.03%	108
	3-13. Tenants (downstream)	N/A	0.15%	494	0.05%	151	0.21%	699	0.06%	204
	3-15. Investments (downstream)[4]	N/A	0.85%	2,892	0.95%	2,837	1.12%	3,720	1.10%	3,835
SOPRA STERIA'S CARBON FOOTPRINT	**TOTAL**	**51,193**	**100%**	**339,012**	**100%**	**299,570**	**100%**	**332,601**	**100%**	**347,694**

(1) Results for 2021 and 2022 relating to emissions in the supply chain (Scope 3-1, purchases of goods and services) include 100% data from financial elements for the first time, thus providing a more accurate assessment compared with the results for prior years, which were partly based on estimates. This is the reason for the differences between 2021 and 2020 data. All data categories covering

(2) The method was improved in 2022 by including actual emissions factors from some of our key suppliers. With the former ADEME method, we would have had 277,344 tCO_2e in 2022 and 296,226 tCO_2e in 2023.

(3) Recalculated tCO_2e values (including new acquisitions in 2019) published by CDP in 2020 for Scopes 1, 2, 3-5 and 3-6 respectively are as follows: 4,719, 1,857, 296, 34,697. For Scope 3-1, the recalculated value using an improved method is 270,835 tCO_2e. The calculated value for Scope 3-15, which was not previously taken into account, is 2,892 tCO_2e.

(4) In 2023, Sopra Steria held a 31.96% stake in Axway. Scope 3, Category 13: Emissions arising from investments correspond to Axway's emissions as a tenant of office space belonging to Sopra Steria, and Sopra Steria's share of Axway's other emissions is also reported under this indicator (Scope 3, Category 15). We estimated that Axway had 12,000 tCO_2e of GHG emissions for Scopes 1, 2 and 3 (upstream). Accordingly, emissions relating to Sopra Steria amounted to3,835 tCO_2e (31.96 % 12,000 tCO_2e).*

(5) Remote work-related emissions represent the following amounts for the following scopes: Group: 2,052.1 tCO_2e

Scope	Reason for exclusion	Category	Reason for exclusion
***Scope 3* Excluded subcategories**	**Included in other scopes**	3-2. Property, plant and equipment (upstream)	Emissions arising from capital purchases are included in Subcategory 1 of scope 3
		3-4. Goods transport (upstream)	Included in Subcategory 1 of Scope 3
	Non-material for Sopra Steria	3-9. Goods transport (downstream)	Sopra Steria's operating activities do not require downstream transport or distribution of goods
		3-10. Processing of sold products (downstream)	Sopra Steria does not sell processed products
		3-11. Use of sold products (downstream)	Emissions arising from the use of products sold by Sopra Steria are non-material
		3-12. End of life of sold products (downstream)	Emissions arising from end-of-life processing of products sold by Sopra Steria are non-material
		3-14. Franchises (downstream)	Sopra Steria does not own any franchises

3.3. Climate change risks and opportunities

3.3.1. INTRODUCTION

Sopra Steria complies with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) by taking into account the potential effects of climate change on the Group's activities and ensuring a sustainable climate change mitigation and adaptation strategy is in place.

Analysis of the effects of climate change is incorporated into annual updates of the Group's overall risk mapping. However, because the nature of the Group's business, the variety of sectors in which it operates and its programme of preventative and mitigating actions limit its exposure to such risks, it does not include climate change amongst key residual risks in its three-year risk map set out in Section 1, "Risk factors", of Chapter 2 of this Universal Registration Document (pages 40-46).

3.3.2. IDENTIFICATION AND ANALYSIS OF ENVIRONMENTAL RISKS AND OPPORTUNITIES

Management of environmental risks

At Sopra Steria, risks may be identified by any employee, manager, outside individual or organisation. The Country/Entity Risk Officer is responsible for managing and supervising the identification and assessment of specific risks, while the Chief Risk Officer, who sits within the Group Internal Control and Risk Management Department, manages the risk management process as a whole.

Each year, the Group's Corporate Responsibility and Sustainable Development (CR&SD) Department and Internal Control and Risk Management Department review and update the Group's risk mapping, which categorises the key risks facing the Group according to their potential financial impact and likelihood of occurrence. They also review the risk management process and methodology during the first quarter of each year. This risk analysis takes into account the specific characteristics of the Group's industry sector as well as those of its suppliers, partners and clients in order to identify potential repercussions for Sopra Steria.

Once a risk has been identified and recorded, it is assessed locally (by the relevant site, business unit or function) to confirm its validity and potential impact. The assessment process helps identify the options available for mitigating or, in some cases, eliminating a risk to the site, business unit, function or country in question and/or the Group.

Management of environmental opportunities

In the same way as for risks, opportunities of benefit not only to Sopra Steria but also to its clients, partners and the wider community may be identified by any employee, manager, outside individual or organisation.

The relevant country or business unit director is responsible for managing the process for identifying opportunities, under the overall responsibility of the Country CEO and, at Group level, where applicable, under the overall responsibility of the Executive Committee Director. Once an opportunity has been identified and recorded, it is assessed by the local entity's management so as to describe it and determine its potential strategic and financial impact. Through the aforementioned assessment process, all identified opportunities are centralised and prioritised and a dedicated action plan is put in place to realise the potential benefits.

Summary of environmental risks and opportunities

Risks and opportunities associated with climate change are identified, categorised and presented in accordance with the guidelines issued by the Task Force on Climate-Related Financial Disclosures (TCFD), with physical risks being distinguished from transition risks. The gross risks, i.e. those that do not take into account preventive measures or remedial measures implemented by the Group, are assessed in light of their time horizon, likelihood of occurrence and severity of impact.

The assessment scale used in the following tables mirrors that used by the CDP (with four timescales, nine likelihood levels and six inherent impact levels).

Sopra Steria publishes the details of our analysis of our environmental risks and opportunities annually in our disclosure to the CDP.

MATERIAL RISKS IDENTIFIED

Risk subcategory	Gross risk description	Time horizon, probability and gross impact	Risk control measures
		Transition risk	
Market	If the Group's portfolio of offerings in response to climate change were found to be inadequate, this could damage the Group's reputation, entail the loss of business opportunities and possibly, in the medium term, result in revenue being lost to more innovative competitor offerings. This risk could result in a lack of interest in services and solutions that do not contribute sufficiently to helping clients transition to net-zero emissions.	■ Time horizon: Medium term ■ Inherent likelihood: Highly probable ■ Inherent impact: High	■ Working with market analysts and academics (e.g. by including climate specialists on the Group's Corporate Responsibility Advisory Board) ■ Participating in external business and technical forums (UN Global Compact, TechUK, etc.) ■ Internal communications to inform and educate employees about market developments ■ Partnerships to develop new climate-friendly products and services (see Section 3.5."Including environmental sustainability in our service offering", pages 152-153
Emerging regulations	The growing number and diversity of environmental regulations concerning non-financial disclosures could give rise to compliance risk, with negative repercussions for the Group's reputation among its stakeholders, particularly investors and analysts.	■ Time horizon: Medium term ■ Inherent likelihood: Fairly likely ■ Inherent impact: Medium/Low	■ The Group's risk identification process and Environmental Management System (EMS) monitor and track compliance with emerging regulations. ■ Maintaining a network of digital sustainability officers within each vertical and entity in France to carry out monitoring and raise awareness (among employees, clients and suppliers) ■ Participating in forums run by digital services industry bodies (Green Tech Forum etc.) ■ Net-Zero trajectory out to 2040: Controlling the Group's carbon emissions (detailed in Section 3.1.3. "Progress towards meeting the long-term target of net-zero emissions" pages 138-139)
Reputation	Difficulties achieving the trajectory for shrinking the Group's environmental footprint or demonstrating, through external recognition, the Group's ability to help its clients achieve their trajectories could cause long-term harm to the Group's credibility, notably among existing and prospective employees, partners and clients, investors and investment banks.	■ Time horizon: Medium term ■ Inherent likelihood: Unlikely ■ Inherent impact: High	■ Systematically taking on board feedback from clients and other stakeholders when monitoring projects and during interactions ■ Involving purchasing clients in Executive Committee meetings on environmental issues ■ Securing publicly recognised forms of accreditation: CDP A-List, EcoVadis Platinum, Financial Times European Climate Leader (ranked seventh out of 400 companies), INR responsible digital technology certification. ■ As far as possible, the Group is committed to going beyond regulatory requirements through initiatives (extending ISO 14001 certification, raising employee awareness, offering training programmes, engaging suppliers, developing innovative client solutions, making an active contribution to its ecosystem, etc.).

Risk subcategory	Gross risk description	Time horizon, probability and gross impact	Risk control measures
		Physical risks	
Acute physical risks	The increasing incidence of extreme weather events (heat waves, flooding, storms) could have adverse health effects, reduce productivity and/or cause disruption for the Group's suppliers, particularly utilities and hosting providers.	■ Time horizon: Short term ■ Inherent likelihood: Highly probable ■ Inherent impact: Medium	■ Sopra Steria performs audits of its sites and ensures that all sites have the equipment needed to cope with the effects of climate change ■ Maintaining a monitoring system to detect events as early as possible ■ Employees are equipped with the collaborative technologies and skills they need to be able to log on wherever they are ■ Spreading production across a large number of sites and duplicating telecoms networks to ensure continuity of service

The environmental challenge also gives rise to opportunities for businesses to innovate. The digital sector must work to develop solutions that reduce, avert or counter this risk. Sopra Steria is exploring the opportunities set out in the table below:

OPPORTUNITIES

Opportunity subcategory	Description of the gross opportunity	Time horizon, probability and gross impact	Steps taken to realise opportunity
		Products and services	
Developing our responsible offering to meet growing demand	The many incentives to take action for the climate will undoubtedly steer markets towards products and services with a smaller environmental footprint. It is important that Sopra Steria pursue this trajectory by developing offerings related to responsible digital technology, and digital technology in support of climate transition, that meet emerging client needs.	■ Time horizon: Short term ■ Inherent likelihood: Certain ■ Inherent impact: Medium	■ See description of available offering relating to digital sustainability, section 3.5. "Including environmental sustainability in our service offering", pages 152-153
Diversification of economic activities	Sopra Steria's ability to incorporate sustainable development into the solutions and services it offers its clients, based on the same practices as those advocated internally, has given rise to significant opportunities to diversify its client commitments and win new contracts.	■ Time horizon: Medium term ■ Inherent likelihood: Certain ■ Inherent impact: Medium/Low	■ Described in the section on offerings, section 3.5. "Including environmental sustainability in our service offering", pages 152-153 ■ Dedicated employee training and awareness campaigns on issues such as, for example, eco-design ■ Involving employees in dedicated Taxonomy working groups to help identify eligible and/or aligned projects ■ Dedicated quarterly responsible digital technology workshops with digital sustainability officers ■ Secured Level 1 *Numérique Responsable* (responsible digital technology) certification
Developing the Group's responsible offering in partnership with suppliers	Sopra Steria is not content to merely assess suppliers' performance in relation to the climate and the environment; the Group also seeks opportunities to work with its suppliers to develop business opportunities relating to sustainable development that could benefit all involved parties and enhance their brands.	■ Time horizon: Short term ■ Inherent likelihood: Certain ■ Inherent impact: Medium/Low	■ Described in the section on offerings, section 3.5. "Including environmental sustainability in our service offering", pages 152-153 ■ Working with suppliers to develop joint offerings (e.g. Hackathon run jointly with SAP) ■ Securing a syndicated loan to finance a project related to sustainable development

3.4 Optimising resource consumption and reducing greenhouse gas emissions

Sopra Steria's net-zero emissions programme focuses primarily on optimising resource consumption and reducing greenhouse gas emissions from the Group's direct and indirect activities. The division between direct and indirect emissions was maintained for the environmental impact of the Group's business activities in financial year 2023, as required for targets previously validated by the SBTi, given that the period under review was the transition year to the new targets set out under the SBTi's Net-Zero programme.

The Group has a high level of control over emissions from direct activities but less so over emissions from indirect activities.

3.4.1. DIRECT ACTIVITIES

The environmental impact of our direct activities derives from business travel by Group employees, as well as energy and water consumption in our offices and on- and off-site data centres, and our refrigerant leaks. Sopra Steria reduced the emissions from its global direct activities by 74.5% per employee in 2023 compared to 2015. This reduction is close to the previous SBTi III target of achieving an 85% reduction in greenhouse gas emissions per employee (Scopes 1, 2, 3-6 and 3-8) between 2015 and 2040. The emissions intensity of our global direct activities in 2023 was 0.37 tCO_2e per employee.

Minimising energy and water consumption in our offices and data centres, and reducing their emissions

Achieving a low-energy, low-water real estate portfolio

The following measures have been taken to help cut energy and water consumption at our offices and data centres:

- selection of new offices built to the highest environmental standards (BREEAM, HQE, LEED);
- selection of new environmentally certified IT equipment (Energy Star® 7.0, EPEAT® Gold);
- use of data centres with an effective cooling system and a low PUE (Power Usage Effectiveness), such as Oslo Basefarm (1.2) and Oslo Digiplex (1.4). The Group is aiming to achieve an average PUE at its data centres of 1.5 by 2028 and 1.1 by 2033.

Sopra Steria selects buildings that meet the highest levels of environmental performance:

- **Oslo City:** To support its expansion, Sopra Steria in Norway has secured additional office space in Oslo. The Oslo City building is certified BREEAM® NOR Excellent.
- **Powerhouse Brattørkaia, Trondheim:** Certified BREEAM® Outstanding, Powerhouse Brattørkaia has been occupied by Sopra Steria since 2019 and was extended in 2023. This energy-plus building not only meets its own needs, it also provides renewable energy to neighbouring buildings as well as electric buses, cars and boars through a local microgrid. Thanks to its strategic location, the building enjoys optimum solar exposure. The roof and the upper portion of the façade are covered with nearly 3,000 square metres of solar panels positioned to maximise solar energy capture. The building also makes use of a range of technologies to minimise day-to-day energy consumption.
- **Rennes Zen:** Sopra Steria moved into its new offices in Cesson-Sevigné, near Rennes, in late November 2023. Rennes Zen is certified BREEAM® Very Good.

Ramping up the roll-out of the Environmental Management System (EMS)

The Group's Environmental Management System helps optimise resource consumption, including in particular energy and water consumption.

The Group has secured ISO 1400 certification in most countries where it operates: 2015: Denmark, France, Germany, India, Italy, Norway, Poland, Spain, Sweden and the United Kingdom. In France, ISO 14001 certification audits will be carried out at the Roanne and Aix sites in March 2024.

Energy Savings Plan

Sopra Steria has committed to reduce its energy consumption in its offices by 10% by 2023 (baseline: 2021) by following the guidelines laid down in the French Government's Energy Savings Plan. This plan is aligned with the Group's long-term greenhouse gas emissions trajectory. In line with the Energy Savings Plan, Sopra Steria has committed to abide by three key priorities:

1) **Heating:** Lowering the temperature in our offices. Each country sets its own target:
   - for instance, UK sites close for 48 hours at Christmas,
   - a regulatory requirement has been adopted in France and Italy whereby heating must be set no higher than 19°C,
   - an awareness campaign has been run in Spain and an employee competition at the Latitude site in France;
2) **Lighting:** Limiting lighting to what is strictly necessary and adapting it to activity levels in offices:
   - all sites in the United Kingdom, Italy and Switzerland have switched over to LED lighting,
   - motion sensors have been installed in Poland and Scandinavia,
   - in France, building managers monitor the overall use of lighting;
3) **Using IT tools:** Applying rules for tool use and data storage:
   - dynamic display screens are switched off in communal areas in Benelux, India and Poland,
   - an awareness campaign has been run at all Group sites.

Thanks to the substantial efforts made at all Group sites and to governance arrangements put in place to abide by the Energy Savings Plan, Sopra Steria has managed to reduce Group-wide energy consumption in its offices by 20% in 2023 compared with 2021, exceeding the original target of a 10% reduction.

Each country set its own target to contribute to the overall Group target of a 10% reduction. For example, the United Kingdom set a target of reducing energy consumption in offices by 15% in 2023 compared with 2021, achieving a 48% reduction.

Having exceeded its original target, Sopra Steria renewed its commitment to achieve an overall reduction in consumption.

Monitoring water consumption in the workplace

Sopra Steria monitors water consumption so as to minimise leaks and waste. This is particularly the case in India, where the Group monitors, for example, the amount of water coming into and leaving all of our sites. To avoid waste, aerators – i.e. taps that reduce water flow by adding air – are installed, as well as sensor taps at all Indian sites. The Noida and Chennai offices have water treatment plants where wastewater is treated by a third party and used to water gardens and flush toilets.

Thanks to these actions, and some site closures, Sopra Steria reduced overall energy consumption (diesel, gas, district heating, electricity) in our offices and on- and off-site data centres per employee by 44% between 2019 and 2023. In addition, as the Group's actions helped improve both its visibility over water consumption and its control of leaks in its offices, the increase in consumption as a result of employees returning to work on its premises was kept in check.

In 2023, work on formulating a Group water policy was set in motion. This policy will be introduced over a period out until 2025.

RESOURCE CONSUMPTION – DIRECT ACTIVITIES

Indicators	Target	2019	2021	2022	2023
Energy use in offices					
Absolute consumption *(MWh)*	Reduce energy consumption per employee; in France, reduce absolute energy consumption at commercial premises by 40% by 2030 (in accordance with the ELAN law) (1)	73,126	58,638	54,476	44,861
Consumption per employee *(MWh/employee)*		1.62	1.25	1.10	0.80
Energy use at on-site data centres					
Absolute consumption *(MWh)*		9,063	8,467	6,799	6,057
Consumption per employee *(MWh/employee)*		0.20	0.18	0.14	0.11
Energy use at off-site data centres					
Absolute consumption *(MWh)*		16,621	15,461	15,558	16,956
Consumption per employee *(MWh/employee)*		0.37	0.33	0.31	0.30
Renewable energy use					
Using renewable energy for electricity consumption at offices and on-site data centres	Increase the proportion of the Group's electricity consumption (at offices and on-site data centres) from renewables to over 85%.	90.0%	99.2%	99.3%	99.4%
Water use in offices					
Absolute consumption *(m^3)*	Manage water consumption to minimise leaks and waste	246,985	121,926	135,445	172,169
Consumption per employee *(m^3/employee)*		5.50	2.59	2.73	3.08

In 2023, the scope of indicators includes companies acquired in 2023, namely CS Group, Ordina and Tobania, which were not included in our 2022 report.
For 2022, the scope of indicators includes all entities over which the Group has operational control (and thus includes the NHS SBS, SSCL and SFT joint ventures, which were only brought in scope from 2017 onwards) and employees at companies acquired up to and including December 2022, namely Graffica and Footprint Consulting AS, as well as EGGS Design and EVA Group, which were not included in our 2021 report.
For 2021, the scope includes employees at companies acquired up to and including November 2021, namely Luminosity Limited, Sopra Steria Financial Services and Labs.
For 2019, the scope includes all entities over which the Group had operational control (and thus includes the NHS SBS and SSCL joint ventures) but does not include SAB or Sopra Financial Technology GmbH.
(1) ELAN: Decree 2019-771 of 23 July 2019 reforming housing, planning and digital technology.
For 2023, the scope of indicators includes companies acquired in 2023, namely CS Group, Ordina and Tobania, which were not included in our 2022 report.

To lower greenhouse gas emissions at its offices and on-site data centres, a high proportion of Sopra Steria's electricity consumption continues to come from renewable sources under green power purchase agreements sealed directly with suppliers or using Guarantee of Origin certificates (GOs and REGOs in Austria, Belgium, Bulgaria, Denmark, France, French Polynesia, Germany, Italy, the Netherlands, Norway, Poland, Romania, Spain, Switzerland and the United Kingdom) or International Renewable Energy Certificates (I-RECs in Brazil, Cameroon, Canada, China, Côte d'Ivoire, India, Lebanon, Morocco, Senegal, Singapore, the United Arab Emirates, the United States and Tunisia).

Sopra Steria exceeded its target by 85% in 2019 and has since made further progress; in 2023, 99.4% of the electricity it consumed was from renewable sources.

■ Reducing emissions from business travel

Sopra Steria has rolled out management tools and implemented actions to reduce greenhouse gas emissions from business travel: drafting quarterly business travel snapshots, setting an internal shadow carbon price, using videoconferencing facilities to encourage online meetings, incentives to travel by train whenever possible, access to a fleet of electric vehicles, and a pilot scheme using sustainable aviation fuel (SAF). Although the Group's absolute emissions were 33% higher in 2023 than in 2022 (due to the first part of 2022 still being affected by the pandemic), they equated to only 54% of the Group's emissions in 2019, the year before the start of the pandemic. In 2023, emissions per employee were 57% lower than in 2019, the Group's baseline year for SBTi targets.

REDUCING GHG EMISSIONS – DIRECT ACTIVITIES

Indicators	Scope 1	Scope 2	Scope 3	Target	Baseline	2019	2021	2022	2023
Business travel, offices, on- and off-site data centres and fugitive emissions	**1**	**2**	**3**		**2015**				
Absolute emissions *(tCO_2e)*	x	x	x	Introduce an internal shadow carbon price for business travel in the Group's key geographies by **2025**.	51,192	41,996	11,375	17,722	20,906
Reduction in emissions per employee relative to 2015 *(tCO_2e/employee)*					N/A	-36.7%	-83.5%	-75.7%	-74.5%
Offices					**2015**				
Absolute emissions *(tCO_2e)*	x	x		Incorporate the Group's business travel, offices, data centres and fugitive emissions into the **net-zero emissions** programme.	15,234	4,336	3,125	2,319	1,429
Reduction in emissions per employee relative to 2015 (tCO_2e/employee)					N/A	-76.0%	-83.0%	-89.0%	-94.1%
On-site data centres					**2015**				
Absolute emissions *(tCO_2e)*	x	x			2,726	54	27	30	39
Reduction in emissions per employee relative to 2015 *(tCO_2e/employee)*					N/A	-98.3%	-99.3%	-99.2%	-99.1%
Off-site data centres					**2015**				
Absolute emissions *(tCO_2e)*			x		1,227	1,250	141	191	108
Reduction in emissions per employee relative to 2015 *(tCO_2e/employee)*					N/A	-13.0%	-91.0%	-89.0%	-94.5%
Fugitive emissions					**2017**				
Absolute emissions *(tCO_2e)*	x				1,725	2,048	1,124	1,355	924
Reduction in emissions relative to 2017 *(tCO_2e)*					N/A	+19.0%	-35.0%	-21.0%	-46.4%
Business travel [(1)]					**2015**				
Absolute emissions *(tCO_2e)*			x		32,005	34,310	6,957	13,826	18,406
Emissions per employee *(tCO_2e/employee)*					0.92	0.80	0.15	0.28	0.33
Direct activities relative to revenue/pro forma EBITDA [(2)]					**2018**				
Ratio of emissions from direct activities to revenue *(tCO_2e/€m)*	x	x	x		11.0	9.5	2.4	3.5	3.6
Ratio of emissions from direct activities to pro forma EBITDA [(2)] *(tCO_2e/€m)*					122.3	102.9	25.4	35.7	33.1

Emissions are calculated within the framework of the GHG Protocol using DEFRA fuel combustion emission factors and residual blend emission factors published by the Association of Issuing Bodies for the generation of non-renewable electricity consumed. Emissions from district heating are calculated using emission factors published by domestic authorities for power plants generating the heat used by Sopra Steria. Emissions from business travel are calculated using emission factors taken from the GHG Protocol.

For 2023, the scope of indicators includes companies acquired in 2023, namely CS Group, Ordina and Tobania, which were not included in our 2022 report.

For 2022, the scope used to calculate indicators includes all entities over which the Group has operational control (and thus includes the NHS SBS, SSCL and SFT joint ventures, which were only brought in scope from 2017) and employees at companies acquired up to and including December 2022, namely Graffica and Footprint Consulting AS, as well as EGGS Design and EVA Group, which were not included in the 2021 report.

For 2021, the scope includes employees at companies acquired up to and including November 2021, namely Luminosity Limited, Sopra Steria Financial Services and Labs. For 2019, the scope includes all entities over which the Group had operational control (and thus includes the NHS SBS and SSCL joint ventures) but does not include SAB or Sopra Financial Technology GmbH. For prior years (2015, 2017, 2018), the scope includes all entities over which the Group had operational control (and thus includes the NHS SBS and SSCL joint ventures from 2017 onwards) but does not include Kentor, Galitt, Beamap, Cassiopae or 2MoRO.

(1) Data takes into account the reduction in emissions arising from green business travel in Germany. Excluding the reduction in emissions from green business travel gives the following values: 19,544 tCO_2e in 2023, 14,695 tCO_2e in 2022, 7,402 tCO_2e in 2021, 12,698 tCO_2e in 2020, 37,164 tCO_2e in 2019, 38,176 tCO_2e in 2018 and 38,133 tCO_2e in 2015.

(2) Pro forma EBITDA as calculated in Chapter 5, Note 12.5.1, page 261 of current document.

Offsetting unavoided emissions from direct activities

Since 2020, Sopra Steria has invested in carbon capture projects via afforestation under the banner of the UN Climate Neutral Now programme. By using carbon offsets from these projects, the Company was able to meet its target of achieving Climate Neutral Now certification across all direct activities in 2021, a year ahead of schedule.

The Ceibo afforestation project located in eastern Uruguay is one of these carbon capture projects via afforestation. The project covers around 22,000 hectares of land, and its objective is to convert the grasslands destroyed by a long history of cattle grazing into transformative forestry plantations that will help to restore the land, while improving soil quality through water retention and the delivery of micro-nutrients, and preventing soil erosion. These well-managed forestry plantations produce long-life timber, while sequestering large quantities of carbon dioxide from the atmosphere. The GHG emissions sequestered through afforestation under the project are checked by the Verified Carbon Standard (VCS) and have obtained Compliance Certification Board (CCB) certification.

Working to promote biodiversity

Given the requirements of the CSRD and the EU Taxonomy, the Group is working on a dedicated policy covering the impact of its activities on the living world and biodiversity, taking into account, as far as possible, the Group's entire value chain.

Sopra Steria has committed not only not to harm biodiversity but also to transparently report on the Group's impact on biodiversity. In this regard, Sopra Steria will whenever possible take the necessary steps to protect biodiversity in the course of its business. The Group is also keen to leverage expertise in digital technology for the benefit of the environment so as to make a positive contribution to the conservation of biodiversity.

In 2023, the Group continued to assess its impact with the aim of defining impact indicators on all areas (6 vs 4 in 2022).

The areas are as follows:

- GHG emissions: Sopra Steria already publishes CO_2 emissions from its direct and indirect activities (for more information, see Sections 3.4.1 and 3.4.2, pages 145-151). Reduction targets have already been set and approved by SBTi (for more information, see Section 3.1.3, pages 138-139).
- Freshwater and marine water: Sopra Steria monitors freshwater consumption at its sites and will be developing monitoring indicators covering water pollution as well its presence on sites located in potentially water-stressed areas. Related consumption will also be further assessed across the Group's entire value chain.
- Changes in land use: when choosing Group site locations, the impacts on local biodiversity are taken into consideration and analysed, notably through the use of mapping tools.
- Air pollution: Sopra Steria calculates fugitive emissions (namely methane, nitrous oxide and hydrofluorocarbons) from data centre cooling systems. Starting in 2024, the Group has plans in place to develop more accurate quantitative impact indicators to monitor air pollution. An in-house impact measurement tool, G4IT, has been developed to take into account the impact of the Group's activities on air pollution.
- Resource use: Sopra Steria already produces a report on its water consumption, which it plans to extend to cover the entire value chain, subject to available information supplied by stakeholders. Furthermore, in light of its activities in the digital sector, the Group has kicked off work to understand and analyse dependencies relating to mineral resources (notably involving computer components and batteries). This work will continue with the aim of developing accurate indicators covering scarce resources.
- Imported species: Although this area is not relevant to Sopra Steria given the nature of its activities, there are nevertheless plans in place to assess the risk of the Group accidentally or intentionally having an impact on the introduction of invasive alien species.

The aim of work in these various areas is to draw up a dedicated biodiversity policy including targets, an action plan and quantitative indicators to measure the Group's progress based on these six areas.

As soon as Sopra Steria is able to monitor these six key indicators, it will need to carry out a double materiality analysis, which will help assess the impact of the key indicators, and determine the issues on which the Group needs to report (this materiality analysis will henceforth cover its entire value chain).

3.4.2. INDIRECT ACTIVITIES

Indirect activities include waste management (waste electrical and electronic equipment, paper and cardboard,plastic, metal and water), commuting and remote working, and purchases of goods and services.

To minimise the resources consumed by its indirect activities and cut the related emissions, Sopra Steria introduced awareness campaigns in 2023 encouraging people to cut down on printing documents and extend the life of electrical and electronic equipment (optimised WEEE management).

The Group is also pushing ahead with its responsible purchasing programme by selecting suppliers meeting its requirements and committed to treading more lightly on the environment.

Step up our contribution to the circular economy

Paper and cardboard

In 2023, paper and cardboard waste volumes were 16.4% below their 2022 level. Policies to reduce printing helped change on-site habits. Paper consumption per employee was cut by 69.9% between 2019 and 2023. Under a responsible paper procurement programme, the percentage of paper certified as coming from sustainably managed forests (FSC 100%, FSC Mix and PEFC) increased by 16% in 2023 relative to 2019 (notably in France and the United Kingdom). Furthermore, 99.5% of paper and cardboard waste was recycled in 2023.

Waste electrical and electronic equipment (WEEE)

To extend the useful life of WEEE, the Group brings in specialist service providers to collect and dispose of them, and to maximise the options for reusing or giving them a second life. In 2023, over 99.2% of waste electrical and electronic equipment (WEEE) was reused or recycled to give it a second life, up 0.8% from the previous year.

Sopra Steria does not produce any hazardous waste according to the RoHS and REACH definitions. In the course of its activities, the Group produces WEEE classified as hazardous under Commission Decision 2000/532/EC of 3 May 2000 and Directive 75/442/EEC on waste, and reuses wherever possible such electrical and electronic equipment once it has been retired.

In 2023, the portion of hazardous WEEE not given a second life stood at 0.19% of the total amount of WEEE and paper, cardboard, plastic and metal waste.

Plastic and metal waste

In 2023, the Group expanded the scope of its reporting on waste to include plastic and metal waste in key countries. Plastic waste amounting to 16,835 kg was entirely recycled, as was metal waste amounting to 11,992 kg.

RESOURCE CONSUMPTION – INDIRECT ACTIVITIES

Indicators	Target	2019	2021	2022	2023
Waste electrical and electronic equipment – WEEE					
Absolute quantity *(kg)*	Give 100% of WEEE a second life by 2030 (reuse through resale and donation, heat recovery or raw materials for recycling).	82,947	62,541	92,822 (1)	91,987
Quantity per employee *(kg/employee)*		1.90	1.34	1.89	1.61
Proportion given a second life		97.0%	99.5%	98.4%	99.2%
Paper and cardboard waste (2)					
Absolute quantity *(kg)*	Recycle 100% of paper and cardboard waste by 2030 (heat recovery or raw materials for recycling).	415,122	337,455	315,530	263,855
Quantity per employee *(kg/employee)*		9.40	7.25	6.43	4.95
Proportion of paper and cardboard waste collected separately and recycled		96.0%	99.8%	99.8%	99.5%
Plastic waste (3)					
Absolute quantity *(kg)*		N/A	N/A	N/A	16,835
Quantity per employee *(kg/employee)*		N/A	N/A	N/A	0.30
Proportion of paper and cardboard waste collected separately and recycled		N/A	N/A	N/A	100.0%
Metal waste (3)					
Absolute quantity *(kg)*		N/A	N/A	N/A	11,992
Quantity per employee *(kg/employee)*		N/A	N/A	N/A	0.21
Proportion of paper and cardboard waste collected separately and recycled		N/A	N/A	N/A	100.0%
Paper purchased					
Absolute quantity purchased *(kg)*	Reduce paper consumption and increase use of certified environmentally responsible paper.	96,873	23,549	32,950	37,774
Paper purchased per employee *(kg/employee)*		2.40	0.51	0.67	0.71

(1) WEEE volumes in 2022 were 48% higher than in 2021 because their collection was put on hold in 2021 as a result of the Covid-19 pandemic and carried out in 2022. In addition, some sites closed or merged with other sites.

In 2023, the scope of indicators includes companies acquired in 2023, namely CS Group, Ordina and Tobania, which were not included in our 2022 report.

For 2022, the scope used to calculate indicators includes all entities over which the Group has operational control (and thus includes the NHS SBS, SSCL and SFT joint ventures, which were only brought in scope from 2017) and employees at companies acquired up to and including December 2022, namely Graffica and Footprint Consulting AS, as well as EGGS Design and EVA Group, which were not included in the 2021 report.

For 2021, the scope includes employees at companies acquired up to and including November 2021, namely Luminosity Limited, Sopra Steria Financial Services and Labs.

For 2019, the scope includes all entities over which the Group had operational control (and thus includes the NHS SBS and SSCL joint ventures) but does not include SAB or Sopra Financial Technology GmbH.

(2) Data takes into account the change in methodology in the UK. Under the former methodology, paper and cardboard waste would have amounted to 150,663 kg in 2021.

(3) Prior to 2023, Sopra Steria Group did not measure plastic waste or metal waste.

Measure the carbon footprint of our waste

This year, the Group measured the emissions produced by its WEEE, paper-cardboard waste, plastic waste and metal waste by processing technique, and those related to wastewater treatment. In 2023, the carbon footprint of the Group's waste (WEEE, paper, cardboard, plastic, metal and wastewater) was relatively non-material at 44 tCO_2e.

Other types of waste (glass, organic, wood, municipal, etc.) are not included when calculating this indicator or greenhouse gas emissions from solid waste. Sopra Steria is working to improve the reliability of data on these other categories of solid waste with the aim of being able to report across the full scope within the next few years. In 2023, the environmental impact of the elimination of this solid waste was estimated at 25 tCO_2e.

Encourage our supply chain to control its environmental footprint

Sopra Steria has implemented a programme to raise awareness among its suppliers and partners and encourage them to reduce their environmental impact. This programme is based on the code of conduct for suppliers and partners, which reminds the Group's suppliers and partners that they undertake to:

- reduce the environmental impact of their sites, products, services and activities as well as contribute to achieving the associated greenhouse gas emissions reduction targets;
- prevent pollution resulting from their activities;
- contribute to achieving the net-zero emissions target;
- protect natural resources and biodiversity;
- manage risks arising from the use of chemicals and hazardous materials;
- promote the circular economy, minimise and manage waste and maximise recycling.

By managing and measuring the environmental footprint of its purchases of goods and services, Sopra Steria is contributing to the achievement of the SBTi's targets. For the first time in 2022, and again in 2023, Supply Chain (Scope 3-1) emissions have been verified by external auditors to a Reasonable Assurance level (previously Limited Assurance).

With this approach, the Group was able to estimate the total residual greenhouse gas emissions linked to its purchasing at 296,226 tCO_2e in 2023 using the factor method recommended by ADEME. These emissions increased by 6% compared with 2022 due to a larger number of purchases of goods and services, in line with higher business levels and the consolidation of newly acquired companies.

To further refine the assessment of emissions linked to the Group's purchases, actual emissions factors were used for some key suppliers in 2023. This method gives total emissions of 285,988 tCO_2e, equating to a 3.6% reduction compared with the method using only ADEME emission factors. The results of these analyses show that, despite higher emissions arising from increased purchases of goods and services in line with business growth, the ratio of the Group's residual emissions from purchases to revenue was 1% lower in 2023 than in 2022.

The objective is to continue expanding the Group's supplier evaluation programme and to encourage suppliers to set targets for reducing their emissions by 2025. A campaign was carried out to encourage the monitoring and reduction of GHG emissions by the main suppliers, which account for about 50% of residual emissions in the Group's supply chain. Specific measures were taken in 2023 to include a more comprehensive approach to carbon footprint issues in our supplier survey (addition of the EcoVadis carbon module). These were communicated to suppliers in particular during a dedicated webinar.

In addition, an internal training course on responsible purchasing was introduced for the Group's buyers, as well as a related guide.

In 2023, Sopra Steria was included in the Supplier Engagement Leaderboard (A), for the 4th year in a row.

Measure the environmental impact of commuting and remote working by our employees

To calculate Scope 3-7 emissions, the Group conducts a survey across the main countries in which it operates.

Information on employees' travel habits has been gathered in France, India, the United Kingdom, Germany and Scandinavia (Sweden, Denmark and Norway) to gain an understanding of distances travelled and how employees travel to work. These distances have been adjusted to reflect the percentage of employees working from home. In addition, the emissions figures linked to commuting journeys were corrected by adding in emissions arising from the energy used by people working from home (IT equipment, heating/air conditioning).

France, the United Kingdom, India, Germany and Scandinavia (Sweden, Denmark and Norway) accounted for 78% of the Sopra Steria Group's employees in 2023. The emissions arising from commuting and working from home by the remaining 18% of employees were estimated using the average of the emissions produced by the employees covered by the survey. Emissions arising from employee commuting were audited in 2023 and accounted for 32,895 tCO_2e (versus 36,039 tCO_2e in 2022, 37% of which was from employees working from home). Employees in France spent 38% of their work time at home, i.e. 1.9 days per week (compared with 1 day in 2019 and 1.87 days in 2021). The Group's flexible remote work policy meets the needs of both its clients and its employees, while complying with all local laws and recommendations issued by public health authorities.

In the context of a strategy to reduce emissions from commuting, the most effective initiative consists of promoting sustainable modes of mobility.

For example, a sustainable mobility allowance was introduced in France on 1 January 2023 in response to the Mobility Orientation Act backed by the French Government since 2018. The aim of this allowance is to promote the use of sustainable modes of mobility by providing financial assistance subject to certain conditions (relating to the form of transport and the total amount). Eligible forms of transport are as follows: mechanical and electric bicycles, electric scooters, carpooling, public transport not including season tickets, and car-sharing of electric and hydrogen vehicles. Across the whole of 2023, 17% of eligible employees took advantage of this allowance. Bicycles accounted for 54% of all allowance payments to Sopra Steria employees.

In addition to the sustainable mobility allowance, four years ago Sopra Steria France entered into a partnership with a carpooling platform to encourage employees to make use of this mode of transport. Furthermore, information gathered for the purposes of calculating this indicator is also used to carry out local Group site diagnostics and manage mobility plans.

In Germany, the *Deutschlandticket*, launched in May 2023, is also subsidised by Sopra Steria SE as a ticket that can be used to travel to work, thus giving public transport an attractive edge. The ticket is valid on public transport throughout Germany, including regional and urban trains, the metro, buses and trams. It thus incentivises the use of buses and trains over private cars.

In the United Kingdom, when office moves take place, employees are eligible for financial assistance towards the cost of additional travel between sites. To promote sustainable mobility, the amount of assistance depends on the mode of transport used, with more costs refunded for public transport than for cars.

REDUCING GHG EMISSIONS – INDIRECT ACTIVITIES

Indicators		Target	2019	2021	2022	2023
Purchases (excluding emissions from business travel, offices, and on- and off-site data centres and fugitive emissions) [(1)]	Scope 3	Reducing resource consumption Reducing GHG emissions Capturing carbon emissions				
Absolute emissions *(tCO_2e)*			221,311	259,011	269,837	285,988
Ratio of residual emissions to revenue *(tCO_2e/€m)*			49.9	55.3	52.9	49.3
Ratio of residual emissions to pro forma EBITDA [(2)] *(tCO_2e/€m)*			542.0	578.4	543.5	452.8
Employee commuting and remote working [(3)]						
Absolute emissions *(tCO_2e)*			66,778	21,716	36,039	32,895 [(4)]
Emissions per employee *(tCO_2e/employee)*			1.5	0.5	0.7	0.6
Waste electrical and electronic equipment – WEEE						
Absolute emissions *(tCO_2e)*			1.75	0.73	1.25	1.23
Emissions per employee *(tCO_2e/employee)*			0.00004	0.00002	0.00003	0.00002
Paper and cardboard waste						
Absolute emissions *(tCO_2e)*			8.84	7.97	7.21	7.12
Emissions per employee *(tCO_2e/employee)*			0.0002	0.00017	0.00015	0.00013
Plastic waste						
Absolute emissions *(tCO_2e)*			N/A	N/A	N/A	0.35
Emissions per employee *(tCO_2e/employee)*			N/A	N/A	N/A	0.0000064
Metal waste						
Absolute emissions *(tCO_2e)*			N/A	N/A	N/A	0.25
Emissions per employee *(tCO_2e/employee)*			N/A	N/A	N/A	0.000005
Wastewater						
Absolute emissions *(tCO_2e)*			67.18	33.16	36.84	34.66
Emissions per employee *(tCO_2e/employee)*			0.00149	0.0007	0.0007	0.0006

In 2023, the scope of indicators includes companies acquired in 2023, namely CS Group, Ordina and Tobania, which were not included in our 2022 report.

For 2022, the scope used to calculate indicators includes all entities over which the Group has operational control (and thus includes the NHS SBS, SSCL and SFT joint ventures, which were only brought in scope from 2017) and employees at companies acquired up to and including December 2022, namely Graffica and Footprint Consulting AS, as well as EGGS Design and EVA Group, which were not included in the 2021 report.

For 2021, the scope includes employees at companies acquired up to and including November 2021, namely Luminosity Limited, Sopra Steria Financial Services and Labs.

For 2019, the scope includes all entities over which the Group had operational control (and thus includes the NHS SBS and SSCL joint ventures) but does not include SAB or Sopra Financial Technology GmbH.

(1) The increase in emissions between 2020 and 2021 was due to a change in methodology. By applying the methodology and scope updated in 2021 to previous data, the amounts would be 56.8 tCO_2e/€m in 2020, 61.1 tCO_2e/€m in 2019. The values for the ratio to pro forma EBITDA would be 641.5 tCO_2e/€m in 2020, 663.3 tCO_2e/€m in 2019.

(2) Pro forma EBITDA as calculated in Chapter 5, Note 12.5.1 page 161 of current document.

(3) Emissions arising from employee commuting in 2019 and 2020 were estimated and taken into account for our CDP response. The method was further developed to calculate 2021 emissions and audited.

(4) Remote work-related emissions represent the following amounts for the following scopes: Group: 2,052.1 tCO_2e

3.5. Including environmental sustainability in our service offering

Embedding the environmental dimension of sustainability within the strategy and actions of organisations offers many business opportunities for Sopra Steria. The Group aims to make a positive contribution to its stakeholders, and therefore its clients, by drawing inspiration from all of the environmental objectives listed in the EU Taxonomy Regulation:

- climate change adaptation and mitigation;
- preserving water resources;
- sustainable use of resources and transition to a circular economy;
- preventing pollution;
- protection and restoration of biodiversity and ecosystems.

Before setting out to help its clients achieve their environmental sustainability goals, Sopra Steria applies this transformational approach to its own business through its net-zero emissions strategy, its environmental policy, the measures and initiatives adopted and the results achieved, set out in Section 3.1.3 "Progress towards meeting the long-term target of net-zero emissions" (pages 138-139).

Sopra Steria pursues these business opportunities by identifying and putting measures in place to mitigate the environmental risks to which its clients may be exposed: physical risks, risks relating to shifts in supply or demand for certain products or services or to changing perceptions of contributions being made by organisations to achieve sustainability, risks tied to current or emerging regulations, risks associated with changes in technology or with legal obligations to address climate change when negotiating contracts.

Sopra Steria has set an example through its environmental programme and in-house network of digital sustainability officers and by rolling out *Numérique Responsable* (responsible digital technology) certification to a new scope, minimising the amount of energy consumed by IT equipment, managing its IT infrastructure and building sustainable design principles into its practices. Sopra Steria puts this in-house experience to work for its clients, helping them overcome their challenges and rolling out its offering with a focus on three key areas:

- developing an SBTi Net-Zero strategy based first and foremost on achieving a 90% reduction in greenhouse gas emissions;
- managing compliance through a focus on environmental reporting;
- measuring and reducing the carbon footprint in support of a carbon-free economy.

Helping our clients develop a net-zero emissions strategy

We help clients design their environmental strategy targeting net-zero emissions with an eye to its roll-out across their organisation.

A company's environmental strategy describes its long-term orientation towards managing its environmental challenges to meet stakeholders' expectations. This strategy must anticipate future regulation so as to proactively prevent adverse environmental impacts and generate competitive advantage by:

- conducting maturity assessments, systems audits, business analyses;
- mapping and categorising environmental risks and identifying potential mitigating actions;
- business model optimisation, identifying new revenue streams from activities relating to the environmental transition;
- modelling SBTi 1.5°C-aligned and net-zero scenarios, building roadmaps with clients for each emissions category;
- getting our clients' employees on board to help drive environmental transformation.

Managing compliance through a focus on reporting

"What gets measured gets improved", according to Peter Ferdinand Drucker.

Developing environmental performance indicators in accordance with the best norms and standards gives businesses the opportunity to transform themselves by taking account of their environmental performance:

- putting in place environmental governance arrangements (an environmental management system or EMS): Drawing up a double materiality matrix and identifying areas of application and scopes covered or excluded;
- developing a compliance strategy: Types of legal developments to be monitored, applicable standards and reference frameworks, connections between current environmental reporting and regulations announced or entering into force (CSRD, SFDR, Taxonomy), desired audit and assurance levels, potential ties with climate management and accounting platforms, triple capital accounting, report production;
- establishing reference methods and processes for reporting (environmental management system): Management of data collection and quality processes, optimisation of report production;
- selecting a non-financial performance reporting system and support its implementation.

Measuring and reducing environmental impacts by working towards a carbon-free economy

Applying a rigorous methodology to estimate impacts

For a number of years, environmental footprint calculations have been structured by life cycle assessment standards (ISO 14040 and ISO 14044). Adhering to this methodology allows for a good grasp of the situation and helps anticipate future regulations.

When preparing disclosures on the environmental footprint of a client's business or a digital service, Sopra Steria seeks to comply with the relevant product category rule (PCR) based on the life cycle assessment (LCA) standard, which entails:

- a multi-criteria impact analysis (global warming, depletion of abiotic resources, ionising radiation, acidification, fine particles);
- covering all life cycle stages (manufacturing, distribution, use, end of life);
- covering all equipment involved (e.g. servers, network and user terminals for a digital service).

Foster the emergence of new behaviours and uses in support of a carbon-free economy (IT for Sustainability/IT for Green)

- Sopra Steria has developed a number of projects to promote low-carbon mobility. Simplifying sustainable transport through the use of single tickets valid throughout a region; increasing the number of trains by optimising the use of rail and human resources; and facilitating and boosting the use of metro lines thanks to optimised coordination;
- measuring the benefits of process digitalisation. Sopra Steria runs many digitalisation projects that digitalise processes so as to replace physical flows with digital data flows. By estimating greenhouse gas emissions arising from physical flows and comparing them with emissions arising from digital flows, Sopra Steria helps its clients understand the benefits of measuring the expected net environmental gain before embarking on any process digitalisation project.

European Copernicus programme: Harnessing geospatial data for the environment

CS Group is involved in a number of projects with Copernicus, the Earth observation programme. Copernicus exists to help citizens, entrepreneurs, researchers and public authorities find innovative solutions to the climate and environmental crisis based on observation data of land and the marine environment. It facilitates informed decision-making thanks to the continuous and accurate measurement of critical climate variables affecting agriculture, biodiversity, clean energy and the environment. Under this programme, CS Group's contributions include the processing of data from very high-resolution images and calibration work for Earth observation equipment.

Reducing the environmental footprint of digital technology (sustainable IT/green IT)

- Carrying out an organisational maturity survey based on the "Responsible digital technology best practice guide for organisations", developed by France's Interministerial Directorate for Digital Services (DINUM) and Institut du Numérique Responsable (INR).
- Drawing up a digital sustainability action plan based on a quantitative and qualitative analysis of the estimated environmental impact of the information system and the organisation's maturity in terms of digital sustainability. This approach allows for the identification of five strategic levers to optimise the reduction of environmental impacts:
  - a responsible governance structure receiving a high level of support within the organisation (IT department) that tracks a set of automated performance indicators to ensure the alignment of the approach over time with specific targets.
  - employees and users fully aware of the environmental issues addressed and motivated around the organisation's objectives.
  - an application or software mesh underpinning a dual approach that minimises the impact of existing systems and creates conditions conducive to sustainable design. The following measurement tools may be used:
    - **RGESN Evaluator:** RGESN is a sustainable design standard for digital services issued by DINUM, ADEME and the INR covering the relevance, management principles and issues addressed by the design of a given digital service,
    - **Green For IT (G4IT):** This tool, developed by Sopra Steria, is used to measure the environmental impact of digital services. Operating across three levels of assessment – physical equipment, virtual equipment and applications – it allows for in-depth analysis of the environmental impact of digital services and helps identify key opportunities to reduce that impact. The tool, which is ISO 14040 and ISO 14044 compliant and available via a SaaS platform, helps improve the quality of inventory data, speed up the measurement process while providing accurate indicators, raise awareness and empower the various stakeholders, and anticipate future regulation,
    - **Green for Infra (G4INFRA):** This carbon calculator, developed by Sopra Steria and Hubblo, is dedicated to measuring the environmental impact of lower-layer digital services (on-premise, cloud and mainframe), including energy consumption and power usage effectiveness (PUE), across the whole of Scopes 1, 2 and 3, as recommended in regulations.

OVHcloud carbon calculator

OVHcloud, a European leader in cloud computing, now offers its IaaS clients access to a carbon calculator that can generate monthly reports on their cloud-related carbon emissions. Helping clients better understand the carbon footprint of their cloud infrastructure is part of a transparency-focused approach and encourages more responsible behaviours. The methodology used takes into account all factors from the overall manufacturing process down to the individual components used. Accessible on demand from the OVHcloud Manager, the calculator factors in estimated server power consumption based on monitoring data from OVHcloud's data centres. This information is translated into equivalent carbon emissions taking into account cooling and networking systems as well as transport, manufacturing, end of life and waste management, to provide an overall picture of the current carbon footprint. The carbon footprint calculator focuses on location as an essential aspect. Accordingly, report findings take account of each country's energy mix.

Our hallmark: Involving stakeholders in every phase of a project while leveraging our catalysts

- Digital environmental sustainability training.
- Cloud migration.
- Calculating power usage effectiveness (PUE) and making recommendations.
- Working with the stakeholder community and sector-specific organisations Digital 113, the European Green Digital Coalition (EGDC), the Institut du Numérique Responsable (INR), Numeum, Planet Tech'Care, SBTi, TechUK, the Business Services Association (BSA) and the We Mean Business Coalition.

3.6. Green taxonomy (Regulation (EU) 2020/852 of 18 June 2020)

The Taxonomy Regulation (Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020) is one of the key measures in the European Union's action plan set out in its Green Deal. It consists of a number of initiatives for achieving climate neutrality by 2050 by:

- reorienting capital flows towards sustainable investments;
- managing the financial risks caused by climate change, natural disasters, environmental damage and social issues;
- promoting transparency and a long-term vision in economic and financial activities.

The Green Taxonomy, which is laid down in delegated acts (Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 on climate targets and its Annexes 1 and 2 on alignment criteria, and Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 "Article 8" and its annexes on sustainability indicators), the Corporate Sustainability Reporting Directive (CSRD) 2022/2464 of 14 December 2022 replacing the Non-Financial Reporting Directive (NFRD), and AMF publications, establishes a unique and transparent system of classification using common terminology, for economic activities that can be considered as sustainable from an environmental perspective for the purpose of distinguishing them from other economic activities.

To be eligible, an activity must make a substantial contribution to one of the following six environmental objectives:

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

As was the case in financial year 2022, the first two of the aforementioned environmental objectives relating to climate change adaptation and mitigation were taken into account as regards eligibility and alignment this year. The Delegated Act of 26 June 2023 related to the other four environmental objectives was taken into account in the eligibility analysis, and also carried out volontarily in the alignment analysis for 2023.

In addition, in 2023, new activities were included in the climate targets (amendment of 27 June 2023 to the Commission Delegated Regulation (EU) 2021/2139) relating to the aeronautics, automobile and mobility, and power transmission and distribution sectors. The nuclear power and gas sectors are covered in a supplementary delegated act published in 2022 for application in 2023 (Delegated Act (EU) 2022/1214).

An activity is considered sustainable or Taxonomy-aligned if:

- it contributes to one of the six environmental objectives and is on the list of activities defined in the delegated acts;
- the activity meets the technical criteria for substantial contributions mentioned for this objective;
- the activity does not significantly impair any of the other five environmental objectives;
- the activity complies with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, particularly fundamental labour rights and human rights.

This analysis culminates in the publication of:

- the proportion of revenue that is sustainable or aligned;
- the proportion of capital expenditure (capex) that is sustainable or aligned;
- the proportion of operating expenses (opex) that is sustainable or aligned.

3.6.1. NUMEUM POSITION PAPER

In order to gain a harmonised understanding of the European regulation and its delegated acts, particularly with regard to the identification of activities that are eligible for and aligned with the turnover indicator, the Group continued to communicate with its peers in France via Numeum, a professional association that represents digital services companies, software vendors, platforms and engineering and technology consulting companies.

NUMEUM POSITION PAPER

Numeum carried out an analysis of activities defined in Annex 1 of the Climate Delegated Act supplementing the EU Taxonomy Regulation as contributing to climate change mitigation and matched them with those pursued by its members. Numeum published an initial position paper presenting its approach to identifying activities it considers as eligible under Annex 1, then in 2023 supplemented its analysis on the alignment criteria and compliance with the "Do No Significant Harm" principle as it applies to the other objectives and the minimum safeguards (https://numeum.fr/note-de-position-sur-la-taxinomie-verte).

Data processing, hosting and related activities (§ 8.1 of Annex 1 to the Delegated Act on climate change mitigation)

The following are eligible:

- Data storage and processing activities, if they are carried out using the entity's own infrastructure. Alternatively, if the entity is a tenant occupying space in a data centre owned by a service provider, and if the entity has control over the technical specifications for the rooms and the equipment.
- The entity must be able to isolate the revenue for its activities in the storage and processing of data.
- This revenue must be generated by the entity acting as principal and not as agent (i.e. it is not merely involved in purchasing and reselling a hosting service, for example).

The following are aligned:

- First technical screening criterion: data centres apply the best practices set out in the EU Code of Conduct for Energy Efficiency in Data Centres, depending on the role served by the participant or endorser (see reminder of definitions below). The proper application of these practices must be audited at least once every three years by an entity able to provide evidence of its experience in conducting this type of certification or validation. The first audit must be carried out no later than in respect of the financial year ended 31 December 2023 and published in 2024. Activities may only be classified as Taxonomy-aligned if the application of the Code of Conduct is audited.
- Second technical screening criterion, cumulative with the first: refrigerants used in data centre cooling systems must have a global warming potential (GWP) no greater than 675. Each refrigerant is listed on the Greenhouse Gas Protocol website along with its global warming potential and the assessment of refrigerants is to be carried out on an individual basis.

Useful reminders:

- Definition of a data centre: a building (or group of buildings) devoted to the centralised hosting, interconnection and operation of networked information technology and telecommunications equipment providing systems for storing, processing and transporting data, along with power distribution and environmental control facilities and infrastructure, as well as the necessary levels of infrastructure resilience and security to ensure the permanent availability of the desired service.
- Types of data centre covered by the Code of Conduct: **co-hosting data centre**, in which multiple clients are provided with access to one or more networks, servers and storage devices on which they operate their own services or applications; **co-location data centre**, in which multiple clients locate their own network(s), servers and storage devices; **hosting data centre**, in which ownership of the facility and the information technology equipment is shared, but the software systems used are imposed by other parties.
- Data centre operators: Participants, who operate one or more data centres or equipment within data centres, are required to monitor and report on the energy consumption of their data centres or equipment and implement certain practices set forth in the Code of Conduct, and who may serve in five different roles (operator, co-location provider, co-location customer, managed service provider, managed service provider in co-location space). Endorsers are third parties (data centre equipment manufacturers, digital services companies, customers, etc.) involved in the operations of a data centre and having entered into a commitment to follow the EU Code of Conduct for Data Centres.
- EU Code of Conduct for Energy Efficiency in Data Centres: the Code of Conduct is presented as a reporting form accompanied by an introductory guide and guidelines for participants and endorsers. It requests that the application of best practices, depending on the role served by the party in the data centre, be scored on a scale of 1 to 5, with 5 signifying the maximum benefit in terms of energy efficiency. Scores for non-mandatory practices included in the Code of Conduct are not required to validate the reporting form. The "minimum expected practices" considered in the assessment of the substantial contribution correspond to the full range of best practices defined in the EU Code of Conduct for Energy Efficiency in Data Centres. They must be taken into account depending on the role served by the party in the data centre. Implementing any of these minimum expected practices does not mean that the maximum score can be awarded to each, but only that they have been applied.
- CEN-CENELEC document (CLC TR50600-99-1) equivalent to the EU Data Centres Code of Conduct, but has a more international focus.

Numeum carried out an analysis of activities defined in Annex 1 of the Climate Delegated Act supplementing the EU Taxonomy Regulation as contributing to climate change mitigation and matched them with those pursued by its members. Numeum published an initial position paper presenting its approach to identifying activities it considers as eligible under Annex 1, then in 2023 supplemented its analysis on the alignment criteria and compliance with the "Do No Significant Harm" principle as it applies to the other objectives and the minimum safeguards (https://numeum.fr/note-de-position-sur-la-taxinomie-verte).

Data-driven solutions for GHG emissions reductions (§ 8.2 of Annex 1 to the Delegated Act)	Solution integration or development activities are eligible if they could eventually contribute, either directly or indirectly, to reducing greenhouse gas emissions. They would be considered as making a direct contribution if they benefit clients, and as making an indirect contribution if they benefit clients' clients.
	Accordingly, development activities are eligible for solutions that aim to:
	▪ Measure greenhouse gas (GHG) emissions along the value chain with the goal of adopting measures to reduce these emissions.
	▪ Reduce the quantities of energy, raw materials and components used to provide a service, on condition that the associated reduction in greenhouse gas emissions can be proven. For example:
	  ▪ solutions that lower a building's energy costs by collecting consumption data and helping decide which measures to take to reduce them,
	  ▪ solutions that optimise low-carbon transport.
	▪ Increase the proportion of renewable energies in the client's total energy consumption.
	▪ Reduce the carbon footprint of a product across its entire life cycle.
	▪ Extend the useful life of the client's equipment, for example by means of a predictive maintenance solution that helps reduce the product's greenhouse gas emissions over its entire life cycle.
	▪ Reduce the environmental impact of an organisation's processes thanks to digitalisation.
	▪ Reduce the environmental impact of IT by activating sustainability levers covering equipment, infrastructure, applications and data, provided that this reduction makes a substantial contribution to reducing the client's greenhouse gas emissions.
	▪ Activities to upgrade eligible solutions are also considered eligible. In addition, consulting activities are eligible if they lead to the implementation of a transformation project resulting in the reduction of a client's greenhouse gas emissions and may include, for example:
	  ▪ defining the client's net-zero emissions strategy and assisting with its implementation,
	  ▪ helping the client's employees get on board with change by raising awareness of digital environmental sustainability,
	  ▪ accompanying the transition to a low-carbon vehicle fleet,
	  ▪ optimising consumption at data centres,
	  ▪ assisting in hosting edge computing applications to help reduce emissions.
	The following are aligned:
	▪ 1st technical screening criterion: solutions for which the main activity is the reduction of greenhouse gas emissions or energy consumption.
	▪ 2nd technical screening criterion, cumulative with the first: custom or off-the-shelf solutions designed to offer substantial reductions in GHG emissions over their life cycle compared with the best-performing alternative solution or technology. These potential reductions are determined via a life cycle assessment or by way of an analysis comparing a "before" scenario, corresponding to the targeted client process in the absence of the solution or prior to its implementation and an "after" scenario, representing the targeted client process following the implementation of the solution, with reference to scientific standards, such as ISO 14064-2. This reduction must be significant and is assessed on a case-by-case basis for each company and each project.

3.6.2. ELIGIBILITY ANALYSIS

The Group's approach to identifying eligible activities and projects is strictly aligned with the stance adopted by Numeum. As is the case with some digital services companies, the Group's activities do not have a substantial negative impact on the environmental objectives of the Taxonomy. It is therefore only marginally concerned by the activities identified in the Taxonomy, and essentially by those included in Annex 1 (Climate change mitigation objective), namely:

- CCM 8.1: Data processing, hosting and related activities
  - Eligible projects include hosting activities for clients using either the Group's own infrastructure or equipment owned by the Group installed in service providers' data centres where hosting revenue can be isolated from revenue from other services. It excludes all hosting activities carried out in third-party infrastructures, such as those of data centre operators not owned by the Group or cloud providers, management infrastructure services provided outside of the Group's infrastructures, consulting services, and transformation and cloud deployment projects.
- CCM 8.2: Data-driven solutions for GHG emissions reductions

  This mainly consists of client consulting and integration projects that have a measurable favourable impact, whether direct or indirect, on greenhouse gas emissions reduction:
  - projects that involve developing solutions for determining and measuring greenhouse gas emissions,
  - integration of solutions that help the Group's clients reduce their consumption of raw materials or components,
  - integration projects that aim to optimise a constraint or replace physical flows with digital processes (e.g. migration to paperless processes, where the project results in a proven net reduction in greenhouse gas emissions).

On this basis, two types of projects were identified as falling under Activity 8.2:

- projects considered as enabling under the Taxonomy, i.e. that help the Group's clients make a substantial contribution to climate change mitigation. The vast majority of the projects identified in 2023 fall into this category. These may be, for example, projects that accelerate the transition to electric trains on the railway network or encourage more environmentally friendly transport choices when alerts are triggered by air pollution indicators, projects that lead to growth in renewable energy generation or lengthen the lifespan of nuclear power plants, or projects that optimise logistics and reduce the waste of fresh and very fresh products that are thrown out once they are past their expiry date;
- software solutions that make a direct or indirect contribution to reducing the client's greenhouse gas emissions, for example environmental performance monitoring modules included in solutions developed by Sopra Real Estate Software, or software solutions to set targets and greenhouse gas emissions reduction indicators, and to monitor and verify the progress towards the environmental impact reduction being tracked, or even the introduction of an IOT system to improve preventive maintenance of equipment, extending its useful life and cutting down on travel by technicians, who would then be able to perform full diagnostics remotely.

- CCM 3.21: Manufacturing of aircraft

  Eligible projects falling under Activity 3.21 contributing to the climate change mitigation objective involve the manufacture, repair, maintenance, overhaul, retrofitting, design, repurposing and upgrade of aircraft with zero direct (tailpipe) CO_2 emissions. On this basis, several projects were identified with regard to the optimisation of the operability or life cycle of future products relating to propulsion, or the management of test flights with the design of test-beds for hybrid hydrogen engines.

It may also be concerned by certain activities relating to the climate change adaptation goal:

- CCA 8.4: Software enabling physical climate risk management and adaptation

  Eligible projects falling under Activity 8.4 contributing to the climate change adaptation objective bring together software solutions used for the forecasting, projection and monitoring of climate risks, to provide early warning systems for climate risks, and for climate risk management. On this basis, two types of project were identified:

  - the Biodrone software solutions combining state-of-the-art drone technology and AI to support modern, sustainable forestry through forest mapping and analysis, the surveillance of undesirable species such as the red-berried elder, the restoration of pastures inaccessible to tractors, the fertilisation of forests too small to cover by helicopter, the detection of bark beetles along with early warning systems for diseases, and biomass CO_2 capture calculation based on drone images,
  - the software services operated by Copernicus, the European Union's Earth observation programme, offering information services based on Earth observation via satellite and in situ (non-spatial) data. Climate risks thus identified through the monitoring of the atmosphere, marine environments and climate change developments are managed using disaster risk management systems.

- CCA 9.3: Consultancy for climate risk management and adaptation

  Eligible projects falling under this activity contributing to the climate change adaptation objective involve either the assessment of climate impacts, vulnerability or risk or the development of strategies, plans or measures for the management of physical climate risks. Such projects have been identified at some banks that wish to better analyse the ESG ratings and climate risks reported by their clients.

Some of the Group's key verticals - in particular energy and utilities, the public sector, transport, retail and aeroline - help provide major benefits in the fight against climate change.

The alignment analysis is being introduced gradually and it is therefore not yet possible to analyse all eligible projects. Projects that have not been analysed are considered non-aligned.

- CE 4.1: Provision of IT/OT data-driven solutions and software

  The circular economy projects eligible for this objective include a focus on production chain optimisation, which can help to reduce raw material waste.

Due to its particular business model, only a very small proportion of the Group's revenue is Taxonomy-eligible.

Meanwhile, capital expenditure (capex) was limited to real estate (Activity 7.7) and the vehicle fleet (Activity 6.5), as in 2022. Surveys in the form of questionnaires were sent out to vehicle fleet and real estate providers to determine their degree of alignment.

3.6.3. ALIGNMENT ANALYSIS

The Group then launched a procedure for the technical analysis of projects in order to determine their alignment. For financial year 2023, this analysis only covers activities eligible for climate objectives, i.e. the CCM 8.1 and CCM 8.2 activities. For the other four objectives (CE 4.1) and activities recently added to the climate objectives (CCM 3.21, CCA 8.4 and CCA 9.3), only an eligibility analysis was required for this financial year. The alignment analysis will be required next year. However, the Group has decided to report it on a voluntary basis this very year. The procedure is being introduced gradually and it is therefore not yet possible to analyse all eligible projects. Projects that have not been analysed are considered non-aligned.

Alignment is based on meeting the substantial contribution criteria, the "Do No Significant Harm" (DNSH) principle and the minimum safeguards.

Meeting substantial contribution criteria

Concerning revenue, "Data processing, hosting and related activities" (CCM 8.1) account for just over a quarter of eligible revenue. These activities do not meet all the "substantial contribution" criteria necessary to achieve alignment. Indeed, all the Group's data centre suppliers use coolants with a global warming potential (GWP) of over 675.

Meanwhile, eligible projects falling under CCM 8.2, "Data-driven solutions for GHG emissions reductions", account for around two-thirds of eligible revenue, and nearly two-thirds of them meet the substantial contribution criterion and are thus aligned. The remaining one-third was considered as not aligned because the data needed to calculate the environmental footprint was not available.

The projects eligible in respect of CCA 8.4 and CCA 9.3, "Software and consultancy enabling physical climate risk management and adaptation", or CE 4.1, "Provision of IT/OT data-driven solutions", are fully aligned.

As regards individually eligible capital expenditure relating to real estate and the vehicle fleet, the Group conducted surveys in the form of questionnaires sent out to suppliers.

For financial years 2022 and 2023, the Group took the view that buildings achieving BREEAM "Excellent" and HQE "Exceptional" certification were aligned. A mapping of relationships between environmental certification criteria used in the real estate world and technical requirements under the Taxonomy is awaited. The Group is paying very close attention to the qualification work for all technical alignment criteria relating to buildings, which is being carried out by various structures, in particular the Directorate of Housing and Urban Planning (DHUP) of France's Ministry for the Ecological and Inclusive Transition.

This applied to one buildings for which lease right-of-use assets were recognised in the company's accounts in 2023. It is located in Norway and holds a BREEAM® NOR certificate with an Excellent rating and is thus considered to be aligned. Furthermore, properties owned by companies acquired in 2023 (CS Group, Tobania, Ordina) were added to the Group's building stock. None of these new property portfolio additions, some of which are older buildings, meet the technical screening criteria.

The Group's fleet of vehicles also increased significantly as a result of these acquisitions, mainly in Belgium and the Netherlands (Tobania and Ordina). A number of these vehicles, including some older models, do not meet the technical screening criteria.

Complying with the "Do No Significant Harm" (DNSH) principle

In order to be aligned, eligible activities identified by Sopra Steria must not only meet the substantial contribution criteria, they must also comply with the "Do No Significant Harm" principle in respect of climate change adaptation.

DNSH - Climate change mitigation

The projects identified in this CCA 9.3 activity do not involve the fossil fuel extraction, transport or manufacturing plant sectors.

DNSH - Climate change adaptation

The Group pursues a policy of adapting to physical climate risks, as set out in Section 3.3 of this report, "Climate change risks and opportunities" (pages 142-144).

DNSH – Water and marine resources

In connection with projects identified for CCM 8.1, and to address the risks of environmental degradation relating to protecting water quality and avoiding water stress, the Group monitors freshwater consumption at its sites and is working on monitoring indicators covering water pollution as well as its presence on sites located in potentially water-stressed areas or near sea water (see Section 3.4.1 of this report, "Direct activities", pages 145-148).

DNSH – Transition to a circular economy

The Group has a proactive policy of contributing to the circular economy. It meets requirements drawn up in accordance with Directive 2009/125/EC for servers and data storage products and does not use restricted substances listed in Annex II of Directive 2011/65/EU. Indeed, all equipment legally brought into Europe is compliant, and the Group's IT equipment purchasing policy applies internationally.

A waste management plan is in place, ensuring that end-of-life electrical and electronic equipment is recycled as far as possible. This plan is described in Section 3.4.2 of this report, "Indirect activities" (pages 148-151). In 2023, 99.2% of waste electrical and electronic equipment was given a second life.

DNSH – Pollution prevention and control

In connection with projects identified for CE 4.1, the Group's policy relating to purchases of goods and services covers the requirements set forth in Directive 2009/125/EC and Annex II of Directive 2011/65/EU. The policy is set out in Section 4.2 of this report, "Responsible purchasing: leveraging a sustainable supply chain" (pages 172-174).

DNSH – Protection and restoration of biodiversity and ecosystems

In connection with projects identified for CCM 3.21, the Group is drawing up an environmental impact study t for sites considered to be at risk at the European level in order to define indicators relating to the six domains mentioned in Section 3.4.2, "Indirect activities" (pages 148-151): GHG emissions, fresh water and marine water, change in land use, air pollution, use of resources, introduced species with an impact on the environment.

Compliance with minimum safeguards

Minimum safeguards are procedures implemented by an undertaking that is carrying out an economic activity to ensure alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organization on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

The following table shows how the Group meets the minimum safeguards by reference to the relevant sections of this report.

MINIMUM SAFEGUARDS

Area	Evidence of safeguards and reference to corresponding sections in the Universal Registration Document
Human rights	The Group is committed to complying with applicable law, has in place a human rights policy and is subject to the duty of vigilance laid down in French regulations. See Sections 2, "Social responsibility: A committed and responsible Group" (pages 119-136), 4.2, "Responsible purchasing: leveraging a sustainable supply chain" (pages 172-174), 4.4.6, "Protection of personal data" (pages 169-170), 4.5, "Promoting digital inclusion and community engagement" (pages 179-181) and 4.1.9, "Duty of vigilance and vigilance plan" (pages 171-172).
Business ethics and anti-corruption	The Group applies a zero-tolerance policy with respect to corruption and influence peddling. A specific code of conduct on the prevention of corruption and influence peddling is available in ten languages and covers all Group entities. An e-learning training course has been developed for all employees, supplemented by dedicated training for those populations considered the most exposed. See Section 4.1.5, "Preventing corruption and influence peddling" (pages 168-169). The Group has also put in place procedures for assessing its suppliers and subcontractors. See Section 4.2, "Responsible purchasing: leveraging a sustainable supply chain", and in particular the subsections headed "Signing of the Code of conduct for suppliers and partners" and "CSR assessment for suppliers and partners" (pages 172-174).
Taxation	The Group is committed to fully complying with tax regulations. In particular, the Group pays its taxes and duties in the countries where its operations are located and where value is created. See Section 4.1.7, "Tax transparency" (page 170).
Fair competition	Sopra Steria is committed to managing its business in strict compliance with competition law in countries in which the Group operates. See Section 4.1.8, "Other regulations" (pages 170-171).

RESULTS

The following indicators have been prepared using financial data determined in accordance with the accounting principles set out in Chapter 5, "2023 consolidated financial statements" (page 218).

Revenue

TAXONOMY – TURNOVER INDICATOR

Opex

Economic activities	2023			Substantial contribution criteria			
	Code(s) [a]	Absolute revenue	Proportion of revenue	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution
		(in millions of euros)	(%)	Y; N; N/EL [b] [c]	Y; N; N/EL [b] [c]	Y; N; N/EL [b] [c]	Y; N; N/EL [b] [c]
A. Taxonomy-eligible activities							
A.1. Environmentally sustainable activities (Taxonomy-aligned)							
Data-driven solutions for GHG emissions reductions	CCM 8.2	49.5	0.9%	100%			
Manufacturing of aircraft	CCA 3.21	1.0	0.0%	100%			
Climate risk management software	CCA 8.4	9.8	0.2%		100%		
Climate risk management consulting	CCA 9.3 4.1	0.3	0.0%		100%		
Provision of IT/OT data-driven solutions	CE 4.1	1.3	0.0%				
Revenue of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**61.9**	**1.1%**				
Of which: % enabling activities			1.1%	100%			
Of which: % transitional activities			0.0%	0%			
A.2. Taxonomy-eligible but not environmentally sustainable activities (non-Taxonomy-aligned)							
		(in millions of euros)	(%)	Y; N; N/EL [b] [c]	Y; N; N/EL [b] [c]	Y; N; N/EL [b] [c]	Y; N; N/EL [b] [c]
Data processing, hosting and related activities	CCM 8.1	34.6	0.6%	100%			
Data-driven solutions for GHG emissions reductions	CCM 8.2	29.6	0.5%	100%			
Manufacturing of aircraft	CCM 3.21	0.0	0.0%	100%			
Climate risk management software	CCA 8.4	0.0	0.0%		100%		
Climate risk management consulting	CCA 9.3	0.0	0.0%		100%		
Provision of IT/OT data-driven solutions	CE 4.1	0.0	0.0%				
Revenue of Taxonomy-eligible but not environmentally sustainable activities (non-Taxonomy-aligned) (A.2)		**64.2**	**1.1%**				
TOTAL (A.1. + A.2.)		**126.1**	**2.2%**				
B. Non-Taxonomy-eligible activities							
Revenue of non-Taxonomy-eligible activities (B)		**5,679.2**	**97.8%**				
TOTAL (A + B)		**5,805.3**	**100%**				

[a] Codes: Climate Change Mitigation (CCM); Climate Change Adaptation (CCA); Water and Marine Resources (WTR); Circular Economy (CE); Pollution Prevention and Control (PPC); Biodiversity and Ecosystems (BIO).
[b] Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
[c] Where an economic activity contributes substantially to multiple environmental objectives, the most relevant environmental objective is indicated in bold.

Circular economy	Biodiversity and ecosystems	DNSH (Do No Significant Harm) criteria: Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Minimum safeguards	Proportion of Taxonomy -aligned (A.1.) and Taxonomy -eligible (A.2.) revenue, 2022	"(Enabling activity)" category	"(Transitional activity)" category
Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
		N	Y	N	Y	N	N	Y	0.7%	E	
		N	Y	Y	Y	Y	Y	Y			
		N	N	N	N	N	N	Y			
		Y	N	N	N	N	N	Y			
100%		Y	N	Y	Y	Y	N	Y			
									0.7%		
Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
									0.5%		
100%											
									0.5%		
									1.1%		

	Proportion of revenue/Total revenue	
	Aligned with the European Taxonomy by objective	Taxonomy-eligible by objective
CCM	0.9%	1.1%
CCA	0.2%	0.0%
WTR	N/EL	N/EL
CE	0.0%	0.0%
PPC	N/EL	N/EL
BIO	N/EL	N/EL

Capex

The capex to be used is not the cash outflow on the cash flow statement (see Chapter 5, "2023 consolidated financial statements", page 216), but the increase in the value of assets. Accordingly, new right-of-use assets will be recognised when leases are signed, while the financing details of capital expenditures, such as late payments, will not be recognised. Capital expenditures also include new intangible assets resulting from business combinations, such as technologies, customer relationships and brands.

TAXONOMY – CAPEX INDICATOR

			2023	Substantial contribution criteria					DNSH (Do No Significant Harm) criteria
Economic activities	**Code(s) [a]**	**Absolute capex**	**Proportion of capex**	**Climate change mitigation**	**Climate change adaptation**	**Water and marine resources**	**Pollution**	**Circular economy**	**Biodiversity and ecosystems**
		in millions of euros	%	Y; N; N/EL [b] [c]	Y; N; N/EL [b] [c]	Y; N; N/EL [b] [c]	Y; N; N/EL [b] [c]	Y; N; N/EL [b] [c]	Y; N; N/EL [b] [c]
A. Taxonomy-eligible activities									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Afforestation	CCM 1.1								
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	27.4	10.7%	100%					
Renovation of existing buildings	CCM 7.2								
Acquisition and ownership of buildings	CCM 7.7	31.6	12.4%	100%					
Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**59**	**23.1%**						
Of which:% enabling activities									
Of which:% transitional activities									
A.2. Taxonomy-eligible but not environmentally sustainable activities (non-Taxonomy-aligned)									
		in millions of euros	%	Y; N; N/EL [b] [c]	Y; N; N/EL [b] [c]	Y; N; N/EL [b] [c]	Y; N; N/EL [b] [c]	Y; N; N/EL [b] [c]	Y; N; N/EL [b] [c]
Afforestation	CCM 1.1								
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	30.1	11.8%	100%					
Renovation of existing buildings	CCM 7.2								
Acquisition and ownership of buildings	CCM 7.7	166.4	65.1%	100%					
Capex of Taxonomy-eligible but not environmentally sustainable activities (non-Taxonomy-aligned) (A.2)		**196.5**	**76.9%**						
TOTAL (A.1 + A.2)		**255.5**	**100%**						
B. Non-Taxonomy-eligible activities									
Capex of non-Taxonomy-eligible activities (B)		**0**							
TOTAL (A + B)		**255.5**	**100%**						

[a] Codes: Climate Change Mitigation (CCM); Climate Change Adaptation (CCA); Water and Marine Resources (WTR); Circular Economy (CE); Pollution Prevention and Control (PPC); Biodiversity and Ecosystems (BIO).
[b] Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
[c] Where an economic activity contributes substantially to multiple environmental objectives, the most relevant environmental objective is indicated in bold.

Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Minimum safeguards	Proportion of Taxonomy -aligned (A.1.) and Taxonomy -eligible (A.2.) capex, 2022	"(Enabling activity)" category	"(Transitional activity)" category
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Y	Y	N	Y	Y	N	Y	1.2%		
Y	Y	N	N	N	N	Y	13.4%		
							14.5%		
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
							3.0%		
							33.3%		
							36.3%		
							50.8%		

	Proportion of capex/Total capex	
	Aligned with the European Taxonomy by objective	Taxonomy-eligible by objective
CCM	23.1%	76.9%
CCA	N/EL	N/EL
WTR	N/EL	N/EL
CE	N/EL	N/EL
PPC	N/EL	N/EL
BIO	N/EL	N/EL

Opex

This indicator requires an assessment of operating expenditures. These include those made for an eligible activity, for a project to make an activity sustainable or to develop a sustainable activity, or for the individually eligible activities defined in the Taxonomy, such as opex on premises, vehicles and data hosting. Only research and development expenditures, building refurbishment costs, short-term lease expenses, maintenance, cleaning and repair expenses, and any other direct expenditures for the ongoing maintenance of tangible assets necessary to maintain their normal functioning are taken into account.

The Group's business model is people-intensive. It therefore includes essential expenditures on subcontracting, travel and communication services, which fall outside the scope of the Taxonomy.

With the exception of research and development expenditures, which are essential to software publishing, the other cost components of the denominator of the opex indicator play only a very small role in the Group's business model. These expenditures are immaterial, amounting to no more than 4.9% of total opex, i.e. €264.5 million. As such, the Group has decided, as it did for reporting in 2021 and 2022, to disregard them, in accordance with the EU regulation's materiality threshold for opex. The numerator representing the opex-eligible activities is therefore 0, for a denominator that amounts to €264.5 million.

TAXONOMY – OPEX INDICATOR

Economic activities	2023			Substantial contribution criteria			
	Code(s) [a]	Absolute opex	Proportion of opex	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution
		(in millions of euros)	(%)	Y; N; N/EL [b] [c]	Y; N; N/EL [b] [c]	Y; N; N/EL [b] [c]	Y; N; N/EL [b] [c]
A. Taxonomy-eligible activities							
A.1. Environmentally sustainable activities (Taxonomy-aligned)							
Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0.0%**				
Of which: % enabling activities							
Of which: % transitional activities							
A.2. Taxonomy-eligible but not environmentally sustainable activities (non-Taxonomy-aligned)							
		(in millions of euros)	(%)	Y; N; N/EL [b] [c]	Y; N; N/EL [b] [c]	Y; N; N/EL [b] [c]	Y; N; N/EL [b] [c]
Opex of Taxonomy-eligible but not environmentally sustainable activities (non-Taxonomy-aligned) (A.2)		**0**	**0.0%**				
TOTAL (A.1. + A.2.)		**0**	**0.0%**				
B. Non-Taxonomy-eligible activities							
Opex of non-Taxonomy-eligible activities (B)		**264.5**	**100%**				
TOTAL (A + B)		**264.5**	**100%**				

(a) *Codes: Climate Change Mitigation (CCM); Climate Change Adaptation (CCA); Water and Marine Resources (WTR); Circular Economy (CE); Pollution Prevention and Control (PPC); Biodiversity and Ecosystems (BIO).*
(b) *Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective.*
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective.
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.
(C) *Where an economic activity contributes substantially to multiple environmental objectives, the most relevant environmental objective is indicated in bold.*

DNSH (Do No Significant Harm) criteria											
Circular economy	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of Taxonomy -aligned (A.1.) and Taxonomy -eligible (A.2.) opex, 2022	"(Enabling activity)" category	"(Transitional activity)" category
Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
									0.0%		
Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
									0.0%		

	Proportion of opex/Total opex	
	Aligned with the European Taxonomy by objective	Taxonomy-eligible by objective
CCM	0.0%	0.0%
CCA	N/EL	N/EL
WTR	N/EL	N/EL
CE	N/EL	N/EL
PPC	N/EL	N/EL
BIO	N/EL	N/EL

3.7. Outlook

Sopra Steria confirms its commitment to the fight against climate change and plans to become a net-zero emissions company by 2040 in accordance with SBTi's long-term Net-Zero Standard, 10 years ahead of the UN and the EU (based on their current targets). The Group also wants to make digital technology a source of opportunities and a catalyst for progress for everyone.

In order to meet its short-term (2030) and long-term (2040) targets, Sopra Steria will be continuing and strengthening the following initiatives:

- rolling out action plans across the Group to encourage suppliers to join our efforts to decarbonise the supply chain;
- optimising solutions to decarbonise transport (business travel, commuting);
- maintaining the Group's Energy Savings Plan;
- expanding ISO 14001 certification, particularly in France;
- stepping up the development of responsible digital technology services and solutions to extend its emissions reduction and climate change adaptation actions throughout its value chain while meeting client needs thanks to the opportunities offered by digital technologies;
- expanding the analysis to cover certain impact categories in more detail (biodiversity) and by adding new waste categories (plastics and metals);
- pursuing our plan to acquire a more ambitious solution for automating the collection of environmental data and publishing associated indicators. This initiative is consistent with the Group's intention to adopt innovative practices to boost operational efficiency across the Group, more quickly produce monitoring indicators covering key programmes and respond to increasing expectations from stakeholders.

4. Commitments to society

As a European tech leader, Sopra Steria's commitments to society encompass the following:

- putting the Group's ethical principles into practice and abiding by compliance rules;
- responsible interactions with the Group's stakeholders, particularly suppliers and subcontractors, through a responsible purchasing policy and vigilance plan;
- solutions to help our clients address their priorities with regard to the environment, digital sovereignty, digital ethics and the development of trustworthy artificial intelligence;
- civic engagement to support struggling and highly vulnerable populations.

Through our commitments to society, we are directly or indirectly contributing to the following SDGs: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 16 and 17.

4.1. Ethics and compliance

4.1.1. GOVERNANCE AND ORGANISATION

Sopra Steria has decided to bring together business ethics and compliance, internal control and risk management within the Internal Control Department, which reports directly to the Group's Executive Management. This department appears before the Audit Committee and the Nomination, Governance, Ethics and Corporate Responsibility Committee at regular intervals.

This structure allows for centrally coordinated, Group-wide governance to deal with business ethics and compliance issues, compliance controls, risks and potential whistleblowing.

- The Internal Control Department oversees business ethics and compliance issues and coordinates all stakeholders involved in compliance and internal control across the Group. The Internal Control Director is the primary reference point for the whistleblowing system in her capacity as Group Compliance Officer. The Internal Control Department directly manages programmes aimed at preventing corruption, influence peddling, money laundering and fraud, as well as those concerning the compliance of operations with economic sanctions and export controls, and lastly, the duty of vigilance.
- This department is supported by the network of Internal Control & Compliance Officers in charge of internal control, business ethics and compliance. (See Chapter 2, "Risk factors and internal control", of this Universal Registration Document on pages 48-53.) They are appointed to work with local teams in each Group entity.
- It is also supported by the Group-level functional and operational departments, each with expertise in its own area: the Human Resources Department, Legal Department, Purchasing Department, Finance Department, Security Department, and Corporate Responsibility and Sustainable Development Department.

Each of these departments also have their own correspondents within each of the Group's entities. Regular steering meetings bring together these departments and Executive Management to discuss programme implementation and changes to be instigated. The Internal Control Department and the Internal Audit Department also meet regularly to exchange updated information, notably concerning the identification of associated risks and the audit plan.

4.1.2. ETHICAL PRACTICES

As the Sopra Steria Group grows, it is committed not only to strictly complying with legislation and regulations in the countries in which it operates but also to applying ethical principles rooted in the Group's culture and values (see "Integrated presentation of Sopra Steria" of this Universal Registration Document on page 5). These include, in particular, professional excellence, respect for others and a proactive approach.

Sopra Steria's code of ethics constitutes the reference framework within which the Group operates. The Group's status as a signatory to the United Nations Global Compact since 2004 reflects Sopra Steria's ethical principles, which adhere to the principles and fundamental entitlements of the Universal Declaration of Human Rights of the United Nations and the Charter of Fundamental Rights of the European Union.

With a foreword written by the Chairman of the Board of Directors, it is supported by Group management, which is responsible for ensuring that these rules are observed. The code applies to all Sopra Steria employees. Managers who sit on the Group Management Committee and entity-level (country and subsidiary) management committees sign an annual digital declaration renewing their commitment to abide by and enforce the code of ethics within their scope of responsibility.

Sopra Steria regularly raises awareness among the relevant personnel to ensure that they buy into and abide by the Group's values and fundamentals and the principles laid down in the code of ethics. These awareness-raising campaigns and training courses take place principally through induction seminars, professional development sessions and events sharing the Group's fundamentals, organised by Sopra Steria Academy, the Group's in-house training organisation.

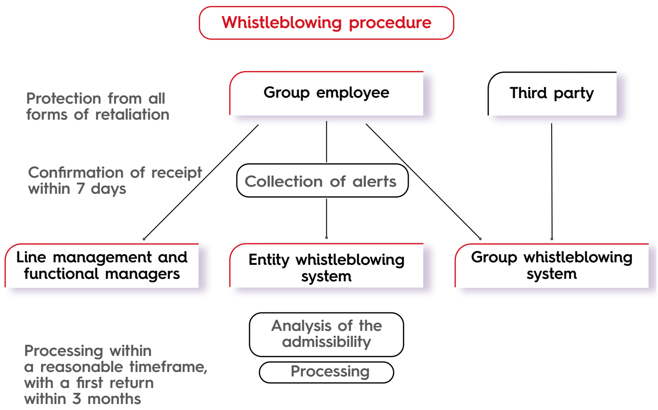
Furthermore, Sopra Steria expects all those with whom it has a business relationship to abide by the principles of its code of ethics, irrespective of legislation and regulations in the countries in which they operate. As it applies to its supply chain in particular, Sopra Steria requires agreement to the ethical principles set out in the code of conduct for suppliers and partners.

The code of ethics is publicly available from the Ethics and Compliance page of Sopra Steria's corporate website at www.soprasteria.com.

4.1.3. RULES AND PROCEDURES

The code of ethics is supplemented by an anti-corruption code of conduct, a code of conduct for stock market transactions, a code of conduct for suppliers and partners and a common core of rules, procedures and checks. (See Chapter 2, "Risk factors and internal control", of this Universal Registration Document on pages 48-53.) As part of the compliance programme, work was undertaken at Group level in 2023 to continuously improve existing rules and clarify guidelines and procedures to ensure that regulatory changes are taken into account, best practice is adopted and these rules and procedures are applied and controlled within the Group on an ongoing basis. For example, ten or so rules relating to compliance issues were integrated into the Group Rules, which constitute the operating fundamentals applicable to all Sopra Steria entities.

4.1.4. WHISTLEBLOWING PROCEDURE



The whistleblowing procedure may be used to flag up any situations that could be considered contrary to the law, the code of ethics or Sopra Steria's code of conduct or that could harm Sopra Steria's reputation or pose a threat to the public interest. Key areas covered by the whistleblowing procedure include corruption and influence peddling, fraud, financial offences, breaches of competition law and risks relating to human rights and fundamental freedoms, health and safety and environmental damage. The procedure covers all Group entities and geographies.

Any person may bring any concerns they have to the attention of their line manager, their line manager's manager, their entity's Compliance Officer, the Compliance Officer of the functional division to which their entity belongs or the Group Compliance Officer, as they see fit.

As an alternative to these usual communication channels, they may choose to use Sopra Steria's whistleblowing procedure. An email address is provided within each entity, managed by a designated individual approved by the Group's Internal Control Department, which is responsible for the whistleblowing procedure.

Concerns can also be raised directly with the Group's Internal Control Department by writing to the following email address: ethics@soprasteria.com. It is possible to raise concerns anonymously.

This reporting channel is also open to all external stakeholders, including in particular the Group's clients, suppliers, subcontractors and business partners. It is available on the Ethics and Compliance page of the Group's website at www.soprasteria.com.

In accordance with the operating rules governing the Group's whistleblowing procedure, whistleblowing reports are responded to within the following timescales:

- receipt of reports is acknowledged within seven working days;
- the validity of reports is confirmed within a reasonable time frame following their receipt;
- initial feedback on action that has been, is being or will be taken in response to reports is provided within three months of the date on which receipt of the report was acknowledged;
- reports are closed within a reasonable time frame based on the complexity and severity of the matters reported.

Data security, integrity and confidentiality are assured. Sopra Steria guarantees that all information exchanged, including the identity of the whistleblower and any other relevant persons, will remain confidential. Precautionary steps are also taken to safeguard against any conflict of interest, thus guaranteeing impartiality while reports are investigated.

Whistleblowers are protected against reprisals, discrimination and disciplinary sanctions of any kind related to their whistleblowing. This protection extends to any person related to the whistleblower or their whistleblowing.

Records of reports received under the whistleblowing procedure are kept in accordance with applicable legislation and/or regulations.

4.1.5. PREVENTING CORRUPTION AND INFLUENCE PEDDLING

Sopra Steria has implemented a compliance programme to safeguard against risks associated with corruption and influence peddling. These measures help protect the Group's reputation and maintain the trust of its internal and external stakeholders. The Group applies a zero-tolerance policy with respect to corruption and influence peddling.

To this end, Executive Management is highly involved in the implementation and monitoring of the Group's programme to prevent corruption and influence peddling. This firm commitment takes shape in particular through the Group's specific code of conduct covering these issues, the direct oversight of the programme at the Internal Control Department's steering meetings with Executive Management, informational meetings for senior managers and regular communications campaigns targeting all Group employees. For example, each year Executive Management reiterates its commitment to all Group employees on the UN's International Anti-Corruption Day, which takes place on 9 December.

Executive Management has established a Group-wide organisational structure in charge of managing, monitoring and controlling the framework, through a network of Internal Control & Compliance Officers, who have responsibility for rolling out programmes on compliance, business ethics, internal control and risk management issues within each entity.

The system is underpinned, in particular, by the following:

- a specific mapping exercise to identify risks of corruption and influence peddling, updated every two years or as soon as is necessary following a major Group-level event. This risk mapping was updated as planned in the first half of 2022 and will be updated again in 2024;
- a specific code of conduct for the prevention of corruption and influence peddling, including a foreword by the Chairman of the Board of Directors and the Chief Executive Officer and illustrated with real-world examples, as a supplement to the code of ethics. This code of conduct has been translated into 10 languages and covers the entire Group;
- a disciplinary system based on the code of conduct enforceable against all employees through its inclusion in the Group's internal rules and regulations, or through any other mechanism in force at Group entities;
- specific, formal procedures, allowing in particular for the implementation of the first- and second-level controls, in order to respond to situations identified as potentially exposed to risk. For example: Policies on hospitality and gifts and procedures covering conflicts of interest, client events and countries under vigilance;
- a strict procedure for assessing third parties, including suppliers and subcontractors. In this regard, the Group implements its purchasing procedure and a code of conduct for suppliers and partners, which was revised at the begging of 2022, to ensure that all new regulations, and more specifically those connected with the "Sapin II" Act and the duty of vigilance, are covered. Specific procedures are also in place to assess countries under vigilance, beneficiaries of donations, sponsorship and patronage, and acquisition targets;

- a Group training programme developed in light of the results of the risk mapping exercise for corruption and influence peddling risks:
  - a mandatory e-learning course for all employees that must be completed within 3 months of their arrival. This course, updated in 2021, is available in five languages. This tailored course, designed in-house, consists of eight interactive modules (Legal framework, code of conduct and key contact points; Invitations and gifts; Conflicts of interest; Public agents; Commercial intermediaries and international sanctions; Donations, sponsorship and patronage; Facilitation payments; Whistleblowing procedure) and ends with a mandatory knowledge assessment quiz that employees must pass to successfully complete the course. At end December 2023, 93% of Group employees had completed this e-learning module,
  - a specific programme for those populations considered the most at risk, for example managers, sales staff and buyers;
- a guide to preventing conflicts of interest, made available to all Group employees in early 2023, aimed at helping employees and managers eliminate any doubt as to the impartiality of decisions made in the course of Sopra Steria's business and find appropriate solutions should conflicts of interest arise;
- whistleblowing procedure (described above);
- strengthened control and audit procedures: The specific controls are covered in the procedures developed under the programme for the prevention of corruption and influence peddling and may be either ongoing or periodic. In addition to the first-level controls carried out in the form of self-checks by the employees concerned and by line managers, controls are mainly performed, depending on the area involved, by the functional divisions concerned (Finance Department, Internal Control Department, Industrial Department, Legal Department, Human Resources Department). The procedures are also assessed by the Internal Audit Department when auditing the Group's subsidiaries and/or divisions, by running through some 30 specific checks, and during specific compliance audits as part of the internal audit programme.

To the best of the company's knowledge at the time of writing this Universal Registration Document, neither Sopra Steria, nor its subsidiaries nor any member of an administrative or management body have been found guilty of corruption or influence peddling at any time in the last five years. Furthermore, no confirmed corruption incidents were recorded via the Group's whistleblowing procedure in 2023.

4.1.6. DATA PROTECTION

Protection of personal data

Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 – known as the General Data Protection Regulation, or GDPR – entered into force on 25 May 2018. The Group has rolled out a governance structure intended to ensure compliance with this regulation and local laws.

This governance structure is under the responsibility of the head of the Group's Legal Department, an Executive Committee member, who is responsible for coordinating measures to protect personal data processed by Group companies (both for their own purposes and on behalf of their clients).

The programme's governance model consists of a clearly defined organisational structure and a compliance programme made up of a set of policies, procedures and tools designed to ensure that personal data is properly protected across the Group.

This organisational structure has two tiers: a Group tier and a local (country/entity) tier. Data Protection Officers have been appointed within each of the Group entities concerned. The Group Data Protection Officer relies on this structure to roll out the compliance programme across the Group, with the support of the Group's head of governance for confidentiality and data protection.

This programme has the following goals in particular:

- roll-out of a specific tool to keep records of all processing of personal data by Group entities, both for their own purposes and on behalf of their clients;
- implementation of specific procedures to respond to requests received from individuals exercising their rights relating to personal data, including the right to access, the right to rectification, the right to object to processing and the right to remove data across the system, including archived and recorded data:
  - for employees of Group companies,
  - for third parties (for example, job applicants in connection with recruitment procedures),
  - for personal data processed by Group companies under contractual arrangements with their clients, as instructed in writing by the latter;
- review of internal and external media and applications to ensure compliance with legal and regulatory requirements;
- adoption of a procedure for managing, assessing the severity and reporting compromises of personal data and determining the measures required to mitigate any associated risk;
- provision of standard contracts and clauses covering the protection of personal data in the context of contractual relationships with clients, subcontractors and suppliers;
- roll-out of a mandatory e-learning module for all existing Group employees and for every new employee. The module was renewed in January 2024;
- management of the whistleblowing procedure to report actual or suspected abuses and irregularities relating to personal data;
- adoption of effective reporting processes for the management team and periodic compliance checks;
- regular reviews of the compliance programme and the organisational structure.

All external growth transactions involve a due diligence process covering the processing of personal data. Acquired companies are added to this compliance programme upon joining the Group.

In addition, at Sopra HR Software, the Sopra Steria Group's HR solutions publisher subsidiary, the Binding Corporate Rules (BCR) have been in place within its entities since 2015.

Data security

The Group has put in place a policy and robust system across all its entities and operations, supported by appropriate governance, procedures and controls that are reviewed annually. Further information can be found in Section 1, "Risk factors", of Chapter 2 (pages 40 to 46).

The ISO 27001 certified sites in France cover the central IT services provided to the Group by the IT department (100%). What's more, the Group holds ISO 27001 certification covering its main countries (Belgium, Germany, Denmark, France, India, Italy, Luxembourg, Norway, Poland, Spain, Sweden and the United Kingdom) and operations delivering its software solutions, such as Sopra Banking Software and Sopra HR Software.

Training

As regards awareness-raising and training in the area of information security more specifically, the Group has a catalogue of training made available to employees, coordinated by the Group Security Department and rolled out via the Group Academy. Employees may take one or more of these training courses a year depending on their role. At end-November 2023, 91% of employees had completed the mandatory e-learning course. A new mandatory e-learning module was launched in December 2023 to replace the previous one. Topics covered include protecting information, recognising phishing attempts and ensuring that information is kept secure while travelling and working remotely. Specialised modules covering topics in greater depth will be added in 2024. Informational and best practice campaigns, which are constantly shared on the Group's intranets, and periodically through newsletters, supplement this training programme.

Cyber rating

Cyber rating agencies are used to improve visibility as to the Group's exposure to cyber risks. They periodically assess Sopra Steria's management system and external assets visible on the internet. The Group Security Department regularly monitors developments in this area.

- SecurityScorecard: A in November 2023, with a goal of maintaining this score, which is higher than the industry average.
- CyberVadis score: 795, with a goal of at least maintaining this score. The score is due to be reassessed in March 2024.

4.1.7. TAX TRANSPARENCY

In tax matters, Sopra Steria Group is committed to complying with the tax laws and regulations applicable in all of the countries in which it is present. Sopra Steria acts in line with its values and ethical principles of integrity, commitment and accountability.

Accordingly, the Group pays its taxes and duties in the countries where its operations are located and where value is created. This approach is pursued in accordance with international guidelines and standards, such as those of the OECD, particularly in relation to transfer pricing for cross-border transactions between Group companies. In this respect, the Group does not engage in tax evasion or any other practice contrary to its ethical standards.

Sopra Steria does not make use of aggressive tax planning or any structuring methods for its transactions that would detach the tax location from the location of business activity. The Group thus abstains from establishing operations in tax havens (uncooperative countries or territories on the official French list or the European Union's blacklist), has no bank accounts at banks established in such countries or territories, and more generally abstains from creating any entities that have no economic substance or business purpose.

Sopra Steria Group is regularly audited by the competent tax authorities, with which it fully cooperates. The Group complies with the deadlines specified by tax authorities for providing responses to their queries, meets all of its reporting requirements and pays its taxes as required by law.

To limit tax risks relating to its activities, and to take advantage of existing tax incentives, exemptions and relief, in accordance with tax laws and the reality of its activities, the Group may enlist the services of outside tax consultants. All advice thus received is reviewed internally to ensure that any resulting application is consistent with the Group's tax principles.

4.1.8. OTHER REGULATIONS

Fair competition

Sopra Steria is committed to managing its business in strict compliance with competition law and regulations in all the countries where the Group operates. Employees are informed that if they have any questions or doubts about a competition-related topic, they must consult with their entity's legal department. The Group Rules include instructions in this area. A project to update the associated training programme began in 2023.

Inside information and rules on insider trading

As a company listed on the Euronext Paris exchange, Sopra Steria has a code of conduct for stock market transactions that sets out rules and protective measures relating to stock market transactions and the use or disclosure of inside information as defined in the European Market Abuse Regulation, i.e. any specific information that has not been made public and which, if made public, would be liable to significantly influence the share price.

Anti-money laundering

Sopra Steria undertakes not to engage or participate in any practice that constitutes the laundering of assets, revenue or capital. Financial transactions are entered into in strict compliance with anti-money laundering legislation and regulations. The Group is thus committed to exercising special care in assessing third parties in countries considered high-risk. A system to automate and reinforce procedures for verifying third-party bank details continued its roll-out in 2023. It now covers more than two thirds of purchases each year.

International sanctions and export controls

Sopra Steria undertakes to refrain from any activity that would contravene applicable national and international laws, regulations or standards in relation to economic sanctions imposing export controls, embargoes or other restrictions on trade. These topics are covered in the anti-corruption e-learning course. All third parties located in countries considered high risk are covered by compliance assessment procedures before any business relationship is entered into. Through its code of conduct for suppliers and partners, Sopra Steria also requires its suppliers and subcontractors to comply with economic sanctions.

Lobbying and representation of interests

As stated in its anti-corruption code of conduct, Sopra Steria does not provide support of any kind, financial or otherwise, to political parties, leaders or initiatives.

The Group reserves the right to engage in dialogue in connection with the development of regulations in the countries in which it operates and to participate in working meetings organised by industry bodies; such activities are undertaken by Executive Management or with its full knowledge. The company is registered in the European Union's Transparency Register under number 467305452138-41.

4.1.9. DUTY OF VIGILANCE AND VIGILANCE PLAN

This section provides a summary description of Sopra Steria's vigilance plan. It sets out reasonable vigilance measures aimed at identifying risks and preventing serious violations in respect of human rights and fundamental freedoms, health and safety, and the environment.

Coordinated by the Internal Control Department, the vigilance plan is prepared by the main departments responsible for the areas covered by the duty of vigilance: the Corporate Responsibility and Sustainable Development Department, Human Resources Department, Purchasing Department, Security Department and Legal Department. This plan was also presented to the Works Council when the initiative was launched. In addition, prior to preparing the plan, the results of the Group's general risk mapping exercise are aligned with the materiality matrix of corporate responsibility issues. The vigilance plan is reviewed each year, in light of possible developments in risks and the effectiveness of mitigation measures put in place. Furthermore, reasonable vigilance measures are implemented gradually for newly acquired companies as part of the integration of these companies within the Group and with respect to its procedures and systems.

The vigilance plan consists of four parts:

- risk mapping to identify, analyse and prioritise serious violation risks;
- risk mitigation and prevention plans;
- system to receive reports relating to the existence of risks or the occurrence of risk events;
- system to monitor the measures implemented and assess their effectiveness.

Risk mapping exercise

The risk areas listed below were analysed and prioritised in line with their severity and likelihood of occurrence in the context of the Group's business activities, those of its service suppliers and those of its manufactured product suppliers:

- human rights and fundamental freedoms: Diversity, equal opportunity and inclusion, labour relations and union representation, protection of personal data, working conditions: hours, compensation and social security;
- health and safety: Right to safe and healthy working conditions (particularly access to buildings, safety and security of business travel), healthcare benefits and workplace prevention measures;
- environment: risk of serious damage to the environment (e.g. pollution, waste, adverse effects on biodiversity).

The conclusions of this risk mapping exercise are used as the starting point for the Group's responsible purchasing policy, as set out in Section 4.2, "Responsible purchasing: leveraging a sustainable supply chain" (pages 172-174).

Risk mitigation and prevention plans

The continuous improvement approach adopted in line with the Group's corporate responsibility policy put in place several years ago focuses on the various areas identified in the mapping. The cross-reference table indicates the corresponding sections of the Corporate Responsibility Report that describe the risk mitigation and prevention plans put in place.

Area	Category	Mitigation plans and preventive measures
Risks relating to the Group's business activities	Human rights and fundamental freedoms	The relevant information is set out in Sections 2 (pages 119-136), 4.1.6 (pages 169-170), 4.2 (pages 172-174), 4.4.1 (pages 177), 4.5 (pages 179-182)
	Health and safety	The relevant information is set out in Section 2.8 (pages 135-136).
	Environment	The relevant information is set out in Section 3 (pages 137-166).
Risks relating to the business activities of the Group's suppliers	Responsible purchasing	The relevant information is set out in Section 4.2 (pages 172-174).

Sopra Steria's policies, actions and results in respect of the workforce and human rights, business ethics, the environment and responsible purchasing are assessed annually by EcoVadis. Since this label was created in 2020, Sopra Steria has achieved the highest possible rating of Platinum. The Group has also been among the top 1% for the past five years.

Whistleblowing procedure

Sopra Steria has put in place a whistleblowing procedure for receiving reports in connection with its duty of care. This procedure is set out in Section 4.1.4 under "Whistleblowing procedure" (page 168).

System to monitor the measures implemented and assess their effectiveness

For risks relating to the duty of vigilance, the procedures for the regular assessment of the Group's business activities and those of its subsidiaries, along with those of its main suppliers, are carried out at the level of the departments concerned. Each department with oversight for issues involving the duty of vigilance is responsible for monitoring the risks identified in the mapping of risks relating to the duty of vigilance.

All of these departments are involved in the identification and implementation of reasonable and appropriate vigilance measures for their respective areas of responsibility. They report on their monitoring activities at the Group's steering committee meetings and twice a year to the Corporate Responsibility and Sustainable Development Committee.

The risk mitigation and prevention measures put in place with regard to the duty of vigilance are reviewed as part of the Group's internal control procedures and are the focus of a consolidated report drawn up each year by the Internal Control Department and presented to Executive Management.

4.2. Responsible purchasing: leveraging a sustainable supply chain

4.2.1. GOVERNANCE AND ORGANISATION

Reporting to Executive Management, the Group Purchasing Department draws up the Group's purchasing policies and procedures, oversees supplier relations and implements responsible purchasing measures throughout the Group to ensure that its supply chain is aligned with the Group's requirements in relation to ethics and sustainability. The Group Purchasing Back-Office Department helps buyers and other responsible purchasing stakeholders implement supplier compliance and assessment systems.

In 2023, the Responsible Purchasing training course, which had already been rolled out to all buyers and purchasing stakeholders in France and at the corporate level, was extended to the United Kingdom, Norway and Germany.

The Group Purchasing Department works closely with the Corporate Responsibility and Sustainable Development Department and the Internal Control Department to design, implement and monitor responsible purchasing systems.

Over the past several years, under the supervision of the Group Purchasing Department, the Group has been rolling out shared procedures and tools aimed at systematising the use of purchase orders and providing an end-to-end view of its purchases, from requirements definition through to payment. Those entities accounting for the highest volumes of purchases were all covered by these procedures at end-2023. Rollout in Germany and the future Benelux organisation (incorporating Tobania and Ordina) is scheduled for 2024.

4.2.2. SIGNING OF THE CODE OF CONDUCT FOR SUPPLIERS AND PARTNERS

The purpose of the code of conduct for suppliers and partners is to define requirements in terms of business ethics, respect for fundamental human rights, and the environment. It sets out Sopra Steria's commitments to its suppliers and partners as well as what the Group expects of them. It requires suppliers and partners to abide by the principles laid down in the United Nations Global Compact in respect of, inter alia, human rights and fundamental freedoms, labour law, the environment and anti-corruption measures. The code of conduct for suppliers and partners also includes provisions designed to ensure that suppliers' and partners' own supply chains abide by these commitments, as well as a declaration concerning conflicts of interest.

The document is available on the Group's website: www.soprasteria.com.

Sopra Steria's code of conduct for suppliers and partners is included in all invitations to tender sent out to suppliers and incorporated into all Group contracts and purchase orders. If a supplier refuses to sign up to the code of conduct on the basis that it has its own such code, Sopra Steria requires the latter to contain principles equivalent to those set out in the Group's code of conduct.

4.2.3. CSR ASSESSMENT FOR SUPPLIERS AND PARTNERS

System rolled out within the Group

Since 2015, the Group has been committed to evaluating its key suppliers and partners. Assessments are carried out using the independent expert platform EcoVadis.

The assessment covers four areas – social issues and human rights, the environment, ethics and sustainable procurement – and looks at suppliers' policies, action plans and actual performance. It is a document-based assessment carried out by specialised analysts at EcoVadis.

The resulting detailed analysis provides Sopra Steria with a comprehensive overview of the CSR maturity of its suppliers including their strengths, weaknesses and any unethical behaviours reported in the media or by NGOs.

2023 Results

Across the whole Group, 730 suppliers were awarded positive EcoVadis assessments in 2023, covering more than €850 million of expenditure, in accordance with the targets set by the Group in this area. This accounts for 73% of 2023 target expenditure.

In 2023, the supplier assessment system was rolled out in Italy, Poland and Sweden. This means all of the Group's regions are now fully covered.

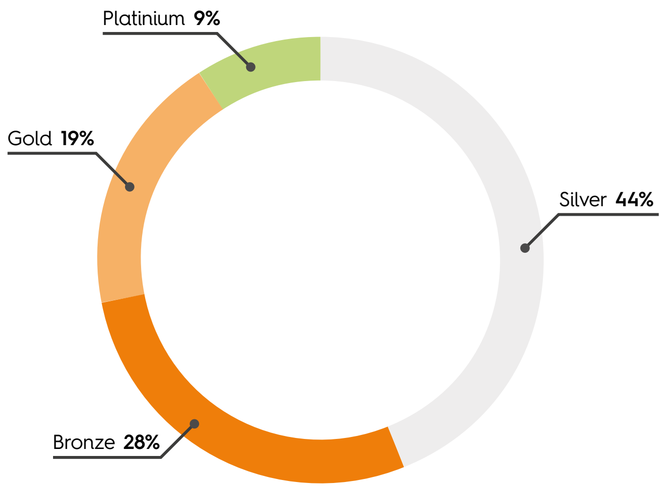
The assessment response rate was 95% (including suppliers in the process of being assessed).

At least half of suppliers accounting for 50% or more of Scope 3.1 emissions in tCO_2e were assessed via the EcoVadis platform.

Lastly, 35% of suppliers already assessed during previous campaigns were reassessed.

In terms of qualitative outcomes:

- the average score for Sopra Steria suppliers who had completed the assessment was 59.5 out of 100, nearly 13.7 points higher than the average score for all suppliers assessed via the EcoVadis platform;
- the average improvement across all suppliers reassessed in 2023 was 3.4 points;
- no suppliers assessed or reassessed in 2023 scored less than Sopra Steria's alert threshold of 24/100;
- 85% of suppliers assessed or reassessed achieved a score of at least 45 out of 100 (compared with only 56% of all businesses assessed by EcoVadis);
- 71% of suppliers assessed by the Group were awarded a specific EcoVadis medal (compared with 35% of all suppliers assessed by EcoVadis), broken down as follows:



- Sopra Steria was reassessed by EcoVadis in 2023. Its score in the "Sustainable procurement" category rose from 70/100 to 80/100, helping raise its overall score to 86/100 (up 6 points from 2022).
- In 2023, Sopra Steria was included in the Supplier Engagement Leaderboard (A), for the 4th year in a row.

Reminder of the alert procedure in the event of a high-risk assessment

- For suppliers with a score of 24/100 or less, an alert is triggered by EcoVadis. This alert threshold concerns both the overall score and/or the score in the "Ethics" field. The supplier is then contacted by Sopra Steria's Group Purchasing Department to put in place the necessary corrective actions and undergo a new EcoVadis assessment within a period of three months.
- If the overall score and/or the score in any one of the four fields (social issues and human rights, ethics, environment, and responsible purchasing) is less than 45/100, the supplier is considered non-compliant with expectations. In this case, the supplier is asked to refer to the areas for improvement identified in the course of its assessment to put in place a corrective action plan as soon as possible.

Inclusion of CSR criteria in tender specifications

During each tender, buyers assess the CSR performance of the suppliers consulted, drawing in particular on the results of the EcoVadis questionnaire. Responses are only considered if the prospective supplier has first signed the code of conduct for suppliers and partners.

Depending on the purchasing category, additional criteria may apply and be assessed. For example, this is the case for supplies of PCs, for which the renewed tender process in 2023 included EPEAT (Electronic Product Environmental Assessment Tool) certification. This certification, which covers every key stage in a product's life cycle (from raw materials through to manufacture and use), takes into account environmental, social and ethical criteria and, in particular, compliance with international labour standards, workplace health and safety requirements, and transparency with regard to supply chains, anti-corruption management systems, guarantees of origin for minerals, and sourcing from areas not affected by armed conflict.

4.2.4. ETHICAL AND INCLUSIVE PURCHASING: BUILDING DIVERSITY INTO THE SUPPLY CHAIN AND CONTRIBUTING TO LOCAL AND REGIONAL DEVELOPMENT

Sopra Steria is pursuing a number of local initiatives around the Group that promote ethical and inclusive purchasing.

Using organisations that specifically employ people with disabilities in France

In France, the Group uses services provided by sheltered workshops and other organisations that specifically employ people with disabilities. The relevant information is set out in Section 2.7.2, "Fostering employment and retention of people with disabilities" (page 132).

Purchasing that fosters inclusion in the United Kingdom

In the United Kingdom, 53% of suppliers are small and medium-sized enterprises (SMEs). The Group runs programmes to identify and support the most innovative among them, as well as local suppliers, diverse suppliers and voluntary, community and social enterprises (VCSEs). These initiatives form part of actions taken to adapt Sopra Steria's UK purchasing process in light of the Social Value Act.

4.2.5. HELPING REDUCE GHG EMISSIONS FROM THE SUPPLY CHAIN AND SBTI COMMITMENTS

The Group Purchasing Department worked with the Corporate Responsibility Department to launch a programme to train its buyers and mobilise suppliers to meet their environmental commitments and encourage them in particular to report their carbon footprints via EcoVadis.

A number of initiatives were also rolled out in 2023 to help achieve this ambitious goal:

- **Optimisation of logistics chains**

  Shifting the supply chain for IT orders (PCs) from road transport to sea and river transport
- **Lengthening the lifespan of some equipment**
- **Purchasing products and services with a lower environmental impact:**
  - renewable energy contracts: Purchases of renewable energy directly from suppliers, purchases of International Renewable Energy Certificates (I-RECs) and Guarantees of Origin (GOs). Further information can be found in Section 3.4.1 in the table entitled "Resource consumption – Direct activities" (page 146),
  - purchases of certified paper: Purchases of certified paper from sustainable sources. Further information can be found in Section 3.4.2 in the table entitled "Resource consumption – Indirect activities" (page 149),

- green transport: Employees using short-term leasing have access to a range of battery electric vehicles (BEVs) and hybrid electric vehicles (HEVs). Employees with company cars are incentivised to move towards electric vehicles,
- sustainable offers: Development of environmentally responsible offerings with some suppliers, e.g. for office supplies.

4.2.6. HELPING OUR SUPPLIERS IMPROVE

Through a process of regular reviews, the Group Purchasing Department supports suppliers with their corporate responsibility initiatives and incentivises them, in particular, to develop goods and services with a reduced carbon impact.

A generic email address has also been set up to foster ongoing dialogue between suppliers and Sopra Steria to facilitate working together towards a goal of continuous improvement.

4.2.7. TARGETS FOR PROGRESS IN 2024

Helping reduce GHG emissions

New measures will be taken in 2024 to ensure that responsible purchasing continues to contribute to the Group's major environmental programmes, particularly SBTi's Net-Zero:

- roll out the buyer training course to other Group entities and develop the methodology to make purchasing increasingly responsible;
- examine environmentally responsible offerings with some suppliers and partners;
- look into ways to significantly lengthen the life cycle of Group employees' PCs;
- reduce the carbon impact of travel by Group employees by promoting the use of low-carbon forms of transport

CSR assessment for suppliers and partners

- Continue to roll out EcoVadis CSR assessments with the aim of covering 1 billion euros in supplier expenditure by end-2024.
- Encourage all suppliers of our Scope 3-1 (Purchased goods and services) to report their carbon footprint and carbon intensity via the EcoVadis platform.

4.3. Serving as a long-standing partner for the Group's clients

The Group's commitment: Being a long-lasting partner for the Group's clients, meeting their needs as effectively as possible by providing them with the best technology as part of a responsible and sustainable value-creating approach

4.3.1. CLIENT TRUST

Sopra Steria endeavours to develop lasting relationships of trust with its clients that enhance their performance and help make our value chain more resilient.

The primacy of customer service is one of Sopra Steria's core values and delivering customer satisfaction is one of the Group's top priorities. By combining performance, added value and innovation in the services it offers, the Group excels in guiding its clients through their digital transformation projects to help them make the most of digital technology in order to meet their requirements for performance and sustainability.

a. Annual "Customer Voice" satisfaction survey

In addition to ongoing interaction, the Group has put in place a specific programme in the form of the annual "Customer Voice" satisfaction survey of its top 100 strategic clients across the Group as a whole with the aim of fostering, organising and sustaining high-quality, trust-based dialogue with clients. The satisfaction rate has exceeded 80% in all four consecutive annual surveys.

More than 600 interviews were conducted with our clients in 2023. The qualities highlighted during interviews revolve around expertise, listening, proactivity, partnership, engagement and professionalism. The Group has decided to focus on providing continued support for innovation, with a particular emphasis on the potential benefits of generative AI for its clients.

b. Creation of a Client Advisory Board

To strengthen stakeholder dialogue with clients, a Client Advisory Board has been set up within the "France" reporting unit. This Board, made up of a dozen strategic clients, has three aims:

- analyse and report the results of a specific in-depth survey of 35 clients conducted by an outside firm, in which the Board's members played an active role;
- share our strategic thinking with clients ahead of time;
- identify issues of common interest with a view to sharing best practice and kicking off joint initiatives. The theme in 2023 was attracting and retaining talent.

This new body, which has been well received and is seen as beneficial, will continue to meet twice a year.

4.3.2. CONTRIBUTION OF SERVICES AND SOLUTIONS TO SUSTAINABLE DEVELOPMENT

The Group's priority is to work with an innovative ecosystem and support the Group's clients through their digital transformation by offering solutions and services that contribute both to sustainable development and to clients' workforce-related, ethical and environmental priorities.

Sopra Steria Group is proud to implement solutions and services for clients that help them directly address their environmental priorities and contribute to mitigating or adapting to climate change. Some of these solutions can be found in Section 3.5, "Including environmental sustainability in our service offering", on pages 152-153.

Innovation in support of sustainable development

Co-design to mobilise collective intelligence

As a trusted partner, Sopra Steria provides its clients with the best emerging and existing technology on the market to help them develop innovative solutions. Thanks to a network of experts, startups and major technology partners, the Group works with its clients to build solutions that meet their requirements for sustainable performance.

A collaborative approach to project management fosters creativity and facilitates the design of more impactful services, products, practices, processes, organisational structures and strategies. By involving business representatives, end users and technical experts, this approach shortens the design phase, optimises processes and helps maximise access to digital technology.

PAC Innovation Radar 2023

Sopra Steria was ranked among the best in class in consulting and IT services related to sustainable development in Europe in the PAC Innovation Radar Sustainability 2023.

The PAC Innovation Radar is a tool for assessing the overall performance and positioning of providers of software services and ICT in local markets. It looks at suppliers operating in the European IT services market and assesses their approaches, offerings, strategies and references in consulting and IT services relating to sustainable development. This survey has found Sopra Steria's expertise to be "best in class", underpinned by the following:

- the Group's strong rooting in Europe;
- the comprehensive offering of consulting and IT services focused on sustainability across the entire value chain;
- multidisciplinary expertise;
- systems, models and frameworks with regard to intellectual property;
- significant case studies.

Telefónica: Quantum computing to reduce environmental impact

Using the Intelligent Network Analyser (INA) in Germany, Sopra Steria and Telefónica are propelling the telecoms industry into the quantum era and revolutionising network management.

Sopra Steria is working closely with Telefónica to profoundly improve network management and planning with the launch of INA, a digital twin solution that demonstrates quantum technology's potential to boost the quality of mobile service for users and make networks more energy-efficient. INA will soon be considerably reducing the energy and environmental footprint of the German telephone operator.

A network of DigiLabs to inspire, create and deliver

Starting in 2014, Sopra Steria has developed a network of DigiLabs intended to foster innovation within its entities. The aim is to develop tangible use cases to highlight and share innovation with the Group's clients and employees. The DigiLabs are also connected with stakeholder communities to help them anticipate clients' needs (innovation clusters, research centres, academia, startup communities, etc.). They are also involved in trialling emerging technologies of interest to the Group (artificial intelligence; virtual, augmented and mixed reality; the IoT; blockchain; etc.).

The DigiLabs are structured as a network, enabling them to more easily share innovative experiments and best practice with clients irrespective of location.

Next: The DigiLab flagship

Next is a pioneering space dedicated to innovation. Located in the heart of Paris on premises spanning nearly a thousand square metres, the Next team helps the Group's major clients untangle situations, explore new ideas, come up with responses that truly meet their expectations and commit to sustainable transformation. Drawing on a combination of brainstorming, innovative use cases, cross-fertilisation between sectors and work to anticipate new uses of technology in its business applications, Next undertakes feasibility studies, programme and business model definition and new product and service design.

Partnership with leading market players to meet our clients' needs

Sopra Steria partners with some of the largest software vendors and cloud, AI and cybersecurity players in the market.

Security and sustainability are central concerns in relationships with the Group's partners and in how they are addressed within projects.

Based on close relationships of trust and a dedicated governance structure, coordinated at Group level by a Corporate Alliance Manager, these partnerships ensure that Sopra Steria staff have a high level of expertise in market-leading solutions and technologies to increase added value for clients.

The Group has developed three types of partnerships with:

- strategic partners: Axway, Microsoft, IBM-Red Hat, SAP, Oracle, Dassault Systèmes;
- key players in cloud computing: AWS, Google, OVHcloud;
- major technology players: Pega, Salesforce, Orange, Talend, UIpath, Informatica, ServiceNow and Snowflake.

This partnership-based strategy enables Sopra Steria to offer its clients skills and expertise to help deliver their projects. It is based on an approach that combines co-innovation, industrialisation and transformation underpinned by end-to-end capabilities with consulting, digital services and software vending.

Sopra Steria Ventures: Building an innovative European digital community

Sopra Steria has experience and expertise in addressing the strategic priorities of each of the major industry sectors in which it operates. As such, the Group is positioned as an architect and integrator of innovative solutions. In pursuing this goal, the Group works with startups, involving them in its projects and entering into industrial partnerships with them. Through Sopra Steria Ventures, whose team was reinforced in 2023, the Group contributes to building an innovative European digital community. Ventures operates in a number of areas:

- investing in five funds: Tikehau ACE Capital Brienne III and Brienne IV, Truffle Capital, Spring Invest and Quantonation;
- making direct equity investments in startups;
- 90 partner open innovation companies.

The Group's investment case is built around SaaS, DaaS, PaaS, VR, AR, AI, data and quantum computing technologies, in targeted areas: Cybersecurity, defence & security, aerospace, FinTech/InsurTech, PropTech, HRTech and green IT.

The partnerships thus forged enable the Group to respond innovatively to business challenges in key industry sectors by drawing on access to emerging technologies to deepen its expertise. They also support solutions produced by the Group's specialised software vendors: Sopra Banking Software, Sopra HR Software and Sopra Real Estate Software.

Through Sopra Steria Ventures, the Group is also affirming its position as a leading actor in digital sovereignty in Europe by supporting European startups.

Horizon Europe

Sopra Steria is involved in European programmes, including in particular Horizon Europe, the European Union's research and innovation framework programme for 2021-2027. Sopra Steria contributes to two European consortia: Stargate (green airports) and ISEDA (eliminating domestic violence).

MedTech firm HoloCare secures €8.9 million of European funding

HoloCare, based on innovative 3D hologram technology powered by AI and machine learning, helps surgeons prepare to operate. HoloCare provides unique information about patient anatomy and facilitates collaboration between surgical teams. In the future, this could shorten the time needed to plan surgery and improve patient safety.

The HoloCare project is the fruit of a collaborative effort between Sopra Steria and Oslo University Hospital. In 2019, it received the backing of the Research Council of Norway and HoloCare AS was created with Sopra Steria as one of its shareholders.

HoloCare recently received EC approval to market its solution in Europe and the United Kingdom as well as €8.9 million of funding over four years from the European Union's Horizon Europe programme.

Facilitating ESG reporting with PlanTech

The management of ESG issues relies on vast amounts of data, and this need for data is set to steadily grow. Experts at Sopra Steria in Italy have designed PlanTech, built on the Salesforce platform, to help the Group's clients design, create and manage sustainability reports. Based on a mapping of the client's situation, PlanTech uses collaborative tools to promote the exchange of information between the company's various functions. The sustainability report incorporates strategic indications from relevant stakeholders and the company's own board of directors by cataloguing, for each factor of interest, potential problems to be identified and developed, thus providing a long-term view of sustainability. Once a materiality matrix has been built, users focus on individual goals that add high value for stakeholders and the company (including businesses comprised of multiple legal entities). This allows goals to be managed more effectively by enabling business users to determine actions, commitments and indicators for the associated qualitative and quantitative targets, in accordance with ESRS [(1)] standards and the EU Taxonomy.

Analysing the CSRD gap for a French local services operator

In light of the client's CSR commitments and mounting CSR requirements (regulations, ESG risk, customer expectations, rating agencies), the CSR department of this local services operator (post, parcels, banking services, etc.) wished to conduct a group-wide CSRD gap analysis with the aim of:

- committing all stakeholders to a shared common reporting framework;
- drawing up a pragmatic shared roadmap taking into account the client's progress, strategic priorities and regulatory requirements.

To achieve this goal, Sopra Steria supported its client by drawing up a formal CSRD analysis matrix, overseeing and monitoring the gap analysis exercise, formalising the results of this analysis and drawing up initial roadmaps.

EDF – Sopra Steria: *Respire* partnership to promote low-carbon digital technology

To reinforce its responsible digital transformation, the EDF Group, which secured *Numérique Responsable* (responsible digital technology) certification in 2021, set itself a major objective of developing "low-carbon digital" partnerships with key strategic suppliers. This ambition resulted in EDF entering into its first responsible digital technology partnership with a longstanding partner, Sopra Steria. This strengthened partnership between the EDF Group and Sopra Steria reflects a shared commitment to implement and monitor tangible actions to reduce the carbon footprint of EDF's IT activities to help build a more sustainable future.

Responsible digital technology for a rail transport operator

Sopra Steria implemented a responsible digital technology approach for this operator to achieve more environmentally sustainable digital technology and reduce the environmental impact of its applications. Those involved in the project, who are trained in sustainable design, were able to use Sopra Steria's Green IT Analysis tool as part of an agile continuous improvement process.

FOSD: Fashion Open Sustainability Data

The FOSD platform aims to meet new requirements linked to climate change, the supply chain and the latest regulations by ensuring end-to-end traceability for ESG data. It can be used to gather and share data, produce KPIs and monitor ESG performance from suppliers through to products sold by brands. Although the platform is still under development, some modules are already available.

Optimising energy performance for an automotive manufacturer

Sopra Steria helped a manufacturing client improve energy performance and reduce energy consumption at one of its plants and optimise teams measuring energy consumption and efficiency.

Supporting implementation of a smart building solution for a pension operator

Sopra Steria helped one of its clients roll out a single smart building solution across its entire property portfolio.

Helping a rail transport operator manage its energy consumption

Sopra Steria helped a client manage its system for taking remote readings of electricity, gas and water consumption to support its plans to reduce resource consumption. To achieve this goal, Sopra Steria worked to improve the visibility of electricity, gas and water consumption and boost the client's analytical capabilities to help it identify corrective action.

Helping a public sector operator with its social and inclusive finance policies

This public sector operator in Benelux finances digital training organisations that specifically target vulnerable populations. It works to improve social inclusion and employability for people at risk of unemployment and help them find work.

Sopra Steria was asked to assess the operator's impact on the organisations it finances and their beneficiaries and to identify what steps could be taken to boost these projects' future impact and performance.

(1) ESRS: European Sustainability Reporting Standards

Building digital accessibility into the services of a regional train operator

Sopra Steria incorporated digital accessibility into a regional train operator's public ticket sales website. The project expanded the ticketing service to a new audience and promoted the operator's services while complying with the latest regulations.

4.4. Be a leading player in digital trust

Our priority: Be a leading player in Europe in terms of safeguarding digital sovereignty, strengthening cybersecurity and developing trustworthy AI through an ethical approach to technology.

Our ESG priority: Embedding responsible digital technology issues into our value proposition.

4.4.1. SUPPORTING ETHICAL DIGITAL PRACTICES

Digital technology is radically changing our relationship with the world and knowledge. An ethical approach based on defending our values is therefore essential.

Whether in the way it manages its projects or relates to its employees, Sopra Steria is working to foster ongoing and dynamic ethical thinking that ensures respect for human dignity.

- **Project management**

Confiance.ai

Sopra Steria has been involved in the French research programme Confiance.ai since it began in 2020. The programme aims to develop trustworthy AI that ensures justice, transparency, explainability, responsibility and ongoing monitoring. Further information can be found in Section 4.4.2, "Developing trustworthy AI", on pages 177-178.

Ethical AI Charter

Sopra Steria helped draw up the Ethical AI Charter, of which it is a signatory. Further information can be found in Section 4.4.2, "Developing trustworthy AI", on pages 177-178.

Fight against disinformation and for cybersecurity

In a geopolitical environment characterised by threats and uncertainty, Sopra Steria is committed to working with its clients – which include central government departments – to combat disinformation and promote the dissemination of reliable data.

The aim of this approach is to strike the right balance between using moderation tools, such as algorithmic tools for assessing information, and promoting the core societal value of freedom of expression.

A variety of workshops were kicked off in 2023 and will continue in 2024.

Raising partner awareness

A number of talks were given, notably in Lille and Nancy, for the Group's partners – schools, clients, public authorities – to raise awareness of digital ethics. From the ancient origins of ethics through to practical applications of principlism in the field of digital technology, these talks provided opportunities to think together about the societal challenges raised by the latest technological innovations and safeguards needed to prevent them going off the rails.

- **Supporting employees**

The *Exploratoire*: A "do tank" for ethical digital technology

Created by Sopra Steria Next in 2020, The *Exploratoire* is a "do tank" dedicated to addressing ethical issues raised by the changes businesses are experiencing in relation to trust, responsibility and digital sovereignty. Its mission is to tease out, share and disseminate best practice drawing on stakeholders' communities: business networks, schools, businesses, institutions, foundations, and so on. The *Exploratoire* tackles tangible issues of genuine concern to society and the business world.

Commitment to promote "Data altruism: Using data to help serve the public interest"

The advent of the modern digital economy has triggered an exponential acceleration in both the generation of data and the ability to make use of that data. However, between open data and private Big Data, there may be a third way to serve the public interest. With this in mind, the European Union decided to introduce the idea of data altruism, which became part of EU law in mid-2022 and applicable in French law from September 2023. The stated aim of data altruism is to help serve the public interest by asking for data that is little used or unused, and to re-establish a mechanism of exchange in a digital world hitherto dominated by extractivism (the extraction of large amounts of data, not all of which is used). Before the legal framework was adopted, the Sopra Steria Next *Exploratoire* and the Human Technology Foundation joined forces to support the emergence of this concept and propose practical and legally feasible actions. This innovative work identified practical steps to open up a third way that will serve the public interest by promoting ethical data sharing.

4.4.2. DEVELOPING TRUSTWORTHY AI

- **Support for research**

Following the Villani report, the French Government launched an artificial intelligence (AI) plan. This plan encompasses a number of initiatives including the establishment of four Interdisciplinary Artificial Intelligence Institutions and a Grand Défi (Key Challenge) in relation to Trustworthy AI (Confiance.ai). Sopra Steria is participating in both these initiatives.

The Group is thus partnering with the **Toulouse Interdisciplinary Artificial Intelligence Institution**, which aims to facilitate the use of AI for human-critical applications. Research topics cover the acceptability of AI (including its social acceptability), vehicle certification and human-robot collaboration for use in Industry 4.0.

The **Confiance.ai Key Challenge** aims to build a platform that will produce standardised components to ensure that AI can be trusted in use. As part of a consortium of 50 industrial, academic and startup partners, Sopra Steria, one of the consortium's 13 founders, is building a secure platform for validating critical systems.

It will draw, in particular, on the findings of ANITI (Artificial and Natural Intelligence of Toulouse Institute), one of the Interdisciplinary Artificial Intelligence Institutions to which the Group is contributing in critical systems, as well as on the findings of the other research groups in which Sopra Steria participates.

- **UTC Foundation – Safe AI**

Sopra Steria is a sponsor to the project of the Université de Technologie de Compiègne (UTC) Foundation for Innovation to create a Chair on "Safer and more Robust Learning for Safer Artificial Intelligence". This Chair is largely dedicated to promoting AI that is safe, and more precisely safe and robust. In addition to safety and robustness, the concept of safe AI encompasses transparency, ethics and explainability.

- **Sopra Steria signs the Ethical AI manifesto**

Sopra Steria is committed to Numeum's Ethical AI initiative and has signed its manifesto. This initiative aims to put ethical AI principles into practice and promote trustworthy solutions. It provides a practical tool to committed stakeholders, such as Sopra Steria, to help design, develop, implement and administer artificial intelligence systems that respect fundamental human rights.

The fruit of these various workstreams will be applicable in all the Group's sectors and verticals and will help bring findings from academic research to bear in solving clients' problems and in the preparation of European legislation on AI which is currently under development.

- **AI in support of sustainable development**

ESG indicators

Sopra Steria is developing a data platform that uses data lake [(1)] and data mesh [(2)] technologies. It generates ESG indicators that can be incorporated into the Group's dedicated offerings for banks and financial services.

rAIse programme: Green AI and EcoMindAI

A forward-looking workstream on green AI was kicked off in 2023. This work gave birth to the EcoMindAI prototype, which can estimate the environmental impact of an artificial intelligence model. The application is targeted at developers who already have a clear idea of the kind of AI they want to create (use case, database, hardware, etc.) and who want to develop it as sustainably as possible. The tool provides an estimate of the future AI's carbon impact during both the training and operational phases and offers suggestions for how that impact might be reduced. Users can then make responsible and considered design choices. For the time being, the tool can predict the impact of predictive AIs (classification and regression models); work on generative AIs is currently in progress.

There are two goals for 2024: to systematise the process of estimating and measuring the impact of an AI on the environment by rolling out and enhancing this calculator; and to leverage AI to help reduce environmental impacts by identifying use cases where the environmental cost-benefit analysis shows a net benefit.

Harnessing drones and AI to improve the sustainable management of forests

Biodrone specialises in drone services for the forestry and agriculture sectors. The technology, developed by Sopra Steria in Norway, offers clients precision tools for managing forests in an efficient and ecologically conscious way. This AI-powered solution incorporates photogrammetry, computer vision and drone technology into an online portal accessible to forestry operators. The system uses a combination of computer vision and AI to monitor, forecast and quantify changes in forests and agricultural land. Advanced AI algorithms automatically estimate key parameters, including in particular tree species, height, biomass and the general state of the forest. This makes it possible to monitor growth models, identify the first signs of disease and carry out precise interventions to promote healthier and more sustainable forests.

4.4.3. TAKING ACTION TO PROMOTE DIGITAL SOVEREIGNTY

Digital technology now permeates the whole of society and all productive activity. The growing economic and political influence of digital giants is disrupting both states' ability to exercise sovereignty and the conditions required to maintain sovereignty. Even as digital firms clash in the international market, sometimes violently, organisations must make practical decisions about their technology, organisation and finances.

As a European tech leader, Sopra Steria has a major role to play in training and leading by example. Working with our clients and our ecosystem, we strive to:

- share a common framework for thinking about concepts connected with digital sovereignty;
- shed light on the risks inherent in digital dependency;
- propose action plans incorporating best practice and tools that support sovereignty and facilitate their proper use (cloud computing, software, outsourcing of skills, etc.);
- adapt to a highly sovereign environment, notably from a regulatory standpoint (national security);
- assume our role as a central player in Europe's digital transformation.

(1) Data lake: a centralised repository designed to store, process, and secure large amounts of data.

(2) Data mesh: an architectural framework that solves advanced data security challenges through distributed, decentralised ownership.

Thinking about digital sovereignty from a domestic and European perspective

States, businesses and industries do not necessarily associate the same factors with, or attach the same importance to, the idea of digital sovereignty. To help define the attributes of this concept, the Group promotes policy research and development. In France, this involves supporting organisations such as the following:

- the "Digital, Governance and Sovereignty" chair at the École d'Affaires publiques at Sciences Po, working in three main areas:
  - its legal framework: technological innovation has led to the emergence of "digital territoriality" and prompted the development of new forms of governance and state intervention, with states sometimes needing to wield influence over distant players,
  - its technological framework: the emergence of major transnational platforms, combined with technological advances, has created a brand new landscape that raises questions about new methods of regulation,
  - its day-to-day application: in addition to strategic factors, consideration must also be given to the (non-)use of these technologies by end users (businesses, society, etc.);
- the "Cybersecurity and Digital Sovereignty" chair at the French Institute of Advanced Studies in National Defence (IHEDN), whose goal is to contribute to developing a cybersecurity and sovereignty strategy applicable to businesses, government authorities and civil society.

Building the tools for digital sovereignty in all its aspects

Contributing to sovereignty involves participating in building digital trust. We provide day-to-day support on matters of national security in the countries where the Group operates, through the protection of personal and industrial data and the consideration of the extraterritoriality of laws governing their storage and use, resilience in the face of cyber threats, control over critical technologies and the fight against disinformation.

For example, Sopra Steria is a member of **Gaia-X** and the European Alliance for Industrial Data, Edge and Cloud, which aims to promote the development and implementation of cutting-edge and next-generation cloud technology. The Alliance aims to consolidate Europe's leading position in industrial data.

As well as designing technological building blocks, Sopra Steria builds digital trust for its clients in other areas, including the following:

- Expertise in hardware and software.

In France, Sopra Steria forged a strategic partnership with **NumSpot**, a sovereign cloud provider, to facilitate the adoption of trusted cloud services by large French organisations and entities. Through this partnership, Sopra Steria offers its clients a secure, agile solution that complies with the highest standards required by public-sector organisations and operators of vital importance (OIV in French). In Germany, the Group has entered into a partnership with supplier Aleph Alpha to jointly develop AI solutions for public authorities. The aim is to help Germany's public sector boost efficiency, implement stricter security standards and safeguard against technological dependencies.

- Managing data and the data life cycle.

Sopra Steria co-leads the InfrateX consortium under the Simpl framework agreement awarded by the European Commission's DG Connect. Simpl is designed to meet the needs of various data spaces, facilitate the creation of a European cloud federation, support European innovation and help make Europe more competitive.

- Legal and geopolitical aspects and the development of shared standards.

Sopra Steria is an active member of the European Cyber Security Organisation (ECSO), which it joined in 2020. ECSO exists to bring together public and private sector players from across the European cybersecurity industry and act as preferred point of contact in its dealings with the European Commission.

- Skills and human resource management.

In France, Sopra Steria is a founding member and member of the Board of Directors of Campus Cyber, a cybersecurity hub established by the French national agency for information systems security (ANSSI). This initiative aims to promote France's excellence in cybersecurity by bringing together experts and national and international stakeholders and developing synergies around innovative projects.

4.5. Promoting digital inclusion and community engagement

4.5.1. DEVELOPING INCLUSIVE DIGITAL SERVICES ACCESSIBLE TO ALL

- The Group is helping its clients adopt paperless processes and supporting major public sector bodies and industrial players as they roll out digital accessibility and seek to comply with the RGAA regulation (on accessibility for public authorities), making their services as widely accessible as possible.
- Sopra Steria is developing its employees' digital accessibility skills through a full suite of training modules. In France, over 2,100 employees completed e-learning training in 2023; this training will continue to be rolled out in 2024.
- In the United Kingdom, a number of initiatives have been developed, such as awareness webinars and a working group.

Signbot: a virtual avatar providing people who are deaf or hard of hearing with access to digital services

Signbot is revolutionising access to digital services for people who are deaf or hard of hearing through a virtual avatar fluent in sign language. This new service can communicate fluently in French Sign Language (LSF), American Sign Language (ASL) and Quebec Sign Language (LSQ), offering an inclusive and rewarding experience.

This innovative project was developed in conjunction with startup IVèS, which specialises in accessibility for people who are deaf or hard of hearing through its Elioz brand. Elioz' services include providing telephone access via a relay centre and making both customer service and business interaction accessible.

The project is based on the Sopra Steria Alive Intelligence AI-powered software package, which takes care of the entire process of creating and configuring a chatbot without the need for any coding.

- Digital accessibility is a key priority underpinning Sopra Steria's community engagement and action plans across all of the Group's entities and geographies. The Sopra Steria-Institut de France Foundation, established over 20 years ago, is one of the key structures put in place by the Group to support community engagement, social and environmental commitment and digital inclusion.
- The Group's community engagement activities, which leverage the potential offered by digital technology to help the poorest and most vulnerable sections of society, are mainly focused on access to education and employment, digital inclusion and water rights.

4.5.2. A LONGSTANDING COMMITMENT TO AN INCLUSIVE DIGITAL SOCIETY

For many years, Sopra Steria has pursued an extensive community programme in aid of disadvantaged populations to give them access to the benefits of digital technology, education and employment.

The two years of the Covid-19 pandemic made people aware of the importance of digital technology in our everyday lives. However, the growing poverty from increased cost of living did not allow inequalities in access to digital technology for those for whom it is most out of reach to decrease, but quite the opposite. Against this backdrop, non-profit organisations, whose services are increasingly in demand, play a decisive role and Sopra Steria is working alongside them in the digital inclusion and education fields.

Making digital technology available to all

Faced with the accelerated digitalisation of society, Sopra Steria, as a major player in the tech sector and an advocate for the responsible use of digital technology, feels that it is its responsibility to play its part in building a more ethical and inclusive digital society. Thanks to this commitment, which relies on the engagement of many employees who volunteer their skills and time, Group entities in many countries are able to put in place projects that can be run remotely or in person, drawing on employees' skills: fundraising campaigns, volunteering with non-profit organisations, participating in internal challenges, etc. The Group, which operates in many countries, implements community actions having a positive and lasting impact on society, with an emphasis on digital inclusion. These actions aim to promote social and professional integration for the most vulnerable and to protect the environment.

Sopra Steria-Institut de France Foundation: Reflecting Sopra Steria's core commitments

Playing a key role in the Group's programme of actions, the Sopra Steria-Institut de France Foundation and all Group entities give shape to these commitments through projects bringing together the Group's employees and civil society stakeholders. The Foundation, which celebrated its 20th birthday in 2021, constitutes a remarkable collective adventure shared by the staff and employee volunteers who demonstrate their commitment on a day-to-day basis.

Sopra Steria: Founding partner of Forum de l'Engagement

Sopra Steria is the founding partner of Forum de l'Engagement, which aims to promote efforts by businesses and institutions to transition social and environmental models towards a fairer and more responsible world, in liaison with its citizens. The Engagement Summit, to be held in February 2024, will include an opportunity for the Foundation to take part in a panel discussion on digital inclusion.

Key figures and highlights of 2023

- 205 projects;
- over 1,960 volunteers;
- 17 participating clients/partners;
- 886 non-profits and schools supported, of which 148 for high-impact projects;
- 57,000 children supported in 53 schools in India and 850 students in India awarded higher education scholarships through the Sopra Steria Scholarships Programme, 340 of whom are currently studying;
- amount donated to non-profit organisations: €1,317,774 thousand.

To implement this policy, which involves the participation of more than 1,960 employees in all countries, Sopra Steria is supported by:

- a network of 25 country representatives, led and coordinated at Group level, who implement the actions decided;
- two foundations in France and India, the latter coordinating a large educational programme along with a range of other community actions;
- sponsorships and partnerships developed with public interest organisations;
- community initiatives and fundraising events in several countries in which employees proactively take part, thus complementing the initiatives put in place under the Group's policy;
- employee engagement platforms in France, the United Kingdom and Germany;
- in 2023, United Nations International Volunteer Day gave rise to a call to combat poverty and food insecurity through initiatives such as food collections in countries where the Group operates. These initiatives aimed to promote community initiatives, inspire employees and thank them for their commitment.

4.5.3. EMPLOYEES INVOLVED IN HIGH-IMPACT PROJECTS

Providing access to quality education and improving employability

In India, the education programme, which has been running for a number of years, aims to combat poverty in a country with high levels of inequality. This programme is primarily aimed at children from poor rural areas, in particular girls, who can benefit from schools located close to the company's sites. During the Covid pandemic, all schools in India were closed and classes only took place online. Sopra Steria India distributed computers and tablets to enable students to attend classes remotely. The schools have now reopened and a few new schools have been supported thanks to donations from Group countries and Sopra Banking Software.

Over 57,000 primary and secondary school students benefited from this comprehensive educational programme. They are supported in their schooling by hundreds of Sopra Steria volunteers. Initiatives include setting up computer labs partly powered by solar energy, installing smart interactive whiteboards, setting up science and maths labs and libraries, distributing books and uniforms, and so on. Health and hygiene awareness campaigns have reached 6,000 students.

To further improve access to education for these young people, Sopra Steria has developed the Sopra Steria Scholarships Programme in India to fund higher education for students from schools supported by the Group (see inset). Ambassador programmes provide opportunities for employees from the United Kingdom, Germany and Norway to work in schools and visit various projects. The programme, supported by numerous Group countries, is temporarily being funded by Sopra Steria India following the passing of the Foreign Contribution (Regulation) Act on transfers of foreign funding to India, which slows the process of funding projects in India by Group entities outside India.

In other countries where the Group operates, various projects were launched or continued to run:

In Italy, a new project was launched under the partnership with the Community of Sant'Egidio, which works against poverty and exclusion: Sopra Steria volunteers are developing an app to manage educational and extra-curricular activities for children in a number of towns and cities.

In Belgium, initiatives to raise awareness among young people of the risks associated with internet use, including the Child Focus association's Safe for Fun programme, continued to run, with employee volunteers from Sopra Steria and Sopra Banking Software working in schools.

In Germany, volunteers took part in a number of projects aimed at young people, including working with non-profit SchlauFox to mentor refugeed children and young people in their studies and continuing to work with non-profit JobLinge, which works to combat youth unemployment, to raise awareness of digital tools among young people.

In the United Kingdom, Sopra Steria launched partnerships with non-profits that enabled it to help over 400 disadvantaged children aged 11 to 19 through a variety of initiatives, such as company visits and workshops to develop their employability and introduce them to our industry.

Sopra Steria staff in Scandinavia (Norway, Sweden and Denmark) ran a major fundraising campaign in support of non-profit organisation Save the Children. The Covid pandemic triggered a major crisis in education. Save the Children estimated that 244 million children between the ages of 6 and 18 missed school due to the pandemic.

Many other initiatives supported by employee volunteers in the countries where the Group operates supplemented these educational initiatives.

Developing access to digital technology for all

Local initiatives to make digital technology accessible to all, involving clients, schools, partners and employees were able to continue.

In France, the Sopra Steria-Institut de France Foundation supported 11 digital community projects with a social or environmental dimension sponsored by employees. In 2023, the *Prix Entreprendre pour Demain* (Entrepreneurship for tomorrow) award was devoted to an environmental theme (see inset). The winning projects receive a package of financial and methodological support to help get their startups off the ground, including a six-month incubation period at Planetic Lab. They all receive long-term support from Sopra Steria sponsors.

Following the FarmIA connected agriculture project, winner of the 2020 *Prix Entreprendre pour Demain* award, Sopra Steria renewed, for a second year, its partnership with the Télécom Sud Paris' Digital Technology and Environment teaching chair, with presentations by several employees in classes and conferences. The Foundation's Prize-winners' Club, which brings together a network of former prize-winners, met in July. Around 10 startups and social economy and charitable organisations have been created since the Prize was launched thanks to Sopra Steria's support.

Progress was made in other efforts. Sopra Steria's teams of volunteers continued their robotics challenges for a third year with the La Main à la Pâte Foundation, working with hundreds of children in nine primary school classes in priority education regions, to let them learn more about science and digital technology.

The Foundation has for several years supported the Fédération Nationale Solidarité Femmes (French women's support federation), in particular its project to overhaul the 3919 Violences Femmes Info call centre. In 2023, two Sopra Steria security experts helped set up a new secure site following a cyberattack on the Federation's website. Furthermore, non-profit Adiléos, created by a Sopra Steria employee, plans to develop a listening module for victims of violence, tailored to the needs of organisations belonging to the Federation's network.

In Spain, the volunteers at our subsidiary Sopra Banking Software continued offering training sessions for senior citizens and vulnerable groups with the Cibervoluntarios Foundation, which aims to reduce the digital divide. The Women and ICT programme launched by Sopra Steria in 2021 with the Balia foundation continued, training women without access to digital technology. In 2023, Sopra Steria employees partnered with the Randstad Foundation and the International University of La Rioja to develop an app to help people with intellectual disabilities complete their CVs.

In Norway, Sopra Steria worked with volunteers to create and deliver digital awareness classes tailored to the needs of parents and elderly people in the disadvantaged Stovner neighbourhood. The Group also participated, alongside other companies, in a mentoring programme for girls in tech in disadvantaged parts of Oslo.

The Sopra Steria Scholarships Programme in India

The Sopra Steria Scholarships Programme, set up in India in 2009, transforms the lives of young people by giving them the opportunity to pursue higher education and find work in the field of their choice in order to provide for themselves and their families. Most of the 850 students who have benefited from these scholarships have already found employment, primarily in industry and technology, and 340 are pursuing further study. Around fifteen of them have joined Sopra Steria. Funded by a number of Group countries, the programme also puts employees in contact with scholarship recipients to help them with their training. The programme was able to continue in 2023, with a new intake of around 40 students. Sopra Steria India provided internships for young people struggling to find a job and trained them in project management and communication skills.

***Prix Entreprendre pour Demain*: Digital technology driving transformation to protect the planet**

The goal of the Sopra Steria-Institut de France Foundation's *Prix Entreprendre pour Demain* (Entrepreneurship for tomorrow awards) is to help young people in creating digital projects that address social and environmental issues. The 2023 prize – sponsored by Inès Leonarduzzi, founder and CEO of NGO Digital for the Planet, for a second year – was on the theme of "What solutions can tech offer to help build a more energy-efficient, sustainable and inclusive world?" Three winning teams were selected, with this highly stimulating subject generating high-quality projects. The Student Award went to Flex-e, an app that rewards consumers for helping balance energy consumption, while the Young Entrepreneurs Award went to the Gerard Farm project for developing a dedicated robot that generates green energy from animal waste on ecological livestock farms. Lastly, the Special Jury Prize went to non-profit organisation Velhome, which has built a community around its free peer-to-peer secure bike parking platform.

Tech for Good programme in the United Kingdom

In 2023, the number of employees joining the programme of high-impact outreach projects on the Group's Tech for Good platform in the United Kingdom grew significantly. The platform is used to run fundraising campaigns and volunteering projects aimed at local communities. Since its launch in 2020, the rate of employee engagement in community initiatives has increased by 500%. Partnerships have recently been formed with non-profit organisations. For example, thanks to funding from Sopra Steria, Blind Veterans UK has been able to purchase digital devices that will change people's lives, such as OrCam voice-activated glasses. This has meant one blind father can now read bedtime stories to his daughter. To help with the cost of living crisis in the United Kingdom, initiatives were maintained to allow employees to take part in charitable efforts, such as food collections or donations to food banks managed by Trussell Trust.

Environmental community initiatives around access to water

Sopra Steria has for several years supported international organisations working in particular to promote access to water and to protect the oceans through financial sponsorship and skills, including Fondation de la Mer. In 2023, two countries furthered their actions in this area.

Employees in Benelux opted to focus on water rights, which they are convinced are a key issue for the future of humanity. A partnership kicked off in 2019 with non-profit Join for Water continued, promoting education and access to water as part of an integrated water management project in Uganda. Although Uganda has substantial water resources and ecosystems, it is experiencing significant drought, deforestation and biodiversity loss as a result of climate change, overpopulation and increasing urbanisation.

In Germany, Sopra Steria continued to support Fleetenkieker e.V, a non-profit organisation that works to protect the environment and water. For example, two boats cleaned water in the River Alster in Hamburg as part of a Clean-Up Day organised by the Group.

5. Methodological note

The Corporate Responsibility Report, presented in the 2023 Universal Registration Document, aims to set out the non-financial information that is most relevant to the Group in the context of its business model, its activities, the main issues arising from the materiality matrix and the main risks facing the Group.

The information required to draw up this report is collected in accordance with a reporting procedure, available on request from Sopra Steria's CR&SD Department. This procedure is reviewed annually to take into account changes in the Group's scope and reporting approach and, with effect from 2018, new regulatory requirements arising from Order 2017-1180 of 19 July 2017 on the disclosure of non-financial information.

Based on regulations in force and taking into account the specific nature of its business activities, Sopra Steria measures the Group's progress in four areas: Workforce, Society, Environment, Ethics and Compliance.

The environmental reporting presented complies with the framework proposed by the Climate Disclosure Standards Board (CDSB) and with TCFD recommendations.

This report includes a significant amount of information pertaining to Articles L. 225-100 and L. 225-102 of the French Commercial Code and Articles 70 and 173 of the Energy Transition for Green Growth Act, its implementing decree 2017-1265 of 9 August 2017, guided in our thinking by the general principles of the GRI or Global Reporting Initiative (2016-2021 standards), in a continuous improvement approach and aligned as closely as possible with the core subjects addressed by ISO 26000. A cross-reference table covering non-financial information included in the Statement of Non-Financial Performance has been added as an appendix to this document. The relevant information is set out in the

"Cross-reference table for the Management Report" section of this Universal Registration Document (pages 372-374).

Furthermore, pursuant to Paragraph 7 of Article L. 225-102-1 of the French Commercial Code, Sopra Steria has appointed Mazars as the Independent Third Party to verify the compliance of the Statement of Non-Financial Performance with the provisions set out in Article R. 225-105 of the French Commercial Code and the fair presentation of the information provided pursuant to Point 3 of Paragraphs I and II of Article R. 225-105 of the French Commercial Code, disclosed in this report pursuant to Article R. 225-105-2 of the French Commercial Code.

Definitions of workforce indicators

Unless otherwise indicated, indicators are calculated on the basis of numbers of employees on permanent and temporary contracts and internship agreements. The following definitions are used:

- permanent contract: Full-time or part-time employment contract entered into with an employee for an indefinite period;
- fixed-term contract: Full-time or part-time employment contract entered into with an employee and expiring at the end of a specific period or on completion of a specific task lasting an estimated period;
- frequency rate of workplace accidents in France: Calculated in business days, using the following formula: (Number of workplace accidents with work stoppage × 1,000,000)/Total number of hours worked by total workforce in the year;
- severity rate of workplace accidents in France: (Number of working days lost due to workplace accidents × 1,000)/Total number of hours worked by all employees during the year. Work stoppages continuing on from the previous year are not counted. Work stoppages continuing on as a result of workplace accidents that occurred the previous year are not counted;
- LTIFR (lost Time Injury Frequency Rate): Calculated in business days, using the following formula: (Number of workplace accidents with work stoppage × 200,000)/Total number of hours worked by total workforce in the year;
- TRIFR (total recordable injuries frequency rate): Calculated in business days, using the following formula: (number of workplace accidents with or without work stoppage × 1,000,000)/Total number of hours worked by total workforce in the year;
- absenteeism rate: Calculated in business days and on the basis of the average full-time equivalent workforce. It takes into account absences for illness, workplace accidents and accidents while travelling. It corresponds to the ratio of the number of actual calendar days' absence and the number of work days theoretically available;
- percentage of employees with a disability: total employment units accounted for by employees with a declared disability ("disabled employment units" in France), multiplied by 1.5 where allowed under the rules applied by French government agency Agefiph (which promotes employment for people with disabilities), divided by the size of the relevant workforce. The workforce numbers used are also calculated according to the rules defined by Agefiph.

Scope of reporting

To ensure compliance with regulations, the Group has developed a reporting process for collecting the relevant data and leveraging the results in this document.

The following information (required by Article L. 225-102.1 of the French Commercial Code) has been excluded since it does not apply to Sopra Steria Group's business: combating food waste and food insecurity, promoting animal welfare and responsible food production.

Sopra Steria's corporate responsibility policy applies to all Group entities. Reporting covers the calendar year from 1 January to 31 December 2023. The headcounts provided in the workforce section of this report and used in certain environmental indicators include all Group employees. Depending on the indicator, the geographic scope is either:

- the full worldwide scope of Sopra Steria Group businesses (i.e. Sopra Steria Group);
- all Sopra Steria Group businesses in a given country (e.g. Sopra Steria France, Sopra Steria UK, Sopra Steria España, etc.). For each country, all Sopra Steria Group subsidiaries are included (Sopra Banking Software, Sopra HR Software, I2S, CIMPA, Beamap, Cassiopae, Galitt, 2MoRO, it-economics, APAK, SAB, Luminosity Limited, Sopra Steria Financial Services, EGGS Design, Labs, EVA Group, Graffica, Footprint Consulting AS, CS Group, Tobania and Ordina);

- as regards the scope of workforce indicators:
  - employees of companies acquired in 2023 are not taken into account when calculating indicators: CS Group, Tobania, Ordina,
  - for Footprint Consulting AS and Graffica Ltd (consolidated in 2022) as well as Holocare and EGGS Design (consolidated in 2021), only the "Total workforce" indicator has been calculated. The scope is specified for each indicator,
  - the scope of 2023 workforce-related reporting spans all entities over which the Group has both financial and operational control. The NHS SBS, SSCL and Sopra Financial Technology GmbH joint ventures are thus included in all indicators;
- as regards the scope of environmental indicators (CDSB REQ-07/TCFD):
  - employees of companies acquired in the period up to the end of 2023 were taken into account when calculating indicators, including in particular CS Group, Tobania and Ordina,
  - the scope of 2023 environmental reporting spans all entities over which the Group has both financial and operational control. The NHS SBS, SSCL and Sopra Financial Technology GmbH joint ventures are thus included in all indicators;
- as regards reporting policy (CDSB REQ-08/TCFD):
  - to check consistency between financial and non-financial reporting, some structural indicators common to both areas are compared and verified at various levels of detail,
  - a snapshot of the reporting process and reporting tools relating to this report is set out in the reporting protocol available on request from Sopra Steria's CR&SD Department;
- as regards the reporting period (CDSB REQ-09/TCFD): Corporate responsibility reporting covers the calendar year from 1 January to 31 December 2023. Any exceptions to calendar year reporting are indicated in respect of the data concerned:
  - to check consistency between financial and non-financial reporting, some structural indicators common to both areas are compared and verified at various levels of detail.

An overview of the reporting process and reporting tools relating to this report is set out in the reporting protocol available on request from Sopra Steria's CR&SD Department.

- No corrections have been noted in relation to data published in the 2023 Universal Registration Document (CDSB REQ-10/TCFD).
- As the first of ten signatory companies, Sopra Steria made a public commitment during Climate Week NYC in September 2017 to disclose climate-related information in accordance with guidelines issued by the Task Force on Climate-related Financial Disclosures (TCFD) for a period of three years. Sopra Steria opted to use the Climate Disclosure Standards Board (CDSB) framework because it complies with TCFD guidelines. Since 2017, the Group has provided a CDSB cross-reference table in its annual report demonstrating compliance (CDSB REQ-11/TCFD). This report on 2023 data uses the structure set out in the CDSB framework to provide the required information in a fully compliant manner.
- Independent assurance meeting ISAE 3000 is provided by an Independent Third Party, which carries out checks on a reasonable assurance basis on figures in the report identified by the sign ✓, all of which relate to greenhouse gas emissions from the entire value chain (upstream, direct activities and downstream). Details of this assurance (CDSB REQ-12/TCFD) are set out in Section 8, "Report by the Independent Third Party on the verification of the consolidated statement of non-financial performance presented in the Management Report" (pages 372-374).

6. SDG/Global Compact/GRI/TCFD-CDSB cross-reference table

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SDG: For more information, see the Glossary on page 368.
GRI: Indicators from the GRI standards (2016-2021).
TCFD-CDSB REQ: For more information, see the Glossary on page 368.

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(1) SDG: For more information, see the Glossary on page 368.
(2) GRI: Indicators from the GRI standards (2016-2021).
(3) TCFD-CDSB REQ: For more information, see the Glossary on page 368.

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4.2.1.	Governance and organisation	172		Principles 1 to 10	GRI 204	
4.2.2.	Signing of the Code of conduct for suppliers and partners	172		Principles 1 to 10	GRI 204	
4.2.3.	CSR assessment for suppliers and partners	172		Principles 1 to 10	GRI 308-1 GRI 412-1 GRI 414-1	
4.2.4.	Ethical and inclusive purchasing	173	4,11, 12, 13, 16	Principles 1-2-6	GRI 204	
4.2.5.	GHG emissions from the supply chain and SBTi commitments	173		Principles 7-8-9	GRI 204	
4.2.6.	Helping our suppliers improve	174		Principles 1 to 10	GRI 204	
4.2.7.	Targets for progress in 2024	174		Principles 1 to 10	GRI 204	
4.3.	Serving as a long-standing partner for the Group's clients	174		Principles 1 to 10	GRI 102-12 GRI 102-13	
4.3.1.	Client trust	174		Principles 1 to 10		
4.3.2.	Contribution of services and solutions to sustainable development	174		Principles 1 to 10		
4.4.	Be a leading player in digital trust	177		Principles 1 to 10		
4.4.1.	Supporting ethical digital practices	177		Principles 1 to 10		
4.4.2.	Developing trustworthy AI	177		Principles 1 to 10		
4.4.3.	Taking action to promote digital sovereignty	178		Principles 1 to 10		
4.5.	Promoting digital inclusion and community engagement	179	1, 2, 3, 4, 5, 6, 7, 8, 10, 17	Principles 1 to 6	GRI 203-1 GRI 413-1	
4.5.1	Developing inclusive digital services accessible to all	179		rinciples 1 to 6	GRI 203-1 GRI 413-1	
4.5.2.	A longstanding commitment to an inclusive digital society	180		rinciples 1 to 6	GRI 203-1 GRI 413-1	
4.5.3.	Employees involved in high-impact projects	180		rinciples 1 to 6	GRI 203-1 GRI 413-1	
5.	**Methodological note (page 183)**				**REQ 07-08-09-10-11-12**	

(1) SDG: For more information, see the Glossary on page 368.
(2) GRI: Indicators from the GRI standards (2016-2021).
(3) TCFD-CDSB REQ: For more information, see the Glossary on page 368.

7. Human rights cross-reference table

Human rights category	Sopra Steria actions
Measures to combat forced labour and child labour	Section 2: "Social responsibility: A committed and responsible Group" (pages 119-136)
Elimination of discrimination in respect of employment and occupation	"Social responsibility: A committed and responsible Group" Section 2.7: "Ensuring equal opportunity and promoting diversity and inclusion" (pages 129-134)
Safe and healthy working conditions and environment, safety in the workplace	"Social responsibility: A committed and responsible Group" Section 2.8: "Guaranteeing a quality working environment for our employees" (pages 135-136)
Freedom of expression and association	"Social responsibility: A committed and responsible Group" Section 2.9: "Maintaining constructive labour relations" (page 136)
Refugees' and migrants' rights	"Commitments to society – Promoting digital inclusion and community engagement" Section 4.5.2: "A longstanding commitment to an inclusive digital society" (pages 180-182)
Digital security, protection of personal data	"Commitments to society" – "Ethics and compliance" Section 4.1.6: "Protection of personal data"; "Data security" (pages 169-170)
Access to water and sanitation	"Commitment to society" – "Promoting digital inclusion and community engagement" Section 4.5.3: "Employees involved in high-impact projects" (pages 180-182)
Human rights related to the supply chain	"Commitment to society" – "Ethics and compliance" Section 4.1.9: "Duty of vigilance and vigilance plan" (page 171) "Commitment to society" Section 4.2: "Responsible purchasing" (pages 172-174)

8. Workforce and environmental indicators

Information marked with the ✓ symbol has been audited by the Independent Third Party to provide a reasonable assurance opinion. The figures presented are rounded, which may result in slight discrepancies in some totals.

Summary of workforce indicators

EMPLOYMENT

WORKFORCE BY GEOGRAPHIC AREA (INCLUDING ACQUISITIONS) ✓

Scope/Topic	2020	2021	2022	2023
Group	**45,960**	**47,437**	**49,690**	**55,833**
France	**19,759**	**19,831**	**19,820**	**21,756**
International (excluding France)	**26,201**	**27,606**	**29,870**	**34,077**
of which: United Kingdom	6,646	6,919	7,431	7,768
of which: India	4,982	5,440	6,211	6,095
of which: Spain	3,999	4,032	4,215	4,355
of which: Germany	3,304	3,447	3,760	3,842
of which: Norway	1,999	2,445	2,919	3,238
of which: Poland	1,016	1,064	1,003	936
of which: Italy	976	994	1,035	1,069
of which: Belgium	740	754	794	2,262
Managers (“cadres”)	**40,581**	**44,501**	**46,261**	**51,869**

Note
The notion of “cadres” is specific to France. The number of managers outside France is extrapolated from the figures for France.

WORKFORCE BY GEOGRAPHIC AREA (EXCLUDING ACQUISITIONS) ✓

Scope/Topic	2020	2021	2022	2023
Group	**44,768**	**47,008**	**49,508**	**50,083**
Women	14,549	15,242	16,384	16,775
Men	30,219	31,766	33,124	33,308
France	**18,728**	**19,609**	**19,820**	**19,684**
Women	5,544	5,706	5,904	5,959
Men	13,184	13,903	13,916	13,725
International (excluding France)	**26,040**	**27,399**	**29,688**	**30,399**
Women	9,005	9,536	10,480	10,816
Men	17,035	17,863	19,208	19,583

FULL-TIME EQUIVALENT (FTE) WORKFORCE (EXCLUDING INTERNS) ✓

Scope/Topic	2020	2021	2022	2023
Group	**43,898**	**45,852**	**48,391**	**48,959**
Women	13,976	14,504	15,691	16,088
Men	29,922	31,348	32,700	32,871
France	**18,464**	**19,319**	**19,527**	**19,407**
Women	5,366	5,520	5,720	5,780
Men	13,098	13,799	13,807	13,626
International (excluding France)	**25,434**	**26,533**	**28,863**	**29,552**
Women	8,609	8,984	9,970	10,308
Men	16,825	17,549	18,893	19,244
of which: United Kingdom	6,374	6,467	7,029	7,378
of which: India	4,981	5,438	6,210	6,094
of which: Spain	3,951	3,978	4,175	4,298
of which: Germany	3,011	3,217	3,488	3,393
of which: Norway	1,996	2,331	2,775	3,221

Scope/Topic	2020	2021	2022	2023
of which: Poland	980	1,017	965	900
of which: Italy	942	909	980	1,040
of which: Belgium	725	739	774	744

WORKFORCE BY TYPE OF EMPLOYMENT CONTRACT ✓

Scope/Topic	2020		2021		2022		2023	
Permanent contracts	Absolute value	%	Absolute value	%	Absolute value	%	Absolute value	%
Group	**43,286**	**96.7%**	**45,605**	**97.0%**	**47,904**	**96.8%**	**48,348**	**96.5%**
France	**18,145**	**96.9%**	**18,983**	**96.8%**	**18,972**	**95.7%**	**18,790**	**95.5%**
International (excluding France)	**25,141**	**96.6%**	**26,622**	**97.2%**	**28,932**	**97.5%**	**29,558**	**97.2%**
of which: United Kingdom	6,118	92.6%	6,619	96.3%	7,081	95.7%	7,301	94.4%
of which: India	4,968	99.7%	5,404	99.3%	6,169	99.3%	6,055	99.3%
of which: Spain	3,933	98.4%	3,938	97.7%	4,174	99.0%	4,321	99.4%
of which: Germany	3,063	95.3%	3,261	94.6%	3,560	94.7%	3,470	93.6%
of which: Norway	1,994	99.8%	2,335	99.9%	2,776	99.8%	3,230	99.8%
of which: Poland	921	90.6%	986	92.7%	939	93.6%	885	94.6%
of which: Italy	944	96.7%	911	91.6%	988	95.5%	1,043	97.6%
of which: Belgium	740	100.0%	752	99.7%	787	99.1%	756	99.0%
Temporary contracts								
Group	**1,300**	**2.9%**	**1,158**	**2.5%**	**1,338**	**2.7%**	**1,463**	**2.9%**
France	**557**	**3.0%**	**595**	**3.0%**	**815**	**4.1%**	**871**	**4.4%**
International (excluding France)	**743**	**2.9%**	**563**	**2.1%**	**523**	**1.8%**	**592**	**1.9%**
of which: United Kingdom	490	7.4%	252	3.7%	320	4.3%	434	5.6%
of which: India	14	0.3%	36	0.7%	42	0.7%	40	0.7%
of which: Spain	63	1.6%	78	1.9%	35	0.8%	9	0.2%
of which: Germany	59	1.8%	101	2.9%	47	1.3%	63	1.7%
of which: Norway	4	0.2%	2	0.1%	6	0.2%	6	0.2%
of which: Poland	68	6.7%	44	4.1%	38	3.8%	22	2.4%
of which: Italy	11	1.1%	12	1.2%	7	0.7%	10	0.9%
of which: Belgium	-	0%	-	0%	-	0%	-	0%
Internships								
Group	**182**	**0.4%**	**245**	**0.5%**	**266**	**0.5%**	**272**	**0.5%**
France	**26**	**0.1%**	**31**	**0.2%**	**33**	**0.2%**	**23**	**0.1%**
International (excluding France)	**156**	**0.6%**	**214**	**0.8%**	**233**	**0.8%**	**249**	**0.8%**
of which: United Kingdom	-	0%	-	0%	-	0%	1	0%
of which: India	-	0%	-	0%	-	0%	-	
of which: Spain	3	0.1%	16	0.4%	6	0.1%	18	0.4%
of which: Germany	91	2.8%	85	2.5%	153	4.1%	173	4.7%
of which: Norway	-	0%	-	0%	-	0%	-	
of which: Poland	27	0%	34	3.2%	26	2.6%	29	3.1%
of which: Italy	21	2.2%	71	7.1%	40	3.9%	16	1.5%
of which: Belgium	-	0%	2	0.3%	7	0.9%	8	1.0%

AVERAGE LENGTH OF SERVICE FOR EMPLOYEES ON PERMANENT CONTRACTS

Scope/Topic	2020	2021	2022	2023
Group	**7.7**	**7.5**	**7.2**	**7.3**
France	**8.6**	**8.8**	**8.7**	**8.9**
International (excluding France)	**7.0**	**6.7**	**6.2**	**6.3**
of which: United Kingdom	10.3	9.5	8.9	8.2
of which: India	5.2	4.5	4.1	4.7
of which: Spain	5.7	6.0	5.8	6.0
of which: Germany	8.4	8.2	7.6	7.9
of which: Norway	4.1	4.0	3.6	3.7
of which: Poland	4.8	5.0	5.6	6.4
of which: Italy	6.3	7.0	6.7	6.9
of which: Belgium	9.7	9.8	9.7	10.2

AVERAGE AGE OF EMPLOYEES ON PERMANENT CONTRACTS

Scope/Topic	2020	2021	2022	2023
Group	**38.7**	**38.8**	**38.7**	**38.9**
France	**38.5**	**38.9**	**38.9**	**39.1**
International (excluding France)	**38.8**	**38.8**	**38.5**	**38.8**
of which: United Kingdom	43.9	44.2	44.2	43.9
of which: India	32.4	31.9	31.5	32.3
of which: Spain	38.4	39.0	38.8	39.2
of which: Germany	42.8	42.5	41.9	42.2
of which: Norway	38.1	38.0	37.8	37.5
of which: Poland	32.9	33.4	34.2	35.0
of which: Italy	38.6	40.0	40.0	40.3
of which: Belgium	40.6	40.8	40.7	41.0

NEW HIRES – ALL TYPES OF CONTRACTS ✓

Scope/Topic	2020	2021	2022	2023
Group	**6,133**	**10,636**	**13,073**	**9,629**
Women	2,086	3,502	4,487	3,378
Men	4,047	7,134	8,586	6,251
France	**2,045**	**3,019**	**4,267**	**3,557**
Women	562	783	1,347	1,137
Men	1,483	2,236	2,920	2,420
International (excluding France)	**4,088**	**7,617**	**8,806**	**6,072**
Women	1,524	2,719	3,140	2,241
Men	2,564	4,898	5,666	3,831
of which: United Kingdom	1,293	1,764	1,953	1,681
of which: India	490	2,255	2,244	829
of which: Spain	632	978	1,276	1,011
of which: Germany	366	702	933	587
of which: Norway	517	739	994	936
of which: Poland	179	253	196	116
of which: Italy	132	214	261	160
of which: Belgium	73	108	150	91

NEW HIRES – PERMANENT CONTRACTS ONLY ✓

Scope/Topic	2020	2021	2022	2023
Group	**4,166**	**8,453**	**10,439**	**7,251**
Women	1,310	2,778	3,622	2,511
Men	2,856	5,675	6,817	4,740
France	**1,189**	**1,951**	**2,744**	**2,167**
Women	359	525	948	734
Men	830	1,426	1,796	1,433
International (excluding France)	**2,977**	**6,502**	**7,695**	**5,084**
Women	951	2,253	2,674	1,777
Men	2,026	4,249	5,021	3,307
of which: United Kingdom	723	1,481	1,671	1,343
of which: India	480	2,214	2,201	807
of which: Spain	566	841	1,206	940
of which: Germany	298	569	756	456
of which: Norway	459	670	910	857
of which: Poland	5	21	4	4
of which: Italy	56	85	124	65
of which: Belgium	69	91	131	72

TURNOVER RATE FOR EMPLOYEES ON PERMANENT CONTRACTS

Scope/Topic	2020	2021	2022	2023
Group	**13.6%**	**16.0%**	**17.0%**	**14.0%**
Women	13.5%	15.4%	15.8%	13.3%
Men	13.6%	16.4%	17.6%	14.3%
France	**10.1%**	**13.1%**	**17.0%**	**13.9%**
Women	9.4%	12.2%	15.6%	12.8%
Men	10.4%	13.4%	17.6%	14.4%
International (excluding France)	**16.1%**	**18.2%**	**17.0%**	**14.0%**
Women	16.2%	17.3%	15.9%	13.5%
Men	16.1%	18.6%	17.6%	14.2%

Scope/Topic	2020	2021	2022	2023
Group	**13.6%**	**16.0%**	**17.0%**	**14.0%**
France	**10.1%**	**13.1%**	**17.0%**	**13.9%**
International (excluding France)	**16.1%**	**18.2%**	**17.0%**	**14.0%**
of which: United Kingdom	15.2%	12.6%	13.5%	13.2%
of which: India	23.2%	29.1%	18.2%	13.4%
of which: Spain	15.3%	19.3%	20.3%	15.9%
of which: Germany	11.9%	13.8%	13.8%	14.5%
of which: Norway	12.4%	13.0%	15.7%	11.4%
of which: Poland	10.5%	13.0%	19.2%	15.7%
of which: Italy	14.4%	16.2%	15.8%	8.3%
of which: Belgium	10.4%	9.9%	11.4%	13.5%

TRAINING

NUMBER OF MANDATORY AND NON-MANDATORY TRAINING HOURS PER EMPLOYEE (AVERAGE FTE) ✓

Scope/Topic	2020	2021	2022	2023
Total	**N/A***	**27**	**33**	**34**
Women	N/A*	27	33	37
Men	N/A*	27	33	33

**N/A: Not available.*

NUMBER OF MANDATORY TRAINING HOURS PER EMPLOYEE (AVERAGE FTE) ✓

Scope/Topic	2020	2021	2022	2023
Total	**N/A***	**N/A***	**0.35**	**1.06**
Women	N/A*	N/A*	0.39	1.01
Men	N/A*	N/A*	0.33	1.09

**N/A: Not available.*

NUMBER OF TRAINING HOURS PROVIDED DURING THE FINANCIAL YEAR ✓

Scope/Topic	2020	2021	2022	2023
Group	**1,207,065**	**1,219,922**	**1,537,505**	**1,654,050**
France	**559,853**	**573,169**	**603,144**	**636,419**
International (excluding France)	**637,142**	**582,458**	**934,361**	**1,017,632**
of which: United Kingdom	79,571	53,163	67,042	217,793
of which: India	209,113	192,772	291,221	212,804
of which: Spain	88,485	99,616	132,855	120,940
of which: Germany	54,524	57,132	79,060	73,491
of which: Norway	123,006	114,997	217,056	239,916
of which: Poland	6,525	19,865	39,565	40,212
of which: Italy	18,739	26,597	30,377	40,634
of which: Belgium	13,755	13,043	14,668	17,632

NUMBER OF TRAINING HOURS PROVIDED DURING THE FINANCIAL YEAR (FEMALE EMPLOYEES) ✓

Scope/Topic	2022	2023
Group	**499,332**	**581,205**
France	**180,879**	**200,568**
International (excluding France)	**318,453**	**380,637**
of which: United Kingdom	29,643	105,698
of which: India	90,477	64,205
of which: Spain	35,051	32,461
of which: Germany	30,787	24,304
of which: Norway	73,264	84,435
of which: Poland	19,940	23,627
of which: Italy	9,096	16,217
of which: Belgium	3,056	4,486

NUMBER OF TRAINING HOURS PROVIDED DURING THE FINANCIAL YEAR (MALE EMPLOYEES) ✓

Scope/Topic	2022	2023
Group	**1,038,173**	**1,072,845**
France	**422,266**	**435,851**
International (excluding France)	**615,907**	**636,994**
of which: United Kingdom	37,400	112,095
of which: India	200,743	148,598
of which: Spain	97,804	88,479
of which: Germany	48,274	49,186
of which: Norway	143,791	155,481
of which: Poland	19,625	16,585
of which: Italy	21,281	24,417
of which: Belgium	11,612	13,146

NUMBER OF TRAINING HOURS PER EMPLOYEE (AVERAGE FTE) ✓

Scope/Topic	2020	2021	2022	2023
Group	**27.3**	**27.1**	**32.7**	**34.0**
France	**30.1**	**29.9**	**31.3**	**33.0**
International (excluding France)	**24.3**	**24.4**	**33.6**	**34.7**
of which: United Kingdom	12.6	8.3	9.9	29.9
of which: India	38.5	37.5	49.6	34.4
of which: Spain	21.7	25.3	32.8	28.2
of which: Germany	17.5	18.4	23.4	21.3
of which: Norway	65.1	53.7	84.8	80.6
of which: Poland	7.0	19.9	39.3	43.2
of which: Italy	19.0	28.8	32.1	39.7
of which: Belgium	18.7	17.9	19.3	22.9

NUMBER OF TRAINING HOURS PER FEMALE EMPLOYEE (AVERAGE FTE) ✓

Scope/Topic	2022	2023
Group	**33.0**	**36.6**
France	**32.4**	**35.1**
International (excluding France)	**33.3**	**37.5**
of which: United Kingdom	9.9	32.3
of which: India	50.4	34.6
of which: Spain	29.3	26.0
of which: Germany	32.7	24.7
of which: Norway	95.2	92.3
of which: Poland	35.9	46.4
of which: Italy	33.4	53.7
of which: Belgium	21.1	29.4

DIVERSITY

Gender equality

FEMALE STAFF

Scope/Topic	2020		2021		2022		2023	
	Absolute value	%	Absolute value	%	Absolute value	%	Absolute value	%
Group	**14,549**	**32.5**	**15,242**	**32.4%**	**16,384**	**33.1%**	**16,775**	**33.5%**
France	**5,544**	**29.6%**	**5,706**	**29.1%**	**5,904**	**29.8%**	**5,959**	**30.3%**
International (excluding France)	**9,005**	**34.6%**	**9,536**	**34.8%**	**10,480**	**35.3%**	**10,816**	**35.6%**
of which: United Kingdom	2,940	44.5%	3,093	45.0%	3,410	46.1%	3,622	46.8%
of which: India	1,578	31.7%	1,645	30.2%	1,901	30.6%	1,821	29.9%
of which: Spain	1,161	29.0%	1,197	29.7%	1,253	29.7%	1,279	29.4%
of which: Germany	887	27.6%	990	28.7%	1,107	29.4%	1,118	30.2%
of which: Norway	540	27.0%	685	29.3%	854	30.7%	997	30.8%
of which: Poland	612	60.2%	611	57.4%	554	55.2%	525	56.1%
of which: Italy	290	29.7%	295	29.7%	307	29.7%	318	29.7%
of which: Belgium	133	18.0%	139	18.4%	154	19.4%	150	19.6%

FULL-TIME EQUIVALENT (FTE) FEMALE WORKFORCE (EXCLUDING INTERNS) ✓

Scope/Topic	2020	2021	2022	2023
Group– Women	**13,976**	**14,504**	**15,690**	**16,088**
France– Women	**5,366**	**5,520**	**5,720**	**5,780**
International (excluding France)– Women	**8,609**	**8,984**	**9,969**	**10,308**
of which: United Kingdom – Women	2,744	2,780	3,121	3,348
of which: India – Women	1,577	1,644	1,901	1,821
of which: Spain – Women	1,129	1,164	1,227	1,252
of which: Germany – Women	784	873	985	970
of which: Norway – Women	539	682	851	991
of which: Poland – Women	586	576	528	502
of which: Italy – Women	276	262	280	306
of which: Belgium – Women	127	134	147	144

FEMALE WORKFORCE BY TYPE OF EMPLOYMENT CONTRACT ✓

Scope/Topic	2020		2021		2022		2023	
Permanent contracts	Absolute value	%	Absolute value	%	Absolute value	%	Absolute value	%
Group – Women	**13,975**	**32.3%**	**14,794**	**32.4%**	**15,839**	**33.1%**	**16,155**	**33.4%**
France – Women	**5,429**	**29.9%**	**5,590**	**29.4%**	**5,713**	**30.1%**	**5,733**	**30.5%**
International (excluding France) – Women	**8,546**	**34.0%**	**9,204**	**34.6%**	**10,126**	**35.0%**	**10,422**	**35.3%**
of which: United Kingdom – Women	2,638	43.1%	2,959	44.7%	3,222	45.5%	3,369	46.1%
of which: India – Women	1,574	31.7%	1,626	30.1%	1,878	30.4%	1,805	29.8%
of which: Spain – Women	1,144	29.1%	1,174	29.8%	1,237	29.6%	1,272	29.4%
of which: Germany – Women	837	27.3%	917	28.1%	1,043	29.3%	1,038	29.9%
of which: Norway – Women	537	26.9%	684	29.3%	850	30.6%	994	30.8%
of which: Poland – Women	554	60.2%	574	58.2%	524	55.8%	501	56.6%
of which: Italy – Women	282	29.9%	265	29.1%	287	29.0%	311	29.8%
of which: Belgium – Women	133	18.0%	139	18.5%	153	19.4%	149	19.7%
Temporary contracts								
Group – Women	**510**	**39.2%**	**355**	**30.7%**	**458**	**34.2%**	**522**	**35.7%**
France – Women	**110**	**19.7%**	**108**	**18.2%**	**186**	**22.8%**	**216**	**24.8%**
International (excluding France) – Women	**400**	**53.8%**	**247**	**43.9%**	**272**	**52.0%**	**306**	**51.7%**
of which: United Kingdom – Women	302	61.6%	134	53.2%	188	58.8%	253	58.3%
of which: India – Women	4	28.6%	19	52.8%	23	54.8%	16	40.0%
of which: Spain – Women	16	25.4%	19	24.4%	14	40.0%	3	33.3%
of which: Germany – Women	21	35.6%	41	40.6%	17	36.2%	18	28.6%
of which: Norway – Women	3	75.0%	1	50.0%	4	66.7%	3	50.0%
of which: Poland – Women	40	58.8%	13	29.5%	14	36.8%	7	31.8%
of which: Italy – Women	3	27.3%	8	66.7%	4	57.1%	4	40.0%
of which: Belgium – Women	-	0%	-	0%	-	0%	-	0%
Internships								
Group – Women	**64**	**0%**	**93**	**38.0%**	**87**	**32.7%**	**98**	**36.0%**
France – Women	**5**	**0%**	**8**	**25.8%**	**5**	**15.2%**	**10**	**43.5%**
International (excluding France) – Women	**59**	**0%**	**85**	**39.7%**	**82**	**35.2%**	**88**	**35.3%**
of which: United Kingdom – Women	-	0%	-	0%	-	0%	-	0%
of which: India – Women	-	0%	-	0%	-	0%	-	0%
of which: Spain – Women	1	33.3%	4	25.0%	2	33.3%	4	22.2%
of which: Germany – Women	29	31.9%	32	37.6%	47	30.7%	62	35.8%
of which: Norway – Women	-	0%	-	0%	-	0%	-	0%
of which: Poland – Women	18	66.7%	24	70.6%	16	61.5%	17	58.6%
of which: Italy – Women	5	23.8%	22	31.0%	16	40.0%	3	18.8%
of which: Belgium – Women	-	0%	-	0%	1	14.3%	1	12.5%

AVERAGE LENGTH OF SERVICE FOR FEMALE EMPLOYEES ON PERMANENT CONTRACTS ✓

Scope/Topic	2020	2021	2022	2023
Group – Women	**7.7**	**7.5**	**7.1**	**7.1**
France – Women	**8.6**	**8.9**	**8.7**	**8.8**
International (excluding France) – Women	**7.1**	**6.7**	**6.3**	**6.2**
of which: United Kingdom – Women	10.2	9.0	8.4	7.5
of which: India – Women	4.7	4.2	3.8	4.3
of which: Spain – Women	6.6	6.9	6.9	7.2
of which: Germany – Women	7.7	7.4	6.9	7.1
of which: Norway – Women	3.7	3.4	3.1	3.2
of which: Poland – Women	5.3	5.7	6.8	7.5
of which: Italy – Women	6.8	7.9	7.5	7.4
of which: Belgium – Women	8.5	8.1	7.8	7.4

AVERAGE AGE OF FEMALE EMPLOYEES ON PERMANENT CONTRACTS ✓

Scope/Topic	2020	2021	2022	2023
Group – Women	**38.1**	**38.4**	**38.3**	**38.4**
France – Women	**38.2**	**38.6**	**38.6**	**38.7**
International (excluding France) – Women	**38.0**	**38.3**	**38.1**	**38.2**
of which: United Kingdom – Women	43.1	43.5	43.3	42.8
of which: India – Women	31.0	30.7	30.4	30.9
of which: Spain – Women	39.4	39.8	40.0	40.6
of which: Germany – Women	40.6	40.0	39.6	39.8
of which: Norway – Women	37.0	36.8	36.6	36.4
of which: Poland – Women	32.7	33.4	34.7	35.3
of which: Italy – Women	38.4	39.9	40.3	40.5
of which: Belgium – Women	41.0	40.1	39.6	38.6

FEMALE NEW HIRES ✓

Scope/Topic	2020		2021		2022		2023	
	Absolute value	%	Absolute value	%	Absolute value	%	Absolute value	%
Group	**2,086**	**34.0%**	**3,502**	**32.9%**	**4,487**	**34.3%**	**3,378**	**35.1%**
France	**562**	**27.5%**	**783**	**25.9%**	**1,347**	**31.6%**	**1,137**	**32.0%**
International (excluding France)	**1,524**	**37.3%**	**2,719**	**35.7%**	**3,140**	**35.7%**	**2,241**	**36.9%**
of which: United Kingdom	688	53.2%	929	52.7%	995	50.9%	853	50.7%
of which: India	144	29.4%	653	29.0%	698	31.1%	270	32.6%
of which: Spain	159	25.2%	241	24.6%	316	24.8%	212	21.0%
of which: Germany	117	32.0%	244	34.8%	309	33.1%	214	36.5%
of which: Norway	140	27.1%	255	34.5%	332	33.4%	297	31.7%
of which: Poland	86	34.2%	96	37.9%	48	24.5%	53	45.7%
of which: Italy	37	28.0%	57	26.6%	78	29.9%	39	24.4%
of which: Belgium	25	34.2%	31	28.7%	37	24.7%	32	35.2%

Disability

PERCENTAGE OF EMPLOYEES WITH A DISABILITY IN FRANCE ✓

Scope/Topic	2020*	2021	2022	2023
France: Employment rate	2.48%	2.96%	3.30%	3.60%

In 2020, the reported proportion of 2.21% was recalculated to reflect the entry into force of new calculation rules issued by AGEFIPH in 2020 and not available at the time the 2020 report was published. Furthermore, the indirect employment rate (sheltered employers) is no longer counted when calculating the total employment rate from 2020 onwards, in accordance with the new regulations.

Intergenerational policy

PROPORTION OF YOUNGER AND OLDER EMPLOYEES (INCLUDING INTERNS) ✓

Workforce by age bracket

Scope/Topic	2020	2021	2022	2023
Group				
Under 30	29.2%	28.5%	30.0%	29.1%
Between 30 and 50	54.6%	54.6%	52.7%	53.0%
Over 50	16.1%	16.9%	17.3%	17.9%
France				
Under 30	32.6%	30.4%	31.7%	31.4%
Between 30 and 50	51.2%	52.6%	50.5%	49.7%
Over 50	16.2%	17.0%	17.7%	18.9%
International (excluding France)				
Under 30	26.9%	27.1%	28.9%	27.6%
Between 30 and 50	57.1%	56.1%	54.2%	55.1%
Over 50	16.1%	16.8%	16.9%	17.3%
of which: United Kingdom				
Under 30	19.0%	17.0%	17.8%	18.9%
Between 30 and 50	49.7%	49.6%	48.7%	48.7%
Over 50	31.3%	33.3%	33.5%	32.5%
of which: India				
Under 30	43.6%	46.4%	48.6%	44.2%
Between 30 and 50	55.0%	52.1%	49.8%	54.0%
Over 50	1.5%	1.5%	1.6%	1.8%
of which: Spain				
Under 30	21.4%	20.8%	23.6%	22.4%
Between 30 and 50	69.7%	68.6%	64.5%	63.0%
Over 50	8.9%	10.6%	11.9%	14.6%
of which: Germany				
Under 30	17.3%	18.4%	21.0%	18.9%
Between 30 and 50	54.4%	53.7%	52.4%	54.6%
Over 50	28.2%	27.9%	26.6%	26.5%
of which: Norway				
Under 30	26.8%	28.0%	30.3%	31.1%
Between 30 and 50	60.7%	59.0%	56.8%	56.3%
Over 50	12.6%	13.0%	12.9%	12.6%
of which: Poland				
Under 30	41.7%	38.8%	33.3%	29.7%
Between 30 and 50	57.6%	60.3%	65.1%	68.1%
Over 50	0.7%	0.9%	1.6%	2.2%
of which: Italy				
Under 30	29.7%	26.5%	25.7%	25.2%
Between 30 and 50	55.0%	56.4%	54.7%	52.8%
Over 50	15.3%	17.1%	19.6%	22.1%
of which: Belgium				
Under 30	13.4%	14.3%	17.9%	16.8%
Between 30 and 50	70.0%	68.4%	64.7%	65.3%
Over 50	16.6%	17.2%	17.4%	17.9%

PROPORTION OF OLDER EMPLOYEES IN FRANCE (ALL CONTRACTS, EXCLUDING ACQUISITIONS)

Scope/Topic	2020	2021	2022	2023
Number of employees aged 50 and older	3,036	3,341	3,518	3,722
Proportion of employees aged 50 and older relative to the total workforce at 31/12	16.2%	17.0%	17.7%	18.9%

HEALTH, SAFETY AND WORKING CONDITIONS

ORGANISATION OF WORK AND WORKING HOURS/PART-TIME WORK – EMPLOYEES ON PERMANENT CONTRACTS FROM 1 JANUARY TO 31 DECEMBER

Scope/Topic	2020	2021	2022	2023
Group	**6.1%**	**6.4%**	**6.0%**	**5.9%**
France	**6.3%**	**6.6%**	**6.5%**	**6.3%**
International (excluding France)	**5.9%**	**6.3%**	**5.7%**	**5.7%**
of which: United Kingdom	12.1%	14.0%	13.1%	12.4%
of which: India	0%	0.1%	0%	0%
of which: Spain	5.5%	4.9%	4.1%	3.6%
of which: Germany	10.4%	10.1%	9.6%	11.2%
of which: Norway	0.6%	7.3%	0.7%	1.1%
of which: Poland	3.4%	4.2%	3.8%	2.9%
of which: Italy	4.6%	4.7%	4.8%	4.2%
of which: Belgium	8.2%	7.0%	6.6%	6.2%

ABSENTEEISM RATE, LTIFR AND TRIFR

Indicators	2020	2021	2022	2023
Absenteeism rate*	N/A*	2.7%	2.8%	2.4%
Lost time injury frequency rate (LTIFR)	N/A*	0.12	0.15	0.27
Total recordable injury frequency rate (TRIFR)	N/A*	0.21	0.40	2.95

**N/A: Not available.*

ABSENTEEISM RATE, NUMBER OF OCCUPATIONAL ILLNESSES, FREQUENCY RATE AND SEVERITY RATE (SCOPE: FRANCE)

Indicators	2020	2021	2022	2023
Absenteeism rate (%)	2.50%	2.70%	3.10%	2.50%
Occupational illness (number)	2	2	1	1
Frequency rate of workplace accidents in France	1.26	0.89	1.24	2.62
Severity rate of workplace accidents in France	0.013	0.013	0.017	0.047

LABOUR RELATIONS

Scope/Topic	2020	2021	2022	2023
Number of agreements signed during the year	**56**	**31**	**48**	**36**
France	38	11	35	23
Germany	16	19	11	12
Belgium	-	1	-	-
United Kingdom	2	-	-	-
Italy	-	-	-	-
Spain	-	-	1	1
Europe	-	-	1	-
Number of collective bargaining agreements in force	**326**	**357**	**360**	**364**
France	164	169	166	168
Germany	137	162	161	163
Belgium	11	12	12	12
Italy	-	-	1	1
United Kingdom	13	13	17	17
Spain	1	1	3	3

Summary of environmental indicators

In 2023, the scope of indicators includes companies acquired in 2023, namely CS Group, Ordina and Tobania, which were not included in our 2022 report.

For 2022, the scope of indicators includes all entities over which the Group has operational control (and thus includes the NHS SBS, SSCL and SFT joint ventures, which were only brought in scope from 2017 onwards) and employees at companies acquired up to and including December 2022, namely Graffica and Footprint Consulting AS, as well as EGGS Design and EVA Group, which were not included in our 2021 report.

For 2021, the scope includes employees at companies acquired up to and including November 2021, namely Luminosity Limited, Sopra Steria Financial Services and Labs.

For 2019, the scope includes all entities over which the Group had operational control (and thus includes the NHS SBS and SSCL joint ventures) but does not include SAB or Sopra Financial Technology GmbH.

* France includes French Polynesia. United Kingdom includes Ireland.

RESOURCE CONSUMPTION

		Energy consumption ✓			Proportion of electricity consumption (offices and on-site data centres) provided by renewables ✓	Waste electrical and electronic equipment – WEEE ✓				
		Offices + miscellaneous ✓	On-site data centres ✓	Off-site data centres ✓						
		Total	Total	Total	Total	Total	Proportion reused	Proportion used for heat or raw material recovery	Proportion incinerated without heat recovery	Proportion sent to landfill
Country	**Year**	*(MWh)*	*(MWh)*	*(MWh)*	*(%)*	*(kg)*	*(%)*	*(%)*	*(%)*	*(%)*
France*	**2023**	**16,883**	**2,155**	**10,688**	**99.0%**	**41,621.0**	**61.4**	**37.6**	**0.1**	**0.9**
	2022	20,899	3,229	9,871	99.0%	52,673.0	44.0	53.6	0.2	2.2
	2021	25,071	3,823	9,616	99.0%	31,791.0	51.3	48.0	0.4	0.3
	2019	31,708	2,718	10,390	86.0%	19,724.0	44.3	50.6	2.8	2.3
United Kingdom*	**2023**	**8,322**	**1,047**	**476**	**100.0%**	**6,995.0**	**29.6**	**70.4**	**0.02**	**0.0**
	2022	13,459	1,731	458	100.0%	11,545.0	20.5	79.5	0.0	0.0
	2021	16,029	2,759	561	100.0%	11,745.0	40.7	59.4	0.0	0.0
	2019	17,953	4,087	865	100.0%	19,426.0	27.3	68.8	4.0	0.0
Rest of Europe	**2023**	**10,990**	**1,403**	**5,792**	**100.0%**	**23,342.4**	**22.5**	**77.2**	**0.3**	**0.0**
	2022	12,674	55	5,229	100.0%	25,397.0	23.9	75.7	0.5	0.0
	2021	11,900	25	5,284	100.0%	15,904.0	28.0	71.4	0.6	0.0
	2019	13,522	22	5,366	N/A	26,468.0	48.0	49.7	0.8	1.5
Rest of the World	**2023**	**8,666**	**1,452**	**0**	**100.0%**	**20,029.0**	**0.0**	**99.5**	**0.4**	**0.1**
	2022	7,444	1,784	0	100.0%	3,206.0	52.2	46.1	1.0	1.0
	2021	5,638	1,859	0	100.0%	3,101.0	98.7	0.5	0.0	1.0
	2019	9,943	2,236	0	N/A	17,328.0	0.0	99.3	0.7	0.0
Total: Group	**2023**	**44,861**	**6,057**	**16,956**	**99.4%**	**91,987.4**	**36.7**	**62.48**	**0.3**	**0.5**
	2022	54,476	6,799	15,558	99.3%	92,822.0	35.8	62.6	0.3	1.3
	2021	58,638	8,467	15,461	99.3%	62,541.0	45.7	53.7	0.3	0.2
	2019	73,126	9,063	16,621	90.0%	82,947.0	32.3	64.7	2.0	1.1

		Plastic waste ✓				Metal waste ✓			
		Total	Proportion used for heat or raw material recovery	Proportion incinerated without heat recovery	Proportion sent to landfill	Total	Proportion used for heat or raw material recovery	Proportion incinerated without heat recovery	Proportion sent to landfill
Country	Year	(kg)	(%)	(%)	(%)	(kg)	(%)	(%)	(%)
France*	**2023**	**4,637** (1)	**100**	**0**	**0**	**2,151**	**100**	**0**	**0**
United Kingdom*	**2023**	**2,362**	**100**	**0**	**0**	**2,999**	**100**	**0**	**0**
Rest of Europe	**2023**	**7,638**	**100**	**0**	**0**	**5,276**	**100**	**0**	**0**
Rest of the World	**2023**	**2,198**	**100**	**0**	**0**	**1,566**	**100**	**0**	**0**
Total: Group	**2023**	**16,835**	**100**	**0**	**0**	**11,992**	**100**	**0**	**0**

		Paper and cardboard waste (1) ✓				Purchases of certified paper from sustainable sources (2) ✓			Water ✓
		Total	Proportion used for heat or raw material recovery	Proportion incinerated without heat recovery	Proportion sent to landfill	Total	% paper from sustainable sources	Quantity purchased per employee	Total
Country	Year	(kg)	(%)	(%)	(%)	(kg)	(%)	(kg/employee)	(m^3)
France*	**2023**	**32,030.0**	**100.0**	**0.0**	**0.0**	**17,631.0**	**82.0**	**0.81**	**46,833.7**
	2022	79,641.0	100.0	0.0	0.0	16,212.0	90.0	0.82	38,999.0
	2021	65,024.0	100.0	0.0	0.0	8,019.0	72.0	0.41	37,090.0
	2019	109,168.0	84.8	15.2	0.0	55,268.0	48.0	2.89	74,874.0
United Kingdom*	**2023**	**130,772.0**	**100.0**	**0.0**	**0.0**	**8,229.0**	**67.0**	**1.06**	**22,938.1**
	2022	143,854.0	100.0	0.0	0.0	10,290.0	68.0	1.38	15,803.0
	2021	222,508.0	100.0	0.0	0.0	7,592.0	34.0	1.10	37,789.0
	2019	173,509.0	100.0	0.0	0.0	11,173.0	79.0	3.11	57,841.0
Total: Rest of Europe	**2023**	**92,462.0**	**99.9**	**0.0**	**0.1**	**12,333.0**	**73.8**	**0.78**	**20,544.4**
	2022	89,235.0	99.9	0.0	0.1	4,706.9	82.0	0.32	18,158.0
	2021	48,417.0	100.0	0.0	0.0	6,592.0	84.0	0.49	18,972.0
	2019	119,940.0	99.9	0.1	0.0	21,437.0	79.0	13.96	43,560.0
Total: Rest of the World	**2023**	**8,591.0**	**85.4**	**0.0**	**14.6**	**1255.0**	**70.0**	**0.21**	**81,842.9**
	2022	2,800.0	84.0	0.0	16.0	1,741.1	70.0	0.24	62,484.0
	2021	1,506.0	49.3	0.0	50.7	1,345.0	70.0	0.21	28,074.0
	2019	12,506.0	100.0	0.0	0.0	8,995.0	71.0	1.45	70,710.0
Total: Group	**2023**	**263,855.0**	**99.5**	**0.0**	**0.5**	**37,774.0**	**76.0**	**0.71**	**172,169.0**
	2022	315,530.0	99.8	0.0	0.2	32,950.0	81.0	0.67	135,445.0
	2021	337,455.0	99.8	0.0	0.2	23,548.0	63.0	0.51	121,926.0
	2019	415,122.0	96.0	4.0	0.0	96,873.0	60.0	2.53	246,985.0

(1) An improved waste calculation methodology was introduced in 2021. This methodology has increased the percentage of real data and made data more reliable. Under the former methodology, paper and cardboard waste would have amounted to 150,663 kg in 2021.

(2) Between 2010 and 2023, paper consumption fell significantly both overall and per employee. A fall was recorded in France between 2022 and 2023 per employee with the roll out of secure printers and employee awareness initiatives. The Group also recorded a significant reduction in paper consumption per employee between 2021 and 2022 linked to the public health crisis and lockdown. The reduction in paper consumption per employee reflects the transition towards process digitalisation as a result of efficiency gains, environmental concerns and changes to working methods.

(1) Indicators in the table on plastic and metal waste have only been calculated from 2023.

REDUCING GHG EMISSIONS

SCOPES 1 AND 2

		Scope 1 ✓		Scope 2 ✓
		Diesel, gas, biodiesel (offices and on-site data centres) ✓	**Fugitive emissions ✓**	**Grid electricity, district heating (offices and on-site data centres) ✓**
Country	**Year**	*(tCO_2e)*	*(tCO_2e)*	*(tCO_2e)*
	2023	187	244	102
	2022	**218**	**309**	**147**
	2021	259	106	262
	2019	374	194	765
France*	2015	284	N/A	2,195
	2023	521	39	0
	2022	**1,213**	**179**	**0**
	2021	1,724	198	0
	2019	1,696	33	0
United Kingdom*	2015	1,067	N/A	1,844
	2023	222	80	150
	2022	**273**	**98**	**251**
	2021	360	32	365
	2019	425	39	888
Total: Rest of Europe	2015	233	N/A	1,805
	2023	286	561	0
	2022	**249**	**769**	**0**
	2021	182	788	0
	2019	169	1,781	72
Total: Rest of the World	2015	653	N/A	9,880
	2023	1,216	924	252
	2022	**1,952**	**1,355**	**398**
	2021	2,526	1,124	627
	2019 [(1)]	2,664	2,048	1,724
Total: Group	2015	2,237	N/A	15,724

(1) Recalculated tCO_2e values (including new acquisitions in 2019) published by CDP in 2020 for Scopes 1, 2, 3-5 and 3-6 respectively are as follows: 4,719, 1,857, 296, 34,697. For Scope 3-1, the recalculated value using an improved method is 270,835 tCO_2e. The calculated value for Scope 3-15, which was not previously taken into account, is 2,892 tCO_2e.

SCOPE 3

Country	Year	Scope 3 ✓ 3-1 (1) Purchases of goods and services (excluding business travel, offices, on- and off-site data centres and fugitive emissions) ✓	3-3 Energy-related emissions not included in Scopes 1 and 2 ✓	3-5 Waste: WEEE, paper, cardboard, plastic, metal, water ✓	3-6 (2) Business travel ✓	3-7 (3) Employee commuting and remote working ✓	3-8 Off-site data centres ✓	3-13 Tenants ✓	3-15 Investments
		(tCO_2e)	(tCO_2e)	(tCO_2e)	(tCO_2e)	(tCO_2e)	(tCO_2e)	(tCO_2e)	(tCO_2e)
	2023	**129,422**	**993**	**11**	**9,283**	**11,983**	**0**	**0**	**N/A**
	2022	112,606	382	13	6,466	18,105	0	0	N/A
	2021	112,393	581	12	3,195	8,934	0	0	N/A
	2019	N/A	860	23	14,138	N/A	553	160	N/A
France*	2015	N/A	N/A	N/A	N/A	N/A	458	N/A	N/A
	2023	**83,193**	**519**	**8**	**1,450**	**3,851**	**0**	**15**	**N/A**
	2022	85,722	781	8	1,082	3,328	93	647	N/A
	2021	85,144	1,022	15	419	3,730	58	0	N/A
	2019	N/A	959	20	3,528	N/A	128	10	N/A
United Kingdom*	2015	N/A	N/A	N/A	N/A	N/A	332	N/A	N/A
	2023	**68,505**	**652**	**7**	**5,996**	**8,562**	**108**	**168**	**N/A**
	2022	64,808	749	7	5,109	11,701	97	52	N/A
	2021	56,030	741	6	3,081	6,534	83	10	N/A
	2019	N/A	686	15	11,378	N/A	699	18	N/A
Total: Rest of Europe	2015	N/A	N/A	N/A	N/A	N/A	437	N/A	N/A
	2023	**4,868**	**1,659**	**19**	**1,677**	**8,498**	**0**	**21**	**N/A**
	2022	6,701	2,628	18	1,168	2,905	0	0	N/A
	2021	5,445	2,095	8	262	2,518	0	141	N/A
	2019	N/A	2,959	20	5,266	N/A	0	306	N/A
Total: Rest of the World	2015	N/A	N/A	N/A	N/A	N/A	0	N/A	N/A
	2023	**285,988**	**3,822**	**44**	**18,406**	**32,895**	**108**	**204**	**3,835**
	2022	269,837	4,539	45	13,826	36,039	191	699	3,720
	2021	259,011	4,439	42	6,957	21,716	141	151	2,837
	2019	221,311	5,464	78	34,310	66,778	1,250	494	2,892
Total: Group	2015	N/A	N/A	N/A	32,005	N/A	1,227	N/A	N/A

(1) The increase in emissions between 2019 and 2021 was due to a change in methodology. By applying the methodology and scope updated in 2021 to previous data, the amount would be 2,270,835 tCO_2e in 2019.
(2) Data taking into account emission reductions due to green business travel in Germany. Excluding the emissions reduction from green travel gives the following values: 19,544 tCO_2e, 14,695 tCO_2e in 2022, 7,402 tCO_2e in 2021, 37,164 tCO_2e in 2019, 38,176 tCO_2e in 2018, 38,133 tCO_2e in 2017 and 36,555 tCO_2e in 2016.
(3) Emissions arising from employee commuting in 2019 and 2020 were estimated and taken into account for our CDP response. The method was further developed to calculate 2021 emissions and audited. Remote work-related emissions represented the following amounts for the following scopes: Group: 2,052.1 tCO2e; France: 509.2 tCO2e; UK: 639.8 tCO2e; Rest of Europe: 610.9 tCO2e; Rest of the World: 292.1 tCO2e.

TOTAL: SCOPES 1, 2 & 3

Country	Year	Total: Scopes 1, 2 & 3 (tCO_2e)	Emissions per employee (Direct and indirect activities – Total: Scopes 1, 2 & 3) (tCO_2e/employee)	Emissions per employee (Direct activities – Scopes 1, 2, 3-6 and 3-8) ✓ (tCO_2e/employee)
France*	**2023**	**152,225**	**7.00**	**0.45**
	2022	138,245	6.97	0.36
	2021	125,742	6.41	0.19
	2019	17,067	N/A	0.89
	2015	2,937	N/A	0.17
United Kingdom*	**2023**	**89,597**	**11.52**	**0.26**
	2022	93,053	12.51	0.35
	2021	92,310	13.33	0.35
	2019	6,374	N/A	1.01
	2015	3,243	N/A	0.80
Total: Rest of Europe	**2023**	**84,450**	**4.50**	**0.35**
	2022	83,145	5.59	0.39
	2021	67,241	4.91	0.29
	2019	14,148	N/A	1.11
	2015	2,475	N/A	0.29
Total: Rest of the World	**2023**	**17,589**	**2.34**	**0.34**
	2022	14,438	1.91	0.29
	2021	11,439	1.67	0.18
	2019	10,573	N/A	1.51
	2015	10,533	N/A	1.95
Total: Group	**2023**	**347,694**	**6.23**	**0.37**
	2022	332,601	6.69	0.36
	2021	299,570	6.36	0.24
	2019	339,013	N/A	0.93
	2015	51,193	N/A	1.47

Scope 3 – Excluded subcategories: 3-2, 3-4, 3-9, 3-10, 3-11, 3-12, 3-14.
The full tables with details for each country are available on our website.

9. Report by the Independent Third Party on the verification of the consolidated statement of non-financial performance presented in the Management Report

Financial year ended 31 December 2023

To the Shareholders,

In our capacity as an Independent Third Party, member of the Mazars network and a Statutory Auditor of Sopra Steria Group SA, certified by COFRAC Inspection under number 3-1895 (certification with list of sites and scope available on www.cofrac.fr), we have conducted work in order to formulate a reasoned opinion expressing limited assurance about the historical information (observed or extrapolated) provided in the consolidated statement of non-financial performance (hereinafter the "Information" and the "Statement", respectively), as well as at the Company's request and outside the scope of accreditation, reasonable assurance about a selection of information, prepared in accordance with the Entity's procedures (hereinafter the "Guidelines") for the financial year ended 31 December 2023, presented in the Management Report of Sopra Steria Group (hereinafter the "Company" or the "Entity"), pursuant to the provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de Commerce*).

CONCLUSION

Based on the procedures implemented, as described in the "Nature and scope of work" section, and the information collected, we did not identify any material misstatement that would cause us to conclude that the consolidated statement of non-financial performance is not consistent with applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

REASONABLE ASSURANCE REPORT ON SELECTED INFORMATION

Regarding the information selected by the Company and identified by the symbol ✓, we performed, at the request of the Company and in line with its proactive approach, the same types of procedure as those described in the "Nature and scope of work" section above for the key performance indicators and the other quantitative results that we considered to be the most important, but in a more in-depth manner, in particular with respect to the number of tests conducted.

The selected sample thus represents an average of 56% of the workforce and between 50% and 100% of environmental data identified by the symbol ✓.

We believe that these procedures enable us to express a reasonable assurance conclusion with respect to the information selected by the Company and identified by the symbol ✓.

CONCLUSION

In our opinion, the information selected by the Company and identified by the symbol ✓ has been prepared, in all material respects, in accordance with the Guidelines.

PREPARATION OF THE STATEMENT OF NON-FINANCIAL PERFORMANCE

As there is no generally accepted and commonly used reference framework or established practices for assessing and measuring the Information, different but acceptable measurement techniques can be used that may affect comparisons between entities and over time.

The Information should therefore be read and understood in reference to the Guidelines, the significant elements of which are set out in the Statement.

INHERENT LIMITATIONS TO PREPARING INFORMATION

Information may be subject to uncertainties relating to the level of scientific or economic knowledge and the quality of external data used. Some information is sensitive to choices of methodology, assumptions and/or estimates used to prepare this information and set out in the Statement.

RESPONSIBILITY OF THE COMPANY

The Board of Directors is responsible for:

- selecting or drawing up appropriate criteria for the preparation of the Information;
- drawing up a Statement complying with legal and regulatory provisions, including an overview of the business model, a description of the main non-financial risks, an overview of policies adopted in light of those risks and the results of those policies, including key performance indicators and the information laid down in Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- as well as implementing the internal controls it deems necessary to prepare Information that is free of material misstatement, whether due to fraud or error.

The Statement has been prepared in accordance with the Entity's Guidelines, as mentioned above.

RESPONSIBILITY OF THE INDEPENDENT THIRD PARTY

On the basis of our work, it is our responsibility to formulate a reasoned opinion expressing limited assurance as to:

- the Statement's compliance with the provisions laid down in Article R. 225-105 of the French Commercial Code;
- the fair presentation of historical information (recognised or extrapolated) provided pursuant to Point 3 of Paragraphs I and II of Article R. 225-105 of the French Commercial Code, namely the results of policies, including key performance indicators, and actions relating to the key risks.

We have conducted work in order to formulate a reasoned opinion expressing limited assurance about the historical information (observed or extrapolated).

As it is our duty to formulate an independent conclusion on the Information as prepared by management, we are not authorised to be involved in preparing this Information, as this could compromise our independence.

It is also our responsibility, at the entity's request and outside the scope of accreditation, to express a reasonable assurance opinion about whether the information selected by the entity [1] has been prepared, in all material respects, in accordance with the Guidelines.

It is not our responsibility to issue an opinion on whether:

- the Entity complies with other applicable legal and regulatory provisions, notably as regards the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the vigilance plan, anti-corruption measures and the prevention of tax evasion;
- the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy) is accurate;
- products and services comply with applicable regulations.

REGULATORY REQUIREMENTS AND APPLICABLE PROFESSIONAL STANDARDS

Our work described below was carried out in accordance with the provisions of Articles A. 225-1 et seq. of the French Commercial Code establishing the manner in which an independent third party should fulfil its engagement, with industry policy issued by the Compagnie Nationale des Commissaires aux Comptes (CNCC, the French national institute of statutory auditors) for this type of engagement in lieu of a verification programme and with the revised International Standard on Assurance Engagements (ISAE) 3000.

This report has been prepared in accordance with the RSE_SQ_Programme de vérification_DPEF verification programme.

INDEPENDENCE AND QUALITY CONTROL

Our independence is enshrined in the provisions of Article L. 822-11 of the French Commercial Code and the French Code of Ethics for Statutory Auditors. We have also implemented a quality control system comprising documented policies and procedures for ensuring compliance with ethical and professional standards, and the applicable legal and regulatory requirements of the CNCC for this type of engagement.

MEANS AND RESOURCES

Our work was carried out by a team of 8 people between October 2023 and February 2024 and required a total of 10 weeks.

To help us with our work, we have called on our specialists in sustainable development and social responsibility. We conducted around ten interviews with individuals responsible for preparing the Statement, notably representing the Human Resources and Sustainable Development Departments.

NATURE AND SCOPE OF WORK

We have planned and performed our work taking account of the risk of material misstatement with regard to Information.

- We believe that the procedures we have undertaken, to the best of our professional judgement, provide a sufficient basis for our limited assurance conclusion:
  - we familiarised ourselves with all entities in the consolidated group, and the overview of key risks,
  - we assessed the suitability of the Guidelines in terms of their relevance, completeness, reliability, impartiality and comprehensibility, taking industry best practice into account where applicable,
  - we checked that the Statement covers each category of disclosure stipulated in Paragraph III of Article L. 225-102-1 in relation to labour-related and environmental information, as well as respect for human rights, anti-corruption measures and the prevention of tax evasion,
  - we checked that the Statement presents the information laid down in Paragraph II of Article R. 225-105 where that information is relevant to the key risks, and that it includes, as the case may be, a reasoned explanation for the absence of any information required by Subparagraph 2 of Paragraph III of Article L. 225-102-1,
  - we checked that the Statement includes an overview of the business model and key risks associated with all entities in the consolidated group, including, where relevant and proportionate, risks arising from its business relationships, products and services, as well as policies, actions and results, including key performance indicators.
- We consulted source documents and carried out interviews to:
  - assess the process used to identify and confirm key risks and the extent to which results, including key performance indicators selected, are consistent with the key risks and policies presented,
  - corroborate the qualitative information (actions and results) we considered most important, presented in Annex. For the risk relating to attracting and retaining employees, our work was carried out at the level of the consolidating Entity and at a selection of entities (see Annex).
- We checked that the Statement covers the consolidated group, i.e. all entities falling within the scope of consolidation in accordance with Article L. 233, within the limits specified in the Statement.
- We familiarised ourselves with the internal control and risk management procedures put in place by the Entity and assessed the collection process to ensure that the Information is complete and accurate.

(1) See Annex

- For the key performance indicators and other quantitative results we considered most important (presented in Annex 1), we:
  - used analytical procedures to check that the data collected had been properly consolidated, and that any changes in the data were consistent,
  - carried out detailed, sample-based testing or other selection methods to check that definitions and procedures had been properly applied and to reconcile data with supporting documents. This work was undertaken on a selection of contributing entities [(1)] and countries and covered between 50% and 100% of the consolidated data used in the key performance indicators and results selected for these tests.
- We assessed the Statement's overall consistency based on our understanding of all entities in the consolidated group.

The procedures implemented within the framework of a limited assurance audit are less extensive than those required for a reasonable assurance audit performed in accordance with the professional standards of the CNCC; the procedures implemented for the reasonable assurance required more extensive verifications.

Paris La Défense, 29 February 2024
French original signed by the Independent Third Party,
Mazars SAS

Jérôme NEYRET	Edwige REY
Partner	***CSR & Sustainable Development Partner***

This is a free translation into English of a report issued in French and is provided solely for the convenience of English-speaking users.

(1) See Annexes

ANNEX 1: INFORMATION CONSIDERED MOST IMPORTANT

List of key performance indicators and other quantitative results considered most important, and selection of contributing entities and countries subjected to detailed testing.

✓ Information reviewed on a reasonable assurance basis.

Information	Audited Entity/Country
Workforce indicators	
■ Workforce by geographic area (including acquisitions) ✓ ■ Full-time equivalent (FTE) workforce (excluding interns) ✓ ■ Workforce by type of employment contract ✓ ■ New hires – All types of contracts ✓ ■ New hires – Permanent contracts only ✓ ■ Female new hires ✓ ■ Proportion of younger and older employees (including interns) ✓	■ **France** (Sopra Steria Group SA, Sopra HR Software, Sopra Banking Software, Sopra Steria I2S, Sopra Solutions, CIMPA SAS, Galitt, 2MoRO, EVA Group) ■ **United Kingdom** (Sopra Banking Software Limited, Sopra HR Software Limited, Sopra Steria Limited, NHS Shared Business Services Limited, Shared Services Connected Limited, CIMPA Limited, CXPARTNERS Limited, Sopra Steria Financial Services Limited, Holocare Limited) ■ **Sweden** (Sopra Steria Sweden AB)
■ Number of training hours per employee (mandatory and non-mandatory) ✓ ■ Average number of training hours per person (average FTE) ✓ ■ Number of training hours provided during the financial year ✓	■ **France** (Sopra Steria Group S.A., Sopra HR Software, Sopra Banking Software, Sopra Steria I2S, Sopra Solutions, CIMPA SAS, Galitt, 2MoRo, Eva Group) ■ **United Kingdom** (Sopra Banking Software Limited, Sopra HR Software Limited, Sopra Steria Limited, NHS Shared Business Services Limited, Shared Services Connected Limited, CIMPA Limited, CXPARTNERS Limited, Sopra Steria Financial Services Limited, Holocare Limited) ■ **Sweden** (Sopra Steria Sweden AB)
■ Percentage of employees with a disability ✓	■ **France** (Sopra Steria Group S.A., Sopra HR Software, Sopra Banking Software, Sopra Steria I2S, CIMPA SAS, Galitt, 2MoRo, Eva Group)
Environmental indicators	
■ Energy consumption per employee ✓ ■ Energy consumption (offices) ✓ ■ Energy consumption (on-site data centres) ✓ ■ Energy consumption (off-site data centres) ✓ ■ Proportion of electricity consumption provided by renewable energies (offices and on-site data centres) ✓ ■ Greenhouse gas emissions from energy consumption (offices) ✓ ■ Greenhouse gas emissions from energy consumption (on-site data centres) ✓ ■ Greenhouse gas emissions from energy consumption (off-site data centres) ✓ ■ Greenhouse gas emissions – Energy consumption not included in Scopes 1 and 2 ✓ ■ Greenhouse gas emissions – Energy consumption of the tenants – Scope 3 ✓ ■ Greenhouse gas emissions – Scopes 1 & 2 per employee ✓ ■ Greenhouse gas emissions – Scope 3 per employee ✓	■ **France** (Sopra Steria Group S.A., Sopra HR Software, Sopra Banking Software, Sopra Steria I2S, CIMPA SAS, Galitt, 2MoRo, Eva Group) ■ **United Kingdom** (Sopra Banking Software Limited, Sopra HR Software Limited, Sopra Steria Limited, NHS Shared Business Services Limited, Shared Services Connected Limited, CIMPA Limited, CXPARTNERS Limited, Sopra Steria Financial Services Limited, Holocare Limited, Graffica Limited) ■ **India** (Sopra Steria India Limited, SBS Solutions India Private Limited) ■ **Poland** (SOPRA STERIA POLSKA Sp. z o.o.) - off-site data centres only

Information	Audited Entity/Country
■ Greenhouse gas emissions – Business travel ✓	■ **France** (Sopra Steria Group S.A., Sopra HR Software, Sopra Banking Software, Sopra Steria I2S, CIMPA SAS, Galitt, 2MoRo, Eva Group) ■ **Sweden** (Sopra Steria Sweden AB) ■ **United Kingdom** (Sopra Banking Software Limited, Sopra HR Software Limited, Sopra Steria Limited, NHS Shared Business Services Limited, Shared Services Connected Limited, CIMPA Limited, CXPARTNERS Limited, Sopra Steria Financial Services Limited, Holocare Limited, Graffica Limited)
■ Quantity of waste electrical and electronic equipment generated per employee ✓ ■ Proportion of waste electrical and electronic equipment given a second life ✓ ■ Proportion of "hazardous waste" ✓ ■ Greenhouse gas emissions – waste electrical and electronic equipment ✓	■ **France** (Sopra Steria Group S.A., Sopra HR Software, Sopra Banking Software, Sopra Steria I2S, CIMPA SAS, Galitt, 2MoRo, Eva Group) ■ **United Kingdom** (Sopra Banking Software Limited, Sopra HR Software Limited, Sopra Steria Limited, NHS Shared Business Services Limited, Shared Services Connected Limited, CIMPA Limited, CXPARTNERS Limited, Sopra Steria Financial Services Limited, Holocare Limited, Graffica Limited) ■ **Spain** (Sopra Steria España S.A.U., Sopra Steria Euskadi, S.L., SOPRA HR SOFTWARE, S.L., CIMPA PLM España, S.L., Sopra Financial Solutions Iberia, S.L)
■ Greenhouse gas emissions – Employee commuting and remote working ✓	■ **France** (Sopra Steria Group S.A., Sopra HR Software, Sopra Banking Software, Sopra Steria I2S, CIMPA SAS, Galitt, 2MoRo, Eva Group) ■ **United Kingdom** (Sopra Banking Software Limited, Sopra HR Software Limited, Sopra Steria Limited, NHS Shared Business Services Limited, Shared Services Connected Limited, CIMPA Limited, CXPARTNERS Limited, Sopra Steria Financial Services Limited, Holocare Limited, Graffica Limited) ■ **Sweden** (Sopra Steria Sweden AB)
■ Water consumption (offices and on-site data centres) ✓ ■ Water consumption per employee ✓ ■ Greenhouse gas emissions – Wastewater ✓	■ **France** (Sopra Steria Group S.A., Sopra HR Software, Sopra Banking Software, Sopra Steria I2S, CIMPA SAS, Galitt, 2MoRo, Eva Group) ■ **United Kingdom** (Sopra Banking Software Limited, Sopra HR Software Limited, Sopra Steria Limited, NHS Shared Business Services Limited, Shared Services Connected Limited, CIMPA Limited, CXPARTNERS Limited, Sopra Steria Financial Services Limited, Holocare Limited, Graffica Limited) ■ **India** (Sopra Steria India Limited, SBS Solutions India Private Limited)
■ Quantity of green paper purchased per employee ✓	■ **France** (Sopra Steria Group S.A., Sopra HR Software, Sopra Banking Software, Sopra Steria I2S, CIMPA SAS, Galitt, 2MoRo, Eva Group) ■ **United Kingdom** (Sopra Banking Software Limited, Sopra HR Software Limited, Sopra Steria Limited, NHS Shared Business Services Limited, Shared Services Connected Limited, CIMPA Limited, CXPARTNERS Limited, Sopra Steria Financial Services Limited, Holocare Limited, Graffica Limited)
■ Quantity of paper and cardboard waste per employee ✓ ■ Percentage of paper and cardboard waste recycled ✓ ■ Greenhouse gas emissions – Paper and cardboard waste ✓	■ **France** (Sopra Steria Group S.A., Sopra HR Software, Sopra Banking Software, Sopra Steria I2S, CIMPA SAS, Galitt, 2MoRo, Eva Group) ■ **United Kingdom** (Sopra Banking Software Limited, Sopra HR Software Limited, Sopra Steria Limited, NHS Shared Business Services Limited, Shared Services Connected Limited, CIMPA Limited, CXPARTNERS Limited, Sopra Steria Financial Services Limited, Holocare Limited, Graffica Limited) ■ **Scandinavia** (Sopra Steria Sweden AB, Sopra Steria AS)

Information	Audited Entity/Country
■ Quantity of metal waste per employee ✓ ■ Percentage of metal waste recycled ✓ ■ Greenhouse gas emissions – Metal waste ✓	■ **France** (Sopra Steria Group S.A., Sopra HR Software, Sopra Banking Software, Sopra Steria I2S, CIMPA SAS, Galitt, 2MoRo, Eva Group) ■ **United Kingdom** (Sopra Banking Software Limited, Sopra HR Software Limited, Sopra Steria Limited, NHS Shared Business Services Limited, Shared Services Connected Limited, CIMPA Limited, CXPARTNERS Limited, Sopra Steria Financial Services Limited, Holocare Limited, Graffica Limited) ■ **Scandinavia** (Sopra Steria Sweden AB, Sopra Steria AS)
■ Quantity of plastic waste per employee ✓ ■ Percentage of plastic waste recycled ✓ ■ Greenhouse gas emissions – Plastic waste ✓	■ **France** (Sopra Steria Group S.A., Sopra HR Software, Sopra Banking Software, Sopra Steria I2S, CIMPA SAS, Galitt, 2MoRo, Eva Group) ■ **Benelux** (Sopra Banking Software Belgium, Sopra HR Software S.P.R.L., SOPRA STERIA BENELUX SA/NV, Sopra Banking Software Luxembourg, Sopra HR Software s.a.r.l., Sopra Steria PSF Luxembourg SA, Sopra Financial Solutions Netherlands BV, Sopra Steria Benelux NL branch) ■ **Sweden** (Sopra Steria Sweden AB)
■ Direct fugitive greenhouse gas emissions (offices and on-site data centres) ✓	■ **France** (Sopra Steria Group S.A., Sopra HR Software, Sopra Banking Software, Sopra Steria I2S, CIMPA SAS, Galitt, 2MoRo, Eva Group) ■ **United Kingdom** (Sopra Banking Software Limited, Sopra HR Software Limited, Sopra Steria Limited, NHS Shared Business Services Limited, Shared Services Connected Limited, CIMPA Limited, CXPARTNERS Limited, Sopra Steria Financial Services Limited, Holocare Limited, Graffica Limited) ■ **India** (Sopra Steria India, SBS Solutions India Private Limited)
■ Greenhouse gas emissions related to the supply chain (calculated per million euros) ✓	■ **Sopra Steria Group**

5. 2023 consolidated financial statements

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Consolidated statement of net income

(in millions of euros)	Notes	Financial year 2023	Financial year 2022
Revenue	*4.1*	**5,805.3**	**5,101.2**
Staff costs	*5.1*	-3,577.1	-3,150.5
External expenses and purchases	*4.2.1*	-1,471.9	-1,331.3
Taxes and duties		-42.6	-42.8
Depreciation, amortisation, provisions and impairment		-178.6	-141.7
Other current operating income and expenses	*4.2.2*	13.0	18.3
Operating profit on business activity		**548.2**	**453.1**
as % of revenue		*9.4%*	*8.9%*
Expenses related to stock options and related items	*5.4*	-43.0	-23.2
Amortisation of allocated intangible assets	*8.2*	-38.0	-32.3
Profit from recurring operations		**467.2**	**397.6**
as % of revenue		*8.0%*	*7.8%*
Other operating income and expenses	*4.2.3*	-137.4	-36.3
Operating profit		**329.9**	**361.3**
as % of revenue		*5.7%*	*7.1%*
Cost of net financial debt	*12.1.1*	-19.5	-8.7
Other financial income and expenses	*12.1.2*	-16.3	-5.7
Tax expense	*6.1*	-111.7	-83.2
Net profit from associates	*10.1*	6.7	-14.7
Net profit from continuing operations		**189.1**	**249.0**
Net profit from discontinued operations		-	-
Consolidated net profit		**189.1**	**249.0**
as % of revenue		*3.3%*	*4.9%*
Non-controlling interests	*14.1.5*	5.4	1.2
NET PROFIT ATTRIBUTABLE TO THE GROUP		**183.7**	**247.8**
as % of revenue		*3.2%*	*4.9%*
EARNINGS PER SHARE (IN EUROS)	*Notes*		
Basic earnings per share	*14.2*	9.08	12.23
Diluted earnings per share	*14.2*	8.94	12.13

Consolidated statement of comprehensive income

(in millions of euros)	Notes	Financial year 2023	Financial year 2022
Consolidated net profit		**189.1**	**249.0**
Other comprehensive income:			
Actuarial gains and losses on pension plans	*5.3.1*	-29.6	127.2
Tax impact		6.2	-33.4
Related to associates	*10.2*	-0.4	0.1
Change in fair value of financial assets (non-consolidated securities)		1.2	16.7
Subtotal of items recognised in equity and not reclassifiable to profit or loss		**-22.6**	**110.7**
Translation differences	*14.1.4*	9.7	-58.4
Change in net investment hedges		-10.6	14.7
Tax impact on net investment hedges		1.9	-4.3
Change in cash flow hedges		-5.1	0.7
Tax impact on cash flow hedges		1.4	-0.1
Related to associates		-2.3	4.6
Subtotal of items recognised in equity and reclassifiable to profit or loss		**-5.0**	**-42.8**
Other comprehensive income, total net of tax		**-27.6**	**67.9**
COMPREHENSIVE INCOME		**161.4**	**316.9**
Non-controlling interests	*14.1.5*	9.3	3.4
Attributable to the Group		**152.2**	**313.5**

Consolidated statement of financial position

Assets *(in millions of euros)*	**Notes**	**31/12/2023**	**31/12/2022**
Goodwill	*8.1*	2,668.9	1,943.9
Intangible assets	*8.2*	211.7	166.7
Property, plant and equipment	*8.3*	164.6	141.5
Right-of-use assets	*9.1*	457.1	359.9
Equity-accounted investments	*10.2*	185.9	183.5
Other non-current assets	*7.1*	73.8	114.0
Retirement benefits and similar obligations	*5.3*	40.6	38.5
Deferred tax assets	*6.3*	188.3	127.0
Non-current assets		**3,990.9**	**3,075.1**
Trade receivables and related accounts	*7.2*	1,372.4	1,104.2
Other current assets	*7.3*	515.5	410.6
Cash and cash equivalents	*12.2*	191.7	355.9
Current assets		**2,079.6**	**1,870.7**
Assets held for sale		-	-
TOTAL ASSETS		**6,070.5**	**4,945.8**

Liabilities and equity *(in millions of euros)*	**Notes**	**31/12/2023**	**31/12/2022**
Share capital		20.5	20.5
Share premium		531.5	531.5
Consolidated reserves and other reserves		1,324.7	1,298.3
Equity attributable to the Group		**1,876.7**	**1,850.3**
Non-controlling interests		**48.4**	**43.1**
TOTAL EQUITY	***14.1***	**1,925.1**	**1,893.4**
Financial debt – Non-current portion	*12.3*	619.5	320.1
Lease liabilities – Non-current portion	*9.2*	392.9	312.8
Deferred tax liabilities	*6.3*	90.0	68.5
Retirement benefits and similar obligations	*5.3*	226.2	190.3
Non-current provisions	*11.1*	59.4	51.8
Other non-current liabilities	*7.4*	21.6	15.5
Non-current liabilities		**1,409.5**	**959.0**
Financial debt – Current portion	*12.3*	518.2	187.7
Lease liabilities – Current portion	*9.2*	110.0	77.7
Current provisions	*11.1*	53.9	46.7
Trade payables and related accounts		354.5	318.2
Other current liabilities	*7.5*	1,699.2	1,463.0
Current liabilities		**2,735.9**	**2,093.4**
Liabilities held for sale		-	-
TOTAL LIABILITIES		**4,145.4**	**3,052.4**
TOTAL LIABILITIES AND EQUITY		**6,070.5**	**4,945.8**

Consolidated statement of changes in equity

(in millions of euros)	Share capital	Share premium	Treasury shares	Consolidated reserves and retained earnings	Other comprehensive income	Total attributable to the Group	Non-controlling interests	Total
AT 31/12/2021	**20.5**	**531.5**	**-51.6**	**1,209.1**	**-63.0**	**1,646.5**	**49.0**	**1,695.5**
Share capital transactions	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	22.3	-	22.3	0.2	22.5
Transactions in treasury shares	-	-	-17.0	-19.8	-	-36.8	-	-36.8
Ordinary dividends	-	-	-	-65.1	-	-65.1	-6.4	-71.5
Changes in scope	-	-	-	-	-	-	-	-
Other movements	-	-	-	-30.0	-	-30.0	-3.1	-33.2
Shareholder transactions	**-**	**-**	**-17.0**	**-92.7**	**-**	**-109.7**	**-9.3**	**-119.0**
Net profit for the period	-	-	-	247.8	-	247.8	1.2	249.0
Other comprehensive income	-	-	-	-	65.7	65.7	2.2	67.9
Comprehensive income for the period	**-**	**-**	**-**	**247.8**	**65.7**	**313.5**	**3.4**	**316.9**
AT 31/12/2022	**20.5**	**531.5**	**-68.6**	**1,364.2**	**2.7**	**1,850.3**	**43.1**	**1,893.4**
Share capital transactions	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	38.1	-	38.1	0.1	38.2
Transactions in treasury shares	-	-	-26.9	-11.5	-	-38.4	-	-38.4
Ordinary dividends	-	-	-	-87.6	-	-87.6	-7.0	-94.6
Changes in scope	-	-	-	-37.9	-	-37.9	3.0	-34.9
Other movements	-	-	-	-	-	-	-	-
Shareholder transactions	**-**	**-**	**-26.9**	**-98.9**	**-**	**-125.8**	**-3.9**	**-129.7**
Net profit for the period	-	-	-	183.7	-	183.7	5.4	189.1
Other comprehensive income	-	-	-	-	-31.5	-31.5	3.9	-27.6
Comprehensive income for the period	**-**	**-**	**-**	**183.7**	**-31.5**	**152.2**	**9.3**	**161.4**
AT 31/12/2023	**20.5**	**531.5**	**-95.5**	**1,449.0**	**-28.8**	**1,876.7**	**48.4**	**1,925.1**

Consolidated cash flow statement

(in millions of euros)	Notes	Financial year 2023	Financial year 2022
Consolidated net profit (including non-controlling interests)		**189.1**	**249.0**
Net increase in depreciation, amortisation and provisions		291.6	189.4
Unrealised gains and losses related to changes in fair value		5.4	-2.0
Expenses and income related to stock options and related items	*5.4*	37.1	21.4
Gains and losses on disposal		1.3	3.7
Share of net profit/(loss) of equity-accounted companies	*10.1*	-6.7	14.7
Cost of net financial debt (including cost related to lease liabilities)	*12.1.1*	31.0	15.0
Dividends from non-consolidated securities		-	-0.1
Tax expense	*6.1*	111.7	83.2
Cash from operations before change in working capital requirement (A)		**660.3**	**574.4**
Tax paid (B)		-82.6	-87.8
Change in operating working capital requirement (C)	*13.2*	44.9	17.1
Net cash from operating activities (D) = (A + B + C)		**622.6**	**503.6**
Purchase of property, plant and equipment and intangible assets		-100.6	-94.2
Proceeds from sale of property, plant and equipment and intangible assets		6.9	0.1
Purchase of non-current financial assets		-8.6	-4.9
Proceeds from sale of non-current financial assets		-	0.7
Cash impact of changes in scope		-912.4	-13.1
Dividends received (equity-accounted companies, non-consolidated securities)		2.7	2.8
Proceeds from/(Payments on) loans and advances granted		-3.2	-4.5
Net interest received		4.3	-0.2
Net cash from/(used in) investing activities (E)		**-1,010.9**	**-113.2**
Proceeds from shareholders for capital increases		-	-
Purchase and sale of treasury shares		-26.1	-17.5
Dividends paid to shareholders of the parent company	*14.1.3*	-87.5	-65.0
Dividends paid to the minority interests of consolidated companies		-7.0	-6.6
Proceeds from/(Payments on) borrowings	*13.1*	492.6	-33.5
Lease payments		-106.0	-94.5
Net interest paid (excluding interest on lease liabilities)		-24.4	-11.0
Additional contributions related to defined-benefit pension plans		-12.3	-18.9
Other cash flows relating to financing activities		-0.9	0.6
Net cash from/(used in) financing activities (F)		**228.4**	**-246.5**
Impact of changes in foreign exchange rates (G)		-4.8	-4.6
NET CHANGE IN CASH AND CASH EQUIVALENTS (D+E+F+G)		**-164.7**	**139.3**
Opening cash position		356.2	216.9
Closing cash position	*12.2*	191.5	356.2

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The Group's consolidated financial statements for the year ended 31 December 2023 were approved by the Board of Directors at its meeting held on 21 February 2024.

NOTE 1 ACCOUNTING POLICIES

The main accounting policies applied in the preparation of the consolidated financial statements are presented below. They have been applied consistently for all of the financial years presented.

1.1. Basis of preparation

The consolidated financial statements for the year ended 31 December 2023 have been prepared in accordance with International Financial Reporting Standards (IFRS) as published by the IASB and adopted by the European Union. Information on these standards is provided on the European Commission website:

https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/financial-reporting_en#ifrs-financial-statements.

1.2. Application of new standards and interpretations

1.2.1. New mandatory standards and interpretations

New standards and amendments to existing standards adopted by the European Union, the application of which is mandatory for accounting periods beginning on or after 1 January 2023, mainly consist of amendments to the following standards :

- IAS 1 *Presentation of Financial Statements* regarding the disclosure of accounting policies;
- IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* regarding the definition of accounting estimates;
- IAS 12 *Income Taxes* regarding deferred tax related to assets and liabilities arising from a single transaction.

The application of these new requirements does not have an impact on the consolidated financial statements or their notes.

IAS 12 *Income Taxes* was also amended to take into account international tax reform and the OECD Pillar Two rules. Its effects are presented in Note 6, "Corporate income tax".

In addition, in the first half of financial year 2023 the IFRS Interpretations Committee (IFRS IC) published a final decision on the definition of a lease and substitution rights under IFRS 16 *Leases*. This decision, applicable in 2023, has no impact on the Group's financial statements. The IFRS IC also amended IFRS 3 *Business Combinations* in respect of payment contingent on continued employment during handover periods. These two interpretations have no impact on the Group's financial statements.

1.2.2. Standards and interpretations published by the IASB but not applied early

The Group did not identify any new standards or amendments to existing standards adopted by the European Union, the application of which is mandatory after 31 December 2023 and which may be applied in advance.

1.3. Material estimates and accounting judgments

The preparation of financial statements entails the use of estimates and assumptions in measuring certain consolidated assets and liabilities, as well as certain income statement items. Group management is also required to exercise judgment in the application of its accounting policies.

Such estimates and judgments, which are continually updated, are based both on historical information and on a reasonable anticipation of future events according to the circumstances. However, given the uncertainty implicit in assumptions as to future events, the related accounting estimates may differ from the ultimate actual results.

The main assumptions and estimates that may leave scope for material adjustments to the carrying amounts of assets and liabilities in the subsequent period are as follows:

- revenue recognition (see Note 4.1);
- post-employment benefits for staff (see Note 5.3);
- measurement of deferred tax assets (see Note 6.3);
- the recoverable amount of property, plant and equipment and intangible assets, and of goodwill in particular (see Note 8.1);
- lease terms and the measurement of right-of-use assets and lease liabilities (see Note 9);
- the recoverable amount of investments in associates recorded in the balance sheet (see Note 10.2);
- provisions for contingencies (see Note 11.1).

These accounting judgments and estimates take into account the trajectory for reducing GHG emissions and, in particular, the process of transitioning its activities towards meeting the Climate Neutral Now programme's target of climate neutrality. This is reflected in particular in the projections used to measure assets. It is also reflected in consumption shown in the income statement, in particular electricity consumption from renewable sources under green power purchase agreements entered into directly with suppliers or using Guarantee of Origin certificates.

Furthermore, the Group's activities have only a minor impact on greenhouse gas emissions trends, as shown by its green taxonomy report set out in Section 3.6 of Chapter 4, "Corporate responsibility".

Lastly, the Group considers that, to date, it has not been affected by major climate events.

1.4. Format of the financial statements and foreign currency translation

1.4.1. Format of the financial statements

With regard to the presentation of its consolidated financial statements, Sopra Steria Group applies Recommendation 2013-03 of the French Accounting Standards Authority (*Autorité des Normes Comptables* – ANC) of 7 November 2013 on the format of the income statement, the cash flow statement and the statement of changes in equity.

The format of the income statement was adapted several years ago to improve the presentation of the Company's performance, with the addition of a financial aggregate known as *Operating profit on business activity* before *Profit from recurring operations.* This indicator is used internally by management to assess performance. It corresponds to *Profit from recurring operations* before:

- the expense relating to the costs and benefits granted to the recipients of stock option, free share and employee share ownership plans;
- the amortisation of allocated intangible assets.

Operating profit is then obtained by taking *Profit from recurring operations* and subtracting *Other operating income and expenses.* The latter contains any material items of operating income and expenses that are unusual, abnormal, infrequent or unpredictable, presented separately in order to give a clearer picture of performance based on ordinary activities.

Finally, the Group splits out EBITDA in the analysis of *Change in net financial debt*. This figure corresponds to *Operating profit on business activity*, after adding back in the depreciation, amortisation and provisions included in the latter indicator.

1.4.2. Foreign currency translation

a. Functional and presentation currencies

Items included in the financial statements of each Group entity are measured using the currency of the primary economic environment in which that entity operates, i.e. its "functional currency".

The consolidated financial statements are presented in euros, the functional and presentation currency of the Sopra Steria Group parent company.

b. Translation of the financial statements of foreign subsidiaries

The accounts of all Group entities whose functional currency differs from the Group's presentation currency are translated into euros as follows:

- assets and liabilities are translated at the end-of-period exchange rate;
- income, expenses and cash flows are translated at the average exchange rate for the period;
- all resulting foreign exchange differences are recognised as a distinct equity component under *Other comprehensive income* and included in *Accumulated translation reserves* within equity (see Note 14.1.4).

In accordance with IAS 21 *The Effects of Changes in Foreign Exchange Rates*, translation gains and losses arising from the translation of net investments in foreign operations are recognised as a distinct component of equity. Translation gains and losses in respect of intercompany loans are considered an integral part of the Group's net investment in the foreign subsidiaries in question.

When a foreign operation is divested, the cumulative translation difference is recycled to profit or loss as part of the gain or loss arising on disposal.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the operation and, as such, are translated at the end-of-period exchange rate.

The applicable exchange rates for the translation of the main foreign currencies used within the Group are as follows:

	Average rate for the period		Period-end rate	
€1/Currency	**Financial year 2023**	**Financial year 2022**	**31/12/2023**	**31/12/2022**
Norwegian krone	11.4248	10.1026	11.2405	10.5138
Swedish krona	11.4788	10.6296	11.0960	11.1218
Tunisian dinar	3.3556	3.2568	3.3969	3.3289
Moroccan dirham	10.9532	10.6438	10.9017	11.1608
US dollar	1.0813	1.0530	1.1050	1.0666
Singapore dollar	1.4523	1.4512	1.4591	1.4300
Swiss franc	0.9718	1.0047	0.9260	0.9847
Pound sterling	0.8698	0.8528	0.8691	0.8869
Brazilian real	5.4010	5.4399	5.3618	5.6386
Indian rupee	89.3001	82.6864	91.9045	88.1710
Polish zloty	4.5420	4.6861	4.3395	4.6808

c. Translation of foreign currency transactions

Transactions denominated in foreign currencies are translated to the functional currency at the exchange rate applying on the transaction date. Foreign exchange gains and losses arising on settlement, as well as those arising from the translation of monetary assets and liabilities that are denominated in foreign currencies at the end-of-period exchange rate, are recognised in profit or loss under *Other current operating income and expenses* for transactions hedged against foreign exchange risk and under *Other financial income and expenses* for all other transactions.

d. Hyperinflation in Lebanon

The Lebanese economy is a hyperinflationary economy. IAS 29 *Financial Reporting in Hyperinflationary Economies* lays down the restatements that need to be carried out in such circumstances.

The US dollar is the functional currency of the Group's subsidiary in Lebanon. As a result, the standard does not require any adjustments.

NOTE 2 SCOPE OF CONSOLIDATION

Consolidation methods

Sopra Steria Group SA is the consolidating company.

The companies over which Sopra Steria Group has exclusive control are fully consolidated. An investor controls an investee where that investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Consequently, an investor controls an investee if and only if all the following criteria are met:

- it has power over the investee;
- it is exposed – or has rights – to variable returns from its involvement with the investee;
- it has the ability to exercise its power over the investee in such a way as to affect the amount of returns it obtains.

Investments in entities over which the Group exerts significant influence (associates) are accounted for under the equity method. Significant influence is deemed to exist, unless clearly demonstrated not to be the case, when a parent company directly or indirectly holds 20% or more of the voting rights of the investee.

Intercompany transactions as well as balances and unrealised profits on transactions between Group companies are eliminated.

The accounts of all consolidated companies are prepared as at 31 December. Where applicable, those accounts have been restated to ensure the consistency of accounting and measurement rules applied by the Group.

The scope of consolidation is presented in Note 18.

2.1. Main acquisitions

In 2023, the Group made the following acquisitions:

- **CS Group** – On 28 February 2023, Sopra Steria Group SA acquired a controlling stake in CS Group. This acquisition followed the acquisition of a main block comprising 29.73% of the company's share capital as well as the fulfilment of commitments made on 27 July 2022 to sell stakes comprising 29.15% and 6.38% of the company's share capital. Following these acquisitions, and taking into account the 9.80% stake already held in the company, the Group held a controlling interest of 75.06% at 28 February 2023. The Group subsequently carried out a simplified public tender offer and a delisting offer.

  All of these transactions were carried out on the basis of a unit price of €11.50 per ordinary share. The Group held 100% of CS Group's share capital at 31 December 2023.

  CS Group is a benchmark player in designing, integrating and operating critical systems in the fields of defence, security, space and nuclear energy. It also strengthens the Group's positions in France in cybersecurity and aeronautics, as well as digital sovereignty and digital trust. It is part of the "France" cash-generating unit.

The Group has opted to value minority interests, at the date of acquisition of a controlling interest, based on the "partial goodwill method". Net assets acquired include recognition of the following intangible assets: an order book (€12.0 million), customer relationships (€5.1 million) and technologies (€10.1 million). In addition, a deferred tax asset relating to tax loss carryforwards generated in France was recognised in the amount of €63.5 million.

The final allocation of goodwill breaks down as follows:

(in millions of euros)	**CS Group**
Intangible assets	29.1
Property, plant and equipment	5.7
Deferred tax assets	64.9
Other non-current assets	18.0
Trade receivables and related accounts	99.1
Other current assets	194.3
Total assets acquired	**411.0**
Retirement benefits and similar obligations	14.0
Non-current provisions	9.7
Other non-current liabilities	126.7
Trade payables and related accounts	43.1
Current provisions	5.5
Other current liabilities	228.6
Total liabilities assumed	**427.6**
Total net assets acquired/(net liabilities assumed)	**-16.6**
Minority interests	-4.1
Purchase price	**212.1**
GOODWILL	**224.6**

Income from ordinary activities at CS Group since the acquisition date totals €254.9 million.

- **Tobania** – On 2 March 2023, the Group completed the acquisition, through its subsidiary Sopra Steria Benelux, of 100% of the share capital of Assua NV and its operating subsidiaries Tobania NV and Python Predictions BV in Belgium. This business combination enables the Group to expand its coverage of digital services in the Belgian market and double its market share to become one of its main players. The companies acquired are part of the "Benelux" cash-generating unit.

Assets acquired notably include customer relationships valued at €23.1 million. The purchase price allocation is definitive and breaks down as follows:

(in millions of euros)	**Tobania**
Total assets acquired	62.0
Total liabilities assumed	47.5
Total net assets acquired/(net liabilities assumed)	**14.5**
Minority interests	-
Purchase price	**78.5**
GOODWILL	**64.0**

- **Ordina** – Following the public tender offer launched on 19 July 2023, the Group acquired a controlling interest in Dutch digital services company Ordina on 4 October 2023. At 31 December 2023, it held 100% of the shares in this company. Ordina has operations in the Netherlands, Belgium and Luxembourg. Together with the Group's businesses in Belux and those acquired from Tobania in Belgium, this combination creates a premier digital services partner in the Benelux region. The businesses and markets served by Ordina are very similar to those served by the Group. The Benelux region is now overseen from the Netherlands. Ordina belongs to the Benelux cash-generating unit.

The inventory of assets acquired and liabilities assumed is still in progress. The purchase price allocation at 31 December 2023 is provisional and breaks down as follows:

(in millions of euros)	**Ordina**
Intangible assets	0.4
Property, plant and equipment	8.1
Deferred tax assets	5.0
Other non-current assets	60.5
Trade receivables and related accounts	99.6
Other current assets	28.0
Total assets acquired	**201.6**
Retirement benefits and similar obligations	0.6
Non-current provisions	-
Other non-current liabilities	50.1
Trade payables and related accounts	7.3
Current provisions	1.3
Other current liabilities	126.7
Total liabilities assumed	**186.0**
TOTAL NET ASSETS ACQUIRED/(NET LIABILITIES ASSUMED)	**15.6**
Minority interests	-
Purchase price	**517.6**
GOODWILL	**502.0**

Income from ordinary activities at Ordina since the acquisition date totals €113.1 million.

- **Connectiv-IT** – In France, on 4 April 2023, the Sopra Steria Group SA wholly acquired Connectiv-IT, a French software developer specialising in supply chain management and ensuring operational readiness of equipment in the aeronautics and defence sectors. This acquisition was carried out by Sopra Steria Group SA. The assets acquired and liabilities assumed are estimated to total €1.4 million, and provisional goodwill of €9.6 million. This business, merged with its parent company starting in 2023, is part of the “France” cash-generating unit.
- **Marin IT** – Sopra Steria AS, a Norwegian subsidiary of the Group, wholly acquired Marin IT in September. The company had previously been the IT services subsidiary of the Norwegian companies DOF Group ASA and Austevoll Seafood ASA. The assets acquired and liabilities assumed totalled €3.0 million, and goodwill totalled €1.5 million. This business, merged with its parent company starting in 2023, is part of the “Scandinavia” cash-generating unit.
- **Sopra Steria Ré 2** – On 21 December 2023, Sopra Steria Group SA acquired Sopra Steria Ré 2, a reinsurance company. €2.1 million in negative goodwill was recognised in the income statement under *Other operating income* as a result of this purchase transaction (see Note 4.2.3). The company is part of the "France" cash-generating unit.

In 2022, the Group made the following acquisitions:

- **Footprint** – On 11 July 2022, the Group acquired Footprint, a Norway-based climate change consultancy, through its local subsidiary. The assets acquired and liabilities assumed were estimated to total €0.1 million, and goodwill €4.3 million. The company is part of the “Scandinavia” cash-generating unit;
- **Graffica** – On 1 August 2022, the Group acquired Graffica Ltd, a UK-based consultancy specialising in the “Transport” vertical market, through its subsidiary Sopra Steria Ltd. The assets acquired and liabilities assumed totalled €4.6 million, and goodwill totalled €3.9 million. The company is part of the “United Kingdom” cash-generating unit.

Business combinations

The Group applies IFRS 3 *Business Combinations* to the identified assets acquired and liabilities assumed as a result of business combinations. The acquisition of an asset or a group of assets that does not constitute a business is recognised under the standards applicable to those assets.

The Group recognises all business combinations by applying the acquisition method, which consists in:

- the measurement and recognition at fair value of the identifiable assets acquired and liabilities assumed. The Group identifies and allocates these items on the basis of contract provisions, economic conditions, and its accounting and management policies and procedures;
- the measurement of any non-controlling interest in the acquiree either at its fair value or based on its share of the fair value of the identifiable assets acquired and liabilities assumed;
- the measurement and recognition at the acquisition date of the difference (referred to as goodwill) between:
  - the purchase price of the acquiree plus the amount of any non-controlling interests in the acquiree, and
  - the net amount of the identifiable assets acquired and liabilities assumed.

The decision of how to measure non-controlling interests is made on an acquisition-by-acquisition basis and leads to the recognition of either full goodwill (should the fair value method be used) or partial goodwill (should a share of the fair value of the identifiable assets acquired and liabilities assumed be used).

The acquisition date is the date on which the Group effectively obtains control of the acquiree.

The purchase price of the acquiree is the fair value, at the acquisition date, of the elements of consideration transferred to the seller in exchange for control of the acquiree, to the exclusion of any consideration for a transaction separate from the business combination.

If the initial accounting for a business combination can only be determined provisionally for the reporting period in which the combination takes place, the acquirer recognises the combination using provisional amounts. The acquirer must then recognise adjustments to those provisional amounts as the accounting for the business combination is completed within 12 months of the acquisition date.

2.2. Other changes in scope

On 6 November 2023, the UK Cabinet Office exercised the put option to sell its 25% stake in SSCL’s share capital to the Group for an amount of £82.3 million. This UK subsidiary is now wholly owned by the Group.

In 2023, as in 2022, the Group took measures to streamline its portfolio of subsidiaries. These changes in the Group’s legal structure had no material effect on the financial statements for the financial year.

NOTE 3 SEGMENT INFORMATION

3.1. Results by reporting unit

a. France

(in millions of euros)	Financial year 2023		Financial year 2022	
Revenue	2,384.3		2,039.0	
Operating profit on business activity	229.5	9.6%	204.4	10.0%
Profit from recurring operations	196.8	8.3%	187.0	9.2%
Operating profit	189.4	7.9%	167.9	8.2%

b. United Kingdom

(in millions of euros)	Financial year 2023		Financial year 2022	
Revenue	940.9		890.6	
Operating profit on business activity	103.2	11.0%	93.8	10.5%
Profit from recurring operations	89.4	9.5%	80.7	9.1%
Operating profit	79.1	8.4%	91.6	10.3%

c. Other Europe

(in millions of euros)	Financial year 2023		Financial year 2022	
Revenue	1,746.9		1,473.0	
Operating profit on business activity	152.2	8.7%	91.9	6.2%
Profit from recurring operations	140.0	8.0%	85.6	5.8%
Operating profit	118.1	6.8%	72.3	4.9%

d. Sopra Banking Software

(in millions of euros)	Financial year 2023		Financial year 2022	
Revenue	445.1		426.5	
Operating profit on business activity	23.9	5.4%	27.6	6.5%
Profit from recurring operations	4.5	1.0%	11.1	2.6%
Operating profit	-92.9	-20.9%	-1.1	-0.3%

e. Other Solutions

(in millions of euros)	Financial year 2023		Financial year 2022	
Revenue	288.2		272.1	
Operating profit on business activity	39.4	13.7%	35.4	13.0%
Profit from recurring operations	36.6	12.7%	33.2	12.2%
Operating profit	36.2	12.6%	30.6	11.3%

f. Group

(in millions of euros)	Financial year 2023		Financial year 2022	
Revenue	5,805.3		5,101.2	
Operating profit on business activity	548.2	9.4%	453.1	8.9%
Profit from recurring operations	467.2	8.0%	397.6	7.8%
Operating profit	329.9	5.7%	361.3	7.1%

Under IFRS 8, segment information is based on internal management data used by the Chief Executive Officer, the company officer with ultimate responsibility for the Group's operational decisions.

The Group organisational structure reflects both its businesses and the geographic distribution of its activities.

The segments presented correspond to five reporting units:

- the "France" reporting unit, comprising the Consulting, Systems Integration, IT Infrastructure Management and Cybersecurity activities in this geographic area;
- the "United Kingdom" reporting unit, comprising the Consulting, Systems Integration, IT Infrastructure Management, Cybersecurity and Business Process Services activities in this geographic area;
- the "Other Europe" reporting unit, comprising the Consulting, Systems Integration, IT Infrastructure Management and Cybersecurity activities in European countries other than France and those in the United Kingdom (Germany, Belgium, Denmark, Spain, Italy, Luxembourg, the Netherlands, Norway, Sweden and Switzerland), including the Sopra Financial Technology GmbH banking services platform in Germany;
- the "Sopra Banking Software" reporting unit, comprising the Core Banking and Specialised Lending Solutions businesses;
- the "Other Solutions" reporting unit, comprising the Human Resources and Real Estate Management Solutions businesses.

3.2. Revenue by geographic area

(in millions of euros)	France	Outside France	Total
Financial year 2022	2,392.7	2,708.5	5,101.2
Financial year 2023	**2,696.7**	**3,108.7**	**5,805.3**

The above breakdown is based on geographic area and does not represent the reporting units presented in Note 3.1.

3.3. Non-current assets by geographic area

(in millions of euros)	France	United Kingdom	Other European countries	Other countries	Total
Goodwill	1,052.6	701.3	913.1	1.9	2,668.9
Intangible assets	111.9	52.9	46.8	-	211.7
Property, plant and equipment	83.8	23.7	46.7	10.4	164.6

The above breakdown is based on geographic area and does not represent the reporting units presented in Note 3.1.

NOTE 4 OPERATING PROFIT

4.1. Breakdown of revenue by reporting unit

(in millions of euros)	Financial year 2023		Financial year 2022	
France	2,384.3	41.1%	2,039.0	40.0%
United Kingdom	940.9	16.2%	890.6	17.5%
Other Europe	1,746.9	30.1%	1,473.0	28.9%
Sopra Banking Software	445.1	7.7%	426.5	8.4%
Other Solutions	288.2	5.0%	272.1	5.3%
TOTAL REVENUE	**5,805.3**	**100.0%**	**5,101.2**	**100.0%**

Revenue mainly comprises revenue from services recognised on a percentage-of-completion basis, around 98.7 % of which consists of implementation, consulting and assistance services provided on a time-and-materials basis, outsourcing, infrastructure management, third-party application maintenance, and development.

The transaction price allocated to performance obligations not yet satisfied at 31 December 2023 is determined by applying the exemptions provided by the standard, which enable the following performance obligations to be excluded in determining this value:

- those performed on the basis of the actual use of billable services: implementation, consulting and assistance services provided on a time-and-materials basis, outsourcing, infrastructure management, and third-party application maintenance (corrective maintenance);
- those included in a contract for which the initial expected term does not exceed one year: the Group only applies this exemption to software maintenance royalty-type services, for which the fixed term of the majority of contracts does not exceed one year.

On this basis, within the limits set by the standard, revenue not yet recognised that is allocated to performance obligations not yet fulfilled is only attributable to services under fixed-price contracts and, to a lesser extent, sales of licences for which control has not yet been transferred to customers. It amounted to at least €1,287.2 million at 31 December 2023. Most of it will be recognised in revenue in the following financial year.

Revenue recognition

The most material issue in the Group's application of IFRS is the proper application of IFRS 15 *Revenue from Contracts with Customers*. Revenue recognition should reflect the transfer of control of goods or services promised to the customer in connection with projects for the amount of the consideration the Group expects in return.

a. General principles applicable to customer contracts entered into with Group entities

i. Identifying the contract with the customer

Revenue recognition for a contract or a group of contracts must meet five criteria: the contract must have commercial substance (generation of future cash flows for the Group), the parties must have approved the contract and have pledged to meet their respective obligations, the rights and obligations of each party are identified, the payment conditions are identifiable, and the customer has the ability and intention to pay that amount of consideration in exchange for the goods and services provided. The Group may need to begin performing contracts before they have been finally signed with the customer. In such cases, the key is to establish whether the Group is sufficiently covered by commitments given by the customer to be able to begin recognising revenue.

ii. Identifying the performance obligations in the contract

The Group is contracted by customers to implement projects that include various types of services. For example, the Group could provide solution-building services followed in a subsequent phase by maintenance services. The contract or group of contracts may include one or more performance obligations: single-service or multi-component arrangements. A performance obligation is distinct if it meets two conditions. First, the underlying good or service must be distinct in absolute terms: the customer can benefit from the good or service either on its own or through readily available market resources. The good or service must also be distinct with respect to the contract, necessitating an analysis of the transformation relationship between the various goods and services comprising the contract. This relationship does not exist if the good or service is not used to produce other goods or services covered in the contract; it does not significantly modify or customise another good or service promised in the contract; or it is not highly dependent on, or highly interrelated with, other goods or services promised in the contract. This identification step is important: it determines subsequent revenue recognition in respect of each individual performance obligation.

iii. Determining the transaction price

Once the contract's existence is validated and the various performance obligations identified, the contract's transaction price must be determined and allocated to the various completed performance obligations.

The contract's transaction price may include variable consideration, generally in the form of discounts, reductions, or penalties or, conversely, bonuses, and may be subject to the completion of project milestones. It can also include a financial component or a consideration payable to the client.

At the contract's inception, variable consideration is only taken into account in the amount for which the Group deems it highly probable that there will not be a material decrease in revenue in subsequent periods, and provided it is not subject to factors outside the company's influence. This variable consideration is allocated to the performance obligations pro rata to their respective standalone selling price if it cannot be otherwise allocated.

A financial component included in the transaction price is identified if it is material and if the period between completion and payment exceeds twelve months or if the timing to fulfil the services diverges substantially from that of the payments. This material financial component results in an adjustment to revenue and is recorded as financial income in *Other financial income*, where the Group finances the customer or as a financial expense in *Other financial expenses*, where the customer finances the Group through the payment of advances.

A consideration payable to the customer is deducted from the contract's transaction price if it does not correspond to a separate service provided by the customer. Otherwise, it is recognised as an operating expense.

iv. Allocating the transaction price to the various performance obligations identified

The transaction price is allocated to each performance obligation identified in the contract pro rata to the standalone selling prices of each underlying good or service. The standalone selling price is the price of the performance obligation as if it were sold separately. It is generally based on list prices, similar past transaction prices and observable market prices. With certain multi-component arrangements, essentially relating to software solutions, the Group may need to estimate the licence's standalone selling price using a residual approach; this corresponds to the contract's transaction price less the standalone selling prices of the other performance obligations.

The amount allocated to each performance obligation identified in the contract is recognised in revenue when control of the underlying goods or services promised in the contract is transferred to the customer.

v. Recognising revenue

The control of a good or service is transferred to the customer over time (requiring revenue recognition on a percentage-of-completion basis) solely if one of the following three criteria is met:

- the customer simultaneously receives and consumes the benefits of performance as it occurs;
- the performance creates or enhances an asset that the customer controls as the asset is created or developed;
- if neither of the first two criteria apply, the revenue generated by performance under a fixed-price contract can only be recognised on a percentage-of-completion basis if the asset created has no alternative use for the Group and the Group has an enforceable right to payment for the performance completed to date.

Services not yet rendered or partially invoiced are presented on the balance sheet in *Customer contract assets* under *Trade receivables and related accounts*. Services invoiced but not totally fulfilled are presented on the balance sheet in *Customer contract liabilities* under *Other current liabilities*. Customer contract assets and liabilities are presented on a net basis for each individual contract.

If a fixed-price contract becomes loss-making, the loss on completion is automatically provided for in *Provisions for contingencies and losses* on the basis of the costs required to fulfil the contract.

b. Practical application: Revenue recognition for services performed by the Group on behalf of customers

i. Costs of obtaining a contract

The costs of obtaining a contract are capitalised in assets if two conditions are met: they would not have been incurred had the contract not been obtained, and they are recoverable. They can include sales commissions if these are specifically and solely linked to obtaining a contract and were not therefore granted in a discretionary manner.

ii. Costs of fulfilling a contract: Transition/transformation phases of third-party application maintenance, infrastructure management and outsourcing contracts, preparatory phase for licences in SaaS mode

The costs of fulfilling or implementing a contract are costs directly related to the contract, which are necessary to satisfying performance obligations in the future and are expected to be recovered. They do not meet the criteria defined in the general principles to constitute a distinct performance obligation.

Certain third-party application maintenance, infrastructure management or outsourcing contracts may include transition and transformation phases. In basic contracts, these activities are combined for the purpose of preparing the operating phase. They are not distinct from subsequent services to be rendered. In this case, they represent costs to implement the contract. They are capitalised and recognised in *Inventories and work in progress* (*Other current assets*).

Conversely, in more complex or sizeable contracts, the transformation phase is often longer and more significant. This generally occurs prior to operations or parallel to temporary operations to define a target operating model. In these situations, this service often represents a distinct performance obligation.

Licences in SaaS mode require preparatory phases (functional integration, set-up of the technical environment) in order to reach a target operating phase. These are not distinct performance obligations but represent costs to implement the contract that are capitalised and recognised in *Inventories and work in progress* (*Other current assets*).

The costs of fulfilling or implementing a contract capitalised in *Inventories and work in progress* (*Other current assets*) are released to profit or loss in a pattern consistent with revenue recognition and never give rise to the recognition of revenue.

iii. Implementation, consulting and assistance services provided on a time-and-materials basis; outsourcing; infrastructure management; and third-party application maintenance (corrective maintenance)

Revenue from implementation, consulting and assistance services provided on a time-and-materials basis; outsourcing; infrastructure management; and third-party application maintenance (corrective maintenance) is recognised, in accordance with the general principles, when the customer simultaneously receives and consumes the benefits of the service. Revenue is recognised based on time spent or another billable unit of work.

iv. Services covered by fixed-price contracts

Revenue from services performed under fixed-price contracts is recognised over time (rather than at a specific date), in accordance with general revenue recognition principles, using the percentage-of-completion method in the following two situations:

- the services are performed in the customer's environment or enhance a customer's asset. The customer obtains control as the asset is created or developed;
- the contract provides for the development of highly specific assets in the Group's environment (e.g. solutions) prior to implementation in the customer's infrastructure. The contract also provides for settlement of the value of such services in the event of termination for convenience (where the customer is entitled to do so). The Group has no alternative use for the asset created and has an enforceable right to payment for performance completed to date.

Revenue and profit generated over time by services performed under fixed-price contracts are recognised based on a technical estimate of the degree of completion, measured as the difference between the contract value and the amount required to cover the total number of person-days remaining to be performed.

v. Licences

Should the analysis of a contract in accordance with the general principles identify the delivery of a licence as a distinct performance obligation, control is transferred to the customer either at a point in time (grant of a right to use), or over time (grant of a right to access).

A right to access corresponds to the development of solutions in SaaS mode. Changes at any time made by the developer to the solution that expose the customer to any positive or negative effects do not represent a service for the customer. In this situation, revenue is recognised as and when the customer receives and consumes the benefits provided by performance.

If the nature of the licence granted to the customer does not correspond to the definition of a right to access, it is a right to use. In this situation, revenue from the licence shall be recognised on delivery when all the obligations stipulated in the contract have been met.

A licence sale in the form of a subscription may be considered the sale of either a right to access an asset or a right to use an asset, depending on the rights and obligations set out in the lease signed with the customer.

vi. Principal/Agent distinction

Should the analysis of a contract in accordance with the general principles identify the resale of goods or services as a distinct performance obligation, it is necessary to determine whether the Group is acting as an agent or a principal. It is acting as an agent if it is not responsible to the customer for satisfying the performance obligation and for the customer's acceptance, if there is no transformation of the goods or services and there is no inventory risk. Transactions involving the purchase and resale of third-party licences without any other significant services may fall into this category. In this case, revenue is recognised by the Group for a net amount corresponding to the agent's margin or a commission. Otherwise, where it obtains control of the good or service prior to its transfer to the end-customer, it is acting as a principal. Revenue is recognised for the gross amount and external purchases are recorded in full as an operating expense.

4.2. Other operating income and expenses included in *Operating profit*

Aside from the staff costs detailed in Note 5, *Operating profit* mainly includes the following items:

4.2.1. External expenses and purchases included in*Operating profit on business activity*

(in millions of euros)	Financial year 2023		Financial year 2022	
Project subcontracting purchases	-844.8	57.4%	-786.4	59.1%
Purchases held in inventory of equipment and supplies	-28.9	2.0%	-25.5	1.9%
Goods purchases and changes in inventory	-102.6	7.0%	-94.1	7.1%
Leases	-67.2	4.6%	-55.8	4.2%
Maintenance and repairs	-100.5	6.8%	-97.2	7.3%
Subcontracting	-7.4	0.5%	-21.6	1.6%
Remuneration of intermediaries and fees	-78.6	5.3%	-71.3	5.4%
Advertising and public relations	-30.1	2.0%	-23.1	1.7%
Travel and entertainment	-96.3	6.5%	-76.7	5.8%
Telecommunications	-27.3	1.9%	-33.1	2.5%
Other expenses	-88.1	6.0%	-46.5	3.5%
TOTAL	**-1,471.9**	**100.0%**	**-1,331.3**	**100.0%**

Lease expenses only included costs excluded or exempt from the application of IFRS 16 *Leases* (see Note 9.1)

4.2.2. Other current operating income and expenses included in *Operating profit on business activity*

Other current operating income and expenses amounting to income of €13.0 million (income of €18.3 million in 2022) mainly comprised net foreign exchange gains of €6.3 million (€15.1 million in 2022), which covered the foreign exchange impact of other components of *Operating profit on business activity,* and profit from the sale of a data centre in Germany for €2.8 million.

4.2.3. Other operating income and expenses included in *Operating profit*

(in millions of euros)	Financial year 2023	Financial year 2022
Expenses arising from business combinations (fees, commissions, etc.)	-6.8	-3.7
Net restructuring and reorganisation costs	-32.3	-22.4
■ Separation costs	-31.9	-21.9
■ Integration and reorganisation of activities	-0.4	-0.5
Asset impairment	-87.9	-5.2
Other operating expenses	-17.6	-5.2
Total other operating expenses	**-144.6**	**-36.4**
Other operating income	7.2	0.1
Total other operating income	**7.2**	**0.1**
TOTAL	**-137.4**	**-36.3**

In 2023, *Other operating income and expenses* consisted of resource adaptation expenses in Germany, France, the United Kingdom and at Sopra Banking Software (amounting to €6.1 million, €5.4 million, €3.4 million and €11.8 million, respectively).

Asset impairment included impairment of goodwill relating to the Sopra Banking Software and Sopra Solutions cash-generating units, for an expense of €86.3 million (see Note 8.1.2).

Other operating income and *Other operating expenses* also included the positive effects of amendments to post-employment defined-benefit plans in France. The latter resulted from the change in the assumption concerning retirement age. It amounted to €6.3 million for French companies. It is described in further detail in Note 5.3, "Retirement benefits and similar obligations". In Luxembourg, the Group acquired the Sopra Steria Ré 2 reinsurance company (see Note 2.1). This negative goodwill-generating transaction gave rise to a gain of €2.1 million recognised in *Other operating income*. Lastly, €18.0 million in expenses arising on the shutdown of low-margin businesses were recognised in *Other operating expenses*.

In 2022, *Other operating income and expenses* consisted of resource adaptation expenses in Germany, France, Asia and at Sopra Banking Software (amounting to €3.6 million, €2.4 million, €5.6 million and €8.8 million, respectively). The cost of ceasing operations in Russia (see Note 1.3), which came to €0.3 million, was also recognised within *Other operating expenses*.

Other operating income and *Other operating expenses* also included the effects of amendments to post-employment defined-benefit plans in France and the United Kingdom, with these effects being negative in the former country and positive in the latter. They amounted to a negative €18.0 million impact for French companies and a positive €17.2 million impact in the United Kingdom. They are described in further detail in Note 5.3, "Retirement benefits and similar obligations". Lastly, the Group recognised €5.0 million in impairment losses against intangible assets in Germany.

NOTE 5 EMPLOYEE BENEFITS AND SHARE-BASED PAYMENTS

5.1. Staff costs

(in millions of euros)	Financial year 2023	Financial year 2022
Wages and salaries	-2,675.1	-2,366.8
Social security contributions	-852.8	-741.3
Net expense for post-employment and similar benefit obligations	-49.1	-42.4
TOTAL	**-3,577.1**	**-3,150.5**

The Group recognises the amount of short-term employee benefits, as well as the contributions due in respect of its pension plans, under *Staff costs*. As the Group has no commitments beyond these contributions, no provisions are recognised for these plans.

The principles applicable to post-employment benefit expenses and similar items are presented in Note 5.3.2 for other long-term employee benefits and Note 5.3.1 for post-employment benefits.

5.2. Workforce

Workforce at period-end	Financial year 2023	Financial year 2022
France	21,758	19,822
International	34,075	29,868
TOTAL	**55,833**	**49,690**

Average workforce	Financial year 2023	Financial year 2022
France	21,976	19,895
International	33,953	28,870
TOTAL	**55,929**	**48,765**

5.3. Retirement benefits and similar obligations

Retirement benefits and similar obligations break down as follows:

(in millions of euros)	31/12/2023	31/12/2022
Post-employment benefit assets	-40.6	-38.5
Post-employment benefit liabilities	208.5	176.2
Net post-employment benefits	**167.8**	**137.7**
Other long-term employee benefits	17.7	14.1
TOTAL	**185.5**	**151.8**

5.3.1. Post-employment benefits

Post-employment benefits mainly concern the Group's obligations towards its employees to provide retirement bonuses in France (11.1% of the Group's total obligations) and defined-benefit pension plans in the United Kingdom (84.8 % of the Group's total obligations) and Germany (3.0%). For marginal amounts, they also include end-of-contract bonuses in certain countries in Africa, as well as defined-benefit plans in the Netherlands and Belgium. At 31 December 2023 they totalled €167.8 million (€137.7 million at 31 December 2022).

In the United Kingdom, the Group has three post-employment defined-benefit plans, one of which is divided into three sections as a result of three prior plans being merged into one in 2020. One plan and two sections are closed to all new employees and the vesting of future benefits has ceased. The obligations under each plan and each section are asset-funded. For each plan, the benefits payable are primarily based on the plan member's final salary or, in certain cases, an average of the member's salary and any additional benefits. Each plan holds its assets in a trust fund for employees and is supervised by the regulating body defined in UK pension law. The plan trustees are corporate trustees whose directors include representatives of the plan members, representatives of the company and independent members. External consultants are hired by the trustees to manage the plans on a day-to-day basis and deal with legal, investment policy and actuarial matters. Under UK law, the plans must be assessed every three years. This assessment is used as a basis to determine the contributions payable by the employer to the funds. The most recent assessment was completed in 2020. The creation of a single plan through the merger of three prior plans simplified the administration of these post-employment benefit plans. However, this merger made it necessary to carry out a new assessment within 12 months, which was scheduled for 31 December 2020. This assessment made it possible to establish an agreement on the level of contributions to be paid. Discussions with trustees were finalised in 2022. Furthermore, in 2023 the Group implemented an asset-based funding mechanism to limit the amount of contributions payable each year.

The risks associated with these plans relate to:

- asset management;
- inflation, to which pension benefits are indexed, although this risk is limited by the use of inflation-indexed financial instruments;
- interest rates insofar as the future cash outflows are discounted, although this risk is limited by the use of interest rate hedging instruments;
- changes in demographic assumptions such as mortality.

These plans distinguish between active members who are still vesting benefits, members who are still working but whose benefits are frozen, and retired members. These three member categories represent 3.8%, 49.4% and 46.8%, respectively, of total obligations.

The amount of obligations stood at €1,193.6 million at 31 December 2023. Projected benefit outflows by the funds are as follows, in millions of pounds sterling, over the next ten years:

- less than two years: £112.1 million;
- two to five years: £184.2 million;
- five to ten years: £344.6 million.

These outflows correspond to benefits provided and estimates for transfers of obligations (and the related assets), at the request of recipients, to external asset managers.

Assets covering these obligations came to €1,226.0 million at 31 December 2023.

These plans include the payment of contributions to fund the deficit existing in the funds (contributions less mandatory expenses and deductions) and to fund the current service cost for the financial year. In 2023, over 12 months, contributions paid totalled €13.3 million, including €9.1 million to fund the deficit (€11.9 million including other related disbursements). Following the merging of the plans, the amount of contributions to be paid in 2023 to fund the deficit was finalised with the corporate trustees.

In France, the defined-benefit plan concerns the payment of retirement bonuses. The Group recognises provisions for its employee benefit obligations, principally in accordance with the terms of voluntary and compulsory retirement under the Syntec collective bargaining agreement.

The resulting liability fluctuates according to demographic assumptions such as mortality rates (public statistics) and the discount rate (iBoxx eurozone index).

This plan is exposed to interest rate risk, inflation risk and the risk of changes in demographic assumptions.

The method for calculating retirement bonuses changed. This change will took effect in the first quarter of 2023, in the month after the date of publication of the order by the French Ministry of Labour to extend an amendment to the Syntec collective bargaining agreement. This amendment aims to align the method for calculating retirement bonuses with that used for termination benefits, which had the effect of adding employee bonuses to the base salary. This plan amendment increased the value of liabilities. At 31 December 2022, its cost was anticipated and recognised under *Other operating expenses* within *Operating profit* (see Note 4.2.3), and amounted to €18.0 million.

In 2023, the French pension reform resulting from the Amending Social Security Financing Act for 2023 (Act 2023-270 of 14 April 2023) amended the institutional framework governing pensions by changing the conditions under which pension rights may be exercised: specifically, raising the retirement age and lengthening contribution periods. The measures arising from the reform constitute a plan amendment. The impact of this amendment is recognised directly in the income statement under *Other operating expenses* within *Operating profit*. It amounted to net income of €6.3 million.

In Germany, there are six plans, two of which are material (€37.3 million). Since these plans are not funded, they are covered by a provision. The purpose of the main plan is to pay a minimum pension equal to 14.1% of the salary paid up to the social security ceiling and 35.2% beyond that ceiling. This plan only involves employees who entered into service prior to 1 January 1986, and pension entitlements have been frozen since 30 September 1996. This plan is exposed to interest rate risk, inflation risk and the risk of changes in demographic assumptions.

There are also plans in Poland, Cameroon, Côte d'Ivoire, Tunisia, the Netherlands and Belgium. The plans in the Netherlands and Belgium are funded and serve to pay an annuity to plan members on retirement; both plans are closed to new entrants. The other plans cover end-of-contract bonuses payable. These plans are grouped together under "Other", with the plans in Benelux being the main contributors to this item.

a. Change in net liabilities arising from the main post-employment benefit plans in financial year 2023

(in millions of euros)	Defined-benefit pension funds – United Kingdom	Retirement bonuses – France	Defined-benefit pension funds – Germany	Other	Total
Calculation assumptions for actuarial liabilities					
Discount rate	4.78%	3.42% to 3.59%	3.59% to 3.63%	3.42% to 10.00%	
Inflation rate	2.68%	N/A	N/A	N/A	
Salary increase rate	3.03%	2.50%	2.00% to 2.75%	3.00% to 10.00%	
Amounts recognised in the balance sheet					
Present value of the obligation at 31/12/2023	1,193.6	156.7	42.1	14.5	1,407.0
Fair value of plan assets at 31/12/2023	1,226.0	0.7	-	12.4	1,239.1
Net liabilities on the balance sheet at 31/12/2023	**-32.4**	**156.0**	**42.1**	**2.1**	**167.8**
Net liability cost components					
Current service cost	2.3	8.8	0.2	0.3	11.6
Past service cost	-	-6.2	-	-	-6.2
Losses/(gains) on plan settlements	-	-	-	-	-
Interest on obligation	57.4	5.1	1.5	0.4	64.5
Interest on plan assets	-61.9	-0.0	-0.1	-0.3	-62.4
Total expenses recognised in the income statement	**-2.2**	**7.7**	**1.6**	**0.4**	**7.5**
Effect of net liability remeasurements	18.3	8.8	3.9	-1.4	29.6
■ Return on plan assets (excluding amounts included in interest income)	-0.0	-	0.1	0.2	0.3
■ Experience adjustments	5.3	-0.5	2.8	-2.1	5.5
■ Impact of changes in demographic assumptions	-15.3	-1.6	-	-	-16.9
■ Impact of changes in financial assumptions	37.3	10.9	1.0	0.4	49.6
■ Impact of limits set on assets	-8.9	-	-	-	-8.9
Total expenses recognised directly in equity	**18.3**	**8.8**	**3.9**	**-1.4**	**29.6**
Changes in net liabilities					
Net liability at 1 January 2023	**-33.9**	**129.8**	**38.8**	**3.0**	**137.7**
Changes in scope	-	14.3	-	0.6	14.9
Net expense recognised in the income statement	-2.2	7.7	1.6	0.4	7.5
Net expense recognised in equity	18.3	8.8	3.9	-1.4	29.6
Contributions	-13.4	-	-0.4	-0.5	-14.3
■ Employer contributions	-13.4	-	-0.4	-0.5	-14.3
■ Employee contributions	-	-	-	-	-
Benefits provided	-	-4.5	-1.8	-	-6.3
Exchange differences	-0.6	-	-	-	-0.6
Other movements	-0.7	-	-	-0.0	-0.7
NET LIABILITY/ASSET AT 31 DECEMBER 2023	**-32.4**	**156.0**	**42.1**	**2.1**	**167.8**

For reference, net liabilities arising from the main post-employment benefit plans changed as follows in financial year 2022:

(in millions of euros)	Defined-benefit pension funds – United Kingdom	Retirement bonuses – France	Defined-benefit pension funds – Germany	Other	Total
Calculation assumptions for actuarial liabilities					
Discount rate	5.01%	3.16% to 3.77%	3.63% to 3.77%	3.57% to 10.00%	
Inflation rate	2.73%	N/A	N/A	N/A	
Salary increase rate	3.13%	2.00% to 2.50%	2.00% to 2.75%	3.00% to 10.00%	
Amounts recognised in the balance sheet					
Present value of the obligation at 31/12/2022	1,147.5	130.8	42.1	11.5	1,331.9
Fair value of plan assets at 31/12/2022	1,181.4	1.0	3.3	8.5	1,194.2
Net liabilities on the balance sheet at 31/12/2022	**-33.9**	**129.8**	**38.8**	**3.0**	**137.7**
Net liability cost components					
Current service cost	4.1	10.6	0.4	0.3	15.3
Past service cost	-17.2	18.0	-	-	0.8
Losses/(gains) on plan settlements	-	-	-	-	-
Interest on obligation	43.6	1.4	0.6	0.1	45.7
Interest on plan assets	-45.5	-0.0	-0.1	-0.0	-45.6
Total expenses recognised in the income statement	**-15.0**	**30.0**	**0.9**	**0.4**	**16.2**
Effect of net liability remeasurements	-62.0	-48.1	-17.1	-0.1	-127.2
■ Return on plan assets (excluding amounts included in interest income)	594.6	-0.0	-	-0.2	594.4
■ Experience adjustments	133.0	-9.8	-0.2	2.1	125.0
■ Impact of changes in demographic assumptions	-1.3	-	-	-	-1.3
■ Impact of changes in financial assumptions	-843.2	-38.2	-16.9	-2.1	-900.4
■ Impact of limits set on assets	55.0	-	-	-	55.0
Total expenses recognised directly in equity	**-62.0**	**-48.1**	**-17.1**	**-0.1**	**-127.2**
Changes in net liabilities					
Net liability at 1 January 2022	**65.1**	**152.2**	**57.4**	**3.3**	**278.1**
Changes in scope	-	-0.3	-	-	-0.3
Net expense recognised in the income statement	-15.0	30.0	0.9	0.4	16.2
Net expense recognised in equity	-62.0	-48.1	-17.1	-0.1	-127.2
Contributions	-22.5	-	-0.3	-0.5	-23.2
■ Employer contributions	-22.5	-	-0.3	-0.5	-23.2
■ Employee contributions	-	-	-	-	-
Benefits provided	-	-4.1	-2.1	-	-6.2
Exchange differences	0.4	-	-	-0.0	0.4
Other movements	-	-	-	-	-
NET LIABILITY/ASSET AT 31 DECEMBER 2022	**-33.9**	**129.8**	**38.8**	**3.0**	**137.7**

b. Change in pension assets and liabilities in the United Kingdom

In the United Kingdom, net assets arising from post-employment defined-benefit plans reflect the net value of benefit obligations and the plan assets covering them. Changes in these assets and liabilities broke down as follows:

(in millions of euros)	31/12/2023	31/12/2022
Present value of the obligation at the beginning of the period	**1,147.5**	**1,969.8**
Changes in scope	-	-
Translation adjustments	23.7	-74.7
Current service cost	2.3	4.1
Past service cost	-	-17.2
Interest	57.4	43.6
Employee contributions	-	-
Effect of obligation remeasurements	22.5	-717.8
■ Experience adjustments	5.3	133.0
■ Impact of changes in demographic assumptions	-15.3	-1.3
■ Impact of changes in financial assumptions	32.5	-849.5
Plan amendments	-	-
Transfers	0.5	-
Benefits provided	-60.3	-60.2
PRESENT VALUE OF THE OBLIGATION AT THE END OF THE PERIOD	**1,193.6**	**1,147.5**
Fair value of plan assets at the beginning of the period	**1,181.4**	**1,904.6**
Changes in scope	-	-
Translation adjustments	24.3	-75.2
Interest	61.9	45.5
Effects of plan asset remeasurements	4.2	-655.8
■ Return on plan assets (excluding amounts included in interest income)	-	-594.6
■ Impact of changes in financial assumptions	-4.8	-6.3
■ Impact of limits set on assets	8.9	-55.0
Employer contributions	13.4	22.5
Employee contributions	-	-
Transfers	1.2	-
Benefits provided	-60.3	-60.2
FAIR VALUE OF PLAN ASSETS AT THE END OF THE PERIOD	**1,226.0**	**1,181.4**

The increase in net liabilities due to the decrease in the discount rate was offset by the contribution to fund the deficit and by the improvement in the return on plan assets and certain actuarial factors.

UK pension fund assets fall into four investment categories:

(in millions of euros)	31/12/2023	31/12/2022
Shares	128.0	123.0
Bonds / Private placements	688.1	660.2
Infrastructure and property assets	263.8	275.1
Other assets	146.2	122.9
TOTAL	**1,226.0**	**1,181.4**

Other assets mainly comprised cash and cash equivalents.

The discount rate used for employee obligations is based on the return on AA bonds in line with the duration of the liabilities rounded to the nearest hundredth. In the United Kingdom, the benchmark used is the Mercer yield curve.

A 0.50-point decrease in the discount rate would increase the benefit obligation by €93.4 million. A 0.50-point increase in the discount rate would reduce the benefit obligation by €92.9 million.

A 10% reduction in the value of the assets would reduce their amount by €122.6 million, whereas a 10% increase would increase their amount by €122.6 million. These sensitivity estimates are made on the basis of all other things being equal.

At 31 December 2023, two plans and two of the three sections of a third plan were in a net asset position, totalling €42.4 million. These assets are deemed recoverable through the future decrease in contributions.

c. Change in pension assets and liabilities in France

In terms of sensitivity, a 0.50-point increase or decrease in the discount rate would decrease the benefit obligation by €9.0 million or increase it by €9.7 million, respectively.

The retirement bonus obligation in France breaks down as follows by maturity:

(in millions of euros)	**31/12/2023**	**31/12/2022**
Present value of theoretical benefits payable by the employer in:		
■ Less than 1 year	3.5	5.6
■ 1 to 5 years	18.1	24.8
■ 5 to 10 years	47.5	37.3
■ 10 to 20 years	65.3	49.8
■ [[ROW:Base - filet]]More than 20 years	22.2	13.4
TOTAL OBLIGATION	**156.7**	**130.8**

Defined-benefit plans are paid for either directly by the Group, which funds the benefits to be granted, or via pension funds to which the Group contributes. In both cases, the Group recognises a pension liability corresponding to the present value of future payments, which is estimated by taking into consideration relevant internal and external factors as well as the laws and regulations specific to each Group entity.

Certain post-employment defined-benefit plans may comprise plan assets intended to settle the obligations. They are mainly administered by pension funds that are legally separate from the entities making up the Group. The assets held by these funds are mainly shares or bonds. Their fair value is generally calculated using their market value.

Obligations in respect of post-employment defined-benefit plans are measured annually using the actuarial valuation method known as the projected unit credit method, which stipulates that each period of service gives rise to an additional unit of benefit entitlement, and measures each unit separately to obtain the final obligation. These calculations include assumptions regarding life expectancy, employee turnover and projected future salaries.

The present value of retirement benefit obligations is determined by discounting future cash outflows using the rate for market yields on high-quality corporate bonds of the currency used to pay the benefit and a term consistent with the estimated average term of the concerned retirement benefit obligation.

The expense representing the current service cost for the period is recognised in profit or loss within *Staff costs*.

The effects of plan amendments, recognised through past service cost (cost of service in prior periods modified by the introduction of changes or new benefit plans), are recognised immediately in profit or loss within *Staff costs* when they occur.

Any gains or losses recognised in the event of defined-benefit pension plan curtailments or settlements are recognised in profit or loss when the event occurs within *Other operating income* or *Other operating expenses*, respectively.

An interest expense is recognised in profit or loss within *Other financial expenses* and corresponds to the cost of unwinding the discount of the retirement benefit obligations net of plan assets.

The assumptions used in the actuarial calculation of defined-benefit pension obligations involve uncertainties that may affect the value of financial assets and obligations to employees. Actuarial gains and losses arising from the effects of changes in demographic assumptions, changes in financial assumptions and the difference between the discount rate and the actual rate of return on plan assets, less their management and administrative costs, are recognised directly in equity under *Other comprehensive income*, and are not reclassifiable to profit or loss.

5.3.2. Other long-term employee benefits

Other long-term employee benefits may include the portion available in more than one year of employee profit-sharing liabilities allocated to a current account and locked in for five years in France; long-service awards in Germany and India; pre-pension obligations in Germany and Belgium; and end-of-contract bonuses in Italy, Lebanon and India. Benefits for employees in India make up the largest portion of these liabilities for 2023, for €10.4 million (€7.6 million at 31/12/2022).

The remaining long-term employee benefits primarily consist of:

- long-term paid leave such as long-service or sabbatical leave;
- long-service awards;
- incentives and bonuses payable 12 months or more after the end of the period in which the employees render the corresponding service;
- profit-sharing liabilities. These are recognised at the present value of the obligation at the balance sheet date. For the year in which this profit-sharing is appropriated, the difference between the present value of the profit-sharing and the nominal value that will be paid to employees at the close of the lock-up period is recognised as a financial liability and balanced by an additional staff expense. It is then reversed as a deduction against financial expenses over the following five years;
- deferred compensation paid 12 months or more after the end of the period in which it is earned.

All expenses relating to other long-term benefits, including changes in actuarial assumptions, are recognised immediately in profit or loss within *Staff costs* in respect of the service cost and within *Other financial income and expenses* in respect of the cost of unwinding the discount.

5.4. Share-based payments

The cost of the benefits granted to employees under stock option, free performance share and employee share ownership plans, which amounted to €43.0 million (€23.2 million in 2022), is charged to *Profit from recurring operations*.

In 2023, as in 2022, it consisted of a charge corresponding to benefits granted to employees in respect of free performance share plans and a charge related to the Group's We Share employee share ownership plan.

5.4.1. Free performance share plans

Expenses related to free share plans totalled €19.9 million (compared with €10.9 million in financial year 2022).

Information on the rules of the main free share plans is set out below:

	May 2021 plan	June 2022 plan	May 2023 plan
Date set up by General Management and/or the Board of Directors	26 May 2021	1 June 2022	24 May 2023
Number of shares that may be granted	219,200	200,950	136,880
Performance measurement period	1 January 2021 to 31 December 2023	1 January 2022 to 31 December 2024	1 January 2023 to 31 December 2025
Vesting period	26 May 2021 to 30 June 2024 inclusive	1 June 2022 to 30 June 2025	24 May 2023 to 30 June 2026
Mandatory holding period following the grant of shares	None	None	None
Financial performance conditions	1) Consolidated revenue growth in financial years 2021, 2022 and 2023	1) Consolidated revenue growth in financial years 2022, 2023 and 2024	1) Consolidated revenue growth in financial years 2023, 2024 and 2025
	2) Level of consolidated operating profit on business activity in financial years 2021, 2022 and 2023	2) Level of consolidated operating profit on business activity in financial years 2022, 2023 and 2024	2) Level of consolidated operating profit on business activity in financial years 2023, 2024 and 2025
	3) Level of consolidated free cash flow in financial years 2021, 2022 and 2023	3) Level of consolidated free cash flow in financial years 2022, 2023 and 2024	3) Level of consolidated free cash flow in financial years 2023, 2024 and 2025
CSR condition	Proportion of women in the Group's senior management positions at 31 December 2023	Proportion of women in the Group's senior management positions at 31 December 2024	Proportion of women in senior management positions at the Group at 31 December 2025
Number of potential shares that could have been granted as at 1 January 2023	**203,000**	**199,060**	**-**

	May 2021 plan	June 2022 plan	May 2023 plan
Number of shares granted in 2023	-	-	136,880
Number of shares cancelled in 2023	7,382	7,057	3,100
Number of shares vested at 31 December 2023	-	-	-
Number of potential shares that could have been granted as at 31 December 2023	**195,618**	**192,003**	**133,780**
Share price	149.50	162.00	183.30
Risk-free rate	-	-	-
Dividends	2.3%	2.6%	3.0%
Volatility	N/A	N/A	N/A
(EXPENSE)/INCOME RECOGNISED IN THE INCOME STATEMENT FOR THE FINANCIAL YEAR IN MILLIONS OF EUROS	**-9.4**	**-7.5**	**-2.9**

At the Combined General Meeting of 24 May 2023, the authorisation permitting the Company to buy back its own shares, with a limit of 10% of the number of shares making up Sopra Steria Group's share capital at the time of the buyback (i.e. 2,054,770 shares on the basis of the share capital at 31 December 2022) was renewed, in particular to be used in connection with all employee and company officer shareholding programmes (share purchase options, free shares and any forms of share allotment to employees or company officers, such as a company savings plan).

Awards of free Sopra Steria Group shares are granted to some staff members, subject to their continued employment within the Group at the grant date, and either subject or not subject to conditions relating to the Group's performance. Benefits granted under free share award plans constitute additional compensation and are measured and recognised in the financial statements.

At the end of each reporting period, the Group reviews the potential number of shares that could be awarded based on the recipients present and estimates regarding the achievement of non-market performance conditions provided for under the plans. The impact of this re-estimate is recognised in profit or loss as an offset against equity.

The value of free shares in awards granted to employees as compensation for services rendered is measured by reference to the fair value of the equity instrument at the grant date. This fair value is based on the share price at this same date. Non-market vesting conditions must not be taken into account when estimating the fair value of the shares at the measurement date. When these equity instruments are subject to conditions of non-transferability, the cost of non-transferability is taken into account in their fair value. Where appropriate, the inability to collect dividends is also taken into account in the fair value calculation. Lastly, the cumulative expense recognised also takes into account the estimated number of shares that will eventually vest.

The expense related to share-based payments made to employees under free share plans is recognised on a straight-line basis in profit or loss over the vesting period, under *Expenses related to stock options and related items*, which enters into the calculation of *Profit from recurring operations*. Since this is an equity-settled plan, the double-entry for this expense is recognised in equity under the *Consolidated reserves and other reserves* heading.

5.4.2. Employee share ownership plan

The Group launched its We Share employee share ownership programme in the first half of 2023. Employees were once again able to purchase Sopra Steria Group shares, under certain conditions, from 27 March to 12 April 2023 inclusive.

The main characteristics of the offer were as follows:

- offer open to all active employees and eligible retired employees;
- investment in Sopra Steria Group shares via the FCPE (employee mutual investment fund, the performance of which follows changes in the Group's share price as it increases or decreases);
- matching contribution of one free Sopra Steria Group share per share purchased;
- authorised investment amount of between the price of one share (minimum) and €3,000 (maximum);
- dividends reinvested in the FCPE;
- favourable tax treatment under the Group Savings Plan (PEG);
- investment locked in for five years, available from 11 May 2028, except in cases that justify early release.

The offer resulted in 95,020 shares being subscribed by employees and 94,730 shares granted as matching contributions. To transfer shares for the matching contribution, Sopra Steria Group used its stock of treasury shares, corresponding either to existing shares or to shares bought back in advance under a share buyback programme authorised at the General Meeting of Shareholders held on 1 June 2022.

The fair value of free shares was set at €190.71.

An expense of €18.8 million (of which €16.3 million in respect of IFRS 2) was recognised within *Profit from recurring operations*.

In the first half of 2022, the Group set up an employee share ownership plan under which it recognised an expense of €10.7 million (of which €8.8 million in respect of IFRS 2).

Furthermore, the Share Incentive Plan – a specific plan in place in the United Kingdom – continued and incurred an expense of €1.1 million (€1.6 million in 2022).

5.5. Compensation of senior management (related parties)

(in millions of euros)	31/12/2023	31/12/2022
Short-term employee benefits	3.0	2.6
Post-employment benefits	-	-
Other long-term employee benefits	-	-
Termination benefits	-	-
Equity compensation benefits	0.5	0.3
TOTAL	**3.5**	**2.9**

The compensation information provided in the table above relates to the Chairman of the Board of Directors, the Chief Executive Officer and all Directors holding a salaried position within the Group.

Post-employment benefits correspond to retirement benefits established in accordance with collective bargaining agreements (see Note 5.3.1). There are no obligations toward senior executives with respect to post-employment benefits or other long-term employee benefits.

NOTE 6 CORPORATE INCOME TAX

In December 2022, the European Union published a directive aimed at implementing OECD tax reform and ensuring a global minimum rate of taxation to be determined by reference to the OECD Pillar Two rules. Transposed into French law by 31 December 2023, it is only applicable with effect from 1 January 2024. In 2023, the Group reviewed and implemented these new rules and estimated their potential impact. The amendment to IAS 12 *International Tax Reform – Pillar Two Model Rules*, applicable with effect from 1 January 2023, introduces a mandatory temporary exception to the recognition of deferred taxes arising from this minimum taxation in 2023.

In arriving at its estimates, the Group drew on its CBCR report prepared with the help of consolidated data for financial years 2022 and 2023. On that basis and at this stage, the Group estimates that the reform will not have a material impact on its financial statements.

6.1. Tax expense

(in millions of euros)	Financial year 2023	Financial year 2022
Current tax	-81.8	-77.9
Deferred tax	-29.9	-5.3
TOTAL	**-111.7**	**-83.2**

a. Current tax

The Group determines its current tax expense by applying the tax laws in force in countries where its subsidiaries and associates conduct their business and generate taxable revenues. The tax laws applied are those enacted or substantively enacted at the end of the reporting period.

b. Deferred tax

Deferred tax is recognised on all temporary differences between the tax base and the carrying amount of assets and liabilities on consolidation.

Deferred tax assets are only recognised if it is probable that they will be recovered as a result of taxable profit expected in future periods within a reasonable time frame.

They are reviewed at the end of each reporting period.

Tax assets and liabilities are measured based on the tax rates enacted or substantively enacted applicable to the reporting period during which the asset will be realised or the liability settled. Their effect is recognised in profit or loss as *Deferred tax* unless it relates to items recorded under *Other comprehensive income*, in which case the effect is also included among gains and losses recognised directly in equity. Deferred tax assets and liabilities, regardless of their expiry date, are offset when:

- the Group has the legal right to settle current tax amounts on a net basis,
- and the deferred tax assets and liabilities relate to the same tax entity.

6.2. Reconciliation of statutory and effective tax expense

(in millions of euros)	Financial year 2023	Financial year 2022
Net profit	**189.1**	**249.0**
Adjustment for:		
■ Net profit from associates	6.7	-14.7
■ Tax expense	-111.7	-83.2
Profit before tax	**294.0**	**347.0**
Statutory tax rate	**25.83%**	**25.83%**
Statutory tax expense	**-75.9**	**-89.6**
Permanent differences	-29.0	-0.1
Change in uncapitalised loss carryforwards	-5.2	-9.1
Impact of tax credits	10.3	7.0
Tax rate differences	0.5	-0.7
Prior-year tax adjustments	-3.8	23.4
CVAE (net of tax)	-5.5	-10.9
Tax audit	-	-
Tax on dividends paid	-	-
Other tax	-3.0	-3.2
ACTUAL TAX EXPENSE	**-111.7**	**-83.2**
Effective tax rate	*37.98%*	*23.98%*

The reconciliation between the statutory tax expense and the effective tax expense is conducted using the statutory tax rate in France for the Group's parent company. This statutory tax rate consists of the 25.0 % corporate tax rate plus the 0.83% *Contribution Sociale de Solidarité des Sociétés* (C3S) social security tax.

Impairment of goodwill for Sopra Banking Software and Sopra Solutions (see Note 8.1.2), which were non-deductible expenses, had a negative €22.3 million impact on *Permanent differences*.

The *Cotisation sur la Valeur Ajoutée des Entreprises* (CVAE) – a tax on corporate value added, which is a component of the *Contribution Économique Territoriale* (CET) regional business tax in France – is recognised as part of the corporate income tax expense, as is the *Imposta Regionale Attività Produttive* (IRAP) regional production tax in Italy.

The Group operates in many countries with differing tax laws and tax rates. Within each country, tax rates may also vary depending on the tax policies implemented by local governments and can lead to differences between the current and deferred tax rates. Local weighted average tax rates applicable to Group companies can therefore vary from year to year depending on the relative level of taxable profit. These movements are reflected in *Tax rate differences*. This item also includes the difference between the aforementioned theoretical tax rate of 25.83% and actual tax rates applicable within jurisdictions where the Group operates.

In 2023, as in 2022, *Other tax* essentially consisted of unrecovered withholdings.

In France, in connection with the merger between Sopra and Steria that took place on 31 December 2014, a request was filed with the tax authorities in 2014 for the right to transfer the tax losses carried forward by Groupe Steria SCA prior to 1 January 2014, to Sopra Steria Group SA. The French tax authorities, in a decision dated 15 December 2022, granted Sopra Steria Group SA the right to carry forward the tax losses of Groupe Steria SCA in the amount of €75.8 million, equating to a tax asset of €19.6 million. Its impact was recognised within *Prior-year tax adjustments* for financial year 2022.

Note 6.3

6.3. Deferred tax assets and liabilities

6.3.1. Change in net deferredtax

(in millions of euros)	31/12/2022	Change through profit or loss	Change through OCI	Scope effect	Currency translation effect	Other	31/12/2023
Deferred tax arising from:							
Intangible assets	-10.6	8.8	-	-12.6	-0.1	-	-14.6
Property, plant and equipment	3.1	-0.4	0.7	0.1	0.1	-	3.6
Non-current financial assets	0.3	1.5	-	0.3	-	-	2.1
Inventories, services in progress and outstanding invoices	-10.1	-1.7	-	-	-0.0	-	-11.8
Other current assets	6.2	-1.2	-0.0	5.2	0.1	-	10.2
Derivatives	-1.8	-0.1	1.4	-	-0.0	-	-0.6
■ With impact on the income statement	-	-0.1	-	-	-	-	-0.1
■ With impact on OCI	-1.8	-	1.4	-	-0.0	-	-0.4
Financial debt	-1.0	-0.5	-	-	-	-	-1.6
Retirement benefit obligations	33.5	-9.1	6.5	3.8	-0.3	-	34.3
■ With impact on the income statement	-11.6	-9.1	-0.1	3.6	-1.4	-	-18.6
■ With impact on OCI	45.1	-	6.5	0.1	1.1	-	52.9
Provisions	3.5	0.4	-0.1	1.3	-	-	5.2
Assets and liabilities related to leased assets	6.1	0.6	0.1	0.5	-0.0	-	7.3
Other current liabilities	-4.8	-1.7	-0.5	0.5	-0.1	-	-6.7
Tax loss carryforwards	34.1	-26.3	-0.5	63.5	-0.0	-	70.8
Net deferred tax asset/(liability)	**58.5**	**-29.8**	**7.6**	**62.5**	**-0.5**	**-**	**98.3**
Deferred tax included in assets held for sale	-0.0	-	-	-	-	-	-0.0
NET DEFERRED TAX ASSET/(LIABILITY) REPORTED IN THE BALANCE SHEET	**58.5**	**-29.8**	**7.6**	**62.5**	**-0.5**	**-**	**98.3**
Of which:							
Deferred tax recognised in profit or loss	15.2	-29.8	-0.3	62.3	-1.5	-	45.9
Deferred tax recognised in equity (OCI)	43.3	-	7.9	0.1	1.0	-	52.4
■ Reclassifiable to profit or loss	-1.8	-	1.4	-	-0.0	-	-0.4
■ Not reclassifiable to profit or loss (retirement benefit obligations)	45.1	-	6.5	0.1	1.1	-	52.9

In France, in December 2023, Sopra Steria Group filed a request with the tax authorities for the right to transfer the tax losses carried forward by CS Group SA prior to 1 January 2023, following the merger of the two companies that took place on 31 December 2023. The acquisition of CS Group and its subsidiaries led to recognition of a €64.9 million deferred tax asset at the date of the acquisition.

6.3.2. Deferred tax assets notrecognised by the Group

(in millions of euros)	31/12/2023	31/12/2022
Tax losses carried forward	100.8	41.2
Temporary differences	-	-
TOTAL	**100.8**	**41.2**

6.3.3. Change intax loss carryforwards

(in millions of euros)	France	Scandinavia	Singapore	Germany	Other countries	TOTAL
31 December 2022	**156.7**	**36.2**	**33.4**	**20.5**	**59.8**	**306.4**
Changes in scope	464.0	-	-	-	-2.8	461.2
Created	52.7	3.3	14.0	5.4	3.4	78.7
Used	-157.6	-1.7	-	-	-2.9	-162.1
Expired	-	-	-	-2.0	-	-2.0
Translation adjustments	-0.1	-0.1	-0.7	-	0.3	-0.6
Other movements	4.1	-2.3	-	-	-	1.8
31 DECEMBER 2023	**519.7**	**35.5**	**46.6**	**23.9**	**57.9**	**683.5**
Deferred tax basis – Activated	266.8	1.3	0.1	0.2	8.8	277.1
Deferred tax basis – Non-activated	252.9	34.2	46.5	23.7	49.1	406.4
Deferred tax – Activated	68.3	0.3	-	0.1	2.1	70.8
Deferred tax – Non-activated	65.1	7.3	7.9	7.5	13.0	100.8

In France, a portion of the non-activated tax losses – €56.1 million in deferred taxes (based on a tax rate of 25.83%) – consisted at 31 December 2023 of the tax loss carryforwards prior to 1 January 2023 originating from CS Group SA.

In Scandinavia, the tax loss carryforwards of the companies established in Sweden and Denmark did not lead to the recognition of any deferred tax assets.

Lastly, in “Other countries”, tax losses for small companies located in Brazil, Spain, Germany, the United Kingdom and several African countries were not activated.

NOTE 7 COMPONENTS OF THE WORKING CAPITAL REQUIREMENT AND OTHER FINANCIAL ASSETS AND LIABILITIES

These items include non-current financial assets, trade receivables and related accounts, other current assets, other non-current liabilities, trade payables and other current liabilities.

7.1. Other non-current financial assets

(in millions of euros)	31/12/2023	31/12/2022
Non-consolidated securities	26.8	45.3
Other loans and receivables	42.7	61.3
Derivatives	4.4	7.4
TOTAL	**73.8**	**114.0**

CS Group shares represented €27.7 million at 31 December 2022. They are now consolidated.

The Group classifies its financial assets into the following categories:

- assets at fair value through other comprehensive income;
- assets at fair value through profit or loss; and
- assets at amortised cost.

Classification depends on the purposes for which financial assets were acquired. According to its management model, the Group's management determines the appropriate classification of its financial assets upon their initial recognition, and performs a reassessment at each interim and annual reporting date.

The financial assets recognised by the Group consist of the items described below:

a. Assets at fair value through other comprehensive income

This category includes investments in equity instruments that the Group has chosen to irrevocably place in this category.

Changes in the fair value of these assets are recognised directly in equity and are not reclassifiable to profit or loss. These assets are not impaired.

The Group has included in this category its investments in unconsolidated entities over which it exercises no control or significant influence.

b. Assets at amortised cost (loans and receivables)

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They comprise the financial assets arising when the Group transfers funds, or provides goods and services, to an individual or entity. Loans and receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

The Group distinguishes between:

- long-term loans and receivables classified as non-current financial assets;
- short-term trade receivables and other equivalent receivables. Short-term trade receivables continue to be measured at the nominal amount originally invoiced, which usually equates to the fair value of the consideration to be received.

c. Assets at fair value through profit or loss

These are non-derivative financial assets which the Group has chosen not to measure through other comprehensive income.

This category comprises financial assets held for trading (i.e. acquired with a view to resale in the near term). They are mostly marketable securities and other cash equivalents.

Changes in the fair value of assets of this category are recognised in profit or loss within *Other financial income and expenses.*

d. Impairment of financial assets

At each balance sheet date, the Group assesses whether or not there exists objective evidence that a financial asset or group of financial assets may be impaired.

The Group assesses the credit risk associated with loans and receivables when they are issued. They may be subsequently impaired if the Group expects that their estimated recoverable amount is less than their net carrying amount.

For trade receivables, these write-downs are charged to profit or loss as part of *Operating profit on business activity* and reversed in the event of an improvement in the recoverable amount. For loans and deposits, they are recorded within *Other financial income and expenses.*

7.1.1. Non-consolidated securities

(in millions of euros)	Gross value	Impairment	Carrying amount
31 December 2021	**29.2**	**4.0**	**25.2**
Changes in scope	-4.5	-	-4.5
Increases	9.3	1.1	8.2
Decreases	-0.5	-0.1	-0.5
Revaluation	16.7	-	16.7
Translation adjustments and other movements	0.1	-	0.1
31 December 2022	**50.3**	**5.0**	**45.3**
Changes in scope	-4.7	5.4	-10.1
Increases	-1.4	0.1	-1.5
Decreases	-0.0	-0.6	0.6
Revaluation	1.2	-	1.2
Translation adjustments and other movements	-8.7	-0.0	-8.7
31 DECEMBER 2023	**36.7**	**9.9**	**26.8**

At 31 December 2022, the most significant component of non-consolidated securities was the shares in CS Group (€27.7 million). They are now consolidated.

7.1.2. Other loans and receivables

(in millions of euros)	31/12/2023	31/12/2022
Loans	2.2	-
Other non-current receivables	16.6	45.2
Deposits and other non-current financial assets	28.4	19.7
Provisions for loans, deposits and other non-current financial assets	-4.6	-3.5
TOTAL	**42.7**	**61.3**

Deposits and other non-current financial assets mainly include security deposits paid for leased premises and receivables relating to equity investments.

Other non-current receivables include €0.5 million (€4.2 million in 2022) in advances paid in the United Kingdom by the NHS SBS entity to new customers of its platform to facilitate their migration, and €16.1 million (€41.0 million in 2022) for services performed but not yet invoiced in Germany by Sopra Financial Technology GmbH.

These deposits and other receivables are held at their nominal value, given that the effect of discounting is not material.

7.2. Trade receivables and related accounts

(in millions of euros)	31/12/2023	31/12/2022
Trade receivables – Gross value	851.9	720.7
Impairment of trade receivables	-16.6	-13.3
Trade receivables – Net value	**835.3**	**707.4**
Customer contract assets	537.1	396.7
TOTAL	**1,372.4**	**1,104.2**

Net trade receivables, expressed in months of revenue, came to less than 2 months of revenue at 31 December 2023, stable with respect to 31 December 2022. This ratio is calculated by comparing *Net trade receivables* with revenue obtained using the countback method. *Net trade receivables* is obtained by eliminating VAT from the *Trade receivables* balance and subtracting the deferred income balance appearing under liabilities. An analysis of credit risk in light of the provisions of IFRS 9 *Financial Instruments* does not show any material impact.

Customer contract assets are described in Note 4.1. Changes during the period resulted in part from the appearance of billable amounts transforming assets into trade receivables, and in part from the recognition of revenue leading to the appearance of new customer contract assets.

7.2.1. Aged trade receivables at 31 December 2023

(in millions of euros)	Carrying amount	Of which: Not past due at the balance sheet date	Of which: Past due, with the following breakdown			
			Less than 30 days	Between 30 and 90 days	Between 90 and 120 days	More than 120 days
Trade receivables	851.9	672.3	117.0	24.6	7.4	30.6

7.2.2. Changes in provisions for trade receivables

(in millions of euros)	31/12/2023	31/12/2022
Impairment of trade receivables at beginning of period	**13.3**	**17.4**
Changes in scope	2.8	0.2
Additions net of reversals	0.5	-4.3
Other movements	0.1	-0.0
Translation adjustments	-0.0	-0.1
IMPAIRMENT OF TRADE RECEIVABLES AT END OF PERIOD	**16.6**	**13.3**

7.3. Other current assets

(in millions of euros)	31/12/2023	31/12/2022
Inventories and work in progress	52.2	46.3
Advances and payments on account	4.0	1.9
Staff and social security	6.5	5.0
Tax receivables (other than corporate income tax)	218.8	147.8
Corporate income tax	125.9	118.6
Loans, guarantees and other financial receivables maturing in less than one year	1.7	2.2
Other receivables	17.7	16.2
Impairment of other receivables	-1.3	-0.8
Prepaid expenses	82.8	63.9
Derivatives	7.2	9.3
TOTAL	**515.5**	**410.6**

Inventories and work in progress essentially result from the costs of fulfilling contracts (transition phases of third-party application maintenance, infrastructure management and outsourcing contracts; preparatory phases for licences in SaaS mode), as described in Note 4.1. Their increase results from the signature of new contracts.

Tax receivables (other than corporate income tax) include those relating to the CIR (R&D tax credit) in France. The movement between 2022 and 2023 chiefly reflects the business combinations in 2023.

7.4. Other non-current liabilities

(in millions of euros)	31/12/2023	31/12/2022
Put options granted	-	-
Other liabilities – Non-current portion	13.3	11.8
Derivatives	8.3	3.7
TOTAL	**21.6**	**15.5**

In 2023, *Other non-current liabilities* included funding requirements for the Group's investments in corporate venture funds, for €8.7 million (€6.2 million at 31 December 2022).

At 31 December 2023, *Derivatives* consisted of interest rate and foreign currency hedges (see Notes 12.5.3 and 12.5.4).

Put options granted to non-controlling interests

When non-controlling interests have an option to sell their investment to the Group, a financial liability is recorded in other non-current liabilities for the present value of the option's estimated exercise price. The offset of the financial liability generated by these commitments is deducted from:

- the corresponding amount of non-controlling interests initially; and
- the Group's share of consolidated reserves for the remainder.

Subsequent changes in this put option arising from changes in estimates or relating to the unwinding of discount are offset against the corresponding non-controlling interests and the remainder is deducted from the Group's share of consolidated reserves.

7.5. Other current liabilities

(in millions of euros)	31/12/2023	31/12/2022
Liabilities on fixed assets – Portion due in less than one year	2.9	3.4
Advances and payments on account received for orders	67.4	18.2
Dividends payable	-	-
Employee-related liabilities	608.2	522.6
Tax liabilities	292.3	221.4
Corporate income tax	130.6	125.3
Customer contract liabilities	531.3	400.9
Other liabilities	62.4	167.6
Derivatives	4.0	3.5
TOTAL	**1,699.2**	**1,463.0**

Customer contract liabilities are described in Note 4.1. Changes arose in part from the transformation of former liabilities into revenue, and in part from the appearance of new liabilities due to services that have been invoiced but not yet performed. The majority of these liabilities existing at 31 December 2022 were converted into revenue during financial year 2023.

Other liabilities include in particular the Group's commitment to buy back its own shares to be used in connection with its free performance share plans for €35.4 million (€24.6 million at 31 December 2022). In 2022, they also included the liability related to the put option granted by the Group to the UK Cabinet Office for the shares it held in the SSCL joint venture, which totalled €132.5 million at 31 December 2022. The Cabinet Office exercised its option in 2023 (see Note 2.2).

NOTE 8 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

8.1. Goodwill

8.1.1. Statement of changes in goodwill

Movements in financial year 2023 were as follows:

(in millions of euros)	01/01/2023	Acquisitions	Adjustments for business combinations	Divestments	Impairment	Translation adjustments	Other movements	31/12/2023
France	625.4	234.2	-	-	-	-	-	859.6
UK	582.7	-	-	-	-	11.9	-	594.6
Other Europe(1)	350.0	566.0	-	-	-	-4.5	1.5	913.1
Banking(2)	369.6	-	-	-	-86.3	2.2	-	285.4
HR	16.2	-	-	-	-	-	-	16.2
TOTAL	**1,943.9**	**800.1**	**-**	**-**	**-86.3**	**9.6**	**1.5**	**2,668.9**

(1) "Other Europe" comprises the following CGUs, which are tested separately: Germany, Scandinavia, Spain, Italy, Switzerland, Benelux and Sopra Financial Technology.
(2) Banking comprises the Sopra Banking Software and Sopra Solutions CGUs in particular.

Details on the positive €800.1 million impact of acquisitions in the period are set out in Note 2.1, "Main acquisitions". Details on impairment are provided in Note 8.1.2.

The €9.6 million positive change in translation adjustments resulted from changes in the value of the euro against the following currencies:

(in millions of euros)	31/12/2023	31/12/2022
GBP	14.1	-38.1
NOK/SEK	-7.1	-7.9
Other currencies	2.5	1.8
TOTAL	**9.6**	**-44.2**

In addition, the Group conducted a strategic review. As a result, it decided to introduce a product-based organisation for Sopra Banking Software. It is now organised around Development, Solutions and Systems Integration activities in France. This transaction involved the transfer of assets from Sopra Banking Software to Sopra Solutions. New CGUs have been set up in the Banking reporting unit to reflect this organisation.

8.1.2. Impairment testing

The Group performed impairment tests at 31 December 2023 in line with standard practice. It began by reviewing its discount rate and perpetual growth rate parameters.

The tests were performed using the following parameters:

	Discount rate		Perpetual growth rate	
	31/12/2023	**31/12/2022**	**31/12/2023**	**31/12/2022**
France	9.0%	9.2%	2.1%	2.2%
United Kingdom	10.0%	9.6%	2.1%	2.2%
Other Europe	7.1% to 10.1%	7.9% to 10.5%	2.1%	2.2%
Banking	9.7% to 10.7%	9.2%	2.1%	2.2%
Sopra HR Software	9.0%	9.2%	2.1%	2.2%

For each business combination, the Group may elect to recognise under its balance sheet assets either partial goodwill (corresponding only to its percentage of ownership interest) or full goodwill (also including the goodwill corresponding to minority interests) according to the method for business combinations presented in Note 2.1. This decision is made on an acquisition-by-acquisition basis.

Should the calculation of goodwill result in a negative difference (bargain purchase), the Group recognises the resulting gain entirely in profit or loss, after reassessing whether all assets and liabilities have been correctly identified.

Goodwill is allocated to cash-generating units for the purposes of impairment tests as set out in Note 8.1.3. Such tests are performed when there is an indication of impairment, and in any event at the balance sheet date of 31 December.

The Group then applied these parameters to its cash flow projections. These tests failed to justify the value of the assets of cash-generating units (CGUs) held by the Banking reporting unit. This prompted the Group to write down the goodwill of these CGUs by €86.3 million (including €24.8 million for Sopra Solutions). The Group also recognised €3.6 million in impairment of an individual intangible asset of Sopra Solutions, namely customer relationships, in advance (see Note 8.2).

For all other CGUs, the Group tested 1.0-point changes in these assumptions. A 1.0-point decrease in the perpetual growth rate, a 1.0-point increase in the discount rate, or both, would not lead to any recognition of impairment.

Finally, additional testing was also performed to measure sensitivity to key assumptions (such as the discount rate, perpetual growth rate, operating margin and revenue growth rate) for each cash-generating unit except Sopra Banking Software:

- a 2-point increase in the discount rate; or
- a 2-point decrease in the perpetual growth rate; or
- the combination of a 2-point increase in the discount rate and a 2-point decrease in the perpetual growth rate; or
- a 2-point decrease in the projected operating margin; or
- a 2-point decrease in the projected growth rate.

These additional tests did not give rise to any impairment losses, except for the Benelux CGU. In 2023, this included the recently acquired Ordina and Tobania. The only test the Benelux CGU did not pass was the test combining a 2-point increase in the discount rate and a 2-point decrease in the perpetual growth rate. It did however pass the test combining a 1.75-point increase in the discount rate and a 1.75-point decrease in the perpetual growth rate.

IAS 36 *Impairment of Assets* requires that an entity assess at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the entity must estimate the asset's recoverable amount.

Irrespective of whether there is any indication of impairment, an entity must also:

- test intangible assets with indefinite useful lives annually;
- test the impairment of goodwill acquired in a business combination.

In practice, impairment testing is above all relevant to goodwill, which constitutes the majority of Sopra Steria Group's consolidated non-current assets.

Impairment testing is performed at the level of the cash-generating units (CGUs) to which assets are allocated. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

The Group's segmentation into CGUs is consistent with the operating structure of its businesses, its management and reporting system, and its segment reporting (see Note 3). Impairment testing involves comparing CGUs' carrying amounts with their recoverable amounts. A CGU's recoverable amount is the higher of its fair value (generally market value) less costs of disposal and its value in use.

The value in use of a CGU is determined using the discounted cash flow (DCF) method:

- cash flows for an explicit forecast period of five years, with the first year of the period based on the budget;
- cash flows beyond the five-year explicit period are calculated by applying a perpetual growth rate to the last cash flow for the foreseeable period, reflecting the anticipated rate of real long-term economic growth adjusted for long-term inflation forecasts.

The discount rate is based on the weighted average cost of capital. This is compared with the estimates produced by financial analysts. The final discount rate used for each CGU is derived from this comparison and falls between the weighted average cost of capital and the average of analyst estimates.

Perpetual growth rates are based on an average of analyst estimates.

Impairment losses are recognised to the extent of any excess of a CGU's carrying amount over its recoverable amount. Impairment losses are first allocated against goodwill and are charged to profit or loss as part of *Other operating income and expenses.*

The reversal of impairment losses for goodwill arising on fully consolidated investments is prohibited.

8.2 Other intangible assets

(in millions of euros)	Gross value	Amortisation	31/12/2023	31/12/2022
Enterprise software/Technology	99.3	74.0	25.2	23.4
Customer relationships	261.9	179.7	82.2	70.7
Favourable contracts	0.9	0.9	-	-
Brands	19.1	5.4	13.7	14.2
Software acquired and other intangible assets	364.9	274.5	90.5	58.4
TOTAL	**746.1**	**534.4**	**211.7**	**166.7**

Other intangible assets comprise technologies, customer relationships, favourable contracts, order backlogs and brands allocated as part of the purchase price allocation process for a business combination. Expenses relating to the amortisation of allocated intangible assets enter into the calculation of *Profit from recurring operations.*

Changes in *Intangible assets* are set out in the table below:

(in millions of euros)	Gross value	Amortisation and impairment	Carrying amount
31 December 2021	**664.2**	**487.1**	**177.1**
Changes in scope	-	-0.0	-
Allocated intangible assets	11.0	-	11.0
Acquisitions	32.8	-	32.8
Disposals – Scrapping	-33.0	-33.0	-0.0
Other movements	-11.4	-12.3	0.8
Translation adjustments	-13.5	-10.2	-3.3
Net increase in amortisation and impairment	-	51.7	-51.7
31 December 2022	**650.1**	**483.4**	**166.7**
Changes in scope	15.2	12.3	3.0
Allocated intangible assets	50.3	-	50.3
Acquisitions	46.2	-	46.2
Disposals – Scrapping	-20.9	-20.9	-0.1
Other movements	0.2	-1.5	1.7
Translation adjustments	5.0	4.0	1.0
Net increase in amortisation and impairment	-	57.2	-57.2
31 DECEMBER 2023	**746.1**	**534.4**	**211.7**

In 2023, the Group identified €17.1 million and €23.1 million in new customer relationships following the acquisitions of CS Group and Tobania respectively. It also recognised €10.1 million in technologies in connection with the purchase of a majority stake in CS Group. These changes in scope are described in Note 2.1. The Group also recognised €3.6 million in impairment of Sopra Solutions' customer relationships, bringing their value to zero (see Note 8.1.2). In 2022, customer relationships totalling €7.9 million were recognised in respect of EVA Group following its acquisition.

Development expenditures for software and solutions (Banking, Human Resources and Property Management) totalling €22.6 million (€19.6 million in 2022) have been recognised under intangible assets for 2023, for a balance at 31 December 2023 with a net value of €38.4 million. They relate to the accelerating digitalisation of Sopra Banking Software's offering.

a. Assets acquired separately

These are software assets recorded at cost. They are amortised using the straight-line method over one to ten years, depending on their estimated useful lives.

b. Assets acquired in connection with business combinations

These are software assets, customer relationships, brands and distributor relationships measured at fair value as part of a purchase price allocation for entities acquired in business combinations. They are amortised using the straight-line method over three to fifteen years, depending on their estimated useful lives. Acquired brands whose useful lives cannot be estimated are not amortised.

c. Internally generated assets

Pursuant to IAS 38 *Intangible Assets*:

- research and development costs are expensed in the financial year in which they are incurred;
- software development costs are capitalised if all of the following can be demonstrated:
  - technical feasibility of completing the intangible asset for use or sale,
  - intent to complete the intangible asset and use or sell it,
  - ability to use or sell the intangible asset,
  - generation of probable future economic benefits,
  - availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset,
  - ability to reliably measure the expenditure attributable to the intangible asset during its development.

8.3. Property, plant and equipment

(in millions of euros)	Land and buildings	Fixtures and fittings, furniture and sundry equipment	IT equipment	Total
Gross value				
31 December 2021	**48.1**	**267.2**	**178.0**	**493.4**
Changes in scope	-	0.1	0.1	0.2
Acquisitions	5.2	32.0	19.4	56.5
Disposals – Scrapping	-2.2	-11.9	-26.7	-40.9
Other movements	0.5	-0.6	-0.1	-0.2
Translation adjustments	-1.2	-2.0	-3.5	-6.6
31 December 2022	**50.4**	**284.8**	**167.1**	**502.4**
Changes in scope	7.3	24.5	19.5	51.4
Acquisitions	1.5	34.8	17.7	54.0
Disposals – Scrapping	-16.0	-14.0	-7.7	-37.7
Other movements	-0.7	-0.7	1.6	0.1
Translation adjustments	-	0.1	0.1	0.3
31 DECEMBER 2023	**42.5**	**329.6**	**198.3**	**570.4**
Depreciation				
31 December 2021	**29.4**	**188.0**	**146.3**	**363.8**
Changes in scope	-	0.1	0.1	0.1
Charges	3.2	19.3	17.3	39.8
Disposals – Scrapping	-1.5	-11.0	-26.6	-39.1
Other movements	0.2	0.6	-0.1	0.7
Translation adjustments	-0.7	-1.1	-2.6	-4.4
31 December 2022	**30.5**	**195.9**	**134.4**	**360.9**
Changes in scope	3.6	16.8	15.5	35.9
Charges	3.0	22.6	17.6	43.2
Disposals – Scrapping	-7.1	-20.1	-7.6	-34.7
Other movements	0.1	-0.3	0.2	0.1
Translation adjustments	-0.0	0.1	0.4	0.5
31 DECEMBER 2023	**30.2**	**215.0**	**160.5**	**405.8**
Net value				
31 December 2022	**19.9**	**88.9**	**32.7**	**141.5**
31 DECEMBER 2023	**12.3**	**114.5**	**37.8**	**164.6**

The Group’s investments in property, plant and equipment (€54.0 million) mainly consisted of €36.3 million for fixtures and fittings and office equipment in France and abroad and €17.7 million for IT equipment.

Property, plant and equipment essentially consists of land and buildings, fixtures and fittings, office furniture and equipment, and IT equipment.

Property, plant and equipment is measured at acquisition cost (excluding any borrowing costs) less accumulated depreciation and any impairment losses. No amounts have been remeasured.

Depreciation is calculated using the straight-line method over the expected useful lives of each of the following fixed asset categories:

- buildings: 25 to 30 years;
- fixtures and fittings: 4 to 10 years;
- IT hardware and equipment: 3 to 8 years;
- vehicles: 4 to 5 years;
- office furniture and equipment: 4 to 10 years.

Depreciation is applied against assets’ acquisition cost after deducting any residual value. Assets’ residual values and expected useful lives are reviewed at each balance sheet date.

NOTE 9 LEASES

9.1. Right-of-use assets by category of leased assets

(in millions of euros)	Premises	Vehicles	IT equipment	Other property, plant and equipment	Total
Gross value					
31 December 2021	**665.3**	**36.3**	**28.1**	**4.6**	**734.3**
Changes in scope	-	-	-	-	-
Acquisitions	97.3	8.7	11.2	0.2	117.4
Disposals – Scrapping	-108.5	-6.9	-10.2	-0.1	-125.8
Other movements	-0.8	0.5	-	-	-0.3
Translation adjustments	3.2	-0.9	-4.7	-0.2	-2.6
31 December 2022	**656.5**	**37.7**	**24.3**	**4.5**	**723.0**
Changes in scope	60.8	38.8	-	0.7	100.3
Acquisitions	132.9	23.7	5.9	0.1	162.7
Disposals – Scrapping	-74.8	-12.4	-0.7	-0.8	-88.7
Other movements	-0.3	0.2	-	-0.3	-0.3
Translation adjustments	2.8	0.2	-	0.1	3.1
31 DECEMBER 2023	**777.9**	**88.4**	**29.5**	**4.3**	**900.1**
Depreciation and impairment					
31 December 2021	**346.5**	**21.5**	**20.0**	**3.2**	**391.2**
Changes in scope	-	-	-	-	-
Charges	80.8	9.7	5.0	0.7	96.2
Disposals – Scrapping	-100.9	-6.6	-9.2	-0.1	-116.8
Other movements	-1.1	-0.4	-	-0.0	-1.6
Translation adjustments	-0.2	-0.8	-4.7	-0.2	-6.0
31 December 2022	**325.1**	**23.3**	**11.1**	**3.6**	**363.1**
Changes in scope	28.7	20.3	-	0.5	49.4
Charges	86.1	14.8	5.7	0.5	107.1
Disposals – Scrapping	-62.6	-12.3	-0.7	-0.8	-76.3
Other movements	-0.2	-0.2	-	-0.3	-0.7
Translation adjustments	0.4	0.1	-0.0	0.1	0.5
31 DECEMBER 2023	**377.3**	**45.9**	**16.1**	**3.6**	**443.0**
Net value					
31 December 2022	**331.4**	**14.4**	**13.1**	**0.9**	**359.9**
31 DECEMBER 2023	**400.6**	**42.5**	**13.4**	**0.7**	**457.1**

The increase in right-of-use assets in 2023 chiefly reflects new buildings leased in Norway and France, together with the impact of lease extensions, increased leasing charges and leases linked to the companies acquired.

Leases

Leases are recognised in the balance sheet at the lease commencement date, which corresponds to the date at which the lessor makes the underlying asset available to the lessee, and results in the recognition of a balance sheet asset within *Right-of-use assets* and a liability within *Lease liabilities*. The value of lease liabilities corresponds to the present value of minimum future payments, discounted over the lease term using either the interest rate implicit in the lease or otherwise the incremental borrowing rate of the entity leasing the asset. The lease term chiefly reflects the non-cancellable period of the lease. The Group may adjust it, where it considers this to be reasonable, to reflect the period of a renewal or an extension option, which could be exercised, or an early termination option, which could be invoked where the corresponding penalties (contractual penalties and economic costs of doing so) would be more than negligible.

At the lease commencement date, the value of the right-of-use asset recognised in the balance sheet corresponds to the lease liability adjusted for any initial direct costs incurred in obtaining the lease, prepaid lease payments, incentives received from the lessor at that date, or costs to be incurred by the lessee in dismantling and removing the underlying asset.

Minimum future payments include fixed lease payments, variable lease payments that depend on an index or a rate, residual value guarantees, the exercise price of a purchase option, and termination or non-renewal penalties if the Group is reasonably certain to exercise or not exercise these options. Some of these values may change over the term of the lease, in which case the values of lease liabilities and right-of-use assets are revised upward or downward. They do not include any service components that may be included in the lease, which continue to be recognised as expenses.

In the balance sheet, *Lease liabilities* are split out into non-current and current portions. *Right-of-use assets* are amortised on a straight-line basis over the lease term or the useful life of the underlying asset if the lease transfers ownership of the asset to the lessee, or if the lessee is reasonably certain of exercising a purchase option. In the income statement, these amortisation expenses are included within *Depreciation, amortisation, provisions and impairment* under *Operating profit on business activity.* The *Net interest expense on lease liabilities* is split out from the line item *Other financial income and expenses.*

Finally, as an exception, short-term leases (lease term of 12 months or less) and leases of low-value assets (individual value less than 5,000 USD) are directly recognised as expenses and are therefore not restated in the balance sheet. Variable lease payments are also recognised as expenses according to the use or revenue generated by the use of the underlying asset.

9.2. Breakdown of lease liabilities by maturity

				Breakdown of non-current portion				
(in millions of euros)	Carrying amount	Current	Non-current	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
LEASE LIABILITIES	**503.0**	**110.0**	**392.9**	**148.9**	**61.5**	**49.0**	**35.9**	**97.6**

NOTE 10 EQUITY-ACCOUNTED INVESTMENTS

10.1. Net profitfrom associates

(in millions of euros)	31/12/2023	% held at 31/12/2023	31/12/2022	% held at 31/12/2022
Share of net profit of Axway Software	11.5	31.96%	-12.8	31.96%
Share of net profit of Holocare	-2.5	66.67%	-1.3	66.67%
Share of net profit of Celescan	-2.2	50.00%	-0.6	50.00%
TOTAL	**6.7**		**-14.7**	

10.2. Carrying amount of investments in associates

The carrying amount of investments in associates consisted mainly of the value of Axway Software shares. This latter changed as follows:

(in millions of euros)	Gross value	Impairment	Carrying amount
31 December 2021	**195.9**	**-**	**195.9**
Changes in scope	-	-	-
Reversal of impairment	-	-	-
Share capital transactions	-	-	-
Dividends paid	-2.7	-	-2.7
Net profit	-12.8	-	-12.8
Translation adjustments	4.6	-	4.6
Changes in shareholding	-	-	-
Disposal	-	-	-
Other movements	-3.3	-	-3.3
31 December 2022	**181.7**	**-**	**181.7**
Changes in scope	-	-	-
Reversal of impairment	-	-	-
Share capital transactions	-	-	-
Dividends paid	-2.7	-	-2.7
Net profit	11.4	-	11.4
Translation adjustments	-2.3	-	-2.3
Changes in shareholding	-	-	-
Disposal	-	-	-
Other movements	-0.6	-	-0.6
31 DECEMBER 2023	**187.6**	**-**	**187.6**

At 31 December 2023, Sopra Steria Group held a 31.96% stake in Axway Software, as at 31 December 2022. This stake does not give the Group a controlling interest in this subsidiary and does not allow it to involve itself in the running of business or influence variable returns from this subsidiary. As such, the Group exerts a significant influence and reviews this situation each financial year. In 2023, no events or developments occurred that changed this situation.

Their recoverable amount is estimated as follows:

(in millions of euros)	31/12/2023	31/12/2022
Market value (Category 1) (*)	182.5	115.1
Market value less costs to sell	178.9	112.8
Value in use	207.3	200.3
DCF calculation parameters:		
■ Discount rate	10.0%	9.4%
■ Perpetual growth rate	1.8%	1.8%
RECOVERABLE AMOUNT	**207.3**	**200.3**

(*) Since Axway Software's shares are listed, their fair (market) value less costs of disposal is equal to market price less costs to sell, which constitutes the Level 1 fair value under IFRS.

Their value in use – the higher of the two values used to determine the recoverable amount – supports the carrying amount of the equity-accounted Axway Software shares at 31 December 2023.

The Group tested 0.5-point changes in its assumptions, all other things being equal. Based on this test, neither a 0.5-point increase in the discount rate, nor a 0.5-point decrease in the perpetual growth rate, nor the combination of these two factors would lead to an impairment loss.

SUMMARY FINANCIAL INFORMATION RELATING TO THE AXWAY SOFTWARE GROUP

(in millions of euros)	31/12/2023	31/12/2022
Non-current assets	367.6	374.0
Current assets	234.8	197.1
Equity	346.3	327.8
Non-current liabilities excluding equity	124.2	119.8
Current liabilities	131.9	123.5
Revenue	319.0	314.0
Net profit	35.8	-40.0

Recognition and impairment of investments in associates

Investments in associates are initially recognised at acquisition cost, and their value is then adjusted to reflect changes in the Group's share of their net assets. The remainder of this share appears under *Equity-accounted investments* on the asset side of the balance sheet. Its change over the financial year is recognised in profit or loss within *Net profit from associates*.

Equity-accounted shares in a company constitute a single asset and must be tested for impairment in accordance with IAS 36 *Impairment of Assets*.

Goodwill on associates is included in the value of equity-accounted investments, the value of which is measured inclusive of goodwill. As such, goodwill on associates must not be tested for impairment separately.

At each balance sheet date, where there is an indication of impairment of an investment in an associate, the parent company must carry out an impairment test consisting of comparing the carrying amount of the relevant equity-accounted investment with its recoverable amount.

Under IAS 36, the recoverable amount of an investment in an associate is the higher of its value in use, calculated on the basis of future cash flows, and the fair value of the investment less costs of disposal. Where an associate's shares are listed, fair value less costs of disposal is equal to market price less costs to sell: in the absence of any firm sale agreement, this is the price at which the shares are currently trading.

Any impairment losses are charged to profit or loss as *Other operating income and expenses.*

Where there is an improvement in the recoverable amount of an equity-accounted investment such that the impairment loss may be written back, the full amount of the impairment loss, including the portion relating to goodwill, must be written back.

NOTE 11 PROVISIONS AND CONTINGENT LIABILITIES

11.1. Current and non-current provisions

(in millions of euros)	01/01/2023	Changes in scope	Charges	Reversals (used)	Reversals (not used)	Other	Translation adjustments	31/12/2023	Non-current portion	Current portion
Disputes	9.8	2.4	5.9	-2.6	-3.7	-0.8	-	11.1	8.6	2.5
Losses on contracts	11.7	5.1	7.9	-8.0	-	18.7	0.2	35.6	8.9	26.7
Tax risks other than income tax	19.8	2.8	3.7	-5.6	-0.4	-	-	20.3	20.2	0.1
Restructuring	3.9	1.3	1.0	-3.0	-0.0	0.1	-0.0	3.2	1.2	2.1
Cost of renovating premises	16.1	1.3	2.4	-2.9	-0.2	-1.1	0.2	15.8	8.7	7.2
Other contingencies	37.2	4.1	27.9	-13.5	-8.8	-19.9	0.2	27.2	11.9	15.3
TOTAL	**98.5**	**17.1**	**48.8**	**-35.6**	**-13.2**	**-3.0**	**0.6**	**113.3**	**59.4**	**53.9**

Provisions for disputes mainly cover disputes before employment tribunals and end-of-contract bonuses for employees (€4.7 million at 31 December 2023, versus €2.9 million at 31 December 2022). The remainder corresponds to customer disputes, primarily in France, for €4.7 million and with Sopra Banking Software for €1.7 million.

Provisions for tax risks other than income tax mainly concern risks relating to the R&D tax credit in France.

Provisions for restructuring correspond to the cost of one-off restructuring measures, mainly in Germany (€1.1 million) and France (€2.1 million).

Other provisions for contingencies mainly cover risks relating to clients and projects (€14.6 million, including €8.2 million in the United Kingdom, and €5.3 million in Germany), contractual risks (€4.7 million) and employee-related risks (€3.2 million).

Present obligations resulting from past events involving third parties are recognised in provisions only when it is probable that such obligations will give rise to an outflow of resources to third parties without consideration from said parties that is at least equivalent, and if the outflow of resources can be reliably measured.

Since provisions are estimated based on future risks and expenses, such amounts include an element of uncertainty and may be adjusted in subsequent periods. The impact of discounting provisions is taken into account if significant.

In the specific case of restructuring, an obligation is recognised as soon as the restructuring has been publicly announced and a detailed plan presented or the plan implementation has commenced. This cost mainly corresponds to severance payments, early retirement, costs related to notice periods not worked, training costs for departing employees and other costs relating to site closures. A provision is recognised for the rent and related costs to be paid, net of estimated subleasing income, in respect of any property if the asset is subleased or vacant and is not intended to be used in connection with main activities.

Scrapped assets and impairment of inventories and other assets directly related to the restructuring measures are also recognised in restructuring costs.

11.2. Contingent liabilities

The contingent liabilities recognised arose as a result of the Sopra-Steria business combination in 2014.

At 31 December 2023, they totalled €6.0 million after tax, corresponding to tax and contractual risks in India.

To the extent that a liability is not probable or may not be reliably estimated, a contingent liability is disclosed by the Group among its commitments given. By exception, in connection with business combinations, the Group may recognise a contingent liability on the balance sheet if it results from a present obligation arising from past events and its fair value can be reliably estimated, even where it is not probable that an outflow of resources will be necessary to extinguish the obligation.

NOTE 12 FINANCING AND FINANCIAL RISK MANAGEMENT

12.1. Financial income and expenses

12.1.1. Cost of net financial debt

(in millions of euros)	Financial year 2023	Financial year 2022
Interest income	6.5	1.3
Income from cash and cash equivalents	**6.6**	**1.3**
Interest expenses	-29.2	-10.2
Gains and losses on hedges of gross financial debt	3.1	0.3
Cost of gross financial debt	**-26.1**	**-9.9**
COST OF NET FINANCIAL DEBT	**-19.5**	**-8.7**

The €19.0 million increase in interest expenses reflects the €357 million rise in average debt (€889 million in 2023, up from €533 million in 2022) and the higher interest rates during 2023. Interest hedging kept the increase in the cost of gross financial debt down to €16.2 million. The average cost of borrowing after hedging was 2.94% in 2023 (1.87% in 2022).

12.1.2. Other financial income and expenses

(in millions of euros)	Financial year 2023	Financial year 2022
Foreign exchange gains and losses	**-1.3**	**-0.8**
Other financial income	**2.0**	**1.7**
Net interest expense on lease liabilities	-11.4	-6.4
Net interest expense on retirement benefit obligations	-1.9	-0.1
Expense on unwinding of discounted non-current liabilities	-1.3	-0.8
Change in the value of derivatives	0.1	2.0
Gain or loss on disposal of financial assets	-0.0	0.2
Other financial expenses	-2.5	-1.6
Total other financial expenses	**-17.0**	**-6.6**
TOTAL OTHER FINANCIAL INCOME AND EXPENSES	**-16.3**	**-5.7**

The higher interest expenses on lease liabilities chiefly reflect the Group's larger property portfolio and also a larger vehicle fleet as a result of the business combinations that took place during the financial year. The overall increase in the discount rates largely accounts for the increase in the interest expense on post-employment benefits paid out under defined-benefit plans.

12.2. Cash and cash equivalents

(in millions of euros)	31/12/2023	31/12/2022
Cash equivalents	24.9	13.5
Cash	166.8	342.4
Cash and cash equivalents	**191.7**	**355.9**
Current bank overdrafts	-0.2	0.3
NET CASH IN THE CASH FLOW STATEMENT	**191.5**	**356.2**

Net cash and cash equivalents include available liquid funds (cash at bank and in hand), liquid marketable securities that meet the definition of cash equivalents, bills of exchange presented for collection and falling due before the balance sheet date, and temporary bank overdrafts.

Net debt, as presented in Note 12.3, is more representative of the Group's financial position.

Marketable securities and other short-term investments include money-market holdings, short-term deposits and advances under the liquidity agreement. The risk of a change in value on these investments is negligible.

Of the €191.7 million in cash and cash equivalents (excluding current bank overdrafts) at 31 December 2023, €95.0 million was held by the parent company and €96.6 million by the subsidiaries. Among the subsidiaries, entities in India contributed €25.5 million to net cash and cash equivalents at 31 December 2023 (versus €15.5 million at 31 December 2022).

Cash and cash equivalents comprise cash, bank demand deposits, other highly liquid investments with maturities not exceeding three months, and bank overdrafts. Bank overdrafts are included in current liabilities as part of *Financial debt – Short-term portion.*

Cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash, and that are subject to an insignificant risk of changes in value, with the exception of foreign exchange impacts.

UCITS classified by the AMF (France's financial markets regulator) as belonging to the "money market fund" and "short-term money market fund" categories are, for practical purposes, presumed to automatically meet all four quoted eligibility criteria. Other cash UCITS cannot be presumed to be eligible for classification as "cash equivalents": an analysis must be carried out to establish whether or not the four quoted criteria are met.

Cash equivalents are recognised at fair value; changes in fair value are charged to profit or loss under *Cost of net financial debt*.

12.3. Financial debt – Net financial debt

(in millions of euros)	Current	Non-current	31/12/2023	31/12/2022
Bonds	2.3	249.7	252.0	251.9
Bank borrowings	133.0	347.0	479.9	56.7
Other sundry financial debt	382.8	22.8	405.5	199.6
Current bank overdrafts	0.2	-	0.2	-0.3
Financial debt	**518.2**	**619.5**	**1,137.7**	**507.9**
Cash equivalents	-24.9	-	-24.9	-13.5
Cash	-166.8	-	-166.8	-342.4
NET FINANCIAL DEBT	**326.6**	**619.5**	**946.0**	**152.0**

Financial debt essentially comprises the following:

- bond debt and bank borrowings, initially recognised at fair value net of transaction costs incurred. Borrowings are subsequently recognised at amortised cost; any difference between the capital amounts borrowed (net of transaction costs) and the amounts repayable is recognised in profit or loss over the duration of the borrowings using the effective interest method;
- NEU CP short-term negotiable securities, which have a maturity of less than 12 months and are recognised at amortised cost;
- NEU MTN medium-term negotiable securities, which have maturities spread over one to five years from issuance, and are recognised at amortised cost;
- current bank overdrafts.

Financial debt repayable within 12 months of the balance sheet date is classified as current liabilities.

12.3.1. Bonds

On 5 July 2019, the Group issued a €250 million bond to top-ranking institutional investors. The bond has two tranches: a 7-year €130 million bond with a fixed annual coupon of 1.749%, and an 8-year €120 million tranche with a fixed annual coupon of 2.0%.

12.3.2. Bank borrowings

On 22 February 2022, the Group signed an agreement with its partner banks consisting of a €1,100 million non-amortising multi-currency credit facility tied to the achievement of environmental goals. Its ESG component does not constitute an embedded derivative. It is based on achieving a greenhouse gas emissions reduction aligned with a 1.5°C temperature increase scenario validated by SBTi for Scope 1 and 2 emissions, and part of Scope 3. The target is to achieve a 68% reduction in greenhouse gas emissions per employee by 2028 relative to a 2015 baseline It is measured for each financial year and, if the target is met, will result in a 0.04 % reduction per year in the applicable margin. In addition, the Company undertakes to pay an annual contribution of 0.04% of the margin applicable to sustainable projects, irrespective of the extent to which it reaches the target.

This agreement, with an initial term of five years, included two options to extend the expiry date by one year. The first option of requesting an extension was exercised in late 2022 and received the unanimous agreement of all lenders in February 2023. The second option of requesting an extension was exercised in late 2023 and received the unanimous agreement of all lenders, setting the expiry date of this credit facility at 22 February 2029. At end-December 2023, this credit facility was undrawn.

On 19 December 2023, the Group signed a contract with the same partner banks for a bank credit facility, drawn in the amount of €400 million, with a term of five years, comprised of a €280 million amortising tranche and a €120 million non-amortising tranche. This bank credit facility does not include an ESG component.

The Group also has several non-amortising bilateral bank facilities: some drawn to €67 million and others undrawn for €75 million, maturing from 2024 to 2028.

12.3.3. Other financial debt

In 2015, the Group arranged an unrated multi-currency NEU CP programme of short-term negotiable securities that was not underwritten, in a maximum amount of €700 million. This programme is presented in documentation available on the Banque de France website, which was last updated in July 2023. The Group actively issued securities in 2023 and the average amount outstanding under the NEU CP programme grew, totalling €392.7 million in 2023, compared with €133.9 million in 2022. The outstanding amount under the NEU CP programme at 31 December 2023 was €366.0 million (€125.0 million at 31 December 2022), including floating-rate NEU CP amounting to €252.5 million and fixed-rate NEU CP amounting to €113.5 million. The NEU CPs are included in *Other sundry financial debt.*

In December 2017, the Group arranged an NEU MTN programme of medium-term negotiable securities that was not underwritten, with a maximum amount of €300 million. As was the case for the earlier NEU CP programme, the NEU MTN programme is presented in documentation available on the Banque de France website, which was updated in July 2023. The NEU MTN programme pays fixed or floating rates, with a spread at each issue date. Maturities range from one to five years.

At 31 December 2023, the outstanding amount under the NEU MTN programme was €10.0 million, maturing in January 2024 (€70.0 million at 31 December 2022). The net decrease in the amount of NEU MTN over the financial year corresponded to €60 million in matured securities, which were renewed in the form of NEU CP. The NEU MTNs are included in *Other sundry financial debt.*

During 2023, the financial debt of the acquired entities was repaid, except for the CS Group-specific financing, which stood at €23.1 million at 31 December and €12.8 million in financing for an R&D tax credit receivable.

12.4. Derivatives reported in the balance sheet

	31/12/2023		Breakdown by class of financial instrument					
(in millions of euros)	Carrying amount	Fair value	Assets and liabilities at fair value through profit or loss	Financial assets at fair value through OCI	Loans, receivables and other debt	Financial liabilities at amortised cost	Derivatives	Other items not considered as financial instruments
Non-current financial assets	73.8	73.8	-	26.8	42.7	-	4.4	-
Trade receivables and related accounts	1,372.4	1,372.4	-	-	1,372.4	-	-	-
Other current assets	515.5	515.5	-	-	382.4	-	7.2	125.9
Cash and cash equivalents	191.7	191.7	191.7	-	-	-	-	-
FINANCIAL ASSETS	**2,153.5**	**2,153.5**	**191.7**	**26.8**	**1,797.5**	**-**	**11.6**	**125.9**
Financial debt – Long-term portion	619.5	619.5	-	-	-	619.5	-	-
Other non-current liabilities	21.6	21.6	-	-	13.3	-	8.3	-
Financial debt – Short-term portion	518.2	518.2	-	-	-	518.2	-	-
Trade payables and related accounts	354.5	354.5	-	-	354.5	-	-	-
Other current liabilities	1,699.2	1,699.2	-	-	1,564.6	-	4.0	130.6
FINANCIAL LIABILITIES	**3,213.0**	**3,213.0**	**-**	**-**	**1,932.4**	**1,137.7**	**12.3**	**130.6**

Items measured at fair value through profit or loss, and derivative hedging instruments, are valued by reference to quoted interbank interest rates and to foreign exchange rates set daily by the European Central Bank. All financial instruments in this category are financial assets and liabilities classified as such upon first recognition.

Financial debt is recognised at amortised cost using the effective interest rate. Hedging instruments may be put in place to hedge against fluctuations in interest rates by swapping part of the Group's floating-rate debt for fixed-rate debt.

The Group has entered into and continues to implement transactions designed to hedge its exposure to foreign exchange risk through the use of derivatives, including exchange-traded futures and options as well as over-the-counter instruments with top-tier counterparties, as part of its overall risk management policy and due to the substantial scale of its production activities in India, Poland and Tunisia.

Derivatives are recognised at fair value in the consolidated balance sheet.

Changes in the fair value of derivatives not qualifying for hedge accounting are recognised directly in profit or loss for the period.

Income tax receivables and payables are not financial instruments.

The profit and loss impact of these financial instruments is as follows:

	31/12/2023	Breakdown by category of instrument				
(in millions of euros)	**Profit or loss impact**	**Fair value through profit or loss**	**Financial assets at fair value through OCI**	**Loans, receivables and other debt**	**Liabilities at amortised cost**	**Derivatives**
Total interest income	6.5	-	6.5	-	-	-
Total interest expense	-29.2	-	-	-	-29.2	-
Remeasurement	3.1	-	-	-	-	3.1
NET GAINS OR LOSSES	**-19.7**	**-**	**6.5**	**-**	**-29.2**	**3.1**

The Group uses derivatives such as currency forwards, swaps and options to hedge its exposure to interest rate risk and fluctuations in foreign currencies. Derivatives are recognised at fair value.

Any gains or losses resulting from fair value movements in derivatives not designated as hedging instruments are recognised directly in profit or loss as *Other financial income and expenses.*

The fair value of currency forwards is calculated by reference to current rates for contracts with similar maturity profiles. The fair value of interest rate swaps is determined by reference to the market value of similar instruments.

For hedge accounting purposes, hedges are classified as either:

- fair value hedges, which hedge exposure to changes in the fair value of a recognised asset or liability or a firm commitment (except foreign exchange risk);
- cash flow hedges, which hedge exposure to fluctuations in cash flows attributable either to a specific risk associated with a recognised asset or liability or a highly probable future transaction or foreign exchange risk on a firm commitment;
- hedges of a net investment in a foreign operation.

Hedging instruments that satisfy hedge accounting criteria are recognised as follows:

a. Fair value hedges

Changes in the fair value of a derivative designated as a fair value hedge are recognised in profit or loss (*Other current operating income and expenses* or *Other financial income and expenses* according to the type of hedged item). The ineffective portion of the hedges is recognised in profit or loss as part of *Other financial income* or *Other financial expenses*, either over the term of the instrument for financial hedges, or at the date of the hedged purchase or sale for hedges of commercial risk. Fair value gains and losses on the hedged item attributable to the hedged risk adjust the carrying amount of the hedged item and are also recognised in profit or loss.

b. Cash flow hedges

The gain or loss corresponding to the effective portion of the hedging instrument is recognised directly in equity, while the ineffective portion is taken to profit or loss, in *Other financial income and expenses.*

Gains and losses recognised directly in equity are released to profit or loss under *Other comprehensive income* in the period during which the hedged transaction impacts profit or loss.

If the Group does not expect the realisation of the forecast transaction or commitment, the gains and losses previously recognised directly in equity will be released to profit or loss. If the hedging instrument matures, is sold, cancelled or exercised and is not replaced or renewed or if its designation as a hedging instrument is revoked, amounts previously recognised in equity will be held in equity until realisation of the forecast transaction or firm commitment.

c. Hedges of a net investment

Hedges of a net investment in a foreign operation, including hedges of monetary items recognised as part of a net investment, are recognised in *Other comprehensive income.*

The gain or loss corresponding to the effective portion of the hedging instrument is recognised directly in equity, while the ineffective portion is taken to profit or loss.

On the disposal of the foreign operation, cumulative gains and losses recognised directly in equity are released to profit or loss.

12.5. Financial risk management

12.5.1. Liquidity risk

The Group's policy is to have credit facilities at its disposal that are much larger than its needs and to manage cash centrally at Group level where permitted by local law. Moreover, subsidiaries' cash surpluses or borrowing requirements are managed centrally, being invested or met by the Sopra Steria Group parent company, which carries the bulk of the Group's borrowings and bank credit facilities.

As part of its efforts to diversify its borrowings, the Group launched a €300 million NEU MTN programme in December 2017 to supplement its €700 million NEU CP programme launched in 2015. In 2023, €60 million in NEU MTN matured securities were refinanced in the form of NEU CP with fixed or floating rates.

During 2023, external growth transactions prompted the Group to increase its issues of NEU CP in a market environment that saw higher rates from the European Central Bank and increased demand from investors for floating-rate NEU CP. In December 2023, the Group arranged a bank credit facility, drawn in the amount of €400 million, and the outstanding amount under the NEU CP programme was €366 million at 31 December 2023 (€125 million in December 2022).

Separately, an additional €32 million in bilateral credit facilities were arranged in 2023, lifting the total amount of bilateral credit facilities to €142 million, with maturity dates ranging between 2024 and 2028. At 31 December 2023, bilateral credit facilities were drawn down in the amount of €67 million.

At 31 December 2023, the Group had credit facilities totalling €2,099 million, 36% of which was drawn down.

Undrawn available credit lines amounted to €1,346 million (€1,100 million in RCFs and €75 million in bilateral credit facilities), in addition to undrawn overdraft facilities for €171 million. Aside from the syndicated loan, bilateral credit facilities and bonds, the Group's financing essentially consists of issues under NEU CP (short-term commercial paper) and NEU MTN programmes. These financing sources break down as shown below:

	Amount authorised at 31/12/2023		Drawdown at 31/12/2023				
	€m	£m	€m	£m	Drawdown	Repayment terms	Interest rate at 31/12/2023
Available credit facilities							
Bond	250.0	-	250.0	-	100.0%	At maturity €130m 07/2026 €120m 07/2027	1.87%
Syndicated loan							
Multi-currency revolving credit facility	1,100.0		-	-	0%	02/2029 *	
Bank borrowings	400.0		400.0	-	100.0%	Amortising tranche of €280m & tranche due at maturity of €120m, maturing 12/2028	5.27%
Bilateral credit facilities	142.0		67.0		47.2%	2024 to 2028	0.98%
Other	35.8	-	35.8	-	100.0%	2024 to 2026	3.00%
Overdraft	171.5	-	-			N/A	
Total credit facilities authorised per currency	**2,099.3**	**-**	**752.9**	**-**			
TOTAL CREDIT FACILITIES AUTHORISED (€ EQUIVALENT)	**2,099.3**		**752.9**		**35.9%**		**3.65%**
Other types of financing used							
NEU CP & NEU MTN			376.0			2024	3.50%
Other			8.8			2027	
Total financing per currency			**1,137.7**	**-**			
TOTAL FINANCING (€ EQUIVALENT)			**1,137.7**				**3.58%**

* *The two one-year extension options were exercised and unanimously approved by lenders in February 2023 and December 2023.*

Interest rates payable on the syndicated loan equal the interbank rate of the currency concerned at the time of drawdown (minimum 0%), plus a margin set for a period of six months based on the leverage ratio.

The €250 million bond issued on 5 July 2019 has an effective interest rate of 1.749% for the €130 million tranche and 2% for the €120 million tranche.

The bond issue is subject to terms and conditions, which include financial covenants.

Two financial ratios are calculated every six months using the consolidated financial statements on a 12-month rolling basis:

- the first – known as the leverage ratio – is equal to net financial debt divided by pro forma EBITDA;
- the second – known as the interest coverage ratio – is equal to pro forma EBITDA divided by the cost of net financial debt.

The first financial ratio must not exceed 3.0 at any reporting date. The second ratio must not fall below 5.0.

Net financial debt is defined on a consolidated basis as all loans and related borrowings (excluding intercompany liabilities and lease liabilities), less available cash and cash equivalents.

Pro forma EBITDA is *Consolidated operating profit on business activity* adding back depreciation, amortisation and provisions included in *Operating profit on business activity* before the impact of IFRS 16 *Leases* (see Note 1.6.1). It is calculated on a 12-month rolling basis and is therefore restated so as to be presented in the financial statements at constant scope over 12 months.

At 31 December 2023, the net financial debt/pro forma EBITDA ratio covenant was met, with the ratio coming in at 1.5 compared with a covenant of 3.0. It is calculated as follows:

(in millions of euros)	31/12/2023	31/12/2022
Short-term borrowings (<1 year)	518.2	187.7
Long-term borrowings (>1 year)	619.5	320.1
Cash and cash equivalents	-191.7	-355.9
Other financial guarantees	-	-
Net financial debt (including financial guarantees)	**946.0**	**152.0**
Pro forma EBITDA	**631.6**	**496.5**
NET FINANCIAL DEBT/PRO FORMA EBITDA RATIO	**1.50**	**0.31**

For the second ratio, pro forma EBITDA is as defined above and the cost of net financial debt is also calculated on a rolling 12-month basis.

At 31 December 2023, the "Pro forma EBITDA/Cost of net financial debt" covenant – requiring a ratio of at least 5.0 – was met, with the ratio coming in at 32.31. It is calculated as follows:

(in millions of euros)	31/12/2023	31/12/2022
Pro forma EBITDA	**631.6**	**496.5**
Cost of net financial debt	**19.5**	**8.7**
PRO FORMA EBITDA/COST OF NET FINANCIAL DEBT RATIO	**32.31**	**57.34**

The two syndicated loan facilities are subject to conditions including a single financial covenant: the leverage ratio, calculated in the same way as for the bond issue, on the basis of the consolidated financial statements, on a 12-month rolling basis, but only annually. At 31 December 2023, this covenant was met.

In addition to satisfying the financial ratio prerequisites described above, the Group's three main financing agreements also contain:

- certain performance requirements that are entirely customary for this type of financing;
- clauses relating to events of default such as payment default, inaccurate tax returns, cross-default, bankruptcy, or the occurrence of an event having a material adverse effect;
- clauses stipulating early repayment in full in the event that there is a change in control of the Company.

The bank loan agreement also stipulates a number of circumstances in which the loan must be repaid in advance, in full or in part as applicable, or renegotiated with the banks:

- early repayment if all or a substantial number of the Company's assets are sold;
- repayment using proceeds from asset disposals (beyond a specified threshold);
- renegotiation of the financing terms and conditions in the event of financial market disruption (i.e. market disruption clause). This clause is only applicable if a minimum number of banks are unable to obtain refinancing on the capital market at the date on which the financing is requested, given interest rate fluctuations. The purpose of this clause is to find a replacement rate.

At 31 December 2023, the maturity schedule for the Group's financial debt was as follows:

(in millions of euros)	Carrying amount	Total contractual flows	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
Bond	252.0	264.0	4.7	4.4	133.6	121.3	-	-
Bank borrowings	479.9	566.5	159.7	74.1	79.3	69.1	184.4	-
NEU CP & MTN	376.0	399.1	382.3	-	7.8	8.9	-	-
Other sundry financial debt	29.5	28.6	3.5	8.3	7.8	8.9	-	-
Current bank overdrafts	0.2	0.2	0.2	-	-	-	-	-
Financial debt	**1,137.7**	**1,258.5**	**550.4**	**86.8**	**228.5**	**208.3**	**184.4**	**-**
Cash equivalents	-24.9	-24.9	-24.9	-	-	-	-	-
Cash	-166.8	-166.8	-166.8	-	-	-	-	-
CONSOLIDATED NET FINANCIAL DEBT	**946.0**	**1,066.8**	**358.7**	**86.8**	**228.5**	**208.3**	**184.4**	**-**

At 31 December 2023, the Group's gross borrowings broke down as follows by type of debt and currency:

	Currency of origin			
(in millions of euros)	**Euro**	**Pound sterling**	**Other**	**Total**
Bond	252.0	-	-	252.0
Bank borrowings	320.3	-	-	320.3
Short-term bank borrowings (<1 year)	159.7	-	-	159.7
NEU CP (commercial paper) & MTN	376.0	-	-	376.0
Other sundry financial debt	29.5	-	-	29.5
Bank overdrafts (cash liabilities)	0.2	-	-	0.2
GROSS FINANCIAL DEBT	**1,137.7**	**-**	**-**	**1,137.7**

At 31 December 2023, the Group's portfolio of investment securities broke down as follows:

(in millions of euros)	**Short-term investments**	**Advances under the liquidity agreement**	**Total portfolio of investment securities**
Net asset value	24.9	5.4	30.3
NET POSITION	**24.9**	**5.4**	**30.3**

Short-term investments are managed by the Group's Finance Department, and comply with internally defined principles of prudence.

At constant exchange rates relative to 31 December 2023, and taking into account short-term investments held at that date, a 50-basis-point decrease in floating rates would reduce annual financial income by €0.2 million.

12.5.2. Bank counterparty risk

All foreign currency and interest rate hedges are put in place with leading banks belonging to the Group's banking syndicate, with which market transaction agreements have been signed.

The majority of the Group's financial investments relate to the Sopra Steria Group parent company and the subsidiaries in India. Financial investments are carried out either via short-term bank deposits with banks mainly belonging to the banking syndicate, or via money-market instruments managed by leading financial institutions, which are themselves subsidiaries of banks mainly belonging to the syndicate. These investments are subject to approval by the Group, and comply with internally defined principles of prudence.

Thanks to these various measures, the Group considers that it has implemented a system that significantly reduces its bank counterparty risk in the current economic context. However, the Group remains subject to a residual risk which may affect its performance under certain conditions.

12.5.3. Interest rate risk

The Group's aim is to protect itself against interest rate fluctuations by hedging part of its floating-rate debt and investing its cash over periods of less than three months.

The derivatives used to hedge the debt are interest rate swap contracts or options, which may or may not be eligible for hedge accounting.

The eligible counterparties for interest rate hedging and investments are leading financial institutions which belong to the Sopra Steria banking syndicate. These financial instruments are managed by the Group's Finance Department.

All of the Group's interest rate hedges have been put in place through the parent company (Sopra Steria Group).

Part of the Group's debt is fixed-rate and includes €250 million in Euro PP bonds maturing in 2026 and 2027 and the €60 million bilateral credit facility maturing in 2024. In early January 2024, the bilateral credit facility was extended for three years at a floating rate. The €400 million drawn bank credit facility set up in December 2023 is floating-rate. To hedge its floating-rate debt, the Group rounded out its portfolio in 2023 with interest rate hedges and has interest rate hedges maturing in 2024 and 2027, the details of which are set out below:

	Fair value 31/12/2023					Maturity		
(in millions of euros)	Non-current assets	Current assets	Non -current liabilities	Current liabilities	Notional amount	<1 year	1 to 5 years	>5 years
Swap (cash flow hedge) in euros	-	-	-	-	-	-	-	-
Swap (cash flow hedge) in foreign currency	-	-	-	-	-	-	-	-
Options eligible for hedge accounting in euros	3.5	2.0	4.4	0.1	400.0	100.0	300.0	-
Options eligible for hedge accounting in foreign currency	-	-	-	-	-	-	-	-
Swaps not eligible for hedge accounting in euros	-	-	-	-	-	-	-	-
Options not eligible for hedge accounting in euros	-	-	-	-	-	-	-	-
TOTAL INTEREST RATE HEDGES	**3.5**	**2.0**	**4.4**	**0.1**	**400.0**	**100.0**	**300.0**	**-**

The remeasurement of these financial instruments in equity is recognised in *Other comprehensive income.*

The remeasurement of these financial instruments in profit or loss is recognised in *Other financial income and expenses*.

The profit or loss and equity impacts of the Group's interest rate hedging instruments are as follows:

	Balance sheet amounts					Changes in fair value			
							Profit or loss impact		
(in millions of euros)	31/12/2022	Changes in fair value	Changes in scope	Other changes	31/12/2023	Equity impact	Ineffective portion of cash flow hedges	Fair value hedges	Trading
Swap (cash flow hedge) in euros	-	-	-	-	-	-	-	-	-
Swap (cash flow hedge) in foreign currency	-	-	-	-	-	-	-	-	-
Options eligible for hedge accounting in euros	5.7	-4.7	-	-	1.0	-4.5	-0.2	-	-
Options eligible for hedge accounting in foreign currency	-	-	-	-	-	-	-	-	-
Swaps not eligible for hedge accounting in euros	-	-	-	-	-	-	-	-	-
Options not eligible for hedge accounting in foreign currency	-	-	-	-	-	-	-	-	-
TOTAL PRE-TAX IMPACT	**5.7**	**-4.7**	**-**	**-**	**1.0**	**-4.5**	**-0.2**	**-**	**-**

The sensitivity of the interest rate derivatives portfolio to a plus or minus 50-basis-point change in the euro yield curves at 31 December 2023 is as follows:

	-50 bp		+50 bp	
(in millions of euros)	Equity impact	P&L impact (hedge ineffectiveness)	Equity impact	P&L impact (hedge ineffectiveness)
Swaps (cash flow hedge) in euros	-	-	-	-
Swaps (cash flow hedge) in foreign currency	-	-	-	-
Swaps not eligible for hedge accounting	-	-	-	-
Options eligible for hedge accounting in euros	-2.6	0	2.7	-
Options eligible for hedge accounting in foreign currency	-	-	-	-
Options not eligible for hedge accounting in foreign currency	-	-	-	-
TOTAL	**-2.6**	**0**	**2.7**	**-**
Total impact	*-2.6*		*2.7*	

The total amount of gross borrowings subject to interest rate risk was €682.3 million. Interest rate hedges in force at 31 December 2023 reduced this exposure to €282.3 million.

The Group's residual exposure to interest rate risk is as follows:

(in millions of euros)	Rate	31/12/2023	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
Short-term investment securities	Fixed rate	-	-	-	-	-	-	-
	Floating rate	24.9	24.9	-	-	-	-	-
Cash and cash equivalents	Floating rate	166.8	166.8	-	-	-	-	-
	Fixed rate	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Floating rate	**191.7**	**191.7**	**-**	**-**	**-**	**-**	**-**
Financial assets	**Total financial assets**	**191.7**	**191.7**	**-**	**-**	**-**	**-**	**-**
Bonds	Fixed rate	-250.0	-	-	-130.0	-120.0	-	-
Bank borrowings	Fixed rate	-60.0	-60.0	-	-	-	-	-
	Floating rate	-407.0	-56.0	-56.0	-63.0	-56.0	-176.0	-
NEU CP (commercial paper) & MTN	Fixed rate	-113.5	-113.5	-	-	-	-	-
	Floating rate	-262.5	-262.5	-	-	-	-	-
Other financial debt	Fixed rate	-31.9	-13.5	-1.9	-7.6	-8.9	-	-
	Floating rate	-12.8	-12.8	-	-	-	-	-
Current bank overdrafts	Floating rate	-	-	-	-	-	-	-
	Fixed rate	**-455.4**	**-187.0**	**-1.9**	**-137.6**	**-128.9**	**-**	**-**
	Floating rate	**-682.3**	**-331.3**	**-56.0**	**-63.0**	**-56.0**	**-176.0**	**-**
Financial liabilities (gross exposure before hedging)	**Total financial liabilities**	**-1,137.7**	**-518.2**	**-57.9**	**-200.6**	**-184.9**	**-176.0**	**-**
	FIXED RATE	**-455.4**	**-187.0**	**-1.9**	**-137.6**	**-128.9**	**-**	**-**
NET EXPOSURE BEFORE HEDGING	**FLOATING RATE**	**-490.6**	**-139.6**	**-56.0**	**-63.0**	**-56.0**	**-176.0**	**-**
	Fixed-rate payer swaps in euros	-	-	-	-	-	-	-
	Fixed-rate payer swaps in foreign currency	-	-	-	-	-	-	-
Interest rate hedging instruments	Fixed-rate payer options	400.0	75.0	125.0	100.0	100.0	-	-
	FIXED RATE	**-855.4**	**-262.0**	**-126.9**	**-237.6**	**-228.9**	**-**	**-**
GROSS EXPOSURE AFTER HEDGING	**FLOATING RATE**	**-282.3**	**-256.3**	**69.0**	**37.0**	**44.0**	**-176.0**	**-**
	FIXED RATE	**-855.4**	**-262.0**	**-126.9**	**-237.6**	**-228.9**	**-**	**-**
NET EXPOSURE AFTER HEDGING	**FLOATING RATE**	**-90.6**	**-64.6**	**69.0**	**37.0**	**44.0**	**-176.0**	**-**

The fair value of interest rate hedging derivatives is measured using the following assumptions:

- Level 1: Quoted data: 0%;
- Level 2: Observable data: 100%;
- Level 3: Internal models: 0%.

12.5.4. Foreign exchange risk

The Group is subject to three main types of risks linked to fluctuations in exchange rates:

- translation risk in the various financial statements making up the Group's consolidated financial statements for business conducted in countries with a functional currency other than the euro;
- transaction risk linked to purchases and sales of services, where the transaction currency is different from that of the country in which the service is recognised;
- financial foreign exchange risk arising from the Group's foreign-currency borrowings (risk arising from changes in the value of the financial debt denominated in pounds sterling).

As part of its general risk management policy, the Group systematically hedges against foreign currency transaction risks that constitute material risks for the Group as a whole.

Centralised management of foreign currency transaction risk is in place with the Group's main entities (apart from India). Sopra Steria Group acts as the centralising entity, granting exchange rate guarantees to subsidiaries and, after netting internal exposures, hedges the residual exposure through the use of derivatives.

Foreign exchange risk hedging mainly relates to transaction exposures involving the Group's production platforms in India, Poland and Tunisia, and certain commercial contracts denominated in US dollars and in Norwegian kroner. These hedges cover both invoiced items and future cash flows: changes in fair value corresponding to these hedges are taken to profit or loss for invoiced items and to equity for future cash flows.

The remeasurement through profit or loss of these financial instruments hedging balance sheet items is offset by the revaluation of foreign currency receivables over the period.

The Group's Finance Department provides hedging via futures or options entered into either on organised markets or over the counter with top-tier counterparties that are members of the banking syndicate.

The Group's policy is not to conduct speculative transactions on financial markets.

Finally, the structure of the Group's net financial debt, which includes a multi-currency notional cash pooling arrangement with borrowing positions in pounds sterling, provides a natural (if only partial) hedge against currency translation risk on net assets, recognised directly in the balance sheet. Similarly, in connection with an acquisition in Sweden, the Group entered into a hedging arrangement for the Swedish krona to cover its financing requirements for this entity.

The balance sheet value of the Group's foreign currency hedging instruments, and applicable notional amounts hedged, are as follows:

	Fair value							
	31/12/2023					Maturity		
(in millions of euros)	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Notional amount	<1 year	1 to 5 years	>5 years
Fair value hedges								
Foreign currency forwards	-	1.3	-	2.5	123.0	123.0	-	-
Foreign currency options	-	-	-	-	-	-	-	-
Cash flow hedges								
Foreign currency forwards	0.7	2.3	3.8	1.0	301.2	63.5	237.7	-
Foreign currency options	0.3	1.7	0.1	0.3	37.6	33.0	4.6	-
Instruments not designated for hedging *	**-**	**-**	**-**	**0.2**	**20.1**	**17.8**	**2.3**	**-**
TOTAL FOREIGN CURRENCY HEDGES	**0.9**	**5.3**	**3.9**	**4.0**	**481.9**	**237.3**	**244.6**	**-**

* *The Group hedges the foreign exchange transaction risk but chooses in certain cases not to apply hedge accounting.*

The remeasurement of these financial instruments in profit or loss is recognised in *Other current operating income and expenses*, with the exception of the time value and the impact of financial instruments not eligible for hedge accounting, which are recognised in *Other financial income and expenses.*

The profit or loss and equity impacts of the Group's foreign currency hedging instruments are as follows:

	Balance sheet amounts					Changes in fair value			
							Profit or loss impact		
(in millions of euros)	31/12/2022	Changes in fair value	Changes in scope	Other changes	31/12/2023	Equity impact	Ineffective portion of cash flow hedges	Fair value hedges	Trading
Fair value hedges									
Foreign currency forwards	3.7	-4.9	-	-	-1.2	-	-	-4.9	-
Foreign currency options	-0.0	-	-	-	0	-	-	-	-
Cash flow hedges									
Foreign currency forwards	-0.5	-1.4	-	-	-1.8	-1.4	-	-	-
Foreign currency options	0.6	1.0	-	-	1.6	0.8	-	-0.3	0.5
Instruments not designated for hedging	**-0.1**	**-0.2**	**-**	**-**	**-0.2**	**-**	**-**	**-**	**-0.2**
TOTAL PRE-TAX IMPACT	**3.8**	**-5.5**	**-**	**-**	**-1.7**	**-0.6**	**-**	**-5.2**	**0.3**

Exposure to foreign exchange risk is as follows:

COMMERCIAL TRANSACTIONS

(in millions of euros)	GBP	NOK	EUR	INR	TND	USD	SEK	PLN	Other	Total
Assets	40.1	-	87.5	-	1.2	12.7	-	-	4.4	146.0
Liabilities	0.7	-	11.9	-	7.7	8.0	-	-	24.1	52.5
Foreign currency commitments	-	-	-	-	-	-	-	-	-	-
Net position before hedging	**39.4**	**-0.0**	**75.6**	**-**	**-6.4**	**4.7**	**-**	**-**	**-19.7**	**93.6**
Hedging instruments	138.1	25.8	232.1	-	-12.4	-1.7	-	-52.3	1.1	330.8
NET POSITION AFTER HEDGING	**-98.8**	**-25.8**	**-156.5**	**-**	**5.9**	**6.4**	**-**	**52.3**	**-20.8**	**-237.2**

FINANCING INCLUDING CURRENT ACCOUNT

(in millions of euros)	GBP	NOK	EUR	INR	TND	USD	SEK	PLN	Other	Total
Assets	284.9	70.8	-	25.4	1.8	1.7	0.1	2.7	31.6	418.9
Liabilities	28.3	-	-10.3	-	-	7.7	16.9	-	-	42.7
Foreign currency commitments	-	-	-	-	-	-	-	-	-	-
Net position before hedging	**256.7**	**70.8**	**10.3**	**25.4**	**1.8**	**-6.0**	**-16.9**	**2.7**	**31.6**	**376.3**
Hedging instruments*	299.4	-	-	-	-	-	-18.5	-	-	281.0
NET POSITION AFTER HEDGING	**-42.8**	**70.8**	**10.3**	**25.4**	**1.8**	**-6.0**	**1.6**	**2.7**	**31.6**	**95.3**

* *Net investment hedge in foreign currency.*

TOTAL (MARKET POSITIONS + FINANCING)

(in millions of euros)	GBP	NOK	EUR	INR	TND	USD	SEK	PLN	Other	Total
Assets	325.1	70.8	87.5	25.4	3.0	14.4	0.1	2.7	36.0	565.0
Liabilities	29.0	-	1.6	-	7.7	15.7	16.9	-	24.1	95.1
Foreign currency commitments	-	-	-	-	-	-	-	-	-	-
Net position before hedging	**296.0**	**70.8**	**85.9**	**25.4**	**-4.6**	**-1.3**	**-16.9**	**2.7**	**11.9**	**469.8**
Hedging instruments	437.6	25.8	232.1	-	-12.4	-1.7	-18.5	-52.3	1.1	611.8
NET POSITION AFTER HEDGING	**-141.5**	**45.0**	**-146.3**	**25.4**	**7.7**	**0.4**	**1.6**	**55.0**	**10.8**	**-141.9**

SENSITIVITY ANALYSIS

(in millions of euros)	GBP	NOK	EUR	INR	TND	USD	SEK	PLN	Other	Total
Currency change assumption (appreciation)	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	
NET PROFIT IMPACT	**-0.1**	**-0.0**	**0.8**	**-**	**-0.2**	**0.3**	**-**	**0.4**	**-0.3**	**0.8**
EQUITY IMPACT	**-7.0**	**2.3**	**-8.1**	**1.3**	**0.6**	**-0.3**	**0.1**	**2.4**	**0.8**	**-7.9**

12.5.5. Equity risk

The Group does not hold any investments in equities or any significant equity interests in listed companies other than Axway Software shares accounted for under the equity method (see Note 10) and the shares in CS Group (see Note 7.1.1).

At 31 December 2023, the value of treasury shares was €74.8 million.

Given the limited number of treasury shares it holds (1.84% of the share capital), the Group is not materially exposed to equity risk. Furthermore, since the value of treasury shares is deducted from equity, changes in the share price have no impact on the consolidated income statement.

NOTE 13 CASH FLOWS

13.1. Change in net financial debt

(in millions of euros)	31/12/2022	Proceeds from/ (Payments on)	Changes in scope	Translation adjustments	Other movements	31/12/2023
Bonds excluding accrued interest	250.0	-	-	-	-	250.0
Bank borrowings excluding accrued interest	60.0	323.6	99.4	-	0.2	483.2
Other sundry financial debt excluding current accounts and accrued interest	199.6	169.0	36.6	-	-	405.3
Financial debt in the cash flow statement	**509.6**	**492.6**	**136.0**	**-**	**0.3**	**1,138.6**
Current accounts	-	-0.9	-0.0	0.4	0.5	-
Accrued interest on financial debt	-1.4	-0.2	0.8	-	-0.2	-1.1
Financial debt excluding current bank overdrafts	**508.2**	**491.6**	**136.8**	**0.4**	**0.5**	**1,137.5**
Current bank overdrafts	0.3	15.6	-20.0	2.7	1.2	-0.2
Short-term investment securities	13.5	11.9	0.4	-0.9	-0.0	24.9
Cash and cash equivalents	342.4	-248.8	81.0	-6.7	-1.2	166.8
Net cash in the cash flow statement	**356.2**	**-221.3**	**61.4**	**-4.8**	**-**	**191.5**
NET FINANCIAL DEBT	**152.0**	**712.8**	**75.4**	**5.2**	**0.5**	**946.0**
Change in net financial debt			**794.0**			

The breakdown provided in the *Change in net financial debt* table explains the purposes of the new borrowings and repayments of existing borrowings recognised in the cash flow statement.

The change in net financial debt is broken down into indicators. *Net cash from operating activities* is based on *Operating profit on business activity*, after deducting the depreciation, amortisation and the provisions it includes, which gives *EBITDA*, and other non-cash items adjusted for tax paid, restructuring and integration costs, and the change in the working capital requirement. It differs from *Net cash from operating activities* as shown in the consolidated cash flow statement presented in the financial statements on page 216, in that this caption includes the cash impact of *Other financial income and expenses* (see Note 12.1.2).

Free cash flow is defined as net cash from operating activities adjusted for the impact of purchases (net of disposals) of property, plant and equipment and intangible assets during the period; lease payments; all financial income and expenses payable or receivable (except those related to lease liabilities); and additional contributions paid to cover any deficits in certain defined-benefit pension plans.

Adjusted for net cash generated by financing activities and the impact of exchange rate fluctuations on net debt, this explains the change in net financial debt.

(in millions of euros)	Financial year 2023	Financial year 2022
Operating profit on business activity	**548.2**	**453.1**
Depreciation, amortisation and provisions (excluding allocated intangible assets)	176.1	144.4
EBITDA	**724.3**	**597.5**
Non-cash items	0.6	0.8
Tax paid	-82.6	-87.8
Impairment of current assets	-0.2	4.6
Change in current operating WCR	44.9	6.1
Non-recurring costs, including reorganisation and restructuring costs	-62.8	-17.8
Net cash from operating activities	**624.2**	**503.4**
Purchase of property, plant and equipment and intangible assets	-100.6	-94.2
Proceeds from sale of property, plant and equipment and intangible assets	6.9	0.1
Net change from investing activities involving property, plant and equipment and intangible assets	**-93.7**	**-94.1**
Lease payments	-106.0	-94.5
Net interest (excluding interest on lease liabilities)	-22.0	-8.6
Additional contributions related to defined-benefit pension plans	-12.3	-18.9
Free cash flow	**390.2**	**287.2**
Impact of changes in scope	-1,049.2	-13.8
Impact of payments relating to non-current financial assets	-16.4	-10.3
Impact of receipts relating to non-current financial assets	4.6	1.6
Dividends paid	-94.5	-71.6
Dividends received	2.7	2.8
Capital increases	-	-0
Purchase and sale of treasury shares	-26.1	-17.5
Other cash flows relating to investing activities	-	-
Net cash flow	**-788.8**	**178.5**
Impact of changes in foreign exchange rates	-5.2	-3.4
Impact of changes in accounting policies (IFRS 16)	-0	-
CHANGE IN NET FINANCIAL DEBT	**-794.0**	**175.1**
Cash and cash equivalents – Beginning of period	356.2	216.9
Non-current financial debt – Beginning of period	-320.1	-448.4
Current financial debt – Beginning of period	-188.0	-95.6
Net financial debt – Beginning of period	**-152.0**	**-327.1**
Cash and cash equivalents – End of period	191.5	356.2
Non-current financial debt – End of period	-619.5	-320.1
Current financial debt – End of period	-518.0	-188.0
Net financial debt – End of period	**-946.0**	**-152.0**
CHANGE IN NET FINANCIAL DEBT	**-794.0**	**175.1**

Free cash flow came to €390.2 million, compared with €287.2 million in 2022. This improvement chiefly reflects stronger operational performance, both in terms of EBITDA and tighter management of the operational working capital requirement. In addition, the introduction of an ABF mechanism in the United Kingdom to address the pension fund deficits helped to reduce the contributions paid. These positive effects offset the increase in restructuring-related non-recurring costs, interest expenses and lease payments.

Outflows related to acquisitions of companies, recognised within *Impact of changes in scope*, totalled €1,049.2 million. Those that took place in 2023 are described in Note 2.1. They break down as follows:

(in millions of euros)	Financial year 2023	Financial year 2022
Cost of acquisitions paid (excluding earn-outs)	-975.0	-17.3
Net debt/(Net cash) of acquired companies	-74.2	4.2
Earn-outs paid in respect of prior acquisitions	-	-
Disposal price for shares sold in consolidated equity investments	-	0.1
Cash transferred out / Deconsolidated entities	-0.0	-0.7
Impact of contributions and mergers	-	-
TOTAL	**-1,049.2**	**-13.8**

In 2023, they mainly included the acquisitions of CS Group, Tobania and Ordina, and the exercise of the put option for SSCL shares in the United Kingdom.

13.2. Reconciliation of WCR with the cash flow statement

The impact of the components of the operating working capital requirement shown on the balance sheet on cash generation can be broken down as follows:

						Change in WCR items without cash impact		
(in millions of euros)	31/12/2023	31/12/2022	Net change	Of which: Items not included in WCR	Of which: WCR items	Foreign exchange	Other	Impact on cash flow statement
Other non-current financial assets	21.0	52.6	-31.5	-3.0	-28.5	0.1	0.1	28.7
■ Other loans and receivables	16.6	45.2	-28.5	-	-28.5	0.1	0.1	28.7
■ Other non-current financial assets	4.4	7.4	-3.0	-3.0	-	-	-	-
Non-current assets	**21.0**	**52.6**	**-31.5**	**-3.0**	**-28.5**	**0.1**	**0.1**	**28.7**
Trade receivables and related accounts	1,372.4	1,105.4	267.1	-	267.1	-1.3	222.6	-45.8
■ Trade receivables	835.3	708.3	127.0	-	127.0	-1.2	105.4	-22.8
■ Accrued income	537.1	397.1	140.0	-	140.0	-0.1	117.2	-22.9
Other current receivables	515.5	410.6	104.9	4.7	100.2	0.5	108.8	9.1
Current assets	**1,888.0**	**1,516.0**	**372.0**	**4.7**	**367.3**	**-0.8**	**331.4**	**-36.7**
Non-current assets classified as held for sale	-	-	-	-	-	-	-	-
TOTAL ASSETS	**1,909.0**	**1,568.6**	**340.4**	**1.7**	**338.8**	**-0.7**	**331.5**	**-8.0**
Retirement benefits and similar obligations – Liabilities	-17.7	-14.1	-3.6	-	-3.6	0.4	-7.2	-3.2
■ Other long-term employee benefits	-17.7	-14.1	-3.6	-	-3.6	0.4	-7.2	-3.2
Other non-current liabilities	-21.6	-15.5	-6.1	-6.7	0.6	-0.1	-0.3	-1.0
Non-current liabilities	**-39.3**	**-29.6**	**-9.7**	**-6.7**	**-3.0**	**0.3**	**-7.5**	**-4.2**
Trade payables	-354.5	-319.1	-35.4	0.3	-35.7	-5.2	-64.3	-33.7
Advances and payments on account received for orders	-67.4	-18.2	-49.2	-	-49.2	-0.0	-11.6	37.6
Deferred income on client projects	-531.3	-400.9	-130.4	-	-130.4	-1.7	-97.2	31.5
Other current liabilities	-1,100.5	-1,044.1	-56.4	-5.3	-51.0	0.9	-30.2	21.8
Current liabilities	**-2,053.7**	**-1,782.4**	**-271.3**	**-5.0**	**-266.4**	**-6.0**	**-203.2**	**57.1**
Liabilities related to non-current assets classified as held for sale	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	**-2,093.0**	**-1,812.0**	**-281.0**	**-11.7**	**-269.3**	**-5.7**	**-210.7**	**52.9**
TOTAL WCR	**-184.0**	**-243.4**	**59.4**	**-10.0**	**69.4**	**-6.4**	**120.8**	**44.9**

13.3. Other cash flows in the consolidated cash flow statement

Beyond the changes presented in the *Change in net financial debt* table, the consolidated cash flow statement presented on page 216 was affected by movements related to financing activities. Inflows and outflows relating to financial debt mainly consist of the new €400 million bank credit facility, the €181 million positive net change in NEU CP and a €99.7 million repayment in respect of financial debt from acquisitions (see Notes 12.3.2 and 12.3.3).

Note 14

NOTE 14 EQUITY AND EARNINGS PER SHARE

14.1. Equity

The consolidated statement of changes in equity is presented on page 215.

14.1.1. Changes in share capital

At 31 December 2023, Sopra Steria Group had a share capital of €20,547,701, the same as at 31 December 2022. It is represented by 20,547,701 fully paid-up shares with a par value of €1 each.

14.1.2. Transactions in treasury shares

At 31 December 2023, the value of treasury shares recognised as a deduction from consolidated equity was €95.5 million, consisting of 378,523 shares, including 221,123 shares held by UK trusts falling within the consolidation scope and 157,400 shares acquired by Sopra Steria Group, 11,024 of which were acquired under the liquidity agreement and the rest of which were acquired to make any potential share-based payments. This value also includes €35.4 million relating to the Group's commitment to acquire shares on the market for its free performance share plans (see Note 5.4.1).

All of the Sopra Steria Group shares held by the parent company or any of its subsidiaries are recognised at their acquisition cost, deducted from consolidated equity.

14.1.3. Dividends

At Sopra Steria Group's General Meeting of 24 May 2023, the shareholders approved the distribution of an ordinary dividend of €88.4 million in respect of financial year 2022, equating to €4.30 per share. The dividend was paid on 31 May 2023 for a total of €87.5 million, net of the dividend on treasury shares.

The dividend paid in 2022 in respect of financial year 2021 was €65.8 million, equating to €3.20 per share.

14.1.4. Accumulated translation reserves

In line with the principles described in Note 1.4.2.b, accumulated translation reserves include the gains or losses arising on translation from the functional currencies of the Group's entities to the presentation currency as well as the currency hedging effects of net investments in foreign operations. Movements are recorded in *Other comprehensive income.* Accumulated translation reserves also reflect the translation effects of gains or losses on disposals of foreign operations.

At 31 December 2023, accumulated translation reserves by currency were as follows:

(in millions of euros)	**31/12/2023**	**31/12/2022**
Swiss franc	16.0	12.8
Pound sterling	-85.4	-92.2
Indian rupee	-14.3	-7.9
Norwegian krone	-31.5	-26.0
Polish zloty	-0.2	-0.7
Singapore dollar	-0.6	-0.5
Tunisian dinar	-3.6	-3.6
US dollar	-0.2	-0.4
Other currencies	8.2	10.7
ACCUMULATED TRANSLATION RESERVES (ATTRIBUTABLE TO THE GROUP)	**-111.6**	**-107.7**

The "Other currencies" category mainly includes the accumulated translation reserves of associates, and chiefly Axway Software, in the amount of €10.2 million (€12.5 million at 31 December 2022).

14.1.5. Non-controlling interests

The contributions to the income statement and balance sheet of non-controlling interests mainly come from the joint venture formed with the UK authorities in the United Kingdom – NHS SBS, 50%-owned by the UK Department of Health – and Sopra Financial Technology GmbH, acquired in 2019 in Germany.

The amount of non-controlling interests on the balance sheet mainly relates to the UK Department of Health's share in the net assets of NHS SBS (€48.5 million), and the share of the German banking network Sparda's cooperative banks in Sopra Financial Technology GmbH (€0.0 million).

In the income statement, amounts attributable to non-controlling interests mainly comprised €7.9 million for NHS SBS and -€2.4 million for Sopra Financial Technology GmbH.

Summary financial information for NHS SBS and Sopra Financial Technology GmbH is as follows:

	31/12/2023	
(in millions of euros)	NHS SBS	SFT
Non-current assets	38.5	61.0
Current assets	97.3	27.1
Non-current liabilities	1.2	87.2
Current liabilities	37.6	-1.2
Revenue	127.3	161.2
Net profit	15.8	-4.9

Non-controlling interests arise where a portion of equity ownership in a subsidiary is not attributable directly or indirectly to the parent company.

When non-controlling interests have an option to sell their investment to the Group, a financial liability is recorded in *Other non-current liabilities* (see Note 7.4) for the present value of the option's estimated exercise price. The offset of the financial liability generated by these commitments is deducted from:

- the corresponding amount of non-controlling interests initially; and
- the Group's share of consolidated reserves for the remainder.

Subsequent changes in this put option arising from changes in estimates or relating to the unwinding of discount are offset against the corresponding non-controlling interests and the remainder is deducted from the Group's share of consolidated reserves.

14.1.6. Capital management objectives, policy and procedures

The Company's capital is solely composed of the items disclosed in the balance sheet. There are no financial liabilities considered to be components of capital and, conversely, there are no equity components not considered to be part of the Company's capital.

The Company is not subject to any external constraints on its capital.

Treasury shares are detailed in Note 14.1.2.

The only potentially dilutive instruments are the free shares granted under Sopra Steria's free performance share plans (see Note 5.4.1).

14.2. Earnings per share

	Financial year 2023	Financial year 2022
Net profit attributable to the Group (in millions of euros) (a)	183.7	247.8
Weighted average number of ordinary shares outstanding (b)	20,547,701	20,547,701
Weighted average number of treasury shares (c)	326,591	283,129
Weighted average number of shares outstanding excluding treasury shares (d) = (b) - (c)	20,221,110	20,264,572
BASIC EARNINGS PER SHARE IN EUROS (A / D)	**9.08**	**12.23**

	Financial year 2023	Financial year 2022
Net profit attributable to the Group (in millions of euros) (a)	183.7	247.8
Weighted average number of shares outstanding excluding treasury shares (d)	20,221,110	20,264,572
Dilutive effect of instruments that give rise to potential ordinary shares (e)	327,302	167,192
Theoretical weighted average number of equity instruments (f) = (d) + (e)	20,548,412	20,431,764
DILUTED EARNINGS PER SHARE IN EUROS (A / F)	**8.94**	**12.13**

The method used to calculate earnings per share is set out below.

Treasury shares are detailed in Note 14.1.2.

Potentially dilutive instruments are presented in Note 5.4.

Earnings per share as stated in the income statement are calculated on the basis of the Group's share in the net profit as follows:

- basic earnings per share are based on the weighted average number of shares outstanding during the financial year, calculated according to the dates when the funds arising from cash share issues were received and, in respect of shares issued for contributions in kind via equity, the date on which the corresponding new Group companies were consolidated for the first time;
- diluted earnings per share are calculated by adjusting the Group's share of net profit and the weighted average number of shares outstanding for the dilutive effect of share subscription option plans in force at the financial year-end and free share plans. The treasury stock method is applied on the basis of the average share price for the year.

NOTE 15 RELATED-PARTY TRANSACTIONS

15.1. Transactions with equity-accounted associates and non-consolidated entities

(in millions of euros)	31/12/2023	31/12/2022
Transactions between Sopra Steria Group and the Axway Software group		
Sales of goods and services	0.2	0.1
Purchases of goods and services	-1.1	-2.2
Operating receivables	-	-
Operating payables	-0.5	-0.5
Financial income	-	-
Financial receivables (current account)	-	-
Transactions between Sopra Steria Group subsidiaries and the Axway Software group		
Sales of goods and services	8.3	9.4
Purchases of goods and services	-2.4	-3.0
Operating receivables	0.8	1.5
Operating payables	-1.3	-2.8
Financial income	-	-
Financial receivables (current account)	-	-
Transactions between Sopra Steria Group and holding company Sopra GMT		
Sales of goods and services	0.2	0.2
Purchases of goods and services	-1.9	-1.5
Operating receivables	-	-
Operating payables	-0.3	-0.2
Financial income	-	-
Financial receivables (current account)	-	-

15.2. Subsidiaries and equity interests

Transactions and balances between Sopra Steria Group and its subsidiaries were eliminated in full on consolidation, since all of the subsidiaries are fully consolidated.

Non-consolidated equity investments are all recognised within *Non-consolidated securities* (see Note 7.1.1).

NOTE 16 OFF-BALANCE SHEET COMMITMENTS

16.1. Commitments given related to current operations

(in millions of euros)	31/12/2023	31/12/2022
Bank guarantees for project completion	19.1	15.8
Other guarantees	15.9	4.2
TOTAL	**35.0**	**20.0**

Under the IT service contracts it enters into with its clients, the Group may, if formally requested by its clients, provide bank guarantees in respect of the performance of obligations undertaken in these contracts. The amount of these guarantees was €19.1 million at 31 December 2023 (€15.8 million at 31 December 2022). To date, no use has ever been made of any such guarantee.

In addition, the Group is exposed under its leases to future cash outflows, which were not taken into account in the measurement of its lease liabilities at 31 December 2023, totalling €8.0 million. At 31 December 2022, the Group was not exposed to future cash outflows, which were not taken into account in the measurement of its lease liabilities.

16.2. Commitments received

(in millions of euros)	31/12/2023	31/12/2022
Unused credit facilities	1,230.0	1,150.0
Unused current bank overdrafts	171.5	161.5
Other commitments received	-	-
TOTAL	**1,401.5**	**1,311.5**

As part of a cash pooling arrangement set up in 2012 between the entities of the Group and BMG (Bank Mendes Gans), Sopra Steria Group acts as guarantor for the amounts borrowed by its subsidiaries.

NOTE 17 SUBSEQUENT EVENTS

On 21 February 2024, the Board of Directors authorised the planned sale by Sopra Steria Group of most of Sopra Banking Software's activities to Axway Software. Under this plan, Sopra Steria Group will also sell to Sopra GMT around 3.6 million of the 6.9 million Axway shares it holds.

The Group made the decision to expand its development of digital services and solutions in Europe and focus its investments on consulting and digital technology in its strategic markets: financial services, defence & security, aeronautics, space and the public sector.

The Sopra Banking Software activities to be retained within the Group upon completion of the plan are the services or solutions for major banks or financial institutions that will continue to contribute to the development of the financial services vertical.

Following the various transactions, the Group is expected to retain an interest of around 11% in Axway Software.

Sopra Steria Group has agreed to enter into exclusive negotiations with Axway Software and Sopra GMT. Upon the conclusion of these negotiations, any binding commitments between Sopra Steria Group, Axway Software and Sopra GMT will require the approval of the boards of the three companies, following consultation with the employee representative bodies of the various entities, on the basis of reports drawn up by independent appraisers.

Completion of these transactions, scheduled by the end of the second quarter of 2024 or at the latest during the third quarter of 2024, would be subject to the requisite regulatory approvals, including a decision by the AMF not requiring a public offer to be filed and the AMF's approval of the prospectus to be filed by Axway Software in connection with its capital increase.

No other subsequent events occurred after the end of financial year 2023.

NOTE 18 LIST OF GROUP COMPANIES

Company	Country	% control	% held	Consolidation method
France				
Sopra Steria Group	France	-	-	Parent company
Sopra Steria Infrastructure & Security Services	France	100.00%	100.00%	FC
XYZ 12 2016	France	100.00%	100.00%	FC
SSG 1	France	100.00%	100.00%	FC
CIMPA SAS	France	100.00%	100.00%	FC
CIMPA GmbH	Germany	100.00%	100.00%	FC
CIMPA Ltd	United Kingdom	100.00%	100.00%	FC
CIMPA PLM España SL	Spain	100.00%	100.00%	FC
Sopra Steria Polska	Poland	100.00%	100.00%	FC
Sopra Steria Group – Morocco branch	Morocco	100.00%	100.00%	FC
2MoRO SAS	France	100.00%	100.00%	FC
Galitt	France	100.00%	100.00%	FC
Soft-Maint Tunisie	Tunisia	100.00%	100.00%	FC
Sopra Steria Réassurance	Luxembourg	100.00%	100.00%	FC
Sopra Steria Réassurance 2	Luxembourg	100.00%	100.00%	FC
BSSI North America Inc.	United States	100.00%	100.00%	FC
EVA Group Asia Pacific Pte	Singapore	100.00%	100.00%	FC
EVA Group HK Ltd	Hong Kong	100.00%	100.00%	FC
Eva Group Canada Think It Efficient	Canada	100.00%	100.00%	FC
Eva Maroc Solutions	Morocco	100.00%	100.00%	FC
CS Group	France	100.00%	100.00%	FC
CS Group France	France	100.00%	100.00%	FC
CS Novidys	France	100.00%	100.00%	FC
CS Group Romania	Romania	99.98%	99.98%	FC
CS Group Canada	Canada	100.00%	100.00%	FC
CS Group USA	USA	100.00%	100.00%	FC
CS Group Germany	Germany	100.00%	100.00%	FC
Moltek Consultants	United Kingdom	100.00%	100.00%	FC
CS Communication & Systems India	India	99.99%	99.99%	FC
CS Communication & Systems Emirates	United Arab Emirates	49.00%	49.00%	FC
HE Space Holdings BV	Netherlands	100.00%	100.00%	FC
HE Space Operations BV	Netherlands	100.00%	100.00%	FC
HE Space Operations GmbH	Germany	100.00%	100.00%	FC
HE Space Operations Ltd	United Kingdom	100.00%	100.00%	FC
United Kingdom				
Sopra Steria Holdings Ltd	United Kingdom	100.00%	100.00%	FC
Sopra Steria Ltd	United Kingdom	100.00%	100.00%	FC
Sopra Steria Services Ltd	United Kingdom	100.00%	100.00%	FC
Steria BSP Ltd	United Kingdom	100.00%	100.00%	FC
NHS Shared Employee Services Ltd	United Kingdom	100.00%	75.50%	FC
NHS Shared Business Services Ltd	United Kingdom	50.00%	50.00%	FC
Sopra Steria UK Corporate Ltd	United Kingdom	100.00%	100.00%	FC
Shared Services Connected Ltd	United Kingdom	100.00%	100.00%	FC
Steria Employee Trustee Company Ltd	United Kingdom	100.00%	100.00%	FC

Company	Country	% control	% held	Consolidation method
Steria Employee Trustee Cie Ltd	United Kingdom	100.00%	100.00%	FC
Xansa 2004 Employee Benefit Trust	United Kingdom	100.00%	100.00%	FC
CXpartners	United Kingdom	100.00%	100.00%	FC
Sopra Steria Financial Services Ltd	United Kingdom	100.00%	100.00%	FC
Graffica Ltd	United Kingdom	100.00%	100.00%	FC
Sopra Steria ABC Pensions Ltd	United Kingdom	100.00%	100.00%	FC
Sopra Steria ABC Scottish Ltd	United Kingdom	100.00%	100.00%	FC
Sopra Steria India Ltd	India	100.00%	100.00%	FC
Sopra Steria Asia Pte Ltd	Singapore	100.00%	100.00%	FC
OTHER EUROPE				
Sopra Steria SE	Germany	100.00%	100.00%	FC
ISS Software GmbH	Germany	100.00%	100.00%	FC
Sopra Steria Services GmbH	Germany	100.00%	100.00%	FC
Sopra Financial Technology GmbH	Germany	51.00%	51.00%	FC
It-Economics GmbH	Germany	100.00%	100.00%	FC
It-Economics Bulgaria EOOD	Bulgaria	100.00%	100.00%	FC
Sopra Steria GmbH	Austria	100.00%	100.00%	FC
Sopra Steria Benelux	Belgium	100.00%	100.00%	FC
Assua NV	Belgium	100.00%	100.00%	FC
Tobania NV	Belgium	100.00%	100.00%	FC
Python Predictions BV	Belgium	100.00%	100.00%	FC
Ordina Belgium NV	Belgium	100.00%	100.00%	FC
Passwerk Cyba	Belgium	100.00%	100.00%	FC
Sopra Steria PSF Luxembourg	Luxembourg	100.00%	100.00%	FC
Sopra Steria Benelux – Luxembourg branch	Luxembourg	100.00%	100.00%	FC
Ordina Luxembourg SA	Luxembourg	100.00%	100.00%	FC
Sopra Steria Benelux – Netherlands branch	Netherlands	100.00%	100.00%	FC
Ordina BV	Netherlands	98.09%	98.09%	FC
Ordina Holding BV	Netherlands	100.00%	100.00%	FC
Ordina Nederland BV	Netherlands	100.00%	100.00%	FC
Clockwork BV	Netherlands	100.00%	100.00%	FC
Ordina Subscription Management & Utilities BV	Netherlands	100.00%	100.00%	FC
Source Power BV	Netherlands	100.00%	100.00%	FC
Sopra Steria AG	Switzerland	100.00%	100.00%	FC
Sopra Steria Group SpA	Italy	100.00%	100.00%	FC
Sopra Steria España SAU	Spain	100.00%	100.00%	FC
Sopra Steria Euskadi SL	Spain	100.00%	100.00%	FC
Sopra Steria A/S	Denmark	100.00%	100.00%	FC
Sopra Steria AS	Norway	100.00%	100.00%	FC
Sopra Steria AB	Sweden	100.00%	100.00%	FC
Sopra Steria Sweden AB	Sweden	100.00%	100.00%	FC
Sopra Steria Holding AB	Sweden	100.00%	100.00%	FC
Bexor LLC	Russia	100.00%	100.00%	FC
Eggs Garage AS	Norway	100.00%	100.00%	FC
Eggs Design AS	Norway	100.00%	100.00%	FC
Eggs Design ApS Denmark	Denmark	100.00%	100.00%	FC
Sopra Banking Software				
Sopra Banking Software	France	100.00%	100.00%	FC
Sopra Steria Services	France	100.00%	100.00%	FC
SBS South Korea branch	South Korea	100.00%	100.00%	NC

Company	Country	% control	% held	Consolidation method
O.R. System Polska	Poland	100.00%	100.00%	NC
Sopra Financial Solutions Iberia SL	Spain	100.00%	100.00%	FC
Sopra Banking Software Ltd	United Kingdom	100.00%	100.00%	FC
Field Solutions Ltd	United Kingdom	100.00%	100.00%	FC
Cassiopae Ltd	United Kingdom	100.00%	100.00%	FC
Apak Group Ltd	United Kingdom	100.00%	100.00%	FC
Sopra Banking Software US	United States	100.00%	100.00%	FC
Sopra Banking Software Belgium	Belgium	100.00%	100.00%	FC
Sopra Banking Software – Iceland branch	Iceland	100.00%	100.00%	FC
Sopra Banking Software Luxembourg	Luxembourg	100.00%	100.00%	FC
Sopra Banking Software Netherlands BV	Netherlands	100.00%	100.00%	FC
Sopra Banking Software GmbH	Germany	100.00%	100.00%	FC
Sopra Banking Software Solutions India Private Ltd	India	99.95%	99.95%	FC
Sopra Banking Software Singapore Pte Ltd	Singapore	100.00%	100.00%	FC
Beijing Sopra Science and Technology Ltd	China	100.00%	100.00%	FC
Sopra Banking Software Morocco	Morocco	100.00%	100.00%	FC
Steria Medshore SAS	Morocco	100.00%	100.00%	FC
Sopra Banking Software Morocco Sarl	Morocco	100.00%	100.00%	FC
Sopra Banking Software Tunisia	Tunisia	99.99%	99.99%	FC
Sopra Software Cameroun	Cameroon	95.00%	95.00%	FC
Sopra Banking Software Brasil Ltda	Brazil	100.00%	100.00%	FC
Sopra Banking Gabon	Gabon	100.00%	100.00%	FC
Sopra Banking Côte d'Ivoire	Côte d'Ivoire	100.00%	100.00%	FC
Sopra Banking Software Sénégal	Senegal	100.00%	100.00%	FC
SAMIC	Monaco	99.60%	99.60%	FC
SAB Méditerranée	Lebanon	98.00%	98.00%	FC
SAB Tunisie	Tunisia	99.99%	99.99%	FC
SAB Atlas	Morocco	100.00%	-100.00%	FC
SAB Pacifique	Polynesia	100.00%	100.00%	FC
Sopra Financial Solutions FZCO	Dubai	100.00%	100.00%	FC
Sopra Banking Software Ireland Limited	Ireland	100.00%	100.00%	FC
Other solutions				
Sopra HR Software	France	100.00%	100.00%	FC
Sopra HR Software Ltd	United Kingdom	100.00%	100.00%	FC
Sopra HR Software SPRL	Belgium	100.00%	100.00%	FC
Sopra HR Software Sarl	Luxembourg	100.00%	100.00%	FC
Sopra HR Software GmbH	Germany	100.00%	100.00%	FC
Sopra HR Software Sarl	Switzerland	100.00%	100.00%	FC
Sopra HR Software Srl	Italy	100.00%	100.00%	FC
Sopra HR Software SL	Spain	100.00%	100.00%	FC
Sopra HR Software Sarl	Tunisia	100.00%	100.00%	FC
Sopra HR Software Sarl	Morocco	100.00%	100.00%	FC
Holocare AS	Norway	66.67%	66.67%	EM
Celescan Ltd	United Kingdom	50.00%	50.00%	EM
CenPROCS Alliance	Germany	33.33%	33.33%	EM
MyDigitalCar GmbH	Germany	50.00%	50.00%	EM
AXWAY	France	31.96%	31.96%	EM

FC: Fully consolidated.

EM: Equity method.

NC: Non-consolidated (non-consolidated companies are not considered significant).

The Group does not directly or indirectly control any special-purpose entities.

NOTE 19 STATUTORY AUDITORS' FEES

(in millions of euros excl. VAT)	Mazars network		Nexia network	
	2023	**2022**	**2023**	**2022**
Certification of the parent company and consolidated financial statements				
Sopra Steria Group	0.5	0.5	0.3	0.3
Fully consolidated subsidiaries	1.8	1.7	1.0	0.7
Subtotal	**2.3**	**2.2**	**1.3**	**1.0**
Services other than the certification of the accounts (*)				
Sopra Steria Group	0.1	0.1	-	-
Fully consolidated subsidiaries	0.1	0.2	-	0.1
Subtotal	**0.2**	**0.3**	**-**	**0.1**
TOTAL STATUTORY AUDITORS' FEES	**2.5**	**2.5**	**1.3**	**1.1**

(*) These services mainly relate to services performed in connection with the acquisition of entities (due diligence).

Statutory Auditors' report on the consolidated financial statements

Financial year ended 31 December 2023

To the General Meeting of Sopra Steria Group SA,

Opinion

In compliance with the engagement entrusted to us by the shareholders at your General Meeting, we have audited the accompanying consolidated financial statements of Sopra Steria Group SA for the financial year ended 31 December 2023.

We certify that the consolidated financial statements are, with respect to IFRS as adopted in the European Union, true and fair and provide an accurate view of the results of your Company's operations for the financial year under review and of the financial position and assets and liabilities, at the end of the financial year, of the group formed by the persons and entities included in the scope of consolidation.

The opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

AUDIT FRAMEWORK

We performed our audit in accordance with the professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the section of this report entitled "Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements".

INDEPENDENCE

We performed our audit in accordance with the independence rules provided by the French Commercial Code and the French Code of Ethics for Statutory Auditors for the period from 1 January 2023 to the date our report was issued, and in particular we have not provided any services prohibited by Article 5, paragraph 1 of Regulation (EU) No. 537/2014.

Justification of our assessments – Key audit matters

In accordance with the provisions of Articles L. 821-53 et R. 821-180 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key audit matters relating to the risks of material misstatement which, according to our professional judgment, were most significant for the audit of the consolidated financial statements for the financial year, as well as our responses to those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon. We do not provide a separate opinion on specific items of the consolidated financial statements.

REVENUE RECOGNITION ON FIXED-PRICE CONTRACTS

(Note 4.1 to the consolidated financial statements)

Risk identified

Sopra Steria Group, one of Europe's key players in digital transformation, offers end-to-end, high-value-added services comprising consulting and systems integration, development of industry- and technology-specific solutions, IT infrastructure management, cybersecurity and business process services (BPS).

The Group's revenue to 31 December 2023 totalled €5.8 billion, a significant portion of which related to fixed-price contracts. Fixed-price contracts are characterised by commitments relating to the price, the end result and the deadline.

As presented in Note 4.1 to the consolidated financial statements, revenue from services performed under fixed-price contracts is recognised over time (and not at a specific point in time) using the percentage-of-completion method in the following two situations:

- the services are performed in the customer's environment or enhance a customer's asset. The customer obtains control as the asset is created or developed;
- the contract provides for the development of highly specific assets in the Group's environment (e.g. solutions) prior to implementation in the customer's infrastructure. The contract also provides for settlement of the value of such services in the event of termination for convenience (where the customer is entitled to do so). The Group has no alternative use for the asset created and has an enforceable right to payment for performance completed to date.

Revenue and profit generated over time from these services is recognised on the basis of a qualified estimate of the level of completion, measured as the difference between the contract value and the amount required to cover the total number of person-days remaining to be performed.

We considered the recognition of revenue on fixed-price contracts as a key audit matter due to its significance in the Group's financial statements and the level of judgment and estimation required by management to determine the revenue and income on completion from these contracts.

Our response

We familiarised ourselves with the internal control procedures implemented by the Group and tested the key controls relating to determining income from fixed-price contracts.

For a sample of contracts deemed material due to their financial impact and risk profile:

- we reconciled contractual data, including any contractual changes resulting from additional requests and contractual claims, with management and accounting data;
- we talked to management and project managers in order to assess the reasonable nature of the estimates made by management and corroborate the estimated amount allocated to cover the total number of person-days remaining to be performed, particularly in comparison with prior estimates and by reviewing correspondence with the client and assessing whether this has been translated correctly into the accounts. In performing this work we drew on experience acquired in previous financial years relating to similar contracts;
- for contracts subject to claims, we talked to the Group's legal department and reviewed correspondence with the client in order to assess the estimates made by management.

We also used substantive checks on a sample of trade receivables and accrued income in order to assess management's estimates relating to the prospect of recovering these receivables.

RECOGNITION OF SIGNIFICANT ACQUISITIONS

(Note 2.1 to the consolidated financial statements)

Risk identified

As stated in Note 2.1 to the consolidated financial statements, the Group acquired the CS Group, Assua NV and Ordina groups in 2023.

Note 2.1 sets out how these business combinations have been accounted for.

The Group applies IFRS 3 *Business Combinations* to the identified assets acquired and liabilities assumed as a result of business combinations. The acquisition of an asset or a group of assets that does not constitute a business is recognised under the standards applicable to those assets.

The Group recognises all business combinations by applying the acquisition method, which consists in:

- the measurement and recognition at fair value of the identifiable assets acquired and liabilities assumed. The Group identifies and allocates these items on the basis of contract provisions, economic conditions, and its accounting and management policies and procedures;
- the measurement of any non-controlling interest in the acquiree either at its fair value or based on its share of the fair value of the identifiable assets acquired and liabilities assumed;
- the measurement and recognition at the acquisition date of the difference (referred to as goodwill) between: the purchase price of the acquiree plus the amount of any non-controlling interests in the acquiree, and the net amount of the identifiable assets acquired and liabilities assumed.

We considered the recognition and presentation of these transactions as a key audit matter given the significant amount of the assets acquired and liabilities assumed, as well as the judgment necessary to identify and measure these assets and liabilities in accordance with the provisions of the revised IFRS 3, and in particular the estimated fair value of property, plant and equipment and intangible assets.

Our response

Our work consisted primarily of:

- reviewing the legal aspects of these acquisitions;
- assessing the application of the revised IFRS 3, and the arrangements for implementing this standard (chiefly determining the purchase price, identifying assets and liabilities and measuring the resulting goodwill);
- analysing the consistency of the accounting principles and policies of the sub-entities acquired with the Group's standard practices;
- conducting detailed reviews of the sub-entity's consolidated assets and liabilities at the acquisition date (material subsidiaries and process of consolidating the sub-entity);
- based on the independent expert's report on the provisional allocation of goodwill and with the assistance of our own valuation specialists, assessing the nature of the expert's work and conclusions and the assumptions made in the remeasurement of the assets acquired and liabilities assumed using the criteria adopted in the applicable accounting standards.

Lastly, we assessed the appropriateness of the financial information provided in the note concerning this acquisition (determination of the price, assets acquired and liabilities assumed, disclosures required by the revised IFRS 3, etc.).

VALUATION AND IMPAIRMENT OF GOODWILL

(Notes 8.1.1 and 8.1.2 to the consolidated financial statements)

Risk identified

As at 31 December 2023, the net value of goodwill in the Group's consolidated financial statements was €2,668.9 million, equal to 44% of total assets.

As set in out in Notes 8.1.1 and 8.1.2 to the consolidated financial statements, goodwill is allocated to cash-generating units (CGUs) for the purposes of impairment tests. The Group's segmentation into CGUs is consistent with the operating structure of its businesses, its management and reporting system, and its segment reporting. Impairment tests are performed whenever there is an indication of impairment, and in any event at the balance sheet date of 31 December. These tests consist in comparing the CGU's carrying amount with its recoverable amount, which corresponds to the higher of (i) its fair value less costs of disposal and (ii) its value in use. An impairment loss is recognised whenever the recoverable amount of goodwill is lower than the carrying amount the weighted average cost of capital.

To determine the value in use of the CGU, management primarily uses the discounted cash flow (DCF) method, which involves the use of key assumptions relating to each asset category, including in particular the perpetual growth rate and the discount rate based on the weighted average cost of capital.

Determining the recoverable amount of goodwill, which represents a particularly significant amount relative to total assets, is primarily based on management's judgment, in particular as regards the perpetual growth rate used to forecast cash flows and the discount rate applied. We therefore considered the valuation of goodwill and the implementation of impairment testing to be a key audit matter.

Our response

Our work consisted primarily of:

- reviewing the compliance of the methodology used by the Group with applicable accounting standards;
- assessing whether the allocation of assets to CGUs is exhaustive and complies with applicable accounting standards;
- assessing the reasonable nature of assumptions used to determine future cash flows in relation to operating data, with regard to the business and financial context for the Group's operations, and their consistency with the most recent estimates presented to the Board of Directors within the framework of budgetary processes;
- assessing, with the help of our valuation experts, the consistency of the perpetual growth rate and the weighted average unit cost of capital in all components;
- analysing the sensitivity of the value in use determined by management to a change in the main assumptions made, particularly for the following CGUs: France, UK, Banking, Italy, Benelux, Switzerland, Germany, Nordics, Spain, SFT and HR.

Lastly, we verified that Notes 2.1 and 8.1 to the consolidated financial statements provided appropriate information.

VALUATION AND IMPAIRMENT OF EQUITY-ACCOUNTED INVESTMENTS

(Note 10.2 to the consolidated financial statements)

Risk identified

As at 31 December 2023, the net value of equity-accounted investments in the Group's consolidated financial statements was €185.9 million, equal to 3.1% of total assets. These equity interests mainly correspond to the Group's stake in Axway Software in the amount of €187.6 million.

As explained in Note 10.2 to the consolidated financial statements, impairment tests are performed whenever there is an indication of impairment, and in any event at the balance sheet date of 31 December. These tests consist in comparing the carrying amount of equity-accounted investments with their recoverable amount, which corresponds to the higher of (i) their fair value less costs of disposal and (ii) their value in use:

- as Axway Software's shares are listed, their fair value less costs of disposal is equal to market price less costs to sell;
- to determine the value in use of equity-accounted investments, management primarily uses the discounted cash flow (DCF) method, which involves the use of key assumptions relating to each asset category, including in particular the perpetual growth rate and the discount rate based on the weighted average cost of capital.

An impairment loss is recognised whenever the recoverable amount of equity-accounted investments is lower than their carrying amount.

Determining the recoverable amount of equity-accounted investments is primarily based on management's judgment, in particular as regards the perpetual growth rate used to forecast cash flows and the discount rate applied. We therefore considered the valuation of equity-accounted investments and the implementation of impairment testing to be a key audit matter.

Our response

Our work consisted primarily of:

- reviewing the compliance of the methodology used by the Group with applicable accounting standards;
- assessing the reasonable nature of assumptions used to determine future cash flows in relation to operating data, with regard to the business and financial context for the Group's operations, and their consistency with the most recent estimates presented to the Board of Directors within the framework of budgetary processes;
- assessing, with the help of our valuation experts, the consistency of the perpetual growth rate and the weighted average unit cost of capital in all components;
- analysing the sensitivity of the value in use determined by management to a change in the main assumptions made.

Lastly, we verified that Note 10.2 to the consolidated financial statements provided appropriate information.

POST-EMPLOYMENT BENEFIT OBLIGATIONS

(Note 5.3.1 to the consolidated financial statements)

Risk identified

Post-employment benefits mainly concern the Group's obligations towards its employees to provide retirement bonuses in France and defined-benefit pension plans in the United Kingdom, Germany and other European countries (Belgium and Norway). The actuarial value of accumulated benefits as at 31 December 2023 was €185.5 million.

The net liability in respect of retirement benefits and similar obligations was calculated at the balance sheet date based on the most recent valuations available. Since these liabilities are covered by plan assets with a fair value of €1,239.1 million, the net liability at 31 December 2023 totalled €167.8 million. The most significant plan assets concern the United Kingdom and France.

Valuing pension plan assets and liabilities, as well as the actuarial cost for the financial year, requires a high level of judgment by management to determine appropriate assumptions to be made, such as the discount rate, inflation, future pay rises, staff turnover and mortality tables.

The change in some of these assumptions may have a material impact on determining the net liability recognised as well as on the Group's profit.

In view of the amounts represented by these obligations and associated plan assets, as well as the technical skill required to evaluate these amounts, we considered this type of post-employment benefit obligations to be a key audit matter.

Our response

We familiarised ourselves with the process for valuing post-employment benefit obligations implemented by the Group. A review of actuarial assumptions was performed by:

- assessing the discount rate and inflation in order to evaluate their consistency with market conditions;
- assessing the reasonable nature of assumptions relating to pay rises, staff turnover and mortality in order to evaluate their consistency with the specific characteristics of each plan and, where applicable, with national and sector benchmarks;
- reviewing calculations made by the Group's external actuaries.

As regards plan assets, we also assessed whether the assumptions made by management to value these assets and the documentation provided by management to justify the recognition of a net plan asset were appropriate.

Lastly, we verified the appropriateness of the information provided in Note 5.3.1 to the consolidated financial statements.

Specific verifications

We also performed the specific verifications in accordance with professional standards applicable in France and required by law in relation to the information on the Group contained in the Management Report of the Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We certify that the consolidated statement of non-financial performance in accordance with Article L. 225-102-1 of the French Commercial Code is provided in the information relating to the Group in the Management Report, it being understood that in accordance with Article L. 823-10 of the French Commercial Code, the information contained in this declaration has not been the subject of our verifications of sincerity or of consistency with the consolidated financial statements, and must be reported by an independent third party.

Report on other legal and regulatory requirements

FORMAT OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS INTENDED TO BE INCLUDED IN THE ANNUAL FINANCIAL REPORT

We have also verified, in accordance with the professional standards applicable in France concerning the procedures performed by the Statutory Auditor relating to the parent company and consolidated financial statements presented in the European Single Electronic Format, that the presentation of the consolidated financial statements intended to be included in the Annual Financial Report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the Chief Executive Officer, complies with this format as defined in Commission Delegated Regulation (EU) 2019/815 of 17 December 2018. With regard to the consolidated financial statements, our work includes verifying that the tagging of these financial statements complies with the format defined in the aforementioned regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the Annual Financial Report complies, in all material respects, with the European Single Electronic Format.

Due to technical limitations involved in the microdata tags of the consolidated financial statements in accordance with the European Single Electronic Format for reporting, the content of certain tags in the notes to the consolidated financial statements may not be displayed identically to the consolidated financial statements attached to this report.

Furthermore, we have no responsibility to verify that the consolidated financial statements that will ultimately be included by your Company in the Annual Financial Report filed with the AMF correspond to those on which we have performed our work.

APPOINTMENT OF STATUTORY AUDITORS

Mazars was appointed Statutory Auditor of Sopra Steria Group SA by the shareholders at the General Meeting of 1 June 2000, and Aca Nexia by the shareholders at the General Meeting of 24 June 2004.

As at 31 December 2023, Mazars was in its 24th consecutive year as Statutory Auditor and Aca Nexia in its 20th consecutive year as Statutory Auditor, respectively 24 years and 20 years since the Company's shares were first listed for trading on a regulated market.

Responsibilities of management and of those responsible for corporate governance relating to the consolidated financial statements

It is management's responsibility to prepare consolidated financial statements that provide an accurate view, in accordance with IFRS as adopted in the European Union, and to implement the internal controls it deems necessary to prepare consolidated financial statements free of material misstatement, whether due to fraud or error.

When preparing the consolidated financial statements, it is management's responsibility to assess the Company's ability to continue as a going concern, to provide in these statements, where appropriate, information relating to the going concern principle, and to apply the going concern principle, unless the Company will be dissolved or cease operations.

The Audit Committee is responsible for monitoring the process of preparing the financial information and the effectiveness of the internal control and risk management systems, and, where appropriate, the internal audit system, as regards procedures relating to the preparation and treatment of accounting and financial information.

The consolidated financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements

AUDIT AIM AND APPROACH

It is our responsibility to prepare a report on the consolidated financial statements. Our aim is to obtain reasonable assurance that the consolidated financial statements taken as a whole are free of material misstatement. Reasonable assurance corresponds to a high level of assurance, although this does not guarantee that an audit performed in accordance with professional standards systematically allows for all material misstatements to be detected. Misstatements may be due to fraud or error and are considered material when it can reasonably be expected that they may, taken individually or combined, influence the financial decisions of users made on the basis of the financial statements.

As specified in Article L. 821-55 of the French Commercial Code, our assignment of certifying the financial statements does not consist of guaranteeing the viability or quality of your Company's management.

Within the framework of an audit performed in accordance with professional standards applicable in France, the Statutory Auditor uses its professional judgment throughout the audit process. In addition:

- it identifies and assesses the risk of the consolidated financial statements containing material misstatements, whether due to fraud or error, defines and implements audit procedures in light of these risks, and collects evidence that it deems sufficient and appropriate to form a basis for its opinion. The risk of failure to detect a material misstatement due to fraud is higher than in the case of a material misstatement due to error, as fraud may involve collusion, falsification, deliberate omissions, false statements or circumvention of internal control procedures;
- it familiarises itself with internal controls relevant for the audit in order to define appropriate audit procedures under the circumstances, and not with the aim of expressing an opinion on the effectiveness of internal control procedures;
- it assesses the appropriateness of accounting policies used and the reasonable nature of accounting estimates made by management, as well as associated information provided in the consolidated financial statements;
- it assesses the appropriateness of management's application of the going concern principle and, depending on the evidence collected, whether or not any material uncertainty exists relating to events or circumstances that may call into question the Company's ability to continue as a going concern. This assessment relies on evidence collected up to the date of its report, noting that subsequent circumstances or events may call into question the continuity of operations. If it concludes that a material uncertainty exists, it shall draw readers' attention to the information provided in the consolidated financial statements relating to this uncertainty or, if this information is not provided or is not relevant, it shall give a qualified certification or refuse to certify the financial statements;
- it assesses the overall presentation of the consolidated financial statements and evaluates whether the consolidated financial statements reflect underlying transactions and events in a way that gives a true and fair view;
- as regards financial information from persons or entities within the scope of consolidation, it collects information that it deems sufficient and appropriate to express an opinion on the consolidated financial statements. It is responsible for the management, supervision and performance of the audit of the consolidated financial statements as well as the opinion expressed on these financial statements.

REPORT TO THE AUDIT COMMITTEE

We send a report to the Audit Committee setting out in particular the scope of our audit work and the programme of works carried out, as well as the conclusions of our work. We also bring to its attention, if applicable, any significant weaknesses in internal control procedures that we have identified as regards procedures relating to the preparation and treatment of accounting and financial information.

The information provided in the report to the Audit Committee includes risks of material misstatement, which we deem to have been the most significant for our audit of the consolidated financial statements for the financial year and which therefore constitute key audit matters, which it is our duty to describe in this report.

We also provide the Audit Committee with the declaration required by Article 6 of Regulation (EU) No. 537-2014 attesting to our independence within the meaning of applicable regulations in France as set out in particular by Articles L. 821-27 to L. 821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. If applicable, we shall discuss with the Audit Committee the risks to our independence and safeguarding measures implemented.

Paris and Courbevoie, 29 February 2024
The Statutory Auditors
French original signed by

Aca Nexia	Mazars	
Sandrine Gimat	Alain Chavance	Jérôme Neyret
Partner	Partner	Partner

This is a free translation into English of the Statutory Auditors' report on the consolidated financial statements of the Company issued in French. It is provided solely for the convenience of English-speaking users. This Statutory Auditors' report includes information required under European regulations and French law, such as information about the appointment of the Statutory Auditors and the verification of information concerning the Group presented in the Management Report. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

6. 2023 parent company financial statements

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Income statement

(in thousands of euros)	*Notes*	2023	2022
Net revenue	4.1.1	1,965,561	1,891,556
Other operating income	4.1.2	123,196	54,430
Operating income		**2,088,757**	**1,945,986**
Purchases consumed		773,773	750,614
Staff costs		1,060,956	999,612
Other operating expenses		39,909	13,984
Taxes and duties		25,688	33,537
Depreciation, amortisation, provisions and impairment		70,296	28,881
Operating expenses		**1,970,622**	**1,826,628**
Operating profit		**118,134**	**119,358**
Financial income and expenses	4.3	-95,689	48,633
Pre-tax profit on ordinary activities		**22,446**	**167,991**
Exceptional income and expenses	4.4	-1,610	160
Employee profit-sharing and incentives	4.2.1	-19,533	-16,517
Corporate income tax	4.5	30,407	16,032
NET PROFIT		**31,709**	**167,666**

Balance sheet

Assets *(in thousands of euros)*	***Notes***	**Gross value**	**Depreciation, amortisation and impairment**	**2023**	**2022**
Intangible assets	*5.1.1*	294,379	84,756	209,623	199,711
Property, plant and equipment	*5.1.2*	202,404	128,636	73,768	62,945
Financial investments	*5.1.3*	3,399,003	779,561	2,619,442	1,882,684
Non-current assets		**3,895,786**	**992,953**	**2,902,833**	**2,145,341**
Inventories and work in progress	*5.2.1*	2,961	-	2,961	3,273
Trade receivables and related accounts	*5.2.2*	465,849	49	465,800	403,259
Other receivables, prepayments and accrued income	*5.2.3*	716,770	16	716,754	515,617
Cash and cash equivalents		130,175	-	130,175	308,634
Current assets		**1,315,754**	**65**	**1,315,690**	**1,230,783**
Debt issuance costs	*5.2.5*	289	-	289	383
Foreign currency translation losses	*5.2.5*	2,244	-	2,244	2,981
TOTAL ASSETS		**5,214,073**	**993,017**	**4,221,056**	**3,379,487**

Liabilities and equity *(in thousands of euros)*	***Notes***	**2023**	**2022**
Share capital		20,548	20,548
Share premium		531,477	531,477
Reserves		857,433	777,942
Profit for the year		31,709	167,666
Regulated provisions		-	-
Equity	*5.3*	**1,441,167**	**1,497,633**
Provisions	*5.4*	**194,006**	**161,981**
Financial debt	*5.5.1*	1,470,936	779,972
Trade payables and related accounts	*5.5.3*	186,946	171,824
Tax and social security payables	*5.5.4*	320,247	331,760
Other liabilities, accruals and deferred income	*5.5.5*	605,515	433,270
Liabilities		**2,583,644**	**1,716,826**
Foreign currency translation gains	*5.5.7*	2,239	3,046
TOTAL LIABILITIES AND EQUITY		**4,221,056**	**3,379,487**

Cash flow statement

(in thousands of euros)	*Notes*	2023	2022
Profit for the year		**31,709**	**167,666**
Non-monetary items with no cash impact			
■ Depreciation and amortisation of property, plant and equipment, intangible assets and financial investments	*5.1*	213,442	60,416
■ Gains and losses on disposal of assets		-	-176
■ Change in working capital requirement			
■ Change in provisions and other non-monetary items		30,948	18,009
■ Change in inventories		-347	-596
■ Change in trade receivables		-62,546	-50,680
■ Change in other receivables (excluding receivables on disposals of assets)		-15,759	40,186
■ Change in trade payables (excluding payables on purchases of assets)		15,122	32,220
■ Change in other payables		-28,104	54,358
Net cash from operating activities		**184,466**	**321,403**
Purchase of property, plant and equipment and intangible assets	*5.1.1 and 5.1.2*	-24,413	-18,374
Change in trade payables on fixed assets		79	-503
Proceeds from sale of property, plant and equipment and intangible assets		-	-
Purchase of long-term investment securities	*5.1.3*	-814,730	-206
Change in payables on securities	*5.5.5*	12,416	-
Proceeds from sale of equity interests		-	589
Change in other financial investments		-11,864	-9,039
Net cash from/(used in) investing activities		**-838,512**	**-27,533**
Issuance of long-term borrowings	*5.5.1*	407,000	-
Repayment of long-term borrowings	*5.5.1*	-	-129,589
Increase/(Decrease) in short-term borrowings	*5.5.1*	182,180	92,007
Change in share capital	*5.3.1*	-	-
Dividends paid	*5.3.1*	-88,176	-65,688
Change in Group current accounts and cash accounts related to the notional cash pool		-29,844	-37,713
Change in long-term financial receivables	*5.1.3*	-29,000	-6,000
Net cash from/(used in) financing activities		**442,160**	**-146,983**
Net change in cash (excluding cash accounts related to the notional cash pool)		**-211,886**	**146,887**
Opening cash position (excluding cash accounts related to the notional cash pool)		277,023	130,136
Closing cash position (excluding cash accounts related to the notional cash pool)		65,137	277,023

1. Company description

Sopra Steria Group is the parent company of the Sopra Steria group.

Its registered office is located at 3 Rue du Pré Faucon in Annecy-le-Vieux (France), where its consolidated financial statements may be consulted.

It performs a number of roles:

- it operates as a holding company, holding financial interests through which it has direct or indirect control over Group companies;
- it implements the Group's funding policy, and as such ensures that the funding requirements of its subsidiaries are met. It also centrally manages market risks to which it and its subsidiaries are exposed;
- it operates in consulting, systems integration, software and other solutions mainly delivered in France.

2. Significant events

2.1. Acquisitions

2.1.1. ACQUISITION OF CS GROUP

On 28 February 2023, Sopra Steria Group SA acquired a controlling stake in CS Group. This acquisition followed the acquisition of a main block comprising 29.73% of the company's share capital as well as the fulfilment of commitments made on 27 July 2022 to sell stakes comprising 29.15% and 6.38% of the company's share capital. Following these acquisitions, and taking into account the 9.80% stake already held in the company, the Company held a controlling interest of 75.06% at 28 February 2023. The Company subsequently carried out a simplified public tender offer and a delisting offer. All of these transactions were carried out on the basis of a unit price of €11.50 per ordinary share. At 31 December 2023, the Company held 100% of CS Group's share capital.

2.2.2. ACQUISITION OF ORDINA

On 26 September 2023, Sopra Steria Group acquired a controlling stake in the Ordina group. This acquisition was carried out following the launch of a public tender offer on 19 July 2023. The offer was set at €5.75 per ordinary share. Following this transaction, the Company held 92.73% of the share capital. After the extension period for this public tender offer, which ended on 13 October 2023, and following a direct purchase of shares, the Company held 98.09% of Ordina BV's share capital at end-December 2023. The Company has requested the delisting of the remaining shares to be purchased.

In addition, to acquire the entire operational business in the event of a successful public tender offer, the package included a technical post-acquisition asset transfer stage. To this end, Ordina BV took the following actions:

- sold 100% of Ordina Holding BV to Sopra Steria Group,
- simultaneously repaid Sopra Steria Group the value of the shares already subscribed to through a dividend distribution.

In Sopra Steria's accounts, this technical step resulted in the recording of the following items in addition to the acquisition of Ordina BV:

- the acquisition of Ordina Holding BV, an operational entity of the Ordina group, for a total of €517,591 thousand;
- liability to minority interests amounting to €9,901 thousand;
- a dividend of €507,690 thousand;
- impairment of equity interests in Ordina BV for €507,690 thousand.

This transaction had no impact on cash flows for 2023.

2.2.3. ACQUISITION OF CONNECTIV-IT

On 4 April 2023, Sopra Steria Group acquired 100% of the share capital of Connectiv-IT, for a total of €10,964 thousand.

2.2.4. ACQUISITION OF SOPRA STERIA RE2

On 21 December 2023, Sopra Steria acquired 100% of the share capital of the Sopra Steria Ré2 reinsurance company for a total of €21,871 thousand.

2.2. New credit facility

On 19 December 2023, the Company signed a contract with its partner banks for a new bank credit facility, drawn in the amount of €400 million. This credit facility has a term of five years.

2.3. Restructuring

During the financial year, the Company absorbed the following entities via the transfer of all assets and liabilities:

- Connectiv-IT as at 30 June 2023. This transaction generated a technical merger loss of €9,777 thousand fully allocated to intangible assets;
- CS Group as at 31 December 2023. This transaction generated a total technical merger loss of €111,280 thousand, of which €110,809 was allocated to shares held by this company and €471 thousand to intangible assets.

These two transactions were completed with a retroactive effective date for tax purposes of 1 January 2023.

2.4. Impairment of financial assets

Impairment testing of the Company's financial assets led to the recognition of a €199,428 thousand impairment loss on its investment in its subsidiary Sopra Banking Software. The carrying amount of this investment at the balance sheet date stood at €24,191 thousand. Loans and advances to SBS totalled €339,215 thousand.

3. Accounting policies

The financial statements for the period under review were prepared and are presented in accordance with the accounting methods in force within the Group and in compliance with the principles laid down in Articles 121-1 and 121-5 *et seq.* of France's 2014 National Chart of Accounts (*Plan Comptable Général*).

Accounting conventions have been applied in accordance with the provisions of the French Commercial Code and ANC Regulation 2020-05 on the revision of the National Chart of Accounts applicable at the period-end.

Generally accepted accounting principles were applied on a prudent basis and in accordance with the following underlying assumptions:

- going concern basis;
- consistency of accounting methods from one period to the next;
- accrual basis; and
- in accordance with general guidelines for the preparation and presentation of parent company financial statements.

No changes were made to accounting policies during the periods under review.

Foreign currency income and expense items are recorded at their euro equivalent at the transaction date.

Foreign currency receivables and payables are recorded in the balance sheet at their euro equivalent determined using the closing exchange rate. Any gains or losses arising on the retranslation of foreign currency receivables and payables are recorded in the balance sheet under *Translation adjustments*.

The Company also prepares consolidated financial statements. The Group consists of Sopra Steria Group SA (the parent company) and its subsidiaries as well as the Group's share in associates.

4. Notes to the income statement

4.1. Operating income

4.1.1. REVENUE

REVENUE BREAKS DOWN AS FOLLOWS BY VERTICAL MARKET:

	2023	2022
Manufacturing	29.6%	31.4%
Services	24.6%	22.5%
Public sector	19.4%	19.8%
Finance	16.0%	17.8%
Telecoms & Media	7.2%	6.5%
Retail	3.1%	1.9%
TOTAL	**100.0%**	**100.0%**

Of the €1,965,561 thousand in revenue generated in 2023, €145,587 thousand derived from international operations.

Costs of obtaining and fulfilling a contract

- The costs of obtaining a contract are capitalised in assets if two conditions are met: they would not have been incurred had the contract not been obtained, and they are recoverable. They can include sales commissions if these are specifically and solely linked to obtaining a contract and were not therefore granted in a discretionary manner.
- Costs of fulfilling a contract: Transition/transformation phases of third-party application maintenance, infrastructure management and outsourcing contracts, preparatory phase for licences in SaaS mode.
- The costs of fulfilling or implementing a contract are costs directly related to the contract, which are necessary to satisfying performance obligations in the future and are expected to be recovered. They do not meet the criteria defined in the general principles to constitute a distinct performance obligation.
- Certain third-party application maintenance, infrastructure management or outsourcing contracts may include transition and transformation phases. In basic contracts, these activities are combined for the purpose of preparing the operating phase. They are not distinct from subsequent services to be rendered. In this case, they represent costs to implement the contract. They are capitalised and recognised in *Inventories and work in progress*.
- Conversely, in more complex or sizeable contracts, the transformation phase is often longer and more significant. This generally occurs prior to operations or parallel to temporary operations to define a target operating model. In these situations, it represents a distinct performance obligation.
- Licences in SaaS mode require preparatory phases (functional integration, set-up of the technical environment) in order to reach a target operating phase. These are not distinct performance obligations but represent costs to implement the contract that are capitalised and recognised in *Inventories and work in progress*.
- The costs of fulfilling or implementing a contract capitalised in *Inventories and work in progress* are released to profit or loss in a pattern consistent with revenue recognition and never give rise to the recognition of revenue.

Implementation, consulting and assistance services provided on a time-and-materials basis; outsourcing; infrastructure management; and third-party application maintenance (corrective maintenance)

- Revenue from implementation, consulting and assistance services provided on a time-and-materials basis; outsourcing; infrastructure management; and third-party application maintenance (corrective maintenance) is recognised, in accordance with the general principles, when the customer simultaneously receives and consumes the benefits of the service. Revenue is recognised based on time spent or another billable unit of work.

Services covered by fixed-price contracts

- Revenue and profit generated by services performed under fixed-price contracts are recognised based on a technical estimate of the degree of completion.

Licences

- Should the analysis of a contract in accordance with the general principles identify the delivery of a licence as a distinct performance obligation, control is transferred to the customer either at a point in time (grant of a right to use), or over time (grant of a right to access).
- A right to access corresponds to the development of solutions in SaaS mode. Changes at any time made by the developer to the solution that expose the customer to any positive or negative effects do not represent a service for the customer. In this situation, revenue is recognised as and when the customer receives and consumes the benefits provided by performance. If the nature of the licence granted to the customer does not correspond to the definition of a right to access, it is a right to use. In this situation, revenue from the licence shall be recognised on delivery when all the obligations stipulated in the contract have been met.

Principal/Agent distinction

- Should the analysis of a contract identify the resale of goods or services as a separate performance obligation, it must be determined whether the Company is acting as an agent or a principal. It is acting as an agent if it is not responsible to the customer for satisfying the performance obligation and for the customer's acceptance, if there is no transformation of the goods or services and there is no inventory risk. In this situation, revenue is recognised for a net amount corresponding to the agent's margin or a commission. Otherwise, where it obtains control of the good or service prior to its transfer to the end-customer, it is acting as a principal. Revenue is recognised for the gross amount and external purchases are recorded in full as an operating expense.

4.1.2. EXPENSES TRANSFERRED

Expenses transferred in financial year 2023 amounted to €115,279 thousand.

They mainly consisted of transfers from one expense account to another, as well as intercompany rebilling of structure costs initially recognised by Sopra Steria as part of its management of certain contracts and Group employee share ownership plans.

4.2. Staff costs and employee benefits

4.2.1. EMPLOYEE PROFIT-SHARING AND INCENTIVES

The amount of legally prescribed employee profit-sharing was nil in financial year 2023, since net taxable profit equated to less than 5% of equity.

As such, this item only comprised an expense relating to employee incentives for a total of €19,533 thousand.

4.2.2. FREE SHARE AWARD PLAN

Free performance share plans as a long-term incentive

At the Combined General Meeting of Sopra Steria Group on 24 May 2023, the shareholders renewed the authorisation granted to the Board of Directors to award free performance shares in the Company to employees and/or executive company officers, for up to a maximum of 1.1% of the Company's share capital on the date on which the Board of Directors decides to make the award.

At maturity, the Board of Directors may decide whether to issue new shares or buy back existing shares to fund these plans.

Performance shares are delivered to recipients provided that the condition of continued employment and performance conditions are met at the end of the vesting period. Performance conditions are measured based on changes over three years in operating profit on business activity, consolidated revenue and consolidated free cash flow, for 90% of the plan, and on achieving CSR targets for 10% of the plan.

Three plans were active at the financial year-end:

- the 2021 LTI plan, set up on 26 May 2021, by decision of the Board of Directors;
- the 2022 LTI plan, set up on 1 June 2022, by decision of the Board of Directors;
- the 2023 LTI plan, set up on 24 May 2023, by decision of the Board of Directors.

	Sopra Steria plans		
	2021 LTI plan (1)	**2022 LTI plan (1)**	**2023 LTI plan (1)**
Date granted by the Board of Directors	26/05/2021	01/06/2022	24/05/2023
Total number of shares in awards granted, not subject to conditions	219,200	200,950	136,880
Number of shares granted to:			
■ Company officers	3,000	3,000	3,000
■ Top 10 employee grantees	21,500	20,200	16,800
Vesting date			
■ France	30/06/2024	30/06/2025	30/06/2026
■ Other countries	30/06/2024	30/06/2025	30/06/2026
Number of potential shares that could have been granted as at 1 January 2023	203,000	199,060	-
Granted in 2023	-	-	136,880
Awards cancelled in 2023	7,382	7,057	3,100
Vested at 31/12/2023	-	-	-
SHARES REMAINING AT 31 DECEMBER 2023	**195,618**	**192,003**	**133,780**

(1) Plan with conditional grant depending on the recipient's continued employment and performance conditions as measured by changes over three years in operating profit on business activity, consolidated revenue, consolidated free cash flow and a CSR condition.

"We Share 2023" employee share ownership plan

In the first half of 2023, the Group relaunched its "We Share" employee share ownership programme. Employees were able to purchase Sopra Steria Group shares, under certain conditions, from 27 March to 12 April 2023 inclusive.

Employees could purchase Sopra Steria shares according to a "conventional" purchase model and receive a matching employer contribution of one free share for every share purchased, up to a maximum gross value of €3,000.

The offer of Sopra Steria shares to the Group's employees was carried out via the transfer of existing treasury shares and shares bought back in advance by Sopra Steria under a share buyback programme.

This offer involved 189,750 shares in the Company, corresponding to 95,020 shares purchased by employees and 94,730 free shares awarded as the employer's matching contribution.

Employees of Sopra Steria Group subscribed for 45,443 shares and received 45,228 shares as the employer's matching contribution.

In the Company's parent company financial statements, the implementation of this plan had the following profit and loss impact:

- a capital gain on the shares subscribed for by employees in the amount of €2,058 thousand;
- a staff expense in respect of the employer's matching contribution in the amount of €7,642 thousand.

- The actual staff expense is not recognised until the date shares are delivered under the plan. This expense is measured at the purchase cost of the vested free shares.
- For multi-year plans contingent upon conditions related to performance and/or continued employment, a provision for contingencies is set aside on a straight-line basis over the vesting period in recognition of the probable outflow of resources **when the decision or intention to award shares bought back is established**. This provision is reassessed in the parent company financial statements at each financial year-end, taking into account the opening cost of the shares on the date they were assigned to the plan or the cost of shares yet to vest, measured on the basis of the share price at the balance sheet date, and the probability that the plans will be implemented at the stated terms.

4.2.3. RETIREMENT BENEFIT OBLIGATIONS: AMOUNT RECOGNISED IN THE INCOME STATEMENT

The calculation assumptions for this obligation were as follows:

- each employee is entitled to a retirement bonus;
- the amount payable is calculated as set out in the collective bargaining agreement covering the category of employees in question;
- voluntary retirement age: 67;
- salary increase rate: 2.5%;
- staff turnover: 0% to 18.70%;
- social security contribution rate: 44.50%;
- discount rate: 3.17%.

AMOUNTS RECOGNISED IN THE INCOME STATEMENT

(in thousands of euros)	31/12/2023	31/12/2022
Current service cost	4,959	6,302
Interest on obligation	2,867	872
Net actuarial losses recognised in respect of the financial year	-2,172	-
Past service cost	1,516	1,516
TOTAL RECOGNISED UNDER *OPERATING EXPENSES*	**7,170**	**8,690**
Net liability at the beginning of the period (with corridor)	94,008	87,904
Net expense recognised in the income statement	7,170	8,690
Benefits provided	-2,337	-2,587
Intercompany transfers and partial transfers of assets	294	-
NET LIABILITY AT THE END OF THE PERIOD	**99,135**	**94,008**

4.2.4. OTHER INFORMATION

a. Workforce

The average workforce in 2023 was 13,438 employees.

The workforce at 31 December 2023 totalled 13,546 employees.

b. Compensation of Directors and company officers

Directors' fees paid in 2023 in respect of financial year 2022 amounted to €500 thousand.

Compensation paid in 2023 to company officers totalled €1,270 thousand.

4.3. Net financial income

(in thousands of euros)	*Notes*	2023	2022
Dividends received from equity interests	*5.1.3.c*	647,233	91,953
Interest on bank borrowings and similar charges		-28,721	-7,780
Discounting of the pension provision		-2,867	-872
Losses on receivables from equity interests		-14,948	-
Interest received and paid on Group current accounts		10,646	4,602
Positive and negative foreign exchange impact (incl. provision)		-2,607	11,837
Impairment of equity interests	*5.1.3.b*	-707,118	-44,725
Other financial income and expenses		2,863	-6,382
NET FINANCIAL INCOME		**-95,689**	**48,633**

The lines "Dividends received from equity interests" and "Impairment of equity interests" were both impacted by the technical stage of the Ordina BV acquisition amounting to €507,690 thousand.

At the balance sheet date, additional impairment of €199,428 thousand was recognised against the Company's investment in Sopra Banking Software.

Debt expenses increased by €20,940 thousand compared with the previous financial year. This figure is related to the funding of external growth transactions carried out in the financial year and higher interest rates.

Losses on receivables related to equity interests were due to the waiver of a receivable granted to the Singapore subsidiary, Sopra Steria Asia.

Foreign exchange gains and losses mainly arise from transactions carried out in pounds sterling, Norwegian kroner and US dollars. In 2023, this item was mainly affected by the revaluation of financial debt outstanding denominated in pounds sterling.

4.4. Exceptional items

(in thousands of euros)	2023	2022
Scrapping of fixed assets	-	-122
Gain or loss on disposal of fixed assets	-	242
Gain or loss on treasury share transactions	2,673	558
Tax risks	-1,592	298
Reorganisation costs	-3,785	-2,059
Withholding taxes	906	748
Other	189	494
EXCEPTIONAL ITEMS	**-1,610**	**160**

Exceptional items are items that do not arise from the Company's day-to-day operations, either because they are unusual in amount or impact or because they are abnormal, non-predictive and infrequent.

4.5. Corporate income tax

4.5.1. TAX CONSOLIDATION

Sopra Steria Group and some of its subsidiaries have opted to file as a tax consolidation group. Each of the companies computes and recognises its own corporate income tax charge as if it were taxed separately.

The tax savings resulting from the application of the tax consolidation group are equal to the difference between the sum of tax paid to the parent company by consolidated companies and tax calculated on Group earnings. These savings accrue to the parent company.

However, given the provisions laid down in agreements with subsidiaries, tax savings recognised by the parent company during the financial year, arising from the use of tax losses and net long-term capital losses reported by consolidated companies, are only temporary. Consolidated companies are treated as separate entities for tax purposes.

At the financial year-end, corporate income tax due for the year was €1,372 thousand.

4.5.2. TAX BREAKDOWN BETWEEN ORDINARY ACTIVITIES AND EXCEPTIONAL ITEMS

Corporate income tax broke down as follows:

(in thousands of euros)	2023	2022
Tax on recurring operations	-25,266	-16,337
Tax on exceptional operations	238	454
Impact of tax consolidation	37,530	14,703
R&D tax credit	15,886	16,434
Other tax expenses	973	-359
Other tax credits	1,045	1,137
TOTAL	**30,407**	**16,032**

4.5.3. DEFERRED AND UNREALISED TAX ITEMS

(in thousands of euros)	2023	2022
I. Certain or contingent differences		
Temporary non-deductible expenses		
■ C3S social security tax	2,876	2,802
■ Provisions for retirement or other long-term employee benefits	99,606	94,008
■ Provision for foreign exchange losses	19	62
■ Amortisation of intangible assets	2,250	2,143
■ Other	9,399	4,255
Temporary non-taxable income		
■ Capital gains on mergers	-6,467	-6,467
Deducted expenses (or taxed income) for tax purposes that have not been recognised		
■ Foreign currency translation losses	-2,244	-2,981
■ Foreign currency translation gains	2,239	3,046
TOTAL	**107,678**	**96,868**
II. Items to be applied		
Losses that may be carried forward for tax offset	-339,889	-273,240
III. Contingent tax items		
Capital gains on non-depreciable assets contributed on merger	-148,729	-148,729

5. Notes to the balance sheet

5.1. Non-current assets

5.1.1. INTANGIBLE ASSETS

(in thousands of euros)	Gross value *(beginning of period)*	Changes in scope	Acquisitions	Disposals	Gross value *(end of period)*
Research and development expenses	746	-	-	493	253
Concessions, patents and similar rights	27,289	52	-	52	27,289
Goodwill	254,338	10,249	-	-	264,587
Other intangible assets	2,250	-	-	-	2,250
TOTAL FIXED ASSETS	**284,623**	**10,301**	**-**	**545**	**294,379**

(in thousands of euros)	Amortisation and provisions *(beginning of period)*	Changes in scope	Charges	Reversals	Amortisation and provisions *(end of period)*
Research and development expenses	704	-	42	493	253
Concessions, patents and similar rights	27,011	52	188	52	27,199
Goodwill	55,054	-	107	-	55,161
Other intangible assets	2,142	-	-	-	2,142
TOTAL AMORTISATION AND PROVISIONS	**84,911**	**52**	**337**	**545**	**84,756**

Intangible assets comprise:

- software acquired or contributed,
- goodwill and technical merger losses acquired or contributed during mergers.

Changes in scope are mainly the result of the transfer of all assets and liabilities of Connectiv-IT totalling €9,777 thousand.

Research and development costs for software and solutions, which totalled €17,936 thousand in financial year 2023, are recognised as expenses.

Software development costs

All research costs are charged to the income statement for the financial year during which they are incurred.

Development costs for software and solutions may be capitalised if all of the following can be demonstrated:

- the technical feasibility of completing the intangible asset for use or sale;
- the intent to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- the manner in which the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;
- the ability to reliably measure the expenditure attributable to the intangible asset during its development. The only research and development costs recognised are from companies acquired and subsequently merged.

Software acquired

Software is recognised at cost. It is amortised on a straight-line basis over one to ten years.

Goodwill

Goodwill consists of acquired assets of a business that cannot be shown in any other balance sheet item. As such, it is calculated by deducting from the total value of a business those elements of that business that can be recognised separately in the balance sheet.

The Company conducts goodwill impairment tests every year.

The duration of use of goodwill is presumed to be unlimited.

The Company writes down the value of an asset if its current value (the higher of market value and value in use) is less than its carrying amount.

Goodwill is allocated to a group of assets so that it can be tested at a level of relevance that enables its performance to be tracked.

Recognised write-downs are definitive and may not be reversed.

Technical merger losses allocated to goodwill

After allocation, technical losses on mergers are recognised in a specific account by the relevant asset category to facilitate their monitoring over time.

Technical losses on mergers are depreciated using the same rules and under the same terms as the assets to which they relate.

Each share of the merger loss allocated to an underlying asset is tested for impairment and written down whenever the current value of the underlying asset falls below its carrying amount plus the share of the merger loss allocated. The impairment loss is charged firstly to the share of the technical merger loss.

Goodwill impairment therefore also includes impairment losses charged to the portion of the technical merger loss allocated to goodwill.

5.1.2. PROPERTY, PLANT AND EQUIPMENT

(in thousands of euros)	**Gross value** *(beginning of period)*	**Changes in scope**	**Acquisitions**	**Disposals**	**Line-item transfers**	**Gross value** *(end of period)*
Land	323	-	-	-	-	323
Buildings	6,883	-	-	-	-	6,883
Technical installations	3,242	124	782	-	-	4,148
Sundry fittings	116,247	69	10,353	43	2,280	128,906
Vehicles	137	-	-	-	-	137
Office furniture and equipment	52,198	39	7,804	4,672	732	56,101
Other property, plant and equipment	14	-	-	-	-	14
Fixed assets in progress	3,430	-	5,475	-	-3,012	5,893
TOTAL FIXED ASSETS	**182,474**	**232**	**24,414**	**4,715**	**-**	**202,404**

(in thousands of euros)	**Depreciation and provisions** *(beginning of period)*	**Changes in scope**	**Charges**	**Reversals**	**Line-item transfers**	**Depreciation and provisions** *(end of period)*
Land	195	-	10	-	-	205
Buildings	6,522	-	74	-	-	6,596
Technical installations	1,477	91	868	-	-	2,437
Sundry fittings	74,721	32	8,982	43	-	83,692
Vehicles	56	-	28	-	-	85
Office furniture and equipment	36,557	21	3,714	4,670	-	35,621
Other property, plant and equipment	-	-	-	-	-	-
Fixed assets in progress	-	-	-	-	-	-
TOTAL DEPRECIATION AND PROVISIONS	**119,528**	**145**	**13,676**	**4,714**	**-**	**128,636**

Property, plant and equipment consists of the following:

- Land and buildings: Sopra Steria Group owns three buildings at the Annecy-le-Vieux site;
- Office furniture, fixtures and equipment: This item refers to equipment on premises leased by Sopra Steria Group in major French cities.

Some IT equipment is acquired on three- or four-year finance leases and is not included under *Property, plant and equipment* in the parent company financial statements.

All properties other than the buildings at the Annecy-le-Vieux site are leased.

Property, plant and equipment is recognised in the balance sheet at cost.

Depreciation is calculated using the straight-line method over the useful lives assigned to each category of fixed assets.

Category	Useful life
Buildings	25 years
Fixtures and fittings	9 years
Hardware and equipment	3 to 5 years
Vehicles	5 years
Office furniture and equipment	5 to 10 years

5.1.3. FINANCIAL INVESTMENTS

(in thousands of euros)	*Notes*	Gross value *(beginning of period)*	Changes in scope	Acquisitions/ Increases	Disposals/ Decreases	Gross value *(end of period)*
Equity interests and long-term investment securities	*5.1.3.c*	1,391,777	-102,913	1,312,251	-	2,601,115
Other financial investments		558,627	110,849	132,982	4,571	797,888
TOTAL FIXED ASSETS		**1,950,404**	**7,936**	**1,445,233**	**4,571**	**3,399,002**

(in thousands of euros)	*Notes*	Impairment *(beginning of period)*	Changes in scope	Charges	Reversals	Impairment *(end of period)*
Equity interests and long-term investment securities		61,840	4,547	707,119	-	773,506
Other financial investments		5,880	6	169	-	6,054
TOTAL IMPAIRMENT	***5.1.3.b***	**67,720**	**4,553**	**707,287**	**-**	**779,561**

Equity interests are recognised at cost.

At the financial year-end, an impairment loss is recognised whenever the carrying amount exceeds the value in use.

Value in use is equal to enterprise value less net debt. Enterprise value is determined on the basis of discounted future cash flows derived from five-year business plans drawn up by management.

a. Breakdown of changes in the gross amounts recognised for equity interests and other financial investments

Increases are as follows:

(in thousands of euros)

Securities concerned	Transaction type	Amount
Ordina BV	Purchase of shares	507,690
Ordina Holding BV	Purchase of shares	517,591
CS Group	Purchase of shares	254,126
Connectiv-IT	Purchase of shares	10,964
Sopra Steria Ré2	Purchase of shares	21,871
Receivables related to equity interests		121,169
Other investments		11,823
TOTAL		**1,445,233**

b. Impairment of equity interests

(in thousands of euros)	Impairment *(beginning of period)*	Changes in scope	Charges	Reversals	Impairment *(end of period)*
Sopra Steria A/S (Denmark)	12,221	-	-	-	12,221
Sopra Steria Asia (Singapore)	9,994	-	-	-	9,994
Ordina BV (Netherlands)	-	-	507,690	-	507,690
COMECO (Germany)	4,400	-	-	-	4,400
Sopra Financial Technology (Germany)	22,624	-	-	-	22,624
Sopra Banking Software (France)	15,000	-	199,428	-	214,428
Other	3,481	4,553	169	-	8,203
TOTAL	**67,720**	**4,553**	**707,287**	**-**	**779,561**

In accordance with CRC Regulation 2002-10, issued by the Comité de la Réglementation Comptable (the French accounting regulation committee), on the depreciation, amortisation and impairment of fixed assets, additional impairment charges amounting to €707,287 thousand were recognised in financial year 2023, including €507,690 thousand for the Ordina BV shares.

c. Subsidiaries and equity interests

Company *(in thousands of euros)*	Share capital	Other shareholders' equity	% of capital held	Carrying amount of shares held (including merger deficit)		Loans and advances granted by the Company	Guarantees and securities given	Revenue excluding VAT	Profit or loss	Dividends received by the Company
				Gross	Net					
Subsidiaries										
Sopra Banking Software (France)	161,867	-138,384	100	238,619	24,191	339,215	4,129	313,123	-3,436	-
Sopra HR Software (France)	13,110	64,016	100	3,171	3,171	-	4,200	199,710	26,593	18,878
Sopra Steria Holdings Ltd (United Kingdom)	20,531	159,141	100	388,753	388,753	-	-	-	-15,169	-
Sopra Steria Group SpA (Italy)	3,660	5,910	100	12,503	12,503	-	500	97,889	5,030	4,635
Sopra Steria España SAU (Spain)	24,000	41,572	100	116,747	116,747	-	-	247,346	12,904	30,000
Sopra Steria AB (Sweden)	631	19,348	100	33,673	33,673	-	-	-	1,669	-
Sopra Steria AG (Switzerland)	4,973	5,928	100	37,561	37,561	-	-	37,546	2,781	6,094
Sopra Steria A/S (Denmark)	1,342	-1,291	100	12,220	-	-	-	6,771	-610	-
Sopra Steria Benelux (Belgium)	9,138	11,591	100	45,756	45,756	71,509	-	114,712	1,850	-
Sopra Steria AS (Norway)	1,779	75,846	100	126,303	126,303	-	-	470,139	48,029	24,930
Sopra Steria SE (Germany)	10,000	39,311	100	183,153	183,153	-	30,527	381,851	15,708	19,000
Sopra Steria Asia (Singapore)	8,224	-6,581	100	9,994	-	-	-	6,409	-13,928	-
Sopra Steria Infrastructure & Security Services (France)	27,025	23,246	100	40,648	40,648	2,322	-	318,606	20,664	10,000
Sopra Steria Polska Sp. z o.o. (Poland)	4,248	2,975	100	10,800	10,800	-	-	45,503	1,299	2,259
Sopra Steria UK Corporate Ltd (United Kingdom)	20,520	216,524	100	389,600	389,600	-	-	-	9,116	-
CIMPA (France)	152	19,003	100	100,000	100,000	-	-	145,171	15,067	15,000
Galitt	2,668	21,185	100	45,478	45,478	-	-	38,276	2,024	5,002
SSG 1 (France)	10	0	100	10	10	-	-	-	0	-
XYZ 12 2016 (France)	10	-2	100	19	19	-	-	-	-2	-
Sopra Financial Technology (Germany)	22,940	-9,506	51-	22,624	-	35,000	30,600	161,220	-5,881	-
Sopra Steria Réassurance	1,250	2,750	100	1,250	1,250	-	3,000	-	1,836	-
CS Group France (France)	4,892	-62,149	100	283,315	283,315	50,560	-	168,165	-108,643	-
Sopra Steria Ré 2	3,500	20,425	100	21,871	21,871	-	-	-	-50	-
Ordina BV (Netherlands)	9,002	1,944	98	507,690	-			-	385,953	
Ordina Holding BV (Netherlands)	11,561	114,758	100	517,591	517,591	3,000	-	167	-747	-
Other	N/A	N/A	-	4,552	42	-	-	N/A	N/A	-
Equity interests										
COMECO	N/A	N/A	10	4,400	-	-	-	N/A	N/A	-
Particeep	N/A	N/A	7	742	742	-	-	N/A	N/A	-
Axway Software	43,267	148,973	32	73,859	73,859	-	-	186,603	-12,464	2,765
Other	N/A	N/A	-	709	670	-	-	N/A	N/A	-

d. Other financial investments

At the balance sheet date, this item mainly comprised the following:

- liquidity agreement (shares and cash): €7,562 thousand;
- intercompany loans: €125,511 thousand;
- units in FCPI investment funds for €22,380 thousand;
- merger loss allocated to financial assets: €632,497 thousand.

5.2. Other assets

5.2.1. INVENTORIES AND WORK IN PROGRESS

(in thousands of euros)	Inventories *(beginning of period)*	Changes in scope	Increase	Decrease	Inventories *(end of period)*
Consumables	61	-	35	-	96
Work in progress	3,212	-	-	347	2,865
TOTAL	**3,273**	**-**	**35**	**347**	**2,961**

Work in progress recognises all costs incurred during the transition or transformation phases of third-party application maintenance, infrastructure management and outsourcing contracts, as well as preparatory phases for licences in SaaS mode.

- Costs incurred in the start-up phase of a contract may be deferred over the term of the contract and recognised in the balance sheet as work in progress when they relate to future activities of the contract and provided that they are probable and generate future economic benefits.
- Work in progress is recognised at its direct production cost and does not include administrative or commercial costs.

5.2.2. TRADE RECEIVABLES

(in thousands of euros)	2023	2022
Non-Group clients and related accounts	279,677	265,788
Accrued income	139,610	112,107
Group clients (including accrued income)	46,503	25,355
Doubtful debtors	58	53
Provision for doubtful debtors	-49	-44
TOTAL	**465,800**	**403,259**

Trade receivables and related accounts are recognised as assets and are stated at their carrying amount.

Accrued income is essentially comprised of production recognised for fixed-price projects using the percentage-of-completion method. Invoices are generally prepared for these contracts upon completion of the services rendered, which are covered over the lifespan of the projects through payments on account.

- Trade receivables are measured at their nominal value.
- A separate estimate is made for trade receivables at the end of the financial year and an impairment loss is recognised in the event of a risk of non-recovery, particularly when linked to collective proceedings. Doubtful debts for which legal proceedings have not been instigated are treated as accrued credit notes.

5.2.3. OTHER RECEIVABLES, PREPAYMENTS AND ACCRUED INCOME

(in thousands of euros)	2023	2022
Staff costs and related accounts	137	54
Social security	1,117	770
State and local authorities		
■ Corporate income tax	7,936	4,519
■ Value-added tax	26,573	23,400
■ Other tax	170,507	114,028
Group and associates	475,508	346,799
Impairment of current accounts	-16	-
Other receivables	9,692	11,778
Prepaid expenses	25,300	14,268
TOTAL	**716,754**	**515,617**

The *Other tax* item includes in particular tax credits not used at 31 December 2023. It mainly consists of research tax credit receivables totalling €154,913 thousand. The €56,479 thousand increase in this item mainly arose from R&D tax credits contributed by CS Group upon the transfer of all assets and liabilities.

The *Corporate income tax* item in the amount of €7,936 thousand mainly consists of overpayment of corporate income tax payments on account.

The *Group and associates* item consists of current account advances to Group subsidiaries (see Note 5.1.3.c).

Prepaid expenses relate to services invoiced in 2023 and attributable to subsequent financial years. They mainly concern costs associated with hardware and software maintenance contracts and leases of movable and immovable property.

5.2.4. SHORT-TERM INVESTMENT SECURITIES

At the financial year-end, short-term investment securities comprised treasury shares held and assigned to an employee shareholding plan.

Purchases of treasury shares in the financial year totalled €45,559 thousand.

Treasury shares used to fund plans during the financial year totalled €32,065 thousand.

At 31 December, there were 146,376 such shares, the value of which totalled €27,410 thousand.

Short-term investment securities are recognised at cost.

At each financial year-end, an impairment loss is recognised whenever the carrying amount exceeds the value in use, except in the case of treasury shares assigned to a predetermined plan to distribute free shares to employees of the Company.

5.2.5. DEBT ISSUANCE COSTS AND FOREIGN CURRENCY TRANSLATION LOSSES

(in thousands of euros)	**2023**	**2022**
Debt issuance costs	289	383
Foreign currency translation losses	2,244	2,981
TOTAL	**2,533**	**3,364**

a. Debt issuance costs

Debt issuance costs consisted of costs to negotiate and arrange the bond issue carried out on 5 July 2019 for an initial amount of €697 thousand. These costs are amortised over the term of the debt in proportion to the interest accrued.

b. Foreign currency translation losses

The *Foreign currency translation losses* item amounted to €2,244 thousand at end-December 2023, compared with €2,981 thousand at end-2022.

This change was mainly due to the stock of US dollar payables being lower at end-2023 than it had been at end-2022 and the change in exchange rates.

A provision for contingencies and losses is recognised in respect of foreign currency translation losses in the amount of such losses, unless the transactions are hedged or their term is sufficiently close. In this case, the unrealised gains and losses are considered to form part of the overall foreign exchange position and the charge to the provision is restricted to the amount by which losses exceed gains.

5.2.6. IMPAIRMENT OF CURRENT ASSETS

(in thousands of euros)	**Impairment** *(beginning of period)*	**Charges**	**Reversals**	**Impairment** *(end of period)*
Impairment of trade receivables	44	6	1	49
TOTAL	**44**	**6**	**1**	**49**

5.2.7. ACCRUED INCOME

(in thousands of euros)	31/12/2023	31/12/2022
Accrued income		
Trade payables – Credit notes to be received	369	204
Trade receivables, related accounts and other receivables	173,881	128,619
Tax and social security receivables	1,486	784
Cash and cash equivalents	607	65
TOTAL	**176,342**	**129,671**

5.3. Equity

5.3.1. STATEMENT OF CHANGES IN EQUITY

(in thousands of euros)	Amounts *(beginning of period)*	Appropriation of earnings	Impact of mergers	Change in regulated provisions	Profit for the year	Amounts *(end of period)*
Share capital	20,548	-	-	-	-	20,548
Issue, merger and contribution premiums	531,477	-	-	-	-	531,477
Legal reserve	2,055	-	-	-	-	2,055
Discretionary reserves	775,823	79,376	-	-	-	855,199
Retained earnings	65	115	-	-	-	179
Profit for the year	167,666	-167,666	-	-	31,709	31,709
Regulated provisions	-	-	-	-	-	-
TOTAL EQUITY	**1,497,633**	**-88,176**	**-**	**-**	**31,709**	**1,441,167**

5.3.2. SHARE CAPITAL

At 31 December 2023, Sopra Steria Group had a share capital of €20,547,701. It is represented by 20,547,701 fully paid-up shares with a par value of €1 each.

There were no capital transactions during the financial year under review.

In accordance with the resolution passed at the Combined General Meeting of 27 June 2014, pursuant to Article L. 225-123 of the French Commercial Code arising from the Act of 29 March 2014, double voting rights were introduced on 7 July 2014 for all fully paid-up shares held in registered form in the same shareholder's name for at least two years.

At 31 December 2023, the total number of voting rights that could be exercised at Ordinary and Extraordinary General Meetings was 26,371,884, while the total number of theoretical voting rights at that date was 26,529,583.

The Company held a total of 157,400 treasury shares at 31 December 2023. Consequently, at the balance sheet date, reserves not available for distribution amounted to €29,582 thousand.

Free share award plans realised in the financial year had no dilutive effect on capital.

5.4. Provisions for contingencies and losses

(in thousands of euros)	Notes	Amounts *(beginning of period)*	Changes in scope	Additions in the financial year	Reversals in the financial year		Amounts *(end of period)*
					Used	Not used	
Provisions for retirement bonuses	*5.4.1*	94,008	294	7,170	2,337	-	99,135
Provisions for restructuring		1,399	-	-	1,234	-	165
Provisions for commercial disputes		3,900	-	4,150	34	1,366	6,650
Provisions for employee disputes		861	100	256	164	207	846
Provisions for foreign exchange losses		52	-	9	52	-	9
Provisions for tax risks	*5.4.2*	18,099	308	1,592	3,990	-	16,009
Provisions for renovating premises		2,290	-	1,800	2,290	-	1,800
Provisions for contingencies on free share plans	*5.4.3*	21,384	-	45,398	-	-	66,782
Other provisions for contingencies	*5.4.4*	19,988	641	580	18,600	-	2,609
TOTAL		**161,981**	**1,343**	**60,955**	**28,701**	**1,573**	**194,006**

Provisions for contingencies and losses are set aside to cover probable outflows of resources to third parties, without consideration for the Company.

The Company recognises provisions for the following contingencies:

- commercial risks (estimated costs of guarantee expenses, "losses on completion" on some long-term contracts);
- employee-related costs (restructuring costs, performance-based free share plan);
- costs related to business premises (unoccupied premises, renovations);
- financial risks such as the risk of foreign exchange losses (see Note 5.2.5) or losses going beyond equity interests;
- risks of tax adjustments linked to tax audits.

It should be noted that provisions recognised on a prudent basis in no way prejudice the future outcome of current disputes.

5.4.1. PROVISIONS FOR RETIREMENT BONUSES

Sopra Steria Group recognises provisions for its employee benefit obligations in accordance with the terms of voluntary and compulsory retirement under the Syntec collective bargaining agreement, as amended in 2004 following the French pension reform act of 21 August 2003. The method for calculating retirement bonuses changed. This change took effect in the first quarter of 2023, in the month after the date of publication of the order by the French Ministry of Labour to extend an amendment to the Syntec collective bargaining agreement. This amendment aims to align the method for calculating retirement bonuses with that used for termination benefits, which had the effect of adding employee bonuses to the base salary. This plan amendment increased the value of liabilities. Its cost was anticipated and recognised at 31 December 2022. Provisions for retirement bonuses are recognised on an actuarial basis as described below.

Assumptions referring to mortality rates are based on published statistical data.

Turnover tables are based on five-year age brackets and are updated at each balance sheet date to reflect attrition data for the last five years.

The discount rate used to calculate the present value of the obligation is the yield on high-quality corporate bonds (rated AA or higher) denominated in the payment currency and with a maturity close to the average estimated term of the retirement benefit obligation concerned.

The Company uses the +10-year iBoxx rate for the eurozone as the benchmark for discounting its retirement benefit obligations. At 31 December, this rate stood at 3.17%.

(in thousands of euros)	**31/12/2023**	**31/12/2022**
Present value of the obligation financed (with corridor)	87,154	79,443
Fair value of plan assets	-	-
Difference	-	-
Present value of the obligation financed	**87,154**	**79,443**
Unrecognised actuarial losses (difference)	17,291	24,822
Unrecognised past service cost	-5,311	-10,257
Net liabilities on the balance sheet (provision after charge for the year)	**99,135**	**94,008**
Balance sheet amounts	**-**	**-**
Liabilities	99,135	94,008
Assets	-	-
NET OBLIGATION IN THE BALANCE SHEET	**99,135**	**94,008**

The total obligation in respect of retirement bonuses amounted to €99,135 thousand.

- Sopra Steria Group recognises provisions for all of its benefit obligations in respect of retirement bonuses in accordance with the retirement clauses of the Syntec collective bargaining agreement.
- Sopra Steria Group's obligation towards its employees is determined on an actuarial basis, using the projected unit credit method: the present value of the employer's obligation is recognised in proportion to the probable length of service of the employees, taking into account actuarial assumptions such as the level of future compensation, life expectancy and staff turnover. Changes in actuarial assumptions that affect the valuation of the obligation are recognised as actuarial gains and losses. Actuarial gains and losses representing more than 10 % of the amount of obligations are recognised and amortised over the expected average working lives of the employees participating in the plan.

5.4.2. PROVISIONS FOR TAX RISKS

The total amount of provisions for taxes recognised at 31 December 2023 was €16,009 thousand.

Used reversals from these provisions amounted to €3,990 thousand in respect of financial year 2023.

5.4.3. PROVISIONS FOR PLANS TO AWARD EXISTING FREE SHARES

Since the Company had expressed its intention to fund long-term incentive (LTI) plans by acquiring existing shares in advance, it had to recognise a provision for contingencies in recognition of the probable outflow of resources.

At 31 December 2023, the provision in respect of the LTI plans stood at €66,782 thousand.

The characteristics of these plans are set out in Note 4.2.2.

The next shares will be delivered in July 2024 when the 2021 LTI plan closes.

5.4.4. OTHER PROVISIONS FOR CONTINGENCIES

During the financial year, the Company recapitalised its Singapore-based subsidiary, Sopra Steria Asia, and correspondingly reversed the provision for contingencies previously recognised in the amount of €18,600 thousand.

5.5. Other liabilities

5.5.1. FINANCIAL DEBT

(in thousands of euros)	**Notes**	**Amounts** *(beginning of period)*	**Changes in scope**	**Increase**	**Decrease**	**Amounts** *(end of period)*
Syndicated loan	*5.5.1.a*	-	-	400,000	-	400,000
NEU CP programme	*5.5.1.b*	125,000	-	366,000	125,000	366,000
NEU MTN programme	*5.5.1.c*	70,000	-	-	60,000	10,000
Other financial debt	*5.5.1.d*	331,409	12,753	3,967		348,130
Employee profit-sharing		1	-	-	-	1
Bond	*5.5.1.e*	250,000	-	-	-	250,000
Payables related to equity interests		-	-	90,511	-	90,511
Accrued interest on financial debt		3,561	-	6,295	3,562	6,294
TOTAL		**779,972**	**12,753**	**866,773**	**188,562**	**1,470,936**

a. Syndicated loan

On 22 February 2022, the Company signed an agreement with its partner banks consisting of a €1,100 million non-amortising multi-currency credit facility tied to the achievement of environmental goals. Its ESG component does not constitute an embedded derivative. It is based on achieving a greenhouse gas emissions reduction aligned with a 1.5°C temperature increase scenario validated by SBTi for Scope 1 and 2 emissions, and part of Scope 3. The target is to achieve a 68 % reduction in greenhouse gas emissions per employee by 2028 relative to a 2015 baseline It is measured for each financial year and, if the target is met, will result in a 0.04 % reduction per year in the applicable margin. In addition, the Company undertakes to pay an annual contribution equivalent to 0.04% of the margin applicable to sustainable projects, irrespective of whether it reaches the target.

This agreement, with an initial term of five years, included two options to extend the expiry date by one year. The second option of requesting an extension was exercised in late 2023 and received the unanimous agreement of all lenders, setting the expiry date of this credit facility at 22 February 2029. At end-December 2023, this credit facility was undrawn.

On 19 December 2023, the Company signed a contract with the same partner banks for a bank credit facility, drawn in the amount of €400 million, with a term of five years, comprised of a €280 million amortising tranche and a €120 million non-amortising tranche. This bank credit facility does not include an ESG component.

The Company also has several non-amortising bilateral bank facilities: some of which are drawn for an amount of €67 million and others undrawn for an amount of €75 million, maturing from 2024 to 2028.

b. Details on the NEU CP programme

In 2015, the Company arranged an unrated multi-currency NEU CP programme of short-term negotiable securities that was not underwritten, in a maximum amount of €700 million. This programme is presented in documentation available on the Banque de France website, which was last updated in July 2023. The Company actively issued securities in 2023 and the average amount outstanding under the NEU CP programme grew, totalling €392.7 million in 2023, compared with €133.9 million in 2022. The outstanding amount under the NEU CP programme at 31 December 2023 was €366.0 million (€125.0 million at 31 December 2022), including floating-rate NEU CP amounting to €252.5 million and fixed-rate NEU CP amounting to €113.5 million.

c. Details on the NEU MTN programme

In December 2017, the Company arranged an NEU MTN programme of medium-term negotiable securities that was not underwritten, with a maximum amount of €300 million. As was the case for the earlier NEU CP programme, the NEU MTN programme is presented in documentation available on the Banque de France website, which was updated in July 2023. The NEU MTN programme pays fixed or floating rates, with a spread at each issue date. Maturities range from one to five years.

At 31 December 2023, the outstanding amount under the NEU MTN programme was €10.0 million, maturing in January 2024. The net decrease in the amount of NEU MTN over the financial year corresponded to €60 million in matured securities, which were renewed in the form of NEU CP.

d. Other financial debt

The *Other financial debt* item includes:

- Bank overdrafts in the amount of €268.2 million mainly relating to the management of a notional cash pooling arrangement. These amounts correspond to the debit positions of subsidiaries taking part in the cash pooling arrangement.
- Two non-amortising bilateral bank facilities for an amount of €67 million maturing from early 2024 to June 2026. In addition, two other bilateral credit facilities for an amount of €75 million maturing in 2024 and 2028 were undrawn at 31 December 2023.

e. Bond

The bond issued on 5 July 2019 for an amount of €250 million has the following characteristics:

- 1st tranche – €130 million:
  - Subscription date: 5 July 2019,
  - Coupon rate: 1.749%,
  - Redemption date: 5 July 2026;
- 2nd tranche – €120 million:
  - Subscription date: 5 July 2019,
  - Coupon rate: 2.0%,
  - Redemption date: 5 July 2027.

f. Covenants

The bond issue is subject to terms and conditions, which include financial covenants.

Two financial ratios are calculated every six months using the consolidated financial statements prepared in accordance with IFRS on a 12-month rolling basis:

- the first – known as the leverage ratio – is equal to net financial debt divided by pro forma EBITDA;
- the second – known as the interest coverage ratio – is equal to pro forma EBITDA divided by the cost of net financial debt.

The first financial ratio must not exceed 3.0 at any reporting date. The second ratio must not fall below 5.0.

Net financial debt is defined on a consolidated basis as all loans and related borrowings (excluding intercompany liabilities and lease liabilities), less available cash and cash equivalents.

Pro forma EBITDA is consolidated *Operating profit on business activity* adding back depreciation, amortisation and provisions included in *Operating profit on business activity* before the impact of IFRS 16 *Leases*. It is calculated on a 12-month rolling basis and is therefore restated so as to be presented in the financial statements at constant scope over 12 months.

At 31 December 2023, the net financial debt/pro forma EBITDA ratio covenant was met, with the ratio coming in at 1.50 compared with a covenant of 3.0. It is calculated as follows:

(in thousands of euros)	31/12/2023	31/12/2022
Short-term borrowings (<1 year)	518,209	187,715
Long-term borrowings (>1 year)	619,458	320,149
Cash and cash equivalents	-191,657	-355,898
Other financial guarantees	-	-
Net debt (including financial guarantees)	**946,009**	**151,966**
EBITDA	**631,568**	**496,516**
NET DEBT / PRO FORMA EBITDA RATIO	**1.50**	**0.31**

For the second ratio, pro forma EBITDA is as defined above and the cost of net financial debt is also calculated on a rolling 12-month basis.

At 31 December 2023, the pro forma EBITDA to cost of net financial debt covenant – requiring a ratio of at least 5.0 – was met, with the ratio coming in at 32.31. It is calculated as follows:

(in thousands of euros)	31/12/2023	31/12/2022
EBITDA	**631,568**	**496,516**
COST OF NET DEBT	**19,548**	**8,659**
PRO FORMA EBITDA / COST OF NET DEBT RATIO	**32.31**	**57.34**

The two bank loans arranged in 2022 and 2023 are subject to conditions including a single financial covenant: the leverage ratio, calculated in the same way as for the bond issue, on the basis of the consolidated financial statements, on a 12-month rolling basis, but only annually.

5.5.2. FINANCIAL INSTRUMENTS

a. Interest rate hedge

Within the framework of the Group's policy, the Company's aim is to protect itself against interest rate fluctuations by hedging part of its floating-rate debt and investing its cash over periods of less than three months.

The derivatives used to hedge the debt are interest rate swap contracts or options, which may or may not be eligible for hedge accounting.

The eligible counterparties for interest rate hedging and investments are leading financial institutions which belong to the Sopra Steria banking syndicate. These financial instruments are managed by the Group's Finance Department.

For transactions qualifying as hedges, the underlying hedged risk consists of a group of floating-rate financial liabilities. At 31 December 2023, floating-rate financial liabilities mainly comprised the €400 million drawn bank credit facility set up in December 2023, the NEU CPs (€366 million), the NEU MTNs (€10.0 million) and a €7 million bank loan.

To hedge its floating-rate debt, the Company rounded out its portfolio in 2023 with interest rate hedges and has interest rate hedges maturing in 2024 and 2027, the details of which are set out below:

	-50 bp		+50 bp	
(in thousands of euros)	**Equity impact**	**P&L impact (hedge ineffectiveness)**	**Equity impact**	**P&L impact (hedge ineffectiveness)**
Options eligible for hedge accounting in euros	-2,563	-7	2,695	7
Options eligible for hedge accounting in foreign currency	-	-	-	-
TOTAL	**-2,563**	**-7**	**2,695**	**7**
Total impact	*-2,570*		*2,702*	

At 31 December 2023, the fair value of interest rate instruments was negative €1,030 thousand.

The portfolio's sensitivity in the event of a change in interest rates is:

- a decrease of €2,570 thousand in the event of a decrease of 50 basis points in interest rates;
- an increase of €2,702 thousand in the event of an increase of 50 basis points in interest rates.

	Fair value 31/12/2023					Maturity		
(in thousands of euros)	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Notional amount	<1 year	1 to 5 years	>5 years
Options eligible for hedge accounting in euros	3,494	1,954	4,413	57	400,000	100,000	300,000	-
TOTAL INTEREST RATE HEDGES	**3,494**	**1,954**	**4,413**	**57**	**400,000**	**100,000**	**300,000**	**-**

b. Foreign exchange hedge

Sopra Steria Group is subject to three main types of risks linked to fluctuations in exchange rates:

- currency translation risk associated with the repatriation of dividends of subsidiaries whose base currency is not the euro;
- transaction risk associated with purchases and sales of services in foreign currencies and internal foreign exchange contracts granted to subsidiaries in connection with the centralised management of foreign exchange risk;
- financial foreign exchange risk arising from foreign-currency borrowings (risk arising from changes in the value of the financial debt denominated in pounds sterling).

(in thousands of euros)	Nominal value	Fair value
Foreign exchange hedge	103,718	3,736
Interest rate hedge	400,000	1,030

Transaction risk:

As part of the Group's general risk management policy, Sopra Steria Group systematically hedges against foreign currency transaction risks that constitute material risks.

In addition, centralised management of foreign exchange transaction risk is in place with the Group's main entities (apart from India). Sopra Steria Group acts as the centralising entity, granting exchange rate guarantees to subsidiaries in pounds sterling, US dollars, Polish zlotys, Tunisian dinars, Norwegian kroner and Swiss francs. After netting internal exposures, Sopra Steria Group hedges the residual exposure through the use of derivatives.

The remeasurement through profit or loss of these financial instruments hedging balance sheet items is offset by the revaluation of foreign currency receivables over the period.

At 31 December 2023, the fair value of foreign exchange instruments was €3,736 thousand.

The portfolio's sensitivity in the event of a change in interest rates is:

- an increase of €1,806 thousand in the event of a 5% fall in the euro;
- a decrease of €1,900 thousand in the event of a 5% rise in the euro.

Foreign exchange risk:

At 31 December 2023, sterling-denominated debt providing partial coverage of the assets comprised of shares in UK subsidiaries amounted to €267,641 thousand, while cash and cash equivalents in Swedish kronor providing partial coverage of the debt of subsidiaries in Sweden came to €18,452 thousand.

All of the foreign exchange and interest rate positions are taken using listed financial instruments traded over the counter or through organised markets with minimal counterparty risk. Gains and losses on financial instruments accounted for as hedges are recognised symmetrically with the items hedged. The fair value of financial instruments is estimated on the basis of quoted prices in active markets or values provided by banks. Gains or losses arising on derivatives used to hedge forecast transactions with separately identifiable risks are deferred and taken into account in the valuation of the transaction in question, which occurs when it is settled.

5.5.3. TRADE PAYABLES

(in thousands of euros)	2023	2022
Non-Group suppliers and related accounts	28,174	25,106
Accrued expenses	85,975	76,423
Group suppliers (including accrued expenses)	72,797	70,296
TOTAL	**186,946**	**171,824**

5.5.4. TAX AND SOCIAL SECURITY PAYABLES

(in thousands of euros)	2023	2022
Staff costs and related accounts	125,510	114,179
Social security	83,399	119,092
State and local authorities		
■ Corporate income tax	-	-
■ Value-added tax	100,702	87,370
■ Other tax	10,635	11,120
TOTAL	**320,247**	**331,760**

5.5.5. OTHER LIABILITIES, ACCRUALS AND DEFERRED INCOME

(in thousands of euros)	2023	2022
Payables on fixed assets and related accounts	10,394	7,799
Group and associates	475,562	299,459
Other payables	36,558	24,417
Deferred income	83,001	101,595
TOTAL	**605,515**	**433,270**

Deferred income comprises the portion of interim billings issued in advance on fixed-price and maintenance contracts.

The *Group and associates* item consists of current account advances received from subsidiaries. These advances are related to cash transfers from subsidiaries participating in the zero-balance cash pooling system implemented by the Company.

At 31 December 2023, *Liabilities on fixed assets* included:

- liabilities on acquisitions of property, plant and equipment for €1,679 thousand;
- liabilities on acquisitions of non-current financial assets for €8,715 thousand. These concerned investments in FCPI funds and will be recognised upon each call for subscription.

5.5.6. ACCRUED EXPENSES

(in thousands of euros)	31/12/2023	31/12/2022
Accrued expenses		
Accrued interest on financial debt	6,295	3,562
Trade payables and related accounts	99,324	91,730
Trade receivables – Credit notes to be issued	23,265	19,753
Tax and social security payables	186,818	168,910
Other payables	591	-
TOTAL	**316,292**	**283,954**

5.5.7. FOREIGN CURRENCY TRANSLATION GAINS

(in thousands of euros)	2023	2022
Foreign currency translation gains	2,239	3,046
TOTAL	**2,239**	**3,046**

5.6. Maturities of receivables and payables at the balance sheet date

5.6.1. RECEIVABLES

(in thousands of euros)	Gross amount	Due in 1 year or less	Due in more than 1 year
Non-current assets			
Receivables related to equity interests	125,511	950	124,562
Other financial investments	6,836	5,389	1,447
Current assets			
Doubtful debts and disputes	58	-	58
Other trade receivables	465,791	465,791	-
Staff costs and related accounts	137	137	-
Social security	1,117	1,117	-
State and local authorities			
■ Corporate income tax	7,936	7,936	-
■ Value-added tax	26,573	26,573	-
■ Other tax	170,507	109,148	61,359
Group and associates	475,508	475,508	-
Other receivables	9,692	9,692	-
Prepaid expenses	25,300	25,300	-
TOTAL	**1,314,966**	**1,127,540**	**187,426**

5.6.2. PAYABLES

(in thousands of euros)	Gross amount	Due in 1 year or less	Due in more than 1 year and no more than 5 years	Due in more than 5 years
Bank borrowings				
■ 2 years maximum at origin	-	-	-	-
■ More than 2 years at origin	467,000	116,000	351,000	-
Bond	250,000	-	250,000	-
Other financial debt	753,936	664,240	89,696	-
Trade payables and related accounts	186,946	186,946	-	-
Staff costs and related accounts	125,510	125,510	-	-
Social security	83,399	83,399	-	-
State and local authorities:				
■ Corporate income tax	-	-	-	-
■ Value-added tax	100,702	100,702	-	-
■ Other tax	10,635	10,635	-	-
Payables on fixed assets and related accounts	10,394	10,394	-	-
Group and associates	475,562			-
Other payables	36,558	36,558	-	-
Deferred income	83,001	83,001	-	-
TOTAL	**2,583,644**	**1,892,948**	**690,696**	**-**

6. Other information

6.1. Information on finance leases

6.1.1. ASSETS HELD UNDER FINANCE LEASES

(in thousands of euros)	Original value	Depreciation charge For the period	Depreciation charge Accumulated	Net value
IT equipment	30,690	7,190	12,414	18,276

6.1.2. FINANCE LEASE COMMITMENTS

(in thousands of euros)	Lease payments made For the period	Lease payments made Accumulated	Lease payments remaining Less than 1 year	Lease payments remaining 1 to 5 years	Lease payments remaining Total payable	Residual purchase price
IT equipment	7,724	13,841	8,512	8,806	17,318	307

6.2. Off-balance sheet commitments

6.2.1. OFF-BALANCE SHEET COMMITMENTS GIVEN

(in thousands of euros)	31/12/2023
Commitments given	
Endorsements and bank guarantees	24,274
Counter-guarantee on non-bank guarantees covering contracts (1)	341,256
Bank counter-guarantee	-
Nominal value of future equipment operating lease payments	1,408
Nominal value of future real estate operating lease payments	227,386
Nominal value of future finance lease payments	17,625
Foreign exchange hedge (2)	103,718
Interest rate hedge	400,000
TOTAL COMMITMENTS GIVEN	**1,115,668**

(1) Under the IT service contracts entered into with its clients, the Company may, if formally requested by its clients, provide parent company guarantees to its subsidiaries in respect of the performance of their obligations under the contracts signed directly with their clients. To date, no use has ever been made of any such guarantee.
(2) Including internal foreign exchange contracts.

Other off-balance sheet commitments given

Sopra Steria Group also acts as guarantor for the amount of the contribution payable by its UK subsidiaries in respect of defined benefit pension plans in the event that those subsidiaries should default.

Sopra Steria Group has granted a loan approval to its subsidiary Sopra Financial Technology in the amount of €35,000 thousand. As of 31 December 2023, the entire loan had been used.

6.2.2. OFF-BALANCE SHEET COMMITMENTS RECEIVED

(in thousands of euros)	31/12/2023
Commitments received	
Endorsements and other bank guarantees	873
Cash facilities (current bank overdrafts):	
■ Authorised	171,500
■ Used (balance sheet)	-
■ Not used (off balance sheet)	171,500
Medium-term loan:	
■ Authorised	1,642,000
■ Used (balance sheet)	467,000
■ Not used (off balance sheet)	1,175,000
Net carrying amount of assets held under finance leases	18,276
Foreign exchange hedge (1)	103,718
Interest rate hedge	400,000
TOTAL COMMITMENTS RECEIVED	**1,869,367**

(1) Including internal foreign exchange contracts.

Other off-balance sheet commitments received:

As part of a cash pooling arrangement set up between certain Group entities and BMG (Bank Mendes Gans), the Company acts as guarantor for the amounts borrowed by its subsidiaries.

Lastly, as part of the acquisitions of Sodifrance and Connectiv-IT, the Company received specific guarantees from the sellers in respect of certain specific potential risks concerning the pre-acquisition period, for which compensation would be payable on a euro-for-euro basis.

6.3. Exceptional events and legal disputes

There were employee and contractual risks and disputes at the balance sheet date that are not provisioned in the balance sheet because they constitute contingent liabilities. Uncertainties remain as to their amount and the timing of the outflow of resources.

Furthermore, there are no exceptional events or legal disputes that may have a material effect on the Company's financial position, revenue, assets or net profit.

6.4. Subsequent events

On 21 February 2024, the Board of Directors authorised the planned sale by the Company of most of Sopra Banking Software's activities to Axway Software. Concurrently, under this plan, the Company will also sell to Sopra GMT around 3.6 million of the 6.9 million Axway shares it holds.

Sopra Steria Group has made the decision to expand its development of digital services and solutions in Europe and focus its investments on consulting and digital technology in its strategic markets: financial services, defence & security, aeronautics, space and the public sector.

The Sopra Banking Software activities to be retained within the Group upon completion of the plan are the services or solutions for major banks or financial institutions that will continue to contribute to the development of the financial services vertical.

Following the various transactions, the Company is expected to retain an interest of around 11% in Axway Software.

The Company has agreed to enter into exclusive negotiations with Axway Software and Sopra GMT. Upon the conclusion of these negotiations, any binding commitments between the Company, Axway Software and Sopra GMT will require the approval of the boards of the three companies, following consultation with the employee representative bodies of the various entities, on the basis of reports drawn up by independent appraisers.

Completion of these transactions, scheduled by the end of the second quarter of 2024 or at the latest during the third quarter of 2024, would be subject to the requisite regulatory approvals, including a decision by the AMF not requiring a public offer to be filed and the AMF's approval of the prospectus to be filed by Axway Software in connection with its capital increase.

6.5. Summary for the last five financial years

(in thousands)	2023	2022	2021	2020	2019
Financial position at year-end					
■ Share capital	20,548	20,548	20,548	20,548	20,548
■ Number of shares issued	20,548	20,548	20,548	20,548	20,548
■ Number of bonds convertible into shares	-	-	-	-	-
Results of operations for the year					
■ Revenue excluding VAT	1,965,561	1,891,556	1,717,658	1,512,781	1,651,461
■ Profit before tax, depreciation, amortisation and provisions	753,383	230,059	174,360	131,796	150,240
■ Corporate income tax	-30,407	-16,032	-15,468	-20,835	-14,713
■ Profit after tax, depreciation, amortisation and provisions	31,709	167,666	156,867	142,276	147,078
■ Amount of profit distributed as dividends	95,547	88,355	65,754	41,095	-
Earnings per share					
■ Profit after tax but before depreciation, amortisation and provisions	38.14	11.98	9.24	7.43	8.03
■ Profit after tax, depreciation, amortisation and provisions	1.54	8.16	7.63	6.92	7.16
■ Dividend paid per share	4.65	4.30	3.20	2.00	0.00
Employee data					
■ Number of employees	13,438	13,336	13,236	12,997	13,451
■ Total payroll	714,752	684,774	665,161	625,364	635,496
■ Amount paid in respect of employee benefits (social security, employee discounts, etc.)	348,989	317,064	300,241	277,481	288,332

6.6. Maturity schedule of trade payables and receivables

6.6.1. MATURITY SCHEDULE OF TRADE PAYABLES NOT PAST DUE

The *Trade payables and related accounts* item came to €186,946 thousand. It comprised accrued expenses for €99,323 thousand, invoices not past due for €83,835 thousand and past due invoices for €3,788 thousand.

	Article D. 441-4 I. 1° of the French Commercial Code: Invoices received, not yet paid and past due at the balance sheet date					
	0 days *(for guidance only)*	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**91 days and over**	**Total**
(A) PAST DUE INVOICES						
Number of invoices concerned	-					4,213
Total amount of invoices concerned *(€k, incl. VAT)*		3,104	-1,279	-541	2,504	3,788
Percentage of total purchases for the financial year *(excl. VAT)*		0.4%	-0.2%	-0.1%	0.3%	0.5%
(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED PAYABLES AND RECEIVABLES OR NOT RECORDED IN THE ACCOUNTS						
Number of invoices excluded						6
Total amount of invoices excluded *(€k, incl. VAT)*	-	-	-	-	-	-
(C) PAYMENT TERMS USED AS REFERENCE (CONTRACTUAL DEADLINE OR LEGAL DEADLINE SET FORTH IN ARTICLE L. 441-6 OR L. 443-1 OF THE FRENCH COMMERCIAL CODE)						
Payment terms used to calculate late payments	■ Contractual deadline: 30 to 45 days ■ Legal deadline: 45 days					

6.6.2. MATURITY SCHEDULE OF TRADE RECEIVABLES NOT PAST DUE

The *Trade receivables and related accounts* item came to €465,800 thousand. It comprised accrued income for €169,881 thousand, invoices not past due for €261,117 thousand and past due invoices for €34,803 thousand.

	Article D. 441-4 I. 2° of the French Commercial Code: Invoices issued, not yet paid and past due at the balance sheet date					
	0 days *(for guidance only)*	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**91 days and over**	**Total**
(A) PAST DUE INVOICES						
Number of invoices concerned	-					1,887
Total amount of invoices concerned *(€k, incl. VAT)*		25,760	4,190	1,120	3,732	34,803
Percentage of revenue for the financial year *(excl. VAT)*		1.3%	0.2%	0.1%	0.2%	1.8%
(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED PAYABLES AND RECEIVABLES OR NOT RECORDED IN THE ACCOUNTS						
Number of invoices excluded						11
Total amount of invoices excluded *(€k, incl. VAT)*	-	-	-	-	58	58
(C) PAYMENT TERMS USED AS REFERENCE (CONTRACTUAL DEADLINE OR LEGAL DEADLINE SET FORTH IN ARTICLE L. 441-6 OR L. 443-1 OF THE FRENCH COMMERCIAL CODE)						
Payment terms used to calculate late payments	■ Contractual deadline: 45 days ■ Legal deadline: 45 days					

Statutory Auditors' report on the parent company financial statements

Financial year ended 31 December 2023

To the General Meeting of Sopra Steria Group SA,

Opinion

In compliance with the engagement entrusted to us by the shareholders at your General Meeting, we have audited the accompanying parent company financial statements of Sopra Steria Group SA for the financial year ended 31 December 2023.

We certify that the parent company financial statements are, with respect to French accounting principles, true and fair and provide an accurate view of your Company's operations for the financial year under review and of the Company's financial position, assets and liabilities at the end of the financial year.

The opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

AUDIT FRAMEWORK

We performed our audit in accordance with the professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the section of this report entitled "Responsibilities of the Statutory Auditors relating to the audit of the parent company financial statements".

INDEPENDENCE

We performed our audit in accordance with the independence rules provided by the French Commercial Code and the French Code of Ethics for Statutory Auditors for the period from 1 January 2023 to the date our report was issued, and in particular we have not provided any services prohibited by Article 5, paragraph 1 of Regulation (EU) No. 537/2014.

Justification of our assessments – Key audit matters

In accordance with the provisions of Articles L. 821-53 and R. 821-180 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key audit matters relating to risks of material misstatement which, according to our professional judgment, were most significant for the audit of the parent company financial statements for the financial year, as well as our responses to those risks.

These matters were addressed in the context of our audit of the parent company financial statements as a whole and in forming our opinion thereon. We do not provide a separate opinion on specific items of the parent company financial statements.

REVENUE RECOGNITION ON FIXED-PRICE CONTRACTS

(Note 4.1.1 to the parent company financial statements)

Risk identified

Sopra Steria Group, one of Europe's key players in digital transformation, offers end-to-end, high-value-added services comprising consulting and systems integration, development of industry- and technology-specific solutions, IT infrastructure management, cybersecurity and business process services (BPS).

For the financial year ended 31 December 2023, the Company's revenue totalled €1.9 billion, a significant portion of which related to fixed-price contracts. Fixed-price contracts are characterised by commitments relating to the price, the end result and the deadline.

As stated in Note 4.1.1 to the parent company financial statements, services corresponding to contracts of this kind are recognised using the percentage-of-completion method. This method requires an estimate by management of figures on completion and the level of completion of the contract, it being specified that the amount of revenue recognised at each balance sheet date is based on the difference between the contract value and the amount required to cover the total number of person-days remaining to be performed.

We considered the recognition of revenue on fixed-price contracts as a key audit matter due to its significance in Sopra Steria Group SA's financial statements and the level of judgment and estimation required by management to determine the revenue and income on completion from these contracts.

Our response

We familiarised ourselves with the internal control procedures implemented by the Company and tested the key controls relating to determining income from fixed-price contracts.

For a sample of contracts deemed material due to their financial impact and risk profile:

- we reconciled contractual data, including any contractual changes resulting from additional requests and contractual claims, with management and accounting data;
- we talked to management and project managers in order to assess the reasonable nature of the estimates made by management. We corroborated the estimated amount allocated to cover the total number of person-days remaining to be performed, particularly in comparison with prior estimates and by reviewing correspondence with the client and assessing whether this has been translated correctly into the accounts. In performing this work we drew on experience acquired in previous financial years relating to similar contracts;
- for contracts subject to claims, we talked to the Company's legal department and reviewed correspondence with the client in order to assess the estimates made by management.

We also used substantive checks on a sample of trade receivables and accrued income in order to assess management's estimates relating to the prospect of recovering these receivables.

VALUATION AND IMPAIRMENT OF NON-CURRENT FINANCIAL ASSETS

(Note 5.1.3 to the parent company financial statements)

Risk identified

Non-current financial assets are reported in the balance sheet at 31 December 2023 for a net amount of €2,619.4 million, representing 68% of total assets.

As set out in Note 5.1.3 to the parent company financial statements, equity interests are recognised at acquisition cost and impaired when their value in use is less than their net carrying amount at the balance sheet date.

In estimating the value in use of these securities, management must exercise judgment in deciding which factors should be taken into consideration for each relevant investment. These factors may correspond to historical items (equity and net debt) or forecast items (discounted future cash flows taking into account the profitability outlook and economic climate in the countries in question).

We considered that the valuation of non-current financial assets is a key audit matter because of their significant importance in the Company's parent company financial statements and the judgment exercised by management in determining their value in use.

Our response

To assess the reasonableness of the estimate of the value in use of equity interests, based on the information provided to us, our work consisted in particular of:

- verifying, for valuations based on historical elements, that the retained equity is consistent with the accounts of entities that have been the subject of an audit or analytical procedures by their statutory auditors, and assessing the appropriateness of any adjustments made to this equity;
- for valuations based on forecast items:

obtaining cash flow forecasts for the entities concerned prepared by the operational departments, and assess their consistency with the forecast data derived from the latest strategic plans, prepared under the supervision of their general management for each of these activities and approved, where applicable, by the Board of Directors:

- assessing the consistency of the assumptions used (in particular the growth rate of projected cash flows) with the market analyses and consensus observed, and verifying the various components of the discount rate applied;
- comparing the forecasts used for previous periods with the corresponding actual levels achieved in order to assess the extent to which past targets were met;

In addition to assessing the values in use of equity interests, our work also involved:

- Assessing the recoverability of loans to subsidiaries compared with the analyses carried out on the equity interests;
- verifying the recognition of a provision for risks in cases where the Company has committed to bear the losses of a subsidiary with negative equity.

Lastly, we verified the appropriateness of the information provided in Note 5.1.3 to the parent company financial statements.

PROVISIONS FOR RETIREMENT BONUSES

(Note 5.4.1 to the parent company financial statements)

Risk identified

Sopra Steria Group recognises provisions for its employee benefit obligations with respect to retirement bonuses in accordance with the terms of voluntary and compulsory retirement under the Syntec collective bargaining agreement. The related provision is evaluated recognised on an actuarial basis based on the projected unit credit method described in Note 5.4.1 to the parent company financial statements. The actuarial value of accumulated benefits as at 31 December 2023 was €99.1 million.

Valuing these obligations, as well as the actuarial cost for the financial year, requires a high level of judgment by management to determine appropriate assumptions to be made, such as the discount rate, future pay rises, staff turnover and mortality tables.

The change in some of these assumptions may have a material impact on determining the amount of the provision recognised.

In view of the amounts represented by these obligations, we considered the provisions for retirement bonuses to be a key audit matter.

Our response

We familiarised ourselves with the process for valuing the provision for retirement bonuses applied by Sopra Steria Group. A review of actuarial assumptions was performed to take into account any changes over the year or ad hoc impacts by:

- Assessing the discount rate in order to evaluate its consistency with market conditions and duration;
- Assessing the reasonable nature of assumptions relating to pay rises, staff turnover and mortality;
- reviewing calculations supporting the sensitivity of the liability to changes in the discount rate.

Lastly, we verified the appropriateness of the information provided in Note 5.4.1 to the parent company financial statements.

Specific verifications

We also performed the other specific verifications required by law and regulations in accordance with professional standards applicable in France.

Information given in the Management Report and in the other documents with respect to the financial position and the parent company financial statements addressed to shareholders

We have no matters to report regarding the fair presentation and consistency with the parent company financial statements of the information given in the Management Report of the Board of Directors, and in the other documents addressed to shareholders with respect to the financial position and the parent company financial statements.

We certify that information relating to payment times as mentioned in Article D. 441-6 of the French Commercial Code is fair and consistent with the parent company financial statements.

Information relating to corporate governance

We attest to the existence, in the section of the Management Report of the Board of Directors on corporate governance, of the information required by Articles L. 225-37-4 and L. 22-10-10 of the French Commercial Code.

Concerning the disclosures made in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code relating to compensation and benefits paid or granted to the company officers and any other commitments made to them, we have verified their consistency with the financial statements, or with the underlying information used to prepare those financial statements and, where applicable, with the information obtained by your Company from companies controlling your Company or controlled by it that are included in the scope of consolidation. Based on this work, we attest to the accuracy and fair presentation of those disclosures.

Concerning the disclosures made relating to the elements that your Company considered likely to have an impact in the event of a public tender or exchange offer pursuant to the provisions of Article L. 22-10-11 of the French Commercial Code, we verified their compliance with the source documents which were provided to us. Based on this work, we have no comments to make on these disclosures.

Other information

Pursuant to the law, we have verified that the Management Report contains the applicable disclosures as to ownership and control, and the identity of the holders of share capital and voting rights.

Report on other legal and regulatory requirements

Format of presentation of the parent company financial statements intended to be included in the Annual Financial Report

We have also verified, in accordance with the professional standards applicable in France concerning the procedures performed by the Statutory Auditor relating to the parent company and consolidated financial statements presented in the European Single Electronic Format, that the presentation of the parent company financial statements intended to be included in the Annual Financial Report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the Chief Executive Officer, complies with this format as defined in Commission Delegated Regulation (EU) 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the parent company financial statements intended to be included in the Annual Financial Report complies, in all material respects, with the European Single Electronic Format.

We have no responsibility to verify that the parent company financial statements that will ultimately be included by your Company in the Annual Financial Report filed with the AMF correspond to those on which we have performed our work.

Appointment of Statutory Auditors

Mazars was appointed Statutory Auditor of Sopra Steria Group SA by the shareholders at the General Meeting of 1 June 2000, and Aca Nexia by the shareholders at the General Meeting of 24 June 2004.

As at 31 December 2023, Mazars was in its 24th consecutive year as Statutory Auditor and Aca Nexia in its 20th consecutive year as Statutory Auditor, respectively 24 years and 20 years since the Company's shares were first listed for trading on a regulated market.

Responsibility of management and of those responsible for corporate governance relating to the parent company financial statements

It is management's responsibility to prepare parent company financial statements that give a true and fair view in accordance with French accounting principles, as well as to implement the internal controls it deems necessary to prepare parent company financial statements that are free of material misstatement, whether due to fraud or error.

On preparing the parent company financial statements, it is up to management to assess the Company's ability to continue as a going concern, and to present in the financial statements, if applicable, any necessary information relating to the continuity of operations and apply the going concern assumption unless it is planned that the company will be liquidated or cease trading.

The parent company financial statements have been approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the parent company financial statements

Audit aim and approach

It is our responsibility to prepare a report on the parent company financial statements. Our aim is to obtain reasonable assurance that the parent company financial statements taken as a whole are free of material misstatement. Reasonable assurance corresponds to a high level of assurance, although this does not guarantee that an audit performed in accordance with professional standards systematically allows for all material misstatements to be detected. Misstatements may be due to fraud or error and are considered material when it can reasonably be expected that they may, taken individually or combined, influence the financial decisions of users made on the basis of the financial statements.

As specified in Article L. 821-55 of the French Commercial Code, our assignment of certifying the financial statements does not consist of guaranteeing the viability or quality of your Company's management.

Within the framework of an audit performed in accordance with professional standards applicable in France, the Statutory Auditor uses its professional judgment throughout the audit process.

In addition:

- it identifies and assesses the risk of the parent company financial statements containing material misstatements, whether due to fraud or error, defines and implements audit procedures in light of these risks, and collects evidence that it deems sufficient and appropriate to form a basis for its opinion. The risk of failure to detect a material misstatement due to fraud is higher than in the case of a material misstatement due to error, as fraud may involve collusion, falsification, deliberate omissions, false statements or circumvention of internal control procedures;
- it familiarises itself with internal controls relevant for the audit in order to define appropriate audit procedures under the circumstances, and not with the aim of expressing an opinion on the effectiveness of internal control procedures;
- it assesses the appropriateness of accounting policies used and the reasonable nature of accounting estimates made by management, as well as associated information provided in the parent company financial statements;
- it assesses the appropriateness of management's application of the going concern principle and, depending on the evidence collected, whether or not any material uncertainty exists relating to events or circumstances that may call into question the Company's ability to continue as a going concern. This assessment relies on evidence collected up to the date of its report, noting that subsequent circumstances or events may call into question the continuity of operations. If it concludes that a material uncertainty exists, it shall draw readers' attention to the information provided in the parent company financial statements relating to this uncertainty or, if this information is not provided or is not relevant, it shall give a qualified certification or refuse to certify the financial statements;
- it assesses the overall presentation of the parent company financial statements and evaluates whether the parent company financial statements reflect underlying transactions and events in a way that gives a true and fair view.

REPORT TO THE AUDIT COMMITTEE

We send a report to the Audit Committee setting out in particular the scope of our audit work and the programme of works carried out, as well as the conclusions of our work. We also bring to its attention, if applicable, any significant weaknesses in internal control procedures that we have identified as regards procedures relating to the preparation and treatment of accounting and financial information.

The information provided in the report to the Audit Committee includes risks of material misstatement, which we deem to have been the most significant for our audit of the parent company financial statements for the financial year and which therefore constitute key audit matters, which it is our duty to describe in this report.

We also provide the Audit Committee with the declaration required by Article 6 of Regulation (EU) No. 537-2014 attesting to our independence within the meaning of applicable regulations in France as set out in particular by Articles L. 821-27 to 821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. If applicable, we shall discuss with the Audit Committee the risks to our independence and safeguarding measures implemented.

Paris and Courbevoie, 29 February 2024

The Statutory Auditors

French original signed by

Aca Nexia	**Mazars**	
Sandrine Gimat	Alain Chavance	Jérôme Neyret
Partner	Partner	Partner

This is a free translation into English of a report issued in French and is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Statutory Auditors' special report on related-party agreements

General Meeting to approve the financial statements for the financial year ended 31 December 2023

To the General Meeting of Sopra Steria Group SA,

In our capacity as Statutory Auditors of your Company, we hereby submit to you our report on related-party agreements.

We are required to inform you, on the basis of the information provided to us, of the principal terms and conditions as well as the grounds for the benefit to the company of those agreements brought to our attention or that we may have discovered in the course of our audit. We are not required to express an opinion on their usefulness and appropriateness or ascertain whether any other such agreements exist. In accordance with the terms of Article R. 225-31 of the French Commercial Code, it is your responsibility to assess the benefit of entering into such agreements when they are submitted for your approval.

Where applicable, it is also our responsibility to provide you with the information required by Article R. 225-31 of the French Commercial Code in relation to the implementation during the financial year under review of agreements already approved by the shareholders at a General Meeting.

We have carried out the procedures we deemed necessary in accordance with the professional guidelines of the *Compagnie Nationale des Commissaires aux Comptes* (CNCC, the French national institute of statutory auditors) relating to this engagement. These procedures consisted in verifying that the information given to us was consistent with the underlying documents.

1. AGREEMENTS SUBMITTED FOR APPROVAL AT THE GENERAL MEETING

We hereby inform you that we were not advised of any agreement authorised and entered into during the financial year under review that needs to be submitted for shareholder approval at the General Meeting pursuant to the provisions of Article L. 225-38 of the French Commercial Code.

2. AGREEMENTS ALREADY APPROVED AT A GENERAL MEETING

Agreements approved during previous financial years that remained in force during the financial year under review

In accordance with Article R. 225-30 of the French Commercial Code, we have been informed that the following agreements approved by the shareholders at General Meetings in previous financial years remained in force during the financial year under review.

Tripartite framework agreement for assistance entered into between your Company, Sopra GMT (a shareholder in your Company) and Axway Software (an investee of your Company)

Under this agreement, Sopra GMT carried out services for your Company relating to strategic decision-making, coordination of the general policy between your Company and Axway Software, and the development of synergies between these two companies, and performs various strategy-related, consulting and assistance services particularly with respect to finance and control.

This agreement has an unspecified term and will end, in the event of termination, with prior notice of 12 months.

Services are charged to Sopra Steria Group on the basis of actual costs plus a 7% mark-up.

Sopra Steria Group charges Sopra GMT fees for providing premises, IT resources and assistance from the Group's functional divisions as well as appropriate expertise for the assignments performed by Sopra GMT.

Under this agreement, Sopra GMT charged your Company a net amount of €1,309,924 with respect to financial year 2022.

At its meetings on 26 January 2023 and 25 January 2024, your Company's Board of Directors confirmed that this agreement still met the criteria under which it was authorised, and indicated that it would maintain the previously granted authorisation.

Persons concerned:

Name	Functions
Pierre Pasquier	Chairman of the Board of Directors of Sopra Steria Group Chairman and CEO of Sopra GMT
Éric Pasquier	Director of Sopra Steria Group Managing Director and Director of Sopra GMT
Kathleen Clark-Bracco	Permanent representative of Sopra GMT for the Board of Directors of Sopra Steria Group

Agreement entered into with Éric Hayat Conseil

At its meeting of 25 October 2018, your Board of Directors authorised an agreement with Éric Hayat Conseil for a period expiring on 31 December 2024. This agreement relates to the provision to Executive Management of consulting and assistance services for business development in strategic operations, in return for compensation calculated at a rate of €2,500 (excluding taxes) per day.

For the financial year ended 31 December 2023, your Company recognised an expense of €175,200 under this agreement.

At its meetings on 26 January 2023 and 25 January 2024, your Company's Board of Directors confirmed that this agreement still met the criteria under which it was authorised, and indicated that it would maintain the previously granted authorisation.

Person concerned: Éric Hayat, Chairman of Éric Hayat Conseil and Vice-Chairman of the Board of Directors of Sopra Steria Group.

The Statutory Auditors

Paris and Courbevoie, 29 February 2024

French original signed by

Mazars		Aca Nexia
Alain Chavance Partner	Jérôme Neyret Partner	Sandrine Gimat Partner

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7. Share ownership structure

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1. General information

The Group was listed on the Paris Stock Exchange on 27 March 1990.

At 31 December 2023, Sopra Steria Group had a share capital of €20,547,701. It is made up of 20,547,701 shares with a par value of €1 each.

Codes and classification of the Sopra Steria Group share

ISIN/Euronext code: FR0000050809

Ticker symbol: SOP

Market: Euronext Paris

CFI: ESEUFB

(E = Equities, S = Shares, E = Enhanced voting, U = Free,

F = Fully paid, B = Bearer)

Type of instrument: Stock

Compartment: A (Large Cap)

Characteristics of the Sopra Steria Group share

Industry: 9000, Technology

Supersector: 9500, Technology

Sector: 9530, Software & Computer Services

Subsector: 9533, Computer Services

Eligible for Share Savings Plan (PEA)

Eligible for Deferred Settlement Service

Main tickers for the Sopra Steria Group share

Euronext: SOP

Bloomberg: SOP: FP

Reuters: SOPR. PA

Main financial indices including the Sopra Steria Group share

SBF 120

CAC ALL-TRADABLE

CAC ALL SHARES

CAC MID & SMALL

CAC MID 60

CAC TECHNOLOGY

Euronext Developed Market

Euronext Developed Market USD

NEXT 150

Euronext FAS IAS

Main non-financial indices including the Sopra Steria Group share

EURONEXT EUROZONE ESG Large 80

EURONEXT EUROZONE 300

Euronext Vigeo Europe 120

Euronext Vigeo Euro 120

CDP ENVIRONNEMENT ESG FR EW

EURONEXT CDP ENVIRONNEMENT FR EOGE

EURONEXT CDP ENVIRONNEMENT FR EW

Gaïa Index

EURONEXT CAC SBT 1.5° Index

2. Share ownership structure

	At 31/12/2023				At 31/12/2022				At 31/12/2021			
Shareholders	**Shares**	**% of capital**	**% of theoretical voting rights**	**% of exercisable voting rights**	**Shares**	**% of capital**	**% of theoretical voting rights**	**% of exercisable voting rights**	**Shares**	**% of capital**	**% of theoretical voting rights**	**% of exercisable voting rights**
Sopra GMT(1)	4,035,669	19.6%	29.8%	30.0%	4,035,669	19.6%	29.8%	30.0%	4,035,669	19.6%	29.7%	29.8%
Pasquier family	112,479	0.5%	0.8%	0.8%	112,479	0.5%	0.8%	0.8%	112,479	0.5%	0.8%	0.8%
Odin family	211,653	1.0%	1.6%	1.6%	212,928	1.0%	1.6%	1.6%	212,298	1.0%	1.6%	1.6%
Management	206,361	1.0%	1.4%	1.4%	215,671	1.0%	1.4%	1.5%	217,725	1.1%	1.5%	1.5%
Total agreements: Agreement between Sopra GMT, Pasquier and Odin families, and management	**4,566,162**	**22.2%**	**33.7%**	**33.9%**	**4,576,747**	**22.3%**	**33.7%**	**33.9%**	**4,578,801**	**22.3%**	**33.6%**	**33.7%**
Shares managed on behalf of employees	1,341,402	6.5%	8.1%	8.2%	1,321,912	6.4%	8.1%	8.1%	1,197,587	5.8%	7.8%	7.8%
o/w Company mutual funds (FCPE), We Share employee share ownership plan and SIP Trust(2)	1,148,774	5.6%	7.4%	7.5%	1,115,630	5.4%	7.3%	7.4%	976,225	4.8%	6.9%	7.0%
o/w Other UK trusts(3)	192,628	0.9%	0.7%	0.7%	206,282	1.0%	0.8%	0.8%	221,362	1.1%	0.8%	0.8%
Free float	14,482,737	70.5%	57.6%	57.9%	14,537,77	70.8%	57.8%	58.0%	14,691,339	71.5%	58.3%	58.5%
Treasury shares	111,265	0.5%	0.4%	0.0%	111,265	0.5%	0.4%	0.0%	79,974	0.4%	0.3%	0.0%
TOTAL	**20,547,701**	**100.0%**	**100.0%**	**100.0%**	**20,547,701**	**100.0%**	**100.0%**	**100.0%**	**20,547,701**	**100.0%**	**100.0%**	**100.0%**

(1) Sopra GMT, a French société anonyme, is a holding company for Sopra Steria Group and Axway Software.
(2) SIP Trust is a UK trust that manages shares purchased by employees under a share incentive plan.
(3) The other UK trusts hold assets for the benefit of employees in the United Kingdom and India, for example via employee share ownership plans.

SOPRA GMT'S OWNERSHIP STRUCTURE IS AS FOLLOWS:

Sopra GMT ownership structure	**31/12/2023**		**31/12/2022**		**31/12/2021**	
Shareholders	**Shares**	**% of capital**	**Shares**	**% of capital**	**Shares**	**% of capital**
Pasquier family	318,050	68.5%	318,050	68.5%	318,050	68.3%
Odin family	132,050	28.4%	132,050	28.4%	132,050	28.3%
Group managers (active and retired)	12,604	2.7%	12,604	2.7%	12,604	2.7%
Treasury shares	1,823	0.4%	1,823	0.4%	3,170	0.7%
TOTAL	**464,527**	**100.00%**	**464,527**	**100.00%**	**465,874**	**100.00%**

At 31 December 2023, Sopra GMT had twenty-seven shareholders: twenty-six natural persons and one legal entity.

- The Pasquier family group consists of nine natural persons, all of whom are related to the founder of Sopra, Pierre Pasquier.
- The Odin family group consists of one natural person and one legal entity, Régence SAS, which is wholly owned by the shareholders related to Sopra co-founder François Odin ✝.
- The group of active and retired managers consists of sixteen natural persons.

At that date, all Sopra GMT shareholders were French nationals. The company's beneficial owner, as defined by French regulations, is Pierre Pasquier.

3. Employee share ownership

Sopra Steria has always aimed to give employees a stake in the corporate plan and the company's financial performance.

At 31 December 2023, all the investments managed on behalf of employees accounted for 6.5% of the share capital (1,341,402 shares) and 8.2% of voting rights.

The investments managed on behalf of company mutual funds (FCPEs) and share incentive plans (SIPs) in the United Kingdom made up 5.6% of the share capital (1,148,774 shares) and 7.5% of voting rights.

The shares held by UK trusts, namely SSET and XEBT, for the benefit of employees in the UK and India, accounting for 0.9% of the share capital (192,628 shares) and 0.7% of the voting rights. In 2023, the shares held by these trusts were used to make matching contributions to the SIPs.

Under the We Share 2023 plan agreed by the Board of Directors on 11 January 2023, participating employees acquired 189,750 shares. This new plan was implemented in the first half of 2023 under the same conditions as the previous We Share plans, given their success.

Under this new plan, employees received a matching contribution of one free share for every share purchased. The plan was limited to a total of 200,000 shares: 100,000 shares purchased by employees and 100,000 matching free shares granted by Sopra Steria.

The shares granted under these plans are purchased on the market by the Group. They give employees the opportunity to share in the success of the Group's corporate plan and performance over the long term. In addition to their motivational power, employee share ownership plans help foster a sense of belonging and inclusion, since around 96% of the total workforce is eligible for these Group-wide programmes.

4. Voting rights

At 31 December 2023, the total number of voting rights that could be exercised was 26,371,884 and the total number of theoretical voting rights was 26,529,583.

Pursuant to the Articles of Association, double voting rights are awarded to all shares that can be shown to have been held in registered form by the same shareholder for at least two years.

At 31 December 2023, 5,981,882 shares (representing 29.1% of the share capital) held double voting rights.

5. Threshold crossings

In 2023, no statutory shareholding thresholds were crossed that required a report to be filed with the Autorité des Marchés Financiers.

Date threshold(s) crossed	AMF declaration no.	Shareholder(s) having crossed the threshold(s)	Crossing of threshold(s) in capital	Crossing of threshold(s) in voting rights	Type	Number of shares	% of capital held	Number of voting rights	% voting rights held
-	-	-	-	-	-	-	-	-	-

Article 30 of the Company's Articles of Association states that the "Rights to shareholder information – Disclosure obligations"

"All shareholders are entitled to obtain the documents necessary to enable them to make informed decisions regarding the management and operations of the Company.

The types of documents, and the requirements for sending them or placing them at the shareholders' disposal, are established by the laws and regulations.

Any shareholder whose equity stake exceeds the thresholds of three or four percent of the share capital shall inform the Company in the same form and in accordance with the same calculations as required by law for higher equity stakes."

6. Shareholder agreements

Agreement between Sopra GMT, Pasquier and Odin families, and management

A shareholders' agreement constituting an action in concert was entered into, for a two-year term, on 7 December 2009 between the Pasquier and Odin family groups, Sopra GMT and a group of senior managers. It is automatically renewable for subsequent terms of two years. Sopra GMT's share ownership structure is presented in Section 2 of this chapter.

This agreement includes the following main provisions:

- an undertaking by the parties to act in concert so as to implement shared strategies and, in general, to approve any significant decisions;
- an undertaking by the parties to act in concert in connection with the appointment of the members of Sopra Steria Group's management bodies and the renewal of these appointments, by which the senior managers agree to facilitate the appointment of any individuals proposed by the Pasquier and Odin family groups and Sopra GMT;
- an undertaking by the parties to act in concert in order to ensure that they always jointly hold at least 30% of the capital and voting rights of Sopra Steria Group;
- an undertaking by the parties to act in concert in connection with any proposed acquisition or disposal corresponding to more than 0.20% of the capital or voting rights of Sopra Steria Group;
- an undertaking by the parties to act in concert in order to adopt a shared strategy in the event of any takeover bid relating to Sopra Steria Group shares;
- a pre-emptive right to the benefit of the Pasquier and Odin family groups and Sopra GMT in the event of any disposal by (i) a senior manager of Sopra Steria Group shares (right of first refusal for Sopra GMT, right of second refusal for the Pasquier family group, right of third refusal for the Odin family group). The exercise price for the pre-emptive right shall be equal to (i) the price agreed between the transferor and the transferee in the event of an off-market transfer, (ii) the average share price over the 10 trading days preceding the announcement of the disposal in the event of a sale on the market, or (iii) the value determined for the shares in the context of the transaction, in all other cases.

The senior managers shall refrain from carrying out any transaction likely to entail the filing of a mandatory takeover bid.

7. Control

7.1 Holding company

Sopra GMT, the holding company that takes an active role in managing the Group, takes part in conducting Group operations through:

- its presence on the Board of Directors and the three Board committees;
- a tripartite assistance agreement entered into with Sopra Steria and Axway, concerning services relating to strategic decision-making, coordination of general policy between Sopra Steria and Axway, and the development of synergies between these two companies, as well as consulting and assistance services, particularly with respect to finance and control. This agreement is described in Section 1.1.5, "Agreement with Sopra GMT, the holding company that manages and controls Sopra Steria Group" of Chapter 3 of this document.

7.2 Breakdown of voting rights

At 31 December 2023:

- the group of shareholders acting in concert through the agreement stated above, within which Sopra GMT, the Group's holding company, is the main shareholder, held 33.7% of theoretical voting rights;
- investments managed on behalf of employees represented 8.1% of theoretical voting rights.

The percentage of voting rights on shares held by shareholders present or represented by proxy holders at the most recent Sopra Steria Group General Meeting was 82.9%.

With the exception of Sopra GMT, no shareholder holds more than 5% of the Company's voting rights.

7.3 Members of Sopra Steria Group's Board of Directors

Sopra GMT held three of the 18 seats on the Board of Directors, including the Chairman of the Board of Directors.

Two of the seven members of the Nomination, Governance, Ethics and Corporate Responsibility Committee represent Sopra GMT, including the Chairwoman of the Committee.

Sopra GMT is represented on each of the Committees of the Board of Directors.

No other shareholders are specifically represented on the Board of Directors.

7.4 Measures to govern the control exercised by Sopra GMT

The main measures to govern the control exercised by Sopra GMT are as follows:

- the separation of the functions of Chairman of the Board of Directors and Chief Executive Officer;
- the adoption of the AFEP-MEDEF code as the Company's corporate governance code;
- the presence on the Board of Directors of eight Independent Directors;
- the selection process for new Directors, presented in Section 1.2.2, "Selection process" of Chapter 3, "Corporate governance" of this Universal Registration Document (page 60), ensures that proposals from a range of different sources are considered;
- the terms of reference of the specialist committees, which are made up of a majority of Independent Directors;
- periodic assessment by the Board of Directors of its ability to meet the shareholders' expectations.

8. Share buyback programme

8.1. Implementation of the share buyback programme in 2023

This description of the implementation of the share buyback programme is given pursuant to Article L. 225-211 of the French Commercial Code.

Through Resolution 19 of the Combined General Meeting of 24 May 2023, the shareholders renewed the authorisation granted to the Board of Directors to buy back the Company's shares as set out in Article L. 22-10-62 et seq. of the French Commercial Code and the AMF's General Regulation, for an 18-month period expiring 31 December 2024.

During the financial year ended 31 December 2023, this share buyback programme was used as follows:

8.1.1. IMPLEMENTATION OF LIQUIDITY AGREEMENT

At 31 December 2022, 20,442 shares were allocated to the liquidity agreement.

Between 1 January 2023 and 31 December 2023, Sopra Steria Group bought back 657,458 shares under the liquidity agreement at an average price of €183.26 and sold 666,876 shares at an average price of €182.63.

On 9 September 2022, pursuant to the provisions of Article 4 of AMF Decision No. 2021-01 of 22 June 2021 (the "AMF Decision"), Sopra Steria Group increased, by 4,000,000 (four million) euros, the resources allocated to the implementation of the liquidity agreement with ODDO BHF SCA.

At 31 December 2023, 11,024 shares were still held by the Company for the purposes of the liquidity agreement. Their unit cost is €197.14.

8.1.2. ALLOCATION TO EMPLOYEES

At 31 December 2022, 90,823 shares were allocated in order to "allot or sell shares in the Company to employees and/or company officers of the Group, in order to cover share purchase option plans and/or free share plans (or similar plans) for the benefit of Group employees and/or company officers as well as any allotments of shares in connection with a company or Group savings plan (or similar plan), in connection with company profit-sharing and/or any other forms of share allotment to the Group's employees and/or company officers".

The Company has set up a share ownership plan for the Group's employees based on the transfer of shares.

During financial year 2023, the Company acquired 240,000 shares at an average price of €189.83.

Under the We Share 2023 plan, 95,020 shares were transferred to employees at the price of €190.71 per share and 94,730 free shares were granted to them as the employer contribution (one free share received on a matching basis for each share acquired).

Furthermore, 5,303 shares were transferred free of charge by the UK trust SSET to Sopra Steria Group to serve as matching shares for Sopra Steria India's employee share ownership plan.

Taking into account these items, the Company held 146,376 shares allocated for this purpose at 31 December 2023. Their cost price is €187.25.

At 31 December 2023, Sopra Steria Group held 157,400 treasury shares, including shares under the liquidity agreement, representing 0.77% of the share capital.

8.2. Description of the 2024 share buyback programme

8.2.1. LEGAL FRAMEWORK

This description is provided in accordance with the provisions of Articles 241-2 et seq. of the General Regulation of the French securities regulator (*Autorité des Marchés Financiers* – AMF) as well as Regulation (EU) No. 596/2014 of 16 April 2014 ("MAR" regulation) and in accordance with the terms of Article 221-3 of the AMF's General Regulation.

This programme will be submitted for approval at the General Meeting of 24 May 2023.

a. Number of shares and share of capital held by the Company

At 29 February 2024, the Company's capital was made up of 20,547,701 shares.

At that date, the Company held 158,244 treasury shares, including shares under the liquidity agreement, representing 0.77% of the share capital.

b. Breakdown by purpose of treasury shares held by the Company

At 29 February 2024, the treasury shares held by the Company broke down by purpose as follows:

- implementation of liquidity agreement: 11,868 shares;
- award or sale to employees and/or company officers of the Group, coverage of share purchase option plans and/or free share plans (or similar plans) for the benefit of Group employees and/or company officers as well as any allotments of shares in connection with a company or Group savings plan (or similar plan), in connection with company profit-sharing and/or any other forms of share allotment to the Group's employees and/or company officers: 146,376 shares.

c. Objectives of the new share buyback programme

The objectives of the new share buyback programme to be submitted to shareholders at the General Meeting of 21 May 2024 are:

- to obtain market-making services from an investment services provider acting independently under the terms of a liquidity agreement entered into in compliance with the AMF's accepted market practice;
- to award, sell or transfer shares in the Company to employees and/or company officers of the Group, in order to cover share purchase option plans and/or free share plans (or similar plans) as well as any allotments of shares under a company or Group savings plan (or similar plan) in connection with a profit-sharing mechanism, and/or any other forms of share allotment to the Group's employees and/or company officers;
- to retain the shares bought back in order to exchange them or tender them as consideration at a later date for a merger, spin-off or contribution of assets and, more generally, for external growth transactions. Shares bought back for such purposes are not to exceed, in any event, 5% of the number of shares making up the Company's share capital;
- to deliver the shares bought back, upon the exercise of rights attaching to securities giving access to the Company's share capital through redemption, conversion, exchange, tender of warrants or any other means, as well as to execute any transaction covering the Company's obligations relating to those securities;
- to retire the shares thus bought back, by way of a capital reduction;
- to implement any market practice that would come to be accepted by the AMF, and in general, to perform any operation that complies with regulations in force.

d. Maximum proportion of share capital, maximum number and characteristics of equity securities

The maximum proportion of share capital that may be bought back is equal to 10% of Sopra Steria Group SA's capital on the buyback day.

At 31 December 2023, the share capital was €20,547,701, made up of 20,547,701 shares, each with a par value of €1. On this basis, Sopra Steria Group SA would be authorised to acquire 10% of its share capital at most, i.e. 2,054,770 shares, not including shares already held.

This limit will be assessed on the date of the buybacks to take into account any capital increase or reduction operations that might occur during the programme period.

e. Maximum purchase price

The maximum purchase price per share is €300.

f. Buyback procedure details

The purchase, sale or transfer by the Company of its own shares may be conducted at any time (except during the period of an offer for the shares) and by any method, including over the counter, in blocks of shares or through the use of derivatives, on one or more occasions.

g. Duration of buyback programme

The programme will run for 18 months as from approval of the resolution presented at the General Meeting of 21 May 2024, i.e. until 20 November 2025.

9. Changes in share capital

At 31 December 2023, Sopra Steria Group had a share capital of €20,547,701. It is made up of 20,547,701 shares with a par value of €1 each. Since 2011, the share capital has changed as shown below:

				Number of shares		Contributions	
Year	Description	Amount of capital post-operation	Nominal value	Created	Total	Nominal value	Premiums or reserves
2011	Capital increase through the exercise of options	€47,415,780	€4	9,300	11,863,245	€37,200	€265,050
2011	Capital reduction not motivated by losses	€11,863,245	€1	0	11,863,245	-€35,589,735	€35,589,735
2011	Capital increase through the exercise of options	€11,893,486	€1	30,241	11,893,486	€30,241	€962,041
2012	None	€11,893,486	€1	-	-	-	-
2013	Capital increase through the exercise of options	€11,919,583	€1	26,097	11,919,583	€26,097	€811,966
2014	Capital increase during the first phase of Sopra's public exchange offer for Steria	€18,531,485	€1	6,611,902	18,531,485	€6,611,902	€517,976,403

Year	Description	Amount of capital post-operation	Nominal value	Number of shares		Contributions	
				Created	Total	Nominal value	Premiums or reserves
2014	Capital increase during the second phase of Sopra's public exchange offer for Steria	€19,429,720	€1	898,235	19,429,720	€898,235	€66,128,061
2014	Capital increase through the exercise of options	€19,456,285	€1	26,565	19,456,285	€26,565	€1,450,489
2014	Capital increase through the issuance of free shares for employees	€19,585,300	€1	129,015	19,585,300	€129,015	-€129,015
2014	Capital increase at the time of the merger by absorption of Steria by Sopra	€20,371,789	€1	786,489	20,371,789	€786,489	€58,941,611
2015	Capital increase through the exercise of options	€20,434,841	€1	63,052	20,434,841	€63,052	€2,216,615
2015	Capital increase through the issuance of free shares for employees	€20,446,723	€1	11,882	20,446,723	€11,882	-€11,882
2016	Capital increase through the issuance of free shares for employees	€20,468,033	€1	21,310	20,468,033	€21,310	-€21,310
2016	Capital increase through the exercise of options	€20,531,795	€1	63,762	20,531,795	€63,762	€3,727,171
2017	Capital increase through the issuance of free shares for employees	€20,542,701	€1	10,906	20,542,701	€10,906	-€10,906
2017	Capital increase through the exercise of options	€20,547,701	€1	5,000	20,547,701	€5,000	€211,100
2018	None	€20,547,701	€1	-	-	-	-
2019	None	€20,547,701	€1	-	-	-	-
2020	None	€20,547,701	€1	-	-	-	-
2021	None	€20,547,701	€1	-	-	-	-
2022	None	€20,547,701	€1	-	-	-	-
2023	None	€20,547,701	€1	-	-	-	-

10. Securities giving access to the share capital – Potential dilution

There are no other securities giving access to the share capital other than those mentioned in Note 5.4, "Share-based payments" in Chapter 5, "2023 consolidated financial statements" of this Universal Registration Document (pages 236 to 238).

11. Information on transactions in securities by Directors or persons mentioned in Article L. 621-18-2 of the French Monetary and Financial Code

During financial year 2023, no transactions referred to in Article L. 621-18-2 of the French Monetary and Financial Code and relating to Sopra Steria Group shares were carried out, pursuant to Article 223-26 of the AMF's General Regulation.

12. Authorisations to issue securities granted to the Board of Directors at the Combined General Meetings of 1 June 2022 and 24 May 2023

12.1 Issue with pre-emptive subscription rights

Securities transaction concerned	Date of GM and resolution	Duration of delegation (Expiry)	Maximum issue amount	Maximum amount of capital increase	Use during the year
Capital increase (ordinary shares and other securities giving access to the share capital)	1 June 2022 Resolution 19	26 months (August 2024)	Nominal amount of €2 billion, if securities giving access to the share capital are to be issued	50% of the nominal share capital	None
Capital increase (ordinary shares and other securities giving access to the share capital) in the event of oversubscription in accordance with Resolution 19	1 June 2022 Resolution 23	26 months (August 2024)	15% of the amount of the capital increase under Resolution 19, up to a maximum of €2 billion	15% of the amount of the capital increase under Resolution 19, up to a maximum of 50% of the total nominal share capital	None
Capital increase through the capitalisation of reserves or the issue of new shares	1 June 2022 Resolution 26	26 months (August 2024)	Amount of discretionary reserves	Amount of discretionary reserves	None

12.2 Issue without pre-emptive subscription rights

Securities transaction concerned	Resolution	Duration of delegation (Expiry)	Maximum issue amount	Maximum amount of capital increase	Use during the financial year
Capital increase (ordinary shares and other securities giving access to the share capital)	1 June 2022 Resolution 20	26 months (August 2024)	Nominal amount of €2 billion, if securities giving access to the share capital are to be issued	20% of the share capital, reduced to 10% of the share capital for non-equity securities	None
Capital increase by way of a public offering provided for under no. 1 of Article L. 411-2 of the French Monetary and Financial Code	1 June 2022 Resolution 21	26 months (August 2024)	Nominal amount of €2 billion, if securities giving access to the share capital are to be issued	10% of the share capital per year	None
Capital increase (ordinary shares and other securities giving access to the share capital) in the event of oversubscription in accordance with Resolution 20 or 21	1 June 2022 Resolution 23	26 months (August 2024)	15% of the amount of the capital increase under Resolution 20 or 21, up to a maximum of €2 billion	15% of the amount of the capital increase under Resolution 20 or 21, up to a maximum of 10%/20% of the share capital	None
Capital increase as consideration for securities tendered in the event of contributions in kind	1 June 2022 Resolution 24	26 months (August 2024)	10% of the share capital, up to a maximum of €2 billion	10% of the share capital	None
Capital increase as consideration for securities tendered in the event of a public exchange offer	1 June 2022 Resolution 25	26 months (August 2024)	10% of the share capital, up to a maximum of €2 billion	10% of the share capital	None

12.3 Authorisations for issues reserved for employees and company officers without pre-emptive subscription rights

	Date of GM and resolution	Expiry date	Authorised percentage	Authorised percentage for executive company officers	Use during the financial year
Free share award	24 May 2023 Resolution 19	38 months (August 2026)	1.1%(1)	0.055%	0.001%(2)
Capital increase for employees enrolled in a company savings plan	24 May 2023 Resolution 20	26 months (July 2026)	2%(1)		None

(1) This upper limit, calculated on the basis of the share capital at the date of the authorisation, is cumulative for all issues reserved for employees and company officers.
(2) At its meeting of 26 October 2023, the Board of Directors allotted 2,880 rights to free performance shares to certain employees of a company affiliated with the Company, as defined in Article L. 225-197-2 of the French Commercial Code.

13. Information required by Article L. 22-10-11 of the French Commercial Code relating to public tender or exchange offers

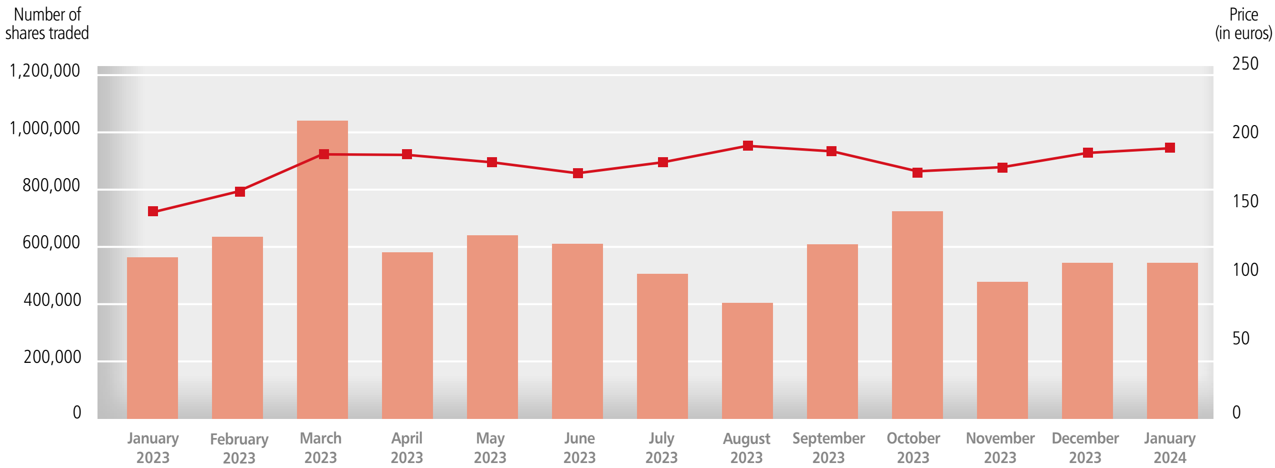
Pursuant to Article L. 22-10-11 of the French Commercial Code, the elements mentioned in this article are detailed below:

1. The Company's ownership structure is presented in Section 2, "Share ownership structure" of this chapter (page 319);
2. There are no restrictions in the Articles of Association:
   - on the exercise of voting rights: fully paid-up shares held in registered form for at least two years have double voting rights (Article 29 of the Articles of Association),
   - on transfers of shares: shares are freely tradable, other than as specified by applicable laws or regulations (Article 11 of the Articles of Association);

The Company has not been informed of any clauses of agreements pursuant to Article L. 233-11 of the French Commercial Code other than those set out in Section 6, "Shareholders' agreements" of this chapter (page 321);

3. Any direct or indirect interests in the capital of the Company of which the latter has been informed pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code are presented in Section 2, "Share ownership structure" of this chapter (page 319);
4. There are no holders of securities conferring special controlling rights;
5. There is no control mechanism provided under an employee share ownership scheme;
6. Agreements between shareholders of which the Company is aware and which may give rise to restrictions on share transfers and the exercise of voting rights are presented in Sections 2, "Share ownership structure" and 7.2, "Breakdown of voting rights" of this chapter (pages 319 and 321, respectively);
7. The regulations applicable to the appointment and replacement of the members of the Board of Directors are set forth in Article 14 of the Articles of Association. The regulations relating to the amendment of the Company's Articles of Association are contained within Article 33 of the Articles of Association, which states that "only shareholders voting at an Extraordinary General Meeting shall be authorised to amend any and all provisions of the Articles of Association";
8. The powers of the Board of Directors concerning share issues and share buybacks are stated in Article 17 of the Articles of Association. "The Board of Directors shall establish the Company's business policies and ensure they are carried out in accordance with its corporate interest, while giving consideration to the social and environmental implications of its business activities. Subject to the powers expressly conferred by law to shareholders' meetings and within the limits of the corporate purpose, the Board of Directors may consider any matter relating to the proper operation of the Company and shall resolve matters that concern the Company by its decisions." In addition, the Board of Directors was granted authority by the Combined General Meetings of 1 June 2022 under Resolutions 18 to 28;
9. Agreements entered into by the Company that might be amended or cease to apply in the event of a change in control of the Company mainly concern the syndicated loan agreement signed on 22 February 2022, the drawn bank credit facility agreement signed on 19 December 2023 and the Euro PP bond issued by Sopra Steria Group in July 2019;
10. There are no agreements providing for indemnities payable to members of the Board of Directors or employees if they resign or are dismissed without just cause or if their position is terminated due to a public tender or exchange offer.

14. Monthly share prices and trading volumes on Euronext Paris



(Source: Euronext Paris)

15. Share price performance

Month	Number of trading days	Price *(in €)* High	Low	Average closing price	Trading volumes Number of shares traded	Capital *(in millions of euros)*
2023 - 01	22	156.80	141.90	150.26	563,051	84.73
2023 - 02	20	187.60	152.30	165.30	636,207	107.50
2023 - 03	23	198.30	181.90	192.48	1,040,564	199.84
2023 - 04	18	198.00	183.70	192.08	581,205	111.45
2023 - 05	22	197.40	169.00	186.67	640,164	118.48
2023 - 06	22	187.00	171.80	178.75	610,742	109.12
2023 - 07	21	208.00	174.90	186.66	506,291	95.77
2023 - 08	23	203.60	193.80	198.65	404,781	80.36
2023 - 09	21	206.80	183.80	194.67	609,651	118.14
2023 - 10	22	197.20	150.00	180.16	725,250	129.63
2023 - 11	22	193.40	168.70	183.16	477,472	87.30
2023 - 12	19	200.20	186.40	193.51	544,805	105.27
2024 - 01	22	220.40	187.00	198.59	538,700	108.04

(Source: Euronext Paris)

16. Dividend per share

Financial year	Number of shares bearing a dividend	Dividend per share
2014	20,062,614	€1.90
2015	20,324,093	€1.70
2016	20,517,903	€2.20
2017	20,516,807	€2.40
2018	20,514,876	€1.85
2019[(1)]	0	€0
2020	20,539,743	€2.00
2021	20,527,488	€3.20
2022	20,511,261	€4.30

(1) Given the context of the Covid-19 pandemic and in a spirit of responsibility, at its meeting on 9 April 2020, Sopra Steria Group's Board of Directors decided to propose to shareholders at the General Meeting of 9 June 2020 not to distribute a dividend for financial year 2019.

To date, the Board of Directors has not predefined a dividend distribution policy.

At its meeting of 21 February 2024, the Board of Directors of Sopra Steria Group decided to propose at the General Meeting of the Shareholders to be held on 21 May 2024 that a dividend of €4.65 per share be distributed. The ex-dividend date will be 28 May 2024. The dividend will be payable as from 30 May 2024.

Dividends not collected before the five-year prescription period expires are paid to the French state.

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1. Memorandum and Articles of Association

The Articles of Association and internal rules and regulations of Sopra Steria Group are available in full on the website, https://www.soprasteria.com, in the "Investors" section under "Governance".

1.1 Board of Directors

ARTICLE 14 (ARTICLES OF ASSOCIATION) – BOARD OF DIRECTORS

The Company is administered by a Board of Directors comprising a minimum of three members and a maximum of eighteen, subject to the exception provided for by law in the event of a merger.

The Directors representing the employees and employee shareholders are not taken into account when determining the minimum and maximum number of Directors.

1. Directors appointed by shareholders at the General Meeting

1.a General provisions

Directors are appointed, reappointed or dismissed by the shareholders at Ordinary General Meetings.

No one may be appointed a Director if, having exceeded the age of seventy-five years, his/her appointment results in more than one third of Board members exceeding this age. Once this limit is exceeded, the oldest Director is deemed to have resigned from office.

Directors may be natural or legal persons, with the exception of the Director representing employee shareholders, who must be a natural person. When a legal person is appointed as Director, the latter names a permanent representative who is personally subject to the same conditions, obligations and liabilities as all other Board members, without prejudice to the joint and several liability of the legal person thus represented.

Each Director must own at least one share in the Company.

1.b Specific provisions concerning the Director representing employee shareholders

When the legal requirements are met, a Director representing employee shareholders is elected by the Ordinary General Meeting from two candidates proposed by the employee shareholders referred to in Article L. 225-102 of the French Commercial Code.

Both candidates for election as the Director representing employee shareholders are designated according to the following process:

a) the rules for the designation of candidates are laid down by the Chairman of the Board of Directors. These rules include provisions relating to the timetable for the various stages in the designation process, the procedure for identifying and reviewing all preselected candidates, the methods used to designate the representatives of employee shareholders exercising voting rights attached to shares that they own, in addition to all provisions that may be useful for the smooth execution of the abovementioned process. The rule is brought to the attention of members of the supervisory boards of employee investment funds and, where applicable, employee shareholders exercising directly their voting right, by any means, and notably, without these means of communication being considered exhaustive, by affixing posters and/or using electronic communication, with a view a to designating their candidates;

b) a call for candidates is used to draw up a list of proposed candidates from among those persons meeting the criteria laid down in Articles L. 225-23 and L. 225-102 of the French Commercial Code;

c) where voting rights attached to shares held by employees are exercised by members of the supervisory boards of employee shareholding investment funds, those supervisory boards may together select a candidate. Each supervisory board shall meet to choose its preferred candidate from a list of preselected candidates. Representatives of the Company sitting on the supervisory board are not entitled to vote on this decision. Under the selection process, each preselected candidate shall be allocated a score equal to the number of shares held by employee shareholding investment funds that voted for him/her. The preselected candidate with the highest score shall be selected as the candidate;

d) where voting rights attached to shares held by employees are exercised directly by those employees, the elected or appointed representatives of those employee shareholders may select a candidate in accordance with procedures laid down in the rules for candidate nomination. Where a candidate is selected by appointed representatives, the rules for candidate nomination may stipulate that a voting threshold must be met. In such cases, the required threshold may not exceed 0.05% of the Company's share capital. Each elected or appointed representative of the employee shareholders shall choose its preferred candidate from a list of preselected candidates. Under the selection process, each preselected candidate shall be allocated a score equal to the number of shares held by those employees who elected or appointed the representatives that voted for him/her. The preselected candidate with the highest score shall be selected as the candidate;

e) members of supervisory boards of employee shareholding investment funds and elected or appointed representatives of employee shareholders may select the same candidate. In such cases, that single candidate shall be presented at the General Meeting of Shareholders. The same shall apply if either selection process should fail to select a candidate.

The Director representing employee shareholders shall be elected from among the selected candidates by the shareholders voting at a General Meeting under the quorum and majority requirements applicable to resolutions submitted at Ordinary General Meetings. The Board of Directors shall present each candidate to the shareholders at the General Meeting by way of a separate resolution and shall, as the case may be, approve the resolution concerning its own preferred candidate.

The candidate receiving the most votes shall be elected Director representing the employee shareholders provided that he/she has secured at least 50% of the votes of the shareholders present or represented by proxy holders at the General Meeting. In the event of a tied vote, the candidate who has served longest as an employee of the Company or one of its subsidiaries shall be appointed.

If no candidate secures at least 50 % of the votes of the shareholders present or represented by proxy holders at the General Meeting, two new candidates shall be put forward at the next Ordinary General Meeting.

Should the Director representing employee shareholders cease to be an employee, he/she will automatically be deemed to have stepped down and his/her appointment will terminate immediately. The same applies in the event of the loss of status of shareholder within the meaning of Article L. 225-102 of the French Commercial Code.

The Board of Directors may validly meet and vote in the absence of the Director representing employee shareholders until such time as the latter is appointed at a General Meeting of Shareholders.

The provisions laid down in this article cease to apply if, at the close of a given financial year, the percentage of the share capital held by employees of the Company and any affiliated companies accounts for less than 3% of the total share capital. The term of office in progress will continue for its full duration.

2. Director representing the employees

When the requirements laid down in paragraph I of Article L. 225-27-1 of the French Commercial Code are met, one or two Directors representing the employees sit on the Board of Directors in accordance with the provisions of paragraph II of Article L. 225-27-1 of the French Commercial Code.

The Directors representing the employees are appointed by the Company's Works Council after a call for nominations from within the Company and its French subsidiaries.

When a single seat is vacant, the successful candidate is chosen through by a majority vote in a two-round ballot. When two seats are vacant, a list-based system of proportional representation with the greatest remainders and no voting-splitting is used.

The Director or Directors representing the employees are not required to hold shares in the Company.

Further to the provisions set out in paragraph 2 of Article L. 225-29 of the French Commercial Code, should the Company body mentioned in these Articles of Association fail to nominate a Director representing the employees, the decisions of the Board of Directors shall still be deemed to be valid.

3. Term of office of Directors

Directors are appointed for a term of office of four years.

In the year of expiry, Directors' terms of office shall expire at the close of the Ordinary General Meeting convened to approve the financial statements for the previous financial year. They may be reappointed immediately.

By exception, upon their first appointment following the modification of the Articles of Association taking effect on 9 June 2020, Directors' terms of office appointed by the General Meeting may be set at 1, 2 or 3 years such that the renewal of directorships is staggered evenly from year to year.

Should one or more seats held by Board members appointed at the General Meeting become vacant between two General Meetings, with the exception of that held by the Director representing employee shareholders, the Board may make temporary appointments, in accordance with the requirements of Article L. 225-24 of the French Commercial Code. A Director appointed to replace another Director performs his/her duties for the remainder of the term of office of the individual previously serving in this position.

When a vacancy for a Director representing the employees arises during their term of office, the Director chosen as an alternate by the Company's Works Council performs the duties for the remainder of the term of office of the individual previously serving in this position.

ARTICLE 15 (ARTICLES OF ASSOCIATION) – ORGANISATION OF THE BOARD OF DIRECTORS

The Board of Directors elects from among its members a Chairman, who must be a natural person in order for the appointment to be valid. The Board determines the Chairman's compensation.

The Chairman shall be appointed for a term that may not exceed his/her term of office as Director. The Chairman may be reappointed. The Board may remove the Chairman from office at any time.

No one over the age of eighty-nine may be appointed Chairman. If the Chairman in office exceeds this age, he/she shall automatically be deemed to have resigned.

The Board may appoint one or two Vice-Chairmen from among the Directors.

It can also appoint a secretary who need not be a Director or shareholder.

In the event of the Chairman's absence, Board meetings shall be chaired by any person specifically delegated for this purpose by the Chairman. In the absence of this individual, the Board meeting shall be chaired by one of the Vice-Chairmen.

ARTICLE 16 (ARTICLES OF ASSOCIATION) – DECISIONS OF THE BOARD OF DIRECTORS

The Board of Directors shall meet as often as required by the Company's interests, pursuant to a notice of meeting given by its Chairman. The Chief Executive Officer or, if the Board has not met for at least two months, at least one third of the Directors, may request the Chairman to convene a Board of Directors' meeting to deliberate on a specific agenda. The Chairman shall be required to comply with such request.

Notices of meetings may be issued by any means, including orally, normally at least twenty-four hours in advance.

Meetings shall be held at the registered office or at any other place specified in the notice of meeting.

In exceptional cases, the Board of Directors may adopt, by means of a written consultation, certain decisions provided for by the regulations in force.

The Board can only validly conduct business in the presence of at least half the Directors. Decisions shall be adopted by a majority vote of the members present or represented.

In the event of a tie, the Chairman of the Board of Directors shall have the casting vote. If the Chairman of the Board of Directors is not present, the meeting Chairman shall have no casting vote in the event of a tie.

An attendance sheet is signed by the Directors taking part in the Board meeting, either in person or by proxy.

Internal rules and regulations shall be defined for the Board of Directors.

These internal rules and regulations may include a provision whereby Directors who participate in the Board meeting by videoconference or any other means of telecommunication that enables them to be identified as required by law, shall be considered to be present for the purpose of calculating the quorum and majority.

This provision shall not apply for the adoption of any of the following decisions:

- approving the parent company financial statements and the consolidated financial statements, and preparing the Management Report and the Group Management Report.

The decisions of the Board of Directors shall be recorded in minutes prepared in accordance with legal provisions in force and signed by the Chairman of the meeting and at least one Director. If the Chairman of the meeting is unable to act, the minutes shall be signed by at least two Directors.

Copies or extracts of these minutes shall be certified by the Chairman of the Board of Directors, the Chief Executive Officer, a Director temporarily appointed to act as Chairman or an agent authorised for such purpose.

ARTICLE 17 (ARTICLES OF ASSOCIATION) – POWERS OF THE BOARD OF DIRECTORS

The Board of Directors shall establish the Company's business policies and ensure they are carried out in accordance with its corporate interest, while giving consideration to the social and environmental implications of its business activities. Subject to the powers expressly conferred by law to shareholders' meetings and within the limits of the corporate purpose, the Board of Directors may consider any matter relating to the proper operation of the Company and shall resolve matters that concern the Company by its decisions.

In its relations with third parties, the Company shall be bound by the acts of the Board of Directors that exceed the scope of the corporate purpose, unless the Company proves that the third party was aware, or that in light of the circumstances could not have been unaware, that the act was not within said corporate objects. However, the mere publication of the Articles of Association shall not constitute such proof.

The Board of Directors shall carry out all controls and verifications it deems necessary. Each Director is entitled to be provided with all documents and information necessary for the performance of his duties.

The Board may grant all agents of its choice all delegations of powers, within the limits of the powers it holds pursuant to law and these Articles of Association.

The Board may create committees charged with studying matters that the Board or the Chairman submits for their opinion and review. It determines the composition and the terms of reference of the committees, which operate under its responsibility.

Under a delegation of powers granted at an Extraordinary General Meeting, the Board of Directors may amend the Company's Articles of Association to ensure compliance with legal and regulatory requirements, subject to ratification at the following Extraordinary General Meeting.

ARTICLE 18 (ARTICLES OF ASSOCIATION) – POWERS OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

The Chairman of the Board of Directors organises and directs the work of the Board of Directors, on which he/she reports to the General Meeting. He/she ensures the smooth running of the Company's management bodies and, in particular, that the Directors are able to carry out their duties.

ARTICLE 2 (INTERNAL RULES AND REGULATIONS OF THE BOARD OF DIRECTORS) – ROLE OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

A. Organisation and steering of the work of the Board of Directors

The Chairman of the Board of Directors organises and directs the work of the Board of Directors.

The Chairman of the Board of Directors sets the schedule and agenda for meetings of the Board of Directors.

In the absence of the Chairman of the Board of Directors:

- board meetings are chaired by the individual delegated for this purpose by the Chairman of the Board of Directors. In the absence of this individual, the Board meeting is chaired by one of the two Vice-Chairmen;
- the meeting Chairman does not have a casting vote in the event of a tie.

B. Operating procedures of the Company, governance and control of Executive Management

The Chairman of the Board of Directors ensures the proper functioning of the Board of Directors and its committees, the relations of these bodies with Executive Management and the implementation of best practices in corporate governance.

The Chairman of the Board of Directors ensures that the Group's values are upheld.

The Chairman of the Board of Directors makes sure that Directors are able to carry out their duties, and that they have adequate information.

The Chairman of the Board of Directors ensures open lines of communication at all times between the Board of Directors and Executive Management. As such, the Chairman also keeps abreast of, and must be informed of, the Group's circumstances and any decisions being considered whenever they are likely to have a significant impact on the conduct of business activities. To this end, the Chairman is kept informed of developments throughout the preparation of planned operations subject to prior approval by the Board of Directors and may offer comments on such plans.

He/she may draw on the expertise of the Board committees and their chairmen and enjoys unrestricted access to Executive Management and functional and operational departments.

C. Relations with shareholders

The Chairman reports to the shareholders on the composition and the manner in which the work of the Board of Directors is prepared and organised, as well as on the internal control and risk management procedures put in place by the Group.

The Chairman presides over General Meetings.

Together with the Chief Executive Officer, he/she supervises the Company's relations with major shareholders.

D. Support for Executive Management

In agreement with the Chief Executive Officer, the Chairman of the Board of Directors may take part in actions to address any matters of interest to the Company or the Group, notably those relating to business activities, strategic decisions or projects (in particular involving investments or divestments), partnership agreements and relations with employee representative bodies, risks and financial disclosures.

In agreement with the Chief Executive Officer, he/she may also take part in any meetings.

E. Representation of the Company and the Group

The Chairman of the Board of Directors represents the Board in its relations with third parties, apart from exceptional circumstances or in the case of specific assignments conferred upon individual Directors. In coordination with the Chief Executive Officer, the Chairman of the Board of Directors makes every effort to promote the values and image of the Group in all circumstances. In agreement with the Chief Executive Officer, the Chairman of the Board of Directors may represent the Group in its high-level relations, particularly with major partners or clients and government authorities, on the domestic and international fronts, and in terms of both internal and external communications.

Conditions for the exercise of the Chairman of the Board of Directors' prerogative powers

The duties assumed by the Chairman of the Board of Directors require the Chairman to devote his/her time to the Company. The initiatives undertaken and the actions carried out by the Chairman in the performance of his/her duties are taken into consideration by the Board of Directors in determining the Chairman's compensation.

The Chairman of the Board of Directors fulfils his/her responsibilities in recognition of those assumed by the Chief Executive Officer and the Board of Directors.

ARTICLE 20 (ARTICLES OF ASSOCIATION) – COMPENSATION OF CORPORATE OFFICERS AND DIRECTORS

1. The shareholders at a General Meeting may grant the Directors an annual fixed compensation, the amount of which shall be booked as operating expenses. This amount shall be maintained until a new decision is adopted. The Board of Directors shall determine the allocation thereof among the Directors, in accordance with applicable laws.
2. The Board of Directors determines the compensation of the Chairman of the Board of Directors, the Chief Executive Officer and any Deputy Chief Executive Officers, in accordance with applicable laws.
3. The Board of Directors may also grant exceptional compensation for missions or assignments entrusted to Directors, in accordance with applicable laws. Directors shall not receive any compensation from the Company, whether permanent or otherwise, other than the remuneration specified in the preceding paragraphs, unless they have entered into an employment contract with the Company, in accordance with applicable laws.

ARTICLE 21 (ARTICLES OF ASSOCIATION) – MULTIPLE OFFICES

An individual shall not simultaneously hold more than five offices as a Director or a member of the Supervisory Board of *sociétés anonymes* that have their registered offices in France.

By exception to the foregoing provisions and for the purposes of applying this article, offices held by a person as a Director or member of the Supervisory Board of a company that is controlled, within the meaning of Article L. 233-16 of the French Commercial Code, by the company in which that person is a Director shall not be taken into account for these purposes.

Pursuant to the above provisions, the positions of Directors of companies whose shares are not traded on a regulated market or are controlled, within the meaning of Article L. 233-16 of the French Commercial Code, by the same company only count as one position, provided the number of such positions held does not exceed five.

An individual may not simultaneously hold more than one position as Chief Executive Officer, member of a management board or sole Chief Executive Officer of *sociétés anonymes* that have their registered offices in France. In derogation of the foregoing, a second position as Chief Executive Officer, member of a management board or sole Chief Executive Officer may be held in a company that is controlled, within the meaning of Article L. 233-16 of the French Commercial Code, by the company of which he/she is Chief Executive Officer. Another position as Chief Executive Officer, member of a management board or sole executive officer may be held in a company if the shares of neither of these two companies are admitted to trading on a regulated market.

Without prejudice to the conditions above or to other legal requirements, an individual shall not simultaneously hold more than five offices as a Chief Executive Officer, member of a management board, sole executive officer, Director or member of the Supervisory Board of *sociétés anonymes* having their registered offices in France. For the purposes of this Article, where a Director acts as Chief Executive Officer, this shall count as a single office.

This number shall be reduced to three for offices held within companies, even where registered outside France, whose shares are traded on a regulated market for persons acting as Chief Executive Officer, member of a management board, Director or sole executive officer in a company whose shares are traded on a regulated market and which employs at least 5,000 permanent employees in the company and its direct or indirect subsidiaries, and whose registered offices are located in France, or at least 10,000 employees in the company and its direct or indirect subsidiaries, and whose registered offices are located in France and elsewhere.

For the purposes of applying this latter limit, positions as Director or member of the Supervisory Board held by the Chief Executive Officer, member of a management board, Director or sole executive officer of companies whose main business is the acquisition and management of investment holdings, within the meaning of Article L. 233-2 of the French Commercial Code, shall be disregarded for these purposes.

Any individual in breach of the provisions concerning multiple offices shall resign one of the positions within three months of his/her appointment or, in the event of a derogation, from the position at issue within three months of the event that causes the person to cease complying with the conditions set by law. On expiry of the three-month period, the person is automatically dismissed and must return the compensation received, although the validity of the deliberations in which he/she took part is not called into question.

1.2 Executive Management

ARTICLE 19 (ARTICLES OF ASSOCIATION) – EXECUTIVE MANAGEMENT

1. Operating procedures

Responsibility for the Executive Management of the Company is assumed by either the Chairman of the Board of Directors or by another natural person appointed by the Board of Directors and holding the title of Chief Executive Officer.

The Board of Directors chooses one or other of the aforementioned methods of executive management.

The decision of the Board of Directors relating to the choice of management method is taken on the basis of a majority of Directors present or represented. Shareholders and third parties are informed of this choice in the conditions provided for by the regulations in force.

The choice made by the Board of Directors applies for an unlimited period.

2. Executive Management

The Chief Executive Officer is a natural person who may or may not be a Director.

The term of office of the Chief Executive Officer is determined by the Board of Directors at the time of his/her appointment. However, if the Chief Executive Officer is also a Director, his/her term of office as Chief Executive Officer may not exceed that as Director.

No one over the age of seventy-seven may be appointed as Chief Executive Officer. Once the Chief Executive Officer has reached this age limit, he/she is deemed to have resigned from office.

The Chief Executive Officer may be dismissed at any time by the Board of Directors. In the event of unfair dismissal, the Chief Executive Officer may be entitled to damages, except when he/she also serves as Chairman of the Board of Directors.

The Chief Executive Officer shall have the broadest possible powers to act in all circumstances in the name of the Company. He/she exercises his/her powers within the limits of the corporate purpose and subject to those expressly granted to General Meetings and the Board of Directors by the law.

He/she represents the Company in its dealings with third parties. The Company is bound even by the actions of the Chief Executive Officer falling outside the scope of the corporate purpose, unless it can prove that the third party knew that such action exceeded the corporate purpose or that it could not ignore it in the circumstances, it being excluded that publication of the Articles of Association alone constitutes such proof.

3. Deputy Chief Executive Officers

On the recommendation of the Chief Executive Officer, whether this position is held by the same person serving as Chairman of the Board of Directors or by another person, the Board may appoint one or more natural persons to assist the Chief Executive Officer, with the title of Deputy Chief Executive Officer.

The Board of Directors may appoint as many as five Deputy Chief Executive Officers, who may or may not be selected from among its members.

The age limit is set at sixty-five years. Once a Deputy Chief Executive Officer has reached this age limit, he/she is deemed to have resigned from office.

Deputy Chief Executive Officers may be dismissed at any time by the Board of Directors on the recommendation of the Chief Executive Officer. In the event of unfair dismissal, Deputy Chief Executive Officers may be entitled to damages.

When the Chief Executive Officer ceases to carry out or is prevented from carrying out his/her duties, the Deputy Chief Executive Officers retain their duties and remits until the appointment of a new Chief Executive Officer, unless decided otherwise by the Board of Directors.

In agreement with the Chief Executive Officer, the Board of Directors determines the scope and duration of the powers conferred on the Deputy Chief Executive Officers. In their dealings with third parties, the Deputy Chief Executive Officers have the same powers as the Chief Executive Officer.

ARTICLE 3 (INTERNAL RULES AND REGULATIONS OF THE BOARD OF DIRECTORS) – ROLE OF THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer, who may be assisted by one or more Deputy Chief Executive Officers, has authority over the entire Group, directing all its activities. He/she is involved in formulating strategy within the framework mapped out by the Chairman. He/she then has responsibility for implementing it once it has been approved by the Board of Directors.

The Chief Executive Officer is vested with the broadest powers to act in all circumstances on behalf of the Company. He/she represents the Company in its dealings with third parties. He/she chairs the Group's Executive Committee.

The Chief Executive Officer exercises his/her powers within the limits of the corporate purpose, all applicable laws, the Articles of Association, the decision of the Board of Directors relating to his/her appointment and these internal rules and regulations.

The Chief Executive Officer is also responsible for providing the Board of Directors and all its committees with any information they may require and for implementing all decisions taken by the Board.

Conditions for the exercise of the Chief Executive Officer's prerogative powers

The Chief Executive Officer works closely with the Chairman of the Board of Directors to ensure open lines of communication at all times between the Board of Directors and Executive Management. He/she also keeps the Chairman informed of the Group's circumstances and any decisions being considered whenever they are likely to have a significant impact on the conduct of business activities.

The types of decisions identified in this section require the prior authorisation of the Board of Directors, or of the Chairman whenever the Board delegates its powers to him/her in this respect, under the conditions defined by the Board. The Chairman must report to the Board of Directors on any authorisations given by him/her in connection with these delegations. These decisions are prepared and discussed in advance by the Chief Executive Officer and the Chairman of the Board of Directors.

Under the aforementioned conditions, the decisions requiring prior approval by the Board of Directors are those that are highly strategic in nature or that are likely to have a significant impact on the financial position or commitments of the Company or any of its subsidiaries, and in particular decisions falling into two main categories, as listed below:

- decisions relating to strategy implementation:
  - adaptation of the Group's business model,
  - the acquisition or disposal of companies or businesses, for transactions in amounts greater than €10 million,
  - any investment or divestment decision in an amount greater than €10 million,
  - entering into strategic alliances;
- decisions relating to organisational matters:
  - the appointment or dismissal of any member of the management team (Executive Committee members) with authority delegated to the Chairman by the Board of Directors,
  - any significant change in the organisation or internal operating procedures, with authority delegated to the Chairman by the Board of Directors.

1.3 General Meetings

ARTICLE 25 (ARTICLES OF ASSOCIATION) – GENERAL MEETINGS

General Meetings are convened and held under the conditions laid down by the law.

The decisions collectively made by the shareholders shall be taken in General Meetings characterised either as Ordinary General Meetings, Extraordinary General Meetings or Special General Meetings depending on the nature of the decision to be taken.

Special General Meetings are called for the holders of shares of a given category to decide upon any changes to the rights attached to shares in this category.

The decisions taken by General Meetings are binding for all the shareholders, including absentee and dissenting shareholders and those lacking legal capacity.

ARTICLE 26 (ARTICLES OF ASSOCIATION) – VENUE AND PROCEDURE FOR CONVENING GENERAL MEETINGS

General Meetings shall be convened by the Board of Directors. Failing this, they may also be convened by the Statutory Auditors or by a court-appointed agent, in accordance with the law.

Meetings shall be held at the registered office or at any other location specified in the notice of meeting.

General Meetings shall be convened by means of a notice published either in a journal authorised to publish legal announcements in the area where the registered office is located, or in the Bulletin des Annonces Légales Obligatoires (BALO, the French journal of official legal announcements), at least two weeks before the General Meeting.

However, if all the shares are held in registered form, these announcements are not mandatory, and the General Meeting may be convened by giving notice to each shareholder by registered letter, at the Company's expense.

At least thirty-five days before each shareholders' meeting, the Company shall publish in the BALO the notice required by Article R. 225-73 of the French Commercial Code.

Shareholders who have held registered shares for at least one month prior to the date on which the notice of meeting is published shall be given notice of all shareholders' meetings by ordinary mail.

However, as provided by regulations, they may give the Company a written authorisation to send these notifications by electronic mail instead of by letter. Shareholders shall provide the Company with their email address for this purpose. Shareholders may also at any time request, in a letter sent by recorded delivery (signed for), that postal delivery be used instead of electronic transmission.

Shareholders may also ask to be notified of any General Meeting by registered letter if they have forwarded to the Company the amount necessary to cover the cost of sending such a letter.

In the event that the General Meeting is unable to deliberate because the required quorum is not present, a second meeting, and if applicable, a deferred second meeting, shall be convened at least ten days in advance in the same manner as the first meeting.

The notice and the letters inviting the shareholders to this second General Meeting shall feature the date and agenda of the first General Meeting. If the date of a General Meeting is postponed by court order, the court may set a different time period.

The notice and letters convening the Meeting must contain all the information required by law.

ARTICLE 27 (ARTICLES OF ASSOCIATION) – AGENDA

The agenda for the General Meeting is decided by the person(s) convening the Meeting.

One or more shareholders representing at least the portion of share capital required by law and acting in accordance with legal requirements and time periods, may request that specific items of business or draft resolutions be added to the General Meeting's agenda.

The Works Council may also request the inclusion of proposed resolutions in the agenda.

Items of business not appearing on the agenda may not be considered at the General Meeting. However, the General Meeting can in all circumstances dismiss and replace one or more Directors.

ARTICLE 28 (ARTICLES OF ASSOCIATION) – ACCESS TO GENERAL MEETINGS – POWERS – COMPOSITION

The General Meeting shall be composed of all shareholders, regardless of the number of shares they hold, who attend the Meeting either in person or by proxy.

All shareholders have the right to participate in General Meetings provided they furnish proof, in accordance with legal and regulatory requirements, that their shares are registered on accounts in their names or on their behalf in the name of their registered intermediary, or on the registered share accounts kept by the Company, or on the bearer share accounts kept by an authorised intermediary.

Any shareholder may be represented by his or her spouse, the partner with whom he or she has entered into a *pacte civil de solidarité* (PACS, the French civil union contract), another shareholder or any other private individual or legal entity of his or her choice; the proxy must provide proof of authorisation to represent the shareholder. If a shareholder does not name a proxy holder in a proxy form submitted, the Chairman of the General Meeting shall vote in favour of proposed resolutions submitted for approval by the Board of Directors, and against any other proposed resolutions. For any other vote, the shareholder shall choose a proxy holder who agrees to vote as directed by the shareholder.

The legal representatives of legally incapable shareholders and the persons representing legal entities that hold shares in the Company may attend General Meetings whether they are shareholders or not.

If so decided by the Board of Directors when convening the Meeting, shareholders may also take part by videoconference or any other means of telecommunication, including the Internet, which permits them to be identified as provided by the law.

Shareholders who participate in a General Meeting by videoconference or other means of telecommunication that enables them to be identified in a manner and in accordance with procedures in compliance with regulatory provisions shall be deemed present for the purposes of calculating the quorum and majority.

All shareholders may be represented by another person at General Meetings or vote remotely by filling in a form addressed to the Company, as provided for in law and the regulations, either on paper or electronically, depending on the procedure adopted by the Board of Directors and stipulated in the notice of meeting.

Two Works Council members, appointed by the Works Council as laid down by law, may attend General Meetings. At their request, they shall be heard during deliberations on all matters requiring a unanimous vote of the shareholders.

ARTICLE 29 (ARTICLES OF ASSOCIATION) – VOTING RIGHTS

The voting right attached to capital shares or dividend shares shall be proportional to the portion of the capital they represent. With the same par value, each share shall entitle the holder to the same number of votes, with a minimum of one vote.

However, double voting rights are allocated to all fully paid-up shares that are proved to have been registered in the name of the same holder for at least two years up to that time. In the event of a capital increase by capitalisation of reserves, earnings or issue premiums, double voting rights shall be allocated upon issuance to registered shares freely granted to a shareholder in proportion to existing shares for which this shareholder was entitled to benefit from this right.

ARTICLE 30 (ARTICLES OF ASSOCIATION) – RIGHTS TO SHAREHOLDER INFORMATION – DISCLOSURE OBLIGATIONS

All shareholders are entitled to obtain the documents necessary to enable them to make informed decisions regarding the management and operations of the Company.

The documentation required and its availability to shareholders is established by law and in regulations.

Any shareholder who holds more than 3% or more than 4% of the Company's capital shall inform the Company in the same manner and based on the same methods of calculation as required with respect to legal thresholds.

ARTICLE 31 (ARTICLES OF ASSOCIATION) – ATTENDANCE SHEET – OFFICERS – MINUTES

An attendance sheet showing the details and signatures required by law is drawn up for each General Meeting.

The General Meeting shall be chaired by the Chairman of the Board of Directors or, in the Chairman's absence, by a Vice-Chairman or by a Director specifically delegated for this purpose by the Board. Failing this, the Meeting shall elect its own Chairman.

The duties of vote-teller shall be performed by the two shareholders, present and accepting such duties, who hold the largest number of shares, either on their own behalf or as proxy holders.

The officers of the Meeting thus appointed shall designate a secretary, who is not required to be a shareholder.

The minutes are drawn up and copies or extracts of these minutes are delivered and certified in accordance with the law.

ARTICLE 32 (ARTICLES OF ASSOCIATION) – ORDINARY GENERAL MEETINGS

An Ordinary General Meeting is a meeting called to take decisions that exceed the powers of the Board of Directors and that do not amend the Articles of Association.

This type of General Meeting shall be held at least once a year, within the time period required by law and regulations, to approve the financial statements for the previous year.

It is only able to validly conduct business, when convened for the first time, if the shareholders attending the Meeting, represented by proxy or having voted remotely represent at least one fifth of the total voting rights. No quorum is required when Ordinary General Meetings are convened for the second time.

Decisions shall be taken by a majority of the votes submitted by shareholders present, represented or voting remotely.

ARTICLE 33 (ARTICLES OF ASSOCIATION) – EXTRAORDINARY GENERAL MEETINGS

The Extraordinary General Meeting alone shall be authorised to amend the Articles of Association. However, it may not increase shareholders' commitments, except in the case of transactions resulting from a duly completed reverse stock split.

It is only able to validly conduct business, when convened for the first time, if the shareholders attending the Meeting or represented by proxy or having voted remotely represent at least one quarter of the total voting rights, and one fifth of the total voting rights when convened for the second time. If this latter quorum is not attained, the second Meeting may be postponed to a date no later than two months after the date for which the second meeting was originally convened. For this postponed Meeting, a quorum of one-fifth of the shares with voting rights shall also be required.

Decisions shall be taken by a two-thirds majority of the votes submitted by shareholders present, represented or voting remotely, unless a statutory exception applies.

ARTICLE 34 (ARTICLES OF ASSOCIATION) – SPECIAL GENERAL MEETINGS

When there are several categories of shares, no changes may be made to the rights of a given category of shares unless approved by an Extraordinary General Meeting open to all shareholders and also by a Special General Meeting of the holders of the category of shares in question.

Special General Meetings are only able to validly conduct business, when convened for the first time, if the shareholders attending the Meeting or represented by proxy or having voted remotely represent at least one third of the total voting rights, and one fifth of the total voting rights when convened for the second time.

In all other respects, Special General Meetings are convened and conduct business in the same way as Extraordinary General Meetings.

ARTICLE 35 (ARTICLES OF ASSOCIATION) – ISSUE OF BONDS

In the event of the issuance of bonds, the holders of these bonds are considered as a group represented by one or more representatives, in accordance with legal requirements, for the defence of their shared interests.

2. Person responsible for the Universal Registration Document and information on the auditing of the Company's financial statements

2.1 Person responsible for the Universal Registration Document

Name and position of the person responsible for the Universal Registration Document

Cyril Malargé, Chief Executive Officer.

2.2 Information relating to the Statutory Auditors

Principal Statutory Auditors

- **ACA Nexia** – 31 rue Henri-Rochefort, 75017 Paris (France).

Represented by Sandrine Gimat. Appointment expiring at the General Meeting convened to approve the 2027 financial statements.

First appointed: 2005.

- **Mazars** – 61 rue Henri-Regnault, Tour Exaltis, 92400 Courbevoie (France).

Represented by Alain Chavance and Jérôme Neyret. Appointment expiring at the General Meeting convened to approve the 2023 financial statements.

First appointed: 2000.

3. Provisional reporting timetable

Publication date	Event	Meeting date
Thursday, 22 February 2024 before market open	2023 full-year revenue and earnings	22 February 2024
Friday, 26 April 2024 before market open	Q1 2024 revenue	26 April 2024
Tuesday, 21 May 2024 at 2:30 p.m.	Annual General Meeting of Shareholders	21 May 2024
Wednesday, 24 July 2024 after market close	2024 half-year revenue and earnings	24 July 2024
Thursday, 31 October 2024 before market open	Q3 2024 revenue	31 October 2024

The full-year and half-year results are published in press releases and are presented at meetings, which are also made available as bilingual webcasts in French and English. Q1 and Q3 revenue is published in press releases and presented on conference calls in French and English.

4. Regulatory disclosures in 2023

4.1 Press releases for ongoing disclosure obligation

- 06/12/2023 Sopra Steria awarded £369 million services transformation contract by NS&I
- 27/10/2023 – 7:00 a.m. Q3 2023 revenue
- 24/10/2023 – 7:45 a.m. Shared Services Connected Ltd becomes a wholly-owned subsidiary of Sopra Steria
- 21/09/2023 Sopra Steria Group: 2024 financial calendar
- 28/07/2023 – 5:45 p.m. Sopra Steria Group: Publication of the 2023 Half-Year Financial Report
- 27/07/2023 – 7:00 a.m. 2023 Half-year results
- 18/07/2023 Sopra Steria integrates generative AI tools into its development platforms
- 05/07/2023 Sopra Steria obtains competition clearance from the European Commission
- 25/05/2023 Update on Regulatory Clearance Progress with Respect to Public Offer for Ordina by Sopra Steria
- 24/05/2023 - 7:30 p.m. Combined General Meeting of 24 May 2023 – Results of voting
- 11/05/2023 Success of Sopra Steria's We Share 2023 employee share ownership plan
- 28/04/2023 Combined General Meeting of 24 May 2023 – Availability of informational documents
- 28/04/2023 – 7:00 a.m. Q1 2023 revenue
- 17/04/2023 – 5:45 p.m. Update on Intended Public Offer for Ordina by Sopra Steria
- 21/03/2023 – 7:00 a.m. Sopra Steria and Ordina agree on recommended all-cash public offer for all Ordina shares
- 17/03/2023 Press release announcing the publication of the 2022 Universal Registration Document / Annual Financial Report
- 02/03/2023 Sopra Steria finalises the acquisition of Tobania, a Belgian digital consultancy and services company
- 28/02/2023 Sopra Steria finalises its acquisition of a majority stake in the share capital of CS Group
- 24/02/2023 Sopra Steria launches We Share 2023, a new employee share ownership plan
- 23/02/2023 – 7:00 a.m. 2022 Full-year results
- 25/01/2023 Sopra Steria joins the Euronext CAC SBT 1.5° index

4.2 Universal Registration Document (formerly known as the Registration Document) including the Annual Financial Report and updates

- 17/03/2023 2022 Universal Registration Document

4.3 Interim financial report

- 29/07/2023 2023 Half-Year Financial Report

4.4 Quarterly financial reporting

- 27/10/2023 Q3 2023 revenue
- 28/04/2023 Q1 2023 revenue

4.5 Monthly disclosures of total voting rights and shares

- 12 monthly disclosure forms
- 11/04/2023 Filing of the total number of voting rights and shares making up the share capital at 27 March 2023, the date of publication of the meeting notice in the BALO of the General Meeting of 24 May 2023

4.6 Descriptions of share buyback programmes and reports on the liquidity agreement

Liquidity agreement

- 03/07/2023 – 5:45 p.m. Half-yearly report on the liquidity agreement with ODDO BHF SCA
- 04/01/2023 – 5:45 p.m. Half-yearly report on the liquidity agreement with ODDO BHF SCA

Weekly disclosures of treasury share transactions

- 07/11/2023 5:45 p.m. Disclosure of transactions for the period from 30 October to 3 November 2023
- 30/10/2023 5:45 p.m. Disclosure of transactions for the period from 23 to 27 October 2023
- 16/10/2023 5:45 p.m. Disclosure of transactions for the period from 9 to 13 October 2023
- 09/10/2023 5:45 p.m. Disclosure of transactions for the period from 2 to 6 October 2023
- 02/10/2023 5:45 p.m. Disclosure of transactions for the period from 25 to 29 September 2023
- 25/09/2023 5:45 p.m. Disclosure of transactions for the period from 18 to 22 September 2023
- 18/09/2023 5:45 p.m. Disclosure of transactions for the period from 11 to 15 September 2023
- 11/09/2023 5:45 p.m. Disclosure of transactions for the period from 4 to 8 September 2023
- 15/05/2023 5:45 p.m. Disclosure of transactions for the period from 8 to 12 May 2023
- 09/05/2023 5:45 p.m. Disclosure of transactions for the period from 1 to 5 May 2023

- 27/03/2023 5:45 p.m. Disclosure of transactions for the period from 20 to 24 March 2023
- 20/03/2023 5:45 p.m. Disclosure of transactions for the period from 13 to 17 March 2023
- 13/03/2023 5:45 p.m. Disclosure of transactions for the period from 6 to 10 March 2023
- 06/03/2023 5:45 p.m. Disclosure of transactions for the period from 27 February to 3 March 2023

4.7 Reports on the manner in which the work of the Board of Directors is prepared and organised, and on internal control procedures

- 17/03/2023 Included in the 2022 Universal Registration Document

4.8 Fees paid to the Statutory Auditors

- 17/03/2023 Included in the 2022 Universal Registration Document

4.9 Press releases on the availability of information related to shareholders' meetings

- 28/04/2023 Combined General Meeting of 24 May 2023 – Arrangements for making preparatory documents available

4.10 Press releases on the availability of prospectuses

- 29/07/2023 Press release announcing the publication of the 2023 Half-Year Financial Report
- 17/03/2023 Press release announcing the publication of the 2022 Universal Registration Document

5. Additional information about resolutions passed with a majority of less than 80% at the General Meeting of 24 May 2023

		For		Against		Abstain
Resolution	Ordinary General Meeting	Votes	%	Votes	%	Votes
6	Approval of the fixed, variable and exceptional items of compensation making up the total compensation and benefits of any kind paid during financial year 2022 or allotted in respect of that period to Vincent Paris, Chief Executive Officer (from 1 January to 28 February 2022)	14,432,301	66.87%	7,148,897	33.13%	685,004

Comments on Resolution 6 – General Meeting of 24 May 2023

Resolution 6 – "Approval of the fixed, variable and exceptional items of compensation making up the total compensation and benefits of any kind paid during financial year 2022 or allotted in respect of that period to Vincent Paris, Chief Executive Officer" – was passed with 66.87% of votes in favour. As a reminder, the ex-ante vote on the compensation policy for the Chief Executive Officer at the previous General Meeting was 91.629% in favour.

This voting result reflects at least to some degree reservations on the decision to maintain the rights to performance shares awarded on 26 May 2021 to Vincent Paris, beyond the prorated proportion over the vesting period elapsed until the end of his term of office as Chief Executive Officer. The Board of Directors will reassess whether it is necessary to adapt the provisions of the rules governing future LTI plans.

6. Documents available to the public

The legal documents relating to the Company – in particular its Articles of Association, financial statements and reports presented to shareholders at its General Meetings by the Board of Directors and the Statutory Auditors – may be requested from the Communications Department at 6 Avenue Kléber, 75116 Paris, France. All published financial information is available on the Group's website: https://www.soprasteria.com.

INFORMATION INCLUDED BY REFERENCE

In accordance with Article 19 of Regulation (EU) 2017/1129, the following information is included for reference in this Universal Registration Document:

1. Relating to financial year 2022:

- the Management Report, included in the Universal Registration Document filed on 17 March 2023 under number D.23-0111, is detailed in the cross-reference table (pages 345 to 347) – "Information regarding the Management Report";
- the consolidated financial statements and the Statutory Auditors' report on those financial statements, included in the Universal Registration Document filed on 17 March 2023 under number D.23-0111 (pages 189 to 252 and 253 to 257, respectively);
- the parent company financial statements of Sopra Steria and the Statutory Auditors' report on those financial statements, included in the Universal Registration Document filed on 17 March 2023 under number D.23-0111 (pages 259 to 287 and 288 to 291, respectively);
- the Statutory Auditors' special report on related-party agreements and commitments, included in the Universal Registration Document filed on 17 March 2023 under number D.23-0111 (pages 291 to 293).

2. Relating to financial year 2021:

- the Management Report, included in the Universal Registration Document filed on 17 March 2022 under number D.22-0111, is detailed in the cross-reference table (pages 323 to 324) – "Information regarding the Management Report";
- the consolidated financial statements and the Statutory Auditors' report on those financial statements, included in the Universal Registration Document filed on 17 March 2022 under number D.22-0111 (pages 169 to 232 and 233 to 237, respectively);
- the parent company financial statements of Sopra Steria and the Statutory Auditors' report on those financial statements, included in the Universal Registration Document filed on 17 March 2022 under number D.22-0111 (pages 239 to 265 and 266 to 269, respectively);
- the Statutory Auditors' special report on related-party agreements and commitments, included in the Universal Registration Document filed on 17 March 2022 under number D.22-0111 (pages 270 to 271).

9. General Meeting

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1. Agenda

On the date that this Universal Registration Document is filed, the shareholders of Sopra Steria Group are invited to attend the Combined General Meeting to be held on Tuesday, 21 May 2024, at 2:30 p.m., at Pavillon Dauphine, Place du Maréchal de Lattre de Tassigny, 75116 Paris (France), to vote on the following agenda.

1.1. Requiring the approval of the Ordinary General Meeting

1) Approval of the parent company financial statements for financial year 2023;
2) Granting of final discharge to the Board of Directors;
3) Approval of the consolidated financial statements for financial year 2023;
4) Appropriation of earnings for financial year 2023 and setting of the dividend;
5) Approval of disclosures relating to the compensation of company officers mentioned in Section I of Article L. 22-10-9 of the French Commercial Code, in accordance with Section I of Article L. 22-10-34 of the French Commercial Code;
6) Approval of the fixed, variable and exceptional items of compensation making up the total compensation and benefits of any kind paid during the financial year ended 31 December 2023 or allotted in respect of that period to Pierre Pasquier, Chairman of the Board of Directors;
7) Approval of the fixed, variable and exceptional items of compensation making up the total compensation and benefits of any kind paid during the financial year ended 31 December 2023 or allotted in respect of that period to Cyril Malargé, Chief Executive Officer;
8) Approval of the compensation policy for the Chairman of the Board of Directors;
9) Approval of the compensation policy for the Chief Executive Officer;
10) Approval of the compensation policy for Directors for their service;
11) Decision setting the total annual amount of compensation awarded to Directors for their service at €700,000;
12) Reappointment of Pierre Pasquier as a Director;
13) Reappointment of Éric Pasquier as a Director;
14) Reappointment of Sopra GMT as a Director;
15) Reappointment of Éric Hayat as a Director;
16) Reappointment of Marie-Hélène Rigal-Drogerys as a Director;
17) Appointment of KPMG SA as Joint Statutory Auditor;
18) Appointment of ACA Nexia as Joint Sustainability Auditor;
19) Appointment of Cabinet de Saint Front as Joint Sustainability Auditor;
20) Authorisation to be granted to the Board of Directors to trade in the Company's shares up to a maximum of 10 % of the share capital;

1.2. Requiring the approval of the Extraordinary General Meeting

21) Authorisation to be granted to the Board of Directors to retire any shares that the Company may have acquired and to reduce the share capital accordingly;
22) Delegation of authority to be granted to the Board of Directors to issue ordinary shares and/or other securities giving access to the Company's share capital and/or the share capital of its subsidiaries, with pre-emptive subscription rights for existing shareholders, subject to an upper limit of 50% of the Company's share capital;
23) Delegation of authority to be granted to the Board of Directors to issue ordinary shares and/or other securities giving access to the Company's share capital and/or the share capital of its subsidiaries, through public offerings (excluding offerings pursuant to paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code), without pre-emptive subscription rights, subject to an upper limit of 20% of the Company's share capital, or 10% of the share capital where no priority is granted;
24) Delegation of authority to be granted to the Board of Directors to issue ordinary shares and/or other securities giving access to the Company's share capital and/or the share capital of its subsidiaries, by means of a public offering provided for under paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code, without pre-emptive subscription rights, subject to an upper limit of 10% of the Company's share capital per year;
25) Delegation of authority to be granted to the Board of Directors to determine the issue price for ordinary shares and/or other securities giving access to the Company's share capital and/or the share capital of its subsidiaries, subject to an upper limit of 10% of the Company's share capital per year, in connection with a capital increase without pre-emptive subscription rights;
26) Delegation of authority to be granted to the Board of Directors to increase, with or without pre-emptive subscription rights for existing shareholders, the number of ordinary shares and/or other securities giving access to the Company's share capital to be issued, subject to an upper limit of 15% of the size of the initial issue;
27) Delegation of authority to be granted to the Board of Directors to issue ordinary shares and/or other securities giving access to the Company's share capital and/or the share capital of its subsidiaries, without pre-emptive subscription rights, in consideration for contributions in kind, subject to an upper limit of 10% of the Company's share capital;
28) Delegation of authority to be granted to the Board of Directors to issue ordinary shares and/or other securities giving access to the Company's share capital and/or the share capital of its subsidiaries, without pre-emptive subscription rights, in consideration for instruments tendered to a public exchange offer, subject to an upper limit of 10% of the Company's share capital;
29) Delegation of authority to be granted to the Board of Directors to increase the Company's share capital, through the capitalisation of premiums, reserves, earnings or any other item eligible for capitalisation;

30) Authorisation to be granted to the Board of Directors to allot existing or new free shares to employees and/or company officers of the Company and/or affiliated companies, subject to a cap of 1.1% of the share capital, entailing the waiver by the shareholders of their pre-emptive subscription right;

31) Delegation of authority to be granted to the Board of Directors to increase the Company's share capital, without pre-emptive subscription rights for existing shareholders, via issues to persons employed by the Company or by an affiliated company, subject to enrolment in a company savings plan, up to a maximum of 2% of the share capital;

32) Amendment to Article 14 of the Articles of Association concerning the method of appointing Directors representing the employees;

33) Amendment to Article 15 of the Articles of Association concerning the age limit for the Chairman of the Board of Directors.

1.3. Requiring the approval of the Ordinary General Meeting

34) Powers granted to carry out formalities.

2. Summary of resolutions

2.1. Ordinary General Meeting

2.1.1. APPROVAL OF THE PARENT COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS OF SOPRA STERIA GROUP, GRANTING OF FINAL DISCHARGE TO THE BOARD OF DIRECTORS AND APPROPRIATION OF EARNINGS (RESOLUTIONS 1 TO 4)

The Board of Directors submits for your approval:

- the parent company financial statements (Resolution 1) of Sopra Steria Group for the year ended 31 December 2023, showing net profit of €31,709,252.57 and proposes that it be discharged from its management duties for the year ended 31 December 2023 (Resolution 2);
- the consolidated financial statements (Resolution 3) of Sopra Steria Group for the year ended 31 December 2023, showing net profit attributable to the Group of €183,658,812;
- the list of non-deductible expenses totalling €790,639 and the corresponding tax charge (Resolution 1). These expenses consist of rental or lease payments and depreciation in respect of the Company's vehicle fleet.

The Statutory Auditors' reports on the parent company financial statements and the consolidated financial statements of Sopra Steria Group are presented respectively in Chapter 6 and Chapter 5 of the Universal Registration Document of the Company for the financial year ended 31 December 2023.

The Board of Directors proposes that a dividend per share of €4.65 be distributed (versus €4.30 in 2022), i.e. a total amount of €95,546,809.65 (Resolution 4), it being understood that this amount will include the distribution of the entire profit available for distribution for the financial year, i.e. €31,888,682.97, as well as a deduction of additional amounts from discretionary reserves totalling €63,658,126.68. The proposed dividend payment amounts to 35% of net profit attributable to the Group, excluding the non-cash €89 million non-recurring impairment charge on Sopra Banking Software assets.

This amount would be adjusted in the event of a change in the number of shares with dividend rights, it being understood that treasury shares confer no entitlement to dividend rights.

In accordance with tax regulations in force, when paid to individual shareholders with tax residence in France, this dividend distribution is subject to mandatory lump-sum withholding at the rate of 30% (while remaining subject to income tax reporting requirements – *non libératoire*), in respect of income tax (12.8%) and social security contributions (17.2%).

When filing their income tax return, shareholders may opt either to maintain the withholding amount as indicated on the return or to have this dividend taxed instead at the progressive income tax rate (as an overall taxpayer option for all income subject to lump-sum withholding), after deducting the withholding amount already paid and after applying relief equal to 40% of the gross amount received (Article 158, 3. 2° of the French General Tax Code), and the deduction of a portion of the CSG (6.8%).

The ex-dividend date would be 28 May 2024, before the market opens. The dividend will be payable as from 30 May 2024.

2.1.2. COMPENSATION OF COMPANY OFFICERS (RESOLUTIONS 5 TO 11)

The compensation policy for company officers, which was decided on by the Board of Directors on the recommendation of the Compensation Committee, is set out in Chapter 3 of the Company's Universal Registration Document for the financial year ended 31 December 2023.

- **Under Resolution 5** and in accordance with the provisions of Section I of Article L. 22-10-34 of the French Commercial Code, you are asked to approve the disclosures relating to the compensation of company officers mentioned in Section I of Article L. 22-10-9 of the French Commercial Code.
- **Under Resolutions 6 and 7** and in accordance with the provisions of Section II of Article L. 22-10-34 of the French Commercial Code, you are kindly asked to approve the fixed, variable and exceptional items of compensation making up the total compensation and benefits of any kind paid during the financial year ended 31 December 2023 or allotted in respect of that period to the executive company officers, namely Pierre Pasquier, in his capacity as Chairman of the Board of Directors, and Cyril Malargé, in his capacity as Chief Executive Officer. These details are disclosed in the report on corporate governance prepared by the Board of Directors in accordance with Article L. 22-10-34 of the French Commercial Code. They are in line with the compensation policy approved by the shareholders at the General Meeting on 24 May 2023. Pursuant to Section II of Article L. 22-10-34 of the French Commercial Code, the payment to Cyril Malargé of the variable components of his compensation in respect of financial year 2023 is contingent upon shareholder approval at the General Meeting of the items of compensation attributable to him.

- **Under Resolutions 8, 9 and 10** and in accordance with the provisions of Article L. 22-10-8 of the French Commercial Code, you are kindly asked to approve the compensation policies applicable respectively to the Chairman of the Board of Directors (Resolution 8), the Chief Executive Officer (Resolution 9) and the members of the Board of Directors (Resolution 10). The compensation policy defined for the Chief Executive Officer would be applicable in the event of the appointment of a Deputy CEO. These compensation policies were unchanged from those approved at the General Meeting of 24 May 2023.
- **Under Resolution 11**, you are asked to set the total annual amount of compensation to be awarded to Directors for their service, as referred to in Article L. 225-45 of the French Commercial Code, at €700,000, which remains unchanged since the figure was approved by the General Meeting of 24 May 2023. It is agreed that this amount shall be divided up in full in accordance with the compensation policy (pursuant to Article L. 22-10-14 of the French Commercial Code) set out in Section 2, "Compensation policy" of Chapter 3 of this Universal Registration Document.

2.1.3. RENEWAL OF DIRECTORS' TERMS OF OFFICE (RESOLUTIONS 12 TO 16)

Six Directors' terms of office are due to expire at the close of the General Meeting of 21 May 2024. The terms of office in question are those of Pierre Pasquier, Éric Pasquier, Sopra GMT, Éric Hayat, Jean-Luc Placet and Marie-Hélène Rigal-Drogerys. On the recommendation of the Nomination, Governance, Ethics and Corporate Responsibility Committee, the Board of Directors proposes that:

- Pierre Pasquier be reappointed as a Director for a term of office of four years (Resolution 12);
- Éric Pasquier be reappointed as a Director for a term of office of four years (Resolution 13);
- Sopra GMT, represented by Kathleen Clark in this capacity, be reappointed as a Director of the Company for a term of office of four years (Resolution 14);
- Éric Hayat be reappointed as a Director for a term of office of four years (Resolution 15);
- Marie-Hélène Rigal-Drogerys be reappointed as a Director for a term of office of two years (Resolution 16).

In accordance with the option set out in the Articles of Association to provide for a term of office of less than four years in the event of a first appointment on or after 9 June 2020, Marie-Hélène Rigal-Drogerys would be reappointed for a term of office of two years, after which she may no longer be considered independent within the meaning of the AFEP-MEDEF Code. The other Directors' terms of office would be renewed for four years, in accordance with the Articles of Association.

The Board of Directors has decided not to propose the reappointment of Jean-Luc Placet, who no longer meets the independence criteria set out in the AFEP-MEDEF Code, as Mr. Placet's first term of office dates back to 2012. The Board of Directors unanimously thanked and recognised Jean-Luc Placet for his contribution to its work.

Each of the Directors contributes to the diversity necessary to the proper functioning of the Board of Directors and the quality of its discussions. The key competencies represented by the Directors whose terms of office are up for renewal are set out in the table below. Proposed reappointments to the Board of Directors also take into account the need for representation of the Company's main shareholder, with the reappointment of Pierre Pasquier and Éric Pasquier, and of Sopra GMT, represented by Kathleen Clark.

Expertise	Expertise in consulting, digital services, software development, ability to promote innovation	Knowledge of one of the Group's main vertical markets	Entrepreneurial experience	CEO of a major group	Finance, risk management and control	CSR – Human resources and labour relations	CSR – Environmental and social issues	International teams and organisations	Knowledge of Axway Software	Operational experience within Sopra Steria Group	Representation of the main shareholder
Pierre Pasquier	✓	✓	✓	✓	✓	✓		✓	✓	✓	
Éric Pasquier	✓	✓		✓	✓	✓		✓	✓	✓	
Sopra GMT, represented by Kathleen Clark	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓
Éric Hayat	✓						✓	✓		✓	
Marie-Hélène Rigal-Drogerys	✓				✓		✓		✓		

The biographies of Pierre Pasquier, Éric Pasquier, Éric Hayat, Kathleen Clark and Marie-Hélène Rigal-Drogerys are presented in Chapter 3, Section 1.2.8 of the Company's Universal Registration Document for the financial year ended 31 December 2023.

2.1.4. APPOINTMENT OF KPMG S.A. AS JOINT STATUTORY AUDITOR (RESOLUTION 17)

Mazars' term of office will expire at the close of the General Meeting on 21 May 2024, with no option for renewal, due to the rotation requirement imposed by Article L. 821-34 of the French Commercial Code.

In view of this, the Audit Committee monitored, in accordance with the provisions of Article 16 of EU Regulation n° 537/2014, a selection process implemented from October 2022 to January 2023 by the Company's Finance Department, a point of contact for candidates, ensuring their equal access to available information for drafting their bids.

The purpose of the agreed calendar was to allow the chosen firm to implement all decisions within its network needed to ensure its independence and to allow the other firms to pursue potential business with the Group, thus broadening the choice of candidates.

The selection process began with a call for applications from five firms based in the countries where the Group operates.

One firm preferred to pursue its business dealings with the Group and declined its invitation. The other four firms have confirmed their interest in the appointment and responded to the tender.

The tender process was monitored by an evaluation committee comprised of six members, including three representing the Group Finance Department, two representing the Purchasing Department and one representing the Sopra GMT holding company. The role of this committee was to provide the Audit Committee with objective selection criteria, to encourage candidates to clarify and improve the content of their proposals and to present a comparison of the final bids to the Committee.

The Audit Committee consulted with the candidates who submitted the three best bids. After considering the Company's input and the assessments of the industry regulatory authority, the Audit Committee independently discussed and ranked the candidates without the presence of the Company's representatives. At the Board meeting on 26 January 2023, it presented two possible choices and the reasons supporting its recommendation.

After deliberation, the Board of Directors unanimously voted to propose the appointment of KPMG S.A. as the Company's joint statutory auditor at the General Meeting of 21 May 2024, in accordance with the recommendations of the Audit Committee.

Pursuant to Resolution 17, the Board of Directors proposes that you appoint KPMG S.A. as the Company's Statutory Auditor for a term of six financial years ending at the close of the General Meeting to be called to approve the financial statements for the year ending 31 December 2029.

2.1.5. APPOINTMENT OF ACA NEXIA AND CABINET DE SAINT FRONT AS JOINT SUSTAINABILITY AUDITORS (RESOLUTIONS 18 AND 19)

Pursuant to Order 2023-1142 of 6 December 2023 transposing into French law Directive (EU) 2022/2464 of 14 December 2022 on corporate sustainability reporting (known as the Corporate Sustainability Reporting Directive or CSRD), the Company shall be required, starting in 2025, in respect of financial year 2024, to publish a sustainability report on environmental, social and governance matters, the information in which must be verified by one or more statutory auditors or independent third parties, and a certification report must be issued.

An Evaluation Committee was therefore formed, consisting of business line representatives from the Sustainable Development team (Director, Deputy Director, Head of the Environment Unit, Head of the Social Unit, Head of Regulatory Reporting), the Finance Department, the Internal Control Department and the Purchasing Department as well as a representative of Sopra GMT, the holding company that manages and controls the Group.

A number of organisations were invited to apply on the basis of recommendations obtained from the sustainable development and finance departments of major listed groups. The Statutory Auditors were also invited to take part in the consultation. A number of the organisations contacted declined to participate in the consultation for reasons relating to the independence requirement.

Ultimately, four organisations submitted offers to the Evaluation Committee.

A technical scorecard consisting of 53 questions was drawn up, supplemented by a financial scorecard. The Evaluation Committee reported on its work and its conclusions to the Audit Committee, which met with representatives from the two finalist firms. The Audit Committee, like the Company, took the view that a joint audit would be likely to produce more reliable findings and capitalise on complementary areas of expertise.

Indeed, as an entreprise à mission (a company with a stated social and environmental purpose) and an independent third party certified by COFRAC (Comité Français d'Accréditation), Cabinet de Saint Front encourages firms to put social engagement at the heart of their strategy. It was chosen for its expertise and its commitment to the selection process as well as the pioneering nature of its work on sustainability audits.

ACA Nexia is a leading audit and consulting firm that is already tasked with auditing Sopra Steria Group's financial statements. This means it has extensive and detailed knowledge of the Group's business. It also has offices in the various countries in which Sopra Steria Group operates. Having operated as an independent third party since 2015, the firm has a dedicated, skilled audit team with experience in environmental, social and governance matters.

Consequently, pursuant to Articles L. 821-40 et seq. and L. 822-16 et seq. of the French Commercial Code, the Board of Directors, on the recommendation of the Audit Committee, asks the shareholders at the General Meeting to appoint ACA Nexia and Cabinet de Saint Front as Joint Sustainability Auditors for a term of three financial years ending at the close of the General Meeting to be called to approve the financial statements for the year ending 31 December 2026.

2.1.6. BUYBACK BY SOPRA STERIA GROUP OF ITS OWN SHARES (RESOLUTION 20)

You are asked to renew the authorisation granted to the Board of Directors at the General Meeting of 24 May 2023 permitting the Company to buy back its own shares, in accordance with applicable laws and regulations (Articles L. 22-10-62 et seq. of the French Commercial Code).

Under this authorisation, the number of shares bought back shall not exceed 10% of the share capital; as an indication, this would equate 2,054,770 shares on the basis of the current share capital. The maximum price per share that can be paid for the shares bought back is set at €300; this price may be adjusted as a result of an increase or decrease in the number of shares representing the share capital, in particular due to capitalisation of reserves, free share awards or reverse stock splits.

Shares may be bought back for the following purposes:

- to obtain market-making services from an investment services provider acting independently under the terms of a liquidity agreement entered into in compliance with the AMF's accepted market practice;
- to award, sell or transfer shares in the Company to employees and/or company officers of the Group, in order to cover share purchase option plans and/or free share plans (or similar plan) as well as any allotments of shares under a company or Group savings plan (or similar plan) in connection with a profit-sharing mechanism, and/or any other forms of share allotment to the Group's employees and/or company officers;
- to retain the shares bought back in order to exchange them or tender them as consideration at a later date for a merger, spin-off or contribution of assets and, more generally, for external growth transactions. Shares bought back for such purposes are not to exceed, in any event, 5% of the number of shares making up the Company's share capital;
- to deliver the shares bought back, upon the exercise of rights attaching to securities giving access to the Company's share capital through redemption, conversion, exchange, tender of warrants or any other means, as well as to execute any transaction covering the Company's obligations relating to those securities;
- to retire shares bought back by reducing the share capital, pursuant to Resolution 21 submitted for approval at the General Meeting of 21 May 2024, if it is approved;
- to implement any market practice that would come to be accepted by the AMF, and in general, to perform any operation that complies with regulations in force.

The Board of Directors would have full powers, with the option to subdelegate these powers, to implement this authorisation and decide on the arrangements, under the conditions and within the limits set by law.

This authorisation would supersede the previous authorisation given at the General Meeting of 24 May 2023 and would be granted for a period of 18 months with effect from this General Meeting. It would not be usable during a public tender offer for the Company's shares.

For information, the use made of the previous authorisation is discussed in Section 8 of Chapter 7, "Share ownership structure", of the Company's Universal Registration Document for the financial year ended 31 December 2023.

2.2. Extraordinary General Meeting

2.2.1. POTENTIAL RETIREMENT OF TREASURY SHARES (RESOLUTION 21)

You are asked to authorise the Board of Directors, for a period of 26 months from the General Meeting, to i) retire some or all of the Company's shares acquired pursuant to all authorisations granted for such purpose to the Board of Directors, and ii) to reduce the share capital accordingly. In accordance with the law, no more than 10% of the shares making up the Company's share capital may be cancelled in any 24-month period.

This authorisation would replace and supersede the previous authorisation granted at the General Meeting on 1 June 2022.

2.2.2. FINANCIAL DELEGATIONS GRANTED TO THE BOARD OF DIRECTORS (RESOLUTIONS 22 TO 31)

Section 12, "Authorisations to issue securities granted to the Board of Directors at the Combined General Meetings of 1 June 2022 and 24 May 2023" in Chapter 7 of the Company's Universal Registration Document for the financial year ended 31 December 2023, sets out all currently valid delegations and the extent to which they were used by the Board of Directors in financial year 2023.

Shareholders are reminded that the delegations of authority given to the Board of Directors with respect to Resolutions 22 to 31 to decide to increase the share capital may not be used during a public tender offer for the Company's share capital, except with the prior authorisation of the General Meeting.

Shareholders voting on resolutions at the General Meeting should note that the Board of Directors would have full powers, under Resolutions 22 to 31, as provided and within the limits established by law, with the ability to sub-delegate these powers, to implement the delegations of authority and authorisations approved at the General Meeting, and in particular to set the terms and conditions for capital increases and, in general, to complete all legal formalities, execute all legal instruments, take all decisions and enter into all agreements useful or necessary to successfully carry out the planned issues, and amend the Articles of Association accordingly.

2.2.2.1. Capital increases through the issue of shares and/or short-term investment securities, with or without pre-emptive subscription rights for existing shareholders (Resolutions 22 to 28)

a. Share capital increases other than as consideration for in-kind contributions (Resolutions 22 to 26)

Resolution 22 would authorise one or more capital increases for existing shareholders with pre-emptive rights for shareholders.

Resolutions 23 and 24 would open up the Company's share capital to new shareholders (without pre-emptive subscription rights for existing shareholders) by means of a public offering or to qualified investors or a restricted group of investors (public offering referred to in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code).

Even so, should Resolution 23 be used, the Board of Directors would have the option of introducing a priority right for shareholders.

The issue price to be decided in accordance with Resolutions 23 and 24 would be at least equal to the minimum required by law and regulations applicable at the time the Board of Directors implements the delegation. As an indication, the current maximum discount authorised is 10%.

The Board of Directors may – without exceeding the upper limit of 10% of the shares making up the share capital – set the issue price that would most adequately reflect market conditions at the time of issuance (Resolution 25), which must be at least equal to the lowest of the following (which may be subject to the maximum discount authorised in each of the four cases):

(i) the average volume-weighted share price on the regulated market of Euronext Paris over a maximum period of six months preceding the beginning of the offering period;

(ii) the average volume-weighted share price on the regulated market of Euronext Paris for the trading day preceding the beginning of the offering period;

(iii) the average volume-weighted share price on the regulated market of Euronext Paris calculated for the day on which the issue price is set; or

(iv) the last known closing share price of the share before the beginning of the offering period.

Resolution 26 delegates authority to the Board of Directors, on terms and conditions identical to the original issue, to increase the number of shares to be issued in the event that subscription demand outstrips supply for each issue, with (Resolution 22) or without (Resolutions 23 and 24) pre-emptive subscription rights for existing shareholders (overallotment option).

These delegations of authority would be granted for a period of twenty-six months and would replace and supersede the previous delegations with the same purpose granted at the General Meeting of 1 June 2022

b. Capital increases as consideration for in-kind contributions (Resolutions 27 and 28)

The delegations of authority provided for in Resolutions 27 and 28 would allow the Board of Directors to decide to carry out capital increases, without pre-emptive rights for shareholders, in consideration for contributions in kind or under a public exchange offer.

The Board of Directors' ability to do so would, nonetheless, be capped at:

- 10% of the share capital (statutory limit) for the purpose of providing consideration for contributions in kind (Resolution 27);
- 10% of the share capital in consideration for contributions of shares in a company whose shares are admitted to trading on a regulated market in connection with a public exchange offer (Resolution 28).

These delegations of authority would be granted for a period of twenty-six months and would replace and supersede the previous delegations with the same purpose granted at the General Meeting of 1 June 2022

c. Upper limits on issues giving access to the share capital (Resolutions 22 to 28)

The capital increases would be subject to the following upper limits:

- 50% of the share capital, when the transaction involves, immediately or in the future, an issue of Sopra Steria Group shares [Limit A1], together with a sub-limit of 10% of the share capital for capital increases without pre-emptive subscription rights or without a priority right for shareholders [Sub-limit A2], with Sub-limit A2 raised to 20% of the share capital in the event that a priority right is implemented;
- €3 billion if the transaction involves an issue of debt securities (DS) carrying entitlement in the future to Sopra Steria Group shares [Limit DS].

The various limits are summarised in the table below:

		Resolutions	
"Limit A1" of **50%** of the share capital on the date of issue (Resolution 22)		Increase in the share capital with pre-emptive subscription rights for existing shareholders (Resolution22)	
	"Sub-limit A2" of **10%** of the share capital on the date of issue, **raised to 20%** if a priority right is implemented	Increase in the share capital without pre-emptive subscription rights for existing shareholders through a public offering other than those falling under paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code, with or without priority rights (Resolution23)	**Overallotment option (Resolution 26), limited to 15% of the initial issue**
		Increase in the share capital without pre-emptive subscription rights for existing shareholders through a private placement falling under paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code (Resolution 24), limited to 10% of the share capital	
		Issues without pre-emptive subscription rights for existing shareholders in consideration for contributions in kind (Resolution27)	**N/A**
		Issues without pre-emptive subscription rights for existing shareholders in consideration for shares tendered to a public exchange offer (Resolution28)	

2.2.2.2. Sopra Steria Group share ownership programmes for employees and company officers (Resolutions 30 and 31)

In order to continue to share the benefits of Sopra Steria's growth and success with employees and company officers of the Company and the Group, the Board of Directors is therefore submitting the following proposals to the shareholders at the General Meeting for their approval:

- Resolution 30 to enable the Board of Directors to allot existing or new free shares;
- Resolution 31 to enable the Board of Directors to undertake one or more increases in the share capital reserved for employees belonging to one of the Group's company savings plans (in accordance with Article L. 225-180 of the French Commercial Code).

a. Allotment of free shares to employees and company officers (Resolution 30)

The Group seeks to put in place performance share plans whenever its financial performance allows. The characteristics of the latest such plan, set up on 24 May 2023, are as follows:

- For all recipients, the granting of shares is subject to the condition of continued employment at the end of the three-year vesting period. However, depending on the circumstances, this condition may be waived in whole or in part, in derogation of the foregoing and by exception (in practice fewer than 5% of departures).
- The performance condition is based on three criteria, equally weighted at 30% each: organic consolidated revenue growth, operating profit on business activity and consolidated free cash flow.
- Strict targets were set over the entire plan period (the year of allotment and the two following years). These targets were at least equal to any publicly disclosed guidance and, for targets expressed as a range, at least the minimum level of the guidance range disclosed. The average annual level of achievement of targets will determine the number of free shares to which recipients are entitled.
- An additional CSR condition, weighted at 10% of total vesting conditions, relates to the proportion of women in the Group's senior management positions.

The Chief Executive Officer is subject to the same rules as all the other recipients under these plans. Moreover, he will have to hold at least 50% of shares acquired under these plans throughout his term of office; and to undertake not to hedge any performance shares until the holding period has expired.

The Board of Directors therefore requests that the authorisation granted at the General Meeting of 24 May 2023 be renewed and the limit retained at 1.1% of the share capital; as a guide, this would equate to 226,024 shares on the basis of the current share capital.

Unless otherwise required by the situation at the time of the decision to award shares, the new plan would have the same features as the previous plans, it being specified that the allotted shares would be either existing shares (treasury shares), as was the case for all plans set up until now, or shares to be issued (new shares).

Should the Board of Directors choose to diverge from its prior practice, as set out above, at the time of any decision to implement such a plan, it shall justify the reasons for doing so in the Universal Registration Document.

In a context characterised by major uncertainties, the achievement of the ambitious medium-targets targets set by the Group requires a very precise determination of targets and the relative weighting of each of the criteria. It should be noted that, in accordance with the law, decisions regarding this matter are taken entirely independently by the Board of Directors, taking into account the recommendations by the Compensation Committee, based on proposals made by the Chief Executive Officer. The Chief Executive Officer does not take part in the Board of Directors' discussions regarding this matter.

In accordance with the recommendations of the AFEP-MEDEF Code, free shares allotted to the Company's Chief Executive Officer would be limited to 5% of the maximum total number of free shares that may be awarded, i.e. 0.06% of the share capital. In exceptional cases, shares may be awarded to employees without being subject to any performance conditions, up to a maximum of 10% of the maximum total number of free shares that may be awarded, i.e. approximately 0.1% of the share capital.

In accordance with the compensation policy, the Chairman of the Board of Directors is not eligible for free share awards.

This authorisation would be granted for a period of thirty-eight months.

b. Capital increase reserved for employees enrolled in a company savings plan (Resolution 31)

You are asked to grant the Board of Directors a delegation of authority allowing it to issue shares and/or negotiable securities giving access to the Company's shares, without pre-emptive subscription rights.

This delegation of authority would be subject to an overall limit of 2% of the share capital and would be granted for a period of twenty-six months. It would supersede any unused portion of any previous delegation of powers having the same purpose.

2.2.2.3. Other capital increases (Resolution 29)

In Resolution 29, you are asked to authorise the Board of Directors to carry out one or more capital increases by capitalising reserves, additional paid-in capital or other amounts that may be capitalised, up to the amount of said reserves, additional paid-in capital or other amounts existing at the time of the capital increase.

This capital increase could be carried out either by issuing new shares which would be allocated to shareholders in proportion to their holding in the capital, or by increasing the par value of existing shares.

This authorisation would be granted for a period of twenty-six months and would supersede the authorisation for the same purpose granted on1 June 2020.

2.2.3. AMENDMENTS TO THE ARTICLES OF ASSOCIATION (RESOLUTIONS 32 AND 33)

a. Amendment to Article 14 of the Articles of Association concerning the method of appointing Directors representing the employees (Resolution 32)

The Company's Articles of Association stipulate in Article 14, since being updated in 2014, that "The Directors representing the employees are appointed by the Company's Works Council after a call for nominations from within the Company and its French subsidiaries".

As a result of the developments within the Group and the organisation of its employee representative bodies, in particular since the establishment of a European Works Council in 2022, this method of appointing Directors representing employees is no longer in compliance with legal provisions.

Following the consultation of the Works Council, the Company opted for the following methods of appointment from the various options available under Article L. 225-27-1 of the French Commercial Code:

- the first Director representing the employees shall be appointed by the trade union that won the most votes in the first round of elections to the Works Councils of the Company and its direct and indirect subsidiaries having their registered offices in France,
- and the second Director representing the employees shall be appointed by the European Works Council.

When a vacancy for a Director representing the employees arises during their term of office, the Director chosen as an alternate under arrangements determined by the Company shall perform the duties for the remainder of the term of office of the individual previously serving in this position.

The Board of Directors therefore asks the shareholders to approve an amendment to points 2 and 3 of Article 14 of the Company's Articles of Association to reflect this (Resolution 32).

b. Amendment to Article 15 of the Articles of Association concerning the age limit for the Chairman of the Board of Directors (Resolution 33)

Under the Company's governance structure, the Chairman of the Board of Directors plays a predominant role in leading the Group's strategic decision-making. Since technology is disrupting the economic and competitive environment on a scale never seen before, based on this analysis the Group has embarked on a transformational project, and the sale of most of Sopra Banking Software's activities to Axway Software is part of the plan.

In this context of change, it is considered critical that Pierre Pasquier be able to continue to serve as Chairman of the Board of Directors. As a result, the proposal is to raise the age limit for serving as Chairman from 89 to 95. This amendment to the Articles of the Association will give the Board of Directors the leeway it needs to make the best decisions in the interest of the Group. As a reminder:

- the Board of Directors will not align the Chairman's term of office with that of his office as a Director (four years), but will instead limit it to two years;
- preparations for the transition of the Chairman of the Board of Directors continue, under the aegis of the Nomination, Governance, Ethics and Corporate Responsibility Committee;
- the Nomination, Governance, Ethics and Corporate Responsibility Committee conducts an annual review of the succession plan covering unforeseen vacancies in the positions of Chairman and/or Chief Executive Officer.

COMPARATIVE TABLE - AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Current wording	New wording
Article 14 - Board of Directors	
2. Directors representing the employees When the requirements laid down in paragraph I of Article L. 225-27-1 of the French Commercial Code are met, one or two Directors representing the employees sit on the Board of Directors in accordance with the provisions of paragraph II of Article L. 225-27-1 of the French Commercial Code.	2. Directors representing the employees When the requirements laid down in paragraph I of Article L. 225-27-1 of the French Commercial Code are met, one or two Directors representing the employees sit on the Board of Directors in accordance with the provisions of paragraph II of Article L. 225-27-1 of the French Commercial Code.
The Directors representing the employees are appointed by the Company's Works Council after a call for nominations from within the Company and its French subsidiaries. When a single seat is vacant, the successful candidate is chosen by a majority vote in a two-round ballot. When two seats are vacant, a list-based system of proportional representation with the greatest remainders and no voting-splitting is used.	**The Directors representing the employees on the Board of Directors are appointed as follows: 2.1 the first of them is appointed by the trade union that won the most votes in the first round of the elections – referred to in Articles L. 2122-1 and L. 2122-4 of the French Labour Code – of the Company and its direct and indirect subsidiaries having their registered offices in France, 2.2 the second of them is appointed by the European Works Council. When a vacancy for a Director representing the employees arises during their term of office, the Director chosen as an alternate under the arrangements set out in 2.1 and 2.2 performs the duties for the remainder of the term of office of the individual previously serving in this position.**
The Director or Directors representing the employees are not required to hold shares in the Company. Further to the provisions set out in paragraph 2 of Article L. 225-29 of the French Commercial Code, should the Company body mentioned in these Articles of Association fail to nominate a Director representing the employees, the decisions of the Board of Directors shall still be deemed to be valid.	The Director or Directors representing the employees are not required to hold shares in the Company. Further to the provisions set out in paragraph 2 of Article L. 225-29 of the French Commercial Code, should the Company body mentioned in these Articles of Association fail to nominate a Director representing the employees, the decisions of the Board of Directors shall still be deemed to be valid.

Current wording	New wording
3. Term of office of Directors Directors are appointed for a term of office of four years. In the year of expiry, Directors' terms of office shall expire at the close of the Ordinary General Meeting convened to approve the financial statements for the previous financial year. They may be reappointed immediately. By exception, upon their first appointment following the modification of the Articles of Association taking effect on 9 June 2020, Directors' terms of office appointed by the General Meeting may be set at 1, 2 or 3 years such that the renewal of directorships is staggered evenly from year to year. Should one or more seats held by Board members appointed at the General Meeting become vacant between two General Meetings, with the exception of that held by the Director representing employee shareholders, the Board may make temporary appointments, in accordance with the requirements of Article L. 225-24 of the French Commercial Code. A Director appointed to replace another Director performs his/her duties for the remainder of the term of office of the individual previously serving in this position.	3. Term of office of Directors Directors are appointed for a term of office of four years. In the year of expiry, Directors' terms of office shall expire at the close of the Ordinary General Meeting convened to approve the financial statements for the previous financial year. They may be reappointed immediately. By exception, upon their first appointment following the modification of the Articles of Association taking effect on 9 June 2020, Directors' terms of office appointed by the General Meeting may be set at 1, 2 or 3 years such that the renewal of directorships is staggered evenly from year to year. Should one or more seats held by Board members appointed at the General Meeting become vacant between two General Meetings, with the exception of that held by the Director representing employee shareholders, the Board may make temporary appointments, in accordance with the requirements of Article L. 225-24 of the French Commercial Code. A Director appointed to replace another Director performs his/her duties for the remainder of the term of office of the individual previously serving in this position.
When a vacancy for a Director representing the employees arises during their term of office, the Director chosen as an alternate by the Company's Works Council performs the duties for the remainder of the term of office of the individual previously serving in this position.	**When a vacancy for a Director representing the employees arises during their term of office, the Director chosen as an alternate under the arrangements set out in 2.1 and 2.2 performs the duties for the remainder of the term of office of the individual previously serving in this position.**
Article 15 - Organisation of the Board Of Directors	
The Board of Directors elects from among its members a Chairman, who must be a natural person in order for the appointment to be valid. The Board determines the Chairman's compensation. The Chairman shall be appointed for a term that may not exceed his/her term of office as Director. The Chairman may be reappointed. The Board may remove the Chairman from office at any time.	The Board of Directors elects from among its members a Chairman, who must be a natural person in order for the appointment to be valid. The Board determines the Chairman's compensation. The Chairman shall be appointed for a term that may not exceed his/her term of office as Director. The Chairman may be reappointed. The Board may remove the Chairman from office at any time.
No one over the age of eighty-nine may be appointed Chairman. If the Chairman in office exceeds this age, he/she shall automatically be deemed to have resigned.	**No one over the age of ninety-five may be appointed Chairman.** If the Chairman in office exceeds this age, he/she shall automatically be deemed to have resigned.
The Board may appoint one or two Vice-Chairmen from among the Directors. It can also appoint a secretary who need not be a Director or shareholder. In the event of the Chairman's absence, Board meetings shall be chaired by any person specifically delegated for this purpose by the Chairman. In the absence of this individual, the Board meeting shall be chaired by one of the Vice-Chairmen.	The Board may appoint one or two Vice-Chairmen from among the Directors. It can also appoint a secretary who need not be a Director or shareholder. In the event of the Chairman's absence, Board meetings shall be chaired by any person specifically delegated for this purpose by the Chairman. In the absence of this individual, the Board meeting shall be chaired by one of the Vice-Chairmen.

3. Text of the resolutions

3.1. Requiring the approval of the Ordinary General Meeting

Resolution 1

Approval of the parent company financial statements for financial year 2023

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, and having reviewed the Board of Directors' reports and the Statutory Auditors' report, approve the parent company financial statements for the financial year ended 31 December 2023 as they were presented, which show a net profit of €31,709,252.57.

The shareholders at the General Meeting also approve the transactions reflected in these financial statements and/or summarised in the aforementioned reports. The shareholders at the General Meeting also approve the amount of expenses not deductible for income tax purposes, as defined in Article 39, item 4 of the French General Tax Code, which amounted to €790,639, and the corresponding tax expense of €204,183.

Resolution 2

Granting of final discharge to the Board of Directors

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, and having reviewed the Board of Directors' reports and the 2023 parent company financial statements, discharged the Board of Directors with regard to its management for the 2023 financial year.

Resolution 3

Approval of the consolidated financial statements for financial year 2023

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, and having reviewed the Board of Directors' reports and the Statutory Auditors' report, approve the consolidated financial statements for the financial year ended 31 December 2023, which show a consolidated net profit (attributable to the Group) of €183,658,812, as well as the transactions reflected in these consolidated financial statements and/or summarised in the reports.

Resolution 4

Appropriation of earnings for financial year 2023 and setting of the dividend

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, and having reviewed the Board of Directors' reports and the Statutory Auditors' report, note that the net profit available for distribution, determined as follows, stands at:

Profit for the year	**€31,709,252.57**
Transfer to the legal reserve	€—
Prior unappropriated retained earnings	€179,430.40
DISTRIBUTABLE PROFIT	**€31,888,682.97**

and resolve, after acknowledging the consolidated net profit attributable to the Group amounting to €183,658,812, to distribute a dividend of €95,546,809.65 :

Distributable profit	€31,888,682.97
Deduction from discretionary reserves	€63,658,126.68
Retained earnings	€—
DIVIDENDS (BASED ON A DIVIDEND PER SHARE OF €4.65)	**€95,546,809.65**

Individuals resident in France for tax purposes are subject to a single flat-rate tax of 30% on this dividend, unless they opt to have this income taxed at the progressive income tax rate. In the latter case, the entire amount thus distributed will be eligible for the 40% tax rebate resulting from the provisions of article 158, 3 2° of the French General Tax Code.

Since the legal reserve already stands at 10% of the share capital, no allocation to it is proposed.

The ex-dividend date is 28 May 2024 and the dividend will be payable from 30 May 2024.

In the event of a change in the number of shares with dividend rights, the total amount of the dividend will be adjusted and the amount allocated to discretionary reserves will be determined on the basis of the total dividend amount actually distributed.

Dividends paid in respect of the past three financial years were as follows:

	2020	**2021**	**2022**
Dividend per share	€2.00	€3.20	€4.30
Number of dividend-bearing shares	20,539,743	20,527,488	20,511,261
Dividends paid*	€41,079,486.00	€65,687,961.60	€88,175,683.90

* *Amount not including the portion of the dividend corresponding to treasury shares not paid out*

Resolution 5

Approval of disclosures relating to the compensation of company officers mentioned in Section I of Article L. 22-10-9 of the French Commercial Code, in accordance with Section I of Article L. 22-10-34 of the French Commercial Code

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, in accordance with Section I of Article L. 22-10-34 of the French Commercial Code, and after having reviewed the report on corporate governance prepared by the Board of Directors, approve the disclosures stated in Section I of Article L. 22-10-9 of the French Commercial Code and as presented in the report.

Resolution 6

Approval of the fixed, variable and exceptional items of compensation making up the total compensation and benefits of any kind paid during financial year 2023 or allotted in respect of that period to Pierre Pasquier, Chairman of the Board of Directors

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, in accordance with Section II of Article L. 22-10-34 of the French Commercial Code, and after having reviewed the report on corporate governance prepared by the Board of Directors, approve the fixed, variable and exceptional items of compensation making up the total compensation and benefits of any kind paid during the financial year ended 31 December 2023 or allotted in respect of that period to Pierre Pasquier, Chairman of the Board of Directors, and as presented in the report.

Resolution 7

Approval of the fixed, variable and exceptional items of compensation making up the total compensation and benefits of any kind paid during financial year 2023 or allotted in respect of that period to Cyril Malargé, Chief Executive Officer

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, in accordance with Section II of Article L. 22-10-34 of the French Commercial Code, and after having reviewed the report on corporate governance prepared by the Board of Directors, approve the fixed, variable and exceptional items of compensation making up the total compensation and benefits of any kind paid during the financial year ended 31 December 2023 or allotted in respect of that period to Cyril Malargé, Chief Executive Officer, and as presented in the report.

Resolution 8

Approval of the compensation policy for the Chairman of the Board of Directors

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, in accordance with Section II of Article L. 22-10-8 of the French Commercial Code, and after having reviewed the report on corporate governance prepared by the Board of Directors, approve the compensation policy for the Chairman of the Board of Directors for his term of office and as presented in the report.

Resolution 9

Approval of the compensation policy for the Chief Executive Officer

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, in accordance with Section II of Article L. 22-10-8 of the French Commercial Code, and after having reviewed the report on corporate governance prepared by the Board of Directors, approve the compensation policy for the Chief Executive Officer for his term of office and as presented in the report.

Resolution 10

Approval of the compensation policy for Directors for their service

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, in accordance with Section II of Article L. 22-10-8 of the French Commercial Code, and after having reviewed the report on corporate governance prepared by the Board of Directors, approve the compensation policy for Directors for their service and as presented in the report.

Resolution 11

Decision setting the total annual amount of compensation awarded to Directors for their service at €700,000

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, resolve, pursuant to Article L. 225-45 of the French Commercial Code, to set the total annual amount of compensation awarded to Directors for their service, to be allocated by the Board, at €700,000.

Resolution 12

Reappointment of Pierre Pasquier as a Director for a term of office of four years

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, note that the directorship of Pierre Pasquier will end at the close of this General Meeting and resolve, on the recommendation of the Board of Directors, to renew his directorship for a term of office of four years ending at the close of the General Meeting to be called to approve the financial statements for the year ending 31 December 2027.

Resolution 13

Reappointment of Éric Pasquier as a Director for a term of office of four years

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, note that the directorship of Éric Pasquier will end at the close of this General Meeting and resolve, on the recommendation of the Board of Directors, to renew his directorship for a term of office of four years ending at the close of the General Meeting to be called to approve the financial statements for the year ending 31 December 2027.

Resolution 14

Reappointment of Sopra GMT as a Director for a term of office of four years

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, note that the directorship of Sopra GMT, a French *société anonyme* with share capital of €7,432,432, whose registered office is in Annecy, France (74940), PAE Les Glaisins, Annecy-le-Vieux, registered in the Annecy Trade and Companies Register (RCS) under number 348 940 263, represented by Kathleen Clark in her capacity as a Director, will end at the close of this General Meeting, and resolve, on the recommendation of the Board of Directors, to renew its directorship for a term of office of four years ending at the close of the General Meeting to be called to approve the financial statements for the financial year ending 31 December 2027.

Resolution 15

Reappointment of Éric Hayat as a Director for a term of office of four years

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, note that the directorship of Éric Hayat will end at the close of this General Meeting and resolve, on the recommendation of the Board of Directors, to renew his directorship for a term of office of four years ending at the close of the General Meeting to be called to approve the financial statements for the year ending 31 December 2027.

Resolution 16

Reappointment of Marie-Hélène Rigal-Drogerys as a Director for a term of office of two years

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, note that the directorship of Marie-Hélène Rigal-Drogerys will end at the close of this General Meeting and resolve, on the recommendation of the Board of Directors, to renew her directorship for a term of office of two years ending at the close of the General Meeting to be called to approve the financial statements for the year ending 31 December 2025.

Resolution 17

Appointment of KPMG S.A. as Joint Statutory Auditor

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, and having reviewed the Board of Directors' report, decided to appoint KPMG SA, a French *société anonyme* with share capital of €5,497,100, whose registered office is at 2 avenue Gambetta, 92066 Paris La Défense Cedex (France), registered in the Nanterre Trade and Companies Register (RCS) under number 775 726 417, as the Company's Joint Statutory Auditor for a term of six financial years ending at the close of the General Meeting to be called to approve the financial statements for the year ending 31 December 2029.

KPMG S.A. has indicated that it accepts these functions and that it is not affected by any incompatibility or prohibition likely to prevent its appointment.

Resolution 18

Appointment of ACA Nexia as Joint Sustainability Auditor

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, and having reviewed the Board of Directors' report, pursuant to articles L. 821-40 et seq. of the French Commercial Code and article 38 of Ordinance no. 2023-1142 of 6 December 2023 derogating from the provisions of the first paragraph of article L. 821-44 of the same code, resolve to appoint ACA Nexia, a French *société par actions simplifiée* with share capital of €640,000, whose registered office is at 31 rue Henri Rochefort, 75017 Paris (France), registered in the Paris Trade and Companies Register (RCS) under number 331 057 406, as Joint Sustainability Auditor for a term of three financial years ending at the close of the General Meeting to be called to approve the financial statements for the year ending 31 December 2026.

ACA Nexia has indicated that it accepts these functions and that it is not affected by any incompatibility or prohibition likely to prevent its appointment.

Resolution 19

Appointment of Cabinet de Saint Front as Joint Sustainability Auditor

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, and having reviewed the Board of Directors' report, pursuant to articles L. 821-40 et seq. of the French Commercial Code and article 38 of Ordinance no. 2023-1142 of 6 December 2023 derogating from the provisions of the first paragraph of article L. 821-44 of the same code, resolve to appoint Cabinet de Saint Front, a French *société par actions simplifiée* with share capital of €8,800, whose registered office is at 3 rue Brindejonc des Moulinais, 31500 Toulouse (France), registered in the Toulouse Trade and Companies Register (RCS) under number 494 642 978, as Joint Sustainability Auditor for a term of three financial years ending at the close of the General Meeting to be called to approve the financial statements for the year ending 31 December 2026.

Cabinet de Saint Front has indicated that it accepts these functions and that it is not affected by any incompatibility or prohibition likely to prevent its appointment.

Resolution 20

Authorisation to be granted to the Board of Directors to trade in the Company's shares up to a maximum of 10% of the share capital

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, and having reviewed the Board of Directors' report, in accordance with the provisions of Articles L. 22-10-62 et seq. of the French Commercial Code:

1. authorise the Board of Directors, except during a public tender offer for the Company's shares, to buy back shares in the Company or arrange to have shares in the Company bought back, on one or more occasions, up to a maximum of 10% of the total number of shares representing the Company's share capital at the time of the buyback;
2. approve the authorised transactions with the following limits: resolve that the funds set aside for share buybacks may not exceed, for guidance purposes and based on the share capital at 31 December 2023, €616,431,000, corresponding to 2,054,770 ordinary shares, with this maximum amount potentially being adjusted to take into account the amount of the share capital on the day of the General Meeting or subsequent transactions;

3. in the event that the Board makes use of this authorisation:
   3.1. resolve that shares may be bought back for the following purposes:
      3.1.1. to obtain market-making services from an investment services provider acting independently under the terms of a liquidity agreement entered into in compliance with the AMF's accepted market practice,
      3.1.2. to award, sell or transfer shares in the Company to employees and/or company officers of the Group, in order to cover share purchase option plans and/or free share plans (or similar plans) as well as any allotments of shares under a company or Group savings plan (or similar plan) in connection with a profit-sharing mechanism, and/or any other forms of share allotment to the Group's employees and/or company officers,
      3.1.3. to retain the shares bought back (which shall not exceed 5% of the number of shares making up the Company's share capital at the time of the buyback), in order to exchange them or tender them as consideration at a later date for a merger, spin-off or contribution of assets and, more generally, for external growth transactions,
      3.1.4. to deliver the shares bought back, upon the exercise of rights attaching to securities giving access to the Company's share capital through redemption, conversion, exchange, tender of warrants or any other means, as well as to execute any transaction covering the Company's obligations relating to those securities,
      3.1.5. to retire shares bought back by reducing the share capital, pursuant to Resolution 21 submitted for approval at the General Meeting of 21 May 2024,
      3.1.6. to implement any market practice that would come to be accepted by the AMF; and in general, to perform any operation that complies with regulations in force,
   3.2. resolve that shares may be bought back by any means, such as on the stock market or over the counter, including block purchases or through the use of derivatives, at any time, subject to compliance with regulations in force;
4. resolve that the maximum price per share paid for shares bought back be set at €300, it being specified that in the event of any transactions in the share capital, including in particular capitalisation of reserves, free share awards and/or stock splits or reverse stock splits, this price will be adjusted proportionately;
5. grant all powers to the Board of Directors, including the ability to subdelegate these powers, in order to implement this authorisation, to determine the terms and conditions of share buybacks, to make the necessary adjustments, to place any stock market orders, to enter into any and all agreements, to carry out all formalities and file all declarations with the AMF, and generally to take any and all other actions required;
6. set the duration of this authorisation for a period of 18 months with effect from the date of this General Meeting and acknowledge that this authorisation supersedes, in relation to the unused portion, any previous authorisation having the same purpose.

3.2. Requiring the approval of the Extraordinary General Meeting

Resolution 21

Authorisation to be granted to the Board of Directors to retire any shares that the Company may have acquired and to reduce the share capital accordingly

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Extraordinary General Meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' special report, and in accordance with the provisions of Article L. 22-10-62 of the French Commercial Code:

1. authorise the Board of Directors to retire, on one or several occasions, at its sole discretion, all or a portion of the treasury shares held by the Company bought back under any authorisation granted to the Board of Directors by the aforementioned article, up to a limit of 10% of the share capital assessed at the date of the retirement of shares over each 24-month period;
2. resolve to reduce the Company's share capital as a consequence of the retirement of these shares, to the extent decided, where applicable, by the Board of Directors under the aforementioned conditions;
3. grant all powers to the Board of Directors, including the ability to subdelegate these powers, in order to perform the transaction(s) authorised under this resolution, and in particular to charge against additional paid-in capital or other distributable reserves of its choosing the difference between the redemption value of the retired shares and their nominal value, amend the Articles of Association accordingly and carry out all legally required formalities;
4. set the duration of this authorisation for a period of 26 months with effect from the date of this General Meeting and acknowledge that this authorisation supersedes, in relation to the unused portion, any previous authorisation having the same purpose.

Resolution 22

Delegation of authority to be granted to the Board of Directors to issue ordinary shares and/or other securities giving access to the Company's share capital and/or the share capital of its subsidiaries, with pre-emptive subscription rights for existing shareholders, subject to an upper limit of 50% of the Company's share capital

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Extraordinary General Meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' special report, and in accordance with the provisions of Articles L. 225-129-2, L. 225-132 et seq., L. 22-10-49, L. 228-92 and L. 228-93 of the French Commercial Code:

1. delegate authority to the Board of Directors to decide, except during a public tender offer for the Company's shares, to increase the Company's share capital:
   1.1. to issue, on one or more occasions, in France and/or abroad:
      1.1.1. ordinary shares in the Company, or
      1.1.2. equity securities giving access to other equity securities either of the Company or of any company in which more than half of the share capital is held directly or indirectly by the Company (a "Subsidiary") and/or that confer the right to acquire debt securities issued by the Company or a Subsidiary, or

1.1.3. debt securities giving access to equity securities to be issued by the Company or a Subsidiary, whether free of charge or for consideration,

1.2. ordinary shares may only be denominated in euros; securities other than ordinary shares may be denominated in euros, in a foreign currency or in a unit of account based on several currencies and may be paid up when subscribed in cash, by offsetting liquid receivables due for payment, or through capitalisation of reserves, profits or share premiums;

2. establish as follows the limits of the issues thus authorised:

2.1. the total nominal amount of any such capital increases to be carried out may not exceed 50% of the nominal share capital (hereinafter "Limit A1") or the equivalent amount in foreign currencies or in units of account set by reference to several currencies, it being understood that:

2.1.1. the share capital will be assessed at the date when the Board of Directors makes use of this delegation of powers,

2.1.2. any capital increases carried out pursuant to the authorisations in this resolution and in Resolutions 23, 24, 26, 27 and 28 hereinafter, subject to their adoption at this General Meeting, count against this aggregate limit,

2.1.3. this will be supplemented by any additional number of shares to be issued to protect the rights of holders of securities or other rights giving access to the share capital of the Company, in accordance with legal and regulatory provisions and any contractual clauses providing for other adjustments;

2.2. the total amount of issues of debt securities carried out pursuant to this delegation of authority may not exceed €3 billion (or the equivalent of this amount in foreign currencies or in units of account based on several currencies) (hereinafter "Limit DS"), it being specified that:

2.2.1. any issues of debt securities carried out pursuant to the authorisations in this resolution and in Resolutions 23, 24, 26, 27 and 28 hereinafter, subject to their adoption at this General Meeting, count against this aggregate limit,

2.2.2. the amount of any redemption premium above par will be added to this, and

2.2.3. this amount is independent and distinct from the amount of debt securities the issue of which may be decided or authorised by the Board of Directors in accordance with the provisions of Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6 and L. 228-94 paragraph 3 of the French Commercial Code;

3. in the event that the Board makes use of this delegation of authority:

3.1. formally note that existing shareholders have pre-emptive rights to subscribe for shares and/or securities issued under the terms of this resolution, in proportion to the total value of their shares,

3.2. resolve, in accordance with the provisions of Article L. 225-134 of the French Commercial Code, that the Board of Directors may establish a subscription right for new shares as of right and excess new shares, where, in this case, a capital increase as defined above is not fully subscribed by way of subscriptions for new shares as of right on the basis of existing shares as well as, if applicable, subscriptions for excess new shares, the Board of Directors may make use of the following powers, in whatever order it sees fit:

3.2.1. cap the capital increase at the amount of the subscriptions received as provided for by law,

3.2.2. the power to freely distribute some or all of any unsubscribed shares among the shareholders,

3.2.3. the power to offer some or all of any unsubscribed shares to the public,

3.3. formally note that this delegation of powers automatically entails the express waiver by shareholders of their pre-emptive right to subscribe for ordinary shares to which these securities may carry entitlement in favour of the holders of any securities that may be issued pursuant to this resolution;

4. grant full powers to the Board of Directors, with the ability to subdelegate these powers, to implement this delegation of authority as provided by law;

5. set the duration of this delegation of powers for a period of 26 months with effect from the date of this General Meeting and acknowledge that this delegation of powers supersedes, in relation to the unused portion, any previous delegation of powers having the same purpose.

Resolution 23

Delegation of authority to be granted to the Board of Directors to issue ordinary shares and/or other securities giving access to the Company's share capital and/or the share capital of its subsidiaries, through public offerings (excluding offerings pursuant to paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code), without pre-emptive subscription rights, subject to an upper limit of 20% of the Company's share capital, or 10% of the share capital where no priority is granted

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Extraordinary General Meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' special report, and in accordance with the provisions of Articles L. 225-129-2, L. 22-10-49, L. 22-10-51, L. 22-10-52, L. 228-92 and L. 228-93 of the French Commercial Code and Article L. 411-2 of the French Monetary and Financial Code:

1. delegate authority to the Board of Directors to decide, except during a public tender offer for the Company's shares, to increase the Company's share capital,

1.1. to issue, on one or more occasions, in France and/or abroad:

1.1.1. ordinary shares in the Company,

1.1.2. equity securities giving access to other equity securities either of the Company or of any company in which more than half of the share capital is held directly or indirectly by the Company (a "Subsidiary") and/or that confer the right to acquire debt securities issued by the Company or a Subsidiary, or

1.1.3. debt securities giving access to equity securities to be issued by the Company or a Subsidiary, whether free of charge or for consideration,

1.2. ordinary shares may only be denominated in euros; securities other than ordinary shares may be denominated in euros, in a foreign currency or in a unit of account based on several currencies and may be paid up when subscribed in cash, by offsetting liquid receivables due for payment, or through capitalisation of reserves, profits or share premiums,

2. establish as follows the limits of the issues thus authorised:
   - 2.1. the total amount of any such capital increases to be carried out may not exceed 20% of the share capital or the equivalent amount in foreign currencies or in units of account set by reference to several currencies, it being understood that:
     - 2.1.1. the share capital will be assessed at the date when the Board of Directors makes use of this delegation of powers,
     - 2.1.2. this amount will count against Limit A1 defined in Resolution 22 set forth above,
     - 2.1.3. if no priority right is implemented on behalf of the shareholders, the corresponding capital increases that may be carried out under this authorisation will be limited to 10% of the share capital,
     - 2.1.4. this limit of 10% of the share capital (hereinafter "Sub-limit A2") is an aggregate limit applicable to the capital increases referred to in paragraph 2.1.3 of this resolution and to the delegations of authority referred to in the Resolutions 24, 26, 27 and 28 hereinafter, subject to their adoption at this General Meeting,
     - 2.1.5. this will be supplemented by any additional number of shares to be issued to protect the rights of holders of securities or other rights giving access to the share capital of the Company, in accordance with legal and regulatory provisions and any contractual clauses providing for other adjustments,
   - 2.2. any issue of debt securities carried out pursuant to this delegation of powers will count against Limit DS defined in Resolution 22 set forth above;
3. in the event that the Board makes use of this delegation of authority:
   - 3.1. resolve to disapply the pre-emptive right of existing shareholders to subscribe for ordinary shares or securities to be issued by means of a public offering under the terms of this delegation of powers and, in addition, delegate powers in accordance with the provisions of Article L. 22-10-51 of the French Commercial Code, to the Board of Directors to grant existing shareholders priority rights to subscribe for some or all of the issues by way of right and/or for excess new shares within a period and under arrangements and conditions that it shall determine, it being stated that this priority shall not give rise to issues of negotiable rights,
   - 3.2. resolve that if the subscriptions do not cover the entirety of an issue as defined hereinabove, the Board of Directors may use the following options, in whatever order it sees fit:
     - 3.2.1. cap the capital increase at the amount of the subscriptions received as provided for by law,
     - 3.2.2. the power to freely distribute some or all of any unsubscribed shares,
   - 3.3. formally note that this delegation of powers automatically entails the express waiver by shareholders of their pre-emptive right to subscribe for ordinary shares to which these securities may carry entitlement in favour of the holders of any securities that may be issued pursuant to this resolution;
4. resolve that:
   - 4.1. the issue price of the shares will be at least equal to the minimum required under law and regulations applicable at the time that the Board of Directors implements the delegation after correcting, where applicable, for the amount to take into account the difference in vesting dates,
   - 4.2. the issue price of the securities giving access to the share capital will be such that the amount to be received immediately by the Company, plus any amount it may receive subsequently, is, for each ordinary share issued as a result of the issue of these securities, at least equal to the issue price stated in the paragraph above;
5. grant full powers to the Board of Directors, with the ability to subdelegate these powers, to implement this delegation of authority as provided by law;
6. set the duration of this delegation of powers for a period of 26 months with effect from the date of this General Meeting and acknowledge that this delegation of powers supersedes, in relation to the unused portion, any previous delegation of powers having the same purpose.

Resolution 24

Delegation of authority to be granted to the Board of Directors to issue ordinary shares and/or other securities giving access to the Company's share capital and/or the share capital of its subsidiaries, by means of a public offering provided for under paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code, without pre-emptive subscription rights, subject to an upper limit of 10% of the Company's share capital per year

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Extraordinary General Meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' special report, and in accordance with the provisions of Articles L. 225-129-2, L. 22-10-49, L. 22-10-52, L. 228-92 and L. 228-93 of the French Commercial Code and paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code:

1. delegate authority to the Board of Directors to decide, except during a public tender offer for the Company's shares:
   - 1.1. to issue, on one or more occasions, in France or abroad, without pre-emptive rights for shareholders, by way of a public offering within the meaning of paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code:
     - 1.1.1. ordinary shares in the Company,
     - 1.1.2. equity securities giving access to other equity securities either of the Company or of any company in which more than half of the share capital is held directly or indirectly by the Company (a "Subsidiary") and/or that confer the right to acquire debt securities issued by the Company or a Subsidiary, or
     - 1.1.3. debt securities giving access to equity securities to be issued by the Company or a Subsidiary, whether free of charge or for consideration,
   - 1.2. ordinary shares may only be denominated in euros; securities other than ordinary shares may be denominated in euros, in a foreign currency or in a unit of account based on several currencies and may be paid up when subscribed in cash, including by offsetting liquid receivables due for payment, or through capitalisation of reserves, profits or share premiums;

2. establish as follows the limits of the issues thus authorised:
   - **2.1.** the total amount of any such capital increases to be carried out each year may not exceed 10% of the share capital (as assessed at the date when this delegation of authority is used by the Board of Directors) and will count towards Limit A1 and Sub-limit 2 referred to in Resolutions 22 and 23, respectively,
   - **2.2.** any issues of debt securities to be carried out pursuant to this delegation of powers will be capped at the Limit DS defined in Resolution 22 set forth above;
3. in the event that the Board makes use of this delegation of authority:
   - **3.1.** resolve to disapply shareholders' pre-emptive right to subscribe for shares or securities to be issued by means of a public offering as provided for under the terms of this delegation of powers and to reserve subscription for the categories of persons laid down in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code,
   - **3.2.** resolve that if the subscriptions do not cover the entirety of an issue as defined hereinabove, the Board of Directors may use the following options, in whatever order it sees fit:
     - **3.2.1.** cap the capital increase at the amount of the subscriptions received as provided for by law,
     - **3.2.2.** the power to freely distribute some or all of any unsubscribed shares,
   - **3.3.** formally note that this delegation of powers automatically entails the express waiver by shareholders of their pre-emptive right to subscribe for ordinary shares to which these securities may carry entitlement in favour of the holders of any securities that may be issued pursuant to this resolution;
4. resolve that:
   - **4.1.** the issue price of the shares will be at least equal to the minimum required under law and regulations applicable at the time that the Board of Directors implements the delegation after correcting, where applicable, for the amount to take into account the difference in vesting dates,
   - **4.2.** the issue price of the securities giving access to the share capital will be such that the amount to be received immediately by the Company, plus any amount it may receive subsequently, is, for each ordinary share issued as a result of the issue of these securities, at least equal to the issue price stated in the paragraph above;
5. grant full powers to the Board of Directors, with the ability to subdelegate these powers, to implement this delegation of authority as provided by law;
6. set the duration of this delegation of powers for a period of 26 months with effect from the date of this General Meeting and acknowledge that this delegation of powers supersedes, in relation to the unused portion, any previous delegation of powers having the same purpose.

Resolution 25

Delegation of authority to be granted to the Board of Directors to determine the issue price for ordinary shares and/or other securities giving access to the Company's share capital and/or the share capital of its subsidiaries, subject to an upper limit of 10% of the Company's share capital per year, in connection with a capital increase without pre-emptive subscription rights

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Extraordinary General Meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' special report, and in accordance with the provisions of paragraph 2 of Article L. 22-10-52 of the French Commercial Code, for each of the issues decided in accordance with Resolutions 23 and 24 hereinabove:

1. authorise the Board of Directors to depart from the price-setting arrangements laid down in the aforementioned Resolutions 23 and 24 and to set the issue price as follows:
   - **1.1.** the issue price for ordinary shares will be at least equal to the lowest of the following, which may be subject to a maximum discount of 10% in each of the four cases:
     - **1.1.1.** the average volume-weighted share price on the regulated market of Euronext Paris over a maximum period of six months preceding the beginning of the offering period,
     - **1.1.2.** the average volume-weighted share price on the regulated market of Euronext Paris for the trading day preceding the beginning of the offering period,
     - **1.1.3.** the average volume-weighted share price on the regulated market of Euronext Paris calculated for the day on which the issue price is set, or
     - **1.1.4.** the last known closing share price of the share before the beginning of the offering period,
   - **1.2.** the issue price of the securities giving access to the share capital will be such that the amount to be received immediately by the Company, plus any amount it may receive subsequently, is, for each ordinary share issued as a result of the issue of these securities, at least equal to the subscription price stated in the paragraph above,
   - **1.3.** the nominal amount of issues covered by this resolution may not represent more than 10% of the share capital in each 12-month period,
2. grant all powers to the Board of Directors, with the option to subdelegate these powers, to implement this delegation of authority on the terms laid down in the resolution pursuant to which the initial issue is decided upon;
3. set the duration of this delegation of powers for a period of 26 months with effect from the date of this General Meeting and acknowledge that this delegation of powers supersedes, in relation to the unused portion, any previous delegation of powers having the same purpose.

Resolution 26

Delegation of authority to be granted to the Board of Directors to increase, with or without pre-emptive subscription rights for existing shareholders, the number of ordinary shares and/or other securities giving access to the Company's share capital to be issued, subject to an upper limit of 15% of the size of the initial issue

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Extraordinary General Meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' special report, in accordance with the provisions of Articles L. 225-135-1 and R. 225-118 of the French Commercial Code:

1. delegate powers to the Board of Directors to decide, except during a public tender offer for the Company's shares, to increase the number of ordinary shares or securities to be issued for each of the issues carried out pursuant to Resolution 22, with pre-emptive subscription rights for shareholders, and Resolutions 23 and 24 hereinabove, concerning a capital increase without pre-emptive subscription rights for shareholders, if it observes demand exceeding the amount for subscription, up to the maximum amounts laid down in the relevant resolution, at the same price as that used for the initial issue, during a period of 30 days with effect from the close of the subscription period for the initial issue and for a maximum of 15% of the total value of that issue;
2. grant all powers to the Board of Directors, with the option to subdelegate these powers, to implement this resolution on the terms laid down in the resolution pursuant to which the initial issue is decided upon;
3. set the duration of this delegation of powers for a period of 26 months with effect from the date of this General Meeting and acknowledge that this delegation of powers supersedes, in relation to the unused portion, any previous delegation of powers having the same purpose.

Resolution 27

Delegation of authority to be granted to the Board of Directors to issue ordinary shares and/or other securities giving access to the Company's share capital and/or the share capital of its subsidiaries, without pre-emptive subscription rights, in consideration for contributions in kind, subject to an upper limit of 10% of the Company's share capital

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Extraordinary General Meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' special report, in accordance with the provisions of Articles L. 22-10-49, L. 22-10-53, L. 22-10-54 and L. 228-92 of the French Commercial Code:

1. delegate authority to the Board of Directors to decide, except during a public tender offer for the Company's shares, where the provisions of Article L. 22-10-54 of the French Commercial Code do not apply:
   - **1.1.** to issue, on one or more occasions, in France and/or abroad:
     - **1.1.1.** ordinary shares in the Company, or
     - **1.1.2.** equity securities giving access to other equity securities either of the Company or of any company in which more than half of the share capital is held directly or indirectly by the Company (a "Subsidiary") and/or that confer the right to acquire debt securities issued by the Company or a Subsidiary, or
     - **1.1.3.** debt securities giving access to equity securities to be issued by the Company or a Subsidiary,
   - **1.2.** as consideration for in-kind contributions comprised of equity securities or securities giving access to the share capital of another company, granted to the Company,
   - **1.3.** ordinary shares may only be denominated in euros; securities other than ordinary shares may be denominated in euros, in a foreign currency or in a unit of account based on several currencies and may be paid up when subscribed in cash or by offsetting liquid receivables due for payment;
2. establish as follows the limits of the issues thus authorised: the total amount of any such capital increases to be carried out may not exceed 10% of the share capital or the equivalent amount in foreign currencies or in units of account set by reference to several currencies, it being understood that:
   - **2.1.** the share capital will be assessed at the date when the Board of Directors makes use of this delegation of powers,
   - **2.2.** this amount will count against Limits A1 and DS and Sub-limit A2 defined in Resolutions 22 and 23, respectively, set forth above;
   - **2.3.** this will be supplemented by any additional number of shares to be issued to protect the rights of holders of securities or other rights giving access to the share capital of the Company, in accordance with legal and regulatory provisions and any contractual clauses providing for other adjustments;
3. resolve to disapply, where necessary, the pre-emptive right of existing shareholders to subscribe for shares and securities to be issued in connection with this delegation of powers;
4. grant full powers to the Board of Directors, with the ability to subdelegate these powers, to implement this delegation of authority as provided by law;
5. set the duration of this delegation of powers for a period of 26 months with effect from the date of this General Meeting and acknowledge that this delegation of powers supersedes, in relation to the unused portion, any previous delegation of powers having the same purpose.

Resolution 28

Delegation of authority to be granted to the Board of Directors to issue ordinary shares and/or other securities giving access to the Company's share capital and/or the share capital of its subsidiaries, without pre-emptive subscription rights, in consideration for instruments tendered to a public exchange offer, subject to an upper limit of 10% of the Company's share capital

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Extraordinary General Meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' special report, in accordance with the provisions of Articles L. 22-10-54, L. 228-92 and L. 228-93 of the French Commercial Code:

1. delegate authority to the Board of Directors to decide, except during a public tender offer for the Company's shares:
   - **1.1.** in France and/or abroad, to issue:
     - **1.1.1.** ordinary shares in the Company,
     - **1.1.2.** equity securities giving access to other equity securities either of the Company or of any company in which more than half of the share capital is held directly or indirectly by the Company (a "Subsidiary") and/or that confer the right to acquire debt securities issued by the Company or a Subsidiary, or
     - **1.1.3.** debt securities giving access to shares of the Company or a Subsidiary to be issued,
   - **1.2.** in consideration of securities tendered to a public exchange offer made by the Company in France or abroad, in accordance with local regulations (including any transaction having the same effect as a public exchange offer or able to be considered as one), for the securities of a company whose shares are admitted for trading on one of the regulated markets referred to in Article L. 22-10-54 of the French Commercial Code;

2. approve the authorised transactions with the following limits: the total amount of any such capital increases to be carried out may not exceed 10% of the share capital or the equivalent amount in foreign currencies or in units of account set by reference to several currencies, it being understood that:
   2.1. the share capital will be assessed at the date when the Board of Directors makes use of this delegation of powers,
   2.2. this amount will count against Limits A1 and DS and Sub-limit A2 defined in Resolutions 22 and 23, respectively, set forth above;
3. in the event that the Board makes use of this delegation of authority:
   3.1. resolve to disapply shareholders' pre-emptive right to subscribe for shares and securities to be issued in connection with this delegation of powers,
   3.2. formally note that this delegation of powers automatically entails the express waiver by shareholders of their pre-emptive right to subscribe for ordinary shares to which these securities may carry entitlement in favour of the holders of any securities that may be issued pursuant to this resolution;
4. grant full powers to the Board of Directors, with the ability to subdelegate these powers, to implement this delegation of authority as provided by law;
5. set the duration of this delegation of powers for a period of 26 months with effect from the date of this General Meeting and acknowledge that this delegation of powers supersedes, in relation to the unused portion, any previous delegation of powers having the same purpose.

Resolution 29

Delegation of authority to be granted to the Board of Directors to increase the Company's share capital, through the capitalisation of premiums, reserves, earnings or any other item eligible for capitalisation

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, and having reviewed the Board of Directors' report, in accordance with the provisions of Articles L. 225-129-2, L. 225-130 and L. 22-10-50 of the French Commercial Code:

1. delegate authority to the Board of Directors to decide, except during a public tender offer for the Company's shares, to increase the Company's share capital on one or more occasions, in France or abroad, by capitalising premiums, reserves, earnings or any other amounts that may be capitalised pursuant to the law and the Articles of Association, by allotting new ordinary shares at no cost or by increasing the par value of existing shares, or through a combination of both these methods;
2. establish as follows the limits of the issues thus authorised: the total amount of any such capital increases to be carried out may not exceed the amount of reserves, share premiums, profits or other items that might be capitalised, as referred to above, in existence at the time when the capital increase is carried out;
3. resolve that, in the event that the Board makes use of this delegation of authority, fractional rights shall not be either negotiable or transferable, and that the corresponding ordinary shares shall be sold; the proceeds of such sales shall be allotted to the rights holders under the terms and conditions set out in applicable law and regulations;
4. grant full powers to the Board of Directors, with the ability to subdelegate these powers, to implement this delegation of authority as provided by law;
5. set the duration of this delegation of powers for a period of 26 months with effect from the date of this General Meeting and acknowledge that this delegation of powers supersedes, in relation to the unused portion, any previous delegation of powers having the same purpose.

Resolution 30

Authorisation to be granted to the Board of Directors to allot existing or new free shares to employees and/or company officers of the Company and affiliated companies, subject to a cap of 1.1% of the share capital, entailing the waiver by the shareholders of their pre-emptive subscription right

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Extraordinary General Meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' special report, in accordance with the provisions of Articles L. 225-197-1, L. 225-197-2 et seq., L. 22-10-49, L. 22-10-59, L. 22-10-60 and L. 22-10-62 of the French Commercial Code and Article L. 341-4 of the French Social Security Code:

1. authorise the Board of Directors to carry out one or more bonus issues, at its discretion, either of existing shares in the Company or of shares to be issued in the future, in favour of eligible employees and company officers (as defined in Articles L. 225-197-1 II (Paragraph 1) and L. 22-10-59 of the French Commercial Code) of the Company and any affiliated companies under the conditions laid down in Article L. 225-197-2 of the French Commercial Code, or in favour of certain categories of those employees or officers;
2. establish as follows the limits of the issues thus authorised:
   2.1. this authorisation may not give access to a total number of shares representing more than 1.1% of the Company's share capital (as assessed on the date on which the Board of Directors decides to make the award),
   2.2. it being specified that this will be supplemented by any additional number of shares to be issued to protect the rights of holders of securities or other rights giving access to the share capital of the Company, in accordance with legal and regulatory provisions and any contractual clauses providing for other adjustments;
3. in the event that the Board makes use of this authorisation:
   3.1. resolve that the number of shares that may be granted to the Company's executive company officers may not represent more than 5% of the limit of 1.1% set in the previous paragraph,
   3.2. resolve that:
      3.2.1. shares will be definitively allotted to their recipients upon expiry of a vesting period whose duration shall be set by the Board of Directors; this duration may not, however, be less than three years with effect from the date of the decision to allot the shares in question,
      3.2.2. and recipients must, if the Board of Directors deems it useful or necessary, retain the shares in question for the periods freely set by the Board;

4. resolve that, where the recipient is disabled and falls into the second or third categories set out in Article L. 341-4 of the French Social Security Code, the shares in question shall be definitively allotted to that recipient before the remaining term of the vesting period has expired, and shall be immediately transferable;
5. formally note that, with regard to shares to be issued in the future:
   5.1. this authorisation shall result, upon expiry of the vesting period, in a capital increase by way of capitalisation of reserves, earnings, issue premiums or other amounts that may be capitalised in favour of the recipients of those shares, as well as the automatic waiver by shareholders, in favour of the recipients of the shares thus allotted, of their rights to that portion of reserves, earnings, premiums or other amounts thus capitalised,
   5.2. and this authorisation shall automatically entail the waiver by shareholders, in favour of the recipients of the aforementioned shares, of their pre-emptive subscription rights. The corresponding capital increase shall be deemed to have been completed upon final allotment of the shares in question to the recipients;
6. accordingly, grant all powers to the Board of Directors, within the limits set out above, to put this resolution into effect, and in particular to:
   6.1. determine the identity of the recipients of shares to be allotted and the number of shares to be allotted to each,
   6.2. decide on the holding requirements that may apply by law in regard to eligible company officers, in accordance with the last paragraph of Article L. 225-197-1 II and with Article L. 22-10-59 of the French Commercial Code,
   6.3. set the dates and terms governing the allotment of the shares in question, including in particular the period at the end of which the shares will be finally allotted as well as, where applicable, the required lock-in period,
   6.4. determine the conditions related to the performance of the Company, the Group or any of its entities that would apply to the allocation of shares to the Company's executive company officers and, where applicable, those that would apply to the allocation of shares to employees as well as the criteria according to which such shares would be granted, with the stipulation that any shares granted without performance conditions may not be granted to the Company's Chief Executive Officer and may not exceed 10% of the amount of awards authorised by the General Meeting,
   6.5. determine whether the shares allotted free of charge are shares to be issued or existing shares, and:
      6.5.1. where new shares are issued, check that there are sufficient reserves and, upon each allotment, transfer to a reserve not available for distribution the amounts needed to pay up the new shares to be issued, increase the share capital by capitalising reserves, earnings, premiums or other amounts that may be capitalised, determine the type and amount of any reserves, earnings or premiums to be capitalised in consideration of the aforementioned shares, certify the completion of increases in the share capital, determine the vesting date of newly issued shares (which may be retrospective), amend the Articles of Association accordingly,
      6.5.2. where existing shares are allotted, acquire the necessary shares under the conditions laid down in law, and take any and all action required to successfully complete the transactions,
   6.6. allow the option, where applicable, during the vesting period, to adjust the number of bonus shares allotted in accordance with any transactions affecting the Company's equity, so as to protect the rights of recipients; any shares allotted pursuant to such adjustments shall, however, be deemed to have been allotted on the same date as the initially allotted shares,
   6.7. more generally, with the option to subdelegate these powers under the conditions laid down by law and by the Company's Articles of Association, take any steps and complete any formalities required for the issuance, listing and management of securities issued under the terms of this authorisation and for the exercise of any associated rights and to make all appropriate arrangements and enter into any agreement required to complete the envisaged share allotments;
7. set the duration of this authorisation for a period of 38 months with effect from the date of this General Meeting and acknowledge that this authorisation supersedes, in relation to the unused portion, any previous authorisation having the same purpose.

Resolution 31

Delegation of authority to be granted to the Board of Directors to increase the Company's share capital, without pre-emptive subscription rights for existing shareholders, via issues to persons employed by the Company or by an affiliated company, subject to enrolment in a company savings plan, up to a maximum of 2% of the share capital

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Extraordinary General Meetings, and having reviewed the Board of Directors' report and the Statutory Auditors' special report, in accordance with the provisions of Articles L. 3332-18 to L. 3332-24 of the French Labour Code as well as the provisions of the French Commercial Code, in particular its Articles L. 225-129-2, L. 22-10-49, L. 225-129-6, L. 225-138-1, L. 228-91 et seq.:

1. delegate authority to the Board of Directors to decide on the issuance, on one or more occasions, of:
   1.1. ordinary shares, or
   1.2. equity securities giving access to other equity securities issued by the Company,

reserved for members of a company savings plan offered by the Company or by any French or foreign company or group affiliated with the Company, within the meaning of Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labour Code (the "Recipients");

2. establish as follows the limits of the issues thus authorised:
   2.1. resolve that this delegation of authority may not give access to a total number of shares representing more than 2% of the Company's share capital (as assessed at the date when the Board of Directors makes use of this delegation of authority),
   2.2. it being specified that this will be supplemented by any additional number of shares to be issued to protect the rights of holders of securities or other rights giving access to the share capital of the Company, in accordance with legal and regulatory provisions and any contractual clauses providing for other adjustments;
3. in the event that the Board makes use of this delegation of authority:
   3.1. resolve to exclude, in favour of the Recipients, the pre-emptive right of existing shareholders to subscribe for the ordinary shares or other securities that may be issued under this delegation of powers,
   3.2. resolve that if the subscriptions obtained do not absorb the entirety of an issue of securities, the capital increase will be limited to the amount of subscriptions received;

4. resolve that the subscription price of securities issued under this resolution may not be:
   4.1. higher than the average of the listed share price over the 20 trading days preceding the date of the decision setting the opening date of the subscription period decided by the Board of Directors,
   4.2. or lower than this average less the maximum discount required by the laws and regulations in force at the date of the Board of Directors' decision, with the stipulation that the Board of Directors may adjust or remove this discount if it deems necessary in order to take into account, in particular, locally applicable legal, accounting, tax and workforce-related systems;
5. resolve that the Board of Directors may provide for the allotment of shares or of other securities giving access to the Company's share capital, whether to be issued or already issued, to the Recipients free of charge, in lieu of all or a portion of the employer contribution and/or the discount mentioned above, within the limits set forth in Articles L. 3332-11 and L. 3332-21 of the French Labour Code, it being specified that the maximum aggregate nominal amount of capital increases that may be carried out in line with these allotments will count towards the limit of 2% of the Company's share capital referred to above;
6. formally note that, with regard to shares to be issued in lieu of some or all of the employer contribution and/or the discount, the Board of Directors may decide to increase the share capital accordingly by capitalising reserves, earnings, issue premiums or other amounts that may be capitalised in favour of the Recipients, thus entailing:
   6.1. the corresponding waiver by the shareholders of that portion of reserves, earnings, premiums or other amounts thus capitalised, and
   6.2. the automatic waiver by the shareholders of their pre-emptive subscription right. The corresponding capital increase shall be deemed to have been completed upon final allotment of the shares in question to the Recipients;
7. grant full powers to the Board of Directors, with the ability to sub-delegate these powers, to implement this delegation of authority as provided by law, and in particular to complete all legal formalities and execute all legal instruments to record the capital increases carried out pursuant to this authorisation, amend the Articles of Association accordingly and, more generally, take whatever action is required;
8. set the duration of this delegation of powers for a period of 26 months with effect from the date of this General Meeting and acknowledge that this delegation of powers supersedes, in relation to the unused portion, any previous delegation of powers having the same purpose.

Resolution 32

Amendment to Article 14 of the Articles of Association concerning the method of appointing Directors representing the employees

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Extraordinary General Meetings, and having reviewed the Board of Directors' report, resolve to amend points 2 and 3 of Article 14 of the Company's Articles of Association concerning Directors representing the employees, as follows:

"2. Directors representing the employees

When the requirements laid down in paragraph I of Article L. 225-27-1 of the French Commercial Code are met, one or two Directors representing the employees sit on the Board of Directors in accordance with the provisions of Article L. 225-27-1 of the French Commercial Code.

The Directors representing the employees on the Company's Board of Directors are appointed as follows:

2.1 the first of them is appointed by the trade union that won the most votes in the first round of the elections – referred to in Articles L. 2122-1 and L. 2122-4 of the French Labour Code – of the Company and its direct and indirect subsidiaries having their registered offices in France,

2.2 the second of them is appointed by the European Works Council.

When a vacancy for a Director representing the employees arises during their term of office, the Director chosen as an alternate under the arrangements set out in 2.1 and 2.2 performs the duties for the remainder of the term of office of the individual previously serving in this position.

The Director or Directors representing the employees are not required to hold shares in the Company.

Further to the provisions set out in paragraph 2 of Article L. 225-29 of the French Commercial Code, should the Company body mentioned in these Articles of Association fail to nominate a Director representing the employees, the decisions of the Board of Directors shall still be deemed to be valid.

3. Term of office of Directors

Directors are appointed for a term of office of four years.

In the year of expiry, Directors' terms of office shall expire at the close of the Ordinary General Meeting convened to approve the financial statements for the previous financial year. They may be reappointed immediately.

By exception, upon their first appointment following the modification of the Articles of Association taking effect on 9 June 2020, Directors' terms of office appointed by the General Meeting may be set at 1, 2 or 3 years such that the renewal of directorships is staggered evenly from year to year.

Should one or more seats held by Board members appointed at the General Meeting become vacant between two General Meetings, with the exception of that held by the Director representing employee shareholders, the Board may make temporary appointments, in accordance with the requirements of Article L. 225-24 of the French Commercial Code. A Director appointed to replace another Director performs his/her duties for the remainder of the term of office of the individual previously serving in this position.

When a vacancy for a Director representing the employees arises during their term of office, the Director chosen as an alternate under the arrangements set out in 2.1 and 2.2 performs the duties for the remainder of the term of office of the individual previously serving in this position."

The other provisions of Article 14 of the Company's Articles of Association remain unchanged.

Resolution 33

Amendment to Article 15 of the Articles of Association concerning the age limit for the Chairman of the Board of Directors

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Extraordinary General Meetings, and having reviewed the Board of Directors' report, resolve to set the age limit for serving as Chairman of the Board of Directors at 95, and, consequently, to amend the third paragraph of Article 15, "Organisation of the Board of Directors" of the Articles of Association, which shall now read as follows:

"No one over the age of ninety-five may be appointed Chairman. If the Chairman in office exceeds this age, he/she shall automatically be deemed to have resigned."

The other paragraphs of Article 15 of the Articles of Association remain unchanged.

3.3. Requiring the approval of the Ordinary General Meeting

Resolution 34

Powers granted to carry out formalities

The shareholders at the General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, give all powers to the bearer of an original or copy of the minutes of this Meeting to carry out all legally required formalities.

4. Special report of the Board of Directors

SPECIAL REPORT OF THE BOARD OF DIRECTORS ON ALLOTMENTS OF FREE SHARES – FINANCIAL YEAR ENDED 31 DECEMBER 2023

In accordance with the provisions of Article L. 225-197-4 of the French Commercial Code, we are pleased to present our report on transactions carried out pursuant to the provisions of Articles L. 225-197-1 to L. 225-197-3 of the aforementioned code relating to allotments of free shares.

Allotment of free shares in financial year 2023

You are reminded that Resolution 27 of the Combined General Meeting of 1 June 2022 and Resolution 19 of the Combined General Meeting of 24 May 2023 authorised the Board of Directors to award free shares to employees and company officers of the Company or the Group to which it belongs, under the following terms and conditions:

- Recipients: Eligible employees and/or company officers (as defined in Paragraph 1 of Article L. 225-197-1 II and Article L. 22-10-59 III of the French Commercial Code) of the Company or of any affiliated companies as defined in Article L. 225-197-2 of the French Commercial Code, or certain categories of such individuals;
- Maximum number of shares: The maximum number of shares shall not exceed 1% of the share capital at the date of the allotment decision, with a sub-limit of 5% of that 1% limit for allotments to executive company officers of the Company;
- Validity of the authorisation: 38 months, with the new authorisation ending the previous authorisation.

Under these authorisations, at its meeting of 24 May 2023, the Board of Directors allotted 134,000 rights to free performance shares, and at its meeting of 26 October 2023, 2,880 rights to free performance shares, to certain employees and company officers of the Company and affiliated companies, as defined in Article L. 225-197-2 of the French Commercial Code. These allotments are subject to a condition of continued employment as well as vesting conditions based on a target comprising financial performance conditions and a CSR condition. The financial performance conditions, counting for 90% of the plan, are based on three performance criteria, all weighted equally (the Company's organic consolidated revenue growth, consolidated operating profit on business activity as a percentage of revenue, and consolidated free cash flow), assessed for financial years 2023, 2024 and 2025. The CSR condition, counting for 10% of the plan and whose attainment will be measured at 31 December 2025, relates to the number of women in senior management positions. It is determined based on the proportion of women in the Group's senior management positions (defined as the two highest echelons, levels 5 and 6).

Under this plan, 3,000 rights to free performance shares were allotted to an executive company officer of the Company (Cyril Malargé, Chief Executive Officer).

The Board of Directors

Statement by the person responsible for the Universal Registration Document

I hereby declare that, to the best of my knowledge, the information contained in this Universal Registration Document is in accordance with the facts and contains no omission likely to affect its import.

I hereby declare that, to the best of my knowledge, the financial statements have been prepared in accordance with applicable accounting standards and provide a true and fair view of the assets, liabilities, financial position and results of operations of the parent company and of all entities included in the scope of consolidation, and that the relevant information in the Management Report, detailed in the cross-reference table on pages 372 to 374 entitled "Information regarding the Management Report", provides a true and fair presentation of the development of business, results of operations and financial positions of the parent company and of all entities included in the scope of consolidation, and that it provides a description of the main risks and uncertainties to which they are exposed.

Paris, 15 March 2024

Cyril Malargé

Chief Executive Officer

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Glossary

Acronyms

- AMF: Autorité des Marchés Financiers (French financial markets authority)
- ANSSI: Agence Nationale de la Sécurité des Systèmes d'Information (French IT security agency)
- API: Application programming interface
- BPS: Business process services
- CNIL: Commission Nationale de l'Informatique et des Libertés (French data protection authority)
- COP21: 2015 Paris climate change conference
- CSRD: Corporate Sustainability Reporting Directive
- DevSecOps: Development – Security – Operations
- DLP: Data loss prevention
- SNFP: Statement of non-financial performance
- DRM: Digital rights management
- ESRS: European Sustainability Reporting Standards
- FEDEEH: Fédération Étudiante pour une Dynamique Études et Emploi avec un Handicap (Student Federation for the Promotion of Education and Jobs for People with Disabilities)
- GAFA: Google, Apple, Facebook, Amazon ("Big Four" tech companies)
- ILO: International Labour Organization
- LPM: French Military Planning Act (*Loi de programmation militaire*, French Law No. 2013-1168 of 18 December 2013)
- NIS: Network information system
- ILO: International Labour Organization
- UN: United Nations
- PaaS: Platform as a Service
- PLM: Product lifecycle management
- GDPR: General Data Protection Regulation
- HR: Human resources
- CISO: Chief Information Security Officer
- SaaS: Software as a Service
- SFDR: Sustainable Finance Disclosure Regulation
- SOC: Security operations centre
- UX: User experience
- WEPs: Women's Empowerment Principles

Alternative performance measures

- **Restated revenue**: Revenue for the prior year, expressed on the basis of the scope and exchange rates for the current year.
- **Organic revenue growth**: Increase in revenue between the period under review and restated revenue for the same period in the prior financial year.
- **EBITDA**: This measure, as defined in the Universal Registration Document, is equal to consolidated operating profit on business activity after adding back depreciation, amortisation and provisions included in operating profit on business activity.
- **Free cash flow**: Net cash from operating activities; less investments (net of disposals) in property, plant and equipment, and intangible assets; less lease payments; less net interest paid; and less additional contributions to address any deficits in defined-benefit pension plans.
- **Operating profit on business activity**: This measure, as defined in the Universal Registration Document, is equal to profit from recurring operations adjusted to exclude the share-based payment expense for stock options and free shares and charges to amortisation of allocated intangible assets.
- **Profit from recurring operations**: Operating profit before other operating income and expenses, which includes any particularly significant items of operating income and expense that are unusual, abnormal, infrequent or not foreseeable, presented separately in order to give a clearer picture of performance based on ordinary activities.
- **Basic recurring earnings per share**: This measure is equal to basic earnings per share before other operating income and expenses net of tax.
- **Return on capital employed (RoCE)**: (Profit from recurring operations after tax + Profit from equity-accounted companies) / (Equity + Net financial debt).
- **Downtime**: Number of days between two contracts (excluding training, sick leave, other leave and pre-sales) divided by the total number of business days.

Corporate responsibility

- **Sustainable Development Goals (SDGs)** defined by the United Nations: The Sustainable Development Goals are the blueprint to achieve a better and more sustainable future for all. They address the global challenges we face, including poverty, inequality, climate change, environmental degradation, prosperity, peace and justice.
- **Materiality matrix**: A materiality analysis helps identify and prioritise the most relevant issues for a company and its stakeholders, and is presented in the form of a matrix, which plots these issues according to their importance to the company (x-axis) and to its external stakeholders (y-axis).
- Materiality: The degree of materiality determined reflects the extent to which an issue is capable of influencing the company's strategy, reputation or financial health.
- **Greenhouse gases (GHG)**: Greenhouse gases are gaseous components that absorb infrared radiation emitted from the earth's surface and contribute to the greenhouse effect. The increase in their concentration in the earth's atmosphere is one of the factors causing global warming.
- **Science Based Targets initiative (SBTi)**: Science Based Targets is an internationally recognised initiative offering mathematical models for identifying the environmental footprint of activities so as to be able to set ambitious greenhouse gas emissions reduction targets.
- **CDP**: Non-profit organisation that runs the global disclosure system for investors, companies, cities, countries and regions to manage their environmental impact.
- **Task Force on Climate-related Financial Disclosures (TCFD)**: A task force focused on climate-related financial disclosures, created as part of the G20 Financial Stability Board. The TCFD is one of the most important developments in the area of climate reporting by businesses.
- **Net-zero emissions**: For a business, achieving net-zero emissions means reducing the GHG emissions of its entire value chain to zero through a combination of value chain emissions reduction projects (at least 90 %) and funding carbon removal offsets for the remainder outside its value chain.
- **Scope 1 (of the GHG Protocol)**: Covers direct greenhouse gas emissions arising from the combustion of fossil fuels (petroleum, fuel oil, biodiesel and gas) and the escape of coolants from air conditioning systems in offices and on-site data centres.
- **Scope 2 (of the GHG Protocol)**: Covers indirect greenhouse gas emissions associated with consumption of grid electricity and district heating in offices and on-site data centres.
- **Scope 3 (of the GHG Protocol)**: Covers indirect greenhouse gas emissions associated with energy-related activities not included in Scopes 1 or 2, purchased goods and services, capital goods, waste, upstream transportation of goods, business travel, upstream leased assets, investments, transportation of visitors and clients, downstream transportation of goods, use of sold products, end-of-life treatment of sold products, downstream franchises, downstream leased assets and employee commuting.
- **Market-based**: Method for calculating greenhouse gas emissions based on emissions factors specific to the energy source used.
- **Climate Disclosure Standards Board (CDSB)**: the Climate Disclosure Standards Board is an international consortium of businesses and environmental NGOs that works in particular with the TCFD on these issues. The CDSB has built a reporting framework covering the following 12 recommendations:
- **CDSB/REQ-01 Governance**: Disclosures shall describe the governance of environmental policies, strategy and information.
- **CDSB/REQ-02 Management's environmental policies, strategy and targets**: Disclosures shall report management's environmental policies, strategy and targets, including the metrics, plans and timeliness used to assess performance.
- **CDSB/REQ-03 Risks and opportunities**: Disclosures shall explain the material current and anticipated environmental risks and opportunities affecting the organisation.
- **CDSB/REQ-04 Sources of environmental impact**: Quantitative and qualitative results, together with the methodologies used to prepare them, shall be reported to reflect material sources of environmental impact.
- **CDSB/REQ-05 Performance and comparative analysis**: Disclosures shall include an analysis of the information disclosed in REQ-04 compared with any performance targets set and with results reported in a previous period.
- **CDSB/REQ-06 Outlook**: Management shall summarise their conclusions about the effect of environmental impacts, risks, opportunities and policy outcomes on the organisation's future performance and position.
- **CDSB/REQ-07 Organisational boundary**: Environmental information shall be prepared for the entities within the boundary of the organisation or group for which the mainstream report is prepared and, where appropriate, shall distinguish information reported for entities and activities outside that boundary.
- **CDSB/REQ-08 Reporting policies**: Disclosures shall cite the reporting provisions used for preparing environmental information and shall (except in the first year of reporting) confirm that they have been used consistently from one reporting period to the next.
- **CDSB/REQ-09 Reporting period**: Disclosures shall be provided on an annual basis.
- **CDSB/REQ-10 Restatements**: Disclosures shall report and explain any prior year restatements.
- **CDSB/REQ-11 Conformance**: Disclosures shall include a statement of conformance with the CDSB Framework.
- **CDSB/REQ-12 Assurance**: If assurance has been provided over whether reported environmental information is in conformance with the CDSB Framework, this shall be included in or cross-referenced to the statement of conformance of REQ-11.
- **CSRD:** Corporate Sustainability Reporting Directive, an EU legislative act on the disclosure and certification of sustainability information and the social, environmental and corporate governance obligations incumbent on commercial companies.
- **Taxonomy**: Regulation constituting one of the key measures in the European Union's action plan set out in its Green Deal, consisting of a range of initiatives aimed at achieving climate neutrality by 2050.

Cross-reference table for the 2023 Universal Registration Document

Information required for a Universal Registration Document as listed in Annexes 1 and 2 of Commission Delegated Regulation (EU) 2019/980 of 14 March 2019

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