



**2020 UNIVERSAL
REGISTRATION
DOCUMENT**

INCLUDING THE ANNUAL
FINANCIAL REPORT

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2020 UNIVERSAL REGISTRATION DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT

An international group
specialised in engineering and
innovation consultancy, operating
in **15 countries**
and employing more than
6,000 people.

For over **50 years**,
Assystem has been a partner
of choice for the world's largest
industrial corporations.



The original French-language version of this Universal Registration Document was filed with the Autorité des Marchés Financiers (AMF) on 7 April 2021 in its capacity as the competent authority as defined in Regulation (EU) 2017/1129, without prior approval as provided for in Article 9 of said Regulation.

The Universal Registration Document may be used in support of a public offering of financial securities or the admission of securities to trading on a regulated market if accompanied by a securities note and, where applicable, a summary and all amendments to the Universal Registration Document filed since it was first approved. The prospectus formed by these documents must be approved by the AMF in accordance with Regulation (EU) 2017/1129.

The English-language version of this document is a free translation from the original, which was prepared in French. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions expressed therein, the original language version of the document in French takes precedence over this translation.

ENABLER OF ENERGY & DIGITAL REVOLUTIONS

MESSAGE FROM THE CHAIRMAN & CEO

DOMINIQUE LOUIS

OUR *RAISON D'ÊTRE* PROVED RIGHT BY THE COVID CRISIS

2020 was a turning point for business and for society. The Covid-19 pandemic – which broke out in 2020 and is still ongoing in 2021 – has radically changed not only our ways of living and working but also global governance.

Yet we must not be thrown off course. We mustn't let the pandemic take our attention away from the serious threat that we were already facing – that of climate change, whose consequences will ultimately be much more severe than those of Covid.

The crisis caused by Covid does, though, serve as a reminder of how closely connected ecological, economic and social issues are in today's world, and has clearly shown how the resilience of our society depends on a series of choices with the long-term future in mind rather than a one-off solution to an extreme event.



As one of the world's first independent engineering firms specialised in the civilian nuclear sector – which is a major and essential producer of carbon-free electricity – Assystem has been a fervent supporter of energy transition for a long time.

The same is true for the resilience of businesses. Which is why, despite all the complexities and difficulties we encountered in 2020, the situation has confirmed and strengthened the strategic trajectory, priorities and values we have been applying and promoting for several decades at Assystem. These unprecedented times have brought our DNA to the fore and highlighted what has been driving us for over half a century. Whereas some companies only talk the talk about their *raison d'être*, we have chosen to embody ours in everything we do, and for the long term.

As one of the world's first independent engineering firms specialised in civilian nuclear energy – which is a major and essential source of carbon-free electricity – Assystem has been a fervent supporter of energy transition for a long time. To this end, we are serving the engineering needs of players in renewable energy, rail transportation, and hydrogen production for industrial use and for public transport, and we are working on programmes to upgrade electricity grids.

Our other constant is our human capital. It was thanks to our deeply-engaged, enthusiastic, and high-performing people working together with a strong sense of team spirit and driven by the same values that we were able to successfully weather the height of the crisis in

the spring of 2020. Agile and reactive, we immediately created and put in place solutions enabling us to work remotely, both with the members of our teams and with our clients. In an uncertain and constantly-changing situation, we remained united and responsible, safeguarding the health of our people and partnering our clients to the very best of our ability.

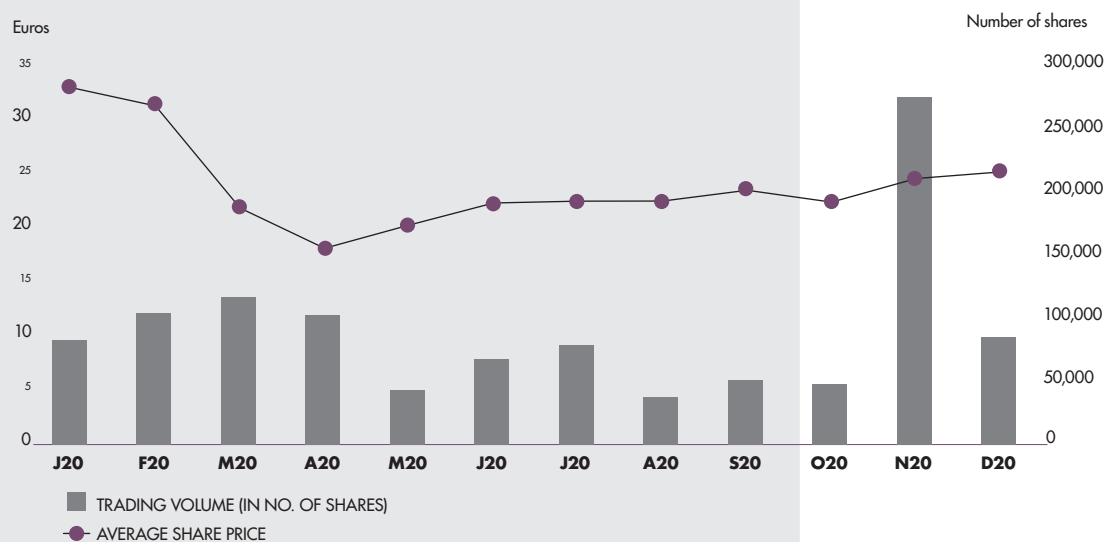
Despite all the problems arising from the health emergency, we continued to develop our business in 2020, both in France and internationally, particularly in the United Kingdom, Turkey and Uzbekistan. During the year, we once again hired over 1,000 people and continued to make sizeable investments in digital – the Group's vector for growth and technical differentiation. By digitalising engineering processes and fully leveraging client data, we are helping our clients to more effectively manage their project costs and lead times.

We are unceasingly developing our business to serve our clients. And I am more confident than ever in Assystem's *raison d'être*, as we stay firmly on course, guided by the values and beliefs that are embedded in our DNA and that we have held and upheld for over 50 years.

Dominique Louis

2020 KEY FIGURES

AVERAGE PRICE AND MONTHLY TRADING VOLUMES OF THE ASSYSTEM SHARE IN 2020



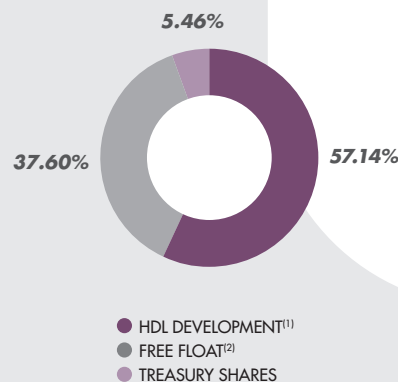
NYSE Euronext Compartment B
ISIN: FR0000074148
Share included in the CAC All-Tradable index

DIVIDEND PAR SHARE (IN €)



* Dividend that will be recommended at the Annual General Meeting to be held on 27 May 2021.

OWNERSHIP STRUCTURE AT 31 DECEMBER 2020

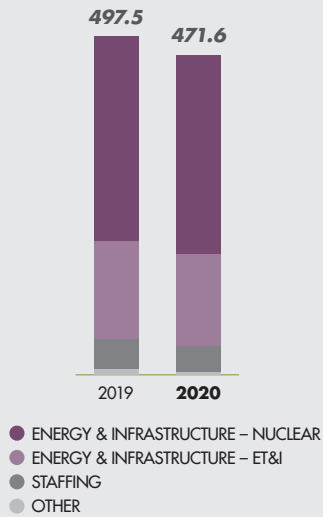


(1) HDL Development is a holding company controlled by Dominique Louis (Assystem's Chairman & CEO), notably through HDL, which itself holds 0.85% of Assystem's capital.

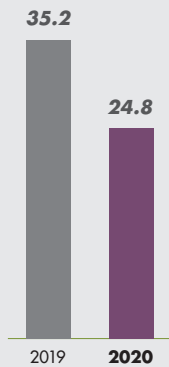
(2) Including 0.85% held by HDL.

BREAKDOWN OF REVENUE BY DIVISION

(IN MILLIONS OF EUROS)

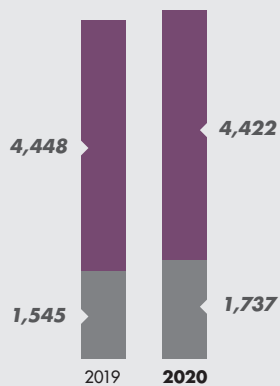


EBITA* (IN MILLIONS OF EUROS)



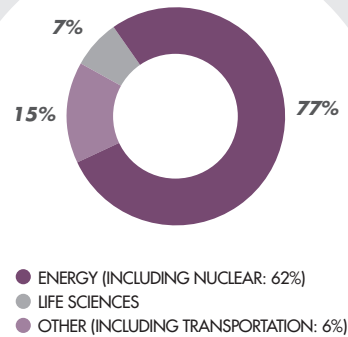
* See definition (1) in chapter 5, section 5.1.1 of this Universal Registration Document.

EMPLOYEE NUMBERS BY GEOGRAPHIC REGION

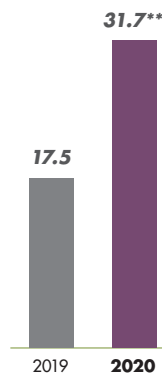


- FRANCE
- OUTSIDE FRANCE

BREAKDOWN OF REVENUE BY BUSINESS SECTOR



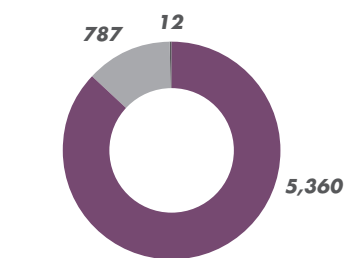
FREE CASH-FLOW* (IN MILLIONS OF EUROS)



* See definition (2) in chapter 5, section 5.1.3.3 of this Universal Registration Document.

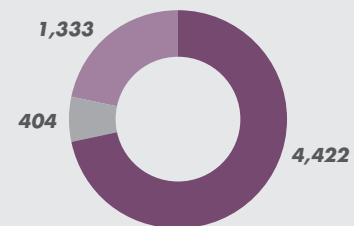
** Excluding the impact of the payroll tax holidays (deferral from 2020 to 2021) granted as a result of the Covid-19 pandemic.

EMPLOYEE NUMBERS BY DIVISION



- ENERGY & INFRASTRUCTURE
- STAFFING
- OTHER

EMPLOYEE NUMBERS BY GEOGRAPHIC REGION



- FRANCE
- UK/BELGIUM/SWITZERLAND
- AFRICA/MIDDLE EAST/ASIA

OUR MISSION: ENABLER OF ENERGY AND DIGITAL REVOLUTIONS

We firmly believe that sustainable growth requires an energy mix focused on carbon-free electricity

OUR RESOURCES



HUMAN CAPITAL
6,159 employees



INTELLECTUAL CAPITAL
€16m in R&D expenditure
27 partnerships (start-ups/joint ventures/centres of excellence)



FINANCIAL CAPITAL
€12m worth of investments
2 acquisitions
€23.8m net debt



OPERATIONAL CAPITAL
10 key accounts generating c. **60%** of revenue
Present in **15 countries**

ENERGY TRANSITION

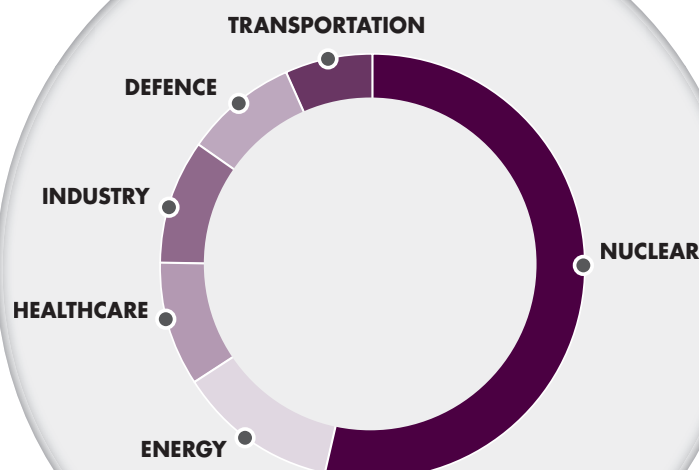
DIGITALISATION

LEVERAGING HUMAN CAPITAL



PROJECT MANAGEMENT AND ENGINEERING

- Consulting
- Site and permit studies
- Project management
- Research and analysis
- Systems engineering
- Industrial control systems



COMPLIANCE, SAFETY AND SECURITY

- Compliance
- Safety
- Security



DIGITALISATION & DATA

- Digital engineering
- Project control solutions
- Digital field services
- Industrial data science

OUR CONTRIBUTIONS

SOCIETY



CLIENTS

- **91%** client satisfaction rate



PARTNERSHIPS WITH SCHOOLS AND UNIVERSITIES

- **>10** partnerships

HR



JOB CANDIDATES

- **1,294** new hires



EMPLOYEES

- Women in the workforce: **29%**
- Diversity ratio⁽¹⁾: **2%**
- Training ratio⁽²⁾: **53.99%**
- Workplace accident rate⁽³⁾: **1.74**

ENVIRONMENT



CLIMATE

- Emissions: **0.74** TqCO₂/employee/year
- Total GHG emissions/year⁽⁴⁾: **3,473**



CLIENTS

- Promoting carbon-free energy

OUR VALUE CREATION



SHAREHOLDERS

- **€471.7m** in revenue
- **€24.8m** in operating profit
- 2020 dividend: **€1** per share⁽⁵⁾



STATE

- **€6.7m** in taxes put back into the community

(1) % of employees with disabilities.

(2) % of employees who received training in 2020.

(3) Rate of workplace accidents with lost time.

(4) TqCO₂.

(5) Subject to shareholders' approval at the Annual General Meeting to be held on 27 May 2021.



PRESENTATION OF THE GROUP

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1.1 HISTORY

1966 TO 1995: THE NUCLEAR YEARS

The Assystem Group's history began in 1966, when a team of nuclear engineers and technicians in France created Atem, a company specialised in the commissioning of industrial units. The Group's business development was subsequently driven by the major nuclear equipment programme put in place by the French State after the first oil crisis in 1973.

In the 1980s, Atem began to diversify into project management, mainly in industrial automation and IT, working with clients in sectors such as automotive, steel, space and defence.

In 1989, Atem teamed up with Cogema to form Alphatem, a company dedicated to testing and commissioning equipment and facilities purchased under Cogema's capital expenditure programmes (an irradiated fuel reprocessing plant in the Hague and the Melox plant in the Gard region of France which produces MOX fuel assemblies).

In 1994, Atem and Alphatem merged to create Assystem, which was floated on the Paris stock exchange (*Second Marché*) in 1995.

1996 TO 2003: BUSINESS DIVERSIFICATION

1996 marked the end of the investment cycle for construction of new industrial facilities (nuclear power stations and reprocessing plants) in the nuclear industry in France and the rest of the world, and the start of a new era for Assystem. The Company began to diversify into product design and development for the aeronautical and automotive industries (with the acquisition of Studia in France), whilst retaining its specific skills and expertise in the nuclear sector.

2003 TO 2016: INTERNATIONAL DEVELOPMENT

In 2003, the merger with Brime Technologies allowed Assystem to penetrate the new technologies sector and paved the way for the Group to go international. Between 2004 and 2016 it carried out several significant acquisitions in the United Kingdom, Germany, India and the Middle East, which changed the Group's structure and enabled it to expand its business and client portfolios.

Since then, Assystem has strengthened its operating presence in the Middle East through the following:

- in January 2015 it acquired Radicon – an engineering company with 400 employees based in Al Khobar and Riyadh in Saudi Arabia – allowing Assystem to double its size in the Arabian Gulf region and win market share in the infrastructure, energy and transportation sectors;
- in June 2016 it acquired a 51% interest in the Turkish engineering company, Envy – a well-established player in Turkey's engineering services market, operating primarily in the energy and transportation sectors. Envy is notably involved in the construction of the Akkuyu nuclear power station (a Rosatom project).

In addition, as part of the ITER international project launched at Cadarache in the south of France – whose objective is to prove the feasibility of nuclear fusion as a source of almost limitless carbon-free energy – the Group has teamed up with a number of other engineering players:

- in 2010, with Atkins (since acquired by SNC Lavalin), EGIS and Empresarios Agrupados – based in the UK, France and Spain respectively – to set up the SNC Engage consortium (owned on an equal basis), which won the contract for managing the construction of the ITER project's buildings;
- in 2016, with the UK-based Jacobs Clean Energy (formerly Amec Foster Wheeler, and then successively acquired by the John Wood group and the Jacobs group) and the South Korean company, Kepco E&C, to set up the SNC Momentum consortium (owned on an equal basis), which was named the construction management-as-agent contractor tasked with organising and overseeing the assembly of over a million components for the ITER fusion reactor.

2017: CONTROL OF THE GPS DIVISION TRANSFERRED TO ARDIAN

At the end of September 2017, the Assystem Group sold its outsourced R&D division – Global Product Solutions (GPS) – to an acquisition company specifically set up for that purpose controlled by an investment fund managed by the private equity firm, Ardian. Out of the c.€530 million sale proceeds, Assystem reinvested €185 million in equity and quasi-equity financing for the new group, which was renamed Expleo Group in early 2019. This reinvestment was carried out in two stages: the first in September 2017 and the second in January 2018, when Expleo Group acquired the German company SQS (see below). Consequently, Assystem now owns 38.16% of Expleo Group's capital and has accounted for this interest by the equity method in its consolidated financial statements since 1 October 2017.

The aim of the overall operation was to enable Expleo Group to participate in the consolidation process taking place in the outsourced R&D market by giving it access to the resources and expertise that Ardian deploys to support the growth of its holdings (particularly in terms of identifying, financing and integrating acquisitions), and therefore helping it to diversify its geographic presence and client portfolio.

In line with this objective, in early February 2018, Expleo Group acquired a controlling interest of over 95% (subsequently raised to 100%) in the German group, SQS. At the time of the acquisition, SQS had 4,500 employees in 19 countries (including 2,000 in India). Renamed QMC after joining Expleo Group, SQS has built up solid and widely-recognised expertise in providing digital strategy consulting services to its clients and carrying out tests for software applications, systems, processes and networks.

Expleo Group – which has strong technical know-how and proven expertise in complex and critical systems – generated €0.9 billion in revenue in 2020. It partners its clients in the aeronautical, defence, automotive, transportation and manufacturing sectors, from the design of their products and services through to sales and marketing, and thanks to

QMC, it also offers solutions in the bank/insurance sector. As for other major players in outsourced R&D, Expleo Group's business has been hit hard by the effects of the Covid-19 pandemic on the aeronautical and automotive industries.

2017 TO 2020: ORGANIC AND EXTERNAL GROWTH IN INFRASTRUCTURE ENGINEERING (ASSYSTEM E&I)

After transferring control of its GPS division, the Group refocused its business development on its Energy & Infrastructure (E&I) division.

To this end, in late 2017 it acquired a 5% stake in Framatome alongside EDF (Framatome's controlling shareholder with a 75.5% interest) and Mitsubishi Heavy Industries Ltd (which has a 19.5% interest), reinforcing its long-standing partnership with EDF, its leading client. Generating annual revenue of over €3 billion, Framatome is the company to which Areva NP transferred its assets and activities related to (i) the design and supply of nuclear reactor equipment, (ii) the design and supply of fuel assemblies, and (iii) services provided to a large worldwide installed base of nuclear reactors.

This investment forms part of a broader agreement between Assystem and EDF aimed at consolidating their partnership, particularly concerning maintenance services carried out on civilian nuclear reactors in France and the United Kingdom to ensure they remain in proper working order. It also opens up new opportunities for Assystem to take part in nuclear new-build projects in France and to work with other major international players.

As a leading nuclear engineering company, Assystem is well placed to leverage the anticipated rapid growth in demand for nuclear engineering throughout the world as fossil fuels are replaced by carbon-free sources for producing electricity. The Group's nuclear activities saw particular strong organic growth in 2018 and 2019.

In addition, between 2017 and 2019 the Group:

- Developed and deepened its partnership with the Russian group Rosatom, which began when Assystem became the controlling shareholder of the Turkish company, Envy, in 2016. Rosatom designs nuclear reactors, builds and operates nuclear power plants, and has a large portfolio of new-build nuclear power plant projects.
- Made a strong entry into the rail transport engineering sector in France, where the Group's technical capacities are very well suited to the current capital expenditure cycle (notably the upgrading and extension of the public transport networks in the Greater Paris area).
- Carried out four major acquisitions, three of which have given Assystem a leading position in France in the domains of project management and integrating project management systems. The fourth has expanded the Group's offering of engineering services for the life sciences sector.
- Continued to broaden its service offering, and invested in digitalising this offering as well as in the use of data science to optimise the processing of the large data volumes handled in infrastructure engineering activities.

In 2020, Assystem saw a pause in its growth due to the impacts that the Covid-19 pandemic had on its operations, particularly during France's first national lockdown between mid-March and end-May. However, the Group's business model proved highly resilient, thanks to the sectors in which it provides engineering services holding up well, its high-quality relations with key accounts, and the impressive agility and reactivity shown by its front-line teams. The acquisition of the UK company, Corporate Risk Associates, during the year enabled the Group to reinforce its capabilities in a key domain for complex infrastructure engineering – risk assessment. And it won a number of major new contracts (see section 1.4 below), offering promising prospects for the future.

1.2 CORPORATE MISSION AND STRATEGY

1.2.1 ASSYSTEM'S CORPORATE MISSION

Leading global industrial groups have selected Assystem as their partner of choice for providing them with engineering solutions and complex project management services. As a key player in the industry for more than 50 years, the Group has highly-skilled teams of engineers who design and work on critical and complex infrastructure projects, as well as on building and ensuring the optimal use of clients' assets throughout their life cycles. Its over-6,000 employees contribute their specific talent, know-how and values to help clients meet the range of challenges they face on a daily basis, such as producing cleaner energy and broadening the reach of electric transport.

The Group's teams are trained to master and build skills whilst being able to adapt to the challenges inherent in innovation, risk management and complex projects. Operating in 15 countries, they work hard every day on sharing their expertise, optimising their know-how and bringing clients' and partners' projects to fruition.

1.2.2 ASSYSTEM'S STRATEGY

The Group's expansion drive is focused on its E&I division, which is specialised in engineering and project management for critical and complex infrastructure.

This division's overall strategy is to:

- combine organic and external growth in a balanced way;



- consolidate the globalisation of its activities, with particular emphasis on business development in the United Kingdom, India, Central Europe, Central Asia, Turkey and, more generally, the Middle East;
- develop new services for existing clients and enlarge the client portfolio, notably by gaining additional skills through hiring employees and/or acquiring companies that possess those skills;
- ensure that client offerings remain competitive by using an appropriate mix of resources based in Western Europe and elsewhere in the world.

For the Staffing division – whose business involves providing consultants and technicians for large-scale projects in the Oil & Gas and other major industrial sectors – the objectives are two-fold. First, grow its portfolio of high value-added activities (specialist consultant offering), working in synergy with Assystem E&I – particularly in the Middle East. And second, in the volume-focused segment of the market, apply a selective approach to contracts in order to optimise profit margins, whilst digitalising its services in order to adapt its offering and cost base to the segment's specific characteristics.

1.3 ASSYSTEM'S MARKET AND POSITIONING

Assystem's main business is providing engineering services and managing complex infrastructure projects.

The role of engineering is to study, design and oversee the construction of all or part of a structural work. Assystem brings added value to industrial companies, utilities and contractors operating in nuclear energy, conventional energy, transport infrastructure, life sciences and other complex infrastructure thanks to its long-standing presence in the nuclear industry, and therefore its experience of operating in restricted environments with stringent safety requirements. The Group's experts help major players in the energy industry (operators and equipment manufacturers) to manage their capital expenditure at every stage of their assets' life cycles – from design through to construction, commissioning, maintenance and ultimately decommissioning.

Electricity consumption is rising rapidly across the world due to urbanisation, the growth of the middle classes in emerging economies, more automated manufacturing, the digital revolution and the increasing use of connected objects and electric cars. Today, more than ever, electricity is an essential driver of global economic and social development.

The Group is a leading player in nuclear engineering markets, whose expansion is being led by the need to combine economic growth with the combat against global warming, and therefore to increase electricity production from carbon-free sources, mainly hydro, nuclear, solar and wind.

Assystem has extensive expertise in nuclear engineering and a strong reputation, both in France and internationally. The Group's business is being propelled by large-scale maintenance programmes, the construction of new reactors in France and the United Kingdom, and new-build programmes for civilian nuclear reactors launched by new-entrant countries (Turkey, the United Arab Emirates, Saudi Arabia and Egypt).

Assystem's main competitors in this market are UK and North American groups such as SNC-Lavalin (which is also Assystem's partner in the Engage consortium for the ITER project), Jacobs (also an Assystem partner in the Momentum consortium for the ITER project), and Worley Parsons. Tractebel (an Engie subsidiary) is another major player in the market.

French engineering companies specialised in infrastructure engineering – including Assystem – are currently benefiting from a strong cycle of government investment in urban public transport infrastructure. The Group's competitors in this domain are primarily Egis's infrastructure engineering department, Systra (a joint subsidiary of SNCF and RATP), Setec and Ingérop.

For engineering services in other industrial sectors – which Assystem mainly provides in France, Belgium and Switzerland – the Group's competitors are companies such as Vulcain and Scalian, and in the life sciences segment, Altran, Alten and Akka Technologies.

1.4 BUSINESS OVERVIEW

Assystem operates in the engineering and infrastructure project management market through two divisions:

- Energy & Infrastructure (91% of 2020 consolidated revenue);
- Staffing (8% of 2020 consolidated revenue).

Assystem also owns a 38.16% interest in Expleo Group, a major player in the outsourced R&D market. The Group accounts for this interest by the equity method in its consolidated financial statements.

1.4.1 ENERGY & INFRASTRUCTURE

2020 key figures

Revenue: €429.7 million

EBITA: €28.3 million

Employees: 5,364

Assystem's Energy & Infrastructure (E&I) division works with public authorities, operators and equipment manufacturers, to develop, execute and deliver critical and complex infrastructure projects. Thanks to its long-standing presence in the nuclear industry, Assystem has built up over 50 years of experience in delivering engineering solutions and managing complex infrastructure projects in environments subject to strict constraints and/or stringent safety requirements.

Structured around technical and project departments, E&I operates both in France and internationally, chiefly in the nuclear, public transport, defence and life sciences sectors, and its clients are generally large prime contractors.

Focused on ensuring the success of its clients' projects, E&I is a driver of digital transformation in the engineering industry, combining all the potential of a data-based approach with systems engineering. The Group has developed four main specific areas of expertise: (i) data science, which enables it to carry out precise, automated analyses of large volumes of data in order to extract information that is both reliable and immediately usable; (ii) systems engineering, for optimally managing the design of complex systems; (iii) project control, for effectively integrating project management systems; and (iv) field services, to reinforce the management of operational complexities in field activities.

The E&I division also has a Digital Transformation Services business unit, created in 2020 to help Assystem's clients with devising and implementing their digital transformation programmes. In addition, the Group is a recognised specialist in project control services and is France's leader for software integration in this domain, enabling its clients to have shared online architecture for planning and controlling the execution of their projects.

Sector specialisations

From an operations and client service perspective, E&I is split into two main sub-segments: Nuclear, for nuclear-sector clients, and Energy Transition & Infrastructures (ET&I), covering the other business sectors. However, in view of their expertise and specialities, some of the Group's business units serve both Nuclear and ET&I clients.

As one of the first independent nuclear engineering firms in the world, Assystem works with all of the major global nuclear technology players. E&I participates in new infrastructure projects, in the areas of research, production, the fuel cycle and waste management, as well as working on existing infrastructure in a range of different areas, from siting and permit surveys, through design, construction and commission testing, right up to dismantling and decommissioning. And during the operational phase, E&I also provides services to maintain plants in good working order and extend their lifespans.

E&I mostly carries out its projects in the contractual capacity of Architect Engineer or Owner Engineer or under operations support contracts. As well as its project management expertise, E&I can also draw on the skills of its offshore design centre in India where required.

In the transportation infrastructure sector, Assystem works with operators of airports, underground and overground railways, trams and buses, providing them with engineering and project management services for extending and maintaining urban, suburban, regional and international terminals and networks.

In life sciences, the Group is present in France, Belgium and Switzerland and allies engineering skills with regulatory expertise. This is particularly important in view of the sector's requirements in terms of CQV (certification, qualification and validation) and production processes and installations.

In the defence sector, Assystem works both with public agencies and private manufacturers in the domains of project management, equipment validation and installation, design, construction, commissioning, access security and maintaining infrastructure in good working order.

In the areas of electricity transmission and distribution and new energy uses (large-scale projects for renewable energy, hydrogen and electric grids), in its capacity as integrator, Owner Engineer or Architect Engineer, Assystem supports developers and operators in both their engineering and construction phases.

Assystem also offers engineering and project management services for the construction of complex buildings used for other purposes which have strict constraints in terms of design and access security. In Saudi Arabia, for example, the Group's subsidiary, Radicon, is a well-known provider of building engineering services for the country's major infrastructure projects (new towns/cities, university and hospital complexes and petrochemical projects).

E&I also provides project control services and integration and maintenance services for instrumentation and control systems (including the design and validation of secure, sustainable architecture) on a cross-industry basis in all of the sectors where its clients operate (nuclear, rail transportation, life science, defence, etc.).

An innovative and digital group

During 2020 – a year that was marked by the impacts of the Covid-19 pandemic, particularly the widespread use of remote-working and virtual meetings – Assystem pursued its assertive innovation policy, as well as its strategy of gradually digitally transforming its operations by developing new service offerings to meet the needs of its French and international clients.

The Group's innovation and R&D policy is particularly aimed at building its people's skills, supporting "intrapreneurship" and reinforcing Assystem's appeal with a view to attracting and retaining talent. This policy is defined by the Group Executive Committee and is based on roadmaps drawn up by the business units using criteria that factor in the maturities of developed technologies and solutions as well as the maturity of the markets they are targeting.

Relations with engineering schools and universities are an important element of the overall R&D policy. For example, the Group has set up research partnerships with INSA Lyon, Arts et Métiers, the DataScience Institute (DSTI), the University of Strasbourg (via Usine-Ecole EASE), and École des Mines d'Alès (EMA). At EMA, the Group provides funding for a chair of excellence dedicated to developing new systems engineering methodologies for critical infrastructure through a PhD programme, training courses and R&D.

Despite the unprecedented context of 2020, Assystem maintained its policy of supporting engineering schools and universities, recruiting around a hundred interns during the year. It also created a new challenge for its interns called "My internship in 180 seconds" which involved producing videos describing the technical and scientific advances developed during their time with the Group.

In parallel, the Group kept up, and even strengthened, its support of the innovation ecosystem in 2020, notably through technological partnerships forged with French tech start-ups (such as Sparte, Saagie and Cosmotech) and with public/private R&D institutes supported by the French government's "Investments for the Future" programme (including Technological Research Institutes (IRT) and Energy Transition Institutes (ETI)). Additionally it took part in workshops organised by the French Nuclear Industry Association (GIFEN) and the French Association of Systems Engineering (AFIS) and contributed to the ConnexlTy initiative (a collaborative digital R&D programme for the nuclear sector, made up of the industry's main players).

A DIGITAL SKILLS HUB

In 2019, Assystem's digital skills and solutions were grouped together in a new resource hub called the Digital Engineering Delivery Centre. At end-2020, this centre had over 100 people who help the Group's operating and support entities with implementing their digital roadmaps.

On the commercial front, the Group's main French subsidiary – Assystem Engineering and Operation Services – created the Digital Transformation Services business unit in 2020 in order to partner Assystem's clients in defining and implementing their digital transformation programmes. In addition, the Group's Project Management business unit (which groups together client project planning and control activities) includes an entity (ECP Digital Services) that specialises in integration services for project management software.

Altogether, the Group currently has over 300 consultants supporting digital transformation for its clients and its own operations. Our goal is to achieve robust growth in this domain, notably by entering into framework agreements with our key French accounts.

In tandem with this work in France, in 2020 the Group began to deploy the same digital methodologies and technologies in its operations in the United Kingdom, Turkey, Saudi Arabia, the United Arab Emirates and Uzbekistan. The plan is to accelerate the pace of these international deployments in 2021, especially in India.

In view of the above developments, digital is playing an increasingly important role when it comes to recruiting and training engineers. Consequently, the Group has created a specific training entity dedicated to digital – Assystem Digital Institute – which trained over 200 people in 2020. We are also investing in developing a solution to automatically search for particular profiles so that the Group's project managers

can quickly and effectively meet client requirements and requests. This solution, which uses artificial intelligence algorithms, has already been deployed in our nuclear activities and will be gradually rolled out to all operations.

ENGINEERING POWERED BY DIGITAL

The digital transformation programme – Engineering Powered by Digital – which was launched in 2019 to consolidate the Group's digital transformation strategy, has a two-fold objective:

- to develop skills in data science, systems modelling and simulation, agile IT developments, digital technologies such as BIM (Building Information Modelling), PLM (Project Life Management) and virtual and augmented reality, with a view to widely relaying these skills across the Group's operating entities;
- to develop digital solutions aimed at enhancing the Group's service delivery performance (solutions for switching from a document-centric to a data-centric approach, creating digital twins, acquiring and processing field data and managing skills, as well as integrated solutions for executing complex projects).

The programme is based on three principles:

- being attuned to and anticipating clients' needs;
- switching engineering services from a document-centric to a data-centric approach;
- adopting a Model Based Systems Engineering (MBSE) approach to replace conventional single-discipline approaches.

These three principles are being applied in four areas of service expertise:

- systems engineering;
- industrial data science;
- field services;
- project control solutions.

DIGITAL HIGHLIGHTS IN 2020

The Group's main R&D programmes in 2020 were aimed at exploring the possibilities offered by systems engineering, big data, artificial intelligence, digital twins, managing needs and configurations for complex projects (such as the ITER nuclear fusion reactor mega-project, nuclear decommissioning projects and projects in the life sciences and defence sectors), automation of processes for commissioning complex infrastructure, operating safety for defence applications and rail transportation, and new energy usages (smart grids and hydrogen).

We enriched our portfolio of digital twin development solutions during the year by acquiring a start-up with specific skills in virtual and augmented reality for Industry 4.0, which are emerging domains for our clients, making it important for us to add them to our service offering.

In systems engineering, we made excellent progress in using MBSE, coupled with a data-centric approach, to obtain descriptions and models of interactions between the various components of projects and to be able to fully factor in the corresponding interfaces. The objective is to optimise the management of our clients' projects, particularly for our key nuclear engineering accounts – CEA, Orano and EDF – and in line with this aim, we played a leadership role within the GIFEN for drawing up the Excell roadmap designed to more effectively manage the execution of future nuclear projects. For the Hinkley Point project in the United Kingdom, we made major advances in digital commissioning and configuration management using combined data-centric and modelling approaches. And we also signed a systems engineering framework agreement with ANDRA, France's national radioactive waste management agency.

In the defence sector and the pharmaceutical industry, the MBSE approach was successfully used in 2020 for (i) the project to renovate the electrical installations at the Brest naval base in France, and (ii) Sanofi's engineering needs in its projects for building and upgrading industrial infrastructure. Going forward, this approach will be gradually applied across all phases of the project life cycle (design, construction, commissioning, operation and decommissioning).

In the area of data science, Assystem has developed a support suite for preparing engineering projects, including (i) a business-specific search engine that combines the Group's expertise in decommissioning and artificial intelligence, and (ii) a solution for design engineering work that automates business processes and facilitates the configuration of a PLM platform. This solution has been validated on demonstrators with EDF, Rosatom and Rolls Royce, and is currently being integrated into the Group's offering. One example of its future use will be for digitalising the CQV process in the life sciences sector.

In the domain of analysing documents and verifying their compliance, extremely positive results were obtained in relation to digitalising tests for a major project for the CEA and for the Flamanville EPR. The solutions developed have been trialled for other use cases at EDF and for the SNCF, and are being used in the commissioning preparation process for the Hinkley Point project in the United Kingdom, notably for managing the life cycle of documents provided to the regulatory authorities as evidence that safety requirements have been met.

Advances were likewise made in predictive maintenance during the year, with the completion for EDF at Flamanville of a demonstrator of optimised maintenance engineering for certain equipment. However, the rollout of integrated maintenance engineering services offerings for EDF and SNCF was slowed down by the Covid-19 pandemic. Predictive maintenance is also in the "Proof of Value" stage at a number of the Group's other clients, in particular for a project with Naval Group. 2021 should see such solutions being rolled out on a significant scale, which will help enhance the availability and safety of critical systems.

The Group's third area of services expertise – field services – is focused on developing flexible and interoperable solutions for the management of industrial assets and overseeing engineering operations at construction sites, drawing on in-depth business know-how and fully leveraging client data. In 2020, we continued the development of numerous industrial applications for Air Liquide. For the supervision of the construction work at the Akkuyu plant in Turkey, we developed the N-Spector application which enables the monitoring process to be completely digitalised, therefore enhancing the quality and productivity of the services offered to Rosatom. Another highlight of the year was a contract won with CEA for a maintenance engineering project, which combines modelling methods, the use of data science and the development of applications for monitoring field operations with a view to generating significant productivity gains.

Project control solutions – which play an essential role in the delivery of complex projects – cover:

- Assystem's capabilities in integrating project management systems, with the Primavera, MS Project, Planisware and Ecosys software, as well as the Sciforma system developed by ECP Digital Services which is the French leader in this domain with over 100 consultants.
- Combining this project management software with a data-centric approach based on BIM4D (i.e. BIM plus scheduling), and developing specific rules engines and solutions for optimising complex tasks carried out in constrained environments. An example of the Group's work in this area is the demonstrators created jointly with EDF to optimise production workflows and nuclear power plant outages (for which the Group formed a partnership with the start-up Cosmotech).

Lastly, in terms of systems and methods, Assystem has heightened its expertise in benchmark platforms and systems such as the 3D Experience (Dassault Systèmes), Team Center (Siemens), AVEVA and Bentley platforms, as well as in engineering software, open source environments and complex environments that combine BIM tools with PLM and project management software (Primavera, Planisware, MS Project and Ecosys). The Group has already tested its hub-based approach in the technical environments of Rosatom and Air Liquide.

Significant events for nuclear engineering in 2020: Assystem continues to reinforce its positions

Assystem continued to reinforce its nuclear engineering positions in 2020, both in France and internationally, including in the United Kingdom (the Group's second-largest country in this sector), the Middle East, Turkey and Finland. The Group's contract wins and operational success stories, some of which are described below, confirm its place as one of the world's leading independent nuclear engineers.

DIGITAL TRANSITION SERVICES

In 2020, EDF named Assystem as an official supplier for a five-year period for its Strategic and Methodological IT Support requirements for its information systems department, as well as for its sales, trading and production activities.

SERVICES FOR POWER REACTOR AND SMALL MODULAR REACTOR (SMR) PROJECTS

In France, Assystem:

- Reinforced its position with EDF's major engineering centres dedicated to new-builds by signing a number of new framework contracts. These multi-year contracts enable Assystem to work with EDF in all technical areas, all project function domains and all geographic regions.
- Delivered the Basic Design studies for the EPR2 project covering the Balance of Plant (BOP), i.e. all the supporting components of the plant other than the generating unit itself. Assystem was also awarded the contract for the next stage of these studies in 2021 and 2022 and was selected to work on the consultation phase for piping studies.
- Saw its framework contracts with EDF for the Flamanville 3 project extended to 2023, confirming the Group's positioning as a trusted partner of EDF.
- Was selected by the ITER Organization for a fixed term of four years for safety validation operations and for supervising the integration of the various sub-components making up the ITER project's instrumentation and control system.
- Designed the testing phase for Orano's project to replace the evaporators at its La Hague plant.

In the United Kingdom, Assystem:

- Reinforced its positioning for EDF's projects by taking part in the creation in September 2020 of an entity called the UK EPR Design Centre. The aim of this centre is to support the design and construction of new EPR reactors in the United Kingdom, first the Hinkley-Point-C project (in the south west of the country) and ultimately the Sizewell-C (SZC) project on the east coast. It is located in Bristol and will bring an additional 300 jobs to the region. Assystem will play a key role in the centre's work over the coming five years, particularly relating to I&C (instrumentation and control), systems design, and operations and simulation, as well as the process for replicating design and construction feasibility studies for the SZC project.
- Took part in the first phase of the SMR-UK conceptual design project as a member of the consortium led by Rolls-Royce tasked with the design and build of the UK's small modular nuclear power stations. Assystem's role in the project involves working on the development of structures and systems for the conventional (turbine) island, cooling water island and balance of plant using Model Based Systems Engineering (MBSE). In 2020, it delivered the mechanical studies and risk analyses, and elements of the basic systems files.

In other countries, Assystem:

- Was selected by the Czech utility company, CEZ, and by Uzatom (Uzbekistan's national agency for the development of nuclear energy) to provide consulting services for their respective nuclear new-build programs.
- Strengthened its positions in Turkey, at the Akkuyu site, by winning a new construction supervision contract running until 2026 for units 2, 3 and 4 at the plant.
- Signed, as part of the Fenovoïma project in Finland (which will integrate instrumentation and control systems using Framatome/Siemens technology) a licensing support contract with RASU, a Rosatom subsidiary. Assystem also signed a cyber-security consulting contract with Rosatom for the same project, with the collaboration of EY.

At end-2020, Assystem was involved in all of the new-build projects under way for nuclear power plants in Europe, the United Kingdom, Central Asia and the Middle East.

SERVICES FOR THE INSTALLED REACTOR FLEET IN FRANCE: OPERATIONAL MAINTENANCE AND LIFESPAN EXTENSION

For EDF Nuclear Production, in 2020 Assystem:

- completed its assignment involving overseeing the testing of the ultimate backup diesel generators for the whole of the EDF fleet;
- provided significant support for the integration of changes with a view to extending the lifespan of 900 MWe power plants in connection with the fourth ten-year inspection of these plants by the French regulatory authorities;
- considerably developed its engineering services for Rosatom sites (preparation, organisation and follow-up of work performed by external companies, technical management, and compilation and analysis of REX (return on experience)).

In addition, Assystem was awarded several multi-year framework contracts by EDF, the largest of which were:

- a five-year contract for updating the FTPDR documentation (technical documentation concerning spare parts) and the IM (industrial models) catalogue;
- a six-year Design Engineering contract for design studies and technical assistance;
- a four-year contract for providing technical assistance services for Methods & Project Management Consultancy for Mechanics, Valves and Boiler-making operations at the Bugey, Tricastin, Paluel and Chooz nuclear power plants.

DECOMMISSIONING AND WASTE MANAGEMENT SERVICES

In France, Assystem:

- Reinforced its positioning with the CEA, notably via a major 74-month assistance contract for the operations department of the former pilot plants at the Marcoule site that have high-level radioactive waste, covering waste management as well as maintenance and operations support. For this project Assystem will use digital tools for automatic document analysis, dematerialisation, configuration management and geo-planning.
- Renewed its contract with the CEA for a four-year term concerning 12 contractual technical assistance domains.
- Was awarded a contract by EDF for producing the BIM model for Reactor 2 so as to create a digital twin for the reactor which is at the end of its operations phase. The underlying aims are to be able to simulate decommissioning scenarios, particularly in relation to assessing waste volumes and the location of equipment, and to manage the configuration at each stage of the project.
- Was selected, in conjunction with PwC, to assist ANDRA for a period of four years with its CIGEO geological storage project, with the aim of bringing a systems engineering approach to the project.

SERVICES FOR THE DEFENCE SECTOR

In the United Kingdom, the KAD Nuclear group – which brings together the skills and expertise of Assystem Energy & Infrastructure Ltd, Doosan Babcock and KBR – was selected by the Defence Infrastructure Organisation (DIO) (part of the UK Ministry of Defence) to join the

new Nuclear Technical Support Provider (NTSP) framework. With a seven-year duration (with the option of a three-year extension), NTSP will deliver support services for naval base infrastructure upgrades and specialist nuclear technical services under an investment programme valued at £400 million.

Significant events for ET&I in 2020: promising commercial openings

ONGOING BUSINESS DEVELOPMENT WITH SNCF

Having successfully delivered Project Management Consultancy (PMC) services for overseeing and coordinating the technical aspects of SNCF's Rolling Stock Blueprint project, Assystem was awarded another PMC contract by SNCF in 2020, this time for its hydrogen train programme and its accessibility blueprint.

Also during the year, with a view to obtaining renewals of the framework engineering agreements that it has with SNCF, Assystem teamed up with industry leaders, Engie and Saferail, to create the SmartRail partnership. Led by Assystem, this partnership is a further step in the Group's business development in the rail transportation sector.

COMMERCIAL OPENINGS IN NEW ENERGY USAGES

In 2020, Assystem decided to intensify its efforts to work on more major projects related to renewable energy, the development of hydrogen as a power source, and upgrading electricity grids. And these efforts have already begun to pay off.

For example, Assystem has been selected to work with EDF on its offshore windfarm projects in France. Concerning the use of hydrogen as a power source, it was entrusted with a hydrogen project management assistance mission by HAROPA Ports of Paris as part of a project to upgrade the river port infrastructure in the Paris region, and also won a contract to work on the safety and security aspects of SNCF's hydrogen train programme. Additionally, as part of a joint venture with an institute linked to Uzbekistan's Ministry of Energy, Assystem is in charge of upgrading and adapting the Uzbek electricity grid in line with Uzbekistan's growing energy needs and has been assigned with working on the corresponding development of the country's electricity production resources.

FURTHER RAMP-UP IN SERVICES FOR THE DEFENCE SECTOR

Assystem continued to develop its services for national defence infrastructure, particularly in Brest, Toulon and Istres in France.

Numerous bids were submitted during the year with a view to winning significant orders as from the first quarter of 2021, for both PMC (Project Management Consultancy) and EPCM (Engineering, Procurement, and Construction Management) services for national defence infrastructure projects.

REINFORCED POSITIONS IN LIFE SCIENCES

Assystem was one of five companies awarded a framework contract by Sanofi in the first half of 2020. As well as further strengthening the Group's long-standing relationship with Sanofi, this contract is enabling Assystem to provide new services to this major pharmaceutical group in the areas of project management and digital engineering.

The Group was also referenced as a first-tier supplier by other life sciences companies during the year, including Seqens in December, and new referencings are currently in process.

LARGE-SCALE PROJECTS AND INTERNATIONALISATION

Thanks to its project management expertise, in December 2020 Assystem was awarded a PMC contract for the delivery of the Olympic Village and Media Village for the Paris 2024 Olympic Games. In 2020, it also began the preparation phase for major shutdowns for Borealis and Corteva in the chemicals industry.

At end-December, Assystem was referenced as a first-tier supplier for carrying out siting and impact studies for the Neom project in Saudi Arabia, to be delivered in four tranches. Neom is a project to build from scratch a futuristic smart city and an investment-initiative economic zone, covering an area of 26,5000 sq.km. (250 times the size of Paris). The total estimated cost of the Neom project has been announced as US\$500 billion.

1.4.2 STAFFING

2020 key figures

Revenue: €38.9 million

EBITA: €0.5 million

Employees: 787

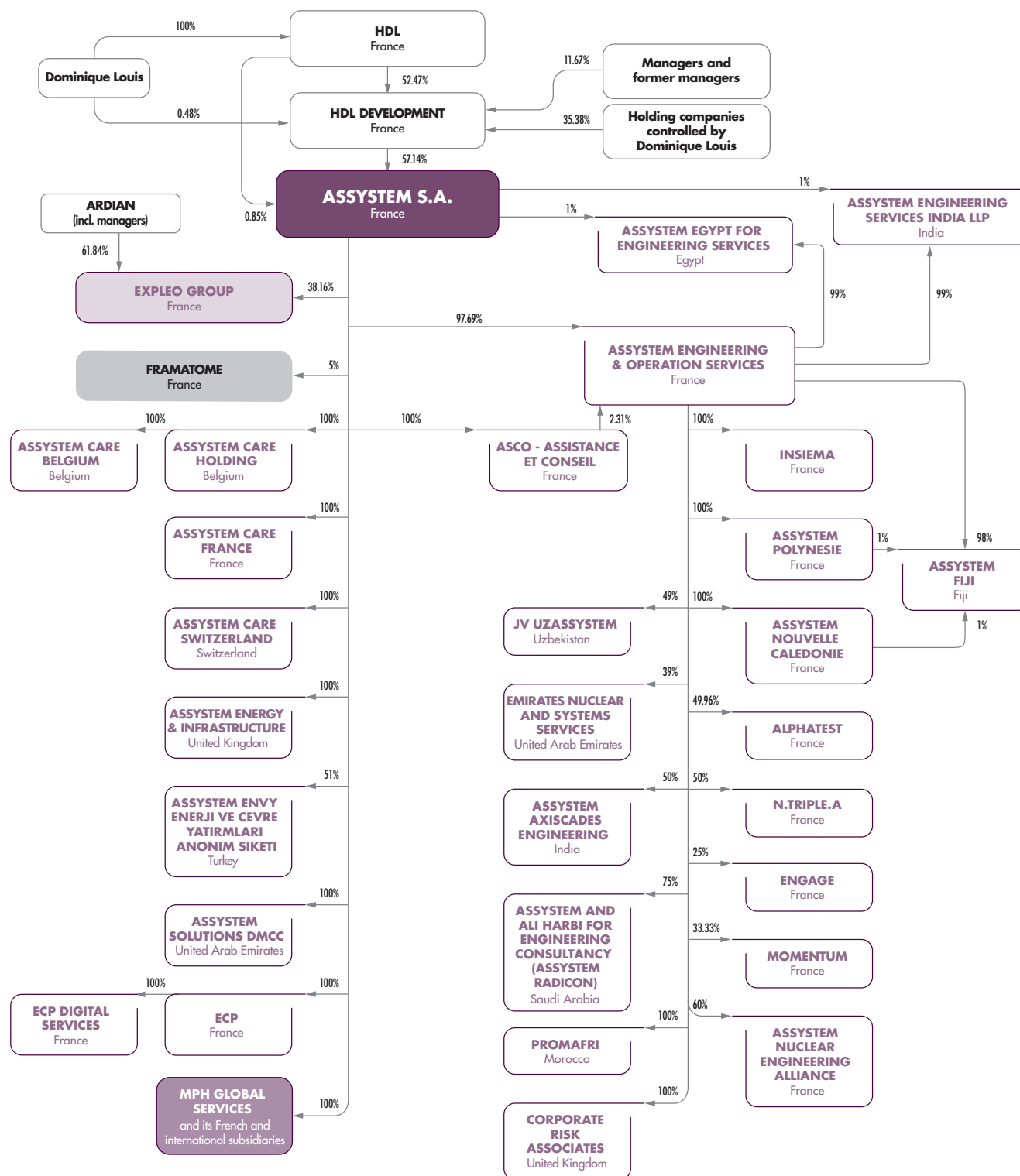
The Staffing division – which operates through the MPH Group – provides specialist consultants and technicians to the Oil & Gas sector, as well as to major players in the nuclear, defence, public transport equipment, telecommunications, mining and metallurgy sectors, to work on large-scale projects, mainly in the Middle East, Russia and Africa.

1.5 ORGANISATIONAL STRUCTURE

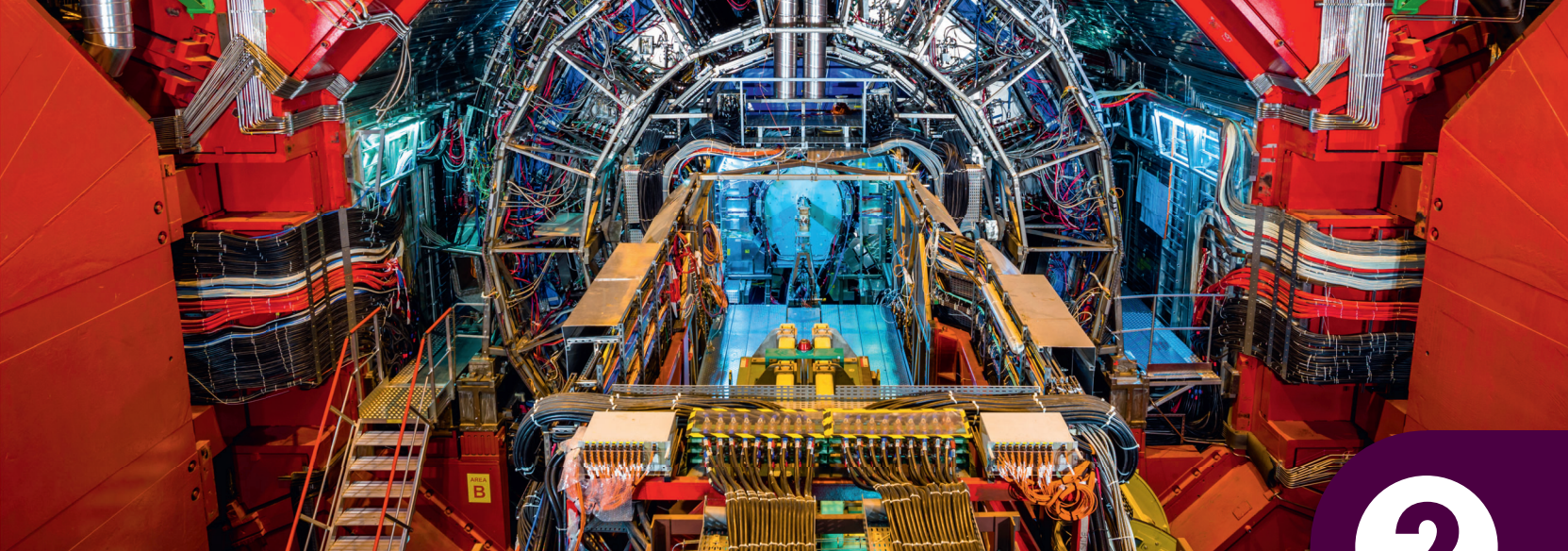
1.5.1 ORGANISATIONAL STRUCTURE OF THE ASSYSTEM GROUP

The Group is made up of two divisions – the Energy & Infrastructure division (comprising nuclear, infrastructure, life sciences and project management activities) and the Staffing division.

1.5.2 SIMPLIFIED ORGANISATION CHART OF ASSYSTEM AT 31 DECEMBER 2020



- ASSYSTEM S.A. - PARENT COMPANY
- EXPLO GROUP
- ASSYSTEM ENERGY & INFRASTRUCTURE DIVISION
- ASSYSTEM STAFFING DIVISION



2

RISK GOVERNANCE AND MANAGEMENT AND RISK FACTORS

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Assystem conducts its business in a constantly-changing environment. The Group is therefore exposed to risks which, if they were to occur, could have a significant adverse effect on its business, financial position and/or profit.

This chapter sets out the risk governance system set up by Assystem as well as the risk factors to which the Group is exposed, including risks related to the external environment, operational risks, strategic risks, financial risks, risks related to information systems, and legal, regulatory and tax risks.

The Group considers that there are no other relevant significant risks to which it is exposed apart from those set out in this Universal Registration Document.

A description of the type and impact of each risk factor, together with an explanation of the measures taken to mitigate those risks is provided below.

The specific internal control and risk management procedures put in place by the Company related to preparing and processing accounting and financial information are described in chapter 5 of this Universal Registration Document.

Internal control cannot provide an absolute guarantee that Assystem's internal control objectives will be met, as any internal control system has inherent limitations. These limitations may be due to various factors, such as uncertainties in the external environment, the exercise of judgement, or the probable cost/benefit ratio when setting up new control mechanisms.

Assystem's internal control system concerns all its fully consolidated subsidiaries.

The summary information set out below relating to Assystem's internal control procedures is focused on significant elements that could have an impact on the accounting and financial information published by the Group.

The Group has chosen to apply the internal control framework advocated by the Autorité des marchés financiers (AMF – the French securities regulator) in its position-recommendation no. 2016-08 dated 26 October 2016.

The internal control procedures in place within the Group are broken down on the basis of the various components of the internal control system described below.

The sections below also describe the procedures established for identifying, analysing and managing financial and accounting risks.

A number of the identified risks required particularly close monitoring in 2020 due to the Covid-19 pandemic. The main impacts of the crisis were a reduction in business volumes due to lockdowns and travel restrictions, and a steep year-on-year decrease in operating profit despite the positive effect of the business support measures introduced by governments, particularly in France, to alleviate the financial consequences of the pandemic. In March 2020, the Group took a number of measures in response to the pandemic in the aim of limiting the related risks as far as possible and in order to:

- safeguard employees' health and safety, by strictly applying the rules and recommendations issued by the authorities in its host countries;
- ensure the continuity of its business and, through the services it provides, ensure the continuity of its clients' businesses and the smooth execution of their projects;
- continue to develop the Group's business despite the strict Covid restrictions in force;
- control the impact of the crisis on operating profit for 2021.

2.1 RISK GOVERNANCE AND MANAGEMENT

2.1.1 RISK GOVERNANCE

2.1.1.1 Internal control players and organisation of internal control procedures

The Group has a full set of measures in place intended to control and mitigate risks which, if they were to occur, could prevent it from achieving its objectives. These measures take the form, among other things, of procedures, instructions, supervisory arrangements, authorisations and delegations of responsibility.

The overall internal control system forms an integrated framework covering the entire scope of the Group: divisions, business units, legal entities, countries, departments and all business processes.

Assystem's Board of Directors is ultimately responsible for verifying that the internal control system is properly implemented and works effectively.

Because it is responsible for initiating and spearheading the Group's stated strategy of deploying an integrated internal control system, Assystem's management team is the system's owner. However, all Group players are part-owners in the sense that they are the agents and custodians of the system.

The table below summarises the main roles and responsibilities of each category of internal control player.

Internal control player	Internal control roles and responsibilities
Board of Directors	- initiates and spearheads the internal control system by communicating clearly about the system; - is responsible for verifying that the internal control system is deployed across the Group and ensuring that it works properly; - ensures that the internal control system is in line with the Group's risk management strategy.
Audit Committee	- ensures that the Group has a consistent internal control system that is compatible with its overall business strategy and risk profile; - approves the internal control system and is regularly informed of the findings of audits and the implementation of the resulting recommendations; - consults the executive management team in order to form an opinion on the design and effectiveness of the internal control system; - ensures the effective functioning of the risk management process related to the preparation of financial information.
Group executive management team	- steers the Group's business strategy, and sets the business units' targets, allocates the resources necessary for their achievement and tracks performance based on those targets; - works in conjunction with the Quality Department to verify that client projects are performed to the required standards.
Finance Department	plays a key role in internal control due to the cross-disciplinary skills and responsibilities of the financial control, treasury and tax units, supported by the division- and country-level finance managers.
Legal Affairs & Compliance Department	plays a key role in internal control due to its organisational structure that covers all of the Group's entities, and alerts the executive management team when necessary.
Operations management	- is responsible for deploying the internal control system within the scope of its remit (i.e. for the department, business unit, legal entity or country concerned) and for making sure that the system works effectively; - verifies that the internal control system is aligned with the structure, strategy and organisation of its scope of remit.
Operations and support staff	- are actively involved in implementing the internal control system; - carry out work and operations in compliance with the established internal control system; - inform management of any malfunctions and help determine remedial measures; - can issue alerts, through a whistle-blowing platform, about any anomalies or cases of non-compliance of which they may be aware in relation to an Assystem Group entity.

The overall system also involves the participation of external players, including the Statutory Auditors. However, the Statutory Auditors are not owners of the internal control and risk management systems. Their responsibility is to review those systems and issue an independent opinion on their suitability. Each year the Statutory Auditors perform a Group audit as part of their legal engagement to certify the consolidated financial statements and the separate financial statements of Group companies. Pursuant to French commercial law, the certification of Assystem's consolidated and parent company financial statements is carried out by two Statutory Auditors, who jointly examine all the financial statements, the methods used for their preparation and specific internal control procedures related to the preparation of accounting and financial information.

Other than in specific circumstances, all of the subsidiaries controlled by the Company use the audit services of Assystem's two Statutory Auditors or members of their respective networks.

2.1.1.2 Internal control objectives

The Group's internal control system aims to provide appropriate and reasonable assurance of:

- the reliability of financial information;
- compliance with the applicable laws and regulations;
- the proper functioning of internal processes, such as those used to safeguard the Group's business and assets; and
- the application of instructions and guidelines set by the Board of Directors.

More generally, it helps the Group manage its business activities and guarantee the effectiveness of its operations and processes and the efficient use of its resources.

In line with the above, the internal control system has five main objectives which can be summarised as follows:

Objective	Reasonable assurance
Finance	That the financial information produced and published is reliable.
Compliance	That the applicable laws, regulations, standards and all other obligations are respected.
Operations	That operations, activities and processes work effectively and efficiently.
Integrity	That assets (people, tangible assets and intangible assets) are secure and protected.
Strategy	That the Group's strategy and the resources put in place to implement it contribute to achieving the objectives of growth, profitability and business sustainability.

2.1.2 OPERATIONAL RISK MANAGEMENT

2.1.2.1 Organisation, responsibilities, operating procedures and tools

ORGANISATION

Assystem's organisational structure is largely decentralised, which by definition results in a high degree of delegation of operational, functional and legal responsibilities to the Group's officers and managers. Its internal control system and information systems therefore need to be adapted to this structure in order to effectively contribute to monitoring its operations.

Delegations of authority are drawn up in writing after approval by Executive Management.

A document called "Management Philosophy Rules & Requirements" describes the procedures that operations staff are required to respect. The provisions of this document apply to the whole Group and it is available to all employees. In accordance with these principles, a programme entitled "Our Way" has been rolled out to all of the Group's entities, which is aimed at ensuring that the practices for submitting bids and service proposals, conducting operations and assuring quality are consistent throughout the Group. The programme reinforces the management and control of the risks inherent in the Group's business, while also strengthening its ability to successfully carry out projects (particularly international projects) involving several different business units by establishing a set of shared guidelines.

RESPONSIBILITIES

The responsibilities assigned to employees are set out in writing in job descriptions which are validated by their line managers and supplemented, where applicable, by delegations of authority. Job descriptions help to clarify the nature of the work and transactions for which the employees are responsible by clearly describing the type and method of supervision applicable and by integrating, where required, the internal control dimension by setting out the employee's responsibility to comply with existing and new procedures.

The delegations of authority describe the permanent or temporary transfer of responsibilities and chiefly relate to financial transactions (incurring and authorising capital expenditure, caps on procurement, supplier payments, etc.). The bank signing powers in place at local level must reflect these delegations of authority as closely as possible.

Having suitable resources to achieve the objectives set is essential for the Group's management, notably due to the level of staff turnover. The Human Resources departments play a key role in guaranteeing this suitability. In conjunction with the operations departments, they draw up staff training plans and coordinate annual performance appraisals during which the achievements for the past year are reviewed, targets for the following year are set and the skills that need to be acquired or strengthened are identified.

OPERATING PROCEDURES

Business operating procedures

In France, the Group uses a quality management system (QMS) which is available on the Intranet systems of the Group's entities. The QMS – which is a key repository of information on quality for the Group's operations – is also applicable in other countries that are significant for the Group's business. It includes a map of business processes and a set of related procedures and instructions. The quality managers use this system to carry out periodic audits aimed at assessing whether the applicable quality standards are being respected.

Pre-sales and client contracts

Pre-sales and client contract processes are defined in the QMS.

Before any bid is submitted, an internal decision-making process takes place on whether or not to respond to the invitation to tender. If the decision is positive, a technical and commercial bid is drawn up and is then subject to validations concerning its technical, economic, financial, tax, legal and compliance aspects.

Performing services and reviewing ongoing projects

The performance of contracts is overseen by project managers. Monthly reviews are organised, at an operational level, for major fixed-fee projects, involving an examination of the project's technical stage of completion, costs and revenues, cash flow curve, and profit and costs to completion. The corresponding analyses are presented at the business units' regular operations reviews, which are attended by the Chief Operating Officer, the Chief Financial Officer & Deputy CEO, the Chief Financial Controller and the Chief Legal & Compliance Officer.

Human resources, recruitment, and payroll management

Human resource requirements are identified and conveyed by line management, and the corresponding recruitment procedures are defined and managed by each country's Human Resources department. Overall budgets for pay increases are managed at the level of each operating entity and country and are reviewed and validated by Executive Management.

Administrative procedures

Sales

In France, investigations are carried out before any client account is opened in order to be sure of the client's solvency (supported by a monitoring process to alert the Company to any major changes in such solvency). All client accounts are covered by a debt recovery procedure based on customised reminder scenarios. For this purpose, the Group uses a client account and debt recovery management software. This software is used at various stages of the billing process as from when the invoice is issued: pre-reminders before the due date, reminders, identification of late payments, identification of disputes and monitoring of their resolution, inventory of promises to pay (and verification of invoice payments at the specified dates).

Similar procedures, adapted on a case-by-case basis to the specific businesses and countries concerned, are implemented in the Group's entities located outside France. Consequently, the measures and procedures set up to prevent doubtful trade receivables and improve the effectiveness of trade receivables recovery allow the Group, wherever possible, to limit the number and amount of impaired trade receivables and ensure good generation of operating cash flow.

Additionally, the Group has strict internal rules that apply to all consolidated entities, stipulating the revenue recognition procedures to be followed depending on the type of business and project (mainly time and materials and fixed-fee projects).

The Group has a set of General Terms and Conditions of Service, which have been reviewed, reinforced and updated in line with the applicable regulations and are systematically integrated into the bids it submits to clients in France. For international bids (whether led by French and/or international entities), specific terms and conditions of service are used, which are adapted to the country and risks concerned and, for projects that are significant for the Group as a whole, are reviewed by the Group's Legal Affairs & Compliance and Tax Departments, as well as by Group Treasury, with the support of the international entities' corresponding functions where required.

Real estate

If new premises are required for particular operations, a statement of requirements is drawn up by the operations manager, which is then validated by the head of the relevant business unit and forwarded to the General Services Department at Group and/or country level for processing and examination of the corresponding business case. The executive management team is subsequently responsible for analysing the project and validating the size and cost of the selected premises.

The General Services Department then participates in the various stages of the negotiation process to ensure that leases are effectively tracked, in France, and where necessary, in other countries. Regular budget reviews concerning premises both in and outside France are carried out so that information can be regularly exchanged between the General Services and Finance Departments and that data on existing premises can be updated and current and future projects analysed.

Delegations of authority

The principles applicable to the delegations of authority put in place meet a three-fold objective:

- to raise the awareness of operations managers about their responsibilities regarding health and safety;

- to give operations managers powers to represent the Group;
- to set a precise framework within which operations managers can exercise their representative powers (including the possibility of sub-delegating those powers).

The delegations mainly concern commitments directly related to operational areas, such as hiring consultants and/or sales managers, signing client contracts and handling claims and disputes.

Bank signing powers are only partially delegated, both in France and abroad, and only for limited amounts.

Budgeting and management control

The business units draft and present their strategy and annual budget to the Group's executive management team. The Group's annual budget is then approved by the Audit Committee and the Board of Directors.

Executive Management and the Group Finance Department carry out a monthly analysis and cross-check of the key reporting indicators in order to identify any variations from forecasts, detect any significant shortfalls (notably in terms of the gross margin on contracts, gross operating margin, the operational non-billing rate and client payment times) and implement remedial measures where required.

Procurement

The procurement process is subject to the following controls:

- statement of needs by the internal client;
- purchase of the equipment or service by the department concerned (general services, IT, etc.);
- validation of the service and/or delivery by the department concerned;
- issue of the payment authorisation at the appropriate hierarchical level, and invoice validated by the Accounting Department based on the relevant documents.

The Accounts Department is in charge of the invoice payment process.

The Group has also put in place a third-party assessment policy, which involves scoring suppliers, then categorising them in one of three levels depending on (i) purchase volumes, and (ii) their assessment score, as follows:

- level 1: minimal monitoring;
- level 2: additional monitoring;
- level 3: reinforced monitoring.

Lastly, the Group's entities have a template set of General Terms and Conditions of Purchase, which is regularly updated to ensure compliance with the applicable regulations.

Consolidation

The Group's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), based on accounting data prepared under the responsibility of the heads of its business units.

Points of particular significance for the Group are dealt with centrally. For example, the Group Finance Department reviews the accounting treatment of disposals and acquisitions of assets and shares and impairment tests carried out regularly on the assets held by the Group's entities.

Accounting

The Group Finance Department coordinates the accounts closing processes and sends out any necessary memoranda and instructions to all consolidated entities. In addition, it meets regularly with the Statutory Auditors in order to present specific and significant transactions carried out during the year and the accounting options selected in accordance with the applicable accounting standards.

Financing and cash management

The Group has set up a centralised system at Assystem S.A. for managing debt and raising funds on the market when required. Assystem S.A. then finances the subsidiaries' needs through intra-group current accounts or loans. A centralised system for managing cash and investments has also been put in place, by creating a cash pool and a treasury management system for entities in eurozone countries, and implementing other cash pooling procedures for the Group's non-eurozone entities. The underlying aim of this centralised cash management policy is to guarantee the liquidity and security of the Group's investments.

Currency and interest rate hedges as well as the counterparties for these hedges are centralised at Assystem S.A. The Company uses only a small number of banks for its hedging instruments.

The Group has chosen Swiftnet to ensure that its bank messaging is secure. Combined with the use of a cash management software in Saas mode, this solution provides an optimised system for centrally managing the Group's cash on a day-to-day basis, and for minimising financial risk by offering a fully integrated management solution for cash and payments.

The Group monitors actual and forecast cash flows for each subsidiary on a daily basis for the eurozone and on a monthly basis for non-eurozone countries. These reviews cover the forecasts for the main cash flows related to operating, financing and investing activities, and therefore provide a precise analysis.

The Group has rolled out across the majority of its consolidated entities a consolidation, reporting and cash flow analysis system, which provides specific responses for highly operational issues, including:

- building and structuring processes for monitoring "rolling" and updated cash flow forecasting;
- standardising and simplifying the reporting and data collection processes;
- analysing, for a given period, gaps between actual and forecast figures;
- easily dealing with other issues arising as a result of the Group's activities (cash pooling, intra-group transactions, multiple currencies, identification of cash and non-cash flows).

Financial commitments

Financial commitments – including off-balance sheet commitments – require prior approval by the Group Finance Department. In addition, as part of the accounts closing process, the business units are required to list all of the commitments they have given and received.

Capital expenditure

A capital expenditure authorisation procedure covering all capex categories is applicable to all Group subsidiaries. Given the Group's business, these expenditures are limited to the medium term and mainly concern computer hardware and software.

Acquisitions and disposals

As a general rule, the operations departments identify and pre-select acquisition targets, which are then validated by Group Executive Management team and the Finance Department. Large-scale acquisitions, however, are identified and pre-selected by Group Executive Management team. The identification process is carried out based on the principles described in the Group's third-party assessment policy – which was drawn up in accordance with France's "Sapin II" Act on the prevention of corruption – and the "Anti-Corruption Checks for Mergers & Acquisitions" guidelines issued by the French Anti-Corruption Agency.

Due diligence procedures are then carried out – comprising operational, financial, human resources, tax, legal and anti-corruption audits of the targets, and a review of their financial performance and risk exposures – to ensure that the targets are compatible with the Group's business model. Once these procedures have been performed, acquisition proposals that represent amounts over a certain threshold are presented to the Board of Directors for approval.

Acquired companies are integrated into the Group's operational and management reporting process as rapidly as possible and, depending on the size of the companies, the Group's information systems are deployed to guarantee the reliability of financial information.

Disposals of assets and securities are validated by the Board of Directors and Executive Management and are managed and monitored at Group level in conjunction with the operations departments concerned.

Legal disputes

Legal disputes involving Assystem S.A. and its subsidiaries are managed, monitored and reported solely by the Group Legal Affairs & Compliance Department in conjunction with in-house legal experts at country level and/or experts in contract, corporate and securities trading law. A quarterly reporting system has been set up in France whereby the potential financial impact of legal disputes is analysed by the finance directors of each operations department, and, if required, by the Group Finance Department.

Communication of results

The preparation and validation of press releases and investor presentations concerning the Group's results are subject to by a specific procedure involving Group Executive Management, the Finance Department, the Communications Department and the Statutory Auditors. Draft financial releases are submitted to the Audit Committee and the Board of Directors for review. The confidentiality of financial information prior to its disclosure is strictly managed within the Group, in compliance with the applicable laws and regulations.

The Group takes all reasonable measures to provide regular, reliable, clear and transparent information to its shareholders and financial analysts.

Information is provided through press releases, the quarterly publication of the Group's revenue figures and the half-yearly and yearly publication of its results.

The Group organises meetings with financial analysts twice a year, when it publishes its half-yearly and annual results, as well as conference calls four times a year, when it publishes its quarterly revenue figures.

FINANCIAL REPORTING

The Group's financial reporting includes a set of indicators and aggregates which enable it to precisely analyse the performance of its subsidiaries and business units. In addition to these indicators, the Group specifically monitors its SG&A expenses, billable staff time and billing rates.

All of the subsidiaries have the Group reporting and consolidation system, which is the platform used for the financial information published by the Group.

The Group is also gradually rolling out to all of the companies in its scope of consolidation a single ERP system based on a shared core model, to be used for accounting and analytical purposes. This ERP system – which replaces the previous ERP system that was only used in France – was successfully deployed in the majority of the Group's French entities in early 2020. At the beginning of 2021, it was rolled out to the remaining French entities as well as to the Group's UK, Swiss and Belgian entities.

All of the tools and systems used are rounded out by the Group's internal control measures.

See the "Financing and cash management" section above for details about the Group's consolidation, reporting and cash flow analysis system.

2.1.2.2 Internal communication

The reporting and consolidation system, together with the Intranet, are the two centralised communication channels used by the Group to relay key information that is necessary for the people concerned to exercise their responsibilities.

The Group communicates with its subsidiaries by circulating memoranda and procedures to ensure that matters affecting the Group as a whole, such as investments, cash management and the monitoring of trade receivables are dealt with consistently. Accounting instructions are sent to all Group subsidiaries to ensure that information is reported in a standardised format.

Subsidiaries are responsible for setting up and maintaining management information systems that are compatible with the Group's objectives in terms of reporting financial information and managing projects. The Group takes care to ensure that the descriptions and content of its key

performance indicators are harmonised for comparable activities in order to enable cross-business analyses (in particular project profitability analyses) to be carried out based on equivalent data, and to facilitate the exchange of skills between business units and countries.

The QMS manual as well as the *Our Way* guides, policies and procedures and the main procedures applicable at local level (relating to IT, human resources and project management) are published on the Intranet.

2.1.2.3 Identifying, analysing and managing risks

The Group attaches critical importance to effectively managing its risks. It regularly conducts project reviews to help identify the risks involved in ongoing projects and to decide on any actions that can be taken to reduce them. These reviews – which mainly relate to fixed-fee projects – are performed using check-lists and enable the following areas to be dealt with:

- recognition of revenue in line with the financial progress of the contract;
- margin on completion;
- contractual risks and related reserves and provisions;
- cash flows.

Each business unit also carries out its own project reviews, which cover the main projects in progress.

The assessment of the risks to which the Group is exposed, as well as the probability of those risks occurring and their potential impacts, is based on discussions carried out between the Group's executive management team and managers from its main operations and corporate departments. On the basis of these discussions, risks are classified into the following main categories (see section 2.1.4 below for corruption risks):

- business/operations;
- contract and project management;
- HR/people and skills management;
- finance.

For each of the above categories, the main risks have been identified, defined and assessed in terms of their impact and probability of occurrence.

The criteria used to assess the impact of identified risks and the probability of their occurrence are described below.

IMPACT

For risks whose consequences can be measured in monetary terms, their impact on consolidated operating profit is determined in accordance with the following scale.

Magnitude	Monetary impact on operating profit
Low to medium	Between €0.5m and €3.5m
High	Over €3.5m

PROBABILITY

The probability of risks occurring is measured by reference to the past occurrence of comparable and/or similar events, according to the following scale:

Degree of probability	Occurrence of comparable and/or similar events in the past
Low to medium (less than 30%)	Occurred between zero and two times in the past five years
High (over 30%)	Occurred more than twice in the past five years

The various risks thus assessed are positioned on two axes (impact and probability), enabling the risks to be ranked as follows:

- **Type 1 – Low to medium probability/high impact:** priority risks requiring specific attention from Executive Management, in close co-ordination with one or more members of the Board of Directors. If a Type 1 risk occurs, measures aimed at limiting its impact are implemented by Management as rapidly as possible.
- **Type 2 – High probability/low to medium impact:** risks requiring the Board of Directors to be regularly informed in order for it to have reasonable assurance of the effective implementation of controls aimed at reducing the possibility of the risks occurring.
- **Type 3 – Low to medium probability/low to medium impact:** risks requiring the Board of Directors to be regularly informed in order for it to have reasonable assurance of the effective implementation of controls aimed at mitigating the impact in the event that the risks actually occur.

No risks specific to the Group's operations have been identified that have a high probability of occurrence and would have a high impact on operating profit. However, it should be pointed out that the occurrence of a global pandemic such as Covid-19 – which had a high impact on the Group's operating profit in 2020 and, depending how the pandemic evolves, could once again have a material impact in 2021 – was not considered to be a high probability risk before it actually happened. The Group does not consider the probability to be high that another global pandemic will break out in the next five years that could once again significantly impact operating profit.

The risk classification set out in section 2.2 below – which is based on the dual criteria of the probability of occurrence and the potential impact on the Group's earnings and financial position – is the result of an assessment by the Company's executives based on their in-depth experience of handling the Group's operations and having discussed the classification with the Board of Directors.

2.1.3 INTERNAL CONTROL

2.1.3.1 Control activities in line with objectives

In view of the Group's high degree of decentralisation and its policy of delegating authority, the scope of the controls implemented is defined by each subsidiary's management team based on the Group's underlying internal control framework set by Group Executive Management.

The main purpose of the controls performed is to mitigate the major risks to which the Group is exposed.

The principal categories of control activities cover the following areas:

- **Contract authorisation:** the Group has established delegation principles which give the appropriate managers the necessary powers to authorise contracts. The controls performed cover each contract phase:
 - selecting invitations to tender,
 - submitting bids,
 - setting billing rates and pricing,
 - signing contract riders.
- **Contract review:** the Legal Affairs & Compliance Department conducts an independent review of major bids, contracts and contract riders before they are submitted or signed. This Department is also responsible for updating, where necessary, the General Terms and Conditions of Service, which are appended to client invoices. It also drafts any specific terms and conditions of service when required, adapting them to each country and type of risk concerned. The Treasury Department carries out reviews of the tax and cash management aspects of contracts and the guarantees that need to be given.
- **Time management and billing:** specific software applications are used for entering and tracking time spent on projects and jobs. Each subsidiary verifies and performs controls to ensure that the times entered for ongoing projects are accurate and which trigger client invoicing.
- **Payments:** the Group has introduced a dual signature policy for means of payment. In line with this policy, the Company defines thresholds for the authorisation of subsidiaries' expenses based on categories of authorised signatories. A secure bank messaging system is used to ensure that the policy is respected.
- **Budget and budget adjustments:** each subsidiary draws up a budget for the upcoming financial year which it presents to the members of Executive Management responsible for budget approvals. The same procedure applies to budget adjustments that are made during the year.
- **Periodic results and reporting:** periodic results are reported every month via the reporting and consolidation system. The Group Finance Department conducts a critical review of these results and obtains any further information that it may require from the relevant entities and subsidiaries.

The Group places particular importance on segregating tasks in order to strengthen the controls undertaken for critical transactions, particularly payments.

In small-sized entities, it is sometimes difficult to segregate tasks for organisational reasons. In such cases, specific controls are put in place, mainly corresponding to increased oversight by Management, which conducts an independent review of critical transactions for control and authorisation purposes.

2.1.3.2 Ongoing monitoring of the internal control process

Determining the general principles of the internal control system and overseeing the internal control process form part of the responsibilities of the Board of Directors, the Audit Committee and Group Executive Management. Executive Management is responsible for ensuring that the system is properly implemented in all of the Group's entities and works with the relevant support functions for that purpose.

2.1.3.3 2021 action plan

The Group has made internal control part of a continuous improvement plan with the aim of enhancing the operational effectiveness of its processes for preparing and processing accounting and financial information. In line with this, the action plan for 2021 provides for the integration of several more subsidiaries into the Group's new ERP system.

2.1.4 PREVENTING CORRUPTION AND INFLUENCE PEDDLING

In 2011, Assystem pledged to uphold the UN Global Compact which sets out ten universal principles covering human rights, labour, the environment and anti-corruption measures. On 16 January 2017, the Group reaffirmed its pledge to uphold these principles.

Employing fair business practices is one of the Group's key priorities.

In accordance with the requirements of France's "Sapin II" Act, the Group has put in place a policy to prevent corruption and influence peddling. This policy takes the form of:

- a specific Code of Conduct aimed at preventing corruption and influence peddling, as recommended by the French Anti-Corruption Agency, as well as dedicated internal policies based on the Group's risk map related to these two issues, including:
 - a policy on corporate gifts and invitations,
 - a policy on corporate donations and corporate sponsorship and philanthropy,
 - a policy on assessing intermediaries,
 - a third-party assessment policy,
 - a whistle-blowing policy;
- a Legal Affairs & Compliance Department, in charge of relaying the Code of Conduct and above policies across the Group;
- a training programme on preventing corruption and influence peddling.

2

2.2 RISK FACTORS

Risk category	Identified risk	Change*
 Operational risks	Risk of unforeseen costs for fixed-price contracts and erosion of operating profit	→
 Strategic risks	Risk of dilutive impact on operating profit. Financial risks, criminal legal risks and reputational risks	↗
 Financial risks	Liquidity/financing risks	→
 Risks related to information systems	Risk of data being unavailable or corrupted, or being accessed by unauthorised third parties	→
 Risks related to the external environment	Risk of volatility in revenue and operating profit	↗
 Legal, regulatory and tax risks	Risk of non-compliance	→

→ Stable — ↗ Increase

*Change before taking into account the action plans and other measures implemented within the Group.

2.2.1 OPERATIONAL RISKS

Type	Impact	Risk mitigation measures
Type 1 risk Risk that business conducted with one or more major clients may decline or cease altogether.	Negative impact on revenue and operating profit.	The business conducted with the Group's largest clients requires varied skills in diverse business sectors, which automatically significantly reduces the risk of revenue dependency. In addition, in a number of cases clients would find it difficult to replace the Group's technical expertise, which means that they will need its services over the long term.
Type 1 risk Risk that the operational non-billing rate (ONBR) exceeds the threshold of 10% for a prolonged period.	Negative impact on operating profit.	As one of the Group's key operating indicators, the ONBR is included in the periodic reporting carried out by each legal entity which is reviewed by Executive Management. If the ONBR exceeds the defined threshold, Executive Management takes measures to promptly lower it, notably by sharing and crossing over resources. The ONBR is determined as follows: Total unbilled hours of billable staff/Total hours worked by billable staff.
Type 1 risk Risk that the Group's available skills do not match client and market requirements.	Negative impact on the Group's reputation and revenue generation.	Employee training is a key priority for the Group and it has developed dedicated training structures by sector and business.
Type 1 risk Risk of losing key skills needed for the Group to be able to operate and develop its business.	Negative impact on the Group's reputation and revenue.	Key persons are identified within each of the Group's operating entities as well as in its support functions. Succession plans have been drawn up for all of these key persons.
Type 3 risk Risk that net staff turnover is not effectively managed and that the turnover rate is such that the replacement of resources cannot be ensured during the period.	Negative impact on project performance and revenue.	Annual recruitment plans are drawn up on the basis of a turnover rate of 20%-25%, and changes in the rate during the period are regularly measured, analysed and monitored. Staff turnover is measured as follows: Staff departures during the year/Average headcount during the year.

2.2.2 STRATEGIC RISKS

Type	Impact	Risk mitigation measures
Type 1 risk Risk that acquired companies may have committed acts that do not comply with the applicable laws and regulations on preventing corruption and influence peddling.	Financial risks, criminal legal risks, reputational risks.	As part of the due diligence process performed prior to acquisitions, a specific audit is carried out to detect any cases of corruption or influence peddling. A post-acquisition plan (which is included in the third-party assessment policy) is implemented for companies that the Group acquires, and measures are taken to ensure their legal and regulatory compliance.
Type 2 risk Risk that acquired companies may not generate operating profit in line with the Group's objectives and expectations.	Dilutive impact on operating profit. Group profitability/performance objectives not met.	A post-acquisition integration plan is drawn up for companies that are newly acquired by the Group. One of Assystem's priorities after acquiring a company is to implement the Group's reporting processes and systems in order to monitor as soon as possible after the acquisition all movements in results of operations and generation of cash flow and take any corrective measures required.

2.2.3 FINANCIAL RISKS

The Group's organisational structure is such that it centrally manages all market risks to which it is exposed, namely interest rate risk, exchange rate risk, counterparty risk and liquidity risk.

Within the Finance Department, Group Treasury operates in the financial markets as the Group's financial risk management body. This unit is organised in such a way as to ensure the segregation of tasks.

Every month, Group Treasury reports to the CFO & Deputy CEO on treasury management positions and results in compliance with the principles and policies put in place by the Group's executive management team. Most Group entities use the same software programme (Integrity), which helps to ensure secure flows and reliable reporting, in accordance with Group standards.

Type	Impact	Risk reduction measures
Type 1 risk Risk of inability to meet financial commitments (liquidity risk).	Negative impact on cash and potentially on the Group's ability to operate as a going concern.	Assystem has carried out a specific review of its liquidity risk and considers that it is capable of meeting its future maturities. Assystem has put in place: - a cash pooling system to optimise its liquidity resources, with monthly reports submitted to the CFO & Deputy CEO; - a pro-active management strategy for its debt, which is issued and managed centrally by the Company. At 31 December 2020, the Group had access to a €120 million revolving credit facility with a sufficient maturity to finance its general corporate requirements (28 September 2024 following the exercise of the one-year extension option). €4 million of this facility had been drawn down at 31 December 2020. In addition, in early 2018 Assystem set up a €30 million investment loan (increased to €60 million in June 2019) repayable in full at maturity on 28 September 2024.
Type 1 risk Risk of a breach of a financial covenant triggering early repayment of borrowings.	Negative impact on cash and potentially on the Group's ability to operate as a going concern.	The above-mentioned revolving credit facility and investment loan contain a covenant based on the Group's consolidated gearing ratio (consolidated net debt at the test date/EBITDA for the past 12 months as adjusted for acquisitions and divestments). This ratio is measured at the end of each half-year period and must not exceed 3.75 at each 31 December and 3.95 at each 30 June. If the covenant is breached, a qualified majority of lenders (representing at least two thirds of the lending commitments) may require early repayment of the borrowings. At 31 December 2020, the Group's gearing ratio was well below the ceiling specified in the covenant.
Type 3 risk Risk of a failure to effectively control finance costs (interest rate risk).	Negative impact on financial expenses.	To mitigate this risk, where necessary, the Company sets up appropriate hedges using derivative financial instruments, taking into account the prevailing market conditions. The financial instruments used – which mainly correspond to swap contracts – have to be approved by the CFO & Deputy CEO. At 31 December 2019, in view of the attractive market conditions, the Group put in place an interest rate hedge for its debt repayable at maturity, with a start date of end-June 2020.
Type 3 risk Risk of a failure to effectively control foreign-currency cash flows and the valuation of subsidiaries outside the eurozone (exchange rate risk), given the geographical diversity of the Group's operating presence.	Negative impact on equity and/or consolidated profit.	The Group monitors bids and contracts in foreign currencies in order to safeguard the related operating margins. The hedges put in place when exchange rate risk is identified mainly correspond to forward purchase or sale contracts, whose amounts and maturities are matched with the underlying exposure. The Group uses currency swaps to hedge intra-group transactions in foreign currencies. The Group's foreign-currency balance sheet risk essentially relates to the euro/Turkish lira, euro/Saudi riyal and euro/pound sterling exchange rates. See Note 8.6 to the consolidated financial statements for details about the Group's financial risk management strategy.
Type 3 risk Risk of default by a financial counterparty and of trade receivables not being recoverable.	Negative impact on consolidated profit.	The Group undertakes counterparty review and monitoring procedures which are approved by Executive Management. Client creditworthiness investigations are conducted before new contracts are taken on, and regularly re-conducted for contracts or clients already in the portfolio. In addition, certain members of the Group's accounting teams are assigned a specific credit management role, which involves regularly monitoring the collection of trade receivables, tracking progress in the collection of outstanding receivables, and issuing the necessary reminders.

2.2.4 RISKS RELATED TO INFORMATION SYSTEMS

Type	Impact	Risk mitigation measures
Type 1 risk Risk that a cyber-attack against the Group's information systems will succeed.	Negative impact on the Group's image, loss of client confidence, loss of business, negative effect on revenue, operating profit and the Group's financial position.	Due to the nature of the Group's business and the sectors it operates in, many of its clients are considered by national governments as essential operators. These clients are therefore subject to particularly close supervision by the relevant authorities, which issue numerous recommendations that the Group applies. The Group constantly takes measures to optimise its information systems and reinforce their security in order to avoid any sensitive data being compromised or disclosed. In addition, the Group provides employees with data-security training and organises awareness-raising sessions. All of these measures were further strengthened during the Covid crisis, when a large number of cyber-attacks were launched against companies. The Group has also set up a specific "cyber-insurance" policy.
Type 1 risk Risk of a failure in the Group's information systems, which would slow down its business activity.	Negative impact on employee productivity and the Group's image, loss of client confidence, negative effect on revenue, operating profit and the Group's financial position.	Assystem has an IT business continuity plan and undertakes a range of different actions and measures to ensure the availability of its information systems. The widespread use of remote working during the Covid crisis confirmed how robust Assystem's IT infrastructure is.

2.2.5 RISKS RELATED TO THE EXTERNAL ENVIRONMENT

Type	Impact	Risk reduction measures
Type 1 risk Risk that another health crisis, like the Covid-19 pandemic, will arise, which would increase the probability of occurrence of the above-described operational risks.	Negative impact on revenue, gross margin and operating profit.	In 2020, the Group activated its crisis management plan in response to the Covid-19 pandemic and in order to adapt its organisation to the restrictions introduced by various governments, notably lockdowns and travel restrictions. The actions taken by the Group included: • deploying remote working for employees on a massive scale in order to meet social distancing requirements; • putting in place appropriate prevention and health and safety measures; • using furlough and short-time working schemes where necessary as a result of lower business volumes.
Type 2 risk Risk of the political, social and/or economic context in the geographic regions where the Group operates deteriorating and/or having a dilutive impact on margins.	Risk of volatility in revenue, gross margin and, ultimately, operating profit.	The revenue and operating profit generated in the geographic regions subject to these risks have a relatively limited impact overall as the Group generates over 80% of its revenue in Western Europe. In addition, ongoing projects and new business in these regions are closely monitored by the management team of the division concerned, which regularly provides information to Group Management.
Type 2 risk Risk of parties with which the Group works being subject to international trade sanctions that prevent the performance of projects.	Negative impact on revenue, gross margin and operating profit.	Process for monitoring third parties (clients, suppliers, service providers, etc.) and reviewing bids (go/no go tests) to ensure that the applicable international trade sanctions are not breached.
Type 2 risk Risk that investments do not generate the expected returns.	Negative impact on cash flows and operating profit.	Procedure drawn up and applied for prior authorisation of recurring capital expenditure (primarily for software). This procedure specifies the authorised signatories within the operating entity and requires signature by one or even two members of the management team for capital expenditure in excess of a given threshold. Capital expenditure (i.e. investments excluding external growth operations) represents between 1% and 2% of the Group's consolidated revenue in the medium term, which is normal for Assystem's type of business activity, and means that exposure to risks related to this expenditure is limited. The Board of Directors is systematically informed of, and holds discussions on, any potential acquisitions of equity interests or other external growth investments, once these have been assessed by the Group's executive teams.

2.2.6 LEGAL, REGULATORY AND TAX RISKS

Type	Impact	Risk mitigation measures
Type 3 risk Risk of lack of control over the legal, regulatory and tax aspects of the Group's business and operations in a context of internationalisation, and lack of regulatory compliance.	Negative impact on the Group's image, operating profit and financial position.	The bid and project review process includes a legal and tax review. These reviews are notably used to ensure that there are no legal terms or conditions that are unacceptable for the Group. The definitions and formal classifications of these terms and conditions are provided to all line managers. The bid and project review process is explained in the <i>Our Way</i> programme.
Type 3 risk Risk that changes to French or foreign tax regulations, or their interpretations by the relevant authorities, may be contrary to the Group's interests or may restrict the Group's ability to organise or conduct its business.	Negative impact on operating profit and/or consolidated profit.	Working in conjunction with operations staff, the Group Tax Department continuously monitors any changes in tax regulations, and their corresponding interpretations, that are of relevance to the Group. Where necessary, it proposes ways of adapting the Group's organisational structure and its operations in order to mitigate the impacts of such changes.

TAX AUDITS

In late 2014, the Company received notification of a €13.5 million tax reassessment relating to research tax credits recognised for 2010, 2011 and 2012 by its subsidiary Assystem France, which is now an Expleo Group subsidiary but was a member of Assystem S.A.'s tax group during the years concerned.

The risk relating to this dispute was transferred by Assystem France to the Company at end-2016 in return for the payment by Assystem France of €7.3 million in compensation. The Company recognised a provision for the full amount of this compensation in its 2016 financial statements.

At end-2017, the Company received a payment notice from the tax authorities for the reassessed amount and therefore recognised an additional provision in its 2017 financial statements. Since that date the provision has covered the full reassessed amount as well as the potential late payment penalties. At 31 December 2020 it amounted to €16.8 million.

The Company has contested this reassessment in full, initially via the standard dispute resolutions process and then in 2020 via an application to the competent administrative court.

During 2019, the French tax authorities' National and International Audit Department carried out an audit on the Company's accounts for 2016 and 2017. No tax reassessments were issued following this audit.

At the date of this Universal Registration Document, the Group had not identified any other significant risks in relation to tax audits.

2.2.7 INSURANCE STRATEGY

The Group's insurance strategy includes a pro-active risk prevention and protection approach and the coverage of major risks in all of its business areas and sectors.

To cover these risks, Assystem has taken out a professional and operating liability insurance policy for its French and international subsidiaries. The professional liability insurance policy acts as umbrella insurance providing protection against any losses and amounts of claims that are not covered – or not fully covered – by the local insurance policies of Group entities located outside France.

Assystem also has construction insurance to cover any claims under the ten-year warranty that it gives for building works in accordance with French legislation.

The Group also has a specific "cyber-risks" insurance policy.

Coverage amounts vary depending on the type of risks and risk exposure concerned.

The Group's insurance strategy is managed and overseen by the Legal Affairs & Compliance Department, which:

- proposes solutions to Group Executive Management for transferring risks to the insurance market;
- negotiates, sets up and manages insurance programmes for the Group as a whole and reports to Executive Management on the actions it takes and the costs it incurs in relation to insurance;
- manages insurance claims.

A graphic showing the chemical formula CO2 formed by white clouds against a bright blue sky with a sun flare in the top left corner.

3

NON-FINANCIAL PERFORMANCE STATEMENT

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“Humankind today is facing climate and social threats on a scale that has never been seen before. It is therefore our responsibility as humans to map out and follow the pathways that will enable us to combine economic, democratic, ethical and social progress with sustainably managing resources and reducing carbon emissions.”

Dominique Louis, Chairman & CEO of Assystem and co-author of “ÉNERGIE NUCLÉAIRE, le vrai risque” (Nuclear energy, the real risk), Éditions Fayard, 2020

“Assystem is a key player in energy transition, contributing to the goal of achieving net zero carbon emissions by 2050. Going forward, we’ll be providing our services to governments and prime contractors in the nuclear and renewables sectors and will be helping to renovate distribution networks so they can incorporate new energy usages.”

Stéphane Aubarbier, Chief Operating Officer of Assystem

3.1 VISION AND IMPERATIVES

3.1.1 CSR VISION AND STRATEGY

The past two years have clearly shown the tangible impacts of climate change. And the Covid-19 pandemic serves as a reminder of the intricate links between ecological, economic and social issues, calling for ever-greater resilience to deal with the consequences of those impacts.

At Assystem we firmly believe that companies have a duty to help find solutions to society's major challenges. This requires them to conduct their business based on a responsible and inclusive model, which at the same time will ensure their longevity. The Corporate Social Responsibility (CSR) strategy we have created as a result of this deep-seated belief is therefore aimed at allying ecological and social concerns with the underlying objective of economic growth that drives all businesses and industries.

Our CSR strategy is organised around four pillars that support our overall business strategy and ambitions:

- being a responsible employer, taking care to treat our people equally;
- being an ethical market player, ensuring that we comply with all of the laws and regulations applicable in the countries where we operate;
- creating value for clients and society, by guaranteeing safety and rising to technological and industrial challenges;
- taking action for the climate, by contributing to energy transition through our business activities, because we firmly believe that nuclear power, combined with other zero-carbon energies, is an essential factor in combatting climate change.

These pillars have been split out into the **10 most critical imperatives**.

3

BEING A RESPONSIBLE EMPLOYER

- Diversity
- Attractiveness and talent retention
- Skills alignment
- Employee health and safety

TAKING ACTION FOR THE CLIMATE

- Energy transition



BEING AN ETHICAL MARKET PLAYER

- Business ethics
- Data security

CREATING VALUE FOR CLIENTS AND SOCIETY

- Client satisfaction
- Digitalisation
- Nuclear safety

3.1.2 CONTRIBUTIONS TO ACHIEVING THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

By choosing to specialise in engineering projects that have a positive environmental impact, we aim to contribute to achieving the Sustainable Development Goals (SDGs) announced by the United Nations (UN) in 2015. We are also following in the footsteps of the International Atomic Energy Agency (IAEA), which published a document in 2016 entitled

“Nuclear Science for Sustainable Development Goals” highlighting the many ways in which nuclear science plays a role in achieving the SDGs, especially in the fields of manufacturing, human health, energy and environmental protection.

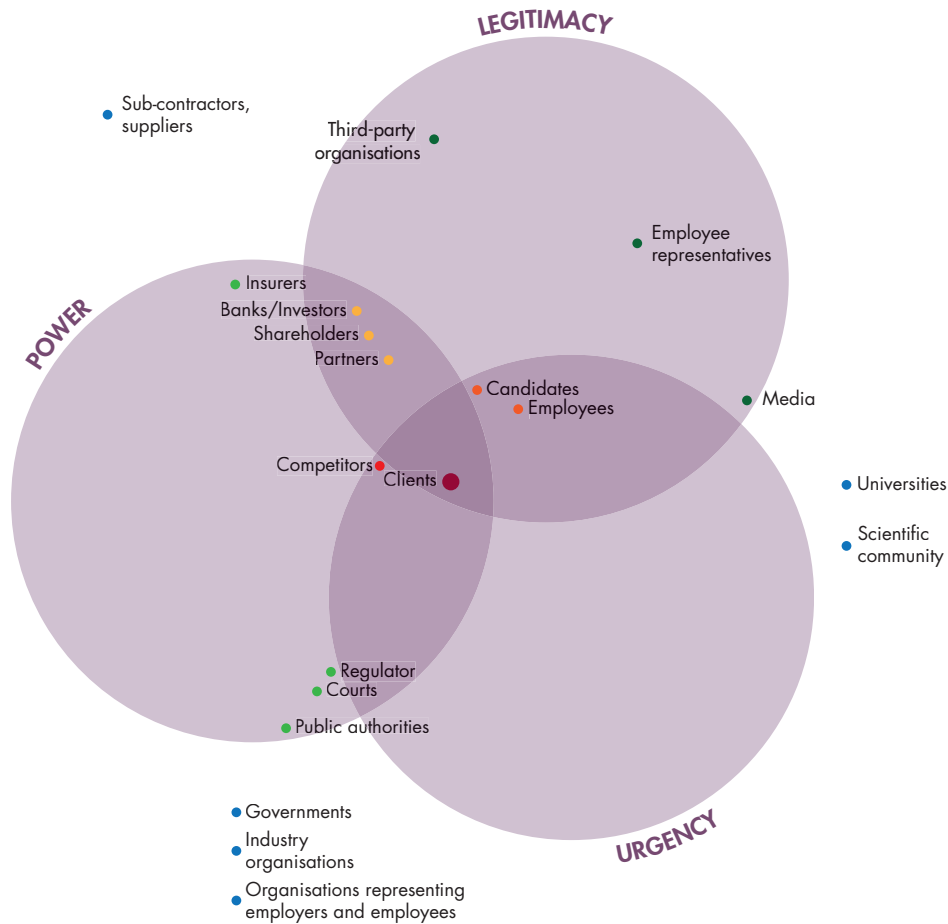
In line with the IAEA's stated position, we seek to put our engineering expertise to work in helping to achieve the following SDGs:

SDG	Targets	Contributions	References
	7.1 Access to energy 7.3 Energy efficiency 7.A Research and development	Assystem believes that as a zero-carbon energy, nuclear power has an essential role to play in energy transition. That is why we work, day in day out, to help make the nuclear programmes we are involved in safe, highly efficient and cost-effective, through our innovation and development projects, notably in the area of digital engineering. At the same time we are contributing to the international development of nuclear – a major source of zero-carbon electricity – and making our expertise available to countries that are choosing this energy source for the first time, as well as to countries that are renovating and/or extending the lifespans of their nuclear power plants. We are also intensifying our efforts to serve wind and solar power generation projects and projects aimed at making the adaptations to electricity grids required to use wind and solar power, as well as projects focused on developing hydrogen as an energy source. The Group assists developers and operators both as an integrator and as a project manager in the engineering and construction phases of projects. Additionally, we support government-sponsored competitiveness clusters and scientific and technological development through cooperation agreements with a wide range of partners, such as Institut de Radioprotection et de Sûreté Nucléaire (IRSN), France's nuclear safety institute, Groupement des Industriels Français de l'Énergie Nucléaire (GIFEN), the French nuclear industry association, Société Française d'Énergie Nucléaire (SFEN), a nuclear energy research and information organisation, and INSTN, a nuclear engineering school. These partners are a valuable source of opportunities to share expertise and skills.	Section 3.2.4 – Taking action for the climate
	13.b Raising capacity		
	17.16 Scientific and technological co-operation		
	9.1 Sustainable, resilient and inclusive infrastructure 9.5 Innovation, research and development	For over 50 years, Assystem has deployed its nuclear engineering expertise to help upgrade and extend the life of complex infrastructure that contributes to sustainable development (rail infrastructure, integrated waste-to-energy plants, etc.). To facilitate the achievement of the United Nations sustainable development goals, we intend to strengthen our innovation capabilities, hone the technologies currently in use, introduce digital solutions across all of our businesses and use data science to enhance industrial performance.	Section 3.2.3 – Creating value for clients and society/Engineering powered by digital

The Group also has numerous pro-active policies in place aimed at contributing to the following SDGs:

SDG	Targets	Contributions	References
	5.5 Full and effective participation and equal opportunities for leadership	We have a long tradition of actively promoting gender equality, in order to better reflect the society we live in. Our <i>Incredible Women</i> programme consists of a set of initiatives to encourage and help women move up the career ladder at Assystem, such as mentoring and coaching initiatives and leadership training. A core aim of the programme is to increase the number of women in management positions.	3.2.1 – Being a responsible employer/Committed to diversity
	4.4 Increase skills and access to employment	The employability of young engineers is particularly important to Assystem. That is why we develop partnerships with engineering schools and prepare training roadmaps for interns and employees under work-study contracts. These roadmaps help them acquire technical and professional skills that will facilitate their entry in the job market while helping us to ensure that we are able to hire the skills we need.	3.2.1 – Being a responsible employer/Developing the employer brand and retaining talent

3.1.3 STAKEHOLDER MAP



3

Stakeholder typology/hierarchy

(Mitchell, Agle & Wood method, 1997)

• DEFINITIVE

Stakeholders that have the greatest influence over the Company and are capable of making it change its decisions.

• DANGEROUS

Stakeholders whose actions may negatively affect the Company in certain cases.

• DOMINANT

Stakeholders that have the two most important attributes allowing them to influence the Company's actions: power and legitimacy. As a result, the Company must attach the necessary importance to satisfying reciprocal interests in order to be able to grow.

• DEPENDENT

Stakeholders that express legitimate and urgent needs but do not have the necessary power to influence the Company's actions.

• DORMANT

Following an event triggering their intervention, these stakeholders issue directives that are likely to determine the Company's actions.

• DISCRETIONARY

These stakeholders have legitimate expectations, but they are unable to dictate or significantly influence the Company's decisions.

• NON-STAKEHOLDER

Non-stakeholders have only limited influence or their influence is sufficiently generic that it does not directly affect the Company.

Levels of influence

POWER

Ability to influence the Company.

LEGITIMACY

The stakeholder's actions are perceived as desirable or appropriate.

URGENCY

Obligation for Management to respond to the stakeholder's demands within a period that is acceptable to the stakeholder.

We take care to be closely attuned to our economic, social, community and institutional stakeholders in order to understand their expectations, identify the main risks and opportunities, adapt our approach, and enhance our performance. In so doing we seek to create the necessary conditions for lasting, responsible and shared business growth. We have confirmed our stakeholder map, classifying each stakeholder according to their degree of influence over the Group, the perceived legitimacy of their demands and expectations, and the urgency with which these demands need to be addressed.

	Interactions	Expectations	Method of dialogue
Shareholders 	The support of our shareholders is essential for the Group's medium-term development. They want to be informed about our major decisions and core strategies. They expect us to meet the highest standards of corporate governance.	- A sustainable business model - Recurring financial performance - Ethical business conduct - Transparency about financial and non-financial issues	- Publication of regulatory reports - General Meetings of Shareholders - Investor and analyst meetings - Code of Conduct for preventing corruption and influence peddling - Insider Trading Compliance Code
Clients 	Our clients are our main source of business referrals. We generate revenue and create value thanks to them. Our clients' business environment influences our own business. Our agile business model and ability to adapt to their environment are essential.	- Project delivery - Engagement and service quality - Compliance with safety, security and environmental imperatives - Innovative technological solutions	- Frequent and recurring dialogue in order to partner our clients' strategy and business challenges - Annual satisfaction surveys - Joint participation in conferences and symposia on future developments in our businesses
Partners 	Our partners are strategic and their techniques and skill-sets complement our own. We create consortia in order to work together on long-term projects.	- Joint projects built around innovative solutions - Shared project governance - Top-quality services	Creation of project teams to work on joint solutions
Competitors 	Our competitors are in direct competition with us. We operate in the same markets, bid for the same contracts and source the same candidates. We offer competing innovations and technological solutions to clients. It is important that we present competitive, attractive and differentiating bids in order to win contracts.	- Compliance with the fundamental principles of healthy competition in accordance with competition law - Contribution to the public debate and industry discussions in order to drive advances in our disciplines and professional practices in accordance with competition law	- Some of our competitors are also our partners for certain projects - Membership of industry organisations and associations - Participation in conferences, debates and trade fairs
Employees 	Our employees are essential for our value creation. We need to develop their employability and promote an open and agile work environment.	- Interesting engagements - Top-quality management - Dynamic career management and skills development - Competitive compensation - Workplace wellness	- Engagement survey every two years - Meetings at local offices - Leadership of communities (experts, managers, interns) - High quality dialogue with employee representatives - Organisation of road shows and live chats with management
Candidates 	The shortage of qualified engineers makes it all the more important to make Assystem an attractive employer brand. Attracting, hiring and integrating talent is crucial to support our business growth and our clients' projects.	- Motivating projects - Career paths and development opportunities - Good working conditions and high employer attractiveness - Underlying HR engagement and values	- Presence at engineering school campuses and sponsoring partnerships with target schools - Social media presence and presence on job boards - Organisation of hiring events (<i>Incrediblengineers</i> campaign) - Employee referral programme - Media plan and media relations (employer brand)

3.1.4 IDENTIFICATION OF NON-FINANCIAL RISKS AND IMPERATIVES

3.1.4.1 Identifying, analysing and classifying non-financial risks and imperatives

Assystem operates in a constantly changing environment and pro-active risk management is therefore essential for our business development. The main risks that could have a material adverse effect on the Group, its business, financial position, results or outlook are described in chapter 2 of this Universal Registration Document.

This chapter 3 describes the governance framework put in place by Assystem for non-financial risks and imperatives, as well as the non-financial risk factors to which the Group is exposed. A description of the type and impact of each risk factor, together with an explanation of the measures taken to mitigate those risks, is provided below.

The non-financial risks, imperatives and opportunities set out in this section were identified based on an analysis carried out in 2019, whose findings were confirmed in 2020, encompassing an examination of our businesses' financial, social and environmental impacts. The heads of the business units and corporate departments were interviewed in order to complete the original analysis and retain only the most relevant risks and imperatives. These were initially defined according to their impact on business continuity, the Group's reputation and image, and its resources and environment, and then by reference to their importance for the main stakeholders concerned.

The process led to the identification of the ten most critical imperatives for the Group (see section 3.1.1). Seven of these concern material non-financial risks.

The Group considers that there are no other relevant material risks to which it is exposed apart from those described in this Universal Registration Document.

3.1.4.2 Main non-financial risks

The risks identified as being material are as follows:

Imperative	Related risks	Impacts	KPI/Measures taken
Attractiveness and talent retention 	Complexity of recruiting, attracting and retaining employees in a dynamic and competitive business sector. Risk that net staff turnover is not effectively managed and/or that the turnover rate is such that the replacement of resources cannot be ensured during the period.	- Difficulties relating to integration/development of new talent - Difficulties in projecting the necessary managerial resources required to support the Group in its international development and medium-term growth - Employee disengagement - Loss of critical skills needed for the Group to be able to operate and develop	- Number of new hires - Staff turnover rate (resignations)
Skills alignment 	Mismatch between available skill sets and the needs arising from the changing engineering profession, the Group's growing international reach and new client and market requirements.	Difficulty in developing business in new markets due to lack of resources and/or a mismatch between available skill sets and those needed by the Group	- Investment in training as a % of total payroll - Percentage of employees who followed a training course during the year
Employee health and safety 	Failure to put in place effective measures and practices to guarantee safe working conditions in compliance with H&S laws. Damage to employees' physical or mental health. Health risks in the countries where the Group operates.	- Impaired working conditions - Higher work-related accident and absentee rates - Impaired safety performance for the Group and its clients	Occupational accident frequency rate for the year
Preventing corruption and influence peddling 	Breach of competition laws, instances of corruption.	- Reputational damage - Destabilisation of the Group and its management - Financial losses	Preventive and control procedures (% of Group subsidiaries where such procedures are implemented)
Data security 	Failure to respect or effectively apply practices and systems to protect the integrity of data given to or managed by the Group.	- Sensitive client and/or internal data leaked - Loss of confidence on the part of clients, essential operators and supervisory authorities - Financial losses	Number of significant events concerning the disclosure of sensitive data for which Assystem is held responsible (excluding data relating to national defence secrets)
Nuclear safety 	Potential inability to honour engineering commitments, affecting the ability of a nuclear power plant's operator to achieve, comply with or maintain the plant's safety performance.	- Damage to health, safety and protected interests - Interruption of client operations - Loss of confidence among clients and safety authorities	- Number of events reported to a nuclear safety authority for which Assystem is held responsible % of employees exposed to radiation greater than one-tenth of the maximum regulatory level
Client satisfaction 	Impaired service quality and client relations.	- Difficulty attracting and retaining clients - Impaired image and reputation	Client satisfaction rate

Significant events in 2020

Assystem's CSR strategy is regularly assessed by outside organisations at the request of clients. One such organisation is Ecovadis, which confirmed Assystem's Gold sustainability rating in 2020 for the third year in a row. We are also in the top 1% of companies for our action in the areas of social dynamics and human resources policy.

In 2020, the Gaia SRI rating service for investors awarded Assystem a score of 74/100. This was significantly above the average score for the peer group of companies in the services sector (51/100). Each year, Gaia publishes the list of the top 70 French companies in terms of social and environmental performance and governance.

3.2 OPERATIONAL MANAGEMENT OF NON-FINANCIAL RISKS

3.2.1 BEING A RESPONSIBLE EMPLOYER

We are convinced that our teams' enthusiasm, creativeness and perseverance are instrumental in making our Group more competitive. Assystem's 6,200 employees are the Group's lifeblood and its most valuable resource. The success and growth of our business depends on our ability to nurture diverse profiles, experiences and personalities, attract and retain talent, and propose bespoke induction, training and career development programmes. It also depends on our offering high quality working conditions that promote wellness and provide a supportive environment, as well as implementing a human resources policy that upholds employees' rights and guarantees their protection.

3.2.1.1 Committed to diversity

At Assystem, we endeavour to create an inclusive environment, reflecting social norms and codes as well as the multicultural environment we operate in. We view diversity as a driver of performance that enables the women and men of all origins who make up our corporate community to express their talents. Our commitments are set out in writing in the Diversity Charter signed in 2018.

GENDER BALANCE

We firmly believe that diverse profiles add to the collective intelligence that creates competitive advantage. This is the reason for our long-standing commitment to actively promoting gender balance and equality.

Policies and commitments

At Assystem we consider achieving a better gender balance as a priority human resources imperative. Since 2010, we have actively sought to hire and retain women and give them access to managerial posts. This is particularly reflected in our *Incredible Women* programme, which is based on a strategy of continuous progress and is supported and monitored by Group Executive Management.

In addition, the Assystem Group has endorsed the United Nations Women's Empowerment Principles (WEPs), formally reaffirming its commitment to achieving SDG 5.

Practices and action plans

We have set up a dedicated organisation to help women push the limits. A Gender Balance Committee validates our strategies in this area, and a project team – supported by a network of correspondents – is responsible for the programme's operational management and deploying it in the various Group entities.

The actions we take to promote gender balance are focused on two main areas:

Hiring and awareness-raising

The engineering profession traditionally attracts more men than women, who are still generally less likely to choose a career in science. This is borne out by the fact that, on average, women make up only 20% of engineering school graduates. The challenge for us is to go out and meet the young generations in order to change attitudes and combat stereotyping.

Many communication tools are used to highlight the position of women in our workforce and attract new female talent. For example, we organise specific hiring events for women candidates, we participate in women-led forums and debates, a dedicated community has been set up on our in-house social network, an internal newsletter has been created and we also sponsor women's sports events.

We have set ourselves the objective of 40% of our new hires to be women by 2025, having followed a steady pattern of improvement in recent years (33% of our new hires were women in 2020, compared with 31% in 2019 and 7% in 2010).

Retaining women employees and encouraging their promotion

We have developed initiatives to help women take on additional responsibilities, including mentoring plans, lunch & learn coaching sessions, female leadership and self-marketing courses and conferences featuring female role models.

These initiatives are relayed through our internal *Incredible Women* network dedicated to promoting the position of women within and outside the organisation. This network has proved extremely popular, both with male and female employees, and was rolled out on a wide scale internationally in 2020.

While actively pursuing our gender balance policy in France, we continued to extend our initiatives to other countries in 2020, particularly the United Kingdom, Belgium and Saudi Arabia, not only through an active hiring strategy, but also by raising the awareness of our management teams.

Our aim is for women to represent over 30% of the workforce in the near future. In 2020, the proportion was already 29% versus just 17% in 2010. Likewise, we have set ourselves the objective of raising the proportion of women managers to 30%.

Significant events in 2020

The “Live my Life” initiative for members of the *Incredible Women* network – which was launched in 2019 and rolled out in 2020 – offers women the opportunity to spend a day alongside a manager in a particular sector to see what the job entails. Our aim is to deploy this initiative as widely as possible within the Group.

2020 also saw the completion of the Group’s first women’s mentoring programme, which teamed up 10 young women employees with an experienced mentor. In view of the positive feedback about the help and advice given by the mentors, we have decided to continue these programmes.

Also during 2020 we pursued the international deployment of our *Incredible Women* network and gender balance programme, via a number of significant measures launched in countries outside France. These particularly included three flagship initiatives: a pro-active campaign to hire Saudi nationality women engineers in Saudi Arabia, the first lunch & learn sessions in the United Kingdom, and, also in the United Kingdom, negotiation of financial measures related to maternity leave going above and beyond the local regulatory requirements.

3

DISABILITY

By creating a *Mission Handicap* disability support unit in 2007, we played a pioneering role in this area. Employment for people with disabilities has been embedded in our corporate culture and DNA through the signature of various agreements in favour of this category of employees. In 2019, we signed our third three-year agreement (2019-2022) on the employment of people with disabilities, in France.

The *Mission Handicap* unit has achieved promising results as the cornerstone of a continuous progress strategy shared and recognised by all employees. Supported by a network of disability officers, the unit informs, helps and supports disabled employees with developing their careers and with administrative formalities, taking action in various different areas:

- Hiring and integrating people with disabilities: the hiring process is carried out by committed and disability-aware recruiters. Employees

with disabilities currently represent 2.8% of the Group’s total workforce in France.

- Helping people with disabilities stay in work and build their skills, by adapting workstations, offering specific training, providing reinforced HR support and organising sponsorship programmes.
- Relaying information and organising awareness-raising campaigns and training courses on a regular basis for managers and other employees throughout the year in order to encourage best practices and raise disability awareness.
- Outsourcing to sheltered workshops.
- Technological innovation: our research and development work includes projects that encourage inclusion for disabled employees.

Significant events in 2020

Despite the complexities and difficulties of 2020 due to the Covid crisis, we further strengthened our commitment to diversity and inclusion during the year.

As populations are aging, with working lives becoming longer, degenerative chronic illnesses are becoming an increasingly important issue for companies. Assystem decided to take action on this issue in 2020 by teaming up with other corporate players to sign an Inclusion Charter for Employees with Chronic Illnesses and by becoming an official sponsor of the Humaninnov Foundation.

In France, the 3-week disability awareness-raising campaign – Handiweek – that is usually held once a year was revamped and went fully digital in 2020. This important event helped raise our employees’ awareness across France, providing them with key information about disability and the Group’s related actions and policies.

In Saudi Arabia, we launched a project to obtain “Mowaamah” certification, which attests compliance with the country’s newly created standards aimed at creating working environments that are suitable and supportive for people with disabilities.

3.2.1.2 Developing the employer brand and retaining talent

Assystem's underlying business strategy is based on a combination of organic growth and acquisitions. Hiring talent is one of the cornerstones of this strategy. The ability to identify, attract and retain the best talent is a strategic imperative in a hyper-competitive market.

PERFORMANCE INDICATORS

	Target	2020	2019	Change
Staff turnover rate (resignations)	15%	10.6%	14.6%	↘
Number of new hires	>1,200	1,294	1,573	↘

The scope for this indicator covers all Group entities apart from INSIEMA and the Staffing entities; contractors in the United Kingdom are also excluded.

In view of the economic situation caused by the Covid-19 pandemic in 2020, the staff turnover rate for resignations dropped to an extremely low level, well below the usual average rate. The year-on-year decrease, which reflects the current operating context, was seen in all of the Group's host countries. Given the fact that the main reason for the decrease was the context of the pandemic it cannot be correlated with the effectiveness of the Group's talent retention policies and action plans for 2020.

The economic and social uncertainties triggered by the pandemic in early spring 2020 led us to revise our hiring targets and closely monitor numbers of new hires. However, after the first national lockdown in France, as our activities and those of our clients had held up well, we relaunched our hiring process in order to keep up with the pace of business. With over 2,500 new hires in 2020, half of which were outside France, the results of the recruitment programme were considered satisfactory for the scope concerned in view of the operating context.

POLICIES AND COMMITMENTS

We deploy our teams' talents and skills on major international industrial projects. Our HR department's long-term strategy for attracting, developing and retaining talent is fully integrated into the operational issues taken into account by the Group's businesses. This strategy ensures that we have the right resources and skills to achieve our growth objectives. Employees are empowered to drive their own careers, and we promote a working environment in which each individual is encouraged to learn from his or her fellow team members, take on responsibilities and use their judgement.

Each year, our aim is to recruit over 2,000 people worldwide (1,200 excluding INSIEMA and the Staffing entities which take on large numbers of employees due to the nature of their businesses). We therefore adapt our hiring strategy by deploying new tools and practices and taking into account the changing expectations of candidates, especially young graduates and juniors.

PRACTICES AND ACTION PLANS

Attracting talent

Some sixty people are dedicated exclusively to the Group's hiring process. The people responsible for sourcing and hiring talent work closely with the management of the various business units and subsidiaries. Specific teams are responsible for hiring executives and/

or people with a particularly strong area of expertise. Many initiatives are organised each year to attract talent.

Candidates recommended by employees represented 25% of new hires in 2020. This high rate attests to the engagement of our people, who act as powerful ambassadors for the Group. The advantages for Assystem are clear: the hiring process is simpler and less costly, and there is also a lower risk of selecting the wrong profile. We launch regular internal campaigns to raise awareness about this practice and its merits.

Job vacancy ads are the second largest source of candidates (20%) followed by job boards (17%). We are constantly increasing our visibility on social media, which generated 16% of new hires in 2020. LinkedIn, for example – whose contribution is steadily rising – has become an essential hiring tool when it comes to attracting increasingly mobile and connected candidates.

The Assystem employer brand is protected by paying close attention to the way the Group is presented by the people responsible for hiring. Conferences and breakfast meetings are organised to help them gain a good understanding of topics central to the Group's strategy, such as energy transition and digital technologies. And there is also an educational element involved in that recruiters have to be able to explain the role the Group is playing in the production of carbon-free energy.

In 2020, one of the focal points of our human resources strategy was once again hiring more women. Communication campaigns aimed at persuading women that by joining Assystem they will have the opportunity to flourish in a supportive professional environment were pursued with conviction and success.

In order to attract ever-more applicants we regularly hold recruitment events under the *#Incrediblengineers* banner. Over 100 candidates are invited to each event, with some 30% attending. Due to the Covid crisis, these evening events were changed into Live Chats in 2020, with more than 50 organised during the year.

Retaining talent

We have an assertive induction and retention strategy, and are deeply committed to training and knowledge transfer, particularly in terms of passing on expertise to the younger generation. New hires are supported through induction programmes and career development plans.

A winning career path for top engineering graduates

We have set up a Graduate Programme designed to prepare young talents for management responsibilities, which addresses both young graduates and juniors. Organised in several rotations including an international one, the three-year programme enables participants to discover the Group's different activities. Supported and mentored by a member of the Executive Committee, they have the opportunity to work on the Group's major projects.

A specific system dedicated to key talents

Identifying and retaining high-flyers is an important challenge in the engineering sector where talent is in short supply. Three key talent categories have been defined by the Group: key position (management, technical expertise, sales), key contributor (critical know-how) and key potential (young talents who could take on executive management positions in the medium-to-long term). These profiles are monitored by our HR teams using processes such as talent reviews and career committees. The objective is to proactively offer support and development opportunities in the shape of bespoke programmes (training and career plans). In parallel, a Talent Management programme has been developed for key people (around 200), in order to support them in their career paths and develop their skills, with the aim of helping them move into positions where they can make a significant contribution.

An induction programme for all new hires

An induction programme has been set up to ensure that new hires settle easily into their new job, learn about how the Group works and find their feet within the organisation.

An assertive strategy to attract interns and employees under work-study contracts

We have intensified our campaigns to attract young people interested in an internship, a work-study contract or an apprenticeship, as part of our drive to enhance their employability. Over 210 interns and employees on work-study programmes worked with the Group in 2020. 65% of these young people working on projects where there were job vacancies were offered a permanent contract when their internship or work-study placement ended. These selected recruits follow the *#Incrediblestart* programme via which they can also participate in a team-based collaborative innovation contest.

Trusted partnerships with engineering schools

Our investment in relations with engineering schools builds our employer brand and contributes to the Group's attractiveness. A dedicated team of Campus Managers and ambassadors visits the schools to help this community flourish. We have established partnerships with several target schools, including INSA Lyon, INSTN, ENSEM, Arts et Métiers (Paris and Aix campuses), IMT Atlantique, Mines d'Alès, PHEMIA (Grenoble INP) and ENSICAEN.

These partnerships fulfil three objectives:

- strengthening the Group's reputation, proximity and attractiveness vis-à-vis the schools through expert presentations in the various faculties and during certain courses that enable students to discover the various jobs and professions that Assystem has to offer;
- creating bridges between the schools and the Company, participating in on-campus career fairs and giving students opportunities to work on case studies or innovative research topics;
- facilitating the recruitment of young graduates, interns and apprentices.

Significant events in 2020

Despite the unprecedented operating context in 2020, we continued our Graduate Programme and extended it to the United Kingdom, as we also did for our *#IncredibleWomen* programme. The selected candidates began a three-year programme covering all of the Group's business activities, from innovative decommissioning solutions through to new-build projects for the world's latest nuclear power plants.

We also pursued our policy of supporting universities and engineering schools during the year, organising a new challenge for around 100 interns called "My internship in 180 seconds". The objective was for interns to create videos describing the technical and scientific advances developed during their time with the Group.

3.2.1.3 Maintaining aligned skill sets

Ensuring that our skill sets are constantly aligned with market needs while also offering our teams varied and exciting career opportunities is central to successfully implementing our business strategy.

PERFORMANCE INDICATORS

	Target	2020	2019	Change
Investment in training as a % of total payroll	>2%	2.59%	3.39%	↘
Percentage of employees who followed a training course during the year	>50%	53.9%	62.3%	↘

The scope for this indicator covers all Group entities apart from the Staffing entities, INSIEMA, Assystem Care Belgium and Assystem Care Switzerland.

Training was heavily affected by the Covid crisis in the first half of 2020.

Taking into consideration the unprecedented circumstances, the Group's performance for this indicator was considered satisfactory for 2020 as a whole. Although the total investment in training decreased, it still represented a significant proportion at Group level. As from the second half of the year, remote training modules were widely put in place, both internally and for our partners, which helped with the implementation of the annual training programme and enabled us to cover more than two thirds of the programme in just five months.

POLICIES AND COMMITMENTS

We are committed to maximising the employability of all members of the Group community and helping them build their skills throughout their career with us. An essential factor of our training strategy is to create a learning culture so everyone can learn, transmit and develop skills.

The strategy aims to:

- promote the development and transmission of skills: our training roadmaps place employees in a learning environment rooted in innovation and experience sharing;
- encourage staff mobility, which is a means of retaining employees and enabling them to build their skills.

The implementation of a human resources strategy that is embedded in our overall business strategy ensures that our HR programmes (Leadership Model, skills management, career development support) are aligned with our strategic goals and the needs of our clients.

PRACTICES AND ACTION PLANS

Skills development and transmission

Our training programmes are aimed at enabling us to adjust our engineers' skills and expertise to match the needs of our business in an environment where technology is changing rapidly and the Group is growing internationally. We need to ensure that our skill sets are aligned with changing client needs and increasingly international markets.

Training plans are drawn up each year based on the strategic and commercial roadmaps of each entity, in line with market trends and developments. The training content is regularly updated.

Developing a learning culture

Keeping pace with developments in our professions depends very much on our ability to develop a learning community and promote a learning organisation. Flexible digital learning solutions permit large-scale deployment of training modules. Employees can easily access these solutions throughout their training pathways which enables them to drive their own skills development. To keep pace with changing needs, we offer diverse learning systems combining personal and multi-modal solutions and formal and informal options.

Transmitting knowledge and expertise

We undertake numerous initiatives to promote the transmission of skills between generations, particularly through our Assystem Institutes. The aim of these Institutes is to transmit Assystem's capitalised expertise to its engineers, whether they are just starting out or are already highly experienced. We currently have three Assystem Institutes: the Assystem Nuclear Institute, the Assystem Life Sciences Institute and the Assystem Connect Institute (dedicated to cyber-security). Their main objectives are to:

- align skill sets with the specific needs of the business sector and translate client expectations into know-how and expertise;
- enrich/adapt the induction and specialisation training roadmaps based on feedback from personnel in the field and the Assystem communities of experts;
- identify and map available resources and skill sets (experts/trainers) to support development of the training offer;
- contribute to the academic teaching programmes of our partner engineering schools by providing them with the knowledge and expertise of our trainers and specialists.

This organisation enables inter-generational and inter-sector transmission of knowledge and expertise.

In addition, to leverage the expertise of its senior engineers, Assystem has set up a career management system that promotes the transmission of knowledge and expertise between generations through a technical expertise unit which senior engineers are invited to join. This system adds real value to the nuclear knowledge and skills transmitted during initial training courses.

Tutoring, mentoring, coaching, sponsoring and buddy systems are also used to transmit knowledge, disseminate the Group's industrial expertise and help us stand out from the competition.

Encouraging mobility

Mobility is inherent in our business. As one of the cornerstones of our human resources policy, mobility programmes support and promote the creation of bridges between disciplines and sectors, which are particularly valuable as our Group expands internationally. The large number and wide variety of projects and assignments we carry out in France and 15 other countries offer a wealth of attractive and motivating career opportunities.

Significant events in 2020

Employees are increasingly wanting – and needing – easy access to training resources. The Covid crisis has accelerated the transformational changes in the organisation of both working life and in-company learning, and in response the Group has intensified its digitalisation strategy. In particular, it has set up a new e-learning platform to support training initiatives across all of its entities. Available to all employees, this platform makes it easy to access digital training content in formats specially developed for Assystem.

3.2.1.4 Making health and safety a priority

We believe that our employees' health and safety is a key source of competitive advantage. Our safety culture is an important factor for internal cohesion and it also helps us maintain the trust and confidence of our employees, clients and partners.

PERFORMANCE INDICATOR

	Target	2020	2019	Change
Lost-time accident frequency rate	2.00	1.74	3.34	↘

The scope for this indicator covers all Group entities except INSIEMA.

2020 was marked by the Covid pandemic and its impact on the Group's operations and work organisation, both for on-site and office staff, with many employees working from home. The additional health and safety measures put in place during the year had a positive effect on our H&S performance, and when staff went back to work, there was no increase in accidents following the interruptions caused by the lockdowns. This situation led to a sharp 48% decrease in the lost-time accident frequency rate to 1.74. The accident severity rate remained low, representing 0.03 for the Group as a whole. This performance testifies to the Group's effective management of health and safety issues.

20% of the Group's workforce was affected by Covid-19 in 2020 (confirmed cases and contact cases), which resulted in a 1.05% increase in the absentee rate, representing approximately 11,700 days' lost time.

POLICIES AND COMMITMENTS

We are committed to guaranteeing safe working conditions for our employees, contractors and other stakeholders who work in particularly sensitive nuclear environments and on major infrastructure projects. The Group therefore makes sure that the equipment and resources it provides not only meet, but go above and beyond, the legal and regulatory requirements in its host countries.

It is our responsibility to prevent and manage health and safety risks at our own facilities and also at those of our clients. We have addressed this broad responsibility by drawing up a health and safety charter and setting up an occupational health and safety (OH&S) management system covering the majority of our French and international sites.

Outside France, this focus on safety is backed by measures to prevent the risks that are specific to certain regions where we have operations. For example, measures are taken to mitigate the effects of working in hostile environments (e.g. extreme heat and wild animals in desert areas). In regions affected by complex geopolitical situations, we deploy specific measures to protect employees when they have to enter high risk areas or conflict zones (risk of kidnapping, terror attacks).

PRACTICES AND ACTION PLANS

The Group's health and safety culture is based on a continuous improvement process covering four key areas:

Preventing and reducing major physical and psychosocial risks

In view of the nature of its business, the Group has limited exposure to the risk of serious accidents. Physical risks mainly concern road accidents (50% of accidents), slipping and falling (25%), fainting or dizziness (15%), and repetitive strain and the work environment (10%).

We have a long-standing pro-active strategy for preventing psychosocial risks, and Management is keenly aware of situations that could cause employees to feel fragile or vulnerable. The Group's duty of care network – comprising employee representatives, occupational health physicians, management and human resources professionals – helps to identify, support and watch over employees classified as "at risk" or who have become vulnerable following an adverse life event.

Involving middle management in the risk management process

We ensure that line managers and supervisors are warned of the risks associated with certain jobs. The risks mainly concern the required skills and expertise, which are developed through external training programmes leading to recognised qualifications. In 2020, over 29,800 hours of training were provided. Controls are based on a comprehensive quality assurance system and involve site safety inspections, with 350 inspections carried out in 2020 (36% less than in 2019 due to the pandemic) and internal or external audits, some of which are performed by clients.

Health and safety awareness campaigns and training sessions

Having rolled out a digital training policy using e-learning tools, we built on this to launch a programme for digitalising our safety awareness training courses and modules. This solution enabled us to provide initial safety-awareness training to 90% of new hires in France in 2020, despite the Covid pandemic and extensive use of remote working during the year.

Additionally, 33% of employees took part in over 1,100 live chats on safety issues organised during the year (10% lower than in 2019 due to the pandemic). These sessions are a central aspect of our health and safety policy, helping us to directly communicate, share and raise awareness of the specific health and safety risks faced by each individual employee. This example of management and employee appropriation of health and safety reflects a shared commitment to risk prevention.

Developing a culture of learning by experience

Learning by experience and through continuous improvement is also an integral part of the Assystem health and safety strategy. Risks identified by field staff are reported using the eASY digital app and integrated into the information system. The data is analysed and discussed during monthly steering committee meetings. The aim is to lead a dynamic risk reporting process at the Group's various facilities, and to share best practices and the feedback received from field staff.

During 2020 the Group stepped up its programme to align its health and safety management system with the recently introduced ISO 45001. The safety management systems of all of Assystem's main subsidiaries (other than joint ventures) are now fully aligned and certified, and at the date of this Universal Registration Document, entities employing 70% of the Group's workforce had obtained ISO 45001 certification.

Significant events in 2020

During 2020, we adapted our operating procedures, work organisation and health and safety protocols to the governmental requirements introduced to deal with the Covid crisis. As a result, we were able to keep up our business levels for almost the whole year, while taking great care to protect our employees by providing them with the appropriate personal protective equipment right from the start of the pandemic.

We also activated our crisis management plan when the pandemic first hit in March 2020. A crisis management unit was created, which determined the actions that needed to be taken at the highest level of the organisation to manage the impacts of the situation and put in place preventive measures and new work organisation methods in order to ensure business continuity.

The pandemic affected the majority of the Group's operating countries and at end-2020, over 20% of our workforce was or had been affected by Covid-19 (confirmed cases or contact cases).

3.2.1.5 Guaranteeing a best-in-class human resources policy
HR INDICATORS – SNAPSHOT OF EMPLOYEE NUMBERS

	Target	2020	2019	Change
Total Group employees, including:		6,159	5,993	↗
• Europe		4,830	4,707	↗
• Middle East		851	939	↘
• Asia		379	262	↗
• Africa		52	40	↗
• Pacific		47	45	→
% of women at 31 December	30%	29%	27%	↗
% of seniors* at 31 December	ND	24%	27%	↘
% of employees with disabilities at 31 December	ND	2%	2%	→

* Employees aged 45 and over.

The scope for this indicator covers all Group entities; contractors in the United Kingdom are excluded.

SOCIAL DIALOGUE

Social dialogue is considered to be a driver of performance and employee buy-in for corporate goals. As such, it is a powerful component of the Group's corporate identity. We work hard to maintain smooth communications between management, elected employee representatives, trade unions and employees.

Our commitment to social dialogue is clearly apparent in the negotiations, consultations and discussions held between Management and employee representatives on issues concerning the Group's business and financial issues. The topics may vary depending on the entity, but

some relate to the whole Group, such as financial and organisational issues, gender equality, health and safety, working hours and conditions, and compensation.

The Group Social Dialogue Committee chaired by the Senior Vice-President, Human Resources, currently has nine members whose appointments were renewed in 2018. The Committee meets once a year to discuss all of the Group's activities in France. The meetings are an opportunity for elected employee representatives to hold discussions with Group Management and obtain insight about the Group's strategy, its business performance and financial position, and changes in its human resources needs.

In France, individual entities have their own Social and Economic Committees or local employee representatives.

Overview of collective agreements signed in 2020 in France by Group entities:

Topic covered by the agreement	Number of agreements signed in 2020
Employment	1
Working hours	2
Remote working	3
Right to disconnect	1
Donation of leave days for employees with a seriously ill child	1
Healthcare expenses and personal risk insurance	1

Some of these agreements contribute to managing the non-financial risks discussed in this Universal Registration Document. Examples include the gender equality agreement, the agreement on remote working, the agreement on the right to disconnect and the agreement about donating leave days to employees with a seriously ill child.

WORKPLACE WELLNESS

We are committed to offering our employees the best possible working environment – one that is safe, respectful and pleasant. The initiatives we take regarding quality of work life cover three main areas: ensuring work/life balance, preventing discrimination and promoting flexible working arrangements.

Ensuring work/life balance

The Work/Life Balance Charter signed by Assystem in France in 2012 has been strengthened by subsequent collective agreements, such as the agreements on the right to disconnect (renewed in 2020), on remote working in support of a better work/life balance, and on the reorganisation and reduction of working hours. We take measures to make sure the terms of these agreements are applied, and we have created a specific training module on how to manage work/life balance.

Preventing discrimination

Preventing discrimination and promoting diversity are central to our human resources policy. Our gender equality agreement and the agreement on the employment of people with disabilities are just two examples of how we address these issues.

Promoting flexible working arrangements

Several agreements and charters have been signed in the Group's various French entities to support the development of remote working. The aim is to give employees more flexibility and independence when it comes to organising their working hours. With the outbreak of Covid in 2020, negotiations were conducted with the Group's representative trade unions in order to integrate even more flexibility into its remote working policy.

To ensure that all of these measures contribute to employees' wellness and strengthen their engagement, we conduct an engagement survey every two years. The resulting action plans are implemented in all entities and are monitored by Group Executive Management. The 2020 employee engagement questionnaire – which was sent out to the Group's entire workforce and had a 68% return rate – showed a significant increase in the overall engagement indicator, with a high level of employee engagement and satisfaction, demonstrating the success of the measures put in place.

Significant events in 2020

As part of the Covid support strategy set up for our employees during the year, in France and the United Kingdom we provided free, anonymous and confidential help lines offering assistance with legal, welfare, family and medical matters as well as psychological support, based on the same model as the *Assystem for Me* programme launched in 2019.

COMPENSATION POLICY

Assystem applies a merit and performance-based compensation policy designed to attract and retain the best talents. Compensation and benefits packages are structured to reward personal investment while also giving significant weight to collective performance.

In addition to their contractual fixed salary, certain employees may receive:

- variable compensation, based on the achievement of personal and collective objectives, under a bonus plan applicable to managers, experts and sales staff;

- individual special bonuses, which can be awarded by line managers as recompense for an employee's hard work, good results or particular efforts.

Collective compensation

In France, statutory profit-sharing schemes have been set up at Assystem Engineering and Operation Services and Assystem Care France, under which, if payments are made out of the special profit-sharing reserve as allowed by law, they are shared equally among employees who are present throughout the year and on a prorated basis to employees present during only part of the year.

Employee benefits

Employee benefit plans vary from one country to another, based on local laws and regulations. We therefore follow a specific policy in each country. However, employees in all countries are covered by medical insurance.

In France (68% of Group employees), part of employees' health and death/disability insurance costs is paid by the Group and we also provide funding for the Social and Economic Committees' activities for the benefit of employees.

Employees in most countries are offered supplementary health coverage and death/disability insurance.

Equal pay

Our engagement in favour of gender equality is reflected in our pay policy. Specific indicators comparing men's and women's salaries, including average salaries by category and starting salaries for equivalent positions, are used to identify any gender pay gaps.

3.2.2 BEING AN ETHICAL MARKET PLAYER

We are convinced that high quality governance helps drive business performance and are absolutely intransigent when it comes to human rights and business ethics.

We also have strict procedures in place for protecting the data relayed to us under client contracts, based on a highly efficient data management system.

3.2.2.1 Respecting human rights

In 2011, Assystem pledged to uphold the United Nations Global Compact, which sets out ten universal principles covering human rights, labour, the environment and anti-corruption measures.

The Group applies the conventions of the International Labour Organisation (ILO). We have affirmed our commitment to complying with, and ensuring that our employees and stakeholders in our businesses comply with, the ILO's Declaration on Fundamental Principles and Rights at Work and its fundamental conventions on freedom of association and collective bargaining, the elimination of discrimination in respect of employment and occupation, the elimination of forced or compulsory labour and the effective abolition of child labour.

3.2.2.2 Limiting tax evasion risks

We have not set up any vehicles, organisations or mechanisms for the purpose of transferring profits to low-tax jurisdictions. The effective tax rate paid by the Group is consistently over 20%, which is close to the weighted average of the tax rates applicable in France and our other host countries based on the profit contributions of our companies operating in those countries. Our foreign entities that receive services from and/or are owned by French entities pay management fees and dividends (to the extent possible) to the French entities.

3.2.2.3 Preventing corruption and influence peddling

PERFORMANCE INDICATOR

	Target	2020	2019	Change
Risk analysis coverage (% of Group subsidiaries)	100%	100%	100%	→

The scope for this indicator covers all Group entities. The risk analyses are complemented by in-depth due diligences performed when the Group acquires a company or creates a joint venture.

POLICIES AND COMMITMENTS

We conduct our business ethically and with integrity, in compliance with the applicable laws in our host countries. We apply a zero-tolerance policy towards all forms of corruption and influence peddling.

The risks related to this issue, together with the policies, commitments and measures adopted by the Group are described in chapter 2, section 2.1.4, of this Universal Registration Document.

3.2.2.4 Ensuring the security of business-related data

In an operating environment where engineering processes are increasingly digitalised and digital solutions are regularly proposed to clients, it is imperative that we ensure the security of the data our clients entrust to us. We do this in two different ways.

First, we have reliable and secure IT systems and infrastructure that are resistant to cyber-attacks that may target the Group. The risks related to this issue, together with the policies, commitments and measures adopted by the Group are described in chapter 2, section 2.2.4, of this Universal Registration Document. And second, we have put in place and effectively implement and manage a range of data security policies and associated measures.

PERFORMANCE INDICATOR

Only limited quantitative disclosures are made concerning data security due to the sensitive nature of such disclosures, the concerns the disclosures could generate, their potential effects on the markets, clients and competitors, and the risk of the disclosures being used by hackers. The information provided below does not cover any data related to national defence secrets.

	Target	2020	2019	Change
Number of significant events concerning the disclosure of sensitive data for which Assystem is held responsible	0	0	-	-

The scope for this indicator corresponds to entities that have an Information Security Management (ISM) system in place.

In 2020, Assystem was not subject to any claims of responsibility for any data security event or incident at the premises of any of its clients or any of the authorities with which the Group works.

POLICIES AND COMMITMENTS

Data security is a strategic imperative for Assystem. Due to the nature of our operations in the Energy & Infrastructure sectors, we have many clients that are considered by national governments as essential operators. These operators are closely overseen by the authorities, who issue many recommendations applicable not only by the operators themselves but also by their business partners.

In view of the current shift towards digital engineering, our international expansion and the increasingly critical nature of the data we hold, we are reinforcing all of our processes and systems aimed at minimising the risk of data disclosure.

In line with our ever-more stringent data security strategy, the policies and commitments we have adopted in response to these new risks are aimed at:

- preventing and reducing data security risks to protect our data assets and those of our clients, particularly by building up a security culture for both information and systems;
- ensuring regulatory compliance;
- implementing operational procedures and technical tools and measuring their effectiveness, with a view to meeting both internal and external requirements;

- providing awareness-raising and other training to employees in order to instil a data security culture and promote practices that protect the integrity of the data entrusted to us or that we manage.

We have completely overhauled our ISM System and its underlying principles are now set out in a Global Information Security Policy (GISP).

PRACTICES AND ACTION PLANS

A graduated approach to risk has been introduced in the GISP, linked to the criticality of the data used for client projects. This approach enables projects to be ranked from standard to highly critical, with even standard projects subject to substantial protections. Our main operating entities deploy the most appropriate technical and organisational measures and procedures to protect the data entrusted to them by clients and partners.

An e-learning programme has been created concerning the main elements of the ISM System. This programme was initially introduced in the Group's two French entities, including its main subsidiary, and then a multilingual version was created so it can be rolled out to all entities.

Awareness-raising campaigns are carried out for all employees concerned whenever changes are made to the ISM System.

Assystem's organisational structure is both global and local, allowing us to address these systems security challenges at both a strategic and an operational level. For sensitive contracts that are considered by national governments as being in their country's strategic interests, we have a local IT Security Officer in each country, who is responsible for defining, deploying and overseeing compliance with local data protection requirements in connection with the contract.

Significant events in 2020

Employees working remotely in 2020 due to the Covid pandemic were more exposed to cyber-attacks so we launched a major awareness-raising campaign about IT security. We provided all employees concerned with a remote-working best practices guide containing advice and recommendations on how to best protect against cyber-attacks and protect the data of both Assystem and our clients.

Towards the end of the year, we made the data security section of our eASY platform available to all employees, through which data security incidents can be reported and inventoried.

PROTECTING PERSONAL DATA – GDPR

We have put in place procedures and processes to ensure that we are fully compliant with the General Data Protection Regulation (GDPR), both when we are acting as a data controller (for employees' and job candidates' personal data in particular) and as a data processor for processing personal data on behalf of external parties.

The GDPR compliance programme is underpinned by specific data processing systems and contact points within the different departments concerned, notably human resources, in the aim of ensuring that the GDPR requirements are effectively applied.

Lastly, several levels of supervision have been defined to ensure that any processing outsourced to third parties is also compliant. This supervisory framework, which mainly takes the form of contractual obligations, has been integrated into our supplier management processes.

Since the Group's business is almost entirely BtoB, it is exposed to minimal risks of breaching clients' personal data. However, we have appointed a Data Protection Officer for the one BtoC business we have (which represents less than 5% of consolidated revenue).

3.2.3 CREATING VALUE FOR CLIENTS AND SOCIETY

Our performance is rooted in our ability to create value for clients and for society as a whole. This ambition is shaped by three challenges: digitalisation, nuclear safety and client satisfaction.

To give clients the benefit of our best practices, we have firmly embraced digital engineering technology. We consider that this technology represents a powerful project accelerator and innovation driver.

By contributing to the development of a nuclear safety culture, we are helping to promote a reliable carbon-free energy source that is widely accessible both nationally and internationally.

To guarantee the lasting satisfaction of our clients, we offer them our teams' diverse skill sets, our expertise and our ability to deliver projects meeting the highest standards in terms of quality, costs and lead times.

3.2.3.1 Engineering powered by digital

The engineering sector is experiencing a period of unprecedented change. Digital innovation and transformation are changing partnership dynamics and our clients' business logic. Engineering disciplines and expertise are evolving, with the emergence of more collaborative working methods involving multidisciplinary and international teams.

Having launched our first programme to take our methods and practices digital (the *Imagine* programme), and subsequently our *Engineering Powered By Digital* programme designed to make digital engineering one of the pillars of our service offer, in 2020, we went one step further by structuring our organisation to put digital at the heart of the technical, commercial and operational solutions that we deploy to help our clients with their own digital transformation programmes.

At the same time, as part of the *Our Way* programme to harmonise the methods and tools used in the Group's various entities, during the year a document was drawn up summarising the various methodologies and digital technologies that can be used for engineering projects.

In parallel, and despite the unprecedented situation in 2020, we pursued our strategy of supporting the innovation ecosystem, notably through technological partnerships with start-ups, institutes, universities and engineering schools, and by participating in initiatives launched by organisations such as GIFEN (a grouping of companies working in the electronuclear industry), AFCET (French Association of Economic and Technical Cybernetics) and AFIS (French Association of Systems Engineering).

The Group's measures, organisation and initiatives relating to digital engineering are described in chapter 1, section 1.4.1 – An innovative and digital group, of this Universal Registration Document.

Significant events in 2020

In 2020, we acquired the business base of Whitequest – a French company specialised in developing virtual simulation tools for industry. This acquisition is a smooth strategic fit with our focus on digital engineering, and the acknowledged expertise of Whitequest's team in advanced virtual simulation is helping accelerate project execution and bringing clients significant added value in terms of performance and security.

3.2.3.2 Considering nuclear safety as essential

For Assystem, nuclear safety risk is the risk of being unable to fulfil our commitments as an engineering firm, because this would affect our clients' ability to achieve, comply with or maintain their plant's safety performance.

PERFORMANCE INDICATORS

	Target	2020	2019	Change
Number of events reported to a nuclear safety authority for which Assystem is held responsible (INES scale)	0	0	0	→
% of employees exposed to radiation greater than one-tenth of the maximum regulatory level.	<5%	1.12%	0.81%	↗

The scope for this indicator covers all Group entities concerned.

In 2020, Assystem was not subject to any claims of responsibility for any safety event or incident involving any nuclear power plant operated by a client.

Radiation exposure levels remained under control in 2020. Although the indicator for employees exposed to radiation greater than one-tenth of the maximum regulatory levels rose during the year, it was still well below the Group's acceptable level. The year-on-year increase primarily concerned activities carried out at operational sites in France and was due to a change in the nature of certain services provided. These activities therefore represent the main focus of our radiation monitoring.

POLICIES AND COMMITMENTS

Nuclear safety is a key driver of the Group's future growth and a major priority. Whereas in the past our business used to be focused on nuclear plant commissioning activities, it now encompasses technical design, operations support, maintenance planning and decommissioning. This expansion of our service offer, combined with the increasingly exacting standards imposed by our clients and nuclear safety authorities, have led us to adopt an assertive and ambitious strategy to further strengthen our nuclear risk management systems.

Our policies, procedures and initiatives in this area are aimed at:

- promoting the development of a shared nuclear safety culture based on International Atomic Energy Agency (IAEA) guidelines;
- ensuring a high degree of management involvement at all levels, with rolled down rigour, control and duty of care objectives;
- developing a continuous improvement culture, based on the involvement of all members of the organisation and guidelines that ensure compliance with local regulations and plant operators' standards;
- maintaining high expectations in these domains, both in our internal and external operations, in order to promote an exemplary nuclear safety culture.

This overall approach to nuclear safety is designed to guarantee that all nuclear stakeholders (including Assystem and its partners) fully take into account the nuclear safety concerns of our clients, particularly plant operators. The corresponding underlying principles apply to all types of nuclear projects and business activities and to all of the Group's host countries.

The Risk Management Director reports to the Senior Vice-President, Nuclear, to whom he submits an annual report on the management of nuclear risks. The published report is also available to all interested parties. He is the main contact for clients, the authorities and third parties for all nuclear safety matters and also represents Assystem with regard to those matters.

PRACTICES AND ACTION PLANS

Engineering plays an important role in the management of nuclear safety risks. This is not only due to the fact that engineering processes require considerable expertise, it is also a reflection of the high-level safety performance required of these activities. Nuclear operators are imposing increasingly strict standards on their engineering service providers because of their own obligations towards the nuclear safety authorities to meet ambitious objectives in terms of reducing risks and disamenities.

Our methods, practices and know-how are developed and deployed to meet these standards.

Nuclear safety in systems engineering

As an engineering firm focused on innovation and digitalisation, we offer a digital approach to nuclear infrastructure based on data systems and models. This systems engineering approach is combined with a functional process approach, in which continuous improvement and compliance with nuclear safety requirements are essential, throughout the plant's life cycle. Nuclear safety occupies a special place in the systems engineering approach, with the requirements identified by safety analyses having an impact on all the disciplines involved. For example, systems engineering methods and processing of the related data contribute to enhancing the management of safety and compliance issues.

Nuclear safety at the centre of our processes and expertise

We are involved at all stages of the nuclear safety process, and are engaged not only in nuclear safety risk management and control issues but also in the overall nuclear safety culture. Our involvement in risk management mainly consists of deploying the required skills and expertise. These skills and expertise are developed through the training provided by the Assystem Nuclear Institute (ANI) and by external training organisations leading to recognised qualifications. The control process is based on a comprehensive quality assurance system and entails internal or external audits, some of which are performed by clients. The nuclear safety culture is developed through a system of continuous improvement strongly rooted in quality assurance, safety, and environmental protection. We make the greatest possible use of feedback and suggestions from employees, at all levels of responsibility.

To accelerate the integration process, Assystem decided to seek ISO 19443 certification of the quality assurance system, based on the IAEA's GS-R standards. In addition, in response to constraints faced by international operators in these areas, we integrate into our own database the feedback we receive from the main operators and members of the worldwide nuclear safety industry, as expressed through specific standards such as ASME NQA-1.

Protecting employees against nuclear risks

We provide our employees with the highest level of prevention against nuclear risks. This concerns not only protecting them against radioactivity, but also developing an overall nuclear safety culture within our operations by paying constant attention to weak signals. Remaining attuned to the concerns of team members and taking care of their safety and well-being is an overriding priority for Group Management.

In response to the current changes in the market and the nature of our services, in 2020 we reinforced our processes and procedures for monitoring exposure to radiation within the entities that are the most at risk. In the United Kingdom, a Radiation Protection Officer has been appointed. In France, the radiation protection unit has been reinforced, with the creation of a dedicated pool of radiation protection advisors.

Assystem's management of nuclear risks ranges from its teams' ground work up to its participation in industry associations and circles of top experts whose purpose is to make the nuclear industry increasingly safe and, consequently, more acceptable in the eyes of public opinion.

Significant events in 2020

In Turkey, we strengthened our market position and won a six-year renewal of our NCIO (Nuclear Construction Inspections Organism) contract with Rosatom. The contract involves overseeing the construction of units 2, 3 and 4 at the Akkuyu nuclear power plant, and we have been specifically assigned with inspecting the structures as well as the systems and components of the buildings for the project's new 2, 3 and 4 Tranches. One of our key missions will be to ensure that these Tranches are compliant with the nuclear safety regulations set by the Turkish Atomic Energy Authority (TAEK).

In the United Kingdom, as a member of the consortium led by Rolls-Royce we took part in the first conceptual design phase of the SMR-UK project. This entails design engineering the conventional (turbine) island, cooling water island and Balance of Plant (BoP), using models based systems engineering (MBSE).

In Finland, we joined the international multicultural group commissioned to draw up the preliminary safety analysis report (PSAR) required by the Finnish nuclear safety authorities to grant a license to build a nuclear power plant.

In France, as a member of the French Nuclear Industry Association (GIFEN) and the Nuclear Quality Standard Association (NQSA), we increased our contribution to the work carried out by nuclear quality and safety commissions, notably by promoting the deployment of ISO 19443 and working on structuring a certification system overseen by nuclear industry players (operators and OEMs). The aim of this certification system is to create a robust standard that will contribute to the longevity and appeal of the industry while making it more competitive and strengthening confidence in it.

Also in France, we took part in an initiative launched by GIFEN, appraising the safety culture knowledge of 2,600 of our employees working in the nuclear sector. The underlying aim was to assess strengths and weaknesses in this domain in view of the increasingly high expectations of the nuclear industry with regard to safety culture. The outcome of the appraisal was extremely encouraging, with several improvement pathways identified.

3.2.3.3 Acting to ensure long-term client satisfaction

We consider client satisfaction as key to our business' sustainability. For this reason, we place great importance on our client relationships and the quality of our services. Both of these factors contribute to enhancing the Group's image and reputation, helping us to attract and retain clients.

PERFORMANCE INDICATOR

Client satisfaction levels are measured by means of an annual survey carried out by an independent partner. This is an essential tool for dialogue with our clients as respondents are asked for a quantitative and qualitative assessment of Assystem's image and their perception of our service quality.

	Target	2020	2019	Change
Client satisfaction rate	90%	91%	91%	→

The scope for this indicator was extended in 2020 and it now includes all of the Group's main entities in France and the United Kingdom (representing over 70% of consolidated revenue), covering all business sectors.

The client satisfaction rate in 2020 was based on a survey of more than 1,100 clients in Europe. With over 360 respondents selected at random, the confidence interval of the result is 4.5%.

This high overall satisfaction rate, which we have consistently achieved not only in the nuclear industry but also in the infrastructure and transportation sectors, is backed up by other excellent satisfaction rates (for example the 95% rate for EDF in its service assessment questionnaire). It is a performance that clearly demonstrates our ability to provide our clients with best-in-class services that meet their expectations. It is a vital factor for client retention and attests to our underlying commitment to our clients and the success of our strategy of partnering them over the long term.

POLICIES AND COMMITMENTS

We operate in sectors that set very high standards in terms of project management, service performance and the skills sought by clients when

awarding a contract. This is the case not only for nuclear industry clients but also for infrastructure projects in France, the United Kingdom and other countries. We understand our clients' expectations and conduct our business with a constant focus on delivering services that meet the highest quality and compliance standards.

We have set up an organisation (Technical Department, Projects and Quality Department), backed by quality management policies and systems aligned with the most exacting international standards. A graduated approach is applied, depending on the projects' criticality. The system is adapted to meet the challenges and escalate monitoring to the appropriate decision-making level. Detailed indicators and tools ensure that we fulfil the commitments given in respect of projects and contracts.

PRACTICES AND ACTION PLANS

We manage client satisfaction imperatives by:

- Listening carefully to clients and their needs: the Group is geared to listening to clients and acting as a source of ideas, thanks to an agile, cross-functional marketing organisation focused on key accounts.

- Providing assurance of project delivery: fulfilling our delivery commitments is part of our corporate DNA. Clients recognise our ability to swiftly adapt our organisation and resource allocation to meet their needs and to fulfil the demands and specifications that are essential to their project's success.

To ensure proper execution of client projects, we perform our services in accordance with the highest standards. To this end, we apply a certification policy to all our main entities based on a combination of ISO 9001, ISO 45001 and ISO 14001. Our practices and processes are also aligned with industry benchmarks, such as ISO 19443 for

nuclear safety or specific client references, such as ASME NQA-1. In terms of data security (see section 3.2.2.4), we apply the provisions of ISO 27001.

As at the date of this Universal Registration Document, all of our operating subsidiaries held quality certifications for all of their sites.

The challenge is to achieve consistently high levels of service quality and client satisfaction in all of the Group's host countries. To preserve our Made in Assystem quality, in 2020 we pursued a large-scale programme called *Delivery Excellence*, aimed at harmonising and aligning our practices and quality systems.

Significant events in 2020

Assystem Radicon – a leader in geotechnical and geophysical services in Saudi Arabia – was classified as an Environmental Consultant Class A by the General Authority of Meteorology and Environmental Protection (which is part of the Saudi Ministry of the Environment Water & Agriculture). This certification testifies to the quality of our services and is an important new step in the implementation of our strategy aimed at combining strong local presence and know-how with our global expertise in engineering and project management.

3

3.2.4 TAKING ACTION FOR THE CLIMATE

We are highly committed to energy transition and are developing solutions worldwide to help (i) drive the growth of carbon-free energy through the use of nuclear power and renewable energies across the globe, (ii) renovate electricity grids, (iii) increase the use of hydrogen as an energy source, and (iv) extend public transport networks.

In 2019, we signed up to the Engineering for the Climate Charter promoted by the engineering trade organisation, Syntec Ingénierie. The Charter's signatories undertake to carry out tangible actions for energy transition through the projects they perform on behalf of clients, sustainably reduce their carbon footprint and support employees' in their climate-related actions. These three priorities structure our contribution to combating climate change and driving energy transition.

3.2.4.1 Contributing to energy transition through client projects

PRACTICES AND ACTION PLANS

Combating climate change is a priority and a technological challenge in the sectors in which the Group conducts business, notably nuclear, energy, transportation and infrastructure. It requires a virtuous approach, combining financial performance with environmental performance.

The first pillar of the Engineering for the Climate Charter – involvement in energy transition – lies at the core of our strategy to promote enlightened energy choices that can rapidly increase the contribution of carbon-free electricity to the global energy mix.

We follow two approaches in this regard:

Developing our business globally in support of energy transition and efficiency

We are convinced that nuclear is an essential energy source in the fight against global warming, which is why we are striving to develop this

energy worldwide. In 2020, we further strengthened our positions in nuclear engineering, affirming our commitment to a more sustainable energy mix. We are partnering new countries internationally in determining their strategy for either building their first nuclear power plants or refurbishing their existing plants.

Also in 2020, we further developed our services related to new energy usages. In particular, we won contracts for major international projects concerning renewable energies, developing the uses of hydrogen as a power source and changing and upgrading electricity grids.

In sum, therefore, the two pillars of our strategy for promoting energy transition are contributing to the production of carbon-free energy and optimising and developing its use. We have adjusted and adapted our organisational structure to fit with this strategy.

Adapting the way the Group conducts its engineering assignments by developing new offers and methodologies addressing climate change issues

Many projects we are working on will ultimately help reduce global warming. We support and partner our clients in each step of their energy transition process and their drive to reduce their overall carbon footprint by:

- helping to identify and measure the environmental impact or energy performance of clients' future plant and equipment and/or projects;
- providing a broad vision of industry standards and the overall regulatory environment, as well as health and safety issues;
- offering the most efficient and cost-effective solutions in terms of materials, equipment and systems, ready for seamless integration into a project to create an overall, coherent whole.

Our solutions enable clients to meet their own challenges as well as achieving their environmental performance targets.

Significant events in 2020

During 2020 we reinforced our market positions in, and won new contracts for, major projects related to renewable energy, developing the use of hydrogen as a power source, and upgrading infrastructure and electricity grids. We achieved this in parallel with conducting our long-standing business activities and with our work on promoting energy transition in all of our host countries, particularly in the field of nuclear engineering which is a key driver for the production of carbon-free electricity.

In France we were entrusted with project management consultancy missions for upgrading Paris's river port infrastructure, as well as a project to oversee the safety and security aspects of the SNCF's hydrogen-powered train programme.

In Saudi Arabia, Assystem Radicon is providing engineering services as part of the Neom project to build from scratch a futuristic smart city and an investment-initiative economic zone for new technologies, covering an area of 26,500 sq.km.

3.2.4.2 Sustainably reducing our businesses' carbon footprint
PERFORMANCE INDICATORS

	Target	2020	2019	Change
Greenhouse gas emissions (<i>TeqCO₂</i>)	ND	3,473	5,728	↘
Greenhouse gas emissions per employee per year (<i>TeqCO₂/employee/year</i>)	ND	0.74	1.23	↘
Electricity use (<i>in kWh</i>)	ND	1,725,939	2,328,759	↘

The scope for measuring CO₂ emissions covers the Group's main operating entities apart from INSIEMA, the Staffing entities, and the Belgian and Swiss subsidiaries of Assystem Care Holding. These Belgian and Swiss subsidiaries will be included in 2021.

In view of 2020 being such a particular year, it is impossible to draw meaningful comparisons between 2020 measurements of the Group's carbon footprint and either past or future performance. The consequences of the Covid pandemic (lockdowns, travel restrictions, etc.) led to an over-39% reduction in greenhouse gas (GHG) emissions for the Group as a whole. GHG emissions per employee also dropped by 39%. The main reason for this year-on-year change was a 46% fall in business travel, which led to a 57% drop in GHG emissions related to air and rail travel and a 40% reduction in those related to the Group's vehicle fleet.

PRACTICES AND ACTION PLANS

Our commitment to combating climate change is also reflected in our efforts to narrow our own businesses' carbon footprint. We have put in place specific strategies for reducing our emissions, as well as policies on business travel and vehicles aimed at containing travel volumes and promoting means of transport that emit less CO₂. We have introduced and encourage the application of upstream measures designed to limit or offer alternatives to business travel. Some of these are covered by collective agreements (remote working) or are discussed with employee representatives (local transport plan). The scope of these measures was considerably extended within the Group in 2020.

We regularly assess our progress on reducing our carbon footprint by carrying out carbon audits (BEGES). The results of these audits are published in a carbon footprint report, which is provided to the relevant authorities and the non-financial rating agencies.

We deploy and encourage a series of consistent measures to limit the impact of business travel and reduce the number of trips. We are also seeking to narrow our carbon footprint by reviewing our work organisation methods and our office infrastructure.

Managing business travel solutions

We promote low-carbon mobility solutions through a travel policy based on matching the most suitable means of transport to destinations and distances. Our business travel rules are designed to optimise distances travelled and the choice of means of transport, including for the trip to and from the airport or railway station. For these "last mile" trips, agreements have been entered into with companies operating fleets of hybrid or electric taxis. We also have a policy of pro-actively replacing fleet vehicles. We endeavour to choose office locations that are well served by modern public transport networks and draw up Sustainable Urban Mobility Plans (PDU) for our largest premises.

Our strategy of encouraging our employees to use collaborative tools and remote working as alternatives to business travel and commuting proved particularly valuable in the unprecedented context of 2020. The Covid crisis has resulted in widespread use of remote working which will have an impact on work organisation and business travel in the short term.

Infrastructure management

All decisions about working space are measured against financial, social and environmental yardsticks. We take specific measures to enhance the energy performance of our infrastructure, in particular by renting office space in energy-efficient buildings and reducing office space per employee. When it comes to choosing new facilities, wherever possible we opt for low-energy buildings that comply with the latest environmental standards and are equipped with more efficient management systems such as smart HVAC meters.

Tracking and managing our carbon footprint

Each year, we draw up and publish a *Bilan Carbone* carbon footprint report measuring the greenhouse gas emissions generated by our activities based on scopes 1, 2 and 3. The report covers the main direct and indirect CO₂ emissions related to the Group's premises and business travel. The Group does not have its own data centres and does not occupy any large spaces dedicated to data storage. Consequently, IT-related electricity use and CO₂ emissions are not measured. The carbon footprint report covers all of the Group's significant subsidiaries in Europe, the Middle East and the Pacific region.

Significant events in 2020

In 2020, we continued to gradually replace our diesel-powered vehicles in order to rapidly have a fleet consisting only of clean hybrid or electric vehicles (CO₂ emissions of less than 110g/km), in line with the general emissions objective set by Group Management. As part of this project, we started installing electric recharging points at our sites during the year.

3

3.2.4.3 Supporting employees' climate commitments

PRACTICES AND ACTION PLANS

In 2019, we launched the *Incredible Future* programme modelled on the Engineering for the Climate Charter. What started out as a programme to coordinate and promote in-house awareness-raising initiatives about energy transition took on the more extensive form of a Group-wide environmental mission in 2020.

The aim of the programme is to support the younger generations' clear interest in environmental issues, as well as bringing together and structuring the Group's in-house initiatives for energy transition by increasing their visibility and implementing them on a larger scale, notably by embedding environmental concerns in all of our business activities.

As a responsible corporate citizen, we view this programme as a means of strengthening our employees' engagement, developing the Group's attractiveness and contributing to one of the biggest challenges facing the world – climate change.

Significant events in 2020

In France, the environmental unit launched an awareness-raising programme during the year about the challenges of energy transition and Assystem's work in this domain. Specific training modules have been created, which will be integrated into the Group's e-learning platform for rollout in 2021.

In parallel, we have designed an awareness-raising programme about climate issues based on the Climate Collage method. Due to the Covid crisis, we were unable to finalise this programme during 2020, but the leaders who have been trained to implement it were able to use digital tools and kits to carry out some of the sessions and the programme is remaining open in 2021.

Also during the year, a group of our younger employees worked with Assystem's Imagine Lab on devising a number of tools to measure the carbon impact of various scenarios envisaged for performing a particular Group service, right from the bid stage. These tools – which meet increasing demand from clients for carbon impact assessments – were used during the year for services relating to relocations of industrial plant and equipment and the creation of digital twins for industrial infrastructure.

3.3 METHODOLOGY NOTE

3.3.1 REPORTING STANDARDS

The Group's CSR commitments are based on the following standards:

- the Non-Financial Performance Statement, which describes Assystem's Corporate Social Responsibility strategy and the non-financial information required under Articles L. 225-102-1 and R. 225-105-1 to R. 225-105-3 of the French Commercial Code;

- the United Nations Global Compact, which sets out ten universal principles covering human rights, labour, the environment and anti-corruption measures.

The Group first pledged to uphold the Global Compact in 2011 and it renewed its pledge in 2017. Within the Group, these principles have been translated into mandatory behaviours and practices, as indicated in the following cross-reference table:

HUMAN RIGHTS

Global Compact principles	Sources
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	- Application of OECD guidelines and ILO conventions (declaration by Assystem Engineering and Operation Services committing to comply and to ensure that contractors comply with the ILO's 1998 Declaration on Fundamental Principles and Rights at Work) - Section 3.2.2
Principle 2: Business should make sure that they are not complicit in human rights abuses	- Application of OECD guidelines and ILO conventions - Section 3.2.2

LABOUR

Global Compact principles	Sources
Principle 3: Businesses should uphold the freedom of association and the right to collective bargaining	- Application of OECD guidelines and ILO conventions - Section 3.2.1
Principle 4: Businesses should uphold the elimination of all forms of forced or compulsory labour	- Application of OECD guidelines and ILO conventions - Section 3.2.2
Principle 5: Businesses should uphold the effective abolition of child labour	- Application of OECD guidelines and ILO conventions - Section 3.2.2
Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation	Section 3.2.1

ENVIRONMENT

Global Compact principles	Sources
Principle 7: Businesses should support a precautionary approach to environmental challenges	Section 3.2.4
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility	Section 3.2.4

ANTI-CORRUPTION

Global Compact principles	Sources
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	- Code of Conduct to prevent corruption and influence peddling - Section 2.1.4

The Group has put in place a continuous improvement process for its entire management system, based on the following international standards:

- ISO 26000, the international standard providing guidelines for social responsibility;
- GS-R standards issued by the IAEA;
- the ISO 9001 quality management standard;

- ISO 19443, the quality management standard for the nuclear energy sector;
- occupational health and safety management standards, including ISO 45001;
- the ISO 14001 environmental management standard;
- the ISO 27001 information security management standard.

3.3.2 INDICATORS AND REPORTING METHODOLOGY

In 2011, we drew up a list of key indicators to be used to assess our CSR performance and the impact of the Group's business on its environment and stakeholders. These indicators are tracked regularly and presented in an annual report. They are in addition to the Group key figures presented on pages 4 and 5 of this Universal Registration Document.

The Non-Financial Performance Statement is prepared using input from the operations departments and business partners concerned. These include the Human Resources, Legal & Compliance, Nuclear Risk Management, Safety Quality, Mobility & Workplace, Information Systems and Digital Innovation Departments.

3.3.2.1 HR indicators

DEFINITIONS

- Total number of Group employees: number of Group employees at 31 December 2020 under permanent, fixed term and project contracts, and work-study contracts, excluding interns, temporary staff, subcontractors and UK contractors. Employee numbers are presented by geographic area.
- Flexibility: number of Group employees under permanent contracts at 31 December 2020.
- Gender balance: based on employees on the payroll at 31 December 2020.
- Seniors: employees aged 45 and over on the payroll at 31 December 2020.
- Employees with disabilities: employees whose possibility of finding or keeping a job is reduced due to the alteration of one or more physical, sensory, mental or psychological functions; on the Group's payroll at 31 December 2020.
- Absentee rate: number of days' absence (sick leave, work-related accident leave, maternity/paternity leave) divided by the theoretical number of days worked. The absentee rate is calculated based on the weighted average number of Group employees.
- New hires: cumulative number of new hires during the reporting period, excluding contractors in the United Kingdom as well as INSIEMA and MPH Global Services and its subsidiaries, which represent a large number of new hires due to the specific nature of their business model and therefore would account for a disproportionate proportion of new hires compared with the relative size of their activities within the Group if they were included in the indicator.
- Training: internal and external classroom and e-learning courses that enable employees to acquire the expertise needed to perform their jobs. The investment in training is measured based on (i) the number of employees trained during the year out of the total number of employees at the year-end, and (ii) training costs, including the cost of training materials, trainer payroll costs and related expenses, expressed as a percentage of the total payroll for 2020. The total number of sessions and hours of training followed on the e-learning platform are not included in this indicator for 2020.

- Staff turnover rate (resignations): number of resignations calculated as a percentage of the average number of employees for the reporting period. The reported figures exclude contractors in the United Kingdom as well as INSIEMA and MPH Global Services and its subsidiaries (due to the specific nature of their businesses which have a structurally high staff turnover rate).
- Work-related accidents: lost-time accidents caused by or that occur during the work of a Group employee, irrespective of the cause. Accident frequency and severity rates correspond to averages calculated based on the rules set out in the French Labour Code (Code du Travail). They are determined by reference to the number of hours worked, based on the number of incidents recognised by the social security authorities as being work-related. The reported figures exclude INSIEMA due to the specific nature of its business.

SCOPE

The HR indicators presented in this Universal Registration Document are based on the Human Resources Department's annual employee data report and have been calculated as of 31 December 2020. They cover 93% of the total number of Group employees, as defined above. They do not cover INSIEMA and the entities in the Staffing division because their business model is different from the Group's core engineering services business.

3.3.2.2 Environmental indicators

DEFINITIONS

The environmental indicators presented in section 3.2.4.2 of this Universal Registration Document are based on the 2020 carbon footprint report (BEGES) and cover the main scope 1, 2 and 3 direct and indirect emissions generated by the entities mentioned in the "Scope" paragraph below:

- Some non-material energy use (electricity and gas) is excluded from the calculation because the source data is not available.
- Travel expenses paid for on a company credit card (provided only in a few units) are not taken into account in the carbon footprint report as the data concerned is not easily accessible.
- The CO₂ emissions calculation factors are obtained from national databases similar to the ADEME database in France (see www.bilans-ges.ademe.fr). Where accurate information is not available, we use the factors for countries with a similar energy mix and similar energy generation resources.
- Data concerning electricity use by information systems, servers, computers and other digital tools is not separately identified and is included in total electricity use.
- The Group does not have its own data centres and does not occupy any large spaces dedicated to data storage. IT-related electricity use and CO₂ emissions are not taken into account in the report presented in section 3.2.4.

SCOPE

The environmental indicators defined in section 3.3.2.2 above cover 78% of Group employees in 2020 (74% in 2019). The data does not currently cover recent acquisitions, the Group's Belgian and Swiss subsidiaries, INSIEMA, or MPH Global Services and its subsidiaries. In other countries, we are unable to obtain sufficiently reliable data for inclusion in the carbon footprint report due to the nature of the business and the fact that our offices are spread over wide areas.

3.3.2.3 Other key indicators**DEFINITIONS**

- Risk analysis coverage: all Group subsidiaries are covered by the risk analysis carried out for the purpose of applying France's Sapin II Act (concerning transparency, the prevention of corruption and the modernisation of the economy). Due diligences are performed at the outset of any mergers and acquisitions and the creation of joint ventures.
- Data security: the Group's performance in this domain is based on the number of sensitive data disclosure incidents for which Assystem is held responsible (excluding data relating to national defence secrets). As the issue of information systems failure due to cyber-crime is sensitive information, no quantitative data concerning the Group's performance in this area is disclosed.
- Nuclear safety: performance is measured based on the annual number of events reported to a nuclear safety authority for which Assystem is held responsible. Events are classified based on the definitions used for the International Nuclear Event Scale (INES).
- Employee exposure to radiation: this indicator corresponds to the percentage of employees exposed to radiation greater than one-tenth of the maximum regulatory level in each country.

- Client satisfaction: this indicator corresponds to the proportion of clients that rate the Group's services as satisfactory or more than satisfactory in the annual survey conducted by an independent firm of consultants. The consultants work with Assystem to compile the questionnaire and select the client sample. The consultants then conduct the survey according to their own protocols and analyse the results using their proprietary statistical methods. With a response rate of over 30% out of a sample of 1,100 contacts, the consultants consider that the confidence interval for the satisfaction score is 4.5%.

SCOPE

Ethical practices indicators cover all consolidated companies.

The scope for this indicator corresponds to entities that have an Information Security Management (ISM) system in place, i.e. Assystem Engineering and Operation Services, Assystem Care France, Assystem Energy & Infrastructure Ltd and Assystem Radicon, representing 66% of the Group's consolidated companies.

Nuclear safety indicators cover all of the Group's nuclear services performed for nuclear plant operators or main suppliers of nuclear equipment.

The indicator concerning the management of employee exposure to radiation covers all employees whose exposure is monitored in compliance with each country's specific legal and regulatory obligations. In 2020, 980 employees were monitored for radiation exposure, representing 16% of total Group employees.

The client satisfaction indicator covers the Group's businesses and is based on annual surveys of a sample of more than 1,100 clients, including key accounts in France and the United Kingdom. The 2020 client satisfaction survey covered clients representing 71% of consolidated revenue.

3.4 REPORT OF THE INDEPENDENT THIRD PARTY

This is a free translation into English of the independent third party's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as independent third party, accredited by COFRAC number 3-1058 (scope available at www.cofrac.fr), and member of the Mazars network of one of the Company's Statutory Auditors, we hereby report to you on the non-financial statement for the year ended 31 December 2020 (hereinafter the "Statement"), included in the Group management report pursuant to the requirements of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (Code de commerce).

THE ENTITY'S RESPONSIBILITY

The Board of Directors is responsible for preparing the Statement, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators.

The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement and are available on request at the Company's headquarters.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by the requirements of Article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (Code de déontologie) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and French professional guidance.

RESPONSIBILITY OF THE INDEPENDENT THIRD PARTY

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with Article R. 225-105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

However, it is not our responsibility to comment on the entity's compliance with other applicable legal and regulatory requirements, in particular

the French duty of care law and anti-corruption and tax avoidance legislation nor on the compliance of products and services with the applicable regulations.

NATURE AND SCOPE OF OUR WORK

The work described below was performed in accordance with the provisions of Articles A. 225-1 et seq. of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements:

- we obtained an understanding of all the consolidated entities' activities and the description of the principal risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of social and environmental information set out in Article L. 225-102 1 III as well as information set out in the second paragraph of Article L. 22-10-36 regarding compliance with human rights and anti-corruption and tax avoidance legislation;
- we verified that the Statement provides the information required under Article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under Article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- we verified that the Statement presents the business model and a description of principal risks associated with the all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- we referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in appendix. For the risk "Customer satisfaction" our work was carried out on the consolidating entity, for the others risks, our work was carried out on the consolidating entity and on a selection of entities⁽¹⁾;
- we verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with Article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;

(1) Assystem Engineering and Operation Services (France) and Assystem Energy & Infrastructure (UK).

- we obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in appendix, we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
 - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities and covers between 47% and 100% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

MEANS AND RESOURCES

Our work was carried out by a team of 3 people between September 2020 and March 2021 and took a total of 3 weeks.

We conducted ten interviews with the people responsible for preparing the Statement, representing in particular the Human Resources, Quality & Safety and Purchasing & Property Departments.

CONCLUSION

Based on the procedures performed, nothing has come to our attention that causes us to believe that the consolidated non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

COMMENT

Without modifying our conclusion and in accordance with Article A. 225-3 of the French Commercial Code, we have the following comment: the Information Security policy covers France, i.e. 72% of the Group's workforce.

The Independent Third Party
 Mazars SAS
 Paris La Défense, 26 March 2021
 Edwige Rey
 CSR & Sustainable Development Partner



4

CORPORATE GOVERNANCE REPORT

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In June 2019, the Company's Board of Directors decided to change its corporate governance reference framework from the AFEF-MEDEF Corporate Governance Code to the Mollenext Corporate Governance Code as revised in September 2016 (the "Mollenext Code").

The Company considers that its practices comply with the recommendations in the Mollenext Code.

The Board of Directors is guided in its work by its Rules of Procedure which define how it is organised and operates, as well as an Insider Trading Compliance Code. The Board regularly reviews its Rules of Procedure to ensure that they are constantly in compliance with the applicable laws and regulations. The Board's most recent update to the Rules of Procedure was on 27 June 2019, notably in order to reflect the change in the Corporate Governance Code used by the Company as its reference framework for corporate governance matters.

On 22 May 2014, Assystem was converted into a *société anonyme* (public limited company) with a Board of Directors chaired by Dominique Louis, Chairman & CEO. This governance structure – which was adopted based on the industry benchmark – is in line with SBF 250 best practices. It offers a form of governance that is tightly structured around Management, acting under the oversight of four independent directors who ensure a balance of power. This balance is enhanced by the fact that the powers of the Chairman & CEO and the CFO & Deputy CEO are delineated by the Rules of Procedure and the appointment decisions that fall within the remit of the Board.

Assystem's governance structure is also intended to simplify the decision-making process, accelerate the implementation of the Group's strategy, strengthen the accountability of the Board of Directors, and create close ties between the Board and Management.

In addition, the Board has two specialised Committees – an Audit Committee and a Nominations and Compensation Committee. The existence of these two Committees strengthens the balance of power within the Company.

At the date of this Universal Registration Document, Assystem had two executive officers: Dominique Louis, Chairman & CEO, and Philippe Chevallier, CFO & Deputy CEO. The Group's Chief Operating Officer is Stéphane Aubarbier.

This report is made up of three sections: (i) section 4.1 relating to the Board of Directors, (ii) section 4.2, relating to the compensation of the corporate officers⁽¹⁾, and (iii) section 4.3, which describes the terms and conditions for participating in General Shareholders' Meetings as well as related-party agreements.

All of the information required in a corporate governance report is cross-referenced in the table in chapter 8 of this Universal Registration Document, indicating the related chapter and page numbers.

(1) For the purposes of this document, the term "corporate officer" means a director or officer of the Company. The term "executive officer" means a corporate officer who has an executive role within the Company and who may or may not be a member of Assystem's Board of Directors. At 31 December 2020 Assystem had two executive officers: Dominique Louis, Chairman & CEO and Philippe Chevallier, CFO & Deputy CEO.

4.1 THE BOARD OF DIRECTORS

4.1.1 MEMBERS OF THE BOARD OF DIRECTORS

4.1.1.1 General information

SUMMARY TABLE OF THE MEMBERS OF THE BOARD OF DIRECTORS AND BOARD COMMITTEES AT 31 DECEMBER 2020

	Age	Male/ Female	Start of first term of office	End of current term of office	Number of years on the Board	Audit Committee	Nominations and Compensation Committee	Meeting attendance rate
Directors								
Dominique Louis Chairman & CEO	69	M	4 February 1994	2023 AGM	26			86%
Gilbert Lehmann	75	M	3 May 2004	2023 AGM	16	Chair	x	100%
Miriam Maes	64	F	12 May 2011	2023 AGM	9	x	Chair	100%
Virginie Calmels	49	F	9 March 2016	2023 AGM	4			86%
Nathalie Font	50	F	14 December 2018	2022 AGM	2			71%
Vincent Favier	52	M	22 January 2020	2023 AGM	0	x	x	100%
Pierre Guénant	70	M	26 June 2020	2023 AGM	0	x		100%
Julie Louis	50	F	26 June 2020	2023 AGM	0			100%
MC Conseil represented by Michel Combes	58	M	27 June 2019	2023 AGM	1			43%

During the year ended 31 December 2020, the Board of Directors and the Audit Committee met seven times each and the Nominations and Compensation Committee met three times.

NUMBER OF DIRECTORS

In accordance with paragraph 1 of Article L. 225-17 of the French Commercial Code, the Board comprises a minimum of three and a maximum of eighteen members, elected for a renewable three-year term.

At 31 December 2020, the Board comprised nine members, as follows:

- Dominique Louis, Chairman & CEO;
- Gilbert Lehmann, independent director, Chair of the Audit Committee and member of the Nominations and Compensation Committee;
- Miriam Maes, independent director, member of the Audit Committee and Chair of the Nominations and Compensation Committee;
- Virginie Calmels, independent director;
- Pierre Guénant, independent director;
- Nathalie Font, employee representative director;
- MC Conseil, represented by Michel Combes;
- Vincent Favier;
- Julie Louis.

GENDER BALANCE ON THE BOARD OF DIRECTORS

At 31 December 2020, the Board's membership structure complied with the requirement of French Act 2011-103 of 27 January 2011 relating to gender equality in the workplace and in particular concerning gender balance on corporate boards.

INDEPENDENT DIRECTORS

The Middelnext Code states that in order for a director to be deemed independent they must not:

- be – or have been in the past five years – an employee or executive officer of the Company or any other Group entity;
- have – or have had in the past two years – significant business relations with the Company or the Group (as a client, supplier, competitor, service provider, creditor, banker, etc.);
- be a major shareholder of the Company or hold a significant percentage of its voting rights;
- have close links or close family ties to a corporate officer or major shareholder of the Company; or
- have been a Statutory Auditor of the Company in the past six years.

At its meeting on 16 March 2021, based on the recommendation of the Nominations and Compensation Committee which met on that same day, the Board assessed the independence status of its members based on each of the above criteria.

The Board's conclusions are set out in the table below.

	Dominique Louis	Miriam Maes	Gilbert Lehmann	Virginie Calmels	Nathalie Font	Michel Combes, representing MC Conseil	Vincent Favier	Pierre Guénant	Julie Louis
Is not – or has not been in the past five years – an employee or executive officer of the Company or any other Group entity		x	x	x		x	x	x	x
Has not – or has not had in the past two years – significant business relations with the Company or the Group (as a client, supplier, competitor, service provider, creditor, banker, etc.)	x	x	x	x	x	x	x	x	x
Is not a major shareholder of the Company and does not hold a significant percentage of its voting rights		x	x	x	x		x	x	x
Does not have close links or close family ties to a corporate officer or major shareholder of the Company		x	x	x	x		*	x	
Has not been a Statutory Auditor of the Company in the past six years.	x	x	x	x	x	x	x	x	x
Independence status	Not independent	Independent	Independent	Independent	Not independent	Not independent	Not independent	Independent	Not independent

* As Vincent Favier previously represented Tikehau Capital on Assystem's Board of Directors, on the recommendation of the Nominations and Compensation Committee, the Board decided that he can only qualify as an independent director following a period of two years after the end of Tikehau Capital's term of office, i.e. as from 15 November 2021.

The membership structure of the Board of Directors therefore complies with the Middlednext Code which recommends that corporate boards should have at least two independent directors.

In addition, the Audit Committee and the Nominations and Compensation Committee are both chaired by independent directors.

RESPONSIBLE DIRECTORS

Conflicts of interest

The Company is not aware of any potential conflicts of interest between the directors' and executive managers' duties to Assystem and their own personal interests and/or other obligations.

Furthermore, to the best of the Company's knowledge, none of its corporate officers:

- has been convicted of fraud in the past five years;
- has been associated with a bankruptcy, receivership or liquidation in the past five years;

- has been publicly and/or officially incriminated and/or sanctioned by a statutory or regulatory authority (including any professional bodies);
- has been disqualified by a court from acting as a member of an administrative, management or supervisory body of an issuer or from taking part in the management or conduct of the business of any issuer in the past five years.

The only family ties between the members of the Board of Directors are between Julie Louis and Dominique Louis.

Insider Trading Compliance Code

In compliance with the General Regulations of the Autorité des Marchés Financiers (AMF – the French securities regulator), the members of the Board of Directors are required to disclose any trades they carry out in the Company's securities and to refrain from trading in any of the Company's securities they hold in a personal capacity during the closed periods specified in the applicable regulations.

The procedures for applying these trading rules are described in the Company's Insider Trading Compliance Code. Each corporate officer

is required to declare in writing that they have read this Code. In addition, via a specific system for managing insider lists and regulated information, every year the Company sends out regular reminders of the applicable regulations as well as the scheduled publication dates of its quarterly and half-yearly financial information and the related closed periods.

DIVERSITY POLICY

The Board regularly assesses whether its own membership structure and that of its Committees is balanced in view of the Company's ownership structure and in terms of the diversity of the profiles of the Board and Committee members. At 31 December 2020, four of the Board's members were women (including one non-French member) and five were men. Almost all of the Board's members have experience working for an international structure, and the Board seeks to achieve a balance between experience, skills, independence and ethics.

The directors are selected based on the above criteria, and notably for their experience and skills (particularly in terms of managing large international groups, understanding of specific issues related to Assystem's business, knowledge of the Company's markets, and financial skills).

Thanks to this balanced structure, the Board's discussions and decision-making processes are of the highest quality.

CHANGES ON THE BOARD

The following changes to the Board's membership took place in 2020:

- On 22 January 2020, Vincent Favier was appointed as a director by the Board based on the recommendation of the Nominations and Compensation Committee to replace Tikehau Capital, which had stood down from the Board. This appointment was ratified by the Company's shareholders at the 26 June 2020 Annual General Meeting and Vincent Favier was re-elected for a three-year term expiring at the Annual General Meeting to be called to approve the financial statements for the year ending 31 December 2022.
- At the 26 June 2020 Annual General Meeting, Julie Louis, Pierre Guénant and MC Conseil (represented by Michel Combes) were elected as directors for three-year terms expiring at the Annual General Meeting to be called to approve the financial statements for the year ended 31 December 2022.

4.1.1.2 Information about the Company's corporate officers

DOMINIQUE LOUIS

Chairman & CEO and Chairman of the Board of Directors of Assystem

Born in 1951

A French national

Business address:

Assystem – Tour Égée, 9-11 allée de l'Arche, La Défense, 92400

Courbevoie, France

Date first appointed as Chairman & CEO and elected as a director: 22 May 2014

End of current term of office:

Annual General Meeting to be held in 2023 to approve the 2022 financial statements.

At 31 December 2020, Dominique Louis held an indirect interest in the Company's share capital as described in chapter 1, section 1.5 of this Universal Registration Document.

Profile

- A qualified engineer (ENSEM), Dominique Louis began his career as a test engineer with Atem, a company specialised in industrial and nuclear engineering. Several years later he created the company R'Data and subsequently, Alphatem, a subsidiary formed jointly with Cogema. The amalgamation of Atem, R'Data and Alphatem gave rise to the creation of Assystem in 1994. Dominique Louis oversaw Assystem's IPO in 1995 and since the Company's formation has served as the Chairman of the Management Board and subsequently as the Chairman of the Board of Directors.
- Dominique Louis is a Knight of the French Legion of Honour.

LIST OF OFFICES AND POSTS HELD AT 31 DECEMBER 2020

Offices and posts	Group companies
Offices and posts held in France	
Chairman & CEO and a director	Assystem*
Offices and posts held outside France	
Director	Assystem Solutions DMCC
Offices and posts	Non-Group companies
Offices and posts held in France	
Permanent representative of HDL as Chair	HDL Development
Chairman	HDL SAS
Chairman	Entreprises en Croissance SAS (EEC)
Chairman	CEFID SAS
Joint Legal Manager – Chairman of the Management Board	H2DA Sarl
Legal Manager	SCI Les Grives Comtadines
Permanent representative of HDL as Chair	Le Galoubet SAS
Observer	Framatome
Member of the Supervisory Board	Expleo Group
Offices and posts held outside France	
None	

* Listed company.

LIST OF FORMER OFFICES AND POSTS HELD IN THE PAST FIVE YEARS

Offices and posts	Group companies
Offices and posts held in France	
None	
Offices and posts held outside France	
None	
Offices and posts	Non-Group companies
Offices and posts held in France	
None	
Offices and posts held outside France	
None	

PHILIPPE CHEVALLIER

CFO & Deputy CEO of Assystem

Born in 1958

A French national

Business address:

Assystem – Tour Égée, 9-11 allée de l'Arche, La Défense, 92400 Courbevoie, France

Date appointed as CFO & Deputy CEO: 5 June 2015

End of current term of office:

Annual General Meeting to be held in 2023 to approve the 2022 financial statements.

At 31 December 2020, Philippe Chevallier did not hold any Assystem shares.

Profile

- A graduate of ESSEC Business School and the Institut d'Études Politiques de Paris, Philippe Chevallier began his career at Usinor (later ArcelorMittal) where he was director of financing and director of mergers & acquisitions.
- He subsequently held the post of Chief Financial Officer at Elior for 12 years, where his responsibilities included managing refinancing and equity transactions as well as acquisitions and divestments. After working as a senior adviser at the financial consulting firm June Partners, he was appointed CFO and General Counsel at Assystem on 5 January 2015.
- Since 5 June 2015, Philippe Chevallier has been Assystem's CFO & Deputy CEO.

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LIST OF OFFICES AND POSTS HELD AT 31 DECEMBER 2020

Offices and posts	Group companies
Offices and posts held in France	
CFO & Deputy CEO	Assystem*
Chairman	ASG Assistance Sécurité et Gardiennage
Non-voting Board member	Expleo Group
Offices and posts held outside France	
Director	Assystem Solutions DMCC
Offices and posts	Non-Group companies
Offices and posts held in France	
Legal Manager	Richaud Holding
Offices and posts held outside France	
None	

* Listed company.

LIST OF FORMER OFFICES AND POSTS HELD IN THE PAST FIVE YEARS

Offices and posts	Group companies
Offices and posts held in France	
None	
Offices and posts held outside France	
None	

GILBERT LEHMANN

A director of Assystem, Chair of the Audit Committee and a member of the Nominations and Compensation Committee

Born in 1945

A French national

Business address:

Assystem – Tour Égée, 9-11 allée de l'Arche, La Défense, 92400 Courbevoie, France

Date first elected as a director: 22 May 2014

End of current term of office:

Annual General Meeting to be held in 2023 to approve the 2022 financial statements.

At 31 December 2020, Gilbert Lehmann held two Assystem shares.

Profile

- After earning a degree in economic science and graduating from the Institut d'Études Politiques in Paris, Gilbert Lehmann worked in several posts in the public banking sector before joining the Framatome Group in 1983, where he served as director of financing and corporate treasury, and then CFO (from 1990 to 1996) and Deputy CEO (from 1996 to 2001). He was subsequently appointed Deputy CEO of Areva when Areva was incorporated in 2001, a post he held until 2008.
- Gilbert Lehmann has held several directorships in listed companies in France and the United States.
- He is also a director and Chair of the Audit Committee of Cadogan Plc and was a member of Assystem's Supervisory Board from 2003 to 2014.

LIST OF OFFICES AND POSTS HELD AT 31 DECEMBER 2020

Offices and posts	Group companies
Offices and posts held in France	
Director, Chair of the Audit Committee and member of the Nominations and Compensation Committee	Assystem*
Offices and posts held outside France	
None	
Offices and posts	Non-Group companies
Offices and posts held in France	
Managing Partner	Gilbert Lehmann Conseil
Offices and posts held outside France	
Director and Chair of the Audit Committee	Cadogan Plc (London)*

* Listed company.

LIST OF FORMER OFFICES AND POSTS HELD IN THE PAST FIVE YEARS

Offices and posts	Group companies
Offices and posts held in France	
None	
Offices and posts held outside France	
None	
Offices and posts	Non-Group companies
Offices and posts held in France	
Director, Vice-Chairman of the Board of Directors and member of the Audit Committee	Eramet*
Director	Framapar*
Director	CNS
Chairman of the Supervisory Board	Lina's Développement
Offices and posts held outside France	
Director	ST Microelectronics Holding BV
Chairman and a director	Sepi – Switzerland

* Listed company.

MIRIAM MAES

A director of Assystem, a member of the Audit Committee and Chair of the Nominations and Compensation Committee

Born in 1956

A Dutch national

Business address:

Assystem – Tour Égée, 9-11 allée de l'Arche, La Défense, 92400 Courbevoie, France

Date first elected as a director: 22 May 2014

End of current term of office:

Annual General Meeting to be held in 2023 to approve the 2022 financial statements.

At 31 December 2020, Miriam Maes did not hold any Assystem shares.

Profile

- Miriam Maes holds a Business Administration degree from Nyenrode Business Universiteit in the Netherlands. She has 30 years' experience of working for multinationals, more than 20 of which spent managing national and international profit centres.
- Miriam Maes began working in the energy sector in 2002, initially at Texas Utilities (TXU) as a member of the European Executive team and later at EDF where she served as Chief Operating Officer in charge of non-regulated networks and decentralised energy business.
- In 2007 she took on the role as Chair of Foresee, a consulting firm specialising in sustainable development and energy management for businesses.
- In 2010 she was appointed as an adviser to the UK Secretary of State for Energy & Climate Change with the specific task of supporting the UK government's public sector energy and carbon emissions reduction programme.
- Miriam Maes is currently Chair of the Supervisory Board of the Port of Rotterdam and a director of Eramet and Ureenco.

LIST OF OFFICES AND POSTS HELD AT 31 DECEMBER 2020

Offices and posts	Group companies
Offices and posts held in France	
Director, member of the Audit Committee and Chair of the Nominations and Compensation Committee	Assystem*
Offices and posts held outside France	
None	
Offices and posts	Non-Group companies
Offices and posts held in France	
Director, Chair of the Audit Committee and member of the Compensation Committee	Eramet*
Offices and posts held outside France	
Chair of the Supervisory Board and member of the Compensation Committee	Port of Rotterdam
Director, member of the Audit Committee and Chair of the Sustainability Committee	Ureenco

* Listed company.

LIST OF FORMER OFFICES AND POSTS HELD IN THE PAST FIVE YEARS

Offices and posts	Group companies
Offices and posts held in France	
None	
None	
Offices and posts held outside France	
None	
Offices and posts	Non-Group companies
Offices and posts held in France	
Director and Chair of the Audit Committee	Vilmorin*
Offices and posts held outside France	
Chair	Sabien Technology Group Ltd (United Kingdom)
Non-executive director	Elia System Operator – NV
Non-executive director	Elia Asset – NV
Non-executive director	Kiwi Power Ltd

* Listed company.

VIRGINIE CALMELS
A director of Assystem

Born in 1971

A French national

Business address:

Assystem – Tour Égée, 9-11 allée de l'Arche, La Défense, 92400 Courbevoie, France

Date first elected as a director: 9 March 2016

End of current term of office:

Annual General Meeting to be held in 2023 to approve the 2022 financial statements.

At 31 December 2020, Virginie Calmels did not hold any Assystem shares.

Profile

- Virginie Calmels began her career as an auditor with Salustro Reydel before becoming Chief Financial Officer for NC Numericable and then for Dutch start-up Sky Gate BV in 1999. She then joined the Canal+ group where she successively served as Chief Financial Officer, Deputy CEO and joint Chief Operating Officer between 2000 and 2002.
- In 2003, Virginie Calmels was appointed CEO of Endemol France and was subsequently named Chair and CEO in 2007. She then became Chief Operating Officer of the Endemol group in 2012. She left the Endemol group in 2013.
- From 2013 to February 2017 she held the position of Chair of the Supervisory Board of Euro Disney of which she had been a member since 2011. She was also an independent director of Technicolor from 2014 to 2016 and then a non-voting member of Technicolor's Board from 2016 to 2017.
- Virginie Calmels was Deputy Mayor of Bordeaux in charge of the Economy, Employment and Sustainable Growth, and Vice-President of the Bordeaux Metropolitan Area from March 2014 until February 2019.
- From December 2015 to September 2020 she was a regional councillor for the Nouvelle Aquitaine region.
- Virginie Calmels has also been:
 - a director of Iliad (Free) since 2009;
 - Chair of SAS Shower Company since 2013, which itself is the Chair of SAS CEducation (since January 2020);
 - Chair of the Strategy Committee of the Oucare group since November 2019 and Honorary Chair of the Oui Care support fund that campaigns against violence against women.

LIST OF OFFICES AND POSTS HELD AT 31 DECEMBER 2020

Offices and posts	Group companies
Offices and posts held in France	
Director	Assystem*
Offices and posts held outside France	
None	
Offices and posts	Non-Group companies
Offices and posts held in France	
Chair	SHOWer company SASU
Director	Iliad
Chair of the Strategy Committee	OuiCare group
Offices and posts held outside France	
None	

* Listed company.

LIST OF FORMER OFFICES AND POSTS HELD IN THE PAST FIVE YEARS

Offices and posts	Group company
Offices and posts held in France	
None	
Offices and posts held outside France	
None	
Offices and posts	Non-Group companies
Offices and posts held in France	
Chair of the Supervisory Board	Eurodisney SCA and Eurodisney Associés SCA
Chair of the Board of Directors	EPA Bordeaux Euratlantique
Vice-President	Centre d'étude et de prospective stratégique (CEPS)
Regional councillor	Aquitaine Limousin Poitou-Charentes region
Director	MEDEF Paris
Director	Technicolor SA
Director	Aéroport de Bordeaux Mérignac
Director	BGI Bordeaux Gironde Investissement
Director	Aerospace Valley
Director	Bordeaux Aéroport SPL
Director	SAEML Régaz
Offices and posts held outside France	
None	

NATHALIE FONT

Quality Engineer, Employee representative director on Assystem's Board of Directors

Born in 1970

A French national

Business address:

Assystem – 10 Boulevard Ralli, 13008 Marseille cedex, France

Date appointed as an employee representative director: 14 December 2018

End of current term of office:

Annual General Meeting to be held in 2022 to approve the 2021 financial statements.

At 31 December 2020, Nathalie Font held 52 Assystem shares.

Profile

- Having trained as an engineer at ESEM, Nathalie Font joined Assystem in 1996 (named Atem at the time).
- After spending two years in the technical operations unit as a Valves and Pumps project manager, she joined Assystem's Marseille office, working in engineering for nuclear power plants and decommissioning and environmental protection within the Operations & Safety unit for pressurised water reactors (PWR).
- For ten years she was involved in operations management at the Marseille office and oversaw the PWR Operations & Safety unit.
- In September 2019, Nathalie Font was appointed as Project Quality Engineer for Assystem's offices in Marseille and Lyon.

LIST OF OFFICES AND POSTS HELD AT 31 DECEMBER 2020

Offices and posts	Group companies
Offices and posts held in France	
Employee representative director on the Board of Directors	Assystem*
Offices and posts held outside France	
None	
Offices and posts	Non-Group companies
Offices and posts held in France	
None	
Offices and posts held outside France	
None	

* Listed company.

LIST OF FORMER OFFICES AND POSTS HELD IN THE PAST FIVE YEARS

Offices and posts	Group companies
Offices and posts held in France	
None	
Offices and posts held outside France	
None	
Offices and posts	Non-Group companies
Offices and posts held in France	
None	
Offices and posts held outside France	
None	

MC CONSEIL, REPRESENTED BY MICHEL COMBES

Limited company with a sole shareholder. Share capital: €100. Registered office located at 3, rue de Téhéran, 75008 Paris, France. Registered with the Paris Trade and Companies Registry under no. 493 472 021.

A director of Assystem

Represented on Assystem's Board of Directors by Michel Combes

Business address:

Assystem – Tour Égée, 9-11 allée de l'Arche, La Défense, 92400 Courbevoie, France

Date first appointed as a Board member: 27 June 2019

End of current term of office:

Annual General Meeting to be held in 2023 to approve the 2022 financial statements.

At 31 December 2020, MC Conseil held an indirect interest in the Company's share capital via HDL Development, of which MC Conseil is an indirect shareholder.

Profile

- MC Conseil provides consulting and assistance services to companies and other organisations in the domains of strategy, planning, organisation, management and internal control.

LIST OF OFFICES AND POSTS HELD AT 31 DECEMBER 2020

Offices and posts	Group companies
Offices and posts held in France	
Director	Assystem*
Offices and posts held outside France	
None	
Offices and posts	Non-Group companies
Offices and posts held in France	
None	
Offices and posts held outside France	
Member of the Business Advisory Committee	McLaren

* Listed company.

LIST OF FORMER OFFICES AND POSTS HELD IN THE PAST FIVE YEARS

Offices and posts	Group companies
Offices and posts held in France	
None	
Offices and posts held outside France	
None	
Offices and posts	Non-Group companies
Offices and posts held in France	
Director	HDL Development SAS
Offices and posts held outside France	
None	

MICHEL COMBES

Permanent representative of MC Conseil on Assystem's Board of Directors

Born in 1962

A French national

Business address:

Assystem – Tour Égée, 9-11 allée de l'Arche, La Défense, 92400 Courbevoie, France

At 31 December 2020, Michel Combes held an indirect interest in the Company's share capital via MC Conseil, which is an indirect shareholder in HDL Development.

Profile

- A graduate of École Polytechnique, as well as École Nationale Supérieure des Télécommunications, and Paris Dauphine University, Michel Combes began his career at France Telecom.
- He then held several different posts, including in ministerial cabinets in the French government, before serving as Assystem's Chief Executive Officer between 2001 and 2002.
- Michel Combes subsequently continued his career in the telecommunications sector, holding executive positions in France Telecom, Télédiffusion de France (TDF), Vodafone and Alcatel-Lucent. In 2015, he was appointed Chairman of Numericable-SFR and Chief Executive Officer of Altice. In 2018, he joined Sprint in the United States, where he oversaw the company's merger with T-Mobile in his role as Chief Executive Officer.
- Since September 2020, Michel Combes has been Chairman of SoftBank Group International.

LIST OF OFFICES AND POSTS HELD AT 31 DECEMBER 2020

Offices and posts	Group companies
Offices and posts held in France	
Permanent representative of MC Conseil as a director	Assystem*
Offices and posts held outside France	
None	
Offices and posts	Non-Group companies
Offices and posts held in France	
None	
Offices and posts held outside France	
Chairman	SoftBank Group International
Director	F5 Networks*
Director	Philip Morris International*

* Listed company.

LIST OF FORMER OFFICES AND POSTS HELD IN THE PAST FIVE YEARS

Offices and posts	Group company
Offices and posts held in France	
None	
Offices and posts held outside France	
None	
Offices and posts	Non-Group companies
Offices and posts held in France	
Permanent representative of MC Conseil as a director	HDL Development SAS
Director & CEO	Sprint*
Offices and posts held outside France	
Chief Executive Officer	Altice Group*
Director	MTS Telecom*

* Listed company.

JULIE LOUIS

A director of Assystem

Born in 1970

A French national

Business address:

Assystem – Tour Égée, 9-11 allée de l'Arche, La Défense, 92400 Courbevoie, France

Date first elected as a director: 26 June 2020

End of current term of office:

Annual General Meeting to be held in 2023 to approve the 2022 financial statements.

At 31 December 2020, Julie Louis did not hold any Assystem shares.

Profile

- Having obtained an MBA in International Business and Finance from Schiller International University in Paris, Julie Louis began her career in the coffee and oil trading sectors before becoming Head of Communications and Partnerships at the French National Institute of Sport and Physical Education (INSEP).
- She then held technical adviser positions in various ministerial cabinets of the French government (Ministry of Youth and Sport, Budget Ministry and Ministry of Tourism).
- Julie Louis created the company, On The Way, which specialises in managing media relations and setting up partnerships.

LIST OF OFFICES AND POSTS HELD AT 31 DECEMBER 2020

Offices and posts	Group companies
Offices and posts held in France	
Director	Assystem*
Offices and posts held outside France	
None	
Offices and posts	Non-Group companies
Offices and posts held in France	
None	
Offices and posts held outside France	
None	

LIST OF FORMER OFFICES AND POSTS HELD IN THE PAST FIVE YEARS

Offices and posts	Group companies
Offices and posts held in France	
None	
Offices and posts held outside France	
None	
Offices and posts	Non-Group companies
Offices and posts held in France	
Director	HDL Development
Offices and posts held outside France	
None	

PIERRE GUÉNANT

A Director of Assystem, a member of the Audit Committee

Born in 1950

A French national

Business address:

Assystem – Tour Égée, 9-11 allée de l'Arche, La Défense, 92400 Courbevoie, France

Date first elected as a director: 26 June 2020

End of current term of office:

Annual General Meeting to be held in 2023 to approve the 2022 financial statements.

At 31 December 2020, Pierre Guénant held 10,000 Assystem shares.

Profile

- A graduate of ESCP business school in Paris, Pierre Guénant began his career with the Jacobs/Jacques Vabre group.
- He then joined the Heuliez group where he served in various posts, first as sales director then director of a manufacturing facility and subsequently as an executive in the group's holding company.
- In 1980, Pierre Guénant founded the PGA group, which he built up to become one of Europe's leading automotive distributors. He sold his controlling stake in the PGA group in 2000.
- Since 2010, he has headed up PGA Holding, a company that manages the diversified investments of the group of entities of which it is the parent.

LIST OF OFFICES AND POSTS HELD AT 31 DECEMBER 2020

Offices and posts	Group companies
Offices and posts held in France	
Director and member of the Audit Committee	Assystem*
Offices and posts held outside France	
None	
Offices and posts	Non-Group companies
Offices and posts held in France	
Joint Legal Manager	PGA Holding
Director and Chair of the Nominations and Compensation Committee	CFAO
Chairman of the Supervisory Board	AdVini*
Offices and posts held outside France	
Director and Chair of the Strategy Committee	IBL*

* Listed company.

LIST OF FORMER OFFICES AND POSTS HELD IN THE PAST FIVE YEARS

Offices and posts	Group companies
Offices and posts held in France	
None	
Offices and posts held outside France	
None	
Offices and posts	Non-Group companies
Offices and posts held in France	
Director	HDL Development
Chairman of the Supervisory Board	CFAO
Offices and posts held outside France	
None	

VINCENT FAVIER

A director of Assystem, a member of the Audit Committee and the Nominations and Compensation Committee

Born in 1968

A French national

Business address:

Assystem – Tour Égée, 9-11 allée de l'Arche, La Défense, 92400 Courbevoie, France

Date appointed as a director by the Board: 22 January 2020

End of current term of office:

Annual General Meeting to be held in 2023 to approve the 2022 financial statements.

At 31 December 2020, Vincent Favier did not hold any Assystem shares.

Profile

- A graduate of École Centrale de Lyon and HEC Paris, Vincent Favier began his career as a strategy consultant at Oliver Wyman, where he worked until 1999.
- He subsequently served as director of business development and equity interests and a member of the Management Committee at Worms & Cie until 2005, when he joined Amber Capital as managing director with responsibility for investments in listed companies and private equity in France.
- From January 2013 to March 2015, Vincent Favier was director of investments and equity interests at Tikehau Capital Advisors. Since April 2015 he has been Chairman & CEO of Ecoslops, a company that transforms marine oil residues into fuel.

LIST OF OFFICES AND POSTS HELD AT 31 DECEMBER 2020

Offices and posts	Group companies
Offices and posts held in France	
Director	Assystem*
Offices and posts held outside France	
None	
Offices and posts	Non-Group companies
Offices and posts held in France	
Chairman & CEO and a director	Ecoslops
Legal Manager	Croissance et Finances
Offices and posts held outside France	
None	

* Listed company.

LIST OF FORMER OFFICES AND POSTS HELD IN THE PAST FIVE YEARS

Offices and posts	Group companies
Offices and posts held in France	
Permanent representative of Tikehau Capital on the Board of Directors	Assystem*
Permanent representative of Tikehau Capital on the Board of Directors	HDL Development
Permanent representative of Salvepar on the Board of Directors	Assystem*
Offices and posts held outside France	
None	
Offices and posts	Non-Group companies
Offices and posts held in France	
Director	Salvepar
Director	Flo SA group*
Permanent representative of Salvepar as a member of the Supervisory Board and as a member of the Audit Committee	Spie Batignolles
Permanent representative of Salvepar as a member of the Supervisory Board	Financière Spie Batignolles
Director	Financière Flo SAS
Offices and posts held outside France	
None	

* Listed company.

4.1.2 CONDITIONS FOR THE PREPARATION AND ORGANISATION OF THE WORK OF THE BOARD OF DIRECTORS

4.1.2.1 General information on the duties and work of the Board of Directors

In accordance with the Company's Articles of Association and the Board of Directors' Rules of Procedure, the Board meets as often as required in the interests of the Company and at least four times a year.

The Board sets the strategic, economic and financial goals for Assystem's business activities and oversees their achievement. On the initiative of its Chairman, it examines all matters relating to the smooth running of Assystem and makes all decisions – notably of a strategic nature – regarding the Company, within the limits of the corporate purpose and subject to the powers expressly vested in shareholders in General Meetings.

The Board has sole discretion for deciding how Assystem's executive management should be carried out and who should head the executive management team. This person, who is accountable to the Board, may

be the Chairman of the Board or another individual appointed by the Board as Chief Executive Officer.

As stated at the beginning of this chapter, the Board has two specialised Committees with advisory powers, tasked with studying and preparing issues to be discussed and decided on by the Board. These Committees are:

- An Audit Committee, responsible for assisting the Board in carrying out its financial and audit-related duties and responsibilities. In particular, this Committee's roles include:
 - Examining the half-yearly and annual parent company and consolidated financial statements, management reports and trading and earnings statements.
 - Verifying compliance with the accounting standards used for the parent company and consolidated financial statements.
 - Ensuring that the internal procedures for compiling and verifying data are properly applied.
 - Inspecting the quality and relevance of the information disclosed to shareholders.
 - Examining the Company's procedures for selecting its Statutory Auditors, particularly the way in which they are selected and the underlying terms and conditions of their fees, and ensuring that the Statutory Auditors maintain their independence throughout the term of their engagement.
 - Analysing the annual audit plans drawn up by the Statutory Auditors.
 - Reviewing the Board's annual report on the Group's risk exposure, particularly concerning financial and litigation risks, and significant off-balance sheet commitments.
- A Nominations and Compensation Committee, responsible for:
 - Submitting proposals to the Board in relation to the election and re-election of Board members and the appointment or reappointment of the Chairman & CEO, any future CEO and members of the Audit Committee. The Committee is also kept informed by the Chairman of the Board about the appointment of Group executives who are not on the Board or a Board Committee.
 - Issuing recommendations to the Board on the overall amount of directors' remuneration to be submitted for approval at the Annual General Meeting as well as on the methods used to calculate the individual amounts allocated to the directors out of this overall sum.
 - Issuing recommendations to the Board on the compensation of the Company's executives.

In order for the Board to properly perform its duties, prior to its meetings it is regularly and fully advised of matters submitted to it covering all agenda items, and particularly the running of the Company. In this respect, the Board's Rules of Procedure specify that:

- it is the responsibility of the Chairman of the Board to decide on the agenda for each Board meeting and to send this agenda to all Board members in a timely fashion and by any appropriate means;
- information about the agenda items must be sent on a timely basis to members prior to Board and Committee meetings;
- in exceptional cases the Board is authorised to hold its meetings by videoconference or any other means of telecommunication.

In compliance with the Middennext Code, the Board conducts regular assessments of its operating procedures, its organisation and its membership structure.

In 2020, an assessment questionnaire about the Board was submitted to its members. The questionnaire covered (i) the directors' expectations concerning the Board, (ii) the Board's organisation and operating procedures, notably during the Covid crisis, (iii) the areas of expertise of the Board's members, (iv) the effectiveness of the Board's discussions, (v) relations between the Board and Executive Management, (vi) an appraisal of the Company's governance, and (vii) an evaluation of individual contributions to the work of the Board and its Committees.

In general, all of the directors thought that the Board's organisation was appropriate and in line with market practices. They felt that the presentations given and the discussions held demonstrated the Board's spirit of cooperation and its collegiate nature. All of the directors considered relations between Executive Management and the Board to be good and most of the directors felt that they had a good understanding of the Company's business activities, goals and challenges. They believed that there were good-quality, regular discussions and contacts outside of Board meetings between the directors themselves and between the Board and Executive Management.

In 2020, the Board regularly organised discussions with representatives of Assystem's operations teams in order to enhance its oversight of the Group's business activities and overall strategy.

4.1.2.2 Work of the Board of Directors and the Board Committees in 2020

THE BOARD OF DIRECTORS

The Board of Directors met seven times in 2020 with an 86% average attendance rate.

The main topics addressed by the Committee during these meetings were:

- recurring matters, including the parent company and consolidated financial statements, the half-yearly financial statements, quarterly revenue, earnings and trading forecasts, the budget, executive compensation, the directors' assessment of the Board's operating procedures, executive succession planning, the allocation of directors' remuneration for their directorship duties, sureties, deposits and guarantees and reviewing regulated related-party agreements and related-party agreements on routine transactions entered into on arm's length terms;
- the management of the Covid crisis;
- changes in the Group's strategy and planned external growth transactions.

More particularly, on 30 July 2020, the Board decided to carry out free share grants to 107 Group employees.

THE AUDIT COMMITTEE

The Audit Committee met seven times in 2020 with a 100% attendance rate.

The main topics addressed by the Committee during these meetings were:

- recurring matters including the forecast budget for the year, the parent company and consolidated financial statements, an analysis of risks and the corresponding provisions, and the half-yearly and annual financial reports for 2020;
- the review of all draft financial press releases and analyst presentations.

During its meetings, the Committee's work specifically covered the following:

- on 5 February 2020, it examined the 2020 budget, the audit approach adopted by the Company's Statutory Auditors and the draft financial press release on 2019 revenue;
- on 26 February 2020, it held a meeting without any members of Executive Management being present, during which it had in-depth discussions with the Statutory Auditors, notably about IFRS 9 and IFRS 16;
- on 9 March 2020, it examined (i) the annual parent company and consolidated financial statements for 2019 and the related accounting options selected, (ii) the Board of Directors' draft management report for 2019 and significant events after the reporting date, (iii) the Board of Directors' draft report on corporate governance, and (iv) the draft financial press release for the Group's 2019 results and the draft of the related slideshow;
- on 30 April 2020, it examined the draft financial press release on first-quarter 2020 revenue as well as the reporting schedules at 31 March 2020;
- on 30 July 2020, it reviewed the draft financial press release on first-half 2020 revenue, the reporting schedules at 30 June 2020 and the engagements carried out by the Statutory Auditors involving work other than auditing the annual financial statements or performing limited reviews of the half-yearly financial statements;
- on 21 September 2020 it examined the Group's half-yearly consolidated financial statements and half-yearly financial report at 30 June 2020 as well as the draft press release and the draft of the related slideshow;
- on 27 October 2020, it examined the draft financial press release on third-quarter 2020 revenue as well as the reporting schedules at 30 September 2020.

THE NOMINATIONS AND COMPENSATION COMMITTEE

The Nominations and Compensation Committee met three times in 2020, with a 100% attendance rate.

During these meetings it:

- calculated and approved the variable compensation for the Company's executive management team for 2019;
- determined the criteria for setting the variable compensation of the Company's executive management team for 2020;
- drew up the information to be included in the shareholders' say-on-pay votes;
- examined executive succession plans;
- studied the principle of setting up a performance share plan in 2020 and the related terms and conditions;
- defined the procedures for determining directors' remuneration for 2020;
- examined the independence criteria applicable to the members of the Board of Directors.

Restrictions on the powers of the Chairman & CEO and the CFO & Deputy CEO

The Company's executive management team is headed by Dominique Louis, who was reappointed as Chairman & CEO by the Board of Directors at its meeting on 16 May 2017. At that same meeting the Board re-iterated its decision not to separate the roles of Chairman and Chief Executive Officer.

The Board has decided not to place any restrictions on the powers of the Chairman & CEO other than the applicable statutory and regulatory restrictions and those set out in its Rules of Procedure. The Rules of Procedure state that for internal procedural purposes, the Chairman & CEO must obtain the Board's prior authorisation before (i) carrying out any acquisition or disposal or joint venture project whose total value exceeds €20 million, and (ii) carrying out any major internal restructuring(s).

The Company's Articles of Association do not provide for any additional restrictions on the Chairman & CEO's powers.

On 5 June 2015, the Board decided that in his capacity as CFO & Deputy CEO, Philippe Chevallier would have the same powers vis-à-vis third parties as the Chairman & CEO. However, for internal procedural purposes, Mr. Chevallier has the powers set out in the Board's Rules of Procedure, it being specified that his scope of responsibility is limited to the Company's financial, legal and compliance matters.

4.2 COMPENSATION OF CORPORATE OFFICERS

PRESENTATION OF THE SAY-ON-PAY PROCEDURE

The say-on-pay procedure in France was amended in 2019 by French governmental order no. 2019-1234 of 27 November 2019 and Decree no. 2019-1235 of the same date, issued in application of Act no. 2019-486 of 22 May 2019 (known as the "Pacte Act"). This legislation also transposed into French law EU Directive no. 2017/828 of 17 May 2017 (known as "SRD II").

Following these amendments, the say on pay procedure now requires the following:

- in application of Article L. 225-37-2 of the French Commercial Code, an *ex ante* vote by the shareholders at the Annual General Meeting on

the compensation policy for corporate officers for the current year, as presented in the Board of Directors' report on corporate governance;

- in application of Article L. 225-100 II of the French Commercial Code, an *ex post* vote by the shareholders at the Annual General Meeting on the disclosures made pursuant to Article L. 225-37-3 I of the French Commercial Code as presented in the Board of Directors' report on corporate governance;
- in application of Article L. 225-100 III of the French Commercial Code, an *ex post* vote by the shareholders at the Annual General Meeting on the total compensation and benefits paid during, or allocated for, the previous year to each executive officer.

In order to make the resolutions as clear as possible, for the purpose of the *ex ante* vote, the Company voluntarily decided that at its Annual General Meeting, as well as submitting the overall resolution on the compensation policy for corporate officers required under Article L. 225-37-2 of the French Commercial Code, it will also put forward specific resolutions concerning the compensation policy for the Chairman & CEO, the CFO & Deputy CEO and the non-executive directors.

The compensation policies for Assystem's corporate officers are defined by the Board of Directors, based on the recommendations of the Nominations and Compensation Committee, and are submitted for shareholder approval at the Annual General Meeting as required under the applicable regulations.

The aim of the compensation policies is to ensure the Company's long-term future by putting in place a compensation structure that is consistent with market practices so that Assystem can attract and retain high-quality profiles with the experience and expertise that will help the Group to successfully implement its business strategy.

The compensation policies are in the Company's best interests as they enable it to attract and retain talented corporate officers while being adapted to the level of responsibility of each one, as is the practice of comparable companies. They are also fully in line with the Company's overall business strategy as the compensation of its executive officers includes a variable portion, which gives them an interest in the Group's earnings.

As provided for under the applicable regulations, in exceptional circumstances the Board of Directors may apply exceptions to the compensation policies described below.

4.2.1 2021 COMPENSATION POLICY FOR THE NON-EXECUTIVE DIRECTORS

The compensation of Assystem's non-executive directors is based on (i) the directors' actual attendance at Board and Committee meetings and (ii) their level of responsibility.

At the Annual General Meeting of 26 June 2020, the Company's shareholders set the maximum total amount of remuneration payable to non-executive directors for their directorship duties at €260,000 for 2020.

For the allocation of this overall remuneration among the individual non-executive directors for 2020, acting on the recommendation of the Nominations and Compensation Committee, on 9 March 2020 the Board decided on the following proportional weightings of remuneration based on each director's responsibilities (it being specified that the employee representative director, as well as Julie Louis and Dominique Louis do not receive any remuneration in their capacity as directors):

• director	1
• member of the Audit Committee	1 + 0.25
• Chair of the Audit Committee	1 + 1
• member of the Compensation Committee	1 + 0.25
• Chair of the Compensation Committee	1 + 0.5

For the purpose of clarity, if a director holds several different Committee positions, the proportion allocated for their directorship is only counted once.

Absenteeism is taken into account in excess of one absence. If a director's absentee rate is over 50% in any given year, they do not receive any directors' remuneration for that year.

The remuneration due to the non-executive directors for their directorship duties was paid in December 2020.

At its meeting on 16 March 2021, the Board of Directors decided to keep the aggregate maximum amount of remuneration payable to members of the Board of Directors for their directorship duties at €260,000, and therefore not to submit a new resolution concerning directors' remuneration at the upcoming Annual General Meeting. In the fifteenth resolution of the 26 June 2020 Annual General Meeting, the shareholders had set the aggregate annual amount of directors' remuneration at €260,000 for 2020 and subsequent years, until decided otherwise by the shareholders in a General Meeting. The Board also decided to apply the same principles, as set out above, for the allocation of the overall remuneration among the individual non-executive directors for 2021.

The above-described compensation policy for non-executive directors will be submitted to the shareholders for approval at the Annual General Meeting due to be held on 27 May 2021 (in the sixth and ninth resolutions), in accordance with Article L. 22-10-8 of the French Commercial Code.

4.2.2 2021 COMPENSATION POLICY FOR THE EXECUTIVE OFFICERS

At 31 December 2020, the Company's executive officers were:

- Dominique Louis, Chairman & CEO since 22 May 2014;
- Philippe Chevallier, CFO & Deputy CEO since 5 June 2015.

Principles and structure of the 2021 compensation policy for executive officers

GENERAL PRINCIPLES APPLICABLE TO THE EXECUTIVE OFFICERS' COMPENSATION POLICY

The Board of Directors sets the general principles of the Company's compensation policy for its executive officers, based on proposals put forward by the Nominations and Compensation Committee. This compensation policy takes into account the following principles:

- Achieving a balanced structure between the various compensation components. To this end, the Nominations and Compensation Committee must ensure that each compensation package is in the Company's best interests and that the underlying reasons for its components are disclosed.
- Ensuring that compensation packages are determined in a comprehensive way, with all compensation components taken into account for setting the overall amount.
- The Board of Directors and the Nominations and Compensation Committee must take care to ensure that the interests of the executive management team are aligned with those of the Company's shareholders.

- Respecting the concept of comparability, whereby the Board of Directors and the Nominations and Compensation Committee must align executive officers' compensation packages with market practices, taking into account each officer's specific roles and responsibilities, the work they actually carry out and their performance.
- Creating a clear framework. In other words, the Nominations and Compensation Committee and the Board of Directors must ensure that the rules are straightforward, consistent and transparent and that the performance criteria used correspond to the Company's objectives and are clear, exacting and – wherever possible – cover a suitably long period.
- Complying with the principle of proportionality, namely striking the right balance between the various compensation components and taking into account the best interests of both the Company and its stakeholders, as well as market practices and the performance of the executive officers.
- Preventing conflicts of interest. Neither of the executive officers is a member of the Nominations and Compensation Committee.
- Ensuring that the structure of the executive officers' compensation packages is consistent with the compensation and employment conditions of the Company's employees.

STRUCTURE OF THE EXECUTIVE OFFICERS' COMPENSATION PACKAGES FOR 2021

The executive officers' compensation packages comprise annual fixed and variable compensation, both of which are cash-settled (see below for details). Assystem's executive officers do not receive any other form of compensation for the duties they perform and offices they hold within the Company or the Group. In certain specific circumstances, and in accordance with the principles set out in the Middenext Code, the Board may, on a discretionary basis, grant exceptional compensation to any current or newly-appointed executive officers. In the same way as for variable compensation, the payment of any such exceptional compensation would be subject to shareholder approval, as required under Article L. 22-10-34 of the French Commercial Code.

The executive officers may also be eligible for indemnities or benefits if their duties are terminated, namely:

- a non-competition indemnity;
- a termination benefit.

If an executive officer is eligible for such an indemnity and/or benefit, in accordance with the recommendations of the Middenext Code, the aggregate amount of both the non-competition indemnity and the termination benefit may not exceed a cap corresponding to two years' worth of the fixed and variable compensation of the executive officer concerned.

The Company's compensation policy for its executive officers is regularly adapted in line with market practices for listed companies. The structure of the executive officers' compensation packages is reviewed each year by the Board of Directors – which sets the various components of the packages based on the recommendations of the Nominations and Compensation Committee – and will be submitted for shareholder approval in the sixth, seventh and eighth resolutions of the Annual General Meeting to be held on 27 May 2021, in accordance with Article L. 22-10-8 of the French Commercial Code.

2021 COMPENSATION POLICY FOR THE CHAIRMAN & CEO

Fixed compensation

Dominique Louis' fixed compensation is set by the Board of Directors based on recommendations issued by the Nominations and Compensation Committee.

Dominique Louis does not receive any fixed compensation for his role as Chairman of the Board of Directors or as Chief Executive Officer. For the purposes of providing complete information, it should be noted that HDL and HDL Development⁽¹⁾ have signed (i) a services agreement relating to HDL's remuneration as Chair of HDL Development and (ii) a services agreement under which HDL undertook to provide services to HDL Development involving strategy definition, management, organisation and oversight for the Assystem Group (see section 4.2.1.3 below). Under this agreement, in 2020 HDL Development paid HDL fixed compensation of €348,000 (excl. VAT), of which €174,000 (excl. VAT) was rebilled to Assystem in accordance with an agreement entered into between HDL Development and Assystem.

Variable compensation

Dominique Louis does not receive any variable compensation for his roles as Chairman of the Board of Directors or Chief Executive Officer of the Company.

The above-mentioned agreements between HDL and HDL Development and between HDL Development and Assystem respectively provide for (i) the payment by HDL Development to HDL of variable compensation amounting to a maximum €800,000 (excl. VAT), and (ii) said variable compensation to be rebilled by HDL Development to Assystem.

At the Board of Directors' meeting on 16 March 2021, acting on a recommendation issued on 15 March 2021 by the Nominations and Compensation Committee, the Board decided that HDL's variable compensation for 2021 will be based on four criteria: (i) the rating assigned to the Group by Ecovadis – accounting for 20% of the first tranche of the variable compensation (see below) – with the objective of maintaining the Gold rating, (ii) the satisfaction rate of the Group's nuclear engineering clients (as measured each year by an independent firm) – accounting for 30% of the first tranche – with the objective of achieving or exceeding 85%, (iii) Assystem's consolidated revenue based on the scope of consolidation at 31 December 2020, accounting for 25% of the first tranche, and (iv) Assystem's consolidated EBITA (including the share of profit of equity-accounted investees but excluding the share of profit of Expleo Group), based on the scope of consolidation at 31 December 2020 and accounting for 25% of the first tranche. EBITA corresponds to operating profit (including the share of profit of equity-accounted investees whose business is directly related to the business of the Company's fully-consolidated entities) before share-based payment expense (free shares/performance shares and stock options), acquisition costs, capital gains and losses arising on business divestments, and non-recurring income and expenses resulting from unusual, atypical and infrequent events.

The maximum total amount of the first tranche of HDL's variable compensation for 2021 will be €400,000 (excl. VAT). In addition to this first tranche, HDL may be eligible for a second tranche of variable compensation representing a maximum of €400,000 (excl. VAT) if the financial criteria based on revenue and EBITA are exceeded.

(1) Dominique Louis owns 100% of HDL, which in turn controls HDL Development.

The amount actually payable for the first tranche based on the financial criteria will be calculated on a straight-line basis between a floor (i.e. the level below which the criterion is deemed not to have been met) and a cap (i.e. the level at which the criterion is deemed to have been fully met). The second tranche of HDL's variable compensation will be subject to the same principle, with the caps for the first tranche becoming the floors for the second tranche. The floors and caps set for the criteria cannot be disclosed as they are strategically and financially sensitive.

In accordance with the above-mentioned agreement between HDL and HDL Development, the total maximum amount of the variable compensation for 2021 will therefore be €800,000 (excl. VAT), unchanged from 2020. The amount actually payable will be billed to Assystem in accordance with the agreement between HDL Development and Assystem.

Long-term and exceptional compensation

Dominique Louis does not receive any compensation classified as "long-term", such as performance shares, or any exceptional compensation in his capacity as a corporate officer of Assystem.

Directors' remuneration

Dominique Louis does not receive any remuneration specifically for his duties as a director of Assystem.

Compensation for termination of duties

- **Non-competition indemnity**

Dominique Louis is not eligible for any non-competition indemnity in connection with his corporate office, as he is not subject to a non-competition clause.

- **Termination benefit**

Dominique Louis is not eligible for any termination benefit in connection with his corporate office in the event of a forced departure from the Company.

Employment contract

Dominique Louis does not have an employment contract with the Company.

Benefits in kind

Dominique Louis has the use of a company car which represents a benefit in kind.

Supplementary pension plan

Dominique Louis is not a member of an Assystem supplementary pension plan in his capacity as a corporate officer.

If a new Chairman & CEO were to be appointed or if these two positions were to be separated and a new Chief Executive Officer or Chairman of the Board of Directors appointed, the compensation principles described below in relation to the CFO & Deputy CEO would apply temporarily until a new compensation policy is approved by the shareholders in accordance with the applicable legislation.

2021 COMPENSATION POLICY FOR THE CFO & DEPUTY CEO

Fixed compensation

Philippe Chevallier receives annual gross fixed compensation of €336,000.

Variable compensation

At the Board of Directors' meeting on 16 March 2021, acting on a recommendation issued on 15 March 2021 by the Nominations and Compensation Committee, the Board decided that Philippe Chevallier's variable compensation for 2021 will be based on four criteria: (i) the rating assigned to the Group by Ecovadis – accounting for 20% of the first tranche of the variable compensation (see below) – with the objective of maintaining the Gold rating, (ii) the satisfaction rate of the Group's nuclear engineering clients (as measured each year by an independent firm) – accounting for 30% of the first tranche – with the objective of achieving or exceeding 85%, (iii) Assystem's consolidated revenue based on the scope of consolidation at 31 December 2020, accounting for 25% of the first tranche, and (iv) Assystem's consolidated EBITA (including the share of profit of equity-accounted investees but excluding the share of profit of Expleo Group), based on the scope of consolidation at 31 December 2020 and accounting for 25% of the first tranche. EBITA corresponds to operating profit (including the share of profit of equity-accounted investees whose business is directly related to the business of the Company's fully-consolidated entities) before share-based payment expense (free shares/performance shares and stock options), acquisition costs, capital gains and losses arising on business divestments, and non-recurring income and expenses resulting from unusual, atypical and infrequent events.

The maximum total amount of the first tranche of Philippe Chevallier's 2021 variable compensation will be €300,000 gross (unchanged from 2020). In addition to this first tranche, Philippe Chevallier will be eligible for a second tranche of variable compensation representing a maximum gross amount of €60,000 if the financial criteria based on revenue and EBITA are exceeded (also unchanged from 2020). Consequently, the maximum aggregate amount of Philippe Chevallier's variable compensation for 2021 will be €360,000 gross.

The amount actually payable for the first tranche based on the financial criteria will be calculated on a straight-line basis between a floor (i.e. the level below which the criterion is deemed not to have been met) and a cap (i.e. the level at which the criterion is deemed to have been fully met). The second tranche of Philippe Chevallier's variable compensation will be subject to the same principle, with the caps for the first tranche becoming the floors for the second tranche. The floors and caps set for the criteria cannot be disclosed as they are strategically and financially sensitive.

The Board of Directors has decided that if a new executive officer were to be appointed, these same principles would apply to the variable compensation of the person concerned. If the new executive officer were appointed during the second half of a given year, the Board of Directors may assess his or her performance on a discretionary basis.

Long-term and exceptional compensation

Philippe Chevallier does not receive any compensation classified as “long-term” such as performance shares. He does not receive exceptional compensation unless decided otherwise by the Board of Directors acting on the recommendation of the Nominations and Compensation Committee. If the Board did decide to award Philippe Chevallier exceptional compensation, such a decision would have to be submitted for shareholder approval on an *ex post* basis at the following Annual General Meeting.

Directors’ remuneration

Philippe Chevallier does not receive any directors’ remuneration for any directorships within the Group.

Compensation for termination of duties

● Non-competition indemnity

Philippe Chevallier is not eligible for any non-competition indemnity in connection with his position as a corporate officer of Assystem as he is not subject to a non-competition clause.

● Termination benefit

Philippe Chevallier is not eligible for any termination benefit in connection with his corporate office in the event of a forced departure from the Company.

Employment contract

Philippe Chevallier does not have an employment contract with the Company.

Benefits in kind

Philippe Chevallier has the use of a company car which represents a benefit in kind.

Supplementary pension plan

Philippe Chevallier is not a member of an Assystem supplementary pension plan.

If one or more new Deputy CEOs were to be appointed, the principles applicable to the CFO & Deputy CEO would apply for determining their compensation policy, although the amount could vary depending on the profile, experience and level of responsibility of the new Deputy CEO.

4.2.3 REPORT ON THE CORPORATE OFFICERS’ COMPENSATION FOR 2020

- In accordance with Articles L. 22-10-9 and L. 22-10-34 of the French Commercial Code, the shareholders at the Annual General Meeting are required to vote each year on (i) the disclosures made pursuant to Article L. 22-10-9 I of the French Commercial Code, notably relating to the total compensation and benefits paid during, or allocated for, the previous year to all of the Company’s corporate officers, and (ii) the total compensation and benefits paid during, or allocated for, the previous year to each executive officer.
- Consequently, at the 27 May 2021 Annual General Meeting, in the tenth, eleventh and twelfth resolutions, the shareholders will be asked to vote in favour of the following components of compensation paid during, or allocated for, 2020 to the Company’s corporate officers.

COMPONENTS OF COMPENSATION PAID DURING, OR ALLOCATED FOR, 2020 TO THE NON-EXECUTIVE DIRECTORS

The components of compensation paid during, or allocated for, 2020 to the Company’s non-executive directors – which will be submitted to shareholders for approval at the 27 May 2021 Annual General Meeting in accordance with Article L. 22-10-34 of the French Commercial Code – are as follows:

Name	Title	Amounts paid during, or allocated for, 2019 (in euros)	Amounts paid during, or allocated for, 2020 (in euros)
Gilbert Lehmann	Director, Chair of the Audit Committee and member of the Nominations and Compensation Committee	69,231	66,857
Miriam Maes	Director, Chair of the Nominations and Compensation Committee and member of the Audit Committee	53,846	52,000
Virginie Calmels	Director	30,769	29,714
MC Conseil	Director	N/A	-
Pierre Guénant	Director, member of the Audit Committee	N/A	37,143
Vincent Favier	Director, member of the Audit Committee and member of the Nominations and Compensation Committee	N/A	44,571
Julie Louis	Director	N/A	-
Nathalie Font	Employee representative director	-	-
Tikehau Capital	Director, member of the Audit Committee and member of the Nominations and Compensation Committee	43,077	-
Total		196,923	230,285

COMPONENTS OF COMPENSATION PAID DURING, OR ALLOCATED FOR, 2020 TO DOMINIQUE LOUIS AND PHILIPPE CHEVALLIER

DOMINIQUE LOUIS

Following the formation of HDL Development and its successful takeover bid for Assystem shares, two related party agreements were signed on 1 April 2014 between HDL and HDL Development:

- A services agreement relating to HDL's compensation as Chair of HDL Development. In 2020, €200,000 (excl. VAT) was paid to HDL under this agreement.
- A services agreement (amended on 1 October 2014, 29 April 2015, 7 March 2017, 15 March 2018 and 30 April 2020) under which HDL undertook to provide services to HDL Development involving strategy definition, management, organisation and oversight for the Assystem Group in return for compensation comprising a fixed and variable portion.

In accordance with this second agreement, HDL Development paid HDL fixed compensation of €348,000 (excl. VAT) for 2020 (as for previous years). Of this amount, €174,000 (excl. VAT) was rebilled to Assystem as provided for in an agreement signed between HDL Development and Assystem.

At the Board of Directors' meeting on 9 March 2020, acting on a recommendation issued on the same date by the Nominations and Compensation Committee, the Board decided that HDL's variable compensation for 2020 would amount to a maximum of €800,000 and would be based on two criteria, assessed by reference to a pro forma scope of consolidation in order to neutralise the effect of certain changes in the Group's structure. These criteria were:

- Assystem's consolidated revenue, accounting for two thirds of the total variable compensation.
- Assystem's consolidated EBITA (including the share of profit of equity-accounted investees but excluding the share of profit of Expleo Group), accounting for one third of the total variable compensation. EBITA corresponds to operating profit (including the share of profit of equity-accounted investees whose business is directly related to the business of the Company's fully-consolidated entities) before share-based payment expense (free shares/performance shares and stock options), acquisition costs, capital gains and losses arising on business divestments, and non-recurring income and expenses resulting from unusual, atypical and infrequent events.

The amount actually payable in relation to these criteria was calculated on a straight-line basis between a floor (i.e. the level below which the criterion is deemed not to have been met) and a cap (i.e. the level at which the criterion is deemed to have been fully met).

At its meeting on 16 March 2021, acting on the recommendation of the Nominations and Compensation Committee, and based on an analysis of the applicable criteria, the Board decided not to award the variable portion to HDL for 2020.

No stock options or performance shares were awarded to Dominique Louis for 2020.

PHILIPPE CHEVALLIER

At its 9 March 2020 meeting, the Board of Directors unanimously decided to set Philippe Chevallier's compensation as CFO & Deputy CEO as follows:

- gross annual fixed compensation of €336,000;
- gross annual variable compensation of up to €300,000, depending on the achievement of objectives set each year, plus a gross amount of up to €60,000 if the applicable objectives are exceeded (decision based on the recommendation of the Nominations and Compensation Committee).

The variable compensation for 2020 was based on two criteria, assessed by reference to a pro forma scope of consolidation in order to neutralise the effect of certain changes in the Group's structure. These criteria were:

- Assystem's consolidated revenue, accounting for two thirds of the total variable compensation.
- Assystem's consolidated EBITA (including the share of profit of equity-accounted investees but excluding the share of profit of Expleo Group), accounting for one third of the total variable compensation. EBITA corresponds to operating profit (including the share of profit of equity-accounted investees whose business is directly related to the business of the Company's fully-consolidated entities) before share-based payment expense (free shares/performance shares and stock options), acquisition costs, capital gains and losses arising on business divestments, and non-recurring income and expenses resulting from unusual, atypical and infrequent events.

The amount actually payable in relation to these criteria was calculated on a straight-line basis between a floor (i.e. the level below which the criterion is deemed not to have been met) and a cap (i.e. the level at which the criterion is deemed to have been fully met).

At its meeting on 16 March 2021, acting on the recommendation of the Nominations and Compensation Committee, and based on an analysis of the applicable criteria, the Board decided not to award the variable portion to Philippe Chevallier for 2020.

No stock options or performance shares were awarded to Philippe Chevallier for 2020.

Pay ratios for executive officers in 2020

This section of this report was drawn up pursuant to Article L. 22-10-9 I, 6° of the French Commercial Code. It presents, for the past five years, the ratios between the total annual compensation paid to the Company's executive officers (including the amounts paid to HDL via HDL Development) and (i) the average compensation of the Company's employees (on a full time equivalent (FTE) basis), excluding the executive officers, and (ii) the median compensation of the Company's employees, excluding the corporate officers (on an FTE basis). A comparison with the French statutory minimum wage (SMW) has been added for each year presented.

Executive officer	2016			2017			2018			2019			2020		
	Ratio – median employee compensation	Ratio – average employee compensation	Ratio – SMW	Ratio – median employee compensation	Ratio – average employee compensation	Ratio – SMW	Ratio – median employee compensation	Ratio – average employee compensation	Ratio – SMW	Ratio – median employee compensation	Ratio – average employee compensation	Ratio – SMW	Ratio – median employee compensation	Ratio – average employee compensation	Ratio – SMW
Dominique Louis	N/A*	N/A*	14.41	N/A*	N/A*	14.28	1.92	1.85	14.10	1.39	1.38	11.15	2.99	2.55	33.92
Philippe Chevallier	N/A*	N/A*	32.46	N/A*	N/A*	35.27	4.83	4.64	35.37	2.63	2.61	21.12	3.13	2.67	35.55

* In 2016 and 2017, the Company did not have any employees and the only compensation it paid was to the executive officers.

Changes in compensation policies

This section of the report was drawn up pursuant to Article L. 22-10-9 I, 7° of the French Commercial Code, and presents year-on-year changes in compensation, the Company's performance, the average compensation of the Company's employees (on an FTE basis), excluding the executive officers, and the pay ratios set out in the section above, for the past five years:

	2016	2017	2018	2019	2020
Annual compensation paid during the year					
Chairman & CEO					
Compensation	€253,600	€253,600	€253,600	€203,600	€626,600*
Change vs. previous year	0%	0%	0%	(20)%	+208%*
Ratio – average employee compensation	N/A	N/A	1.85	1.38	2.55
Change vs. previous year	N/A	N/A	N/A	(25)%	+84%
Ratio – median employee compensation	N/A	N/A	1.92	1.39	2.99
Change vs. previous year	N/A	N/A	N/A	(28)%	+115%
CFO & Deputy CEO					
Compensation	€571,196	€626,519	€635,959	€385,627	€639,307*
Change vs. previous year	N/A	10%	2%	(39)%	+66%*
Ratio – average employee compensation	N/A	N/A	4.64	2.61	2.60
Change vs. previous year	N/A	N/A	N/A	(44)%	(1)%
Ratio – median employee compensation	N/A	N/A	4.83	2.63	3.05
Change vs. previous year	N/A	N/A	N/A	(46)%	+16%
Directors					
Remuneration (formerly directors' fees)	€193,846	€210,866	€199,643	€196,923	€230,285
Change vs. previous year		+8%	(5)%	(1)%	+17%
Company employees (FTE)					
Average compensation	N/A	N/A	€137,184	€147,854	€245,495
Change vs. previous year	N/A	N/A	N/A	8%	66%
Company performance					
EBITA	€22.1m**	€26.0m	€26.6m	€35.2m	€24.8m
Change vs. previous year	N/A*	+18%	+2%	+32%	(30)%

* These amounts and percentages take into account variable compensation received in 2020 for 2019 (€423,000 for the Chairman & CEO and €300,000 for the CFO & Deputy CEO, versus €0 and €50,000 respectively received in 2019 for 2018).

** 2016 EBITA corresponds to a pro forma EBITA figure restated to take into account the sale of the GPS division that took place in 2017. A pro forma EBITA figure for 2015 is not available.

Summary of compensation paid during, or allocated for, 2020 to all of the Company's corporate officers

The components of the compensation paid during, or allocated for, 2020, as set out in this section, comply with the compensation policies which were approved by a large majority of shareholders at the 26 June 2020 Annual General Meeting.

Components of compensation of the Company's executive officers (disclosed in accordance with AMF position-recommendation no. 2021-02)

The tables disclosing executive officers' compensation, presented in accordance with AMF position-recommendation no. 2021-02, are set out below. The information contained in these tables was prepared by reference to the Middlednext Corporate Governance Code (revised version of September 2016), which the Company adopted in June 2019 as its corporate governance reference framework in replacement of the AFEP-MEDEF Corporate Governance Code.

TABLE 1 – SUMMARY OF COMPENSATION DUE AND STOCK OPTIONS AND PERFORMANCE SHARES AWARDED TO EACH EXECUTIVE OFFICER

Dominique Louis Chairman & CEO	2019	2020
Compensation allocated for the year (detailed in table 2)	€626,600	€200,000
Valuation of multi-year variable compensation allocated during the year	None	None
Valuation of stock options awarded during the year (detailed in table 4)	None	None
Valuation of performance shares awarded during the year (detailed in table 6)	None	None
Valuation of other long-term compensation plans	None	None
Total	€626,600	€200,000

Philippe Chevallier CFO & Deputy CEO	2019	2020
Compensation allocated for the year (detailed in table 2)	€635,627	€339,627
Valuation of multi-year variable compensation allocated during the year	None	None
Valuation of stock options awarded during the year (detailed in table 4)	None	None
Valuation of performance shares awarded during the year (detailed in table 6)	None	None
Valuation of other long-term compensation plans	None	None
Total	€635,627	€339,627

TABLE 2 – SUMMARY OF THE COMPENSATION AND BENEFITS OF EACH EXECUTIVE OFFICER

Dominique Louis Chairman & CEO	2019		2020	
	Amounts allocated	Amounts paid	Amounts allocated	Amounts paid
Fixed compensation (paid by (i) HDL Development for HDL's role as Chair of HDL Development and (ii) Assystem for Dominique Louis' role as Chairman of the Board of Directors of Assystem)	€200,000	€200,000	€200,000	€200,000
Annual variable compensation	€423,000	None	None	€423,000 paid in 2020 for 2019
Multi-year variable compensation	None	None	None	None
Exceptional compensation	None	None	None	None
Directors' remuneration	None	None	None	None
Benefits in kind	€3,600	€3,600	€3,600	€3,600
Total	€626,600	€203,600	€203,600	€626,600

Philippe Chevallier CFO & Deputy CEO	2019		2020	
	Amounts allocated	Amounts paid	Amounts allocated	Amounts paid
Fixed compensation	€315,000	€315,000	€336,000	€336,000
	€300,000 paid in 2020 for 2019	€50,000 paid in 2019 for 2018		€300,000 paid in 2020 for 2019
Annual variable compensation	None	None	None	None
Multi-year variable compensation	None	None	None	None
Exceptional compensation	None	None	None	None
Directors' remuneration	N/A	N/A	N/A	N/A
Benefits in kind	€20,627	€20,627	€3,307	€3,307
Total	€635,627	€385,627	€339,307	€639,307

TABLE 3 – REMUNERATION RECEIVED BY NON-EXECUTIVE DIRECTORS

See section 4.2.3 of this Universal Registration Document.

TABLE 4 – STOCK OPTIONS AWARDED DURING THE YEAR TO EACH EXECUTIVE OFFICER

None.

TABLE 5 – STOCK OPTIONS EXERCISED DURING THE YEAR BY EACH EXECUTIVE OFFICER

None.

TABLE 6 – PERFORMANCE SHARES AWARDED TO EACH EXECUTIVE OFFICER IN ACCORDANCE WITH THE LAWS AND REGULATIONS IN FORCE AT THE AWARD DATE

None.

TABLE 7 – PERFORMANCE SHARES THAT BECAME AVAILABLE DURING THE YEAR FOR EACH EXECUTIVE OFFICER

None.

TABLE 8 – HISTORY OF STOCK OPTION AWARDS

None.

TABLE 9 – STOCK OPTIONS AWARDED TO AND EXERCISED BY THE GROUP'S TEN EMPLOYEES (OTHER THAN EXECUTIVE OFFICERS) WHO RECEIVED THE LARGEST NUMBER OF OPTIONS

None.

TABLE 10 – HISTORY OF PERFORMANCE SHARE AWARDS

None.

TABLE 11 – EMPLOYMENT CONTRACTS, PENSION BENEFITS AND TERMINATION BENEFITS

Executive officer	Employment contract		Supplementary pension plan		Eligible for compensation in the event of termination/ change in duties		Eligible for compensation under a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Dominique Louis Chairman & CEO Start of first term of office: 22 May 2014 End of current term of office: AGM to be held in 2023 to approve the 2022 financial statements		No		No		No		No
Philippe Chevallier CFO & Deputy CEO Start of first term of office: 5 June 2015 End of current term of office: AGM to be held in 2023 to approve the 2022 financial statements		No		No		No		No

4.3 ADDITIONAL INFORMATION

The procedures for attending General Shareholders' Meetings are described in chapter 6, section 6.1 of this Universal Registration Document.

Information on regulated related-party agreements and commitments is provided in chapter 7 of this Universal Registration Document.

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5.1 THE GROUP'S RESULTS

5.1.1 KEY FIGURES

In millions of euros	2019	2020
Revenue	497.5	471.7
Operating profit before non-recurring items – EBITA ⁽¹⁾	35.2	24.8
% of revenue	7.1%	5.3%
Consolidated profit for the period excluding Expleo Group's contribution	14.3	14.1
Consolidated profit/(loss) for the period ⁽³⁾	27.9	(21.1)
Net debt ⁽⁴⁾	51.6	23.8
Dividend per share (in €) ⁽²⁾	1.00	1.00

(1) Operating profit before non-recurring items (EBITA) including share of profit of equity-accounted investees other than Expleo Group (€0.9 million in 2019 and €1.0 million in 2020).

(2) For 2020, the figure corresponds to the dividend that will be recommended at the Annual General Meeting on 27 May 2021.

(3) Including profit attributable to non-controlling interests amounting to €0.9 million for both 2019 and 2020. Consequently, in 2019, profit for the period attributable to owners of the parent came to €27.0 million, and in 2020, loss for the period attributable to owners of the parent was €22.0 million.

(4) Debt less cash and cash equivalents and after taking into account the fair value of hedging instruments.

5.1.2 REVENUE BY DIVISION

In millions of euros	2019	2020	Total year-on-year-change
Group	497.5	471.7	-5.2%
Energy & Infrastructure	446.2	429.7	-3.7%
Staffing	43.8	38.9	-11.3%
Other*	7.5	3.1	-

* Deconsolidated since 1 July 2020

For Assystem, 2020 was marked by the significant negative impact of the Covid-19 pandemic on the Group's revenue and earnings, despite the governmental support measures that were put in place, notably in France, concerning furlough and short-time working schemes for certain employees and exemptions from the corresponding payroll taxes. This impact was particularly pronounced during the national lockdown period in France.

Assystem's consolidated revenue contracted by 5.2% in 2020, breaking down as a like-for-like decrease of 5.5%, a 1.2% positive impact from changes in scope of consolidation, and a 0.9% negative currency effect.

Revenue from the Energy & Infrastructure division declined by 3.7% to €429.7 million, with a 5.3% like-for-like decrease, a 2.2% positive impact from changes in scope of consolidation, and a 0.6% negative currency effect.

Nuclear activities' revenue edged down 2.5% for 2020 as a whole, coming in at €294.5 million, but stabilised in the second half of the year compared with the same period of 2019 despite an operating context still affected to a certain degree by the pandemic. The growth outlook for this sector looks robust for 2021 thanks to the contracts won during 2020.

Revenue posted by Energy Transition & Infrastructures (ET&I) amounted to €135.2 million, down 7.6% like for like, although trends improved significantly in the second half of the year (when the decline was a contained 3.5% versus 12.0% in the first half). For 2021, ET&I's target is to generate revenue at a level between its 2019 and 2020 figures.

The Staffing division's revenue – which was heavily affected by the border closures in place throughout most of 2020 – retreated 11.3% year on year to €38.9 million. This division's revenue target for 2021 is €40 million.

5.1.3 RESULTS OF OPERATIONS AND FINANCIAL POSITION

5.1.3.1 Operating profit before non-recurring items (EBITA) and EBITDA

Consolidated EBITA totalled €24.8 million in 2020, compared with €35.2 million in 2019, and EBITA margin stood at 5.3% versus 7.1%.

EBITA for the Energy & Infrastructure division came in at €28.3 million, and its EBITA margin was 6.6%, versus €36.9 million and 8.3% respectively in 2019.

Staffing EBITA fell year on year to €0.5 million from €1.4 million⁽¹⁾, with an EBITA margin of 1.3%.

The Group's "Holding company" expenses, net of the EBITA of the activities classified in the "Other" category, had a €4.0 million negative impact on consolidated EBITA in 2020, versus a €3.1 million⁽¹⁾ negative impact in 2019. Excluding the EBITA generated by the "Other" activities (which were deconsolidated on 1 July 2020), these Holding company expenses were €4.6 million and €4.9 million in 2020 and 2019 respectively.

(1) €0.2 million in EBITA has been reclassified from "Other" to Staffing for 2019 in order to provide meaningful comparisons with 2020.

Excluding the impact of IFRS 16, consolidated EBITDA⁽¹⁾ came to €30.5 million in 2020 and EBITDA margin was 6.5%, compared with €39.1 million and 7.9% respectively in 2019.

5.1.3.2 Operating profit and other income statement items

Consolidated operating profit totalled €21.8 million, versus €27.3 million in 2019, after taking into account €1.3 million in share-based payments and €1.7 million in net non-recurring expense for the year, including €3.7 million in restructuring costs relating to the Belfort site and a €2.0 million capital gain on the sale of the Group's stake in Eurosyn.

Expleo Group – in which Assystem holds 38.2% of the capital as well as quasi-equity instruments issued by that company (convertible bonds with capitalised interest) – contributed a negative €35.2 million to consolidated profit, breaking down as Assystem's €45.2 million share of Expleo Group's loss for the period and €10.0 million in coupons on the convertible bonds. This negative contribution did not impact the Group's cash flow.

Assystem recorded a net financial expense of €1.9 million for 2020. This amount includes €3.1 million in dividends received from Framatome and a €0.9 million expense recognised for the buyout of the remaining interest in the Turkish company Assystem Envy that was not already owned by the Group.

After deducting an income tax expense of €5.8 million (versus €11.2 million in 2019), Assystem ended the year with a consolidated loss of €21.1 million compared with consolidated profit of €27.9 million in 2019. Excluding Expleo Group's negative contribution, Assystem would have recorded €14.1 million in consolidated profit, versus €14.3 million in 2019.

INFORMATION ABOUT EXPLEO GROUP

Revenue generated by Expleo Group came to €908.0 million in 2020, compared with €1,084.1 million in 2019. The Covid-19 pandemic severely hit demand for outsourced research and development in Expleo Group's two main sectors of activity, i.e. the aeronautical and automotive industries. As this impact is set to be lasting, the company has decided to restructure its corresponding operations, primarily in France, with most of the restructuring measures to be carried out in 2021.

Expleo Group's EBITDA (excluding the IFRS 16 impact) amounted to €51.5 million for 2020 (of which €27.3 million in the second half), representing 5.7% of its consolidated revenue, versus €108.6 million and 10.0% respectively in 2019. The 2020 EBITDA figure includes a negative €12.8 million impact corresponding to the residual amount borne by the company for its employees on short-time working and furlough schemes, recorded in EBITA (which totalled €38.6 million).

Expleo Group recorded a consolidated loss of €92.2 million before recognition of the capitalised interest on its quasi-equity instruments. This amount includes a net non-recurring expense of €77.3 million, of which €66.8 million relates to the provisions for the restructuring plan.

(1) EBITA excluding the impact of IFRS 16 (i.e. €0.6 million in 2020) and before depreciation and amortisation expense and net provisions for recurring operating items.

(2) Corresponding to net cash generated from operating activities less capital expenditure, net of disposals. Free cash flow including the IFRS 16 impact amounted to €69.0 million.

(3) Corresponding to €1.00 multiplied by the 14,808,463 outstanding shares carrying dividend rights at 28 February 2021.

(4) The Group's previous ERP system was fully amortised.

5.1.3.3 Free cash flow and net debt

Free cash flow for 2020 came to €58.4 million (excluding the IFRS 16 impact). Before the €26.7 million positive effect of the income and payroll tax holiday schemes put in place by national governments (mainly in France), the figure was €31.7 million (representing 6.7% of revenue). Out of the overall amount of postponed tax payments, €13.6 million is payable in the first half of 2021 and €13.1 million in the second half of 2021.

The Group had net debt of €23.8 million at 31 December 2020, versus €51.6 million at end-2019. The €27.8 million year-on-year decrease breaks down as follows:

- a €58.4 million reduction in debt as a result of free cash flow⁽²⁾;
- a €15.1 million dividend payment to Assystem shareholders for 2019;
- €8.9 million paid for acquisitions of shares (acquisition of Corporate Risk Associates and buyout of the minority interests in Assystem Envy) and purchased goodwill;
- a €6.6 million net cash inflow for other movements, including €9.4 million paid for purchases of Assystem shares and €3.1 million in dividends received from Framatome.

5.1.3.4 Recommended dividend for 2020

At the Annual General Meeting to be held on 27 May 2021, Assystem will recommend the payment of a dividend of €1.00 per share. If this dividend is approved by the shareholders, it would represent a total payout of €14.8 million⁽³⁾.

5.1.4 OUTLOOK FOR 2021

Excluding the contributions of any acquisitions carried out during 2021 and based on exchange rates at the beginning of the year, Assystem's targets for 2021 are as follows:

- consolidated revenue of at least €500 million;
- EBITA margin of at least 6%, noting that the increase compared with the reference year of 2019 in IT costs arising from the implementation of a new ERP system⁽⁴⁾ and IT security measures represents 0.8% of revenue.

This outlook is based on the assumption that both the Group and its clients are able to continue conducting their business in the same conditions as those currently prevailing.

On 8 March 2021, Assystem announced that it had signed an agreement with the shareholders of the Indian engineering company, STUP Consultants Private Limited ("STUP"), whereby Assystem will acquire 99% of STUP's capital by the end of May 2021, provided that the usual conditions precedent for this type of transaction are met.

STUP generates some €20 million in annual revenue and employs 1,100 people across India. Co-founded 57 years ago by two disciples of the renowned French engineer Eugène Freyssinet, Yves Guyon and C.R.Alimchandani, father of STUP's current Chairman, the company is one of India's leading players in transportation infrastructure engineering (motorways, railway infrastructure, metropolitan networks and airport terminals). It also operates in the water treatment and energy sectors and has an excellent technical reputation in all of its business areas thanks to its teams of highly experienced engineers.

Assystem's objectives in acquiring STUP were three-fold:

- to draw on STUP's human resources and networks so as to capitalise on the robust growth in the infrastructure engineering market in India, propelled by new opportunities and prospects arising from the country's National Infrastructure Pipeline programme which provides for €1,400 billion dollars in investments over the current decade;

- to have an existing and solid base in India to be able to offer our globally recognised nuclear engineering services to the various players involved in the nuclear power plant construction programme launched by the Indian government;
- to further strengthen our skills and expertise in non-nuclear infrastructure engineering by leveraging the capabilities of STUP's teams, to help drive Assystem's international development.

India's nuclear power plant construction programme is aimed at increasing the country's nuclear power production capacity from 7 to 63 gigawatts by the 2030s, therefore massively increasing access to this safe, stable and carbon-free energy source for its citizens and economic players. Assystem plans to set up a nuclear engineering knowledge centre in India with a view to becoming one of the country's leading players in the sector.

5.2 CONSOLIDATED FINANCIAL STATEMENTS

5.2.1 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

<i>In millions of euros</i>	Notes	31 December 2020	31 December 2019
Goodwill	3.3	82.0	84.6
Intangible assets	6.1	15.6	12.2
Property, plant and equipment	6.2	12.0	10.5
Right-of-use assets	13	37.7	34.4
Investment property	6.3	1.3	1.4
Equity-accounted investees	5.2	1.4	1.0
Expleo Group shares	6.4	43.0	91.2
Expleo Group convertible bonds	6.4	121.4	111.4
Expleo Group shares and convertible bonds	6.4	164.4	202.6
Other non-current financial assets	6.5	144.6	143.8
Deferred tax assets	12.3	5.7	4.5
Non-current assets		464.7	495.0
Trade receivables	5.1	150.5	160.8
Other receivables	5.1	23.9	30.0
Income tax receivables		0.7	1.6
Other current assets		0.3	0.5
Cash and cash equivalents	8.1	43.1	29.2
Current assets		218.5	222.1
Total assets		683.2	717.1

The accompanying notes form an integral part of the consolidated financial statements.

EQUITY AND LIABILITIES

<i>In millions of euros</i>	Notes	31 December 2020	31 December 2019
Share capital	7.1	15.7	15.7
Consolidated reserves		348.9	353.7
Profit/(loss) for the period attributable to owners of the parent		(22.0)	27.0
Equity attributable to owners of the parent		342.6	396.4
Non-controlling interests		0.1	0.3
Total equity		342.7	396.7
Long-term debt and non-current financial liabilities	8.2	66.0	80.5
Lease liabilities	13	30.2	27.1
Pension and other employee benefit obligations	5.3.2	19.6	18.4
Liabilities related to share acquisitions	10	-	4.4
Long-term provisions	9.1	17.4	17.2
Other non-current liabilities	10	-	0.8
Deferred tax liabilities		0.1	-
Non-current liabilities		133.3	148.4
Short-term debt and current financial liabilities	8.2	0.9	0.3
Lease liabilities	13	8.5	7.7
Trade payables	5.1	28.3	32.7
Due to suppliers of non-current assets		0.1	1.2
Accrued taxes and payroll costs	5.1	120.8	95.4
Income tax liabilities		1.0	2.7
Short-term provisions	9.1	6.9	3.0
Other current liabilities	5.1	40.7	29.0
Current liabilities		207.2	172.0
Total equity and liabilities		683.2	717.1

The accompanying notes form an integral part of the consolidated financial statements.

5.2.2 CONSOLIDATED INCOME STATEMENT

<i>In millions of euros</i>	Notes	2020	2019
Revenue	5.1	471.7	497.5
Payroll costs	5.3.1	(348.6)	(351.2)
Other operating income and expenses	5.4	(81.9)	(97.7)
Taxes other than on income		(1.1)	(1.1)
Depreciation, amortisation and provisions for recurring operating items, net	5.5	(16.3)	(13.2)
Operating profit before non-recurring items (EBITA)	5.6	23.8	34.3
Share of profit of equity-accounted investees	5.2	1.0	0.9
EBITA including share of profit of equity-accounted investees		24.8	35.2
Non-recurring income and expenses	5.6	(1.7)	(6.9)
Share-based payments		(1.3)	(1.0)
Operating profit	5.6	21.8	27.3
Share of profit/(loss) of Expleo Group	6.4	(45.2)	4.5
Income from Expleo Group convertible bonds	6.4	10.0	9.1
Net financial expense on cash and debt	8.5	(2.7)	(1.8)
Other financial income and expenses	8.5	0.8	0.5
Profit/(loss) from continuing operations before tax		(15.3)	39.6
Income tax expense	12	(5.8)	(11.2)
Profit/(loss) from continuing operations		(21.1)	28.4
Profit/(loss) from discontinued operations		-	(0.5)
Consolidated profit/(loss) for the period		(21.1)	27.9
Attributable to:			
Owners of the parent		(22.0)	27.0
Non-controlling interests		0.9	0.9
<i>In euros</i>			
Basic earnings/(loss) per share	7.3	(1.47)	1.80
Diluted earnings/(loss) per share	7.3	(1.47)	1.76

The accompanying notes form an integral part of the consolidated financial statements.

5.2.3 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>In millions of euros</i>	Notes	2020	2019
Consolidated profit/(loss) for the period		(21.1)	27.9
<i>Items of other comprehensive income/(expense) that will not be reclassified to profit</i>			
Remeasurement of net liability for employee benefit obligations	5.3.1	(1.0)	(2.6)
Income tax effect		0.1	0.3
Remeasurement of the liability for employee benefit obligations (net of income tax effect)		(0.9)	(2.3)
<i>Items of other comprehensive income/(expense) that may be reclassified subsequently to profit</i>			
Gains and losses on hedging instruments	8.3	0.4	-
Income tax effect		-	-
Gains and losses on hedging instruments (net of income tax effect)		0.4	-
Currency translation differences		(9.4)	(0.4)
Total other comprehensive income/(expense)		(9.9)	(2.7)
Total comprehensive income/(expense) for the period		(31.0)	25.2
Attributable to owners of the parent		(31.8)	24.4
Profit/(loss) for the period		(22.0)	27.0
Other comprehensive income/(expense)		(9.8)	(2.6)
Attributable to non-controlling interests		0.8	0.8
Profit for the period		0.9	0.9
Other comprehensive income/(expense)		(0.1)	(0.1)

The accompanying notes form an integral part of the consolidated financial statements.

5.2.4 CONSOLIDATED STATEMENT OF CASH FLOWS

<i>In millions of euros</i>	Notes	2020	2019
Cash flows from operating activities			
EBITA including share of profit of equity-accounted investees		24.8	35.2
Depreciation, amortisation and provisions for recurring operating items, net	5.5	16.3	13.2
EBITDA		41.1	48.4
Change in operating working capital requirement	5.1	46.9	8.1
Income tax paid		(6.7)	(10.7)
Other cash flows		(0.4)	(3.8)
Net cash generated from operating activities		80.9	42.0
<i>O/w related to continuing operations</i>		80.9	42.5
<i>O/w related to discontinued operations</i>		-	(0.5)
Cash flows from investing activities			
Acquisitions of property, plant and equipment and intangible assets, net of disposals, o/w:		(11.9)	(15.8)
<i>Acquisitions of property, plant and equipment and intangible assets</i>	6.6	(12.0)	(16.0)
<i>Proceeds from disposals of property, plant and equipment and intangible assets</i>	6.6	0.1	0.2
Free cash flow		69.0	26.2
<i>O/w related to continuing operations</i>		69.0	26.7
<i>O/w related to discontinued operations</i>		-	(0.5)
Acquisitions of shares and purchased goodwill	3.2	(8.9)	(22.2)
Other movements, net		6.1	4.4
Net cash generated from/(used in) investing activities		(14.7)	(33.6)
<i>O/w related to continuing operations</i>		(17.1)	(33.6)
<i>O/w related to discontinued operations</i>		2.4	-
Cash flows from financing activities			
Net financial income received/(expenses paid)		(1.3)	(1.7)
Proceeds from new borrowings	8.2	-	17.2
Repayments of borrowings and movements in other financial liabilities	8.2	(14.0)	(0.2)
Repayments of lease liabilities, including interest expense	13	(10.6)	(9.3)
Dividends paid	7.4	(16.0)	(17.2)
Other movements in equity of the parent company		(9.4)	0.2
Net cash generated from/(used in) financing activities		(51.3)	(11.0)
Net increase/(decrease) in cash and cash equivalents		14.9	(2.6)
Net cash and cash equivalents at beginning of year	8.1	29.1	32.1
Effect of non-monetary items and changes in exchange rates		(1.1)	(0.4)
Net increase/(decrease) in cash and cash equivalents		14.9	(2.6)
Net cash and cash equivalents at year-end	8.1	42.9	29.1

The accompanying notes form an integral part of the consolidated financial statements.

5.2.5 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>In millions of euros</i>	Share capital	Share premium	Remeasurement of net liability for employee benefit obligations	Hedging reserves	Translation reserve	Total other comprehensive income/(expense)	Profit/(loss) for the period	Other reserves	Equity attributable to owners of the parent	Non-controlling interests	Total equity
At 1 January 2019	15.7	-	-	(0.3)	(10.4)	(10.7)	19.4	362.3	386.7	0.1	386.8
Dividends paid	-	-	-	-	-	-	-	(15.0)	(15.0)	(0.7)	(15.7)
Share-based payments and free share awards	-	-	-	-	-	-	-	1.0	1.0	-	1.0
Treasury share transactions	-	-	-	-	-	-	-	(0.2)	(0.2)	-	(0.2)
Total comprehensive income/(expense)	-	-	(2.2)	-	(0.4)	(2.6)	27.0	-	24.4	0.8	25.2
Appropriation of prior-period profit	-	-	-	-	-	-	(19.4)	19.4	-	-	-
Appropriation of items of other comprehensive income/(expense) that will not be reclassified to profit	-	-	2.2	-	-	2.2	-	(2.2)	-	-	-
Transactions with non-controlling interests without change of control	-	-	-	-	-	-	-	(0.5)	(0.5)	(0.2)	(0.7)
Other movements	-	-	-	-	-	-	-	-	-	0.3	0.3
At 31 December 2019	15.7	-	-	(0.3)	(10.8)	(11.1)	27.0	364.8	396.4	0.3	396.7
Dividends paid	-	-	-	-	-	-	-	(15.1)	(15.1)	(0.5)	(15.6)
Share-based payments and free share awards	-	-	-	-	-	-	-	1.3	1.3	-	1.3
Treasury share transactions	-	-	-	-	-	-	-	(8.3)	(8.3)	-	(8.3)
Total comprehensive income/(expense)	-	-	(0.8)	0.4	(9.4)	(9.8)	(22.0)	-	(31.8)	0.8	(31.0)
Appropriation of prior-period profit	-	-	-	-	-	-	(27.0)	27.0	-	-	-
Appropriation of items of other comprehensive income/(expense) that will not be reclassified to profit	-	-	0.8	-	-	0.8	-	(0.8)	-	-	-
Transactions with non-controlling interests without change of control	-	-	-	-	-	-	-	-	-	-	-
Other movements	-	-	-	-	(0.5)	(0.5)	-	0.6	0.1	(0.5)	(0.4)
At 31 December 2020	15.7	-	-	0.1	(20.7)	(20.6)	(22.0)	369.5	342.6	0.1	342.7

The accompanying notes form an integral part of the consolidated financial statements.

5.2.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 1

REPORTING ENTITY AND BASIS OF PREPARATION

Reporting entity

The Assystem Group (hereinafter also referred to as the "Group") is an international leader in the field of engineering.

The Group's parent company is Assystem S.A. (hereinafter also referred to as the "Company") – a French public limited company (société anonyme) governed by a Board of Directors, whose registered office is located at Tour Égée, 9-11 allée de l'Arche, 92400 Courbevoie, France.

The consolidated financial statements for the year ended 31 December 2020, together with the accompanying notes, were approved by the Company's Board of Directors on 16 March 2021. They will be submitted for approval by the Company's shareholders at the Annual General Meeting scheduled to be held on 27 May 2021.

The consolidated financial statements reflect the accounting position of Assystem S.A. and its subsidiaries. They are presented in millions of euros, rounded to the nearest hundred thousand.

Basis of preparation

In compliance with Regulation 1606/2002/EC of the European Parliament and Council dated 19 July 2002, the consolidated financial statements of the Assystem Group for the year ended 31 December 2020 have been prepared in accordance with International Financial Reporting Standards (IFRSs) and related interpretations as adopted by the European Union at that date. These financial statements present two years of data.

IFRSs as adopted by the European Union differ in certain respects from IFRSs as issued by the IASB. The Group nevertheless ensured that the financial information for the reported periods would not have been substantially different had it applied IFRSs as issued by the IASB.

NEW STANDARDS, AMENDMENTS TO EXISTING STANDARDS AND INTERPRETATIONS WHOSE APPLICATION WAS MANDATORY AS FROM 1 JANUARY 2020

The new standards, amendments and interpretations that were applicable by the Group as from 1 January 2020 were as follows:

- Amendments to IFRS 9, IAS 39 and IFRS 7 – Interest Rate Benchmark Reform: Phase 1.
- Covid-19-Related Rent Concessions (Amendment to IFRS 16).
- Amendments to References to the Conceptual Framework in IFRS Standards.
- Definition of a Business (Amendments to IFRS 3).
- Definition of Material (Amendments to IAS 1 and IAS 8).

The application of the above amendments did not have a material impact on the Group's consolidated financial statements.

New standards, amendments and interpretations issued but not yet effective:

- Amendments to IFRS 4 – Extension of the Temporary Exemption from Applying IFRS 9.

- Amendments to IFRS 9, IAS 39 and IFRS 7 – Interest Rate Benchmark Reform: Phase 2.
- IFRS 17 – Insurance Contracts.
- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1).
- Reference to the Conceptual Framework (Amendments to IFRS 3).
- Property, Plant and Equipment – Proceeds before Intended Use (Amendments to IAS 16).
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37).
- Annual Improvements to IFRS Standards 2018-2020: Amendments to IFRS 1 – First-time Adoption of International Financial Reporting Standards, IFRS 9 – Financial Instruments, IFRS 16 – Leases, and IAS 41 – Agriculture.

The Group does not expect its first-time application of any of the above standards and amendments to have a significant impact on its financial statements in future years.

PRESENTATION OF THE FINANCIAL STATEMENTS AND YEAR-ON-YEAR COMPARISONS

The presentation of the financial statements was the same for 2020 as for 2019.

MAIN SOURCES OF UNCERTAINTY ARISING FROM USE OF JUDGEMENT, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in accordance with IFRS requires the use of judgement, estimates and assumptions that can affect the reported amounts of certain assets and liabilities and income and expenses. The impact of any changes in estimates is accounted for on a prospective basis. The estimates are made by Management based on the going concern principle using information available at the reporting date. They may change, however, due to circumstances or new information that could require a reconsideration of the context in which they were prepared. Actual results may therefore differ from the estimates. The random nature of certain estimates may make it difficult to ascertain the Group's economic outlook, particularly in relation to asset impairment tests (see Note 3.3 – Goodwill).

The accounting items that are the most exposed to the risk of estimation uncertainty are described below.

Recognition of revenue from fixed-price contracts

As explained in Note 5.1 – Revenue and working capital requirement, revenue from fixed-price contracts is recognised using the percentage-of-completion method.

The percentage of completion and the revenue to be recognised depends on numerous estimates based on the monitoring of contract costs and past experience. The assumptions used and estimates of costs to completion may be revised throughout the life of the contract, which could significantly impact future profit.

Provisions for losses on completion of contracts and project warranty costs

Provisions for expected losses on engineering contracts may be recognised when applying the percentage of completion method in accordance with IAS 37 (see Note 5.1 – Revenue and working capital requirement). When it becomes probable that total contract costs will exceed total contract revenue a provision is immediately recognised for the related loss, after deducting any previously recognised losses. However, the loss actually recognised on completion of the contract may differ from the amounts originally provisioned, and may have an impact on future profit.

Figures relating to provisions are presented in Note 9 – Provisions.

Impairment of trade receivables

A lower recoverability rate for a receivable than initially estimated or a default by a major client could adversely affect the Group's future profit.

Figures relating to impairment of trade receivables are presented in Note 5.1 – Revenue and working capital requirement.

Deferred taxes

Deferred tax assets are recognised for the carryforward of unused tax losses and unused tax credits and deductible temporary differences only to the extent that it is probable that the Company and/or its subsidiary(ies) concerned will have sufficient future taxable profit against which the unused tax losses, tax credits or temporary differences can be utilised.

In assessing whether it will have sufficient taxable profit to recover deferred tax assets, the Group takes into account forecasts of future taxable profits, non-recurring expenses included in past losses which should not be incurred again in the future, and its past history of taxable profit for prior years.

Figures for deferred taxes are presented in Note 12.3 – Deferred taxes.

Goodwill impairment

The estimates used in the assumptions for calculating goodwill impairment are set out in Note 3.4 – Goodwill impairment testing.

Employee benefit obligations

The estimates and assumptions used for calculating employee benefit obligations and the related sensitivity analyses are set out in Note 5.3.2 – Employee benefit obligations.

NOTE 2**SIGNIFICANT EVENTS OF THE YEAR**

The significant events of 2020 were as follows:

The Covid-19 pandemic

2020 was marked by the negative impacts of the Covid-19 pandemic on the Group's revenue and operating profit, particularly due to the fact that it was impossible to access certain client sites during the national lockdown period in France (despite the government support measures put in place, particularly in France, concerning furlough and short-time working schemes and exemptions of corresponding employer contributions). However, the Group is unable to give exact figures regarding these impacts.

The Group used the income tax and payroll tax holiday schemes set up by national governments during the year, and the amount still payable at 31 December 2020 totalled €26.7 million (of which €25.8 million for operations in France). Out of this total, €13.6 million is due in the first half of 2021 and the remaining balance in the second half of 2021. These payment holidays significantly affected the change in operating working capital requirement reported in the consolidated statement of cash flows.

Assystem's interest in Expleo Group

Expleo Group – which is 38.16%-owned by Assystem and consolidated by the equity method – was very heavily impacted by the Covid-19 pandemic. Some Expleo Group entities were particularly affected by the

steep declines in business suffered by the automotive and aeronautical industries and therefore had to launch restructuring measures during the year. The provisions recognised for these restructuring measures considerably penalised Expleo Group's consolidated results for 2020 and it reported a loss. However, it is important to note that its EBITA (operating profit before non-recurring items) remained very much in positive territory. The value of Assystem's interest in Expleo Group therefore decreased significantly, from €91.2 million at the beginning of 2020 to €43.0 million at the year-end. Out of this €48.2 million reduction, €45.2 million corresponded to Assystem's share of Expleo Group's consolidated loss for the period, which was recorded in the consolidated income statement. Further information on Expleo Group is provided in Note 6.4 – Expleo Group shares and convertible bonds.

Sale of Eurosyn

On 7 July 2020, the Group sold its majority 50.04% stake in Eurosyn Développement to its joint shareholder in the company for €2.5 million. Net of the cash transferred as part of the sale, this divestment had a €0.5 million cash impact. The disposal gain totalled €2.0 million and has been recognised in the consolidated income statement under "Non-recurring income and expenses".

Acquisition of Corporate Risk Associates

In late May 2020, the Group acquired all of the shares in Corporate Risk Associates (CRA), one of the largest teams of Risk, Safety, Operations and Human Factors consultants in the UK, recording revenues of £3.7 million (€4.1 million) in its financial year ended 31 March 2020. This company has been included in Assystem's scope of consolidation since 1 June 2020.

The purchase price paid for CRA was €2.7 million, net of €0.2 million in cash acquired (see the cash flow statement line, "Acquisitions of shares, net of proceeds from sales"). The goodwill generated on the transaction totalled €2.5 million (see Note 3.2 – Business combinations).

Exercise of the put option granted to Assystem Envy's minority shareholders

In the first half of 2020, the minority shareholders in the Turkish company, Assystem Envy, exercised their put option and the Group therefore bought out their interests for an aggregate €5.7 million (see the cash flow statement line, "Acquisitions of shares, net of proceeds from sales").

Recognition of the dividend received from Framatome

Assystem recorded in its 2020 consolidated income statement, under "Other financial income and expenses" (see Note 8.5 – Financial income and expenses), a €3.1 million dividend payment received during the year from Framatome, in which it holds a 5% stake (see Note 6.5 – Non-current financial assets). In the consolidated statement of cash flows, this dividend payment was recognised in "Other movements, net" under cash flows from investing activities.

NOTE 3

CONSOLIDATION, BUSINESS COMBINATIONS AND GOODWILL

Consolidation methods

Fully-consolidated subsidiaries

Companies over which the Group exercises control are consolidated. IFRS 10 introduced a single model of control based on three criteria: "an investor controls an investee when the 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".

Assets, liabilities, income and expenses of consolidated subsidiaries are included in the consolidated financial statements from the date on which control is transferred to the Group (except in certain specific cases) until the date the Group ceases to control the subsidiary. All inter-company transactions and balances are eliminated on consolidation. Non-controlling interests are presented separately in the financial statements.

Joint ventures and joint operations (equity-accounted investees)

IFRS 11 classifies joint arrangements into two types – joint ventures and joint operations. The Group determines the type of joint arrangement in which it is involved by considering its rights and obligations in the arrangement, assessed based on the structure and legal form of the arrangement, the contractual terms agreed to by the parties to the arrangement and, when relevant, other facts and circumstances.

A joint venture is a joint arrangement whereby the parties with joint control ("joint venturers") have rights to the net assets of the arrangement. A joint operation is a joint arrangement whereby the parties with joint control ("joint operators") have rights to the assets and obligations for the liabilities of the arrangement.

Joint arrangements that qualify as joint ventures are accounted for using the equity method (equity-accounted investees).

For joint operations, each of the joint operators must recognise the assets and the liabilities (and income and expenses) relating to its interest in the joint operation.

Translation of foreign companies' financial statements and foreign-currency denominated transactions

Functional currency and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (i.e. in which the entity mainly generates and expends cash), which corresponds to its functional currency.

The consolidated financial statements are presented in euros, which is the Group's presentation currency.

Transactions and balances

Foreign-currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when included in other comprehensive income as the effective portion of qualifying cash flow hedges and qualifying net investment hedges.

Translation of financial statements of subsidiaries

The financial statements of foreign subsidiaries whose functional currency is not the euro are translated into euros as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses are translated at average exchange rates for the period.

All resulting exchange differences are recognised in other comprehensive income in a separate line.

Goodwill arising on the acquisition of a foreign entity is recognised in the entity's functional currency and translated into euros at the closing rate.

3.1 Scope of consolidation

The main Assystem S.A. subsidiaries included in the scope of consolidation at 31 December 2020 were as follows:

Company	Country	Registration number	% interest	Consolidation method
French companies				
Assystem S.A.	France	412076937	Parent	FC
Assystem Engineering and Operation Services	France	444159164	100	FC
Insiema	France	572004372	100	FC
Assystem Care France	France	794087502	100	FC
MPH Global Services	France	499137610	100	FC
Expleo Group	France	831178785	38.16	Equity
ECP and subsidiaries	France	347621831	100	FC
ASCO	France	348998543	100	FC
Non-French companies				
Assystem Energy & Infrastructure Ltd	United Kingdom		100	FC
Corporate Risk Associates	United Kingdom		100	FC
Assystem Radicon	Saudi Arabia		75	FC
Assystem Care Holding	Belgium		100	FC
Assystem Care Belgium	Belgium		100	FC
Assystem Care Switzerland	Switzerland		100	FC
MPH Global Services' non-French subsidiaries	UAE/Qatar		100	FC
Assystem Envy	Turkey		100	FC

FC: Fully consolidated.

Equity: Accounted for by the equity method.

3.2 Business combinations

Business combinations that occurred between 1 January 2004 and 31 December 2009 were recognised in accordance with the requirements of the previous version of IFRS 3.

Since 1 January 2010, business combinations have been recognised based on the requirements of the revised version of IFRS 3 (IFRS 3R). In accordance with IFRS 3R, when an entity over which the Group exercises exclusive control is consolidated for the first time:

- The identifiable assets acquired and liabilities assumed are measured at fair value on the date when control is transferred to the Group. An assessment of the assets acquired and liabilities assumed (including client contracts and portfolios) is carried out on an acquisition-by-acquisition basis.
- Any non-controlling interest in the acquiree is recognised on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the identifiable net assets of the acquiree.

At the date of a business combination, goodwill is measured as the excess of:

- the fair value of the consideration transferred, the amount of any non-controlling interests in the acquiree, and, for a business combination achieved in stages, the acquisition-date fair value of any equity interest previously held in the acquiree; over
- the acquisition-date fair value of the identifiable net assets acquired.

For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value ("full goodwill method") or at the proportionate share of the acquiree's identifiable net assets ("partial goodwill method").

The initial accounting for business combinations must be completed within one year of the acquisition date (the "measurement period"). During this measurement period, the Group retrospectively adjusts the provisional amounts recognised at the acquisition date to reflect any new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date.

Any gain on a bargain purchase (negative goodwill) is recognised in profit immediately.

Subsequent to initial recognition, goodwill is carried at cost less any accumulated impairment losses (see Note 3.3 – Goodwill).

Additionally, the following principles apply to business combinations:

- Any contingent consideration is measured at fair value at the acquisition date, and any subsequent changes in the fair value of the contingent consideration arising after the measurement period are recognised in profit.
- Acquisition-related costs are expensed as incurred. In accordance with IFRS 10, when the proportion of the equity in a subsidiary held by non-controlling interests changes, the Group recognises directly in "Equity attributable to owners of the parent" any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received.

BUSINESS COMBINATIONS CARRIED OUT IN 2020

In late May 2020, the Group acquired all of the shares in Corporate Risk Associates (CRA) based in the United Kingdom (see Note 2 – Significant events of the year). CRA'S contribution to Assystem's consolidated revenue in 2020 was €3.0 million.

The fair value of the net assets acquired in this business combination breaks down as follows:

<i>In millions of euros</i>	Total
Cash and cash equivalents	0.2
Other current and non-current assets	1.3
Total assets	1.5
Financial liabilities	
Other current and non-current liabilities	1.1
Total liabilities	1.1
Net assets	0.4

Goodwill related to the acquisition, as determined using the full goodwill method, breaks down as follows:

<i>In millions of euros</i>	Total
Portion of the purchase price paid in cash	2.9
Total purchase price	2.9
Fair value of net assets acquired	0.4
Goodwill	2.5

The cash flows relating to the acquisition can be analysed as follows:

<i>In millions of euros</i>	Total
Cash and cash equivalents	0.2
Bank overdrafts	-
Net cash acquired	0.2
Purchase price of shares	(2.9)
Net cash outflow	(2.7)

In accordance with IFRS 3R, the Group will complete the initial accounting for the acquisition of Corporate Risk Associates within one year of the date it acquired control of the Company, i.e. by the end of the first half of 2021.

During 2020, the Group completed the initial accounting for its acquisition of ASCO, resulting in a €0.2 million increase in goodwill (see Note 3.3 – Goodwill).

Cash flows related to acquisitions of shares were as follows in 2020 and 2019:

<i>In millions of euros</i>	2020	2019
Net cash outflow for acquisitions	(2.7)	(8.0)
Net cash outflow for purchased goodwill	(0.1)	-
Payment for Assystem Care Holding shares	-	(1.0)
Payment of additional consideration for the investment in Framatome	-	(12.5)
Amount paid on exercise of the put option granted to Assystem Envy's minority shareholders	(5.7)	-
Other	(0.4)	(0.7)
Acquisitions of shares	(8.9)	(22.2)

The "Other" line mainly corresponds to Assystem's €0.3 million investment in the UzAssystem LLP joint venture in Uzbekistan. This company is 49%-owned by Assystem and is consolidated by the equity method (see Note 5.2 – Equity-accounted investees).

3.3 Goodwill

In accordance with IFRS 3R, goodwill is not amortised but is tested for impairment at least once a year.

For the purpose of impairment testing, goodwill is allocated to cash-generating units (CGUs) or groups of CGUs. A CGU corresponds to 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 level of CGU used for goodwill impairment tests depends on the characteristics of the business or market of each operation.

The Group carries out impairment tests at each year-end and whenever there is an indication of impairment, in order to estimate the CGU's recoverable amount. Recoverable amount corresponds to the higher of the CGU's fair value less costs of disposal and its value in use (the present value of the future cash flows expected to be derived from the CGU). An impairment loss is recognised for a CGU if its recoverable value is lower than its carrying amount. Impairment losses are allocated first to goodwill and then to the identifiable assets of the CGU on a *pro rata* basis.

If a subsidiary is sold, the goodwill allocated to that subsidiary is taken into account in determining the proceeds of the sale.

Goodwill arising on acquisitions of fully-consolidated companies is recognised as an asset under "Goodwill" in the consolidated statement of financial position. Goodwill related to companies accounted for by the equity method is presented in the lines of the financial statements concerning equity-accounted investees.

The CGUs defined by the Group in accordance with IFRS are Energy & Infrastructure (complex infrastructure engineering) and Staffing (worldwide assignment of consultants specialised in Oil & Gas and

Industry). They correspond to the operating segments presented in Note 4 – Segment reporting.

<i>In millions of euros</i>	Energy & Infrastructure	Staffing	Total
Carrying amount at 1 January 2020	84.6	-	84.6
Increases related to business combinations	2.7	-	2.7
Currency translation differences	(5.3)	-	(5.3)
Carrying amount at 31 December 2020	82.0	-	82.0

Currency translation differences mainly relate to the goodwill recognised on the acquisitions of Assystem Envy in Turkey and Assystem Radicon in Saudi Arabia as the depreciation of the Turkish lira and the Saudi riyal during the year significantly impacted the value of these companies' goodwill.

The Staffing CGU's goodwill was fully written down in prior periods.

The impacts of changes in scope of consolidation are described in Note 3.2 – Business combinations.

3.4 Impairment testing

The recoverable amounts of the CGUs were calculated based on their value in use. In order to determine value in use, the Group projects the future cash flows that it expects to derive from each CGU. These projections are based on four-year budgets and cash flows beyond this four-year period are estimated by extrapolating the projections using a perpetuity growth rate (see below). The growth rate must not exceed the average long-term growth rate for the sector as a whole. The future cash flows are discounted using the Weighted Average Cost of Capital (WACC) of the sector.

The cash flows used were based on budget forecasts drawn up by the operating management teams of the CGUs when determining their medium and long-term strategy. A standard weighted cost of debt was applied for the Group as a whole and a specific cost of equity was used for each country in order to calculate WACC. The table below presents the main assumptions applied for the impairment tests:

2020

CGU	Perpetuity growth rate used for extrapolating future cash flows beyond the projection period	Discount rate
Energy & Infrastructure	1.5%	9.0%

2019

CGU	Perpetuity growth rate used for extrapolating future cash flows beyond the projection period	Discount rate
Energy & Infrastructure	1.5%	9.0%
Staffing	1.5%	10.2%

If any impairment is identified based on the calculation of discounted future cash flows and/or market values of the assets concerned, or if there is a change in market conditions or in the cash flows that were originally estimated, then previously recognised impairment losses may need to be reviewed and adjusted.

A 0.5% increase in the discount rate and/or a 0.5% decrease in the perpetuity growth rate assumptions used for the impairment tests carried out on the Energy & Infrastructure CGU would not result in the recognition of a goodwill impairment loss for this CGU.

There were no significant changes in assumptions between 31 December 2019 and 2020 for the Energy & Infrastructure CGU.

No impairment indicators were identified that would have had an impact on the other components of the Staffing CGU at 31 December 2020.

NOTE 4

SEGMENT REPORTING

Operating segments are components of the Group about which separate financial information is available and whose operating results are evaluated regularly by Group management in deciding how to allocate resources and in assessing performance. The Group has two operating segments: Energy & Infrastructure (complex infrastructure engineering) and Staffing (worldwide assignment of consultants specialised in Oil & Gas and Industry).

The main accounting policies used for operating segments are as follows:

- Each segment has its own resources and may share certain resources with the other segment to create synergies. This resource-sharing is carried out through a reallocation of costs or through contractual relations between different legal entities.
- Management costs that are directly attributable to the two operating segments are allocated to each segment concerned.

- The indicator, "EBITA including share of profit of equity-accounted investees", does not include non-recurring income and expenses.

Analysis by operating segment

Assets and liabilities allocated by operating segment comprise operating assets and liabilities used by each division in its operating activities and which are directly attributable to the segment or can be allocated to the segment on a reasonable basis. They correspond to:

- goodwill, intangible assets and property, plant and equipment;
- trade receivables, other receivables and other current assets;
- trade payables, amounts due to suppliers of non-current assets, accrued taxes and payroll costs, current liabilities related to share acquisitions, short-term provisions and other current liabilities.

2020

<i>In millions of euros</i>	E&I	Staffing	Holding company and Other	Inter-segment	Total
Revenue	430.0	54.9	3.1	(16.3)	471.7
O/w inter-segment revenue	(0.3)	(16.0)	-	16.3	-
Total external revenue	429.7	38.9	3.1	-	471.7
EBITA including share of profit of equity-accounted investees	28.3	0.5	(4.0)	-	24.8
Non-recurring income and expenses	(5.2)	0.1	2.1	-	(3.0)
Operating profit/(loss)	23.1	0.6	(1.9)	-	21.8
Net assets allocated by operating segment (CGU)	88.3	5.9	(0.4)	-	93.8

2019

<i>In millions of euros</i>	E&I	Staffing	Holding company and Other	Inter segment	Total
Revenue	446.9	62.6	7.5	(19.5)	497.5
O/w inter-segment revenue	(0.7)	(18.8)	-	19.5	-
Total external revenue	446.2	43.8	7.5	-	497.5
EBITA including share of profit of equity-accounted investees	36.9	1.4	(3.1)	-	35.2
Non-recurring income and expenses	(0.7)	(6.1)	(1.1)	-	(7.9)
Operating profit/(loss)	36.2	(4.7)	(4.2)	-	27.3
Net assets allocated by operating segment (CGU)	128.2	11.8	3.1	-	143.1

Analysis by geographic region

Non-current assets allocated by geographic region correspond to goodwill, intangible assets and property plant and equipment which are directly attributable to a particular region or can be allocated to that region on a reasonable basis.

The following table shows a breakdown of the Group's revenue and non-current assets by region, based on the geographic location of consolidated companies:

2020

<i>In millions of euros</i>	France	Rest of Europe	Asia – Middle East – Africa	Holding company, Other and other regions	Group total
Total external revenue	338.9	47.6	85.2	-	471.7
Non-current assets allocated by geographic region	94.7	17.4	32.0	3.2	147.3

2019

<i>In millions of euros</i>	France	Rest of Europe	Asia – Middle East – Africa	Holding company, Other and other regions	Group total
Total external revenue	355.3	42.8	99.4	-	497.5
Non-current assets allocated by geographic region	88.6	15.5	37.3	0.3	141.7

NOTE 5

OPERATIONAL DATA

5.1 Revenue and working capital requirement (WCR)

Revenue

The Group's consolidated revenue corresponds to the revenue generated by its two divisions – Energy & Infrastructure and Staffing – under two different types of contracts:

- Time and materials contracts: the valuation of services rendered under these contracts depends on the resources used. Revenue is determined on a time-spent basis, agreed on with the client, and corresponds to an aggregate resulting from the multiplication of an hourly or daily rate.
- Fixed-price contracts: these correspond to contracts under which the Group has a performance obligation and whose price is either (i) set at the outset for the project as a whole or (ii) set in a framework agreement for each type of service ordered by the client.

IFRS 15 states that revenue from contracts with customers must be recognised based on:

- when the entity satisfies the performance obligations in the contract, corresponding to when transfer of control over the service rendered passes to the customer; and
- the amount to which the seller expects to be entitled in exchange for the services rendered.

Determining when transfer of control over a service passes to the customer is essential for recognising revenue. Control may be transferred either over time (in which case the percentage-of-completion method is used) or at a point in time (with revenue recognised on completion).

Revenue from time and materials contracts is recognised on a regular – generally monthly – basis, by reference to time spent.

Revenue from fixed-price contracts is mostly recognised over time using the percentage-of-completion method as the Group considers that (i) the client simultaneously receives and consumes all of the benefits of the services rendered as the Group performs them, or (ii) the Group has an enforceable right to payment for services rendered to date. The criterion generally used for determining the percentage of completion during the lifetime of a contract is the proportion that costs already incurred represents out of the total estimated costs at completion.

The work carried out by the Group's entities is systematically based on contracts entered into with clients. Where a framework agreement is in place, the Group considers that each successive order constitutes a contract within the meaning of IFRS 15 as it creates enforceable rights and obligations between the parties.

Certain contracts signed by the Group include different types of services which may constitute separate performance obligations. In this case, revenue is recognised separately for each performance obligation that is considered to be distinct within the overall contract.

Items of variable consideration in client contracts essentially correspond to penalties and volume discounts. As required by IFRS 15, these items are presented as a deduction from revenue. Variable consideration is not considered to have a material financial impact at Group level.

In some cases, in order to propose an appropriate services offering, a Group entity may set up a consortium with one or more other parties or use one or more subcontractors. In this case, the entity ensures that it retains exclusive control over the services it provides to the client and that it does not play the role of agent or intermediary between the client and the third party.

The costs of obtaining and fulfilling contracts are not material at Group level.

Order book

In applying IFRS 15, the Group has elected to use two of the practical expedients available in the standard, namely excluding from its order book disclosures (with "order book" corresponding to "remaining performance obligations" in IFRS 15) (i) contracts whose duration is less than one year, and (ii) services for which revenue will be recognised in the amount to which the entity has a right to invoice. Taking into account these two practical expedients, the total amount of the Group's order book was not material at 31 December 2020.

Impairment of trade receivables

Trade receivables are initially recognised at fair value and subsequently measured at fair value less any accumulated impairment losses. Impairment losses are recognised based on the expected credit losses over the lifetime of the receivables.

Provisions for losses on completion

A provision is recognised when it is probable that contract costs will exceed contract revenue. The amount of the provision – which is recorded under "Depreciation, amortisation and provisions for recurring operating items, net" – is calculated by reference to the stage of completion less the loss already recognised.

Government grants and tax credits

Government grants and tax credits related to operating expenses are recognised in the income statement over the periods necessary to match them with the costs they are intended to compensate. They are recorded either:

- as a deduction from the corresponding expense if they are intended to compensate an identified cost; or
- as a decrease in other operating expenses if they are granted for general purposes.

TRADE RECEIVABLES

<i>In millions of euros</i>	2020	2019
Trade receivables	98.7	113.1
Accrued revenue	18.1	15.2
Contract assets*	39.0	37.9
Gross value	155.8	166.2
Impairment	(5.3)	(5.4)
Carrying amount	150.5	160.8

* A contract asset corresponds to revenue calculated on a fixed-price contract using the percentage-of-completion method but which has not yet been invoiced.

The Group has put in place a factoring programme under which the receivables sales concerned meet the derecognition criteria in IFRS 9 – Financial Instruments. Consequently, the factored receivables under this programme – which represented net amounts of €28.9 million at

31 December 2020 and €18.9 million at 31 December 2019 – were derecognised at those two reporting dates.

ANALYSIS OF CHANGE IN OPERATING WORKING CAPITAL REQUIREMENT

<i>In millions of euros</i>	At 1 January 2020	Change related to operations	Other	At 31 December 2020
Trade receivables ⁽¹⁾	160.8	(6.6)	(3.7)	150.5
Contract liabilities ^{(2)*}	(23.3)	(3.1)	0.7	(25.7)
WCR – Trade receivables (1 + 2)	137.5	(9.7)	(3.0)	124.8
Trade payables ⁽³⁾	(32.7)	3.4	1.0	(28.3)
Supplier prepayments ⁽⁴⁾	1.2	1.5	(0.1)	2.6
Prepaid expenses ⁽⁴⁾	5.7	(0.5)	(0.2)	5.0
WCR – Trade payables (3 + 4)	(25.8)	4.4	0.7	(20.7)
Accrued taxes and payroll costs ⁽⁵⁾	(95.4)	(26.5)	1.1	(120.8)
Other current payables ⁽⁵⁾	(5.4)	(10.1)	0.6	(14.9)
Prepaid and recoverable taxes and payroll costs ⁽⁶⁾	19.4	(5.2)	0.4	14.6
Other current receivables ⁽⁶⁾	3.7	0.2	(2.7)	1.2
WCR – Other (5 + 6)	(77.7)	(41.6)	(0.6)	(119.9)
Total	34.0	(46.9)	(2.9)	(15.8)

* A contract liability corresponds to amounts invoiced and/or payments received under a contract, for which the performance obligations have not yet been satisfied by the Group.

In June 2020, the Group sold research tax credit receivables due from the French State representing a total amount of €8.9 million. This sale met the receivables derecognition criteria under IFRS 9 – Financial Instruments, and affected the change in operating working capital requirement related to accrued taxes and payroll costs.

As stated in Note 2 – Significant events of the year, the Group used the income tax and payroll tax holiday schemes set up by national governments in 2020. At 31 December 2020 the outstanding payments under these schemes totalled €26.7 million, which are due in 2021. These payment holidays explain the year-on-year increase in accrued taxes and payroll costs.

The amounts in the “Other” column notably include the impact of changes in scope of consolidation and currency effects.

Supplier prepayments, prepaid expenses and other current receivables constitute the “Other receivables” line of the statement of financial position. Trade payables, deferred income and other current payables constitute the “Other current liabilities” line of the statement of financial position.

AGED RECEIVABLES

Credit risk represents the risk of the Group incurring a financial loss if a client fails to fulfil its contractual obligations.

The table below provides a breakdown of late payments for “Trade receivables” as a whole as well as the impairment losses recorded for disputed receivables and client defaults:

<i>In millions of euros</i>	2020			2019		
	Gross	Impairment		Gross	Impairment	
	2020	%	2020	2019	%	2019
Not past due	133.7	85.8%	-	135.4	81.4%	-
Up to 30 days past due	7.8	5.0%	-	11.8	7.1%	-
Between 31 and 60 days past due	3.9	2.5%	-	3.0	1.8%	-
Between 61 and 180 days past due	2.9	1.9%	-	7.9	4.8%	0.1
More than 181 days past due	7.5	4.8%	5.3	8.1	4.9%	5.3
Total	155.8	100.0%	5.3	166.2	100.0%	5.4

5.2 Equity-accounted investees

Movements in “Equity-accounted investees” were as follows in 2020 and 2019:

<i>In millions of euros</i>	2020	2019
At 1 January	1.0	0.7
Dividends	(0.8)	(0.7)
Impact of changes in scope of consolidation	0.3	-
Share of profit	1.0	0.9
Other movements	(0.1)	0.1
At 31 December	1.4	1.0

KEY FIGURES CONCERNING EQUITY-ACCOUNTED INVESTEEES

Company	Country	% interest	% voting rights	Carrying amount (in millions of euros)	
				2020	2019
Engage	France	25	25	0.2	0.2
Alphatest	France	49.84	49.84	0.5	0.5
Momentum	France	33.33	33.33	-	-
N3A	France	50	50	0.3	0.1
UzAssystem	Uzbekistan	49	49	0.4	0.2
MPH Yemen Limited	Yemen	50	50	-	-

In view of the geopolitical environment in Yemen, the Group maintained the full write-down of its investment in MPH Yemen Limited at 31 December 2020.

In millions of euros	2020	2019
Revenue	88.1	75.6
Profit for the period	2.5	2.3
Total comprehensive income	2.5	2.3
Non-current assets	0.5	0.2
Current assets	52.8	38.0
Non-current liabilities	(2.1)	(2.1)
Current liabilities	(47.6)	(33.5)
Net assets	3.6	2.6

RELATED-PARTY INFORMATION

The Group has defined four categories of related parties:

- joint ventures (excluding Expleo Group, for which information is provided in Note 6.4 – Expleo Group shares and convertible bonds);
- the members of Assystem's Board of Directors and Assystem S.A.'s executive officers (see Note 5.3.4 – Related-party information);

- HDL Development, which holds 74.74% of the Company's exercisable voting rights and provides management services to the Group (see Note 5.3.4 – Related-party information);
- Assystem Radicon's minority shareholder.

Transactions with related parties (excluding Expleo Group) were as follows in 2020 and 2019:

In millions of euros	2020	2019
Data related to the consolidated income statement		
Revenue	22.5	16.9
Other operating income and expenses	2.6	3.5
Data related to the consolidated statement of financial position		
Trade receivables and other current assets	11.0	2.9
Trade payables and other current liabilities	3.5	2.6
Loans	0.2	0.2

The SNC Engage consortium has issued €15.9 million worth of guarantees which have been counter-guaranteed by its shareholders in proportion to their interests in the Company. Consequently, Assystem has guaranteed 25% of the overall amount (representing the proportion of its interest in Engage), corresponding to €3.9 million.

The SNC Momentum consortium has issued €5.3 million worth of guarantees which have been counter-guaranteed by its shareholders in

proportion to their interests in the Company. Consequently, Assystem has guaranteed 33.33% of the overall amount (representing the proportion of its interest in Momentum), corresponding to €1.8 million.

The Group has recognised a financial liability for amounts owed to Assystem Radicon's minority shareholder, which totalled €2.8 million at 31 December 2020 and €3.7 million at 31 December 2019.

5.3 Payroll costs and employee benefit obligations

5.3.1 BREAKDOWN OF PAYROLL COSTS IN THE CONSOLIDATED INCOME STATEMENT

<i>In millions of euros</i>	2020	2019
Wages and salaries	(268.1)	(274.5)
Other payroll costs	(80.5)	(76.7)
Total	(348.6)	(351.2)

5.3.2 EMPLOYEE BENEFIT OBLIGATIONS

The Group accounts for defined benefit and defined contribution post-employment benefit plans in accordance with the laws and practices of each country in which it operates.

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all of the benefits relating to the services rendered by employees prior to retirement.

The actuarial risk (that benefits will cost more than expected) and the investment risk (that plan assets will be insufficient to meet expected benefits) are not borne by the employer entity.

Contributions to government plans and other defined contribution plans are recognised as an expense for the period in which they are due. No provision is recorded as the Group's obligation is limited to its contributions to the plans.

Defined benefit plans

All post-employment benefit plans other than defined contribution plans correspond to defined benefit plans.

Under defined benefit plans the entity's obligation is to provide the agreed benefits to current and former employees. The employer entity may either:

- pay contributions to a separate entity (a fund), but must pay further contributions (or pay unfunded benefits) if the fund does not hold sufficient assets to pay all of the benefits relating to the services rendered by employees; or
- pay the benefits itself, funding them out of its own assets.

Consequently, under defined benefit plans the employer entity bears both the actuarial risk and the investment risk.

In accordance with IAS 19, "Employee Benefits", actuarial valuations of post-employment benefit obligations under defined benefit plans are made using the projected unit credit method, based on assumptions for mortality rates, staff turnover and future salary projections.

The net defined benefit liability recognised at the reporting date corresponds to the present value of the defined benefit obligation – i.e. the present value of expected future payments required to settle the obligation resulting from employee service in the current and prior periods – less the fair value of plan assets. Actuarial gains and losses are recognised in other comprehensive income.

The Group's defined benefit obligations consist mainly of statutory retirement bonuses payable in accordance with the Syntec collective bargaining agreement applicable in France. These bonuses correspond to vested entitlements determined based on length of service.

NET LIABILITY RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

<i>In millions of euros</i>	31 December 2020	31 December 2019
Present value of funded or partially-funded post-employment benefit obligations	19.6	18.4
Fair value of plan assets	-	-
Provision recognised in the statement of financial position	19.6	18.4

CHANGE IN THE NET LIABILITY RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

<i>In millions of euros</i>	2020	2019
Net liability at 1 January	18.4	14.7
Current service cost	1.8	1.8
Interest expense	0.1	0.1
Remeasurement of the net liability recognised in equity	0.3	1.8
Currency translation differences	(0.3)	0.1
Increases related to business combinations	-	0.4
Benefits paid	(0.7)	(0.5)
Net liability at 31 December	19.6	18.4

Current service cost is recognised under "Depreciation, amortisation and provisions for recurring operating items, net" and interest expense is recorded under "Other financial income and expenses".

The actuarial gains and losses recognised directly in other comprehensive income mainly relate to the effect of changes in the discount rate. The discount rate used for France in 2020 was 0.7% versus 1% in 2019 (with the Bloomberg rate used as the reference rate).

ACTUARIAL ASSUMPTIONS

<i>In %</i>	2020	2019
France		
Discount rate	0.7%	1.0%
Projected rate of salary increases	1.8%	1.8%

DEFINED CONTRIBUTION PLANS

<i>In millions of euros</i>	2020	2019
Amount expensed for defined contribution plans	(14.1)	(12.8)

SENSITIVITY ANALYSIS

The liability recognised for statutory retirement bonuses payable in accordance with the Syntec collective bargaining agreement is calculated based on actuarial assumptions relating to the following:

mortality rate, staff turnover, future salaries and discount rate. Changes in these assumptions can affect the liability to a greater or lesser extent.

The Group has chosen to present a sensitivity analysis for the discount rate applicable for France, since any change in this assumption could affect equity (net of tax):

	0.5% decrease	0.5% increase
Impact on equity (<i>in millions of euros</i>)	(0.8)	0.8
Impact on equity (%)	(0.2)%	0.2%
Impact on the net liability (%)	5.4%	(5.4)%

5.3.3 SHARE-BASED PAYMENTS

In accordance with IFRS 2 – Share-based Payment, when the Group receives services from employees as consideration for share-based payments, the fair value of the employee services received in exchange for the grant of the share-based payments is recognised as an expense.

The total amount expensed is determined by reference to the fair value of the benefits granted to the employees concerned under free share/performance share plans.

The expense is recognised on a straight-line basis over the vesting period.

This accounting treatment results in a reduction in profit for the period due to the recognition of a non-operating expense, but it has no impact on total equity.

FREE SHARE AWARDS WITH OR WITHOUT PERFORMANCE CONDITIONS

	2016 plan	2017 plans	2018 plans	2019 plans	2020 plans
	Number of free shares	Number of free shares	Number of free shares	Number of free shares	Number of free shares
Outstanding at 1 January 2019	136,880	69,750	49,750	-	-
Shares awarded during the year	-	-	-	54,675	-
Shares not awarded as performance level not achieved	-	-	-	-	-
Shares forfeited during the year	(590)	(2,750)	(3,250)	(750)	-
Shares delivered during the year	-	(1,000)	-	-	-
Shares cancelled during the year	-	-	-	-	-
Outstanding at 31 December 2019	136,290	66,000	46,500	53,925	-
Shares awarded during the year	-	-	-	-	83,750
Shares not awarded as performance level not achieved	-	-	-	-	-
Shares forfeited during the year	(590)	(250)	(2,000)	(4,000)	(1,250)
Shares delivered during the year	(135,700)	(65,750)	(6,000)	-	-
Performance shares that lapsed during the year	-	-	-	-	-
Shares cancelled during the year	-	-	-	-	-
Outstanding at 31 December 2020	-	-	38,500	49,925	82,500
Year of vesting	2020	2020	2020/2021	2022	2023/2025

* The year of vesting varies depending on the beneficiaries' countries of residence.

FAIR VALUE OF FREE SHARE AWARDS WITH OR WITHOUT PERFORMANCE CONDITIONS

	2020	2019
Weighted average fair value of free shares awarded during the year (in euros per share)	22.15	39.94

The share-based payment expense recognised in accordance with IFRS 2 was €1.3 million in 2020 (€1.0 million in 2019), with a corresponding increase in equity.

5.3.4 RELATED-PARTY INFORMATION

Compensation and benefits granted to Assystem's corporate officers (members of the Board of Directors and executive officers) break down as follows:

In millions of euros	2020	2019
Salaries and other short-term benefits*	(0.6)	(1.2)
Directors' remuneration	(0.3)	(0.2)
Share-based payments	-	-
Total	(0.9)	(1.4)

* Corresponding to the direct compensation (including payroll taxes) and indirect compensation paid to corporate officers. The amounts shown in the table above include services invoiced to the Company by HDL Development for €0.2 million.

5.4 Other operating income and expenses

<i>In millions of euros</i>	2020	2019
Outsourced operations and purchases for contracts	(41.6)	(52.0)
Cost of premises	(3.1)	(4.2)
Miscellaneous	(37.2)	(41.5)
Total	(81.9)	(97.7)

The "Miscellaneous" line mainly comprises IT costs, fees and commissions, and advertising and public relations costs.

5.5 Depreciation, amortisation and provisions for recurring operating items, net

<i>In millions of euros</i>	2020	2019
Depreciation and amortisation expense	(4.8)	(3.7)
Depreciation of right-of-use assets	(10.0)	(8.8)
Net change in provisions	(1.5)	(0.7)
Total	(16.3)	(13.2)

5.6 Non-recurring income and expenses

Non-recurring income and expenses comprise:

- share-based payment expense (free shares/performance shares and stock options);
- acquisition- and divestment-related expenses (external fees for acquisitions and divestments);

- capital gains or losses arising on business divestments, other than those accounted for in accordance with IFRS 5;
- income and expenses related to unusual, atypical and infrequent events, mainly comprising restructuring costs, asset impairment losses (including goodwill impairment), and other material income and expenses.

<i>In millions of euros</i>	2020	2019
Goodwill impairment losses	-	(6.1)
Provision for restructuring conventional energy activities	(3.7)	-
Eurosyn disposal gain	2.0	-
Company acquisition costs and other	-	(0.8)
Total	(1.7)	(6.9)

NOTE 6 **NON-CURRENT ASSETS**

6.1 Intangible assets

In accordance with IAS 38 – Intangible Assets, an intangible asset is recognised only if the cost of the asset can be measured reliably and it is probable that the expected future economic benefits attributable to the asset will flow to the Group.

The Group's intangible assets mainly correspond to software (non-current assets with a finite useful life), which are amortised on a straight-line basis over their useful lives, ranging between three and five years depending on the type of software concerned:

- management software: 5 years;
- production software: 3 to 5 years;
- office automation software: 1 to 3 years.

As an exception to the above principle applicable to management software, the Group is amortising the intangible assets relating to its new ERP system on a straight-line basis over a period of 12 years as from 1 March 2020, as these assets constitute a long-term investment.

For internally-generated intangible assets, development costs are capitalised when they meet the recognition criteria in IAS 38, i.e. when the Group can demonstrate:

- the technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- its intention to complete the intangible asset and use or sell it;
- its ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the current or future availability of adequate technical, financial and other resources to complete the project;
- its ability to measure reliably the expenditure attributable to the intangible asset during its development.

The cost of an internally-generated intangible asset comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of being used in the manner intended by management. Selling, administrative and other general overhead expenditure are not components of the cost of an internally-generated intangible asset. Following initial recognition, these assets are amortised over their estimated useful lives. Intangible assets are measured at amortised cost (historical cost on initial recognition plus any amortisable costs recognised subsequently and less any accumulated amortisation and impairment losses).

<i>In millions of euros</i>	2020	2019
At 1 January	12.2	4.7
Additions	5.3	8.4
Amortisation	(1.8)	(0.9)
Currency translation differences	(0.1)	-
At 31 December	15.6	12.2
Gross value at 31 December	24.4	19.4
Accumulated amortisation and impairment losses at 31 December	(8.8)	(7.2)

Intangible assets primarily correspond to software used by the Group.

During 2020 the Group continued to develop the new ERP system for its financial management processes. The amount capitalised for this development totalled €2.6 million in 2020 (€6.5 million in 2019).

6.2 Property, plant and equipment

In accordance with IAS 16, an asset is classified as property, plant and equipment if it is held for use in the production or supply of goods or services, or for administrative purposes. These assets are recognised in the consolidated statement of financial position if it is probable that the future economic benefits attributable to the asset will flow to the Group and if the cost of the asset can be measured reliably.

Property, plant and equipment are depreciated on a straight-line basis over their useful lives, as follows:

- fixtures, fittings and facilities: 3 to 10 years;
- vehicles: 3 to 5 years;
- office and IT equipment: 3 to 5 years;
- furniture: 10 years.

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Subsequent expenditure is capitalised (and either included in the carrying amount of an asset or recognised as a separate component) if the IAS 16 recognition criteria are met, i.e. if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the expenditure can be measured reliably. Routine repair and maintenance costs are expensed in the period they are incurred.

The depreciable amount of property, plant and equipment is determined after deducting residual value if this value is deemed material. If significant parts of an item of property plant and equipment have different useful lives and therefore different depreciation periods they are accounted for as separate items (major components) of property, plant and equipment.

<i>In millions of euros</i>	Land, buildings, fixtures and fittings	IT equipment	Other	Total
Gross value at 1 January 2019	11.1	9.2	5.1	25.4
Accumulated depreciation and impairment losses at 1 January 2019	(7.5)	(7.3)	(2.9)	(17.7)
Carrying amount at 1 January 2019	3.6	1.9	2.1	7.6
Additions	0.3	2.4	3.4	6.1
Firsttime consolidations	-	-	0.1	0.1
Depreciation	(1.0)	(1.2)	(0.9)	(3.1)
Disposals and retirements	-	-	(0.2)	(0.2)
Other movements	(1.3)	(0.1)	1.4	-
Gross value at 31 December 2019	9.1	11.2	11.9	32.2
Accumulated depreciation and impairment losses at 31 December 2019	(7.5)	(8.2)	(6.0)	(21.7)
Carrying amount at 31 December 2019	1.6	3.0	5.9	10.5
Additions	2.9	1.3	0.9	5.1
Decreases related to sales of subsidiaries	(0.2)	-	(0.1)	(0.3)
Depreciation	(0.6)	(1.4)	(1.0)	(3.0)
Disposals and retirements	-	-	(0.1)	(0.1)
Currency translation differences	-	(0.2)	-	-
Gross value at 31 December 2020	11.1	11.8	12.7	35.6
Accumulated depreciation and impairment losses at 31 December 2020	(7.4)	(9.1)	(7.1)	(23.6)
Carrying amount at 31 December 2020	3.7	2.7	5.6	12.0

6.3 Investment property

IAS 40 defines investment property as property held to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes.

Investment property is measured at fair value and any gains or losses arising from changes in fair value are recognised directly in the income statement.

The building recognised under “Investment property” at 31 December 2020 corresponds to a fully-owned property located in Equeurdreville, France, which is measured at fair value. It was valued in 2020 by an independent valuer who has no legal ties with the Group. In compliance with IFRS, the valuation method used was based on analysing recent transactions involving similar assets in the same market, as well as a return-based approach. Major market trends were also taken into consideration.

At 31 December 2020, the value of this investment property was €1.3 million (€1.4 million at 31 December 2019).

There have been no significant changes in the substance of the lease contract on the property since the last valuation was performed.

6.4 Expleo Group shares and convertible bonds

Assystem’s interest in the equity and quasi-equity instruments of Expleo Group is recognised in the consolidated statement of financial position under “Expleo Group shares and convertible bonds”. The Expleo Group convertible bonds held by Assystem are measured at fair value through profit or loss.

<i>In millions of euros</i>	2020	2019
At 1 January	202.6	190.3
Share of profit/(loss)	(45.2)	4.5
Movements recognised in equity	-	(0.5)
Income from convertible bonds	10.0	9.1
Other comprehensive income/(expense)	(3.0)	(0.8)
At 31 December	164.4	202.6
Portion related to shares accounted for by the equity method	43.0	91.2
Portion related to convertible bonds	121.4	111.4

EXPLEO GROUP KEY FIGURES

<i>In millions of euros</i>	2020	2019
Revenue	908.0	1,084.1
Profit/(loss) for the period	(118.6)	11.7
Other comprehensive income/(expense)	(7.7)	(2.3)
Total comprehensive income/(expense)	(126.3)	9.4
Non-current assets	1,054.8	1,100.6
Current assets	430.8	426.3
Non-current liabilities	(971.7)	(886.2)
Current liabilities	(401.9)	(404.2)
Net assets	112.0	236.5

RELATED-PARTY TRANSACTIONS WITH EXPLEO GROUP

<i>In millions of euros</i>	2020	2019
Data related to the consolidated income statement		
Revenue	0.1	2.9
Other operating income and expenses	(0.6)	(2.1)
Financial income	10.0	9.1
Data related to the consolidated statement of financial position		
Trade receivables and other current assets	0.1	3.5
Trade payables and other current liabilities	0.3	2.0
Expleo Group convertible bonds	121.4	111.4

6.5 Non-current financial assets

Equity instruments

In accordance with IFRS 9, shares held in non-consolidated companies are recognised at fair value. Fair value gains and losses on these financial assets, as well as gains and losses on their disposal, are recognised based on the business model used for their management, either in the income statement under "Other financial income and expenses" or in equity under "Total other comprehensive income/ (expense)" (in which case they are not recycled to profit).

Other non-current financial assets

The Group's other non-current financial assets include loans and receivables, which are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They typically arise when an entity provides money, goods or services directly to a debtor with no intention of trading the receivable. They are initially recognised at fair value and subsequently measured at amortised cost. Impairment losses are recognised for these assets using the expected credit loss method in application of IFRS 9.

<i>In millions of euros</i>	2020	2019
At 1 January	143.8	129.1
Increases	0.9	2.1
Repayments	(0.3)	(0.2)
Increases related to business combinations	-	0.1
Payment of additional consideration for the investment in Framatome	-	12.5
Decreases related to sales of subsidiaries	(0.1)	-
Changes in fair value	0.3	0.4
Other movements	-	(0.2)
At 31 December	144.6	143.8

The Group's other non-current financial assets primarily correspond to its investment in Framatome, which is measured at fair value through profit or loss.

They also include guarantee deposits granted to entities with which the Group enters into real estate lease arrangements. These deposits are returned to the Group at the end of the lease. As the lease arrangements are generally entered into with leading real estate market operators, the corresponding credit risk is very limited.

This item also includes amounts granted as loans by the Group as its contribution to the *effort à la construction* French government housing scheme. These loans are repayable by public bodies after a 20-year period and are discounted.

6.6 Reconciliation of acquisitions of property, plant and equipment and intangible assets recorded in the consolidated statement of cash flows

<i>In millions of euros</i>	2020	2019
Change in operating loans and guarantee deposits	(0.5)	(1.9)
Acquisitions of intangible assets	(5.4)	(8.4)
Acquisitions of property, plant and equipment	(5.1)	(6.1)
Change in amounts due to suppliers of non-current assets	(1.0)	0.4
Acquisitions of property, plant and equipment and intangible assets	(12.0)	(16.0)

The cash flows related to investments in the Group's new ERP system (recorded under "Acquisitions of property, plant and equipment and intangible assets" in the consolidated statement of cash flows) amounted to €3.2 million in 2020.

<i>In millions of euros</i>	2020	2019
Sale price of non-current assets	0.1	0.2
Proceeds from disposals of property, plant and equipment and intangible assets	0.1	0.2

NOTE 7 EQUITY AND EARNINGS PER SHARE

7.1 Shares

	Ordinary shares	
<i>In number of shares</i>	2020	2019
At 1 January	15,668,216	15,668,216
Treasury shares	(855,848)	(670,640)
At 31 December	14,812,368	14,997,576
Number of shares issued and fully paid up	15,668,216	15,668,216
Par value (in euros per share)	1.00	1.00

At 31 December 2020, Assystem S.A.'s shares broke down as follows:

- number of shares with single voting rights: 6,523,643;
- number of shares with double voting rights: 9,144,573.

Each share gives its holder the same rights to dividend payments.

7.2 Treasury shares

In accordance with IAS 32, shares in the Group's parent company held by itself or any of its subsidiaries are recognised at cost as a deduction from equity. No fair value gains or losses are recognised on these shares. Post-tax gains or losses arising on the disposal of treasury shares are recognised directly in equity.

In number of shares	Treasury shares	
	2020	2019
At 1 January	670,640	667,336
Purchases of treasury shares	453,266	71,413
Sales of treasury shares	(60,608)	(67,109)
Treasury shares delivered to employees and corporate officers*	(207,450)	(1,000)
At 31 December	855,848	670,640
Value of treasury shares recognised in equity (in millions of euros)	(21.1)	(15.8)

* See Note 5.3.3 – Share-based payments.

7.3 Earnings per share

BASIC EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit for the period attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the period.

	2020	2019
Profit/(loss) for the period attributable to owners of the parent	(22.0)	27.0
Basic earnings/(loss) attributable to owners of the parent	(22.0)	27.0
Weighted average number of ordinary shares outstanding during the year	15,000,142	15,004,957
Basic earnings/(loss) per share (in euros)	(1.47)	1.80

DILUTED EARNINGS PER SHARE

Diluted earnings per share is calculated by adjusting (i) profit for the period attributable to owners of the parent for the impact of potentially dilutive instruments, net of the related tax, and (ii) the weighted average number of ordinary shares outstanding by assuming conversion into ordinary shares of all dilutive instruments outstanding. Treasury shares deducted from consolidated equity are not taken into account in the calculation of basic or diluted earnings per share.

The Group's dilutive instruments correspond to free shares and performance shares.

Dilutive instruments are only taken into account if their dilutive impact reduces earnings per share or increases loss per share. In accordance with IAS 33, if diluted earnings per share is higher than basic earnings per share, it is considered to be non-representative and is reduced to the same amount as basic earnings per share.

Diluted earnings/(loss) per share for 2020 and 2019 breaks down as follows:

	2020	2019
Profit/(loss) for the period attributable to owners of the parent	(22.0)	27.0
Profit/(loss) used to calculate diluted earnings/(loss) per share	(22.0)	27.0
Weighted average number of ordinary shares outstanding during the year	15,000,142	15,004,957
Weighted average number of potential ordinary shares based on dilutive instruments outstanding during the year:		
• Free shares and/or performance shares	170,925	303,715
Weighted average number of ordinary shares used to calculate diluted earnings/(loss) per share	15,171,067	15,308,672
Diluted earnings/(loss) per share (in euros)	(1.47)	1.76

7.4 Dividend per share

	2021*	2020	2019
Date of dividend payout from prior-year profit	By 15/07/2021	10/07/2020	19/06/2019
Date of dividend payout on prior-year profit proposed to shareholders at the AGM	27/05/2021	26/06/2020	16/05/2019
Total dividend <i>(in millions of euros)</i> paid out from prior-year profit	NA	15.1	15.0
Dividend per share <i>(in euros)</i> paid out from prior-year profit	1.00	1.00	1.00

* Subject to shareholder approval at the AGM.

NOTE 8

FINANCING AND FINANCIAL INSTRUMENTS

8.1 Cash and cash equivalents

The "Cash and cash equivalents" line in the statement of financial position includes cash (cash in hand and demand deposits) and cash equivalents (highly liquid short-term investments readily convertible into a known amount of cash and subject to an insignificant risk of change in value).

Cash and cash equivalents do not include investments in listed shares, investments with an initial maturity of more than three months and no option of early divestment, and bank accounts subject to restrictions (blocked accounts).

Net cash and cash equivalents presented in the statement of cash flows corresponds to cash and cash equivalents less bank overdrafts.

<i>In millions of euros</i>	31 December 2020	31 December 2019
Cash	43.1	29.2
Cash equivalents	-	-
Total	43.1	29.2

No restrictions have been placed on the use of the Group's bank accounts.

A reconciliation between cash and cash equivalents presented in the consolidated statement of cash flows and the statement of financial position is shown in the table below.

<i>In millions of euros</i>	31 December 2020	31 December 2019
Cash and cash equivalents	29.2	32.4
Bank overdrafts	(0.1)	(0.3)
Net cash and cash equivalents at beginning of year	29.1	32.1
Cash and cash equivalents	43.1	29.2
Bank overdrafts	(0.2)	(0.1)
Net cash and cash equivalents at year-end	42.9	29.1

8.2 Debt and other financial liabilities

Debt and other financial liabilities are initially recognised at fair value less transaction costs, and are subsequently measured at amortised cost determined using the effective interest method. They are classified as "current" when the Group is required to settle them within twelve months after the reporting date and as "non-current" when the settlement is due beyond those twelve months.

LONG- AND SHORT-TERM DEBT AND NON-CURRENT AND CURRENT FINANCIAL LIABILITIES

<i>In millions of euros</i>	At 1 January 2020	Increases	Repayments	Year-on- year- changes	Effect of changes in scope of consolidation	Currency translation differences	Other movements	At 31 December 2020
Bank borrowings	76.7	-	(13.1)	-	-	-	0.2	63.8
Sundry financial liabilities	3.8	-	(0.7)	-	-	(0.2)	(0.7)	2.2
Total non-current financial liabilities	80.5	-	(13.8)	-	-	(0.2)	(0.5)	66.0
Bank borrowings	-	-	-	-	-	-	-	-
Sundry financial liabilities	0.3	-	(0.2)	0.1	-	-	0.7	0.9
Total current financial liabilities	0.3	-	(0.2)	0.1	-	-	0.7	0.9
Bank borrowings	76.7	-	(13.1)	-	-	-	0.2	63.8
Sundry financial liabilities	4.1	-	(0.9)	0.1	-	(0.2)	-	3.1
Total	80.8	-	(14.0)	0.1	-	(0.2)	0.2	66.9

At 31 December 2020, the Group's debt mainly consisted of a €60.0 million investment loan payable in full at maturity and a €120 million revolving credit facility (RCF), of which €4.0 million had been drawn down. The maturity date for both of these facilities is 28 September 2024.

During the year, the Group repaid €13.0 million of its RCF, reducing its drawdowns from €17.0 million at 31 December 2019 to €4.0 million at 31 December 2020.

Unamortised arrangement fees for these two facilities amounted to €0.3 million at 31 December 2020, which has been recognised as a deduction from long-term bank borrowings.

The RCF and the investment loan are both subject to a financial covenant. Any breach of this covenant would trigger early repayment of all of the outstanding amounts classified as short-term debt and current financial liabilities at 31 December 2020. The covenant is based on the consolidated gearing ratio (consolidated net debt/EBITDA for the past 12 months as adjusted for acquisitions and divestments). This ratio is measured at the end of each half-year and annual period, and must not exceed 3.95 at 30 June and 3.75 at 31 December.

At 31 December 2020, the Group's gearing ratio was below the ceiling specified in the covenant.

8.3 Derivative instruments

Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured at fair value at each reporting date. The method of recognising the resulting fair value gains or losses depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the hedged item.

On inception of a hedge, the Group documents the relationship between the hedged item and the hedging instrument. The Group also documents its estimates both on inception and prospectively to determine the effectiveness of the hedge in offsetting changes in fair value or cash flows attributable to the hedged risk.

Fair value hedges

Fair value hedges are used to hedge the Group's exposure to changes in fair value of a recognised asset or liability (or an identified portion of such an asset or liability) or a firm commitment to purchase or sell an asset at a pre-defined price, that is attributable to a particular risk and could affect profit. Fair value gains and losses are recognised in the income statement.

Cash flow hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and which could affect profit.

The Group applies cash flow hedge accounting when the following conditions are met:

- there is formal designation and documentation of the hedging relationship;
- the hedge is highly effective; and
- the forecast transaction that is the subject of the hedge is highly probable and presents an exposure to variations in cash flows that could ultimately affect profit.

The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income and the ineffective portion is recognised in the income statement. If the hedging instrument expires, or is sold, cancelled or exercised, the gain or loss initially recognised in other comprehensive income continues to be recorded separately in other comprehensive income until the forecast transaction occurs. If the commitment no longer exists or the forecast transaction is no longer expected to occur, any related cumulative gain or loss on the hedging instrument that had been recognised directly in other comprehensive income is reclassified to profit.

CURRENCY DERIVATIVES

During 2020 the Group pursued its currency hedging strategy (see chapter 2, section 2.2.3 of this Universal Registration Document – Financial risks) by setting up new hedges comprising currency forwards and swaps.

At 31 December 2019 and 2020, the fair value of the Group's currency derivatives was not material.

8.4 Net debt

Cash and debt consist of (i) cash and cash equivalents and non-current and current derivatives (included in other financial assets) on the assets side of the statement of financial position, and (ii) debt and financial liabilities, and the fair value of derivatives on the liabilities side.

Net debt corresponds to gross debt (bond debt, other long- and short-term debt and current and non-current financial liabilities and derivatives recorded under current and non-current liabilities) less cash and cash equivalents and derivatives recorded under current and non-current assets. Net debt breaks down as follows:

In millions of euros	At 31 December 2020	Maturity schedule					
		2021	2022	2023	2024	2025	Due beyond 5 years
Bank borrowings*	64.1	-	0.1	-	64.0	-	-
Sundry financial liabilities	3.1	0.9	0.4	0.6	0.7	0.5	-
Gross debt	67.2	0.9	0.5	0.6	64.7	0.5	
Cash and cash equivalents	43.1						
Cash, cash equivalents and derivatives recorded under assets	43.1						
Net debt	24.1						

* Unamortised credit arrangement fees amounting to €0.3 million at 31 December 2020 have not been included in the maturity schedule of bank borrowings.

Taking into account the €43.1 million in available cash and cash equivalents at the year-end, and the additional drawdowns that the Company can still make on its €116.0 million revolving credit facility, the Group has the requisite financial resources to meet its payment

maturities for the coming twelve months and is therefore assured of its ability to continue as a going concern.

The table below shows a breakdown of net debt by currency, converted at the closing rates:

In millions of euros	At 31 December 2020	Euro	Pound sterling	US dollar	Other currencies
Net debt	24.1	33.9	(3.8)	(3.4)	(2.6)

8.5 Financial income and expenses

Net financial expense on cash and debt

"Net financial expense on cash and debt" includes all income and expenses arising during the period on items making up net debt, including gains and losses on interest rate and currency hedges on debt.

Fair value gains and losses on the above-mentioned categories of financial assets and liabilities are not included in this line in the income statement and instead are recognised in "Other financial income and expenses".

<i>In millions of euros</i>	2020	2019
Medium- and long-term credit facilities	(0.9)	(1.1)
Interest expense on debt	(0.9)	(1.1)
Currency effect	(0.4)	0.7
Other financial income and expenses arising on net debt	(1.4)	(1.4)
Net financial expense on cash and debt	(2.7)	(1.8)

Other financial income and expenses

Other financial income and expenses correspond to income and expenses that are non-operational (e.g. financial income arising from the main business of the Company, a subsidiary or a division or financial income associated with a commercial activity) and which are not included in "Net financial expense on cash and debt".

They mainly consist of dividends from non-consolidated companies, impairment of available-for-sale ("AFS") financial assets, gains and losses on disposals of AFS financial assets, impairment and losses on disposals of other current and non-current financial assets, the effect of discounting provisions, fair value gains and losses on financial assets and liabilities, and miscellaneous financial income and expenses.

<i>In millions of euros</i>	2020	2019
Interest expense on lease liabilities	(1.1)	(0.8)
Effect of discounting	0.2	(0.1)
Amortised cost of financial liabilities	(0.2)	(0.2)
Framatome dividends	3.1	2.4
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	(0.8)	(0.4)
Miscellaneous financial income and expenses	(0.4)	(0.4)
Total other financial income and expenses	0.8	0.5

At 31 December 2019, the Group had recognised €4.4 million in "Liabilities related to share acquisitions" for a put option granted to the minority shareholders of Assystem Envy (Turkey), as well as a €0.9 million liability for dividends payable to the holders of the put option (which was reduced to €0.5 million in the first half of 2020). Following the exercise of this put option in the first half of 2020 (see Note 2 – Significant events of the year), the difference between the price paid for the shares purchased and the cancellation of these liabilities generated a net expense of €0.8 million, which was recognised under "Net gain/(loss) on financial assets and liabilities at fair value through profit or loss".

8.6 Financial risk management

The Group's risk management strategy is described in detail in chapter 2, section 2.2.3 of this Universal Registration Document – Financial risks.

This Note sets out the figures related to financial risk management.

EXPOSURE TO RISKS RELATED TO THE TRANSLATION INTO EUROS OF THE FINANCIAL STATEMENTS OF FOREIGN SUBSIDIARIES DENOMINATED IN A LOCAL CURRENCY

The Group is exposed to risks related to the translation into euros of the financial statements of foreign subsidiaries denominated in local currency. The main risk exposure in this respect concerns the Turkish lira (TRY), the Saudi Arabian riyal (SAR) and the pound sterling (GBP).

The net assets of the subsidiaries operating in the countries concerned are set out in the table below.

<i>In millions of local currency</i>	TRY	SAR	GBP
Non-current assets	77.9	108.0	6.9
Current assets	44.4	100.4	13.1
Total assets	122.3	208.4	20.0
Non-current liabilities	0.2	26.9	0.1
Current liabilities	22.5	81.3	6.3
Total liabilities	22.7	108.2	6.4
Net assets at year-end in local currency	99.6	100.2	13.6
Net assets at year-end converted into euros	11.0	22.0	15.1

The year-on-year change in the exchange rates of these currencies was as follows:

	2020	2019	Year-on-year change (in %)
1 TRY = x EUR	0.11	0.15	- 27%
1 SAR = x EUR	0.22	0.24	- 8%
1 GBP = x EUR	1.11	1.18	- 6%

EXPOSURE TO INTEREST RATE RISK

The Group's exposure to interest rate risk concerns the borrowings set up on 28 September 2017 and amended twice since that date, comprising (i) a €120.0 million revolving credit facility expiring in September 2024, of which €4.0 million had been drawn down at 31 December 2020, and (ii) a €60.0 million investment loan maturing in September 2024. Interest on these borrowings is indexed against the Euribor for the period concerned, i.e. one and/or three months. If the Euribor is negative the interest is deemed to be zero. The Group has set up an interest rate swap for a notional amount of €60.0 million, i.e.

the amount of the investment loan. This swap – under which Assystem is a variable-rate lender with interest based on the 3-month Euribor with a zero floor, and a fixed-rate borrower paying an annual interest rate of 0.05% – runs from 30 June 2020 to 30 June 2023.

RESIDUAL CONTRACTUAL MATURITIES

A breakdown of the residual contractual maturities of the Group's financial liabilities (including interest payments) is provided in the table below. The contractual future cash flows presented – which cover coupons, interest payments and redemptions/repayments – have not been discounted.

<i>In millions of euros</i>	Carrying amount at 31 Dec. 2020	Contractual cash flows	Due within 1 year	Due in 1-5 years	Due beyond 5 years
Financial liabilities	66.9	69.5	1.5	68.0	
Lease liabilities	38.7	42.1	8.6	21.4	12.1
Trade payables	28.3	28.3	28.3	-	-
Other current liabilities*	15.0	15.0	15.0	-	-
Total contractual obligations	148.9	154.9	53.4	89.4	12.1

* Excluding accrued taxes and payroll costs and contract liabilities.

NOTE 9

PROVISIONS

In accordance with IAS 37, a provision is recorded when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the obligation can be measured reliably.

Where the effect of the time value of money is material, provisions are discounted using a discount rate that reflects the current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a financial expense.

<i>In millions of euros</i>	At 1 January 2020	Additions	Reversals (used provisions)	Reversals (unused provisions)	Increases related to business combinations	At 31 December 2020
Employee-related risks and tax risks	17.2	0.3	(0.1)	-	-	17.4
Total long-term provisions	17.2	0.3	(0.1)	-	-	17.4
Guarantees for fixed-fee projects and losses at completion	0.4	0.1	(0.1)	(0.1)	-	0.3
Restructuring costs	0.1	3.6	(0.1)	-	-	3.6
Employee-related risks and tax risks	1.5	0.7	(0.5)	(0.1)	0.2	1.8
Other	1.0	0.6	(0.1)	(0.3)	-	1.2
Total short-term provisions	3.0	5.0	(0.8)	(0.5)	0.2	6.9
Guarantees for fixed-fee projects and losses at completion	0.4	0.1	(0.1)	(0.1)	-	0.3
Restructuring costs	0.1	3.6	(0.1)	-	-	3.6
Employee-related risks and tax risks	18.7	1.0	(0.6)	(0.1)	0.2	19.2
Other	1.0	0.6	(0.1)	(0.3)	-	1.2
Total provisions	20.2	5.3	(0.9)	(0.5)	0.2	24.3

In late 2014, the Company received notification of a €13.5 million tax reassessment relating to research tax credits recognised for 2010, 2011 and 2012 by its former subsidiary Assystem France, which is now an Expleo Group subsidiary but was a member of Assystem S.A.'s tax group during the years concerned.

The risk relating to this dispute was transferred by Assystem France to the Company at end-2016 in return for the payment by Assystem France of €7.3 million in compensation. The Company recognised a provision for the full amount of this compensation in its 2016 financial statements.

At end-2017, the Company received a payment notice from the tax authorities for the reassessed amount and therefore recognised

an additional provision in its 2017 financial statements. Since then, the provision has covered the full reassessed amount as well as the potential late payment penalties. At 31 December 2020 it amounted to €16.8 million.

The Company has contested this reassessment in full, initially via the standard dispute resolution process and then in 2020 via an application to the competent administrative court.

In 2019, the French tax authorities' National and International Audit Department carried out an audit on the Company's accounts for 2016 and 2017. No tax reassessments were issued following this audit.

NOTE 10

LIABILITIES RELATED TO SHARE ACQUISITIONS (CURRENT AND NON-CURRENT) AND OTHER NON-CURRENT LIABILITIES

In some cases, the Group grants put options to minority shareholders of its subsidiaries in relation to their non-controlling interests held in those subsidiaries. The exercise price of these options may be fixed or based on a pre-determined formula.

Where such put options are granted, the Group recognises a related financial liability. This liability is initially recognised at the present value of the exercise price, and at the end of subsequent reporting periods it is measured by reference to the fair value of the shares that would potentially have to be purchased if the exercise price is based on fair value. Subsequent changes in the fair value of the put options are recognised in financial income or expenses.

The Group also recognises a non-current liability for the discounted amounts relating to commitments to pay dividends to third-party shareholders.

In the first half of 2020, the minority shareholders in the Turkish company, Assystem Envy, exercised their put option and the Group therefore bought out their interests for an aggregate €5.7 million. See Note 2 – Significant events of the year, for further information.

NOTE 11

ADDITIONAL INFORMATION ON FINANCIAL ASSETS AND LIABILITIES

11.1 Accounting classification of financial assets and liabilities

FINANCIAL ASSETS

The table below shows the carrying amounts and fair values of the Group's financial assets over the past two years:

	31 December 2020				31 December 2019
	Carrying amount	Financial assets designated as at fair value through profit or loss	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Carrying amount
<i>In millions of euros</i>					
Investment property	1.3	-	1.3	-	1.4
Expleo Group convertible bonds	121.4	121.4	-	-	111.4
Other non-current financial assets	144.6	136.7	-	7.9	143.8
Trade receivables	150.5	-	-	150.5	160.8
Other receivables*	3.8	-	-	3.8	4.9
Other current assets	0.3	-	-	0.3	0.5
Cash and cash equivalents	43.1	-	-	43.1	29.2
Total	465.0	258.1	1.3	205.6	452.0

* Excluding employee-related receivables, tax receivables and prepaid expenses.

FINANCIAL LIABILITIES

The table below shows the carrying amounts and fair values of the Group's financial liabilities over the past two years:

In millions of euros	2020				2019
	Carrying amount	Financial liabilities designated as at fair value through profit or loss	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Carrying amount
Debt and current and non-current financial liabilities	66.9	-	-	66.9	80.8
Lease liabilities	38.7	-	-	38.7	34.8
Current and non-current liabilities related to share acquisitions	-	-	-	-	4.4
Other non-current liabilities	-	-	-	-	0.8
Trade payables	28.3	-	-	28.3	32.7
Due to suppliers of non-current assets	0.1	-	-	0.1	1.2
Other current liabilities*	14.2	-	0.3	13.9	5.7
Total	148.2	-	0.3	147.9	160.4

* Excluding accrued taxes and payroll costs and contract liabilities.

11.2 Fair value hierarchy

The Group uses the fair value hierarchy established in IFRS which categorises financial instruments into three levels based on the inputs to valuation techniques used to measure their fair value as recognised in the statement of financial position. These levels are as follows:

- Level 1: financial instruments for which there are quoted prices in an active market.
- Level 2: financial instruments whose fair value measurement is based on observable market inputs other than quoted prices included in level 1.
- Level 3: financial instruments whose inputs are unobservable (i.e. inputs whose value does not result from the price of observable market transactions for the same instrument or from observable market data available at the reporting date) or inputs which are only partially observable.

At 31 December 2020, the fair value hierarchy levels for the Group's financial instruments were as follows:

In millions of euros	2020			
	Level 1 – Market price	Level 2 – Observable market inputs	Level 3 – Unobservable inputs	Total
Investment property	-	-	1.3	1.3
Expleo Group convertible bonds	-	-	121.4	121.4
Investment in Framatome	-	-	136.7	136.7
Derivatives	-	0.1	-	0.1
Total	-	-	259.4	259.5
Current and non-current liabilities related to share acquisitions	-	-	-	-
Other current and non-current liabilities	-	-	-	-
Total	-	-	-	-

NOTE 12 INCOME TAX

12.1 Income tax recognised during the year

<i>In millions of euros</i>	2020	2019
Current tax	(5.8)	(10.7)
Deferred tax	-	(0.5)
Total recognised in the income statement	(5.8)	(11.2)
Tax related to treasury shares	1.1	(0.1)
Tax recognised in other comprehensive income	-	0.4
Total recognised directly in equity	1.1	0.3
Current tax	(5.8)	(10.7)
Deferred tax	1.1	(0.2)
Total for the year	(4.7)	(10.9)

12.2 Tax proof

The table below reconciles the Group's actual income tax expense to the theoretical income tax expense based on the tax rate applicable to the profit of consolidated companies:

<i>In millions of euros</i>	2020	2019
Profit before tax from continuing operations (excluding share of profit of equity-accounted investees, income from Expleo Group convertible bonds and goodwill impairment)	18.9	31.2
Theoretical income tax rate	32.03%	34.43%
Theoretical income tax expense	(6.1)	(10.7)
Permanent differences	4.1	3.1
Differences arising from applying different taxation rates	0.2	0.9
Other taxes	(4.0)	(4.1)
Income or expense relating to changes in tax rates or the imposition of new taxes	-	-
Adjustments recognised during the year for prior years	-	(0.2)
Benefits arising from tax losses and temporary differences not recognised in prior years	-	-
Impact of tax losses and temporary differences not used during the year	-	(0.2)
Total adjustments	0.3	(0.5)
Actual income tax expense	(5.8)	(11.2)
Effective tax rate	30.69%	35.90%

The amount shown under "Other taxes" mainly comprises the Corporate Value-Added Contribution (CVAE) for French subsidiaries.

12.3 Deferred taxes

Deferred taxes are recognised using the liability method for temporary differences between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences, apart from in the exceptional cases referred to in IAS 12.

Deferred tax assets are recognised for the carryforward of unused tax losses and unused tax credits and deductible temporary differences only to the extent that it is probable that the Group will have sufficient future taxable profit against which the unused tax losses, tax credits or temporary differences will be able to be utilised.

The following elements are taken into account when estimating whether the Group will have sufficient future taxable profit to recover deferred tax assets:

- forecasts of future taxable profits;
- non-recurring expenses included in past losses and which will not be incurred again in the future;
- past history of taxable profit for prior years.

A deferred tax liability is recognised for taxable temporary differences relating to equity-accounted investees even if it is probable that there will be undistributed profits (as the Group does not control the investee and therefore cannot determine its profit distribution policy), unless there is an agreement requiring that the profits of the equity-accounted investee will not be distributed in the foreseeable future.

When a deferred tax asset or liability relates to an item that is recognised directly in equity, the deferred tax is also recognised directly in equity.

Deferred tax assets and liabilities are offset only when the Group has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority. Deferred tax assets and liabilities are not discounted.

Deferred taxes presented in the statement of financial position are grouped by tax units. However, the table below uses the presentation by type of deferred tax.

NET DEFERRED TAXES PRESENTED IN THE STATEMENT OF FINANCIAL POSITION

<i>In millions of euros</i>	31 December 2020	31 December 2019
Deferred tax assets	6.1	5.1
Recoverable within 1 year	1.6	0.8
Recoverable beyond 1 year	4.5	4.3
Deferred tax liabilities	0.5	0.6
Due within 1 year	-	-
Due beyond 1 year	0.5	0.6
Net deferred tax assets	5.6	4.5
of which recoverable within one year	1.6	0.8
of which recoverable beyond one year	4.0	3.7

MOVEMENTS IN DEFERRED TAX ASSETS AND LIABILITIES

<i>In millions of euros</i>	Employee benefit obligations	Tax loss carryforwards	Other	Deferred tax assets (a)	Deferred tax liabilities (b)	Net deferred tax assets (a-b)
At 31 December 2018	3.3	1.2	0.8	5.3	(0.6)	4.7
Increases related to business combinations	-	-	-	-	-	-
Year-on-year changes recognised in the income statement	0.3	(0.9)	0.1	(0.5)	-	(0.5)
Deferred taxes recognised in other comprehensive income	0.4	-	-	0.4	-	0.4
Deferred taxes recognised in equity	-	-	(0.1)	(0.1)	-	(0.1)
Currency translation differences	-	-	-	-	-	-
Other	-	-	-	-	-	-
At 31 December 2019	4.0	0.3	0.8	5.1	(0.6)	4.5
Increases related to business combinations	-	0.1	-	0.1	-	0.1
Decreases related to sales of subsidiaries	-	-	(0.1)	(0.1)	-	(0.1)
Year-on-year changes recognised in the income statement	0.4	(0.1)	(0.4)	(0.1)	0.1	-
Deferred taxes recognised in other comprehensive income	-	-	-	-	-	-
Deferred taxes recognised in equity	-	-	1.1	1.1	-	1.1
Currency translation differences	(0.1)	-	0.1	-	-	-
Other	-	-	-	-	-	-
At 31 December 2020	4.3	0.3	1.5	6.1	(0.5)	5.6

Other deferred tax assets mainly concerned employee profit-sharing, and depreciation and amortisation.

NOTE 13

RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

IFRS 16, which supersedes IAS 17, introduces a single lessee accounting model, with leases recognised on balance sheet. Lessees are required to recognise a right-of-use asset representing their right to use the underlying leased asset and a lease liability representing their obligation to make lease payments.

The Group has restated its leases relating to:

- real estate assets for which the lease and non-lease components had not been separated;
- vehicles for which a portion of the lease payments was allocated to non-lease components (insurance, maintenance, etc.).

The Group recognises a right-of-use asset and a lease liability at the inception of a lease. The right-of-use asset is initially recognised at the present value of the remaining lease payments over the term of the lease. Subsequent to initial recognition, the asset is depreciated and impairment losses may also be recognised. In addition, the carrying amount of the right-of-use asset may be adjusted in line with any remeasurements or reductions in the lease liability.

The Group exercised its judgement in determining the terms of its leases, particularly for real estate leases. The term applied has a significant impact on the amount of the lease liability and right-of-use asset recognised. For real estate leases, the term used for calculating the present value of lease payments corresponds to the longest term within the enforceable period of a lease. In France, most leases for office buildings have a nine-year term (known as "3/6/9" leases as they can be terminated by the lessee after three and six years). For this type of lease, the Group considers that it is reasonably certain the entities concerned will not exercise their early termination options, and therefore uses the residual term based on the initial nine-year lease period. For vehicle leases, the lease term corresponds to the duration provided for in the lease contract.

The lease liability is initially measured at the present value of lease payments due at the commencement date of the lease contract. The discount rates used to calculate the lease liability for both real estate and vehicle leases correspond to the Group's incremental borrowing rate, i.e. the fixed interest rate the Group would have to pay to borrow the funds to purchase the underlying asset rather than leasing it.

The carrying amount of the lease liability is subsequently increased to reflect the interest expense on the liability (recognised in the income statement under "Other financial income and expenses") and reduced by the amount of the lease payments made, which are expensed as incurred by the Group's consolidated entities. The carrying amount of the lease liability is remeasured to reflect any reassessments or changes in future lease payments, particularly as a result of (i) a change in an index or (ii) revised estimates of lease payments due to a lessee exercising an option to renew or early terminate a lease.

In the statement of cash flows, lease payments that were presented under "Cash flows from operating activities" prior to IFRS 16 are now presented under "Cash flows from financing activities" both for the amount allocated to the repayment of the lease liability and the amount corresponding to interest paid. The impacts of remeasuring the lease liability are not shown in the consolidated statement of cash flows.

The first-time application of IFRS 16 significantly impacted the consolidated financial statements, and notably the key performance indicators used by the Group (EBITDA and free cash flow). The impacts of applying IFRS 16 are shown below.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>In millions of euros</i>	Right-of-use assets	Lease liabilities
Carrying amount – real estate leases	31.0	31.4
Carrying amount – other leases	3.4	3.4
Impact at 1 January 2020	34.4	34.8
New leases	13.7	13.7
Changes in scope of consolidation	(0.3)	(0.3)
Depreciation	(10.1)	-
Lease payments made	-	(10.6)
Interest expense	-	1.1
Total carrying amount at 31 December 2020	37.7	38.7
Carrying amount – real estate leases	33.5	-
Carrying amount – other leases	4.2	-

CONSOLIDATED INCOME STATEMENT

<i>In millions of euros</i>	Consolidated income statement – reported	Impact of IFRS 16	Consolidated income statement – excl. impact of IFRS 16
EBITDA	41.1	10.6	30.5
Depreciation, amortisation and provisions for recurring operating items, net	(16.3)	(10.0)	(6.3)
Operating profit before non-recurring items (EBITA)	24.8	0.6	24.2
Non-recurring income and expenses, including share-based payments	(3.0)	(0.1)	(2.9)
Operating profit	21.8	0.5	21.3
Share of profit/(loss) of Expleo Group	(45.2)	-	(45.2)
Income from Expleo Group convertible bonds	10.0	-	10.0
Net financial expense on cash and debt	(2.7)	-	(2.7)
Other financial income and expenses	0.8	(1.1)	1.9
Income tax expense	(5.8)	0.1	(5.9)
Consolidated profit/(loss) for the period	(21.1)	(0.5)	(20.6)

CONSOLIDATED STATEMENT OF CASH FLOWS

<i>In millions of euros</i>	Consolidated statement of cash flows – reported	Impact of IFRS 16	Consolidated statement of cash flows – excl. impact of IFRS 16
Operating profit before non-recurring items (EBITA)	24.8	0.6	24.2
Depreciation, amortisation and provisions for recurring operating items, net	16.3	10.0	6.3
EBITDA	41.1	10.6	30.5
Other cash flows related to operating activities	39.8	-	39.8
Net cash generated from operating activities	80.9	10.6	70.3
Acquisitions of property, plant and equipment and intangible assets, net of disposals	(11.9)	-	(11.9)
Free cash flow	69.0	10.6	58.4
Other cash flows related to investing activities	(2.8)	-	(2.8)
Net cash generated from/(used in) investing activities	(14.7)	-	(14.7)
Net cash generated from/(used in) financing activities	(51.3)	(10.6)	(40.7)
Net increase in cash and cash equivalents	14.9	-	14.9

NOTE 14

OFF-BALANCE SHEET COMMITMENTS

At 31 December 2020, Management considered that there were no existing off-balance sheet commitments, other than those set out below, that would be likely to have a material impact on the current or future financial position of the Assystem Group.

<i>In millions of euros</i>	Commitments given	Commitments received	
	Deposits, guarantees and sureties	Deposits, guarantees and sureties	Unused credit facilities
Holding company	14.1	0.1	116.0
France	6.9	1.5	-
Asia, Middle East and Africa	3.7	-	-
Total	24.7	1.6	116.0

NOTE 15

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

No significant events occurred after the reporting date that require disclosure in this Universal Registration Document.

5.3 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Statutory Auditors' report on the consolidated financial statements

For the year ended 31 December 2020

This is a translation into English of the Statutory Auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This Statutory Auditors' report includes information required by European Regulation and French law, such as information about the appointment of the Statutory Auditors or verification of the information concerning the Group presented in the management report.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Annual General Meeting of Assystem S.A.

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Assystem S.A. for the year ended 31 December 2020.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2020 and of the results of its operations for the year ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code and the French Code of Ethics for Statutory Auditors for the period from 1 January 2020 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in section 1 of the Article 5 of Regulation (EU) no. 537/2014.

Justification of Assessments – Key Audit Matters

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

IMPAIRMENT TEST ON CASH GENERATING UNITS (CGUS)

Notes 3.3 and 3.4 to the consolidated financial statements

Risk	Our response
The acquisitions made by the Group led to the recognition of goodwill determined as being the difference between the fair value of the consideration transferred, plus the amount of any non-controlling equity interest in the Company acquired and the net amount of the identifiable assets acquired and liabilities assumed. Such goodwill is shown in the balance sheet for a net amount of €82 million as of 31 December 2020 for the Energy & Infrastructure (E&I) business and nil for the Staffing business further to the impairment losses booked in prior years. It was allocated to the cash-generating units (CGU) of the businesses into which the companies acquired were integrated. The Group conducts impairment tests at each year-end or whenever a triggering event is identified, in order to estimate the recoverable value of the CGU (defined as the higher amount between the fair value net of any exit costs and the value in use corresponding to the discounted value of estimated future cash flows expected from the use of the CGU). An impairment loss is recognized at the level of a CGU if its recoverable value is lower than its net book value and should firstly be allocated to the goodwill of the CGU. The recoverable value of the CGU was determined using its value in use. To determine the value in use, the Group has forecast the future cash flows it expects to obtain from the CGU over a period of four years; the future cash flows generated beyond this four years period were extrapolated by taking into account a growth rate which cannot exceed the average long-term growth rate of the overall business sector. The future cash flows are discounted using the weighted average cost of capital (WACC) of the sector. Furthermore, an unfavorable change in market conditions or the cash flows originally estimated may lead to the recognition of an additional impairment loss. The methodology used in carrying out the impairment test as well as the detailed assumptions adopted are described in Note 3.4. We have therefore considered the valuation of goodwill as a key audit matter given the high degree of estimates and judgments made by management, the sensitivity of the calculation of the recoverable values to changes in the forecasting assumptions and the weight of such caption in the Group's consolidated financial statements.	We have assessed the compliance of the Group's impairment test methodology with the accounting standards. We have conducted an assessment about the way the methodology was implemented and have notably assessed: • the level of pooling of the CGUs adopted for impairment testing of the goodwill and the consistency of the items included in the carrying value of the CGUs with the cash flows used to perform impairment tests; • the reasonableness of the projected cash flows in consideration of the economic and financial contexts in which the E&I business operates; • the consistency of the budgetary data used with those presented to the Audit Committee and approved by the Board of Directors, and the consistency of forecast data with budgetary assumptions; • the consistency of the assumptions used for determining the long term growth rate with the economic environment prevailing as at the financial statements closing date; • the reliability of the estimation process by examining the root cause for the differences highlighted between forecasts and actual data in relation to past performances; • the reasonableness of the assumptions used for determining the discounting rate with the assistance of our valuation specialists; • the analyses of sensitivity of the value in use to a change in the main assumptions used. Finally, we have assessed whether the Notes to the consolidated financial statements (notably the Notes 3.3 – Goodwill, and 3.4 – Impairment test methodology) provided an appropriate information.

RECOGNITION OF REVENUE AND MARGIN FROM FIXED PRICE CONTRACTS

Notes 1 and 5.1 to the consolidated financial statements

Risk	Our response
As part of its operations, a certain portion of the Group's revenue and results derives from long-term service agreements. These "fixed price contracts" represent agreements through which the Group commits itself to an obligation of results and whose sale price is either originally fixed for the whole project or defined, within a master agreement, for each type of services being ordered. Regarding fixed-price contracts, particularly related to E&I activities, revenues are recognized, in accordance with IFRS 15 based on the transfer of the control of the service provided. These contracts give rise to the recognition of revenue in accordance with the percentage-of-completion method. The criteria for determining the percentage of completion may include, at a given date, the examination of the work already carried out, the analysis of the services already rendered compared to the total amount of services to be provided, and the analysis of the costs already incurred compared to the total estimated costs at completion. As from a loss at completion is considered as likely, it is recorded by setting up a provision whose amount will be reduced by the amount of losses previously recognized. The determination of the percentage of completion and of the revenue to be recognized is dependent on numerous estimates relying on contract costs monitoring and the experience of the management. Updating assumptions and estimates at completion may be made throughout the life of the contract and may significantly impact future results. We considered the correct cut-off related to the recognition of revenue and margin from fixed price contracts as a key audit matter as this process relies on judgments and estimates made by management as to the determination of the result at completion and the financial risks anticipated on these contracts.	We have reviewed and tested the internal control processes implemented by the Group for the purpose of contracting, project monitoring, billing and accounting for contracts. The other audit procedures which we carried out in connection with the evaluation of the revenue to be recognized on fixed price contracts consisted of selecting, according to a multi-criteria sampling approach (volume of activity or level of work-in-progress, complexity of the projects, unusual variations noted between two periods or in comparison to the rules adopted by the Group, new contracts for the period...), certain contracts for which we have: • assessed the compliance of the accounting treatment applied with the contractual documentation; • challenged the justification of the estimated results at completion and of the estimated stage of completion with our understanding of these contracts as gained through the meetings we held with business unit management controllers and project managers, and in comparison with past performance obtained on similar contracts; • corroborated the financial position of these contracts with the relevant pieces of documentation (contracts, orders, customer acceptance reports, time sheets); • implemented analytical procedures on the evolution of revenue and income recognized over the financial year. Finally, we have checked that the Notes to the financial statements (notably the Notes 1 – General accounting principles and 5.1 – Revenue and trade working capital requirement) provided an appropriate information.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information pertaining to the Group presented 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 attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code is included in the information pertaining to the Group presented in the management report, it being specified that, in accordance with the provisions of Article L. 823-10 of the Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

Other Legal and Regulatory Verifications or Information**FORMAT OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS INTENDED TO BE INCLUDED IN THE ANNUAL FINANCIAL REPORT**

In accordance with Article 222-3, III of the AMF General Regulation, the Company's management informed us of its decision to postpone the presentation of the consolidated financial statements in compliance with the European single electronic format as defined in the European Delegated Regulation no. 2019/815 of 17 December 2018 to years beginning on or after 1 January 2021. Therefore, this report does not include a conclusion on the compliance with this format of 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.

APPOINTMENT OF THE STATUTORY AUDITORS

We were appointed statutory auditor of Assystem S.A. by the Annual General Meeting held on 26 August 1999 for Deloitte & Associés and on 30 April 2009 for KPMG.

As at 31 December 2020, Deloitte & Associés and KPMG were in the twenty-second year and the twelfth year of total uninterrupted engagement respectively.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

OBJECTIVES AND AUDIT APPROACH

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control system; evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;

assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;

evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;

obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements and on the effectiveness of the internal control;

financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

REPORT TO THE AUDIT COMMITTEE

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this audit report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) no. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on, our independence and the related safeguards

Paris La Défense, 6 April 2021

The Statutory Auditors

French original jointly signed by
Eric ROBERT and Laurent GENIN, KPMG Audit partners
and Albert AÏDAN, Deloitte & Associés audit partner

5.4 PARENT COMPANY FINANCIAL STATEMENTS

5.4.1 BALANCE SHEET

ASSETS

	31 December 2020			31 December 2019
<i>In thousands of euros</i>	Gross	Depreciation, amortisation and provisions	Net	Net
Intangible assets	947	763	184	134
Property, plant and equipment	4,406	2,754	1,652	94
Shares in subsidiaries and affiliates	472,778	79,065	393,713	401,135
Loans	9,727	-	9,727	12,950
Other long-term investments	138,368	-	138,368	121,349
Long-term investments	620,873	79,065	541,808	535,434
Fixed assets	626,226	82,582	543,644	535,662
Operating receivables	17,086	-	17,086	26,582
Intra-group receivables	3,978	1,119	2,859	10,390
Marketable securities	4,207	-	4,207	5,680
Cash at bank and on hand	23,735	-	23,735	6,076
Prepaid expenses	79	-	79	344
Unrealised foreign exchange losses	1,217	-	1,217	529
Current assets	50,302	1,119	49,183	49,601
Total assets	676,528	83,701	592,827	585,263

EQUITY AND LIABILITIES

	31 December 2020	31 December 2019
Share capital	15,668	15,668
Share premium	122	122
Legal reserve	1,567	1,567
Untaxed reserves and other reserves	4,414	4,414
Retained earnings	393,995	402,300
Profit/(loss) for the period	(19,232)	6,751
Total equity	396,534	430,822
Provisions for contingencies and charges	21,131	22,321
Bank borrowings	64,014	77,045
Other borrowings and financial liabilities	101,922	44,107
Trade payables	1,923	3,568
Accrued taxes and payroll costs	1,558	2,955
Due to suppliers of fixed assets	24	100
Other payables	5,720	4,345
Unrealised foreign exchange gains	1	-
Total liabilities	175,162	132,120
Total equity and liabilities	592,827	585,263

5.4.2 INCOME STATEMENT

<i>In thousands of euros</i>	2020	2019
Revenue	8,696	9,125
Provision reversals and expense transfers	12	66
Operating income	8,708	9,191
Purchases and external charges	(6,324)	(7,267)
Taxes other than on income	(180)	(157)
Wages and social security contributions	(2,739)	(2,991)
Directors' remuneration	(277)	(246)
Depreciation, amortisation and provisions	(225)	(82)
Operating expenses	(9,745)	(10,743)
Operating profit/(loss)	(1,037)	(1,552)
Financial income	62,132	18,273
Financial expenses	(67,695)	(10,542)
Net financial income/(expense)	(5,563)	7,731
Profit/(loss) from recurring operations	(6,600)	6,179
Net non-recurring expense	(13,191)	(143)
Income tax	559	715
Profit/(loss) for the period	(19,232)	6,751

5.4.3 NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

The notes below relate to the balance sheet at 31 December 2020 – prior to the appropriation of the Company's results – and the income statement for the year then ended. The Company ended the year with total assets of €592,827 thousand and a loss for the period amounting to €19,232 thousand.

The financial year covered a period of twelve months from 1 January to 31 December 2020.

All amounts are presented in thousands of euros unless otherwise specified.

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NOTE 1

SIGNIFICANT EVENTS OF THE YEAR

Impact of the Covid-19 pandemic on the Company's subsidiaries and affiliates

2020 was marked by the negative impacts of the Covid-19 pandemic on the revenue and operating profit of the main entities controlled by the Company, particularly due to the fact that it was impossible to access certain client sites during the national lockdown period in France (despite the government support measures put in place, particularly in France, concerning furlough and short-time working schemes and exemptions of corresponding employer contributions). However, the Company is unable to give exact figures regarding these impacts.

Expleo Group – which is 38.16%-owned by Assystem and consolidated by the equity method in the consolidated financial statements – was very heavily impacted by the Covid-19 pandemic due to steep declines in business generated with the automotive and aeronautical industries. Consequently, a number of Expleo Group subsidiaries had to launch restructuring measures during the year. The provisions recognised for these restructuring measures considerably penalised Expleo Group's consolidated results for 2020 and it reported a loss. As a result, at 31 December 2020 the Company wrote down the carrying amount of its interest in Expleo Group by €49.5 million to €43.0 million in order to align the value of the shares concerned with their value as recorded in the consolidated statement of financial position at that date.

Changes in holdings in subsidiaries and affiliates**ACQUISITIONS OF SHARES IN NEW SUBSIDIARIES**

On 20 February 2020, Assystem S.A. (the "Company") acquired a 1% interest in Assystem Engineering Services India LLP for €1 thousand.

On 2 March 2020, the Company acquired a 1% interest in Assystem Engineering Services for Egypt, for €0.2 thousand.

On 30 September 2020, all of the assets and liabilities of Bâtir Conseils were transferred to Assystem S.A. This resulted in the Company recognising in its balance sheet (i) all of the shares in ECP, i.e. 2,856 shares, for €34,761 thousand, and (ii) the shares it did not already own in AEOS, i.e. 2,488 shares, for €151 thousand.

On 31 December 2020, the Company acquired from Assystem Care Holding (i) all of the shares in Assystem Care France, i.e. 11,381,481 shares, for €14,400 thousand, and (ii) all of the shares in Assystem Care Switzerland, i.e. 250,000 shares, for €6,300 thousand.

ACQUISITION OF ADDITIONAL SHARES IN CERTAIN SUBSIDIARIES AND AFFILIATES

On 4 June 2020, the Company acquired a further 49% stake in Assystem Envy for €5,720 thousand, raising its interest in that subsidiary to 100%.

On 23 June 2020, the Company purchased €3 thousand worth of shares issued as part of a capital increase carried out by Assystem Engineering Services India LLP.

On 30 June 2020, Assystem Engineering and Operation Services made a €22,644 thousand dividend payment to the Company in the form of 8,015 Bâtir Conseils shares.

On 30 November 2020, the Company contributed €25 thousand to a capital increase carried out by Assystem Conseils by raising the par value of its shares from €20 to €185 each.

On 22 December 2020, the Company purchased, for €600 thousand, 1,925 new shares issued by ASCO as part of a capital increase.

SALES OF SHARES AND LIQUIDATION OF A SUBSIDIARY

On 10 April 2020, the Company sold 1.72% of Eurosyn's share capital for €87 thousand, and then on 7 July 2020 it sold the 50.04% stake in Eurosyn that it still held at that date to H2D Invest for €2,523 thousand.

On 30 September 2020, the Company wound up Bâtir Conseils in advance of its term, without liquidation, by way of a transfer of all of this subsidiary's assets and liabilities.

On 31 December 2020, the Company sold its 0.03% interest in Assystem Care Belgium to its subsidiary, Assystem Care Holding for €2 thousand.

Treasury shares

At 31 December 2020, the fair value of Assystem's treasury shares was calculated based on the average Assystem share price for the last month of the year. As this average market price was higher than the average purchase price of the treasury shares, no provision for impairment was recognised against these shares at that date.

Shares that vested during the year under the free share plans and/or performance share plans set up in 2016, 2017 and 2018 were delivered to their beneficiaries in 2020.

A €4,207 thousand provision has been recognised for the four free share/performance share plans set up in 2018, 2019 and 2020 for employees of Group entities other than Assystem S.A., with the same amount recognised in accrued income. The provision recognised relating to beneficiaries of these plans who are employees of the Company amounts to €23 thousand.

Ownership structure of the Assystem Group

The Company is controlled by HDL Development, which held 57.14% of its capital at 31 December 2020 and 74.74% of its exercisable voting rights.

At 31 December 2020, HDL Development was 87.85%-controlled by HDL (52.47% directly and 35.38% through CEFID, H2DA and EEC). HDL is wholly controlled by Dominique Louis, Assystem's Chairman & CEO, who also directly owns 0.48% of the capital of HDL Development. The remaining 11.67% of HDL Development's capital is held by managers and former managers of the Group.

Bank borrowings

Since September 2017, Assystem has had access to (i) a €120 million revolving credit facility (RCF), of which €4 million had been drawn down at 31 December 2020, and (ii) a €60 million investment loan. The RCF and the investment loan both mature in September 2024, with no repayments due before then.

The RCF and the investment loan are subject to a financial covenant, under which, each year, Assystem's consolidated net debt/EBITDA ratio must not exceed 3.75 at 31 December and 3.95 at 30 June. This covenant was respected at 31 December 2020.

Changes in share capital and the issue premium account

There were no changes in the Company's share capital during the year and it amounted to €15,668,216 at 31 December 2020.

Significant events after the reporting date

None

Risk factors

TAX AUDITS

In late 2014, the Company received notification of a €13.5 million tax reassessment relating to research tax credits recognised for 2010, 2011 and 2012 by its former subsidiary Assystem France, which is now an Expleo Group subsidiary but was a member of Assystem S.A.'s tax group during the years concerned.

The risk relating to this dispute was transferred by Assystem France to the Company at end-2016 in return for the payment by Assystem France of €7.3 million in compensation. The Company recognised a provision for the full amount of this compensation in its 2016 financial statements.

At end-2017, the Company received a payment notice from the tax authorities for the reassessed amount and therefore recognised an additional provision in its 2017 financial statements. Since then, the provision has covered the full reassessed amount as well as the potential late payment penalties. At 31 December 2020 it amounted to €16.8 million.

The Company has contested this reassessment in full, initially via the standard dispute resolution process, and then in 2020 via an application to the competent administrative court.

In 2019, the French tax authorities' National and International Audit Department carried out an audit on the Company's accounts for 2016 and 2017. No tax reassessments were issued following this audit.

EXPOSURE TO INTEREST RATE RISK

The Group's exposure to interest rate risk concerns the borrowings set up on 28 September 2017 and amended twice since that date, comprising (i) a €120 million revolving credit facility, of which €4 million had been drawn down at 31 December 2020, and (ii) a €60 million investment loan. The interest on these facilities – both of which mature in September 2024 – is indexed against the Euribor for the period concerned, *i.e.* one and/or three months. If the Euribor is negative the interest is deemed to be zero. The Group has set up an interest rate swap for a notional amount of €60 million, *i.e.* the amount of the investment loan. This swap – under which Assystem is a variable-rate lender with interest based on the 3-month Euribor with a zero floor, and a fixed-rate borrower paying an annual interest rate of 0.05% – runs from 30 June 2020 to 30 June 2023.

NOTE 2

BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Assystem's parent company financial statements for the year ended 31 December 2020 have been prepared in accordance with French generally accepted accounting principles, including the principle of segregation of accounting periods. They are presented on a going concern basis and accounting policies have been applied consistently from one year to the next.

Accounting entries are based on the historical cost convention.

Fixed assets

Intangible assets are carried at cost, excluding financial expenses, which are not capitalised.

Property, plant and equipment are stated at cost, corresponding to either purchase cost (including incidental expenses but excluding transaction costs), or production cost.

Interest on borrowings specifically used to finance property, plant and equipment is not included in production cost.

Depreciation and amortisation are determined on a straight-line basis over the estimated useful lives of the assets concerned, as follows:

● software	1 to 5 years
● patents	4 years
● fixtures and fittings	5 to 10 years
● vehicles	3 to 5 years
● office equipment	3 to 5 years
● office furniture	5 to 10 years
● buildings	20 years

Shares in subsidiaries and affiliates

Shares in subsidiaries and affiliates are stated at historical cost or contribution value.

Disposals of these shares are measured on the basis of cost price, and capital gains or losses are calculated using the carrying amount of the shares sold.

At each year-end, the Company calculates the value in use of its shares in subsidiaries and affiliates and recognises a provision for impairment if their value in use is lower than their carrying amount. The Company uses one of the following two methods for measuring value in use, depending on the type of business carried out by the subsidiary or affiliate: (i) a financial approach (based on projected cash flows or EBIT multiples), or (ii) a net asset approach (based on the Company's share of the equity of the subsidiary or affiliate).

Transaction costs on acquisitions of shares in subsidiaries and affiliates

These costs are expensed as incurred.

For tax purposes, they are added back in the year in which the shares are acquired and then deducted over a period of five years as from the acquisition date.

Other long-term investments

Other long-term investments are recognised at their nominal value.

Receivables

Receivables and payables are stated at nominal value. Provisions are recorded to cover any risk of non-recovery of receivables.

The majority of the receivables recognised by the Company correspond to amounts due from related companies.

Debt issuance costs

Debt issuance costs are fully expensed in the year in which they are incurred.

Marketable securities

Marketable securities are stated at the lower of cost (excluding incidental expenses) and fair value.

Foreign currency transactions

Income and expenses denominated in foreign currency are translated into euros using the transaction-date exchange rates. Payables, receivables and cash and cash equivalents denominated in foreign currency are translated using the exchange rates prevailing at the year end. Foreign exchange gains and losses resulting from the translation of these assets and liabilities at year-end exchange rates are recognised in the balance sheet under "Unrealised foreign exchange gains" or "Unrealised foreign exchange losses". A provision for contingencies is recognised for the full amount of any unrealised foreign exchange losses that are not offset by unrealised foreign exchange gains.

Provisions for contingencies and charges

Provisions for contingencies and charges are recognised in compliance with French GAAP.

Provisions for statutory retirement bonuses

A provision is recognised for the Company's obligation to pay statutory retirement bonuses, based on employees' length of service and the probability that they will still be with Assystem when they retire. The amount of the provision is calculated using an actuarial method taking into account assumptions relating to employee turnover, future salary levels and retirement ages.

The main actuarial assumptions used for 2020 were follows:

- discount rate: 0.70%;
- projected rate of salary increases 1.80%;
- median employee turnover rate: 10%/15%;
- mortality table: INSEE 2019.

Main sources of estimation uncertainty

The preparation of financial statements involves the use of estimates and assumptions that may affect the carrying amounts of certain items in the balance sheet and/or income statement as well as the disclosures in the notes.

Assystem regularly reviews these estimates and assumptions and adjusts them where necessary to take into account past experience and other factors believed to be reasonable in light of the prevailing economic conditions.

As the estimates, assumptions and judgements applied are based on the information available and circumstances existing on the date when the financial statements were prepared, they may not reflect actual future events.

The main estimates made concern provisions for contingencies and charges, and the assumptions applied mostly relate to the preparation of business plans used for assessing the value of shares in subsidiaries and affiliates.

Provisions for risks relating to subsidiaries

A provision is recognised for subsidiaries in relation to which the Company is exposed to a risk.

Hedging transactions

As the Company's acquisition in 2016 of Envy (a Turkish company) was carried out in foreign currency, it took out a swap to hedge the foreign exchange rate risk.

The amount recognised in the balance sheet at 31 December 2020 in relation to gains on derivatives was €1,201 thousand.

NOTE 3

NOTES TO THE BALANCE SHEET AND INCOME STATEMENT

3.1 Movements in the gross value of fixed assets

<i>In thousands of euros</i>	Gross value at 1 January	Increases	Decreases	Gross value at 31 December
Intangible assets	865	82	-	947
Property, plant and equipment	2,752	1,661	7	4,406
Long-term investments	558,571	123,083	60,781	620,873
Total	562,188	124,826	60,788	626,226

At 31 December 2020, intangible assets broke down as €874 thousand in software, €15 thousand corresponding to a fully-amortised patent, and €58 thousand in intangible assets in progress.

Property, plant and equipment broke down as €3,617 thousand in buildings, fixtures and fittings; €573 thousand in office furniture and equipment; and €216 thousand in works of art.

Year-on-year changes in long-term investments, as set out in Note 3.2 below, primarily relate to the acquisitions of shares in subsidiaries and affiliates referred to in Note 1 above, as well as new loans granted to subsidiaries, and treasury share transactions.

3.2 Movements in long-term investments

<i>In thousands of euros</i>	Gross value at 1 January	Increases	Decreases	Gross value at 31 December
Shares in subsidiaries and affiliates ⁽¹⁾	424,272	84,605	36,099	472,778
Loans to subsidiaries and affiliates ⁽²⁾	12,950	989	4,212	9,727
Deposits and guarantees	11	47	-	58
Convertible bonds (including accrued interest)	111,384	14,458	4,462	121,380
Treasury shares	9,954	11,042	4,066	16,930
Total	558,571	111,141	48,839	620,873

(1) Increases in the gross value of shares in subsidiaries and affiliates reflect:

- the transfer of AEOS shares (€151 thousand) on the transfer to Assystem S.A. of all of Bâtir Conseils' assets and liabilities;
- the acquisition of Assystem Envy shares (€5,720 thousand);
- the acquisition of Bâtir Conseils shares (€22,644 thousand);
- the acquisition of Assystem Care France shares (€14,400 thousand);
- the acquisition of Assystem Care Switzerland shares (€6,300 thousand);
- the transfer of ECP shares (€34,761 thousand), on the transfer to Assystem S.A. of all of Bâtir Conseils' assets and liabilities;
- the acquisition of ASCO shares (€600 thousand);
- the acquisition of Assystem Conseils shares (€25 thousand);
- the acquisition of Assystem Engineering Services India LLP shares (€4 thousand);
- the acquisition of Assystem Engineering Services for Egypt shares (€0.2 thousand).

Decreases in the gross value of shares in subsidiaries and affiliates correspond to the derecognition of (i) Bâtir Conseils shares (€36,072 thousand) following the transfer of all of this company's assets and liabilities to Assystem S.A., and (ii) Assystem Care Belgium shares (€27 thousand).

(2) The Company granted an aggregate €989 thousand in loans to its subsidiaries in 2020.

Repayments of loans granted to subsidiaries and affiliates totalled €4,212 thousand in 2020.

These movements are based on the exchange rates prevailing on the recognition date for all of the loans. Currency translation differences related to loans to subsidiaries and affiliates corresponded to an aggregate €689 thousand unrealised foreign exchange loss.

The table below shows a summary of movements in treasury shares during 2020:

<i>In thousands of euros</i>	Number of shares	Book value
Number of treasury shares at 31 December 2019	670,640	15,634
Purchases (liquidity contract)	70,379	1,704
Purchases (mandate to purchase Assystem S.A. shares)	382,887	9,128
Sales (liquidity contract)	(60,608)	(1,714)
Deliveries of free shares	(207,450)	(3,615)
Number of treasury shares at 31 December 2020⁽¹⁾	855,848	21,137

(1) Treasury shares are recognised in the balance sheet under "Long-term investments" (€16,930 thousand) and "Marketable securities" (€4,207 thousand).

3.3 Movements in depreciation and amortisation

<i>In thousands of euros</i>	Amount at 1 January	Increases	Decreases	Amount at 31 December
Amortisation				
Other intangible assets	731	32	-	763
Sub-total	731	32	-	763
Depreciation				
Buildings on own land	1,884	-	-	1,884
Other buildings, fixtures and fittings	2	-	-	2
General fixtures	111	75	-	186
Office equipment, furniture and IT	487	21	-	508
Sub-total	2,484	96	-	2,580
Total	3,215	128	-	3,343

NOTE 4

LIST OF SUBSIDIARIES AND AFFILIATES

Subsidiaries and affiliates <i>In thousands of euros</i>	Share capital	Total equity	% ownership interest	Gross book value of shares held	Net book value of shares held	Loans and advances granted⁽¹⁾	Deposits, guarantees and endorsements given	2020 net revenue	2020 profit/(loss)	Dividends received
Assystem Engineering and Operation Services	3,318	77,743	97.69%	85,267	85,267	8,249	8,317	272,252	13,232	22,644
ECP	127	9,606	100.00%	34,761	34,761	-	-	36,436	442	-
ASCO	70	6,127	100.00%	7,600	7,600	-	-	8,615	5,501	-
Assystem Energy & Infrastructure Ltd	5,795	4,453	100.00%	5,514	5,514	801	4,512	34,008	2,062	-
Assystem Care Holding	21,385	23,976	100.00%	35,560	23,932	-	-	-	632	-
Assystem Care France	1,138	13,975	100.00%	14,400	14,400	-	-	15,981	(163)	-
Assystem Care Switzerland	231	972	100.00%	6,300	6,300	-	102	4,445	36	-
Assystem Envvy	190	2,383	100.00%	19,738	14,420	-	-	7,054	1,728	445
Assystem Engineering Services India Plc	390	203	1.00%	4	4	-	-	10	(198)	-
Assystem Engineering Services for Egypt	20	20	1.00%	-	-	-	-	-	-	-
MPH Global Services	15,805	16,027	100.00%	32,471	21,000	-	132	3,537	2,427	-
ASM Technologies	563	294	99.99%	787	-	-	-	-	(15)	-
Assystem Australia	0	(472)	100.00%	-	-	414	-	-	(22)	-
Assystem Solutions DMCC	24	(733)	100.00%	20	-	1,163	-	111	(160)	-
ASG	76	228	100.00%	432	229	49	-	-	(7)	-
SCI du Pont Noir	322	260	99.99%	1,065	1,065	-	-	117	51	-
Assystem Conseils	14	11	100.00%	28	25	24	-	-	(4)	-
Assystem Investissements	5	24	100.00%	15	-	-	-	-	(5)	-
Eradma	ND	ND	4.04%	120	-	-	-	ND	ND	-
Expleo Group ⁽²⁾	242,398	101,890	38.16%	92,500	43,000	-	-	907,993	(118,578)	-
Framatome	706,691	ND	5.00%	136,196	136,196	-	-	ND	ND	3,141
Total				472,778	393,713	10,700	13,063			26,230

(1) Excluding tax consolidation accounts.

(2) The 2020 equity, revenue and loss figures for Expleo Group correspond to consolidated data.

Assystem has set aside provisions for impairment in value against the shares held in certain subsidiaries and affiliates following impairment tests carried out at 31 December 2020 in accordance with the accounting policies described above.

NOTE 5

PROVISIONS

In thousands of euros	Amount at 1 January 2020	Increases (additions)	Decreases (reversals)	Amount at 31 December 2020
Provisions for foreign exchange losses	2	2	2	2
Other provisions for contingencies and charges ⁽¹⁾	22,319	2,763	3,953	21,129
Total provisions for contingencies and charges	22,321	2,765	3,955	21,131
Provisions for impairment in value of property, plant and equipment	174	-	-	174
Provisions for shares in subsidiaries and affiliates ⁽²⁾	23,137	61,128	5,200	79,065
Sub-total: Provisions for fixed assets	23,311	61,128	5,200	79,239
Provisions for impairment in value of intra-group receivables ⁽³⁾	1,061	58	-	1,119
Sub-total: Provisions for current assets	1,061	58	-	1,119
Total provisions for impairment in value	24,372	61,186	5,200	80,358
Total provisions	46,693	63,951	9,155	101,489

(1) Additions to and reversals of provisions for contingencies and charges in 2020 break down as follows:

- an additional €2,352 thousand provision for free share/performance share plans for which the related expense will be rebilled to the Group subsidiaries whose employees are beneficiaries of the plans concerned;
- a €23 thousand provision for free shares/performance shares granted to employees of Assystem S.A.;
- an additional €293 thousand provision for tax risks, corresponding to potential late payment penalties following a tax reassessment;
- a €95 thousand provision for statutory retirement bonuses for employees;
- a €3,829 thousand provision reversal recognised on the delivery of vested shares under free share plans;
- a €124 thousand reversal of the provision set aside for costs related to a tax dispute.

(2) The main additions to and reversals of provisions for shares in subsidiaries and affiliates concerned the following companies:

- Expleo Group: €49,500 thousand addition;
- Assystem Care Holding: €11,628 thousand addition;
- MPH Global Services SAS: €5,200 thousand reversal.

(3) The €58 thousand increase in these provisions in 2020 breaks down as €34 thousand for Assystem Australia, €11 thousand for Assystem Conseils and €13 thousand for Assystem Solutions DMCC.

NOTE 6

RECEIVABLES

In thousands of euros	Gross amount	Due within one year	Due beyond one year
Receivables recognised as fixed assets			
Expleo Group convertible bonds (including accrued coupons)	121,380	-	121,380
Loans	9,727	-	9,727
Other long-term investments	58	-	58
Treasury shares ⁽¹⁾	16,930	16,930	-
Sub-total	148,095	16,930	131,165
Operating receivables			
Other trade receivables	2,532	2,532	-
Employee-related receivables	2	2	-
Prepayments to suppliers	270	270	-
Prepaid and recoverable income tax	6,216	693	5,523
Prepaid and recoverable VAT	273	273	-
Sundry debtors ⁽²⁾	7,793	7,793	-
Sub-total	17,086	11,563	5,523
Intra-group receivables	3,978	3,978	-
Prepaid expenses	79	79	-
Total	169,238	32,550	136,688

(1) Representing 687,923 Assystem S.A. shares.

(2) Including €4,207 thousand in accrued income related to the free share/performance share plans set up for employees of Assystem subsidiaries.

NOTE 7 ACCRUED INCOME

- Accrued trade receivables: €2,297 thousand
- Tax receivables: €258 thousand
- Employee-related receivables: €204 thousand
- Sundry debtors: €4,262 thousand

NOTE 8 BREAKDOWN OF MARKETABLE SECURITIES

<i>In thousands of euros</i>	At 1 January 2020	Purchases	Sales	At 31 December 2020
Treasury shares ⁽¹⁾	5,680	2,352	3,825	4,207
Total	5,680	2,352	3,825	4,207

(1) Corresponding to 167,925 Assystem S.A. shares valued at their purchase price and held for allocation under free share/performance share plans.

NOTE 9 PREPAID EXPENSES AND DEFERRED INCOME

Prepaid expenses and deferred income only relate to operating activities.

NOTE 10 SHARE CAPITAL

The Company's share capital totalled €15,668,216 at 31 December 2020, made up of shares with a par value of €1 each.

	Number of shares
1 – Shares outstanding at beginning of year	15,668,216
2 – New shares issued during the year	-
3 – Shares cancelled during the year	-
4 – Shares outstanding at year-end	15,668,216

STATEMENT OF CHANGES IN EQUITY

<i>In thousands of euros</i>	2020	2019
Amount at beginning of year	430,822	439,075
Profit/(loss) for the period	(19,232)	6,751
Dividend payouts/contribution premium repayments	(15,056)	(15,004)
Changes in capital		
• capital increase	-	-
• capital reduction	-	-
Changes in share premium account, reserves, retained earnings and untaxed provisions		
• increase	6,751	20,731
• reduction	(6,751)	(20,731)
Amount at year-end	396,534	430,822

NOTE 11
OTHER DISCLOSURES

At 31 December 2020, all of the Company's potentially dilutive instruments corresponded to the 170,925 shares not yet delivered under outstanding free share/performance share plans.

NOTE 12
LIABILITIES

<i>In thousands of euros</i>	Gross amount	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years
Bank borrowings	64,014	14	64,000	-
Deposits and guarantees received	31	-	31	-
Intra-group financial liabilities	101,891	101,891	-	-
Trade payables	1,923	1,923	-	-
Employee-related liabilities	388	388	-	-
Accrued payroll taxes	528	528	-	-
Accrued income taxes	570	570	-	-
Other accrued taxes	72	72	-	-
Due to suppliers of fixed assets	24	24	-	-
Other payables	5,720	5,720	-	-
Total liabilities	175,161	111,130	64,031	-

<i>In thousands of euros</i>	At 1 January 2020	Increases	Decreases	At 31 December 2020
Bank borrowings				
Investment loan and RCF	77,000	-	13,000	64,000
Bank overdrafts	5	-	5	-
Accrued interest	40	14	40	14
Total bank borrowings	77,045	14	13,045	64,014
Other borrowings and financial liabilities				
Deposits and guarantees received	31	-	-	31
Intra-group financial liabilities ⁽¹⁾	44,076	57,815	-	101,891
Total other borrowings and financial liabilities	44,107	57,815	-	101,922

(1) The year-on-year increase in the amount of intra-group financial liabilities is mainly due to the payroll tax holidays granted by the social security authorities to some subsidiaries as a result of the Covid-19 crisis.

Debt-related income and expenses	Expenses	Income
Interest on borrowings	(855)	-
Income and expenses related to Group cash management ⁽²⁾	(58)	164

(2) Financial income and expenses relating to interest on current accounts with subsidiaries and intra-group cash pooling.

NOTE 13
DEFERRED CHARGES

- Accrued trade payables: €1,672 thousand
- Accrued taxes and payroll costs: €1,044 thousand
- Accrued interest on borrowings and financial liabilities: €14 thousand

NOTE 14

OFF-BALANCE SHEET COMMITMENTS

Commitments given <i>(in thousands of euros)</i>	Amount
Sureties and guarantees	16,604
Commitments received	Amount
Unused revolving credit facility	116,000

LEASE COMMITMENTS

Obligations <i>(in thousands of euros)</i>	Total	Payments due by period		
		Due in less than 1 year	Due in 1 to 5 years	Due beyond 5 years
Operating leases				
• vehicles	183	67	116	-
• premises	2,419	310	1,551	558
Total	2,602	377	1,667	558

Derivative financial instruments

The Company uses currency hedges (mainly in the form of forward sales or purchases) in order to safeguard its operating margins on major contracts denominated in foreign currency. It also uses currency swaps to hedge significant intra-group financing in foreign currency.

The accounting principles applicable to forward financial instruments and hedging transactions were changed pursuant to regulation no. 2015-05 issued by the French Accounting Board (ANC) on 2 July 2015, which Assystem has applied since 31 December 2016.

The re-measurement in the balance sheet of all of Assystem's forward sale contracts at end-2020 resulted in the recognition of a €52 thousand asset under treasury instruments.

NOTE 15

REVENUE

Assystem S.A.'s revenue comprises income received for administrative, management and specialist services, which are mainly provided to Assystem Group subsidiaries. It would not be relevant to provide a breakdown of revenue by business segment or by geographic region.

NOTE 16

AVERAGE HEADCOUNT

The Company's average headcount corresponded to eight employees in 2020.

The executive who receives compensation from the Company does not have an employment contract and only receives compensation in his capacity as a corporate officer.

NOTE 17

EXPENSE TRANSFERS

Benefits in kind: €28 thousand

NOTE 18
FINANCIAL INCOME AND EXPENSES

<i>In thousands of euros</i>	2020
Financial income from investments in subsidiaries and affiliates	41,462
Dividends received	41,462
Income from other securities and receivables recognised as fixed assets	195
Loan interest	195
Other interest income	8,977
Income related to Group cash management	165
Other financial income ⁽¹⁾	8,812
Provision reversals and expense transfers	9,030
Reversal of provisions for foreign exchange losses	2
Reversal of provisions for long-term investments ⁽²⁾	9,028
Positive foreign exchange differences	2,468
Foreign exchange gains	2,468
Total financial income	62,132
Amortisation and provisions recognised under financial expenses	(63,563)
Additions to provisions for financial contingencies and charges ⁽³⁾	(63,561)
Additions to provisions for foreign exchange losses	(2)
Interest expense	(1,705)
Interest on borrowings	(855)
Expenses related to Group cash management	(58)
Other financial expenses	(792)
Negative foreign exchange differences	(2,427)
Foreign exchange losses	(2,427)
Total financial expenses	(67,695)
Net financial expense	(5,563)

(1) Including €9,996 thousand in interest income on Expleo Group convertible bonds.

(2) Including reversals of provisions related to the following: (i) free share plans (€3,828 thousand), (ii) a tax dispute (€124 thousand), and (iii) impairment in value of shares in subsidiaries and affiliates (€5,200 thousand).

(3) Including additions to provisions related to the following: (i) impairment in value of shares in subsidiaries and affiliates (€61,128 thousand), (ii) impairment in value of subsidiaries' current accounts with Assystem S.A. (€58 thousand), and (iii) free share plans (€2,375 thousand).

NOTE 19

NON-RECURRING INCOME AND EXPENSES

<i>In thousands of euros</i>	2020
Non-recurring income from capital transactions	6,697
Proceeds from disposals of long-term investments ⁽¹⁾	3,018
Gains on sales of treasury shares	3,679
Provision reversals and expense transfers	124
Total non-recurring income	6,821
Non-recurring expenses on management transactions	(5)
Other non-recurring expenses on management transactions	(5)
Non-recurring expenses on capital transactions	(19,714)
Net value of divested long-term investments ⁽²⁾	(15,787)
Losses on sales of treasury shares	(3,927)
Exceptional additions to depreciation, amortisation and provisions	(293)
Additions to provisions for contingencies ⁽³⁾	(293)
Total non-recurring expenses	(20,012)
Net non-recurring expense	(13,191)

(1) Including €2,610 thousand in net proceeds from the sale of Eurosyn shares.

(2) Including the €15,761 thousand value of Bâtir Conseils' shares derecognised when all of that company's assets and liabilities were transferred to Assystem S.A. on 30 September 2020.

(3) The full €293 thousand recorded in this item in 2020 corresponded to an addition to a provision for a tax dispute (see Note 1).

NOTE 20

INCOME TAX

Analysis of income tax

The breakdown of income tax between the portion related to recurring operations and the portion related to non-recurring items was determined by analysing the nature of the underlying income and expenses. The effect of tax consolidation has been included in the portion related to non-recurring items.

<i>In thousands of euros</i>	Before tax	Tax	After tax
Profit/(loss) from recurring operations	(6,600)	239	(6,361)
Net non-recurring expense	(13,191)	320	(12,871)
Profit/(loss) for the period	(19,791)	559	(19,232)

Tax consolidation

Assystem S.A. is the head of a tax group that includes the following entities: Assystem Engineering and Operation Services, SCI Pont Noir, ASG, Insiema, Assystem Conseils, Assystem Investissements, Assystem Care France, MPH International, MPH Global Services, ECP and ECP DS.

Under the tax consolidation agreement, the methods for calculating the income tax due by each entity in the tax group are determined based on the applicable tax rules in force at the reporting date and as if each entity were taxed on a stand-alone basis.

Deferred taxes

<i>In thousands of euros</i>		
Deferred tax liabilities (calculated at a rate of 28.42%)	2020 tax base	Amount of tax
None	-	-
Total	-	-

Deferred tax assets (calculated at a rate of 28.42%)	2020 tax base	Amount of tax
Provision for retirement benefit obligations	138	(39)
Provisions for impairment in value	175	(50)
Acquisition-related expenses	702	(200)
Currency translation differences	4	(1)
Other expenses	228	(65)
Total	1,247	(355)

NOTE 21 RELATED-PARTY TRANSACTIONS AND BALANCES

<i>In thousands of euros</i>	Amount concerning:	
	related companies	entities in which the Company has an equity interest
Shares in subsidiaries and affiliates ⁽¹⁾	214,517	179,196
Expleo Group convertible bonds	-	121,380
Loans	9,727	-
Other long-term investments	16,988	-
Trade receivables	2,491	53
Intra-group receivables	3,977	-
Trade payables	(375)	(31)
Intra-group payables	(101,891)	-
Financial income from investments in subsidiaries and affiliates	38,322	3,141
Income from Expleo Group convertible bonds	-	9,996
Other financial income	360	-
Financial expenses	(58)	-

(1) The amount recorded under "Entities in which the Company has an equity interest" includes €136,196 thousand for Assystem's 5% interest in Framatome and €43,000 thousand for its 38.16% interest in Expleo Group.

Assystem has not identified any other transactions with related parties that were entered into on non-arm's length terms or which materially impact the financial statements. Consequently, no additional disclosures are required pursuant to Article R. 123-198 11° of the French Commercial Code.

NOTE 22

INFORMATION ABOUT THE CONSOLIDATING ENTITY

Assystem S.A. is the consolidating parent company of the Assystem Group.

Assystem S.A. (ISIN FR0000074148-ASY) is listed on Euronext Paris.

5.4.4 PAYMENT TIMES

In accordance with the provisions of the French Commercial Code, the tables below provide a breakdown of the payment times for trade payables and receivables, showing invoices received and issued but not settled at the reporting date and which are past due.

TRADE PAYABLES

<i>In thousands of euros</i>	1-30 days	31-60 days	61-90 days	91 days and over	Total
Number of invoices concerned	1	4	-	19	24
Total amount (incl. VAT) of invoices concerned	18	15	-	72	105
% of total amount of purchases for the year (excl. VAT)	0.17%	0.15%	-	0.69%	1.01%

TRADE RECEIVABLES

<i>In thousands of euros</i>	1-30 days	31-60 days	61-90 days	91 days and over	Total
Number of invoices concerned	5	10	2	30	47
Total amount (incl. VAT) of invoices concerned	5	117	78	68	268
% of total revenue for the year (excl. VAT)	0.06%	1.34%	0.90%	0.78%	3.08%

The payment times used to calculate late payment interest correspond to the legally applicable periods.

No invoices related to disputed or unrecognised payables or receivables have been excluded from the above tables.

5.4.5 NON-TAX-DEDUCTIBLE EXPENSES

The aggregate amount of non-tax-deductible expenses as referred to in Article 39-4 of the French Tax Code amounted to €69,611 for 2020, generating income tax of €22,296 (disclosure made in application of Articles 223 *quater* and *quinquies* of said Code).

5.4.6 FIVE-YEAR FINANCIAL SUMMARY FOR ASSYSTEM S.A.

Year	2016	2017	2018	2019	2020
I. Capital at year-end					
Share capital	22,218,216	15,668,216	15,668,216	15,668,216	15,668,216
Number of shares issued	22,218,216	15,668,216	15,668,216	15,668,216	15,668,216
Number of convertible bonds	807,438	None	None	None	None
II. Results of operations					
Net revenue	11,974,072	10,057,485	6,165,476	9,124,924	8,695,810
Profit/(loss) before tax, depreciation, amortisation and provisions	(6,401,391)	387,980,428	22,463,384	11,912,056	35,123,472
Corporate income tax	7,143,932	(2,115,209)	318,927	714,783	558,918
Profit/(loss) after tax, depreciation, amortisation and provisions	(16,350,387)	387,767,535	20,797,944	6,751,478	(19,231,923)
Dividends paid	21,164,539	15,080,723	15,004,647	15,054,919	*
III. Per share data					
Earnings/(loss) per share after tax but before depreciation, amortisation and provisions	0.03	24.63	1.45	0.81	2.28
Earnings/(loss) per share after tax, depreciation, amortisation and provisions	(0.74)	24.75	1.32	0.43	(1.23)
Dividend per share	1.00	1.00	1.00	1.00	1.00*
IV. Employee data					
Number of employees	0	0	4	8	8
Total payroll	685,571	606,598	1,320,554	2,067,114	1,881,294
Social security contributions	268,782	238,507	529,670	923,236	857,959

* Dividend to be recommended at the next Annual General Meeting.

5.5 STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European Regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Annual General Meeting of Assystem S.A.,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meetings, we have audited the accompanying financial statements of Assystem S.A. for the year ended 31 December 2020.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 31 December 2020 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Financial Statements" Section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code and the French Code of Ethics for statutory auditors for the period from 1st January 2020 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in paragraph 1 of Article 5 of Regulation (EU) No 537/2014.

Justification of Assessments - Key Audit Matters

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

VALUATION OF INVESTMENTS IN SUBSIDIARIES AND OTHER NON-CONTROLLING INTERESTS

Notes 2, 4 and 5 to the financial statements

Risk	Our response
As at 31 December 2020, the net book value of the investments held in subsidiaries and other non-controlling interests amounted to 393.7 million of euros, accounting for 66% of the Company's balance sheet total. As mentioned in Note 2 "Accounting rules and principles – Investments in subsidiaries and other non-controlling interests" to the financial statements, the investments are recorded at cost at the date of acquisition or at their contribution value. At each year-end, the Company estimates the value in use of its investments in order to determine whether the value in use of each investment is lower than its carrying value. An impairment is recognised when the value in use appears to be lower than the carrying value. For the purpose of estimating the value in use, and depending on the nature of the business operated by the investment, the Company mainly uses one of the following methods: an economic approach (based on projected cash flows or on the EBIT multiples method) or a patrimonial approach (based on the percentage held in the investment's net equity). We have considered the valuation of investments in subsidiaries and other non-controlling interests as a key audit matter, given their materiality to the Company's balance sheet, the high degree of estimation and judgement required from management in choosing the calculation method for the value in use and the sensitivity, depending on the calculation method adopted, of this value to changes in forecast assumptions.	For each investment, we have reviewed the method used for calculating the value in use of the investment and have assessed whether the method used was appropriate with regards to the economic characteristics of the investment. When the approach based on projected cash flows was used, we have: - assessed the consistency of the budgetary data used with those presented to the Audit Committee and approved by the Board of Directors, and the consistency of forecast data with budgetary assumptions; - checked the consistency of the assumptions made for the long term growth rate with the economic environment prevailing as at the financial statements closing date; - checked, with the assistance of our evaluation specialists, the reasonableness of the assumptions used in determining the discounting rate; - compared the forecasts used in the past with the actual performance shown with a view to assessing whether past objectives were met or not; - checked that the value resulting from the cash flow forecasts was adjusted by the amount of indebtedness of the investment concerned. When the approach based on EBIT multiples was used, we have: - assessed the consistency of the aggregate used with the financial statements and the rationale behind the multiples used in comparison with those applied in similar business sectors; - checked that the value resulting from the EBIT multiples approach was adjusted by the amount of indebtedness of the investment concerned. When a patrimonial approach was implemented, we have checked that the net equity data used were in line with the financial statements of the investments concerned, either audited or subject to agreed-upon procedures, and that the restatements made to the net equity, if any, were supported by a relevant documentation. We have also assessed the appropriateness of the information disclosed in the notes 2 "Rules and accounting principles", 4 "List of subsidiaries and other non-controlling interests" and 5 "Provisions" to the financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French laws and regulations.

INFORMATION GIVEN IN THE MANAGEMENT REPORT AND IN THE OTHER DOCUMENTS WITH RESPECT TO THE FINANCIAL POSITION AND THE FINANCIAL STATEMENTS PROVIDED TO THE SHAREHOLDERS

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to the Shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment terms, required under Article D.441-6 of the French Commercial Code.

REPORT ON CORPORATE GOVERNANCE

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L.225-37-4, L.22-10-10 and L.22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L.22-10-9 of the French Commercial Code relating to

remunerations and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where appropriate, with the information obtained by your company from controlling and controlled companies. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a public purchase offer or exchange, provided pursuant to Article L.22-10-11 of the French Commercial Code, we have agreed these to the source documents communicated to us. Based on our work, we have no observations to make on this information.

OTHER INFORMATION

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Other Legal and Regulatory Verifications

FORMAT OF PRESENTATION OF THE FINANCIAL STATEMENTS INTENDED TO BE INCLUDED IN THE ANNUAL FINANCIAL REPORT

In accordance with Article 222-3, III of the AMF General Regulation, the Company's management informed us of its decision to postpone the presentation of the financial statements in compliance with the European single electronic format as defined in the European Delegated Regulation No 2019/815 of 17 December 2018 to years beginning on or after January 1st, 2021. Therefore, this report does not include a conclusion on the compliance with this format of the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code.

APPOINTMENT OF THE STATUTORY AUDITORS

We were appointed as statutory auditors of Assystem S.A. by the Annual General Meeting held on 26 August 1999 for Deloitte & Associés and on 30 April 2009 for KPMG.

As at 31 December 2020, Deloitte & Associés and KPMG were in the twenty-second year and the twelfth year of total uninterrupted engagement respectively.

Responsibilities of Management and those Charged with Governance for the Financial Statements

Management is responsible for the preparation and the fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

OBJECTIVES AND AUDIT APPROACH

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements taken as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error, and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgement throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

REPORT TO THE AUDIT COMMITTEE

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal controls regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of Ethics for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be brought to bear on our independence, and the related safeguards.

Paris la Défense, 6 April 2021

The Statutory Auditors

French original jointly signed by
Eric ROPERT and Laurent GENIN, KPMG Audit partners
and Albert AÏDAN, Deloitte & Associés audit partner

INFORMATION ABOUT THE COMPANY AND ITS SHARE CAPITAL

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6.1 GENERAL INFORMATION ABOUT THE COMPANY

Company name and address

Company name: Assystem

Registered office: Tour Égée, 9-11 allée de l'Arche, La Défense, 92400 Courbevoie, France

Telephone: + 33 (0) 1 41 25 29 00

www.assystem.com

All of Assystem's corporate documents may be consulted free of charge at the Company's registered office.

Statutory Auditors

The Company has two Statutory Auditors appointed in compliance with Article L. 22-10-66 of the French Commercial Code. Further information about the Statutory Auditors is provided in section 6.3 below.

Date of incorporation and term

Date of incorporation: 26 April 1997.

Expiry date of Company's term: 26 May 2096.

Registration particulars

The Company is registered with the Nanterre Trade and Companies Registry under number 412 076 937. Its French business identifier (NAF) Code is 7010 Z (head office activities).

Legal form and applicable legislation

At the Annual General Meeting held on 22 May 2014, the shareholders modified the Company's administration and management structure.

Originally incorporated in the form of a *société anonyme* (public limited company) with a Management Board and a Supervisory Board, as from 22 May 2014 Assystem adopted the form of a *société anonyme* with a Board of Directors, governed by the provisions of Book II of the French Commercial Code and by the Company's Articles of Association.

Corporate purpose

As set out in Article 2 of its Articles of Association, the Company's corporate purpose can be summarised as follows:

- acquiring equity interests – by way of subscription, contribution, purchase or otherwise – and exercising any and all associated rights, in any enterprise operating in a technological, technical, IT, electronic or mechanical field, and more specifically:
 - consultancy, research and engineering,
 - training, support and maintenance,
 - systems and network operation and facilities management;
- developing and distributing products, equipment, hardware and software;

- effectively leading the Group and determining its overall strategy;
- participating in any operation related to its corporate purpose, by creating new companies, subscribing for or purchasing shares, taking part in mergers or joint ventures, or by any other means;
- carrying out any financial, commercial, industrial or civil business activities or any transactions involving movable or immovable assets, which may be directly or indirectly associated with the Company's corporate purpose or which may be likely to further its development, on the Company's own account or on behalf of third parties, or through any form of ownership interest whatsoever.

The Company's role with regard to its subsidiaries

Assystem S.A. is a holding company whose assets are essentially composed of equity securities. The Group's operational assets are held by the Company's subsidiaries.

Assystem S.A. directly or indirectly provides services for companies in the Group, notably in the areas of finance, legal affairs, accounting and general and administrative management.

A list of the main consolidated companies as at 31 December 2020 is set out in chapter 5 of this Universal Registration Document (Note 3.1 to the consolidated financial statements) and a simplified organisational chart of the Assystem Group is provided in chapter 1.

The financing for Group subsidiaries is carried out in a centralised way by the Company, which enables them to benefit from the favourable market conditions obtained by Assystem S.A. from lenders. This also allows Assystem S.A. to offset the lender and borrower positions of its various entities.

Financial year

The Company has a 12-month financial year, commencing on 1 January and ending on 31 December.

Profit distribution

Profit or loss for the year represents the difference between total income and total expenses, including charges to and reversals from depreciation, amortisation and provisions.

Five percent of profit for the year, less any losses carried forward from previous years, is transferred to the legal reserve, until such time as that reserve represents one tenth of the Company's share capital. Further transfers are made on the same basis if the legal reserve falls to below one tenth of the share capital.

Profit available for distribution consists of profit for the year plus retained earnings from previous years, less any losses brought forward from previous years and any amounts transferred to reserves in accordance with the law or the Company's Articles of Association. On the recommendation of the Board of Directors, shareholders at the Annual General Meeting determine the portion of profit to be allocated to shareholders in the form of a dividend, and the portion to be allocated to general or special reserves, with the remaining balance being allocated to retained earnings.

However, except in the case of a capital reduction, no dividend may be paid to shareholders if the Company's equity represents – or would represent after the planned dividend payout – less than the sum of its share capital plus any reserves which, under the applicable law or the Company's Articles of Association, are not available for distribution.

In addition, the shareholders may resolve to distribute amounts taken from discretionary reserves, either to pay all or part of an ordinary dividend or as a special dividend. If amounts are taken from reserves to pay a dividend, the related resolution must stipulate the reserve accounts from which the dividend is to be deducted. However, dividends are deducted in priority from distributable profit for the year.

The revaluation reserve may not be distributed, but all or part of it may be incorporated into the Company's capital.

Timeframe for claiming dividends

Any dividends not claimed within five years of the date of their payment revert to the French State.

Registrar and paying agent

The Company's registrar and paying agent is Société Générale Securities Services, 32 rue du Champ de Tir – CS 30812 – 44308 Nantes Cedex 3, France.

Stock exchange

Assystem S.A. shares are listed on compartment B of the Euronext Paris market under ISIN FR 0000074148 and are included in the CAC All-Tradable index and the MID & SMALL 190 index. They are eligible for equity savings schemes (PEA) and the deferred settlement service (SRD).

LEI Code (Legal Entity Identifier)

Assystem S.A.'s LEI Code is 9695008GTTDJGF00CT88.

General Meetings

The specific procedures relating to shareholder participation in General Meetings are described in Article 19 of the Company's Articles of Association.

General Meetings are held at the Company's registered office or any other location specified in the notice of meeting.

The right to participate in General Meetings is governed by the applicable law and regulations. In particular, in order for a shareholder to participate in a General Meeting their shares must be recorded in their own name or in the name of the bank or broker that manages the shareholder's securities account by 00:00 (Paris time) on the second business day preceding the Meeting. If the shares are held in registered form, they must be recorded in the share register kept by the Company (or its agent) and if they are in bearer form, they must be recorded in a bearer share account kept by an accredited intermediary.

If a shareholder cannot personally attend a General Meeting, they may select one of the following three options, each subject to the conditions stipulated in the applicable law and regulations:

- appoint a named proxy under the conditions authorised by the applicable law and regulations;

- vote remotely; or
- send a proxy to the Company without indicating a specific named proxy.

Subject to the conditions stipulated by the applicable law and regulations, the Board of Directors may decide that shareholders may participate and vote at General Meetings by videoconference or by other means of telecommunication that enable them to be identified. If the Board of Directors decides to use this option for a General Meeting, the decision must be stated in the preliminary and/or final notice of the meeting concerned.

Shareholders taking part in General Meetings by videoconference or by any other means of telecommunication as indicated above, depending on the choice of the Board of Directors, are considered to be in attendance for the purposes of quorum and majority calculations.

General Meetings are chaired by the Chairman of the Board of Directors, or in his or her absence, by the CEO, by a Deputy CEO if he or she is a director, or by a director specifically appointed for this purpose by the Board. Failing this, the General Meeting elects its own Chairman.

The role of the tellers at a General Meeting is carried out by the two shareholders present at the meeting who hold or represent the largest number of voting rights and who agree to take on the role. The meeting officers thus appointed then appoint a Secretary, who need not be a shareholder.

An attendance register containing all of the information provided for by law is kept for each General Meeting.

An Ordinary General Meeting held on first call is only validly constituted if the shareholders present or represented hold at least one fifth of the shares with voting rights. An Ordinary General Meeting held on second call is validly constituted irrespective of the number of shareholders present or represented.

Resolutions in Ordinary General Meetings are adopted by a straight majority vote of the shareholders present or represented.

An Extraordinary General Meeting held on first call is only validly constituted if the shareholders present or represented hold at least one quarter of the shares with voting rights. An Extraordinary General Meeting held on second call is only validly constituted if the shareholders present or represented hold at least one fifth of the shares with voting rights.

Resolutions in Extraordinary General Meetings are adopted by a two-thirds majority vote of the shareholders present or represented.

Ordinary and Extraordinary General Meetings exercise their respective powers in accordance with the conditions stipulated by law.

Voting rights

The Company's Articles of Association do not provide for any limitations on voting rights. In accordance with Article L. 225-110 of the French Commercial Code, if Assystem shares are held by a legal owner (*nu-propriétaire*) and a beneficial owner (*usufruitier*), the corresponding voting rights are exercised by the beneficial owner in Ordinary General Meetings and the legal owner in Extraordinary General Meetings.

Double voting rights

All fully-paid shares registered in the name of the same holder for at least two years carry double voting rights.

In addition, in the event of a capital increase carried out by capitalising reserves, profit or share premiums, the bonus shares allotted in respect of registered shares carrying double voting rights will also carry double voting rights as from the date of issue.

Double voting rights may be cancelled if the shares concerned are converted to bearer shares or transferred to another shareholder, except if registered shares are transferred to another registered shareholder in the case of inheritance or *inter vivos* donations to a spouse or other eligible family member (as provided for in Article L. 225-124 of the French Commercial Code).

Disclosure thresholds stipulated in the Company's Articles of Association

In addition to the applicable statutory disclosure obligations, any physical or legal person, acting alone or in concert (within the meaning of Article L. 223-10 of the French Commercial Code), that comes to hold a number of shares representing 2% or more of the Company's share capital or voting rights or a multiple thereof, is required to inform the Company of the total number of shares and voting rights that they hold, by registered mail with recorded delivery, within four trading days from the crossing of the threshold. The same disclosure formalities must also be followed each time a shareholder's interest is reduced to below any 2% threshold.

In the event of a failure to comply with these disclosure rules, at the request of one or several shareholders with combined holdings representing at least 5% of the Company's share capital or voting rights (with said request recorded in the minutes of the General Meeting at which the request is made), the shares in excess of the undisclosed threshold will be stripped of voting rights as provided for in Article L. 233-14 of the French Commercial Code.

These provisions apply in addition to the statutory disclosure threshold provisions set out in Article L. 233-7 of the French Commercial Code.

No other provision in the Articles of Association affects shareholders' rights, which can only be amended in accordance with the conditions stipulated by law.

Shareholder identification

In compliance with Article L. 228-2 of the French Commercial Code, the Company may, at any time, ask the central securities clearing body, or an intermediary as referred to in Article L. 211-3 of the French Monetary and Financial Code, to provide it with certain information, including the identity of holders of securities carrying immediate or future voting rights at General Meetings as well as the number of securities held by each one, and, where appropriate, the restrictions applicable to any such securities. Moreover, in accordance with the applicable regulations, the Company may request each holder of its securities to provide the following additional information if such information is available: (i) the

national identity number of individual holders of securities, (ii) the date since the securities have been held, (iii) whether or not the securities holder is a professional investor as defined in Article L. 533-16 of the French Monetary and Financial Code, (iv) the code indicating the principal business activity exercised by the securities holder, and (v) if the securities held correspond to units or shares in a collective investment vehicle, the name and registration number of the organisation that sold such units or shares to the holder.

Dependency

Assystem's business does not currently depend on any patents or production processes belonging to third parties or on any specific procurement contracts.

Existence of agreements whose implementation could lead to a change in control of the Company or could have the effect of delaying, postponing or preventing a change in control

To the best of the Company's knowledge, no agreements currently exist whose implementation could result in a change in control.

In addition, there are currently no provisions in the Company's Memorandum or Articles of Association, or in any charters or bylaws, that would have the effect of delaying, postponing or preventing a change in control.

Agreements entered into by the Company which would be amended or terminated in the event of a change in control of the Company

At 31 December 2020, the Group had access to a €120 million revolving credit facility with a sufficient maturity (28 September 2024) to finance its operating requirements. A total of €4 million had been drawn down on this facility at the year-end.

In early 2018, the Group took out a €30 million investment loan which is fully repayable at maturity on 28 September 2024. The amount of this loan was increased to €60 million in June 2019.

The related financing agreements provide that the banking pool can demand, at any time, full early repayment of any outstanding amounts in the event of a change in control of the Company. For this purpose, a change in control is defined as Dominique Louis or his heirs and successors ceasing to directly or indirectly control the Company. Dominique Louis or his heirs and successors are deemed to have control if he or they directly or indirectly own at least 40% of the Company's capital and voting rights and no other group of individual or corporate shareholders acting in concert owns over 34% of the capital and voting rights.

Measures in place to ensure that control is not abused

The Company is controlled as defined in Article L. 233-3 of the French Commercial Code, as shown in the ownership structure table in section 6.2.2 below.

The measures put in place by the Company in order to avoid control being exercised in an abusive manner are described in the following sections of this Universal Registration Document:

- Chapter 2, section 2.1, concerning internal control and risk management procedures put in place by the Company related to preparing and processing accounting and financial information.
- Chapter 4, section 4.1, concerning the presence of independent directors on the Board of Directors and Board Committees.
- Chapter 4, section 4.1: paragraph on "Conflicts of interest".

Factors that could have an impact in the event of a public offer

In accordance with the disclosure requirements of Article L. 225-100-3 of the French Commercial Code, the factors that could have an impact in the event of a public offer for the Company's shares are set out below.

OWNERSHIP STRUCTURE

The Company's ownership structure is shown in the table in section 6.2.2 below that gives a breakdown of the Company's share capital and voting rights at 31 December 2020.

Section 6.2.2 also includes a list of the notifications received by the Company from shareholders who crossed the applicable disclosure thresholds in 2020 in terms of their holdings of the Company's shares and voting rights.

PROVISIONS IN THE COMPANY'S ARTICLES OF ASSOCIATION CONCERNING RESTRICTIONS ON EXERCISING VOTING RIGHTS AND DOUBLE VOTING RIGHTS

As stated in section 6.1 above, some of the Company's shares carry double voting rights.

AGREEMENTS ENTERED INTO BY THE COMPANY WHICH WOULD BE AMENDED OR TERMINATED IN THE EVENT OF A CHANGE IN CONTROL OF THE COMPANY

The Company's financing agreements contain early repayment clauses, whereby the Company may have to repay its borrowings in advance of term if certain events occur, including if there is a change in control of the Company. See above for a description of the change in control clause.

OTHER DISCLOSURES

Amendments to the Company's Articles of Association may be made in accordance with the applicable laws and regulations.

There are no specific agreements in place that provide for a termination benefit to be paid in the event that a director's term of office is terminated.

6.2 INFORMATION ABOUT THE COMPANY'S SHARE CAPITAL

6.2.1 ASSYSTEM AND ITS SHAREHOLDERS

2021 FINANCIAL CALENDAR

3 February 2021	After stock market close of trading	2020 revenue release
16 March 2021	After stock market close of trading	2020 annual results release
17 March 2021	8.30 a.m.	Presentation of 2020 annual results
4 May 2021	After stock market close of trading	Q1 2021 revenue release
27 May 2021	9.30 a.m.	Annual General Meeting
29 July 2021	After stock market close of trading	Q2 2021 revenue release
15 September 2021	After stock market close of trading	First-half 2021 results release
16 September 2021	8.30 a.m.	Presentation of first-half 2021 results
28 October 2021	After stock market close of trading	Q3 2021 revenue release

Closed periods

In accordance with the EU Market Abuse Regulation (Regulation (EU) no. 596/2014) and the AMF's related position statement (2016-08), the Company has defined the periods during which certain persons are prohibited from carrying out transactions in Assystem shares. These periods apply to "insiders", i.e. persons who hold, or are deemed to hold, inside information that may put them at an advantage compared with the general public.

Insiders include all persons who discharge managerial responsibilities (notably executives and senior managers) as well as any other persons who have access to inside information on either a regular or occasional basis.

The closed periods applicable for Assystem – based on the financial calendar set out above – are as follows:

- the 30 calendar days preceding the publication of the Company's annual results press release;
- the 30 calendar days preceding the publication of the Company's half-yearly results press release;
- the 15 calendar days preceding the publication of the Company's quarterly, half-yearly and annual revenue press releases.

For 2021, these periods correspond to:

- 19 January to 3 February (inclusive);
- 14 February to 16 March (inclusive);
- 19 April to 4 May (inclusive);
- 14 July to 29 July (inclusive);
- 16 August to 15 September (inclusive);
- 13 October to 28 October (inclusive).

Insiders may only carry out trades in the Company's shares as from the trading session following the publication of the press release concerned and provided that they do not hold any other inside information.

Access to information

All shareholders have access to full, transparent and clear information, which is tailored to their specific needs and provides an objective assessment of Assystem's growth strategy and results. This financial communication policy aims to ensure that all shareholders have information in compliance with usual market practices.

The Company publishes a wide variety of documents, including those issued for regulatory information purposes, covering the Company's business and strategy and financial information. These documents – which include the Universal Registration Document, the half-yearly financial report, quarterly revenue releases, the Company's Articles of Association and the Board of Directors' Rules of Procedure – are available on the Group's website at www.assystem.com, in French and English.

AT 31 DECEMBER 2020

	Shares	% of share capital	Exercisable voting rights	%	Theoretical voting rights	%
HDL Development	8,953,118	57.14	17,906,236	74.74	17,906,236	72.16
HDL	133,831	0.85	133,831	0.56	133,831	0.54
Free float*	5,725,419	36.55	5,916,874	24.70	5,916,874	23.85
Treasury shares	855,848	5.46	0	0	855,848	3.45
Total	15,668,216	100	23,956,941	100	24,812,789	100

* O/w 0.57% held by employees, as determined in accordance with Article L. 225-102 of the French Commercial Code.

A table showing the changes in the Company's share capital over the last three years is provided in section 6.2.8 below.

At the date this Universal Registration Document was filed, the Company was controlled by HDL Development⁽¹⁾, which has been the Company's stable and long-term controlling shareholder since the takeover bid launched in the first quarter of 2014.

Assystem publishes notifications in the *Bulletin des annonces légales obligatoires* (BALO) (French legal gazette) and the *Journal d'Annonces Légales* (JAL), and it issues the periodic and annual information required for listed companies (regulatory information) via GlobeNewswire.

The financial information issued by the Company is supplemented by press releases for the financial community and, more generally, the public, on subjects of significant importance for understanding the Company's strategy. The Company also holds periodic meetings for financial analysts and journalists to explain, in an interactive way, the Group's goals, services and results.

The annual report, presented and filed as a Universal Registration Document with the AMF, as well as the half-yearly financial report, are widely distributed within the financial community.

6.2.2 ASSYSTEM'S SHARE CAPITAL

All of the Company's shares represent share capital.

At 31 December 2020, the Company's share capital amounted to €15,668,216, divided into 15,668,216 shares with a par value of €1 each.

The breakdown of Assystem's share capital and voting rights at 31 December 2020 is shown in the table below, which sets out the number of theoretical voting rights and the number of actual voting rights exercisable at General Meetings excluding shares that do not carry voting rights, such as treasury shares.

The Company's shareholding structure helps guarantee its independence and ensure its sustainability, both in terms of (i) its ability to pursue its business development strategy over the long term, which corresponds to the duration of the business cycles in the markets where it has a distinct competitive edge (particularly the nuclear market), and (ii) its commitment to continue to implement a responsible human resources policy.

At 28 February 2021, HDL Development held 8,953,118 Assystem shares, representing 57.14% of the Company's share capital and 74.76% of its voting rights.

(1) HDL Development is 87.85%-controlled by HDL (52.47% directly and 35.38% through CEFID, H2DA and EEC). In turn, HDL is wholly controlled by Dominique Louis, Chairman & CEO of Assystem, who also directly owns 0.48% of the capital of HDL Development. The remaining 11.67% of HDL Development's capital is held by managers and former managers of the Group.

Pledged shares of the Company and its subsidiaries at 31 December 2020

Shareholder (shares held in registered form)	Beneficiary	Pledge start date	Pledge expiry date	Conditions for releasing pledge	Number of the Company's shares pledged	% of the Company's capital pledged
HDL Development	LCL	15 November 2019	16 December 2024	Loan repayment	3,658,537*	23.35%

* Pledged as collateral for the outstanding principal (€60 million) of a medium-term loan granted to HDL Development by a banking pool.

Crossing of disclosure thresholds

The following crossings of the disclosure thresholds specified in the Articles of Association were notified to the Company in 2020:

Shareholder	Date threshold crossed	Above/below threshold	Threshold crossed	Reference capital	Reference voting rights	Number of shares owned	% capital	% voting rights	Date of notification letter
Moneta Asset Management	14/05/2020	Below	Threshold of 2% of capital	15,668,216	24,197,208	620,000	3.96%	2.50%	14 May 2020
Sycomore Asset Management	14/05/2020	Below	Threshold of 2% of voting rights	15,668,216	24,197,208	495,466	3.16%	1.99%	18 May 2020

To the best of the Company's knowledge, at the date this Universal Registration Document was prepared, apart from the Company's controlling shareholder, no shareholder other than Norges Bank Investment Management, Tikehau Capital, Caisse des Dépôts et Consignations, Moneta Asset Management and Sycomore Asset Management directly or indirectly held, alone or in concert, more than 2% of the Company's share capital and/or voting rights.

Transactions in the Company's securities carried out by executives (on the basis of disclosures submitted to the AMF by the Company's executives)

To the best of the Company's knowledge at the date this Universal Registration Document was prepared, no transactions in Assystem securities were carried out by the Company's executives in 2020.

6.2.3 SHARE PERFORMANCE

Assystem shares are listed on compartment B of the Euronext Paris market of NYSE Euronext.

In 2020, Assystem's share price decreased by 25.23%, amounting to €24.60 at the year-end versus €32.90 at the end of 2019.

Average monthly trading volumes for 2020 were 91,341 shares and €3,202,089.

6.2.3.1 Share price and trading volume (source: Euronext)

Date	High (in euros)	Date of High	Low (in euros)	Date of Low	Closing price (in euros)	Trading volume (in no. of shares)	Trading volume (in euros)
January 2020	34.65	21/01/2020	31.30	30/01/2020	31.40	83,346	2,767,076
February 2020	33.45	17/02/2020	26.55	28/02/2020	26.80	104,416	2,913,962
March 2020	29.20	04/03/2020	16.58	16/03/2020	18.00	117,316	6,113,566
April 2020	21.40	30/04/2020	17.50	01/04/2020	19.94	102,567	2,926,701
May 2020	22.05	29/05/2020	19.30	14/05/2020	21.65	43,199	2,337,927
June 2020	23.50	03/06/2020	20.05	09/06/2020	22.25	68,078	2,804,549
July 2020	24.30	07/07/2020	21.50	31/07/2020	21.50	79,377	3,180,963
August 2020	24.25	26/08/2020	21.30	03/08/2020	23.90	37,412	1,644,260
September 2020	24.10	30/09/2020	22.45	22/09/2020	24.10	50,927	1,588,925
October 2020	24.25	02/10/2020	20.20	28/10/2020	22.00	47,819	1,361,827
November 2020	25.15	25/11/2020	21.55	22/11/2020	25.10	276,404	6,504,830
December 2020	26.80	10/12/2020	24.35	01/12/2020	24.60	85,237	4,280,484

Source: Euronext – This data is provided for information purposes only.

ISIN: FRO000074148.

Share included in the CAC All-Tradable index.

6.2.3.2 Market data

	2019	2020
Market capitalisation at yearend	€501m	€385m
Share price		
• High	€40.55	€34.65
• Low	€25.75	€16.58
Share price at yearend	€32.30	€24.60

6.2.3.3 Dividends

Year	Number of eligible shares	Dividend paid for the year
2018	15,002,917	€1.00 per share
2019	14,960,460	€1.00 per share
2020	14,808,463*	€1.00 per share

* Estimated number of eligible shares based on the number of shares making up the Company's capital at 28 February 2021 less the number of treasury shares held at that date, and subject to shareholders' approval at the Annual General Meeting of 27 May 2021.

In accordance with Article 2224 of the French Civil Code, any dividends not claimed within five years of the date of their payment revert to the French State.

At the Annual General Meeting of 26 June 2020, the shareholders approved the payment of a dividend of €1 for each share making up the Company's share capital (excluding treasury shares).

At the next Annual General Meeting to be held on 27 May 2021, a dividend payment of €1 per share will be proposed.

6.2.3.4 Dividend policy

Assystem's dividend policy is determined by its corporate governance bodies, based on the Group's dividend payment capacity, financial position and financing requirements.

Dividend payouts may change compared with previously paid amounts and will always remain in line with the Group's business plan.

6.2.3.5 Per-share data

In euros	2018	2019	2020
Diluted earnings/(loss) per share	1.30	1.76	(1.47)

The calculation of the diluted average weighted number of shares used to determine diluted earnings/(loss) per share is explained in Note 7.3 to the consolidated financial statements (in chapter 5 of this Universal Registration Document).

6.2.4 ADDITIONAL INFORMATION ABOUT THE COMPANY'S SHARE CAPITAL

Authorised share capital

The table below provides a summary of the authorisations in force concerning capital increases and reductions, as voted by shareholders at the Annual General Meeting of 26 June 2020, as well as their use during 2020.

Authorisations	Maximum amount of capital increase/reduction	Duration	AGM at which the resolution was approved	Use in 2020
To reduce the Company's capital through the cancellation of shares purchased under share buyback programmes.	Cancellation capped at 10% of the shares making up the Company's capital at the transaction date	18 months (up to 16/11/2021)	26/06/2020 (24 th resolution)	No
To increase the Company's capital through the issuance of shares and/or securities carrying rights to shares, with pre-emptive subscription rights.	Maximum nominal amount of capital increase(s): €4,500,000	26 months (up to 16/07/2022)	26/06/2020 (25 th resolution)	No
To increase the Company's capital through the issuance of shares and/or securities carrying rights to shares, without pre-emptive subscription rights	Maximum nominal amount of capital increase(s): €3,000,000	26 months (up to 16/07/2022)	26/06/2020 (26 th resolution)	No
To increase the Company's capital through the issuance of shares and/or securities carrying rights to shares, without pre-emptive subscription rights, by way of a private placement.	Maximum nominal amount of capital increase(s): €1,500,000	26 months (up to 16/07/2022)	26/06/2020 (27 th resolution)	No
To set the issue price for issues of shares and/or securities carrying rights to shares carried out without pre-emptive subscription rights, subject to a ceiling of 10% of the Company's capital as well as the ceilings provided for at the AGM	10% of the Company's capital per 12-month period, and subject to the ceilings provided for at the AGM	26 months (up to 16/07/2022)	26/06/2020 (28 th resolution)	No
To increase the amount of issues carried out with or without pre-emptive subscription rights pursuant to the 25 th to 27 th resolutions.	Up to 15% of the original issue	26 months (up to 16/07/2022)	26/06/2020 (29 th resolution)	No
To set blanket ceilings for issues carried out pursuant to the 25 th , 26 th , 27 th and 29 th resolutions.	Maximum nominal amount of capital increase(s): €4,500,000 Maximum nominal amount of issues of debt securities: €45,000,000	26 months (up to 16/07/2022)	26/06/2020 (30 th resolution)	No
To increase the Company's capital by capitalising share premiums, reserves, profit or other eligible items.	Maximum nominal amount of capital increase(s): €15,000,000	26 months (up to 16/07/2022)	26/06/2020 (31 st resolution)	No
To award free shares/performance shares (existing or newly-issued shares)	3% increase in the nominal amount of the Company's capital at the award date	38 months (up to 16/07/2023)	26/06/2020 (32 nd resolution)	Yes (see section 6.2.6)
To issue BSAAR or BSA stock warrants (without pre-emptive subscription rights) to employees and corporate officers of the Company and its subsidiaries	€470,046, representing a maximum total of 470,046 shares, i.e. 3% of the Company's capital	18 months (up to 16/11/2021)	26/06/2020 (33 rd resolution)	No
To set a blanket ceiling on issues carried out pursuant to the 32 nd and 33 rd resolutions.	Ceiling: 940,092 shares	Same period as that in the resolution concerned	26/06/2020 (34 th resolution)	No
To increase the Company's capital by issuing shares and/or securities carrying rights to shares to members of a company or Group savings plan.	Maximum nominal amount of 1% of the Company's capital at the issue date	26 months (up to 16/07/2022)	26/06/2020 (35 th resolution)	No

Potential share capital

At the date this Universal Registration Document was filed, potential share capital comprised free shares.

6.2.5 STOCK OPTIONS

No stock options were awarded in 2020.

6.2.6 FREE SHARE AND PERFORMANCE SHARE AWARDS

The Board of Directors awarded the following free shares and performance shares in 2020:

	2020-1 plan	2020-2 plan
Date of AGM	26/06/2020	26/06/2020
Date of award (Board of Directors meeting)	30/07/2020	30/07/2020
Number of free shares or performance shares awarded	43,750	40,000
Number of beneficiaries	105	2
Vesting date	31/07/2023	31/07/2025
Date of availability	31/07/2023	31/07/2025
Number of free shares or performance shares vested	0	0
Number of free shares or performance shares not yet vested	42,500	40,000

The table below provides a summary of the free share and performance share plans put in place by the Group.

	2018 performance share plan	2018 free share plan	2019 free share plan	2020-1 free share plan	2020-2 free share plan
Date of AGM	16/05/2018	16/05/2018	16/05/2019	26/06/2020	26/06/2020
Date of award (Board of Directors meeting)	04/07/2018 06/09/2018	04/07/2018	22/07/2019 05/09/2019	30/07/2020	30/07/2020
Number of free shares or performance shares awarded	36,000	9,250	54,675	43,750	40,000
Number of beneficiaries	49	7	92	105	2
Vesting date	31/07/2021	31/07/2021	31/07/2022	31/07/2023	31/07/2025
Date of availability	31/07/2021	31/07/2021	31/07/2022	31/07/2023	31/07/2025
Number of free shares or performance shares vested	0	0	0	0	0
Number of free shares or performance shares not yet vested	31,000	7,500	49,925	42,500	40,000

6.2.7 TREASURY SHARE TRANSACTIONS CARRIED OUT BY THE COMPANY IN 2020 (ARTICLE L. 225-211 OF THE FRENCH COMMERCIAL CODE)

In the twenty-third resolution of the 26 June 2020 Annual General Meeting, as permitted under Article L. 22-10-62 of the French Commercial Code, Assystem's shareholders granted the Company an eighteen-month authorisation (expiring on 16 November 2021) to buy back its own shares.

This authorisation superseded the previous authorisation granted for the same purpose at the Annual General Meeting of 16 May 2019.

The shares bought back under the programme may not represent over 10% of the Company's capital and the maximum per-share purchase price set by the Company's shareholders is €32 (excluding transaction costs). The overall ceiling on the programme is €12,500,000.

The shares purchased under the buyback programme may be used for the following purposes:

- to maintain the liquidity of the Company's shares under a liquidity contract entered into with an investment services provider that complies with a Code of Conduct recognised by the AMF;

- to honour obligations associated with stock option and/ or free share/performance share plans, employee savings schemes or other share allotments made to employees and executive officers of the Company or related companies;
- for allocation on exercise of rights attached to securities redeemable, convertible, exchangeable or otherwise exercisable for the Company's shares;
- to be held and subsequently used in exchange or as payment in connection with external growth transactions;
- for subsequent cancellation; or
- more generally, for any purpose that may be authorised by law in the future or any market practice that may be permitted by the market authorities in the future, provided that in such a case the Company notifies its shareholders by way of a press release.

In the event of a corporate action, such as the capitalisation of reserves and a bonus share allotment, a stock split or reverse stock split, the prices indicated above will be adjusted accordingly.

If the Company buys back its own shares without subsequently cancelling them, this may have an impact on its taxable earnings if the shares are then sold or transferred at a different price than their purchase price.

Summary of treasury share transactions carried out in 2020

The table below provides a summary of Assystem's use of its share buyback programme during 2020:

Treasury shares held at 31 December 2019	670,640
Number of shares used per end-purpose	
Liquidity contracts and share buyback mandates:	
• Shares purchased under the liquidity contract	70,379
• Shares purchased under share buyback mandates	382,887
• Shares sold under the liquidity contract	60,608
• Shares cancelled during the year	0
Shares sold outside the scope of the liquidity contract	
Shares allocated to employees or corporate officers:	
• Shares delivered under free share/performance share plans	207,450
Shares used for external growth transactions:	
• Shares used as payment in connection with external growth transactions	
Shares cancelled:	
• Shares cancelled during the year	0
• Shares cancelled during the past 24 months	0
Treasury shares held at 31 December 2020	855,848
Value of shares held at 31 December 2020 at the average purchase price	21,137,818
Additional information (in euros):	
• Average purchase price	23.90
• Average sale price	24.19
• Transaction costs	73,998

Liquidity contract

Assystem has a liquidity contract with Kepler Cheuvreux covering its ordinary shares. This contract – which complies with the AMAFI Code of Conduct approved by the AMF on 21 March 2011 – has been in effect since 1 December 2016, originally for a one-year term then automatically renewable for further one-year periods.

The following assets were allocated to the liquidity account when the liquidity contract was set up:

- 22,970 Assystem shares;
- €923,444.41 in cash.

The shares purchased under the liquidity contract are used to maintain the liquidity of the Company's shares and to enable the Company to implement and honour its obligations under stock option and/or free share/performance share plans as well as other share allotments made to employees and corporate officers of the Group.

At 31 December 2020, the liquidity account held the following assets:

- 23,190 Assystem shares
- €454,362.73 in cash.

Share buybacks outside the scope of the liquidity contract

On 8 April 2019, the Company gave Natixis a mandate to acquire by 8 April 2020 on Euronext Paris, in successive purchases, either on the open market or in block trades, up to 300,000 Assystem shares at a maximum per-share price of €29. By way of an addendum to the mandate agreement dated 12 November 2019, this maximum per-share purchase price was increased to €30.

On 30 March 2020, the Company gave Natixis a new mandate to acquire, as from 8 April 2020, up to 300,000 Assystem shares at a maximum per-share price of €30. By way of an addendum to the mandate agreement dated 27 October 2020, this maximum per-share purchase price was reduced to €25, and by way of an addendum dated 10 November 2020, the maximum number of Assystem shares that can be purchased under the mandate was increased by 150,000 to 450,000.

During 2020, Natixis purchased 382,887 shares under the above mandates for a total of €9,128,075.48.

6.2.8 CHANGES IN SHARE CAPITAL OVER THE LAST THREE YEARS

There have been no changes in Assystem's share capital over the last three years.

Based on the information notified to the Company, Assystem's ownership structure at the end of the last three years was as follows:

AT 31 DECEMBER 2020

	Shares	% of share capital	Exercisable voting rights	%	Theoretical voting rights	%
HDL Development	8,953,118	57.14	17,906,236	74.74	17,906,236	72.17
HDL	133,831	0.85	133,831	0.56	133,831	0.54
Free float	5,725,419	36.54	5,916,874	24.70	5,916,874	23.85
Treasury shares	855,848	5.46	0	0	855,848	3.45
Total	15,668,216	100.00	23,956,941	100.00	24,812,789	100.00

AT 31 DECEMBER 2019

	Shares	% of share capital	Exercisable voting rights	%	Theoretical voting rights	%
HDL Development	8,953,118	57.14	17,906,236	74.17	17,906,236	72.16
HDL	54,607	0.35	54,607	0.23	54,607	0.22
Free float	5,989,851	38.23	6,182,914	25.61	6,182,914	24.92
Treasury shares	670,640	4.28	0	0	670,640	2.70
Total	15,668,216	100.00	24,143,757	100.00	24,814,397	100.00

AT 31 DECEMBER 2018

	Shares	% of share capital	Exercisable voting rights	%	Theoretical voting rights	%
HDL Development	9,611,013	61.34	19,222,026	77.32	19,222,026	75.30
HDL	54,468	0.35	54,468	0.22	54,468	0.21
Free float	5,335,399	34.05	5,583,172	22.46	5,583,172	21.87
Treasury shares	667,336	4.26	0	0	667,336	2.61
Total	15,668,216	100.00	25,859,666	100.00	25,527,002	100.00

6.3 STATUTORY AUDIT AND FEES PAID BY THE GROUP TO THE STATUTORY AUDITORS AND MEMBERS OF THEIR NETWORKS

6.3.1 STATUTORY AUDIT

In compliance with French commercial law, Assystem's Statutory Auditors certify the financial statements of the Company and the Group and, through members of their networks, examine the accounts of the majority of fully consolidated subsidiaries.

For 2020, the fees paid by the Group for audit engagements amounted to €436 thousand for KPMG and €336 thousand for Deloitte & Associés.

A table setting out the fees recognised by Assystem and its fully consolidated subsidiaries in 2020 for work carried out by the Statutory Auditors is provided below.

6.3.2 STATUTORY AUDITORS

Statutory Auditors	Date last appointed	End of current term
KPMG Represented by Eric Ropert and Laurent Genin Tour Egho, 2 avenue Gambetta – CS 60055 92066 Paris-La Défense, France	22 May 2015	Annual General Meeting to be called to approve the financial statements for the year ended 31 December 2020
Deloitte & Associés Represented by Albert Aidan 6, place de la Pyramide 92908 Paris-La Défense, France	16 May 2017	Annual General Meeting to be called to approve the financial statements for the year ending 31 December 2022
Substitute Auditor Salustro Reydel Tour Egho, 2 avenue Gambetta – CS 60055 92066 Paris-La Défense, France	22 May 2015	Annual General Meeting to be called to approve the financial statements for the year ended 31 December 2020

6.3.3 STATUTORY AUDITORS' FEES IN 2020

In thousands of euros	Deloitte & Associés				KPMG			
	Statutory Auditors		Network		Statutory Auditors		Network	
	Amount	%	Amount	%	Amount	%	Amount	%
Certification of consolidated and separate financial statements and limited review of half-yearly financial statements								
Issuer	183	78%	-	-	190	51%	-	-
Controlled entities	37	16%	116	64%	181	48%	27	14%
Sub-total	220	94%	116	64%	371	99%	27	14%
Services other than certifying financial statements*								
Issuer	15	6%	65	36%	5	1%	83	44%
Controlled entities	-	-	-	-	-	-	81	42%
Sub-total	15	6%	65	36%	5	1%	164	86%
Total	235	100%	181	100%	376	100%	191	100%

* Including various tax and accounting consultations and due diligence assignments carried out by the network, which did not have a material impact on the consolidated financial statements.

6.4 SPECIAL REPORT ON AWARDS OF FREE SHARES AND PERFORMANCE SHARES

Annual General Meeting of 27 May 2021

To the Shareholders,

In accordance with Article L. 225-197-4 of the French Commercial Code, we hereby report to you on free share and performance share awards made in 2020 (i) to corporate officers and certain employees of Assystem, and (ii) within Assystem's subsidiaries.

6.4.1 FREE SHARE AWARDS DECIDED BY THE COMPANY'S BOARD OF DIRECTORS

In the year ended 31 December 2020

At its meeting on 30 July 2020, the Board of Directors used the authorisation granted by the shareholders in the 32nd resolution of the 26 June 2020 Annual General Meeting to award:

- 43,750 free shares to 105 beneficiaries. The vesting period for these shares ends on 31 July 2023 and they are not subject to a lock-up period.

Also at its meeting on 30 July 2020, the Board of Directors used the authorisation granted by the shareholders in the 32nd resolution of the 26 June 2020 Annual General Meeting to award:

- 40,000 free shares to two beneficiaries. The vesting period for these shares ends on 31 July 2025 and they are not subject to a lock-up period.

6.4.2 FREE SHARES AND/OR PERFORMANCE SHARES AWARDED DURING 2020 BY RELATED COMPANIES AS DEFINED IN ARTICLE L. 225-197-2 OF THE FRENCH COMMERCIAL CODE

None.

6.4.3 FREE SHARES AND/OR PERFORMANCE SHARES AWARDED BY CONTROLLED COMPANIES AS DEFINED IN ARTICLE L. 233-16 OF THE FRENCH COMMERCIAL CODE

None.

6.5 SPECIAL REPORT ON STOCK OPTIONS

No stock options were awarded in 2020.



ANNUAL GENERAL MEETING OF 27 MAY 2021

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7.1 AGENDA

7.1.1 ORDINARY BUSINESS

- The Board of Directors' management report, including the report on the Group's operations in 2020 and the corporate governance report; presentation by the Board of Directors of the parent company and consolidated financial statements for the year ended 31 December 2020.
- Statutory Auditors' reports on the parent company and consolidated financial statements for the year ended 31 December 2020.
- Statutory Auditors' report on the related-party agreements governed by Articles L. 225-38 *et seq.* of the French Commercial Code.
- Report of the independent third party on the non-financial performance statement.
- First resolution – Approval of the parent company financial statements for the year ended 31 December 2020.
- Second resolution – Approval of the consolidated financial statements for the year ended 31 December 2020.
- Third resolution – Discharge given to the Board of Directors for its duties performed in 2020.
- Fourth resolution – Appropriation of results for the year ended 31 December 2020 and approval of a dividend payment of one euro per share.
- Fifth resolution – Approval of related-party agreements.
- Sixth resolution – Approval of the compensation policies for the Company's corporate officers⁽¹⁾.
- Seventh resolution – Approval of the compensation policy for the Chairman & CEO.
- Eighth resolution – Approval of the compensation policy for the Deputy CEO(s).
- Ninth resolution – Approval of the compensation policy for the non-executive directors.
- Tenth resolution – Approval of the information disclosed in accordance with Article L. 22-10-9 I of the French Commercial Code relating to the compensation of each corporate officer.
- Eleventh resolution – Approval of the compensation and benefits paid during, or allocated for, the year ended 31 December 2020 to the Chairman & CEO, Dominique Louis.
- Twelfth resolution – Approval of the compensation and benefits paid during, or allocated for, the year ended 31 December 2020 to the CFO & Deputy CEO, Philippe Chevallier.
- Thirteenth resolution – Authorisation for the Board of Directors to carry out a share buyback programme.
- Fourteenth resolution – Re-appointment of a Statutory Auditor.

7.1.2 EXTRAORDINARY BUSINESS

- Fifteenth resolution – Authorisation for the Board of Directors to reduce the Company's capital by cancelling shares purchased under the share buyback programme.
- Sixteenth resolution – Authorisation for the Board of Directors to increase the Company's capital – on an immediate or deferred basis – by a maximum aggregate nominal amount of €5,000,000 by issuing ordinary shares and/or securities carrying rights to shares, with pre-emptive subscription rights for existing shareholders.
- Seventeenth resolution – Authorisation for the Board of Directors to increase the Company's capital by a maximum aggregate nominal amount of €2,500,000 by issuing ordinary shares and/or other securities, without pre-emptive subscription rights for existing shareholders, through a public offer (excluding private placements as defined in paragraph 1° of Article L. 411-2 of the French Monetary and Financial Code).
- Eighteenth resolution – Authorisation for the Board of Directors to increase the Company's capital by a maximum aggregate nominal amount of €1,500,000 by issuing ordinary shares and/or other securities, without pre-emptive subscription rights for existing shareholders, through a private placement as defined in paragraph 1° of Article L. 411-2 of the French Monetary and Financial Code.
- Nineteenth resolution – Authorisation for the Board of Directors to set the issue price for issues of shares or other securities carried out without pre-emptive subscription rights for existing shareholders, subject to a ceiling of 10% of the Company's capital and the ceilings set at the Annual General Meeting.
- Twentieth resolution – Authorisation for the Board of Directors to increase the amount of issues of shares or other securities carried out with or without pre-emptive subscription rights for existing shareholders pursuant to the sixteenth to eighteenth resolutions.
- Twenty-first resolution – Blanket ceilings for issues carried out pursuant to the sixteenth, seventeenth, eighteenth and twentieth resolutions.
- Twenty-second resolution – Authorisation to increase the Company's capital by a maximum nominal amount of €15,000,000 by capitalising share premiums, reserves, profit or other eligible items.
- Twenty-third resolution – Authorisation for the Board of Directors to grant new or existing shares free of consideration.

(1) For the purposes of this document, the term "corporate officer" means a director or officer of the Company. The term "executive officer" means a corporate officer who has an executive role within the Company and who may or may not be a member of Assystem's Board of Directors. At 31 December 2020, Assystem had two executive officers: Dominique Louis, Chairman & CEO and Philippe Chevallier, CFO & Deputy CEO.

- Twenty-fourth resolution – Authorisation for the Board of Directors to issue stock warrants (BSAAR and/or BSA) to employees and corporate officers of the Company and its subsidiaries, without pre-emptive subscription rights for existing shareholders.
- Twenty-fifth resolution – Blanket ceiling for issues carried out pursuant to the twenty-third resolution (free share grants) and the twenty-fourth resolution (stock warrant issues).
- Twenty-sixth resolution – Authorisation for the Board of Directors to increase the Company's capital by issuing shares and/or securities carrying rights to the Company's shares to employees who are members of a company or Group employee savings plan.
- Twenty-seventh resolution – Amendment to Article 16 of the Company's Articles of Association.
- Twenty-eighth resolution – Amendment to Article 18 of the Company's Articles of Association.
- Twenty-ninth resolution – Amendment to Article 19 of the Company's Articles of Association.

7.1.3 ORDINARY AND EXTRAORDINARY BUSINESS

- Thirtieth resolution – Powers to carry out formalities.

7.2 PURPOSES OF THE PROPOSED RESOLUTIONS

7.2.1 ORDINARY RESOLUTIONS

FIRST, SECOND AND THIRD RESOLUTIONS – APPROVAL OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

In the **first, second and third resolutions**, the shareholders are invited to approve Assystem's parent company and consolidated financial statements for the year ended 31 December 2020 and to give full discharge to the Board of Directors for the performance of its duties in 2020.

FOURTH RESOLUTION – APPROPRIATION OF RESULTS AND APPROVAL OF A DIVIDEND PAYMENT

In the **fourth resolution**, the shareholders are invited to appropriate the Company's results for the year ended 31 December 2020 and to approve a dividend payment of one euro per share.

FIFTH RESOLUTION – APPROVAL OF RELATED-PARTY AGREEMENTS

(i) Following the formation of HDL Development and its successful takeover bid for Assystem shares, on 1 April 2014 HDL and HDL Development signed a services agreement under which HDL undertook to provide services to HDL Development involving strategy definition, management, organisation and oversight for the Assystem Group. Another related-party agreement was also signed between HDL Development and Assystem S.A. concerning the rebilling of these services.

At its meeting on 30 April 2020, the Board of Directors authorised the signature of a rider to this rebilling agreement in view of the scale of the strategic services provided. This rider (rider 4 to the agreement) stated that the services provided in 2020 would be remunerated as follows:

- a fixed portion of €174,000 (excl. VAT);
- a variable portion representing a maximum annual amount of €800,000 (excl. VAT), based on two criteria, assessed by reference to a pro forma scope of consolidation in order to neutralise the effect of certain changes in the Group's structure: These criteria were (i) Assystem's consolidated revenue, accounting for two thirds of the maximum amount of the variable portion, and (ii) Assystem's consolidated EBITA (including the share of profit of equity-accounted investees but excluding the share of profit of Expleo Group), accounting for one third of said maximum amount. EBITA corresponds to operating profit (including the share of profit of equity-accounted investees whose business is directly related to the business of the Company's fully-consolidated entities) before share-based payment expense (free shares/performance shares and stock options), acquisition costs, capital gains and losses arising on business divestments, and non-recurring income and expenses resulting from unusual, atypical and infrequent events. The amount actually payable in relation to each of these criteria was to be calculated on a straight-line basis between a floor (i.e. the level below which the criterion would be deemed not to have been met) and a cap (i.e. the level at which the criterion would be deemed to have been fully met).

At its meeting on 16 March 2021, the Board of Directors placed on record that the performance criteria had not been met and therefore decided not to award the variable portion of HDL Development's remuneration for 2020.

(ii) At its meeting on 27 October 2020, the Board authorised the signature of the following two services agreements:

- A rebilling agreement providing for HDL Development S.A.S to rebill to Assystem S.A. services carried out by AS Conseil for HDL Development S.A.S. AS Conseil is wholly owned by Stéphane Aubarbier, Assystem S.A.'s Chief Operating Officer.

The services provided are remunerated as follows:

- an annual fixed portion of €100,000 (excl. VAT), payable on a *pro rata* basis for 2020;
- a variable portion representing a maximum annual amount of €134,000 (excl. VAT) as from 2021, determined based on criteria recommended by Assystem S.A.'s Nominations and Compensation Committee. No variable portion was due for the year ended 31 December 2020.
- A rebilling agreement providing for HDL S.A.S to rebill to Assystem S.A. the secretarial and P.A. services provided to Dominique Louis in his capacity as Chairman & CEO of Assystem S.A. The annual remuneration for these services is €50,000 (excl. VAT).

SIXTH, SEVENTH, EIGHTH AND NINTH RESOLUTIONS – APPROVAL OF THE COMPENSATION POLICIES FOR THE COMPANY’S CORPORATE OFFICERS

In the **sixth resolution**, in accordance with paragraph II of Article L. 22-10-8 of the French Commercial Code, the shareholders are asked to approve the compensation policies applicable to the Company’s corporate officers, as described in the 2020 Universal Registration Document (chapter 4 – Corporate Governance Report, in the section entitled “Compensation of corporate officers”).

In the **seventh, eighth and ninth resolutions**, in accordance with the recommendations of the Autorité des Marchés Financiers (the French securities regulator), the shareholders are asked to approve the compensation policies applicable respectively to the Chairman & CEO, the Deputy CEO(s) and the non-executive directors. As a reminder, at the Annual General Meeting of 26 June 2020, the shareholders set the aggregate annual amount of directors’ remuneration at €260,000 for 2020 and subsequent years, until decided otherwise by the shareholders in a further General Meeting.

TENTH, ELEVENTH AND TWELFTH RESOLUTIONS – APPROVAL OF (I) THE REPORT ON THE CORPORATE OFFICERS’ COMPENSATION FOR 2020 AND (II) THE COMPENSATION AND BENEFITS PAID DURING, OR ALLOCATED FOR, 2020 TO THE CHAIRMAN & CEO AND THE CFO & DEPUTY CEO

In the **tenth resolution**, in accordance with paragraph II of Article L. 22-10-34 of the French Commercial Code, the shareholders are asked to approve the information disclosed pursuant to Article L. 22-10-9 I of said Code relating to the compensation of each of the Company’s corporate officers, as described in the 2020 Universal Registration Document (chapter 4 – Corporate Governance Report, in the section entitled “Compensation of corporate officers”).

In the **eleventh and twelfth resolutions**, in accordance with paragraph III of Article L. 22-10-34 of the French Commercial Code, the shareholders are invited to approve the fixed and variable components making up the total compensation and benefits paid during, or allocated for, 2020 to the Chairman & CEO and the CFO & Deputy CEO respectively, as described in the 2020 Universal Registration Document (in chapter 4 – Corporate Governance Report, in the section entitled “Compensation of corporate officers”).

THIRTEENTH RESOLUTION – SHARE BUYBACK PROGRAMME

In the **thirteenth resolution**, the shareholders are invited to renew, for an 18-month period, the authorisation for the Board of Directors to buy back Assystem shares on behalf of the Company, either directly or indirectly, for a maximum purchase price of €32 per share. The total amount that could be invested in this share buyback programme would be €12.5 million and the shares bought back could not exceed 10% of the Company’s capital.

The objectives of the share buyback programme are listed in the thirteenth resolution below and in the description of the programme that is available on the Company’s website.

This new authorisation would supersede the authorisation previously granted for the same purpose.

FOURTEENTH RESOLUTION – RE-APPOINTMENT OF A STATUTORY AUDITOR

In the **fourteenth resolution**, the shareholders are asked to re-appoint one of the Company’s Statutory Auditors – i.e. KPMG – for a six-year period expiring at the Annual General Meeting to be called to approve the financial statements for the year ending 31 December 2026.

7.2.2 EXTRAORDINARY RESOLUTIONS**SUMMARY TABLE OF AUTHORISATIONS SOUGHT AT THE 27 MAY 2021 AGM**

Authorisation	Ceiling	Duration (expiry date)
To reduce the Company's capital by cancelling shares purchased under share buyback programmes (15 th resolution)	Cancellation capped at 10% of the shares making up the Company's capital at the transaction date	18 months (up to 27/11/2022)
To increase the Company's capital by issuing shares and/or securities carrying rights to shares, with pre-emptive subscription rights (16 th resolution)	Maximum nominal amount of capital increase(s): €5,000,000	26 months (up to 27/07/2023)
To increase the Company's capital by issuing shares and/or securities carrying rights to shares, without pre-emptive subscription rights, through a public offer (excluding private placements as defined in paragraph 1° of Article L. 411-2 of the French Monetary and Financial Code) (17 th resolution)	Maximum nominal amount of capital increase(s): €2,500,000	26 months (up to 27/07/2023)
To increase the Company's capital by issuing shares and/or securities carrying rights to shares, without pre-emptive subscription rights, through a private placement as defined in paragraph 1° of Article L. 411-2 of the French Monetary and Financial Code (18 th resolution)	Maximum nominal amount of capital increase(s): €1,500,000	26 months (up to 27/07/2023)
To set the issue price for issues of shares and/or securities carrying rights to shares carried out without pre-emptive subscription rights, subject to a ceiling of 10% of the Company's capital and the ceilings set at the AGM (19 th resolution)	10% of the Company's capital per 12-month period, and subject to the ceilings set at the AGM	26 months (up to 27/07/2023)
To increase the amount of issues carried out with or without pre-emptive subscription rights pursuant to the 16 th to 18 th resolutions (20 th resolution)	15% of the original issue	26 months (up to 27/07/2023)
To set blanket ceilings for issues carried out pursuant to the 16 th , 17 th , 18 th and 20 th resolutions (21 st resolution)	Maximum nominal amount of capital increase(s): €5,000,000 Maximum nominal amount of issues of debt securities: €50,000,000	26 months (up to 27/07/2023)
To increase the Company's capital by capitalising share premiums, reserves, profit or other eligible items (22 nd resolution)	Maximum nominal amount of capital increase(s): €15,000,000	26 months (up to 27/07/2023)
To award free shares/performance shares (existing or newly-issued shares) (23 rd resolution)	3% increase in the nominal amount of the Company's capital at the award date	38 months (up to 27/07/2024)
To issue BSAAR or BSA stock warrants (without pre-emptive subscription rights) to employees and corporate officers of the Company and its subsidiaries (24 th resolution)	€470,046 increase in the nominal amount of the Company's capital	18 months (up to 27/11/2022)
To set a blanket ceiling on issues carried out pursuant to the 23 rd and 24 th resolutions (25 th resolution)	Ceiling: 940,092 shares	Same period as that in the resolution concerned
To increase the Company's capital by issuing shares and/or securities carrying rights to shares to members of a company or Group savings plan. (26 th resolution)	Maximum nominal amount of 1% of the Company's capital at the issue date	26 months (up to 27/07/2023)

FIFTEENTH RESOLUTION – AUTHORISATION TO REDUCE THE COMPANY'S CAPITAL BY CANCELLING TREASURY SHARES

At the 26 June 2020 Annual General Meeting, the shareholders authorised the Board of Directors to cancel, on one or more occasions and at its sole discretion, all or some of the Assystem shares purchased under the share buyback programme and to reduce the Company's capital accordingly. The ceiling on the number of shares cancelled pursuant to this authorisation was 10% of the Company's capital.

In the **fifteenth resolution**, the shareholders are asked to renew this authorisation for a period of 18 months. Under the new authorisation, the total number of shares cancelled in any 24-month period may not represent more than 10% of the Company's capital (as adjusted for any corporate actions carried out subsequent to this Meeting).

SIXTEENTH RESOLUTION – AUTHORISATION TO INCREASE THE COMPANY’S CAPITAL BY ISSUING ORDINARY SHARES AND/OR SECURITIES CARRYING RIGHTS TO SHARES, WITH PRE-EMPTIVE SUBSCRIPTION RIGHTS

In order to finance the Group’s expansion capital expenditure, at the 26 June 2020 Annual General Meeting, the shareholders authorised the Board of Directors to increase the Company’s capital by a maximum nominal amount of €5,000,000, corresponding to approximately 30% of the total capital at 31 December 2019.

This authorisation, which was given for a 26-month period, has not been used.

In the **sixteenth resolution**, the shareholders are invited to give the Board of Directors a new authorisation to increase the Company’s capital by a maximum nominal amount of €5,000,000, corresponding to approximately 30% of the total capital at 31 December 2020, by issuing, on one or more occasions, ordinary shares and/or dilutive hybrid securities. Existing shareholders would have pre-emptive rights to subscribe for the securities issued pursuant to this resolution, *pro rata* to their existing holdings.

This authorisation would be valid for a period of 26 months.

SEVENTEENTH RESOLUTION – AUTHORISATION TO INCREASE THE COMPANY’S CAPITAL BY ISSUING ORDINARY SHARES AND/OR SECURITIES CARRYING RIGHTS TO SHARES, WITHOUT PRE-EMPTIVE SUBSCRIPTION RIGHTS, THROUGH A PUBLIC OFFER (EXCLUDING PRIVATE PLACEMENTS)

In order to finance the Group’s expansion capital expenditure, at the 26 June 2020 Annual General Meeting, the shareholders authorised the Board of Directors to increase the Company’s capital by a maximum nominal amount of €2,500,000.

This authorisation, which was given for a 26-month period, has not been used.

In the **seventeenth resolution**, the shareholders are invited to renew this authorisation for the Board of Directors to increase the Company’s capital by a maximum nominal amount of €2,500,000 by issuing, on one or more occasions, ordinary shares and/or dilutive hybrid securities, without pre-emptive subscription rights for existing shareholders.

This authorisation would be valid for a period of 26 months.

EIGHTEENTH RESOLUTION – AUTHORISATION TO INCREASE THE COMPANY’S CAPITAL BY ISSUING ORDINARY SHARES AND/OR SECURITIES CARRYING RIGHTS TO SHARES, WITHOUT PRE-EMPTIVE SUBSCRIPTION RIGHTS, THROUGH A PRIVATE PLACEMENT

In order to finance the Group’s expansion capital expenditure, at the 26 June 2020 Annual General Meeting the shareholders authorised the Board of Directors to increase the Company’s capital by a maximum nominal amount of €1,500,000.

This authorisation, which was given for a 26-month period, has not been used.

In the **eighteenth resolution**, the shareholders are invited to renew this authorisation for the Board of Directors to increase the Company’s capital by a maximum nominal amount of €1,500,000 by issuing, on one or more occasions, ordinary shares and/or dilutive hybrid securities through a private placement (i.e. an offer to qualified investors or a restricted group of investors), without pre-emptive subscription rights for existing shareholders.

This authorisation would be valid for a period of 26 months.

NINETEENTH RESOLUTION – AUTHORISATION FOR THE BOARD OF DIRECTORS TO SET THE ISSUE PRICE OF ORDINARY SHARES AND/OR OTHER SECURITIES

At the 26 June 2020 Annual General Meeting, the shareholders granted the Board of Directors a 26-month authorisation to set the issue price of ordinary shares and/or securities carrying rights to shares issued, without pre-emptive subscription rights for existing shareholders, through a public offer or a private placement as defined in paragraph 1° of Article L. 411-2 of the French Monetary and Financial Code. Under this authorisation, for issues representing up to 10% of the Company's capital in any given 12-month period, the Board was entitled not to apply the pricing conditions specified in the resolutions concerned and to set the issue price of the securities at an amount at least equal to the weighted average of the prices quoted for the Company's shares over the twenty trading days preceding the pricing date or the start of the public offer period, less a discount of up to 20%.

This authorisation has not been used.

In the **nineteenth resolution**, the shareholders are invited to renew this authorisation for a further 26-month period, i.e. to authorise the Board not to apply the pricing conditions in the seventeenth and eighteenth resolutions and to set the issue price of securities issued in accordance with those resolutions at an amount at least equal to the weighted average of the prices quoted for the Company's shares over the twenty trading days preceding the pricing date or the start of the offer period, less a discount of up to 20%. The new authorisation would be subject to the same ceiling of 10% of the Company's capital in any given 12-month period.

TWENTIETH RESOLUTION – AUTHORISATION FOR THE BOARD OF DIRECTORS TO INCREASE THE AMOUNT OF ISSUES CARRIED OUT WITH OR WITHOUT PRE-EMPTIVE SUBSCRIPTION RIGHTS PURSUANT TO THE SIXTEENTH TO EIGHTEENTH RESOLUTIONS

In the **twentieth resolution**, the shareholders are asked to grant the Board of Directors a 26-month authorisation to increase the amount of issues of ordinary shares and/or other securities carried out, with or without pre-emptive subscription rights for existing shareholders, pursuant to the sixteenth to eighteenth resolutions, provided that the additional shares or securities issued do not represent more than 15% of the original issue.

TWENTY-FIRST RESOLUTION – BLANKET CEILINGS FOR ISSUES CARRIED OUT PURSUANT TO THE SIXTEENTH, SEVENTEENTH, EIGHTEENTH AND TWENTIETH RESOLUTIONS

In the **twenty-first resolution**, the shareholders are invited to set overall ceilings ("blanket ceilings") for the authorisations given in the sixteenth, seventeenth, eighteenth and twentieth resolutions at the following maximum aggregate nominal amounts:

- €5 million for capital increases;
- €50 million for debt securities.

TWENTY-SECOND RESOLUTION – AUTHORISATION FOR THE BOARD OF DIRECTORS TO INCREASE THE COMPANY'S CAPITAL BY CAPITALISING SHARE PREMIUMS, RESERVES, PROFIT OR OTHER ELIGIBLE ITEMS

At the 26 June 2020 Annual General Meeting, the shareholders gave the Board of Directors a 26-month authorisation to increase the Company's capital by a maximum aggregate nominal amount of €15 million by capitalising share premiums, reserves, profit or other eligible items.

This authorisation has not been used.

In the **twenty-second resolution**, the Board of Directors is seeking a new 26-month authorisation to increase the Company's capital by a maximum aggregate nominal amount of €15 million by capitalising share premiums, reserves, profit or other eligible items.

TWENTY-THIRD RESOLUTION – FREE SHARE GRANTS

The purpose of the **twenty-third resolution** is to renew the authorisation given to the Board of Directors in 2020 to grant free shares to employees and executive officers of the Group with a view to making Assystem's compensation packages more attractive. The new authorisation would be given for a period of 38 months and the features of the free share grants would be as follows:

- beneficiaries: employees and/or executive officers;
- ceiling: 3% of the Company's capital (1.5% for executive officers);
- vesting conditions: requirement for the beneficiary to still form part of the Group on the vesting date and/or performance conditions;
- vesting period: minimum of one year (minimum of two years for combined vesting period and lock-up period).

TWENTY-FOURTH RESOLUTION – AUTHORISATION FOR THE BOARD OF DIRECTORS TO ISSUE STOCK WARRANTS TO EMPLOYEES AND CORPORATE OFFICERS

At the 26 June 2020 Annual General Meeting, the shareholders gave the Board of Directors an 18-month authorisation to issue stock warrants (BSAAR and/or BSA) exercisable for a maximum of 470,046 shares, representing 3% of the Company's capital.

This authorisation has not been used.

In the **twenty-fourth resolution**, the Board of Directors is asking the shareholders to renew, for 18 months, the authorisation to issue stock warrants (BSAAR and/or BSA) exercisable for a maximum of 470,046 shares, representing 3% of the Company's capital.

TWENTY-FIFTH RESOLUTION – BLANKET CEILING ON THE NUMBER OF SHARES ISSUED PURSUANT TO THE AUTHORISATIONS GIVEN IN THE TWENTY-THIRD AND TWENTY-FOURTH RESOLUTIONS

In the **twenty-fifth resolution**, the shareholders are invited to set a blanket ceiling on the number of shares issued pursuant to the twenty-third and twenty-fourth resolutions, corresponding to 783,410 shares with a par value of €1 each, i.e. 5% of the Company's capital.

TWENTY-SIXTH RESOLUTION – AUTHORISATION FOR THE BOARD OF DIRECTORS TO ISSUE SECURITIES TO MEMBERS OF A COMPANY OR GROUP EMPLOYEE SAVINGS PLAN

At the 26 June 2020 Annual General Meeting, the shareholders gave the Board of Directors a 26-month authorisation to carry out one or more capital increases by issuing securities to members of a company or Group employee savings plan, subject to a ceiling of 1% of the Company's capital.

This authorisation has not been used.

In the **twenty-sixth resolution**, the Board of Directors is seeking a new 26-month authorisation to carry out one or more capital increases by issuing securities to members of a company or Group employee savings plan, subject to a ceiling of 1% of the Company's capital.

TWENTY-SEVENTH, TWENTY-EIGHTH AND TWENTY-NINTH RESOLUTIONS – AMENDMENTS TO THE COMPANY’S ARTICLES OF ASSOCIATION

In the **twenty-seventh, twenty-eighth and twenty-ninth resolutions**, the shareholders are asked to amend the Company’s Articles of Association in order to align them with recent regulatory changes.

The purpose of the amendments set out in the **twenty-seventh** resolution is to align Article 16 of the Articles of Association with the new numbering of the French Commercial Code introduced by government order 2020-1142 of 16 September 2020 which created a specific new chapter of the French Commercial Code relating to companies whose shares are admitted for trading on a regulated market or a multilateral trading system.

The purpose of the amendments set out in the **twenty-eighth** resolution is to align the Articles of Association with Article L. 821-3 of the French Commercial Code as amended by French Act no. 2016-1691 of 9 December 2016.

The amendments to Article 19 of the Articles of Association set out in the **twenty-ninth** resolution are aimed at updating how voting abstentions are treated at General Meetings of Shareholders, as provided for in French Act no. 2019-744 of 19 July 2019, which simplifies, clarifies and updates company law in France (the so-called “SOLIMI” Act).

7.2.3 ORDINARY AND EXTRAORDINARY RESOLUTION**THIRTIETH RESOLUTION – POWERS TO CARRY OUT FORMALITIES**

The **thirtieth resolution** is a standard resolution giving the necessary powers to carry out legal filing and other formalities after the Annual General Meeting.

7.3 TEXT OF THE PROPOSED RESOLUTIONS**7.3.1 ORDINARY RESOLUTIONS****FIRST RESOLUTION****Approval of the parent company financial statements for the year ended 31 December 2020**

Having considered the Board of Directors’ management report and the Statutory Auditors’ report on the parent company financial statements, the shareholders:

- Approve the parent company financial statements for the year ended 31 December 2020, as presented, together with the transactions reflected in said financial statements and summarised in said reports.
- Approve the amount of non-tax-deductible expenses referred to in the Board of Directors’ report, corresponding to €69,611.

SECOND RESOLUTION**Approval of the consolidated financial statements for the year ended 31 December 2020**

Having considered the Board of Directors’ management report and the Statutory Auditors’ report on the consolidated financial statements, the shareholders approve the consolidated financial statements for the year ended 31 December 2020, as presented, together with the transactions reflected in said financial statements and summarised in said reports.

THIRD RESOLUTION**Discharge given to the Board of Directors for its duties performed in 2020**

The shareholders give full discharge to the members of the Board of Directors for the performance of their duties in the year ended 31 December 2020.

FOURTH RESOLUTION**Appropriation of results for the year ended 31 December 2020 and approval of a dividend payment of one euro per share**

Having noted that:

- the Company recorded a loss of €19,231,922.92 for 2020; and
- the retained earnings account amounts to €393,995,087.37; the shareholders place on record that distributable profit for 2020 totals €374,763,164.45, and in accordance with the Board of Directors’ recommendation, resolve:
- to pay a dividend of one euro (€1) per share for 2020, representing an aggregate payout of €14,808,463, based on the number of shares making up the Company’s capital at 28 February 2021 (excluding the 859,753 shares held in treasury at that date); and
- to appropriate the balance of distributable profit to the retained earnings account, which will subsequently amount to €359,954,701.45

Consequently, the shareholders give full powers to the Board of Directors to proceed with the above dividend payment by 15 July 2021 at the latest.

At the time of the dividend payment, the amount actually paid out will be calculated taking into account the exact number of treasury shares bought back under the share buyback programme. If the number of treasury shares held at the date of the dividend payment is not the

same as at 28 February 2021, the difference will be accounted for by increasing or decreasing the amount allocated to the retained earnings account.

The dividends paid for the last three years were as follows (information disclosed in accordance with Article 243 *bis* of the French General Tax Code).

Year	Amounts eligible for tax relief	
	Dividends	Other distributed profit
2018	€1/share	None
2019	€1/share	None
2020	€1/share	None

FIFTH RESOLUTION

Approval of related-party agreements

Having considered the Statutory Auditors' special report on related-party agreements and commitments governed by Articles L. 225-38 *et seq.* of the French Commercial Code, the shareholders approve the related-party agreements described in said report.

SIXTH RESOLUTION

Approval of the compensation policies for the Company's corporate officers

Having considered the corporate governance report drawn up in accordance with Article L. 225-37 of the French Commercial Code, pursuant to paragraph II of Article L. 22-10-8 of said Code, the shareholders approve the compensation policies for the Company's corporate officers, as described in the 2020 Universal Registration Document (in chapter 4 – Corporate Governance Report, in the section entitled "Compensation of corporate officers").

SEVENTH RESOLUTION

Approval of the compensation policy for the Chairman & CEO

Having considered the corporate governance report drawn up in accordance with Article L. 225-37 of the French Commercial Code, the shareholders approve the compensation policy for the Chairman & CEO, as described in the 2020 Universal Registration Document (in chapter 4 – Corporate Governance Report, in the section entitled "Compensation of corporate officers").

EIGHTH RESOLUTION

Approval of the compensation policy for the Deputy CEO(s)

Having considered the corporate governance report drawn up in accordance with Article L. 225-37 of the French Commercial Code, the shareholders approve the compensation policy for the Deputy CEO(s), as described in the 2020 Universal Registration Document (in chapter 4 – Corporate Governance Report, in the section entitled "Compensation of corporate officers").

NINTH RESOLUTION

Approval of the compensation policy for the non-executive directors

Having considered the corporate governance report drawn up in accordance with Article L. 225-37 of the French Commercial Code, the shareholders approve the compensation policy for the non-executive directors, as described in the 2020 Universal Registration Document (in chapter 4 – Corporate Governance Report, in the section entitled "Compensation of corporate officers").

TENTH RESOLUTION

Approval of the information disclosed in accordance with Article L. 22-10-9 I of the French Commercial Code relating to the compensation of each corporate officer

Having considered the corporate governance report drawn up in accordance with Article L. 225-37 of the French Commercial Code, pursuant to paragraph II of Article L. 22-10-34 of said Code, the shareholders approve the information disclosed about the compensation of each of the Company's corporate officers in accordance with paragraph I of Article L. 22-10-9 of said Code, as described in the 2020 Universal Registration Document (in chapter 4 – Corporate Governance Report, in the section entitled "Compensation of corporate officers").

ELEVENTH RESOLUTION

Approval of the compensation and benefits paid during, or allocated for, the year ended 31 December 2020 to the Chairman & CEO, Dominique Louis

Having considered the corporate governance report drawn up in accordance with Article L. 225-37 of the French Commercial Code, pursuant to paragraph II of Article L. 22-10-34 of said Code, the shareholders approve the compensation and benefits paid during, or allocated for, the year ended 31 December 2020 to the Chairman & CEO, Dominique Louis, as described in the 2020 Universal Registration Document (in chapter 4 – Corporate Governance Report, in the section entitled “Compensation of corporate officers”).

TWELFTH RESOLUTION

Approval of the compensation and benefits paid during, or allocated for, the year ended 31 December 2020 to the CFO & Deputy CEO, Philippe Chevallier

Having considered the corporate governance report drawn up in accordance with Article L. 225-37 of the French Commercial Code, pursuant to paragraph III of Article L. 22-10-34 of said Code, the shareholders approve the compensation and benefits paid during, or allocated for, the year ended 31 December 2020 to the CFO & Deputy CEO, Philippe Chevallier, as described in the 2020 Universal Registration Document (in chapter 4 – Corporate Governance Report, in the section entitled “Compensation of corporate officers”).

THIRTEENTH RESOLUTION

Authorisation for the Board of Directors to carry out a share buyback programme

Having considered the Board of Directors’ report, the shareholders:

- Grant the Board of Directors an authorisation – which may be delegated as provided for by law – to buy back Assystem shares on behalf of the Company, either directly or indirectly, in accordance with Articles L. 22-10-62 and L. 225-210 *et seq.* of the French Commercial Code and market practices approved by the French securities regulator (Autorité des marchés financiers – AMF).

- Resolve that under this share buyback programme, shares may be purchased, sold or otherwise transferred by any method in accordance with the applicable stock market regulations and market practices approved by the AMF, and notably:

- through public purchase or exchange offers;

- through the use of options or other forward financial instruments traded via regulated markets, multilateral trading facilities, systematic internalisers or over the counter, through the allocation of shares on conversion, redemption exchange or exercise of securities carrying rights to the Company’s shares, or by any other method, either directly or via an investment services provider;

- through block trades (without limitation) or via multilateral trading facilities or systematic internalisers.

- Resolve that the shares purchased under the buyback programme may be used for the following purposes:

- to maintain the liquidity of the Company’s shares under a liquidity contract entered into with an investment services provider that complies with a Code of Conduct recognised by the AMF;

- to honour obligations associated with stock option and/or free share/performance share plans, employee savings schemes or other share allotments made to employees and executive officers of the Company or related companies;

- for allocation on exercise of rights attached to securities redeemable, convertible, exchangeable or otherwise exercisable for the Company’s shares;

- to be held and subsequently used in exchange or as payment in connection with external growth transactions, in accordance with market practices approved by the AMF;

- for subsequent cancellation, subject to the adoption of and the conditions set out in the fifteenth resolution below; or

- more generally, for any purpose that may be authorised by law in the future or any market practice that may be permitted by the market authorities in the future, provided that in such a case the Company notifies its shareholders by way of a press release.

- Set the maximum per-share purchase price (excluding fees and transaction costs) at €32 and the maximum amount that the Company may invest in the share buyback programme at €12,500,000. The maximum per-share purchase price may, however, be adjusted in order to take into account any corporate actions carried out while this authorisation is in force (including a bonus share issue paid up by capitalising reserves or a stock-split or reverse stock-split).

- Resolve that the number of shares purchased under the buyback programme may not exceed 10% of the total number of shares making up the Company’s capital at any given time (as adjusted for any

corporate actions carried out subsequent to this Meeting). When shares are bought back to maintain the liquidity of the Company's shares in compliance with the AMF's General Regulations, the number of shares taken into account to calculate this 10% ceiling will correspond to the number of shares purchased less the number of shares sold during the period covered by this authorisation. In addition, the number of shares purchased for subsequent delivery as payment or in exchange for shares in another company in connection with a merger, demerger or asset transfer may not represent more than 5% of the total number of shares making up the Company's capital.

- Give full powers to the Board of Directors – which may be delegated as provided for by law – to use this authorisation, and notably to (i) decide when to launch the buyback programme and set the applicable terms and conditions, (ii) place any and all buy and sell orders, (iii) sign any sale or transfer deeds, (iv) enter into any and all agreements, including liquidity contracts and option contracts, (v) allocate the purchased shares to the various specified purposes, (vi) carry out any and all filings with the AMF and any other organisation, and (vii) generally do whatever is necessary.

This authorisation is given for a period of 18 months as from the date of this Meeting and supersedes the unused portion of any authorisation previously granted to the Board of Directors for the same purpose.

FOURTEENTH RESOLUTION

Re-appointment of a Statutory Auditor

Having considered the Board of Directors report, and having noted that KPMG's term as one of the Company's Statutory Auditors and Michel Piette's term as the Company's Substitute Auditor are due to expire at the close of this Annual General Meeting, in accordance with the Board of Directors' recommendation, the shareholders:

- Resolve to re-appoint KPMG as a Statutory Auditor for a six-year term expiring at the close of the Annual General Meeting to be called to approve the financial statements for the year ending 31 December 2026.

- Resolve not to re-appoint Michel Piette as Substitute Auditor, as companies are no longer legally required to appoint a Substitute Auditor when the Statutory Auditor is not an individual person or a single-member company.

7.3.2 EXTRAORDINARY RESOLUTIONS

FIFTEENTH RESOLUTION

Authorisation for the Board of Directors to reduce the Company's capital by cancelling shares purchased under the share buyback programme

Having considered the reports of the Board of Directors and the Statutory Auditors, and subject to the adoption of the thirteenth resolution above, the shareholders:

- Authorise the Board of Directors, in accordance with Article L. 22-10-62 of the French Commercial Code, to cancel, on one or more occasions,

all or some of the Assystem shares bought back by the Company, and to reduce the Company's capital accordingly. The total number of shares cancelled in any 24-month period may not represent more than 10% of the Company's capital, as adjusted, where necessary, for any corporate actions carried out subsequent to this Meeting.

- Resolve that any difference between the buyback price and the par value of the cancelled shares will be charged against the share premium account or any other available reserves, including the legal reserve, provided that the legal reserve is not reduced to below 10% of the Company's capital after the capital reduction.

- Grant the Board of Directors full powers – which may be delegated as provided for by law – to carry out the capital reduction(s) by cancelling shares, and notably to (i) determine the amount and terms and conditions of the capital reduction(s), (ii) place on record the capital reduction(s), (iii) charge the difference between the carrying amount of the cancelled shares and their par value against the share premium account or any other available reserves, (iv) more generally, undertake any and all actions, formalities and filings required to complete the capital reduction(s) carried out pursuant to this authorisation, and (v) amend the Company's Articles of Association to reflect the new capital.

This authorisation is given for a period of 18 months as from the date of this Meeting and supersedes any authorisation previously granted for the same purpose.

SIXTEENTH RESOLUTION

Authorisation for the Board of Directors to increase the Company's capital – on an immediate or deferred basis – by issuing ordinary shares and/or equity securities carrying rights to other equity securities of the Company or to the allocation of debt securities and/or securities carrying rights to new shares, with pre-emptive subscription rights for existing shareholders

Having considered the reports of the Board of Directors and the Statutory Auditors and having noted that the Company's capital is fully paid up, in accordance with Articles L. 225-129 to L. 225-129-6, L. 225-132 to L. 225-134, L. 228-91, L. 228-92, L. 228-93 and L. 22-10-49 of the French Commercial Code, the shareholders:

- Grant the Board of Directors an authorisation – which may be delegated as provided for by law – to increase the Company's capital by issuing, on one or more occasions, (i) ordinary shares of the Company, and/or (ii) equity securities carrying rights to other equity securities of the Company or to the allocation of debt securities, and/or (iii) securities (including any and all debt securities) carrying rights to new shares of the Company or of any entity that directly or indirectly owns over half of the Company's capital or in which the Company directly or indirectly owns over half of the capital. The Board of Directors or its duly authorised representative will have full discretionary powers to determine the amount and timing of such issue(s), which may be carried out in France or abroad and may be denominated in euros, foreign currency or any monetary unit determined by reference to a basket of currencies. The issue(s) may be paid up either in cash or by capitalising receivables.

- Expressly note that this authorisation may not be used to issue preference shares.
- Resolve that the aggregate nominal amount of any capital increase(s) carried out pursuant to this authorisation – on an immediate or deferred basis – may not exceed €5,000,000 (representing approximately 30% of the Company's capital at the date of this Meeting), it being specified that this ceiling does not include the par value of any additional shares that may be issued to protect, in accordance with the applicable laws and regulations and any contractual stipulations, the rights of holders of securities and other instruments carrying rights to the Company's shares.
- Resolve that the aggregate nominal amount of any capital increase(s) carried out pursuant to this authorisation will be included in the blanket ceiling for capital increases set in the twenty-first resolution below or in any subsequent resolution adopted for the same purpose during the period in which this authorisation is valid.
- Resolve that the aggregate nominal amount of debt securities carrying rights to shares that may be issued pursuant to this authorisation may not exceed €50,000,000 (or the equivalent of this amount for issues denominated in foreign currency), it being specified that this ceiling:
 - does not include any above-par redemption premiums;
 - is included in the blanket ceiling set in the twenty-first resolution below or in any subsequent resolution adopted for the same purpose during the period in which this authorisation is valid;
 - is separate to and does not include the amount of any debt securities referred to in Articles L. 228-40, L. 228-36-A and paragraph 3 of Article L. 228-92 of the French Commercial Code whose issue may be decided or authorised by the Board of Directors in accordance with either (i) the conditions provided for in Article L. 228-40 of said Code, or (ii) the conditions determined by the Company in compliance with Article L. 228-36-A of said Code.
- Resolve that the shareholders will have pre-emptive rights to subscribe for the ordinary shares and/or other securities issued pursuant to this resolution, which may be exercised in accordance with the applicable laws and regulations.
- Resolve that if certain shareholders elect not to exercise their pre-emptive rights, the Board of Directors may offer the unsubscribed securities to the other shareholders, with each shareholder having the right to acquire the number of securities applied for unless the issue is oversubscribed, in which case the securities will be allocated *pro rata* to shareholders' existing interests.
- Resolve that if any issue is not taken up in full by shareholders exercising their above-mentioned pre-emptive rights, the Board of Directors may take one or more of the following courses of action, in the order of its choice:
 - limit the amount of the issue to the subscriptions received, provided that at least three-quarters of the issue is taken up;
 - freely allocate all or some of the unsubscribed securities;
 - offer all or some of the unsubscribed securities for subscription on the open market.
- Resolve that if warrants to subscribe for the Company's shares are issued they may be offered for cash subscription or allocated among holders of existing shares without consideration. In the latter case, the Board of Directors will have full discretionary powers to decide that rights to fractions of warrants will be non-transferable and non-tradable and that the corresponding warrants will be sold.
- Resolve that the Board of Directors will have full powers to use this authorisation, in accordance with the conditions set down by law, and notably (but not exclusively) to determine (i) the timing and other terms of the issue(s), including the type and characteristics of the securities to be issued (either with or without a premium), (ii) the amounts of the issue(s), (iii) the cum-rights date (which may be retroactive) of the issued securities and the method by which they will be paid up, (iv) the exercise period and exercise price of any rights attached to the issued securities, and (v) the terms and conditions for exercising the rights attached to shares and/or securities carrying rights to shares (i.e. any exchange, conversion, redemption or allocation rights), all within the limits provided for in this resolution.
- Resolve that the Board of Directors will have full powers – which may be delegated – to implement this resolution and to carry out the above-described issue(s), on one or more occasions and at the times and in the amounts it deems appropriate, as well as to suspend any issue where appropriate, enter into any and all agreements in order to complete the planned issue(s), place on record the capital increase(s) resulting from each issue, amend the Company's Articles of Association to reflect the new capital, and more generally:
 - determine, in accordance with the applicable laws, the terms and conditions for making any adjustments to the rights to the Company's shares attached to the securities issued pursuant to this resolution;
 - suspend, where appropriate, the exercise of the rights attached to the securities, for a period not exceeding three months;
 - charge any amounts against the share premium account, particularly issuance costs;
 - decide on and make any adjustments required in accordance with the applicable laws and regulations and any contractual stipulations in order to protect the rights of holders of securities and other instruments carrying rights to the Company's shares;
 - take all necessary measures and carry out all the requisite formalities for listing the issued securities on Euronext Paris or any other market on which the Company's shares are listed at that time.
- Note that if the Board of Directors uses this authorisation, it will report thereon at the following Annual General Meeting in accordance with the applicable laws and regulations.
- Resolve that this authorisation is given for a period of 26 months as from the date of this Meeting and supersedes any authorisation previously granted for the same purpose.

SEVENTEENTH RESOLUTION

Authorisation for the Board of Directors to increase the Company's capital – on an immediate or deferred basis – by issuing ordinary shares and/or equity securities carrying rights to other equity securities of the Company or to the allocation of debt securities and/or securities carrying rights to new shares, without pre-emptive subscription rights for existing shareholders, through a public offer (excluding private placements as defined in paragraph 1° of Article L. 411-2 of the French Monetary and Financial Code)

Having considered the reports of the Board of Directors and the Statutory Auditors, in accordance with Articles L. 225-129 to L. 225-129-6, L.22-10-49 and L. 22-10-51 *et seq.* of the French Commercial Code, and notably Articles L. 22-10-52, L. 22-10-54, L. 228-91 *et seq.*, the shareholders:

- Grant the Board of Directors an authorisation – which may be delegated as provided for by law – to increase the Company's capital by issuing, on one or more occasions, through a public offer, (i) ordinary shares of the Company, and/or (ii) equity securities carrying rights to other equity securities of the Company or to the allocation of debt securities, and/or (iii) securities (including any and all debt securities) carrying rights to new shares of the Company or of any entity that directly or indirectly owns over half of the Company's capital or in which the Company directly or indirectly owns over half of the capital. The Board of Directors or its duly authorised representative will have full discretionary powers to determine the amount and timing of such issue(s), which may be carried out in France or abroad and may be denominated in euros, foreign currency or any monetary unit determined by reference to a basket of currencies. Except for differences in cum-rights dates any new shares issued pursuant to this resolution will rank *pari passu* with existing shares. This authorisation may notably be used to issue ordinary shares or securities carrying rights to ordinary shares as payment for securities tendered to the Company as part of a public exchange offer that complies with the conditions set out in Article L. 22-10-54 of the French Commercial Code (including an offer for securities issued by the Company).

- Expressly note that this authorisation may not be used to issue preference shares.

- Expressly note that this authorisation may not be used to carry out a private placement as defined in paragraph 1° of Article L. 411-2 of the French Monetary and Financial Code (i.e. an offer to qualified investors or a restricted group of investors).

- Resolve that the securities issued pursuant to this authorisation may consist of debt securities, or may be issued jointly with debt securities, or else allow the issue thereof as intermediate securities.

- Resolve to waive shareholders' pre-emptive rights to subscribe for the ordinary shares and/or other securities to be issued pursuant to this authorisation. However, the Board of Directors may offer existing shareholders a priority right to subscribe for all or part of any issue, for a specified period and subject to terms and conditions set by the Board pursuant to Article L. 22-10-51 of the French Commercial Code.

This priority subscription right will not be transferable or tradable and will be exercisable in proportion to shareholders' existing interests. If certain shareholders elect not to exercise this right, the Board may offer the unsubscribed securities to the other shareholders.

- Note that this authorisation automatically entails the waiver by shareholders of their pre-emptive rights to subscribe for any shares to be issued on exercise of the rights to shares attached to any securities issued in accordance with this resolution.

- Resolve that the aggregate nominal amount of any capital increase(s) carried out pursuant to this authorisation – on an immediate or deferred basis – may not exceed €3,000,000 (representing approximately 20% of the Company's capital at the date of this Meeting), it being specified that this ceiling does not include the par value of any additional shares that may be issued to protect, in accordance with the applicable laws and regulations and any contractual stipulations, the rights of holders of securities and other instruments carrying rights to the Company's shares.

- Resolve that the aggregate nominal amount of any capital increase(s) carried out pursuant to this authorisation will be included in the blanket ceiling for capital increases set in the twenty-first resolution below or in any subsequent resolution adopted for the same purpose during the period in which this authorisation is valid.

- Resolve that the aggregate nominal amount of debt securities carrying rights to shares that may be issued pursuant to this authorisation may not exceed €50,000,000 (or the equivalent of this amount for issues denominated in foreign currency), it being specified that this ceiling:

- does not include any above-par redemption premiums;
- is included in the blanket ceiling set in the twenty-first resolution below or in any subsequent resolution adopted for the same purpose during the period in which this authorisation is valid;
- is separate to and does not include the amount of any debt securities referred to in Articles L. 228-40, L. 228-36-A and paragraph 3 of Article L. 228-92 of the French Commercial Code whose issue may be decided or authorised by the Board of Directors in accordance with either (i) the conditions provided for in Article L. 228-40 of said Code, or (ii) the conditions determined by the Company in compliance with Article L. 228-36-A of said Code.

- Resolve that if any issue is not taken up in full, the Board of Directors may, in accordance with the law and in the order of its choice, take one or more of the following courses of action provided for in Article L. 225-134 of the French Commercial Code:

- limit the amount of the issue to the subscriptions received, provided that at least three-quarters of the issue is taken up;
- freely allocate all or some of the unsubscribed securities among the investors of its choice;
- offer all or some of the unsubscribed securities on the open market in France and/or abroad.

- Resolve that the issue price of the shares and other securities that may be issued pursuant to this resolution will be set by the Board of Directors in accordance with Articles L. 225-136-1 and R. 22-10-32 of the French Commercial Code. For information purposes, as at the date of this Meeting, in accordance with the applicable legislation, the issue price of shares issued pursuant to this resolution must correspond to at least the weighted average of the prices quoted for the Company's shares over the three trading days preceding the start of the public offer period, less a potential discount of up to 10% and adjusted for any differences in the cum-rights dates of the new shares. The issue price of securities carrying rights to shares must be set in such a way that the amount received by the Company at the time of issue plus the amount to be received on conversion, exchange, redemption or exercise of said rights is, for each share issued, at least equal to the issue price defined above.

- Resolve that the Board of Directors will have full powers – which may be delegated as provided for by law – to use this authorisation in accordance with the conditions set by law and the Company's Articles of Association, and notably to:

- determine the timing and other terms of the issue(s), including the type and characteristics of the securities to be issued (either with or without a premium);
- set (i) the amounts of the issue(s), (ii) the cum-rights date (which may be retroactive) of the issued securities and the method by which they will be paid up, and (iii) the terms and conditions for exercising the rights attached to shares and/or securities carrying rights to shares (i.e. any exchange, conversion, redemption or allocation rights);
- decide on and make any adjustments required in accordance with the applicable laws and regulations and any contractual stipulations in order to protect the rights of holders of securities and other instruments carrying rights to the Company's shares;
- suspend, where appropriate, the exercise of the rights attached to the securities, for a period not exceeding three months;
- in the case of securities issued as payment for securities of another company tendered as part of a public exchange offer:
 - prepare the list of securities tendered to the offer,
 - set the terms and conditions of issue, the exchange ratio and any balance to be paid in cash, without applying the pricing method described in this resolution,
 - determine how the securities will be issued, and
 - more generally, take all necessary measures, enter into any and all agreements, and apply for the admission to trading of the securities issued pursuant to this resolution.

- Resolve that the Board of Directors may:

- at its sole discretion, and when it deems appropriate, charge the costs and fees resulting from the capital increase(s) carried out in accordance with this resolution against the related premiums and deduct from said premiums the amounts necessary to increase the legal reserve to 10% of the new capital after each operation;
- take any and all decisions relating to the admission to trading of the issued securities on Euronext Paris; and
- more generally, take all necessary measures, enter into any commitments and carry out any formalities required for the successful completion of the issue(s) and the resulting capital increase(s), and amend the Company's Articles of Association to reflect the new capital.

- Resolve that this authorisation is given for a period of 26 months as from the date of this Meeting and supersedes any authorisation previously granted for the same purpose.

EIGHTEENTH RESOLUTION

Authorisation for the Board of Directors to increase the Company's capital – on an immediate or deferred basis – by issuing ordinary shares and/or equity securities carrying rights to other equity securities of the Company or to the allocation of debt securities and/or securities carrying rights to new shares, without pre-emptive subscription rights for existing shareholders, through a private placement (as defined in paragraph 1° of Article L. 411-2 of the French Monetary and Financial Code)

Having considered the reports of the Board of Directors and the Statutory Auditors, in accordance with Articles L. 225-129, L. 225-129-2, L. 22-10-49, L. 22-10-51, L. 22-10-52 and L. 228-91 *et seq.* of the French Commercial Code and paragraph 1° of Article L. 411-2 of the French Monetary and Financial Code, the shareholders:

- Grant the Board of Directors an authorisation – which may be delegated as provided for by law – to increase the Company's capital by issuing, on one or more occasions and without pre-emptive subscription rights for existing shareholders, (i) ordinary shares of the Company, and/or (ii) equity securities carrying rights to other equity securities of the Company or to the allocation of debt securities, and/or (iii) securities (including any and all debt securities) carrying rights to new shares of the Company or of any entity that directly or indirectly owns over half of the Company's capital or in which the Company directly or indirectly owns over half of the capital. The Board of Directors or its duly authorised representative will have full discretionary powers to determine the amount and timing of such issue(s), which may be carried out in France or abroad and may be denominated in euros, foreign currency or any monetary unit determined by reference to a basket of currencies. The issue(s) may be paid up either in cash or by capitalising receivables.

- Expressly note that this authorisation may not be used to issue preference shares.

- Resolve that this authorisation may be used to carry out private placements as defined in paragraph 1° of Article L. 411-2 of the French Monetary and Financial Code (i.e. an offer to qualified investors or a restricted group of investors).

- Resolve that the aggregate nominal amount of any capital increases carried out pursuant to this authorisation – on an immediate or deferred basis – may not exceed either (i) €1,500,000 (representing approximately 10% of the Company's capital at the date of this Meeting), or (ii) the ceiling provided for in the laws and regulations in force at the date of the issue(s). For information purposes, as at the date of this Meeting, issues of equity securities offered under private placements as defined in paragraph 1° Article L. 411-2 of the French Monetary and Financial Code may not exceed 20% of the Company's capital in any given 12-month period, based on the amount of the capital at the date of the Board's decision to carry out the issue(s). Neither of these ceilings include the par value of any additional shares to be issued pursuant to the applicable laws and any contractual stipulations to protect the rights of existing holders of securities and other instruments carrying rights to the Company's shares.

- Resolve that the aggregate nominal amount of any capital increase(s) carried out pursuant to this authorisation will be included in the blanket ceiling for capital increases set in the twenty-first resolution below or in any subsequent resolution adopted for the same purpose during the period in which this authorisation is valid.

- Resolve that the aggregate nominal amount of debt securities carrying rights to shares that may be issued pursuant to this authorisation may not exceed €50,000,000 (or the equivalent of this amount for issues denominated in foreign currency), it being specified that this ceiling:

- does not include any above-par redemption premiums;
- is included in the blanket ceiling set in the twenty-first resolution below or in any subsequent resolution adopted for the same purpose during the period in which this authorisation is valid;
- is separate to and does not include the amount of any debt securities referred to in Articles L. 228-40, L. 228-36-A and paragraph 3 of Article L. 228-92 of the French Commercial Code whose issue may be decided or authorised by the Board of Directors in accordance with either (i) the conditions provided for in Article L. 228-40 of said Code, or (ii) the conditions determined by the Company in compliance with Article L. 228-36-A of said Code.

- Resolve to waive shareholders' pre-emptive rights to subscribe for the ordinary shares and/or other securities issued pursuant to this authorisation, in accordance with the applicable legislation.

- Resolve that if any issue is not taken up in full, the Board of Directors may, in accordance with the law and in the order of its choice,

take one or more of the following courses of action provided for in Article L. 225-134 of the French Commercial Code:

- limit the amount of the issue to the subscriptions received, provided that at least three-quarters of the issue is taken up;
- freely allocate all or some of the unsubscribed securities among the investors of its choice;
- offer all or some of the unsubscribed securities on the open market in France and/or abroad.

- Resolve that the issue price of the shares and other securities that may be issued pursuant to this resolution will be set by the Board of Directors in accordance with Articles L. 225-136-1 and R. 22-10-32 of the French Commercial Code. For information purposes, as at the date of this Meeting, in accordance with the applicable legislation, the issue price of shares issued pursuant to this resolution must correspond to at least the weighted average of the prices quoted for the Company's shares over the three trading days preceding the start of the public offer period, less a potential discount of up to 10% and adjusted for any differences in the cum-rights dates of the new shares. The issue price of securities carrying rights to shares must be set in such a way that the amount received by the Company at the time of issue plus the amount to be received on conversion, exchange, redemption or exercise of said rights is, for each share issued, at least equal to the issue price defined above.

- Note and resolve that this authorisation automatically entails the waiver by shareholders of their pre-emptive rights to subscribe for any shares to be issued on exercise of the rights to shares attached to any securities issued in accordance with this resolution.

- Resolve that the Board of Directors will have full powers – which may be delegated as provided for by law – to use this authorisation in accordance with the conditions set by law and the Company's Articles of Association, and notably to:

- determine the timing and other terms of the issue(s), including the type and characteristics of the securities to be issued (either with or without a premium);
- set (i) the amounts of the issue(s), (ii) the cum-rights date (which may be retroactive) of the issued securities and the method by which they will be paid up, and (iii) the terms and conditions for exercising the rights attached to shares and/or securities carrying rights to shares (i.e. any exchange, conversion, redemption or allocation rights);
- decide on and make any adjustments required in accordance with the applicable laws and regulations and any contractual stipulations in order to protect the rights of holders of securities and other instruments carrying rights to the Company's shares;
- suspend, where appropriate, the exercise of rights attached to the securities, for a period not exceeding three months.

- Resolve that the Board of Directors may:

- at its sole discretion, and when it deems appropriate, charge the costs and fees resulting from the capital increase(s) carried out in accordance with this resolution against the related premiums and deduct from said premiums the amounts necessary to increase the legal reserve to 10% of the new capital after each operation;
- take any and all decisions relating to the admission to trading of the issued securities on Euronext Paris; and
- more generally, take all necessary measures, enter into any commitments and carry out any formalities required for the successful completion of the issue(s) and the resulting capital increase(s), and amend the Company's Articles of Association to reflect the new capital.

- Note that if the Board of Directors uses this authorisation, it will report thereon at the following Annual General Meeting in accordance with the applicable laws and regulations.

- Resolve that this authorisation is given for a period of 26 months as from the date of this Meeting and supersedes any authorisation previously granted for the same purpose.

NINETEENTH RESOLUTION

Authorisation for the Board of Directors to set the issue price for issues of ordinary shares and/or equity securities carrying rights to other equity securities of the Company or to the allocation of debt securities and/or securities carrying rights to new shares, carried out without pre-emptive subscription rights for existing shareholders, subject to a ceiling of 10% of the Company's capital and the ceilings set at the Annual General Meeting

Having considered the reports of the Board of Directors and the Statutory Auditors, in accordance with Article L. 22-10-52 of the French Commercial Code, the shareholders:

- Grant the Board of Directors a 26-month authorisation as from the date of this Meeting – which may be delegated – whereby for issues carried out pursuant to the seventeenth and eighteenth resolutions above, it will have full powers to decide not to apply the pricing conditions provided for in said resolutions and instead to set the issue price of the securities concerned in accordance with the conditions described below. The issues for which the Board of Directors may set the issue price in this way will be subject to a ceiling representing 10% of the Company's capital (as at the issue date) in any given 12-month period. The applicable conditions will be as follows:

- The issue price of ordinary shares must be at least equal to the lower of either: (i) the weighted average of the prices quoted for the Company's shares over the twenty trading days preceding the pricing date, or (ii) the weighted average of the prices quoted for the Company's shares over the twenty trading days preceding the start of the public offer period, less a maximum discount of 20% in both cases. In all circumstances the amount received for each share must be at least equal to the par value. For issues of securities carrying rights to shares, the issue price of the shares resulting from the exercise, conversion or exchange of the rights attached to the securities may be set, at the discretion of the Board, using a calculation formula chosen by the Board and applicable subsequent to the issue of said securities (for example at the time of their exercise, conversion or exchange). In such a case, if the Board deems it appropriate, the above maximum discount may be assessed at the date on which the calculation formula is applied rather than at the pricing date.

- The issue price of securities carrying rights to shares must be set in such a way that the amount received by the Company at the time of issue plus the amount to be received on conversion, exchange, redemption or exercise of said securities is, for each share issued, at least equal to the issue price defined above.

- Resolve that the Board of Directors will have full powers to use this authorisation in accordance with the terms and conditions provided for in the resolution(s) used to carry out the issue(s) concerned.

TWENTIETH RESOLUTION

Authorisation for the Board of Directors to increase the amount of issues of ordinary shares or other securities carried out with or without pre-emptive subscription rights for existing shareholders pursuant to the sixteenth to eighteenth resolutions

Having considered the reports of the Board of Directors and the Statutory Auditors, in accordance with Articles L. 225-129, L. 225-129-2, L. 225-135-1, L. 228-91, L. 228-92 and L. 228-93 of the French Commercial Code, the shareholders:

- Authorise the Board of Directors to increase the number of securities issued in the event of issues carried out with or without pre-emptive subscription rights pursuant to the sixteenth to eighteenth resolutions above, in accordance with the terms and conditions set out in Articles L. 225-135-1 and R. 225-118 of the French Commercial Code (at the date of this Meeting said Articles provide that the additional securities must be issued within thirty days of the close of the original subscription period, at the same price as for the original issue, and may not represent more than 15% of the original issue amount). Any shares issued pursuant to this authorisation will rank *pari passu* with existing shares, except for differences in cum-rights dates.

- Resolve that the nominal amount of any capital increase(s) carried out pursuant to this resolution will be included in the €5,000,000 blanket ceiling set in the twenty-first resolution below for the capital increases that may be carried out under the sixteenth to eighteenth resolutions of this Meeting. This ceiling does not include the nominal amount of any additional shares or other securities that may be issued pursuant to the applicable laws and any contractual stipulations in order to protect the rights of holders of securities and other instruments carrying rights to the Company's shares.

- Note that if the Board of Directors uses this authorisation, it will report thereon at the following Annual General Meeting in accordance with the applicable laws and regulations.

- Resolve that this authorisation is given for a period of 26 months as from the date of this Meeting and supersedes any authorisation previously granted for the same purpose.

TWENTY-FIRST RESOLUTION**Blanket ceilings for issues carried out pursuant to the sixteenth, seventeenth, eighteenth and twentieth resolutions**

Having considered the Board of Directors' report, the shareholders resolve that:

- The aggregate nominal amount of any capital increases carried out pursuant to the authorisations granted in the sixteenth, seventeenth, eighteenth and twentieth resolutions above may not exceed €5,000,000 (representing approximately 30% of the Company's capital at the date of this Meeting). This ceiling does not include the nominal amount of any additional shares or other securities that may be issued pursuant to the applicable laws and any contractual stipulations in order to protect the rights of holders of securities and other instruments carrying rights to the Company's shares.
- The aggregate nominal amount of debt securities that may be issued pursuant to the above-mentioned resolutions may not exceed €50,000,000 (or the equivalent of that amount at the issue date for issues denominated in foreign currency). This amount does not include any above-par redemption premiums and does not apply to any debt securities referred to in Articles L. 228-40, L. 228-36-A and paragraph 3 of Article L. 228-92 of the French Commercial Code whose issue may be decided or authorised by the Board of Directors in accordance with either (i) the conditions provided for in Article L. 228-40 of said Code, or (ii) the conditions determined by the Company in compliance with Article L. 228-36-A of said Code.

TWENTY-SECOND RESOLUTION**Authorisation for the Board of Directors to increase the Company's capital by capitalising share premiums, reserves, profit or other eligible items**

Having considered the Board of Directors' report, in accordance with Articles L. 225-129, L. 225-129-2 and L. 22-10-50 of the French Commercial Code, the shareholders:

- Grant the Board of Directors an authorisation – which may be delegated as provided for by law – to increase the Company's capital on one or more occasions, to be paid up by capitalising all or part of the Company's reserves, profit or share premiums, and to subsequently issue bonus shares and/or raise the par value of existing shares. The Board of Directors will have full powers to determine the timing and terms and conditions of such capital increase(s), which may not exceed an aggregate amount of €15,000,000. This ceiling (i) is separate from the ceilings set for capital increases carried out pursuant to the other resolutions above, and (ii) does not include the par value of any additional shares to be issued pursuant to the applicable laws and any contractual stipulations in order to protect the rights of holders of securities and other instruments carrying rights to the Company's shares.

- Note that the total amount of any capital increases carried out using this authorisation may not exceed the amount of the Company's reserves, share premiums or profit existing at the time of the capital increase(s).

- Resolve that if the Board of Directors uses this authorisation, in compliance with Article L. 22-10-50 of the French Commercial Code, any rights to fractions of shares will be non-transferable and non-tradable and the corresponding shares will be sold in accordance with the applicable regulations, with the proceeds of such sale allocated to the holders of the rights within the timeframe provided for in the regulations in force at that date.

- Give full powers to the Board of Directors to use this authorisation and, more generally, take any and all necessary measures and carry out all the formalities required in order to complete each capital increase.

- Resolve that this authorisation is given for a period of 26 months as from the date of this Meeting and supersedes any authorisation previously granted for the same purpose.

TWENTY-THIRD RESOLUTION**Authorisation for the Board of Directors to grant new or existing shares free of consideration**

Having considered the reports of the Board of Directors and the Statutory Auditors, in accordance with Articles L. 22-10-59 *et seq.* of the French Commercial Code, the shareholders:

- Authorise the Board of Directors to grant, on one or more occasions and free of consideration, existing shares (notably treasury shares purchased under a buyback programme) or new shares of the Company to beneficiaries designated by the Board in accordance with the applicable laws and regulations from among:

- the employees, or certain categories of employees, of the Company and/or of entities or economic interest groupings that are directly or indirectly related to the Company, as defined in Article L. 225-197-2 of the French Commercial Code; or
- executive officers of the Company and/or of entities that are directly or indirectly related to the Company, as defined in Article L. 225-197-2 of the French Commercial Code.

- Resolve that the total number of free shares granted may not represent more than 3% of the Company's capital at the grant date, it being specified that:

- the total number of free shares that may be granted to executive officers who fall within the scope of paragraphs 1 and 2 of Article L. 22-10-59 of the French Commercial Code may not represent more than 1.5% of the total number of free shares granted by the Board of Directors under this resolution;
- any free shares granted to executive officers who fall within the scope of paragraphs 1 and 2 of Article L. 22-10-59 of the French Commercial Code will be subject to the terms and conditions set out in Article L. 22-10-60 of said Code;
- the Board of Directors may adjust the number of shares granted, subject to the ceiling specified above, following any corporate actions that may be carried out; and
- the number of free shares that may be granted under this authorisation will be included in the blanket ceiling set in the twenty-fifth resolution below, but no issue carried out pursuant to this resolution will be included in the blanket ceiling set in the twenty-first resolution above.

- Resolve that the shares granted will vest after a period of at least one year (the "Vesting Period"), provided any pre-defined conditions and criteria set by the Board have been met (notably performance conditions and the condition that the beneficiary remains with the Group during the Vesting Period). The beneficiaries of the vested shares may be required to hold their shares for a period set by the Board of Directors (the "Lock-up Period"). The combined duration of the Vesting Period and any Lock-up Period may not be less than two years.

- Resolve that, as an exception to the above, the shares may vest before the end of the Vesting Period if a beneficiary suffers from a disability classified in the second or third categories provided for in Article L. 341-4 of the French Social Security Code.

- Resolve that in the event of a beneficiary's death or if a beneficiary suffers from a disability classified in one of the above categories of the French Social Security Code, the vested shares will become freely transferable following a request made by the beneficiary in the event of disability or by his or her heirs in the event of death.

- Resolve that the durations of the Vesting Period and any Lock-up Period will be set by the Board in accordance with the above minimum timeframe.

- Note that, in accordance with Article L. 22-10-59 of the French Commercial Code, in the case of grants of new shares, this resolution automatically entails the waiver by existing shareholders of their pre-emptive rights to subscribe for any such shares and that the corresponding capital increase will take place at the end of the applicable Vesting Period.

- Note that this resolution automatically entails the waiver by shareholders of their entitlement to the portion of reserves, profit or share premiums that will be capitalised if new shares are issued at the end of the Vesting Period, and that the Board will have full powers to carry out such issues of new shares.

- Grant the Board of Directors full powers – which may be delegated as provided for by law – to use this authorisation and notably to:

- place on record that there are sufficient reserves to pay up the new shares to be granted, and where necessary, at the time of each grant, transfer the amounts necessary for said purpose to a blocked reserve;
- set any eligibility conditions and draw up a list of the names of the beneficiaries and the number of shares that may be granted free of consideration to each beneficiary subject to the above ceilings;
- set any conditions (notably performance and/or presence conditions) that must be met for the shares to vest at the end of the Vesting Period, it being specified that these conditions may vary from one grant and/or one beneficiary to another;
- take the decision to carry out the corresponding capital increase(s) when the shares granted free of consideration correspond to new shares;
- acquire any shares required for delivering to beneficiaries when the shares granted free of consideration correspond to existing shares;
- take all necessary measures to ensure that the beneficiaries respect any applicable Lock-up Period; and
- more generally, do everything required to use this authorisation, in accordance with the applicable legislation.

- Resolve that this authorisation is given for a period of 38 months as from the date of this Meeting and supersedes any authorisation previously granted for the same purpose.

Each year, the Board of Directors will report to the Annual General Meeting on the share grants made pursuant to this resolution, in accordance with Article L. 225-197-4 of the French Commercial Code.

TWENTY-FOURTH RESOLUTION

Authorisation for the Board of Directors to issue stock warrants (BSAAR and/or BSA) to employees and corporate officers of the Company and its subsidiaries, without pre-emptive subscription rights for existing shareholders

Having considered the reports of the Board of Directors and the Statutory Auditors, in accordance with Articles L. 225-129-2, L. 225-138 and L. 228-91 of the French Commercial Code, the shareholders:

- Grant the Board of Directors an authorisation – which may be delegated as provided for by law – to issue, on one or more occasions, stock warrants ("BSA warrants") and/or redeemable stock warrants ("BSAAR warrants").

- Resolve that the aggregate nominal amount of any capital increases carried out as a result of this authorisation, on an immediate or deferred basis, may not exceed €470,046, corresponding to a maximum of 470,046 shares with a par value of €1 each and representing 3% of the Company's capital. This ceiling does not include the par value of any additional shares to be issued pursuant to the applicable laws and any contractual stipulations to protect the rights of holders of securities and other instruments carrying rights to the Company's shares. The number of BSA and BSAAR warrants that may be issued under this authorisation will be included in the blanket ceiling set in the twenty-fifth resolution below, but no issue carried out under this resolution will be included in the blanket ceiling set in the twenty-first resolution above.

- Resolve to waive the pre-emptive subscription rights of existing shareholders in favour of the employees and corporate officers of the Company and its French and foreign subsidiaries (the "Beneficiaries").

- Authorise, in accordance with Article L. 225-138-I of the French Commercial Code, the Board of Directors to draw up the list of Beneficiaries and to set the maximum number of BSA and/or BSAAR warrants that may be subscribed by each Beneficiary.

- Grant the Board of Directors full powers to determine all of the characteristics of the BSA and BSAAR warrants, notably the subscription price – which will be set based on the opinion of an independent valuer by reference to factors influencing their value (such as exercise price, lock-up period, exercise period, triggering threshold and redemption period, interest rate, dividend payment policy, trading price and volatility of the Company's shares) – as well as the methods of the issue and terms and conditions of the issue contract.

- Resolve that for as long as the Company's shares are listed on Euronext Paris or another stock market, the exercise price of the BSA and BSAAR warrants – which will be set by the Board of Directors at the issue date – must be at least equal to the weighted average of the prices quoted for the Company's shares over the twenty trading days preceding the warrant issue date, it being specified that each BSA or BSAAR warrant will be exercisable for one share of the Company.

- Resolve that this authorisation is given for a period of 18 months as from the date of this Meeting and supersedes any authorisation previously granted for the same purpose.

- Resolve that in accordance with Articles L. 228-91 and L. 225-132 of the French Commercial Code, this authorisation automatically entails the waiver by shareholders of their pre-emptive rights to subscribe for any shares issued on exercise of the BSA or BSAAR warrants.

- Give full powers to the Board of Directors – which may be delegated as provided for by law or the applicable regulations – to:

- issue and allocate the BSA and BSAAR warrants and set their subscription price, exercise conditions and final terms, in accordance with the provisions of this resolution and the ceilings set herein;
- draw up the list of Beneficiaries and determine the number of BSA and/or BSAAR warrants to be granted to each Beneficiary;
- set the issue price of the shares for which the warrants will be exercisable, in accordance with the terms and conditions described above;
- place on record the number of shares issued on exercise of the BSA and BSAAR warrants and undertake, either directly or through an authorised representative, any actions and formalities required to complete any capital increase(s) that may be carried out on exercise of the warrants and amend the Articles of Association to reflect the new capital;
- take all measures required to protect the rights of the holders of BSA and BSAAR warrants in the event of a corporate action relating to the Company, in accordance with the applicable laws and regulations; and
- more generally, carry out all measures and formalities required in order to use this authorisation.

TWENTY-FIFTH RESOLUTION

Blanket ceiling for share issues carried out pursuant to the twenty-third resolution (free share grants) and twenty-fourth resolution (stock warrant issues)

Having considered the reports of the Board of Directors and the Statutory Auditors, the shareholders resolve that the aggregate number of (i) the shares issued for the purpose of granting shares free of consideration pursuant to the twenty-third resolution above and (ii) the shares issued on exercise of warrants issued pursuant to the twenty-fourth resolution above, may not exceed 783,410 shares with a par value of €1 each. This ceiling (i) does not include any additional shares to be issued pursuant to the applicable laws and any contractual stipulations in order to protect the rights of holders of securities or other instruments carrying rights to the Company's shares and (ii) is separate from and not included in the blanket ceiling set in the twenty-first resolution.

TWENTY-SIXTH RESOLUTION

Authorisation for the Board of Directors to increase the Company's capital by issuing shares and/or securities carrying rights to the Company's shares to employees who are members of a company or Group employee savings plan

Having considered the reports of the Board of Directors and the Statutory Auditors, in accordance with Articles L. 225-129-2, L. 225-129-6, L. 225-138 and L. 225-138-1 of the French Commercial Code as well as Articles L. 3332-1 *et seq.* of the French Labour Code, the shareholders:

- Give the Board of Directors full powers – in accordance with Articles L. 225-129 and L. 225-138-1 of the French Commercial Code and Articles L. 3332-1 *et seq.* of the French Labour Code – to increase the Company's capital on one or more occasions by issuing shares and/or securities carrying rights to the Company's shares to employees who are members of an employee savings plan (*Plan d'Épargne d'Entreprise*) set up by the Company or any French or foreign related entity as defined in Article L. 225-180 of the French Commercial Code and Articles L. 3344-1 *et seq.* of the French Labour Code, subject to a ceiling of 1% of the Company's capital as at the date the authorisation is used. This ceiling is separate from and not included in the blanket ceilings set in the twenty-first and twenty-fifth resolutions.

- Resolve that the subscription price of the shares or securities carrying rights to shares will be set in accordance with the conditions and ceilings provided for in the applicable laws and regulations, notably Article L. 3332-19 of the French Labour Code.

- Authorise the Board of Directors to grant the subscribers, free of consideration, new or existing shares or securities carrying rights to shares, in accordance with Article L. 3332-21 of the French Labour Code. The Board of Directors may (i) use such grants to replace all or part of a discount on the issue price in accordance with the ceilings provided for in the applicable laws and regulations, or (ii) deduct the value of such grants from the total amount of an employer's top-up payment, or (iii) use both of the possibilities provided for in (i) and (ii).

- Give full powers to the Board of Directors to use this authorisation and to:

- draw up the list of entities whose employees will be entitled to subscribe for the shares or other securities;
- set the seniority conditions required for employees to subscribe for the issue(s), subject to the limits provided for in the applicable laws, and set the maximum number of shares that may be subscribed for by the employees concerned;
- set the number of new shares to be issued and their cum-rights date;
- set the issue price of the new shares in accordance with the applicable laws, as well as the period during which employees' subscription rights may be exercised;
- set the terms and conditions and timeframes for payment of the subscription price;

- place on record the capital increase(s) and amend the Articles of Association to reflect the new capital;
- if it deems appropriate, charge the issue costs against the related premiums and deduct from the premiums the amount necessary to increase the legal reserve to 10% of the Company's new capital after each issue;
- carry out any and all actions and formalities required in connection with the capital increase(s).

This authorisation automatically entails the waiver by shareholders of their pre-emptive rights to subscribe for any shares or other securities issued pursuant to this resolution.

This authorisation is given for a period of 26 months as from the date of this Meeting and supersedes any authorisation previously granted for the same purpose.

TWENTY-SEVENTH RESOLUTION

Amendment to Article 16 of the Company's Articles of Association

Having considered the Board of Directors' report, the shareholders resolve to amend Article 16 of the Company's Articles of Association entitled "Agreements requiring approval by the Board of Directors" to read as follows (with the amended wording emphasised in bold):

"16.1 Any deposits, guarantees or sureties given by the Company must be authorised by the Board of Directors in accordance with the conditions provided for by law.

16.2 Any agreements entered into directly, or through a third party, between the Company and its Chief Executive Officer, a Deputy Chief Executive Officer, a director, a shareholder holding more than 10% of the Company's voting rights, or if that shareholder is a company, the company that controls the shareholder within the meaning of Article L. 233-3 of the French Commercial Code, are subject to prior approval by the Board of Directors.

The same applies to agreements that indirectly concern any one of the afore-mentioned parties.

The Board's prior approval is also required for any agreements entered into between the Company and another entity if the Company's Chief Executive Officer or any one of its Deputy Chief Executive Officers or directors is the owner, a general partner, legal manager, director, member of the Supervisory Board or, more generally, an executive, of said entity.

Where such prior approval is given, the Board must give its reasons therefor and explain how the agreement is in the Company's interests, notably by setting out the related financial conditions.

Any person directly or indirectly concerned by such an agreement must inform the Board as soon as they are aware of the agreement requiring the Board's prior approval, and may not take part in either the Board's discussions or vote relating to the approval.

The Chairman of the Board of Directors must notify the Company's Statutory Auditor (where a Statutory Auditor has been appointed) of each related-party agreement (as referred to above) that is authorised and entered into, and for each one must provide the reasons why that agreement is in the interests of the Company and has been approved by the Board, in order to enable the Statutory Auditor to draw up the report required in the third paragraph of Article L. 225-40 and Article R. 225-31 of the French Commercial Code.

If the Company has not appointed a Statutory Auditor, the Chairman of the Board of Directors must draft the special report on related-party agreements.

These agreements must be submitted for the shareholders' approval at the Annual General Meeting at which said report is also submitted for approval. Any person directly or indirectly concerned by such an agreement may not take part in the shareholder vote and their shares are not included for the purpose of calculating the applicable majority.

The above provisions do not apply to (i) agreements relating to routine transactions entered into by the Company on arm's length terms, or (ii) agreements relating to transactions entered into between the Company and another entity when either one of the parties directly or indirectly owns all of the share capital of the other party, after deducting the minimum number of shares required to meet the conditions of Article 1832 of the French Civil Code or **Article L. 22-10-2** of the French Commercial Code.

When any related-party agreements as referred to above have been entered into and approved in a prior year and remained in force in the last financial year, the Statutory Auditor (where one has been appointed) must be informed thereof within a month of the year-end. Such agreements are examined each year by the Board of Directors and disclosed to the Statutory Auditor (where one has been appointed) for the purpose of drawing up the report required under the third paragraph of Article L. 225-40 of the French Commercial Code. Said report must state any information useful to shareholders for assessing whether it is in the Company's interests for the agreements to remain in force, as well as the importance of the goods or services provided and the amount of the sums paid or received during the year for the performance of the agreements".

TWENTY-EIGHTH RESOLUTION

Amendment to Article 18 of the Company's Articles of Association

Having considered the Board of Directors' report, the shareholders resolve to amend Article 18 of the Company's Articles of Association entitled "Statutory Auditors" to read as follows (with the amended wording emphasised in bold):

"The Company's financial statements are audited, as provided for by law, by one or more Statutory Auditors that meet the applicable legal eligibility conditions. If the Company meets the conditions whereby it is required by law to have at least two Statutory Auditors, it must appoint at least two Statutory Auditors.

Each Statutory Auditor is appointed by the Company's shareholders in an Ordinary General Meeting.

Where required in accordance with Article L. 823-1 of the French Commercial Code, the shareholders must appoint one or more Substitute Auditors to replace the Statutory Auditors if a Statutory Auditor refuses to carry out their engagement or is prevented from doing so, or in the event of a Statutory Auditor's resignation or death.

If the shareholders do not appoint a Statutory Auditor, any shareholder may apply to a court of law for such appointment be made, with the Chairman of the Board of Directors duly summoned to the proceedings. The term of any court-appointed Statutory Auditor will end when the shareholders appoint one or more Statutory Auditors, as applicable, in an Ordinary General Meeting."

TWENTY-NINTH RESOLUTION

Amendment to Article 19 of the Company's Articles of Association

Having considered the Board of Directors' report, the shareholders resolve to amend Article 19 of the Company's Articles of Association entitled "General Meetings" to read as follows (with the amended wording emphasised in bold):

"General Meetings are called and take place in accordance with the conditions set down by law.

If the Company wishes to call a General Meeting by means of electronic telecommunications instead of sending a notice of meeting by post, it must receive the prior consent of the shareholders concerned, who will provide their electronic address.

General Meetings are held at the Company's registered office or any other location specified in the notice of meeting.

The right to participate in General Meetings is governed by the applicable law and regulations. In particular, in order for a shareholder to participate in a General Meeting their shares must be recorded in their own name or in the name of the bank or broker that manages the shareholder's securities account by 00:00 (Paris time) on the third business day preceding the Meeting. If the shares are held in registered form, they must be recorded in the share register kept by the Company (or its agent) and if they are in bearer form, they must be recorded in a bearer share account kept by an accredited intermediary.

If a shareholder cannot personally attend a General Meeting, he or she may select one of the following three options, each subject to the conditions stipulated in the applicable law and regulations:

- appoint a named proxy under the conditions authorised by the applicable law and regulations;
- vote by correspondence; or
- send a proxy to the Company without indicating a specific named proxy.

Subject to the conditions stipulated by the applicable law and regulations, the Board of Directors may decide that shareholders may participate and vote at General Meetings by videoconference or by other means of telecommunication that enable them to be identified. If the Board of Directors decides to use this option for a General Meeting, the decision must be stated in the preliminary and/or final notice of the meeting concerned. Shareholders taking part in General Meetings by videoconference or by any other means of telecommunication as indicated above, depending on the choice of the Board of Directors, are considered to be in attendance for the purposes of quorum and majority calculations.

General Meetings are chaired by the Chairman of the Board of Directors, or in his or her absence, by the CEO, by a Deputy CEO if he or she is a director, or by a director specifically appointed for this purpose by the Board. Failing this, the General Meeting elects its own Chairman.

The role of the tellers at a General Meeting is carried out by the two shareholders present at the meeting who hold or represent the largest number of voting rights and who agree to take on the role. The meeting officers thus appointed then appoint a Secretary, who need not be a shareholder.

An attendance register containing all of the information provided for by law is kept for each General Meeting.

An Ordinary General Meeting held on first call is only validly constituted if the shareholders present or represented hold at least one fifth of the shares with voting rights. An Ordinary General Meeting held on second call is validly constituted irrespective of the number of shareholders present or represented.

*Resolutions in Ordinary General Meetings are adopted **based on a straight majority of the votes cast by** the shareholders present or represented.*

An Extraordinary General Meeting held on first call is only validly constituted if the shareholders present or represented hold at least one quarter of the shares with voting rights. An Extraordinary General Meeting held on second call is only validly constituted if the shareholders present or represented hold at least one fifth of the shares with voting rights.

*Resolutions in Extraordinary General Meetings are adopted **based on a two-thirds majority of the votes cast by** the shareholders present or represented.*

Copies or extracts of the minutes of General Meetings can be validly certified by the Chairman of the Board of Directors, or by a director serving as Chief Executive Officer, or by the Secretary of the General Meeting concerned.

Ordinary and Extraordinary General Meetings exercise their respective powers in accordance with the conditions stipulated by law."

The remainder of the Article remains unchanged.

7.3.3 ORDINARY AND EXTRAORDINARY RESOLUTION

THIRTIETH RESOLUTION

Powers to carry out formalities

The shareholders give full powers to the bearer of a copy or extract of the minutes of this Meeting to carry out any and all filing and other formalities required by the applicable law and regulations.

7.4 STATUTORY AUDITORS' REPORTS

7.4.1 INFORMATION ABOUT THE STATUTORY AUDITORS' REPORTS

The Statutory Auditors' reports on the parent company and consolidated financial statements are set out in chapter 5, sections 5.3 and 5.5 of this Universal Registration Document.

Any additional reports issued by the Statutory Auditors will be published within the applicable legal timeframes on the Company's website at www.assystem.com, in the "Regulated information" section.

7.4.2 SPECIAL STATUTORY AUDITORS' REPORT ON REGULATED AGREEMENTS

This is a free translation into English of the Statutory Auditors' special report on regulated agreements with third parties that is issued in the French language and is provided solely for the convenience of English speaking readers.

This report on regulated agreements should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France. It should be understood that the agreements reported on are only those provided by the French Commercial Code and that the report does not apply to those related party transactions described in IAS 24 or other equivalent accounting standards.

To the Annual General Meeting of Assystem S.A.,

In our capacity as statutory auditors of your Company, we hereby present our report on the regulated agreements.

Based on the information given to us, it is our responsibility to report to you on the main terms and characteristics and the reasons justifying the interest for the Company of the agreements notified to us, or that we discovered during our audit without having to comment on their appropriateness or on their merits or to look for the existence of other agreements. It is your responsibility, under the terms of Article R.225-31 of the French Commercial Code, to evaluate the benefits resulting from these agreements prior to their approval.

Furthermore, it is our responsibility, as appropriate, to provide you with the information provided in Article R.225-31 of the French Commercial Code relating to the performance, in the past financial year, of agreements already approved by the General Meeting.

We conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors relating to this engagement. These procedures consisted in agreeing the information provided to us with the relevant source documents.

Agreements submitted for approval of the General Meeting

AGREEMENTS AUTHORISED AND ENTERED INTO IN THE PAST FISCAL YEAR

Under the terms of Article L.225-40 of the French Commercial Code, we have been informed of the following agreements entered into during the past fiscal year and which were authorised by the Board of Directors prior to their implementation.

Amendments n° 4 to the re-invoicing contract signed between HDL Development S.A.S. and Assystem S.A. for services being rendered in connection with the strategy definition, management, organisation and control of the Assystem Group

● Interested party:

Dominique Louis, CEO and Director of your Company and the representative of HDL S.A.S., Chairman of HDL Development S.A.S..

● Nature and terms and conditions:

Your Board of Directors held on 30 April 2020 has authorised the signature, on 30 April 2020, of the amendment n° 4 to the re-invoicing contract between HDL Development S.A.S. and your Company for the services rendered by HDL S.A.S. in favour of HDL Development S.A.S in connection with the strategy definition, management, organisation and control of the Assystem Group. Your Board of Directors has justified its decision in consideration of the scale of the strategic services provided to your Company.

These services are remunerated as from 1st January 2020 as follows:

- a fixed fee portion paid amounting to 174,000 euros (tax excluded);
- a variable portion amounting to a maximum of 800,000 euros (tax excluded), based on two criteria assessed by reference to a pro-forma scope of consolidation in order to neutralise the effect of certain changes in the Assystem Group's structure:
 - the growth of the Group's consolidated net sales accounting for two thirds of the maximum amount of the variable portion;
 - the Group's consolidated ROPA (including the share of the Group in the results of the all associated companies excluding Expleo Group) accounting for one third of said maximum amount, the ROPA corresponding to operating profit (including the share of profit of equity-accounted investees whose business is directly related to the business of the Company's fully-consolidated entities) before share-based payment expense (free shares/performance shares and stock options), acquisition costs, capital gains and losses arising on business divestments, and non-recurring income and expenses resulting from unusual, atypical and infrequent events.

Each of these criteria would be determined between a floor (i.e. the level below which the criterion would be deemed not to have been met) and a cap (i.e. the level at which the criterion would be deemed to have been fully met), the exact amount being calculated on a straight-line basis between the two levels.

At its meeting on 16 March 2021, the Board of Directors placed on record that the performance criteria had not been met and therefore decided not to award any variable portion to HDL Development S.A.S. for the year ended 31 December 2020.

RE-INVOICING CONTRACT SIGNED BETWEEN HDL DEVELOPMENT S.A.S. AND ASSYSTEM S.A. FOR SERVICES RENDERED BY AS CONSEIL

● Interested party:

Dominique Louis, CEO and Director of your Company and the representative of HDL S.A.S., Chairman of HDL Development S.A.S..

● Nature and terms and conditions:

Your Board of Directors held on 27 October 2020 has authorised the signature, on 27 October 2020, of a re-invoicing contract between HDL Development S.A.S. and your Company for the services rendered by AS Conseil S.A.S. in favour of HDL Development S.A.S.. AS Conseil is a company wholly-owned by Mr. Stéphane Aubarbier, Chief Operating Officer (COO) of Assystem S.A..

Mr. Stéphane Aubarbier is remunerated for the operational services provided in his capacity of COO through an employment contract signed with your Company. The services rendered to your Company for the definition, the development and the implementation of the Assystem Group's strategy are billed by AS Conseil and are remunerated as from 1st September 2020 as follows:

- a fixed fee portion amounting to 100,000 euros (tax excluded), payable on a pro-rata basis for 2020;
- a variable portion amounting to a maximum annual amount of 134,000 euros (tax excluded) as from 2021, determined based on criteria recommended by the Nominations and Compensation Committee of Assystem S.A. (no variable portion due for the year ended 31 December 2020).

The remuneration charged to your Company by HDL Development S.A.S. in relation to the services provided by AS Conseil in 2020 amounted to 33,300 euros (tax excluded).

RE-INVOICING CONTRACT SIGNED BETWEEN HDL S.A.S. AND ASSYSTEM S.A. FOR ADMINISTRATIVE SUPPORT AND SECRETARIAL SERVICES

● Interested party:

Dominique Louis, CEO and Director of your Company and the representative of HDL S.A.S., Chairman of HDL Development S.A.S..

● Nature and terms and conditions:

Your Board of Directors held on 27 October 2020 has authorised the signature, on 27 October 2020, of a re-invoicing contract between HDL S.A.S. and your Company for the administrative support and secretarial services provided to Mr. Dominique Louis in his capacity of chairman and Chief Executive Officer (CEO) of Assystem S.A.. This agreement became effective as from 1st January 2021.

Your Board of Directors has justified its decision to authorise this agreement in consideration of the fact that a significant portion of the administrative support and of the secretariat of Mr. Dominique Louis, currently incurred by HDL S.A.S., relate to his mandate as chairman and CEO of your Company.

These services will be remunerated for an amount of 50,000 euros per year (tax excluded) as from 1st January 2021.

AGREEMENTS ALREADY APPROVED BY THE GENERAL MEETING

We inform you that we have not been advised of any agreements already approved by the General Meeting in previous fiscal years and which was performed during the past fiscal year.

Paris la Défense, 6 April 2021

The Statutory Auditors

French original jointly signed by Eric ROPERT and Laurent GENIN, KPMG Audit partners and Albert AÏDAN, Deloitte & Associés audit partner



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8.1 MATERIAL CONTRACTS

To date, Assystem has not entered into any material contracts, other than those entered into in the ordinary course of its business, that would give rise to a significant obligation or commitment for the Group as a whole.

8.2 DISCLOSURE OF INTERESTS IN NON-CONSOLIDATED COMPANIES

At the date of this Universal Registration Document, Assystem held a 38.16% interest in Expleo Group and a 5% interest in Framatome.

8.3 STATEMENT BY THE PERSONS RESPONSIBLE FOR THE 2020 UNIVERSAL REGISTRATION DOCUMENT

We hereby state that the information contained in this Universal Registration Document is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

We further state that, to the best of our knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and the

consolidated Group as a whole, and that the management report as referred to in the cross-reference table on page 200 *et seq.* of this Universal Registration Document presents a fair view of the business, results and financial position of the Company and its consolidated entities and contains a description of the main risks and uncertainties to which they are exposed.

Courbevoie, April 6, 2021
French original signed by:

Dominique Louis
Chairman & CEO of Assystem S.A.

Philippe Chevallier
Person in charge of the financial information
CFO & Deputy CEO

8.4 CROSS-REFERENCE TABLES

CROSS-REFERENCE TABLE FOR DISCLOSURES REQUIRED IN ACCORDANCE WITH ANNEX 1 OF EUROPEAN COMMISSION DELEGATED REGULATION (EU) 2019/980 OF 14 MARCH 2019 SUPPLEMENTING REGULATION (EU) 2017/1129 (THE PROSPECTUS REGULATION)

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In accordance with European Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 (the Prospectus Regulation), the following information is incorporated by reference into this Universal Registration Document:

- the consolidated financial statements for the year ended 31 December 2019, the accompanying notes, the Statutory Auditors' report and the related management report, presented in the Universal Registration Document filed with the AMF on 3 April 2020 under number 20-0243 (see: https://www.assystem.com/wp-content/uploads/2020/04/ASS2019_URD_EN_MEL-V2.pdf);
- the consolidated financial statements for the year ended 31 December 2018, the accompanying notes, the Statutory Auditors' report and the related management report, presented in the Registration Document filed with the AMF on 10 April 2019 under number 19-0302 (see: <https://www.assystem.com/wp-content/uploads/2019/04/Registration-document-2018-Assystem.pdf>).

CROSS-REFERENCE TABLE FOR INFORMATION REQUIRED IN THE MANAGEMENT REPORT

The following cross-reference table identifies the information contained in this Universal Registration Document that constitutes Assystem's Management Report, as required in accordance with the applicable laws and regulations and in particular Articles L. 225-100 *et seq.* of the French Commercial Code. Following the press release issued by the AMF on 23 March 2020, the introduction to chapter 2 and chapter 5, section 5.1.4 – Outlook, have been updated subsequent to the 9 March 2020 Board of Directors' meeting at which the Management Report was approved.

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